

**SCHOOL DISTRICT OF THE
BOROUGH OF CLIFFSIDE PARK
COUNTY OF BERGEN, NEW JERSEY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**

**School District
of
BOROUGH OF CLIFFSIDE PARK**

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

**Annual Comprehensive Financial Report
Year Ended June 30, 2024**

Annual Comprehensive Financial Report

of the

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

Year Ended June 30, 2024

Prepared by

**Louis Alfano
Business Administrator/Board Secretary**

CLIFFSIDE PARK PUBLIC SCHOOL DISTRICT
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INTRODUCTORY SECTION

CLIFFSIDE PARK PUBLIC SCHOOLS
THE MUNICIPAL COMPLEX
525 PALISADE AVENUE
CLIFFSIDE PARK, NEW JERSEY 07010

Louis Alfano
Business Administrator/Board Secretary

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October 28, 2024

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

Dear Board Members,

State Department of Education statutes require that all school districts prepare a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the Cliffside Park Board of Education for the fiscal year ended June 30, 2024.

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

The Cliffside Park Board of Education's financial statements have been audited by Wielkottz and Company, LLC, a firm of licensed certified public accountants and public school accountants. The goal of the independent audit was to provide reasonable assurance the financial statements Cliffside Park Board of Education for the fiscal year ended June 30, 2024, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Cliffside Park Board of Education was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The

standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards and state financial assistance. These reports are available in the Single Audit Section of the Cliffside Park Board of Education's ACFR.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's discussion and Analysis (MD&A). This letter of transmittal is designed to compliment the MD&A and should be read in conjunction with it. The Cliffside Park Board of Education's MD&A can be found immediately following the independent auditors' report.

REPORTING ENTITY AND ITS SERVICES: The Cliffside Park School District is an independent reporting entity within the criteria adopted by Governmental Accounting Standards Board (GASB) as established by GASB No. 14. All funds of the District are included in this report. The Cliffside Park Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade level PK through 12. These include regular, vocational as well as special education for disabled youngsters. The District completed the 2023/2024 fiscal year with 3,091 students, which is 20 students more than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Percent Change</u>
2009-2010	2,760	4.2
2010-2011	2,740	(2.0)
2011-2012	2,779	1.4
2012-2013	2,839	2.1
2013-2014	2,901	2.1
2014-2015	2,968	2.2
2015-2016	3,000	1.1
2016-2017	3,074	2.5
2017-2018	3,164	2.9
2018-2019	3,154	(.03)
2019-2020	3,203	1.5
2020-2021	3,107	(3.0)
2021-2022	2,994	(3.7)
2022-2023	3,071	2.5
2023-2024	3,091	0.65

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

MAJOR INITIATIVES: The Cliffside Park Board of Education is committed to providing a comprehensive educational program that aligns with the unique potential of every child in our community. We believe in accepting each individual as they are and offering a stimulating environment with diverse learning opportunities. Our educational approach aims to foster behavioral changes that support successful life adjustments. Beyond addressing the specific needs of our students, our high school prepares them for college, technical schools, and other professional paths. We offer a range of college-level courses in sciences, mathematics, foreign languages, and social studies, alongside numerous accelerated and advanced placement options across all subjects.

Cliffside Park holds accreditation from the New Jersey Department of Education. Our students consistently achieve above state and national averages on standardized tests and have a strong record of acceptance into colleges across the United States.

We offer a comprehensive range of educational support services to all students, including guidance counseling, on-site health services with certified nurses at each school, a full Child Study Team, and a PK through 12 Multilingual Learner (ML) program.

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

EARLY CHILDHOOD: Cliffside Park will continue offering full-day Pre-K handicap programs, as well as half-day programs for general education students.

MATH CURRICULUM: Our math curriculum at Cliffside Park School District is based on the Envision Mathematics 2.0 series, aligned with the NJSL Content Standards. This series emphasizes open-ended questions and critical thinking problems, which are integral to state assessments.

READING CURRICULUM: The Cliffside Park School District utilizes the Pearson Reading series, aligned with the NJSL Content Standards, with a strong emphasis on writing and literacy. This series enables our teachers to effectively address the diverse needs of students across all levels. The District remains committed to a balanced literacy curriculum.

GIFTED AND TALENTED: Cliffside Park Schools offer a Gifted and Talented program focused on computer technology and STEM. Beginning with pull-out sessions from grades three through six, the program continues to enrich students' experiences through middle and high school (grades 8-12) via advanced placement and other accelerated courses.

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

PROFESSIONAL DEVELOPMENT: The District's teaching staff are currently engaged in professional development across various areas including reading and writing literacy, technology integration, teacher evaluations, substance abuse prevention programs, violence/vandalism prevention strategies, Conquer Math initiatives, and affirmative action guidelines.

INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives

are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual budgets are adopted for the General, Special Revenue and Debt Service Funds. The final budget amounts as amended for the fiscal year are reflected in the financial section.

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

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

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

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

DEBT ADMINISTRATION: On July 15, 1999 the District issued \$5,400,000 of bonds to finance a capital improvement referendum approved by the District's voters on December 8, 1998 which were refunded on July 15, 2006. At June 30, 2024 \$0 of the school bonds were outstanding.

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

RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents and fidelity bonds. The District provides its employee full medical insurance through traditional health insurance plan.

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

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

Respectfully submitted,

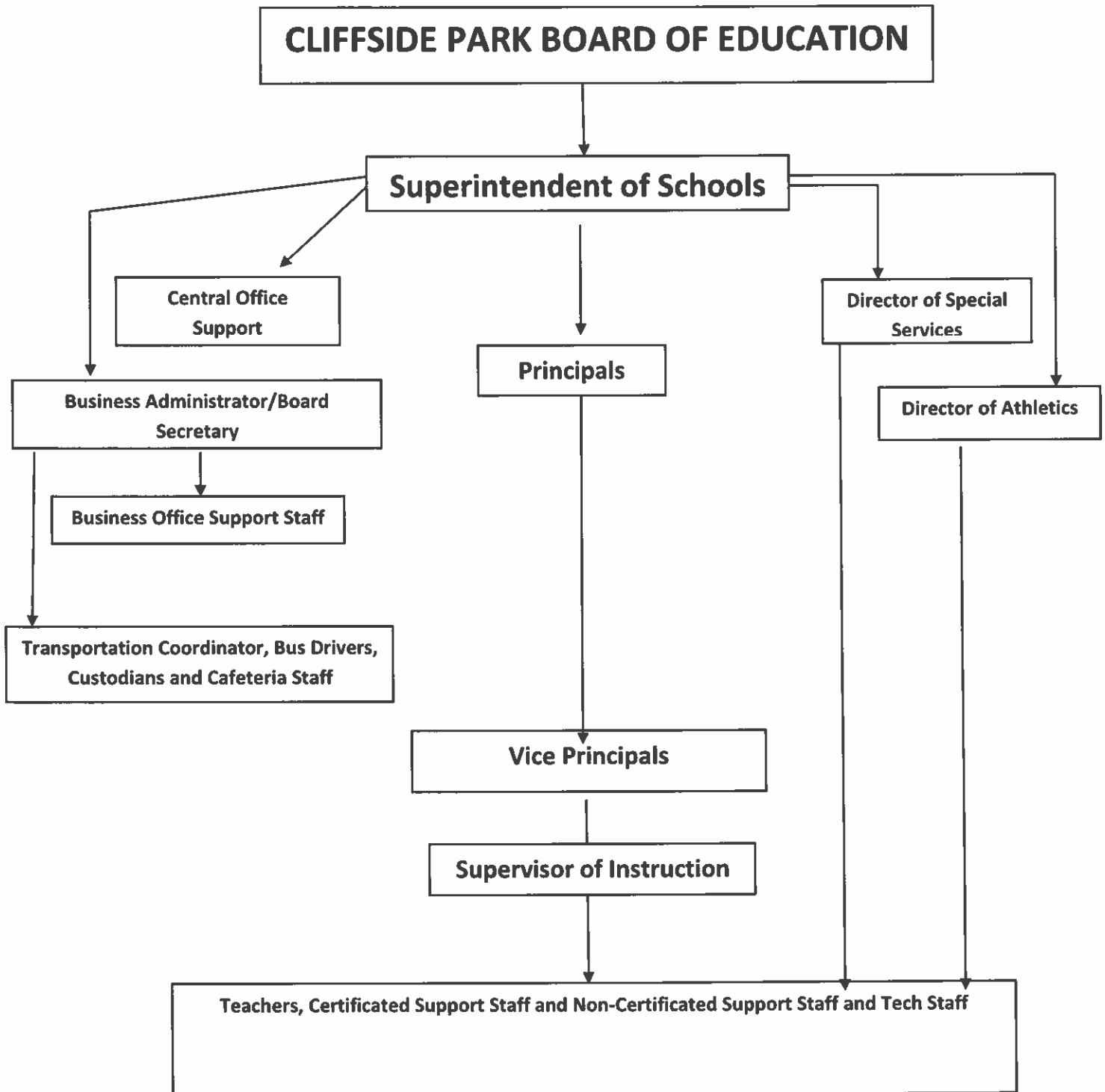


Dr. Mark Hayes
Interim Superintendent of Schools



Louis Alfano
Business Administrator
Board Secretary

ORGANIZATIONAL CHART



CLIFFSIDE PARK BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2024

Members of the Board of Education

Term Expires

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

Other Officials

Dr. Mark Hayes, Interim Superintendent of Schools

Louis Alfano, Business Administrator/Board Secretary

Frank Berardo, Treasurer of School Moneys

Bryan Yannuzzi, Fairview Representative

Fogarty & Hara, Board Attorney

CLIFFSIDE PARK BOARD OF EDUCATION

CONSULTANTS & ADVISORS

June 30, 2024

Attorney

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

District Auditor

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

Official Depositories

TD BANK NORTH
354 Palisade Avenue
Cliffside Park, NJ 07010

FINANCIAL SECTION



WIELKOTZ & COMPANY ^{LLC}

CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
DAVID BOTTGE, CPA, RMA, PSA
PAUL J. CUVA, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Board of Education of the Borough of Cliffside Park School District, in the County of Bergen, State of New Jersey, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities and each major fund of the Borough of Cliffside Park Board of Education, in the County of Bergen, State of New Jersey, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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



with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedules Related to Accounting and Reporting for Pensions, and Other Post Employment Benefits identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have



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

Other Information

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

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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



Honorable President and
Members of the Board of Education
Page 5.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2024 on our consideration of the Borough of Cliffside Park Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Cliffside Park Board of Education's internal control over financial reporting and compliance.

Steven D. Wielkotz

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

Wielkotz & Company, LLC

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

October 28, 2024



**REQUIRED SUPPLEMENTARY
INFORMATION - PART I**

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

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The discussion and analysis of the Borough of Cliffside Park Board of Education's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the Districts' financial performance as a whole and should not be interpreted as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the District's revenues and expenditures by the program for the General Fund, Special Revenue Fund, Debt Service Fund and Enterprise Fund.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Cliffside Park Board of Education exceeded its liabilities, and deferred inflows of resources at the close of the fiscal year by \$22,300,323. (Net Position).
- In total, net position increased \$2,172,647. Net position of the governmental activities increased by \$2,657,026 and net position of business-type activities decreased by \$484,379.
- General revenues accounted for \$49,372,860 in revenue or 68 percent of all governmental and business-type activities revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$22,656,041 or 32 percent of total revenues of \$72,028,901.
- The School District had \$67,434,731 in expenses related to governmental activities; only \$20,732,953 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (entitlements and property taxes) of \$49,358,804 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 \$15,137,162.
- The General Fund fund balance at June 30, 2024 was \$14,918,620, an increase of \$1,405,315 compared to the ending fund balance at June 30, 2023 of \$13,513,305.
- The General Fund unassigned budgetary fund balance at June 30, 2024 was \$389,809 which represents a decrease of \$253,336 compared to the ending unassigned budgetary fund balance at June 30, 2023 of \$643,145. The decrease is primarily due to the increase of deferred state aid.

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

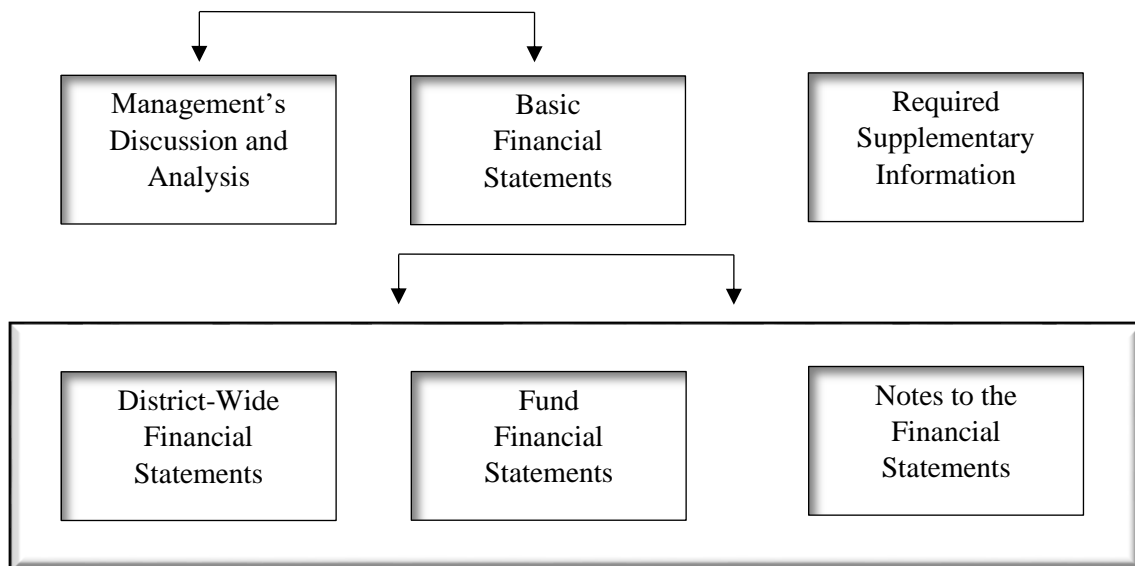
**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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



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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS, (continued)

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

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular and special education and building maintenance	Activities the district operates similar to private businesses: Enterprise fund	Instances in which the district administers resources on behalf of someone else, such as custodial accounts
Required Financial Statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Fund Net Position Statement of Cash Flows	Statements of Fiduciary Net Position Statement of Changes In Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/ Deferred Outflows/ Inflows of Resources/ Liability Information	All assets, deferred outflows/inflows of resources and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be utilized and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term funds do not currently contain capital assets
Type of Inflow/ Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

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

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

USING THIS ANNUAL REPORT

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

District-Wide Financial Statements

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

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

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

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

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

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

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

USING THIS ANNUAL REPORT, (continued)

Fund Financial Statements

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

Governmental Funds

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

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

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

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

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

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

USING THIS ANNUAL REPORT, (continued)

Proprietary Funds

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

Notes to the Financial Statements

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

Other Information

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

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

DISTRICT-WIDE FINANCIAL ANALYSIS

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

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

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

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

The School District's net position was \$22,300,323 at June 30, 2024 and \$20,127,676 at June 30, 2023. Restricted items of net position are reported separately to show legal constraints that limit the School District's ability to use those items of net position for day-to-day operations. Our analysis below focuses on the net position for 2024 compared to 2023 (Table 1) and change in net position (Table 2) of the School District.

Table 1

**Net Position
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Assets						
Current and Other Assets	\$16,851,257	\$14,550,931	(\$121,667)	\$307,816	\$16,729,590	\$14,858,747
Non-Current Assets:						
Capital Assets (net)	16,014,012	15,299,603	153,236	162,363	16,167,248	15,461,966
Right to Use Leased Assets,						
Net of Amortization	<u>1,028,177</u>	<u>1,672,486</u>	<u> </u>	<u> </u>	<u>1,028,177</u>	<u>1,672,486</u>
Total Assets	<u>\$33,893,446</u>	<u>\$31,523,020</u>	<u>\$31,569</u>	<u>\$470,179</u>	<u>\$33,925,015</u>	<u>\$31,993,199</u>
Deferred Outflows						
Deferred Outflows of Resources						
Related to PERS	<u>\$116,575</u>	<u>\$1,108,515</u>	<u> </u>	<u> </u>	<u>\$116,575</u>	<u>\$1,108,515</u>
Total Deferred Outflows	<u>\$116,575</u>	<u>\$1,108,515</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$116,575</u>	<u>\$1,108,515</u>
Liabilities						
Current Liabilities	\$2,409,681	\$1,492,504	\$31,569	\$5,800	\$2,441,250	\$1,498,304
Noncurrent Liabilities	<u>9,728,899</u>	<u>10,108,760</u>	<u> </u>	<u> </u>	<u>9,728,899</u>	<u>10,108,760</u>
Total Liabilities	<u>\$12,138,580</u>	<u>\$11,601,264</u>	<u>\$31,569</u>	<u>\$5,800</u>	<u>\$12,170,149</u>	<u>\$11,607,064</u>
Deferred Inflow of Resources						
Deferred Inflows of Resources						
Related to PERS	<u>620,118</u>	<u>1,386,974</u>	<u> </u>	<u> </u>	<u>620,118</u>	<u>1,386,974</u>
Total Deferred Inflows	<u>\$620,118</u>	<u>\$1,386,974</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$620,118</u>	<u>\$1,386,974</u>
Net Position						
Invested in Capital Assets	\$17,042,189	\$16,972,089	\$	\$162,363	\$17,042,189	\$17,134,452
Restricted	14,747,353	13,100,635			14,747,353	13,100,635
Unrestricted	<u>(9,489,219)</u>	<u>(10,429,427)</u>	<u> </u>	<u>322,016</u>	<u>(9,489,219)</u>	<u>(10,107,411)</u>
Total Net Position	<u>\$22,300,323</u>	<u>\$19,643,297</u>	<u>\$</u>	<u>\$484,379</u>	<u>\$22,300,323</u>	<u>\$20,127,676</u>

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

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Changes in Net Position:

The District's total net position \$2,172,647 over the course of the 2023-2024 fiscal year (See Table 2). Net position invested in capital assets decreased \$92,263 due to current fiscal year depreciation, offset by capital asset additions and paydown of right to use leased assets, offset by amortization. Restricted net position increased \$1,646,718 as a result of net increases in the capital reserve and encumbrances, offset by a net decrease in unemployment and student activities. Unrestricted net position increased \$618,192 primarily due to the changes in compensated absences payable, net position liability, deferred inflows and outflows of resources related to pensions, unexpected budget appropriations and an excess in state reviews.

Table 2 below shows the changes in net position for fiscal year 2024 compared to 2023.

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues						
Program Revenues:						
Charges for Services and						
Sales	\$406,827	\$386,737	\$675,665	\$621,869	\$1,082,492	\$1,008,606
Operating Grants and						
Contributions	20,258,982	4,325,511	1,247,423	1,231,413	21,506,405	5,556,924
Capital Grants and						
Contributions	67,144	2,263,865			67,144	2,263,865
General Revenues:						
Taxes:						
Property Taxes	38,490,205	37,735,495			38,490,205	37,735,495
Federal and State Aid						
Not Restricted		14,474,704			0	14,474,704
Tuition Received	9,522,022	8,842,427			9,522,022	8,842,427
Miscellaneous Income	1,434,384	1,096,175			1,434,384	1,096,175
Other Financing Sources/(Uses)	<u>(87,807)</u>	<u>(44,124)</u>	<u>14,056</u>	<u>41,424</u>	<u>(73,751)</u>	<u>(2,700)</u>
Total Revenues and Transfers	<u>\$70,091,757</u>	<u>\$69,080,790</u>	<u>\$1,937,144</u>	<u>\$1,894,706</u>	<u>\$72,028,901</u>	<u>\$70,975,496</u>

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

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Functions/Program Expenses						
Instruction:						
Regular	\$19,258,614	\$18,139,759	\$	\$	\$19,258,614	\$18,139,759
Special Education	9,491,149	8,765,710			9,491,149	8,765,710
Other Special Education	1,577,403	1,282,852			1,577,403	1,282,852
Other Instruction	1,049,950	911,493			1,049,950	911,493
Support Services:						
Tuition	3,435,529	3,338,095			3,435,529	3,338,095
Student & Instruction						
Related Services	7,225,953	7,512,393			7,225,953	7,512,393
General Administrative						
Services	1,229,484	1,245,647			1,229,484	1,245,647
School Administrative						
Services	2,235,812	2,193,783			2,235,812	2,193,783
Central Services and Admin.						
Information Technology	1,416,915	1,199,057			1,416,915	1,199,057
Plant Operations and						
Maintenance	3,687,037	3,155,539			3,687,037	3,155,539
Pupil Transportation	2,301,271	2,629,370			2,301,271	2,629,370
Unallocated Benefits	12,694,108	12,133,877			12,694,108	12,133,877
Food Service			2,120,376	1,879,738	2,120,376	1,879,738
After School Program			301,147	190,590	301,147	190,590
Charter Schools	32,960	45,358			32,960	45,358
Interest on Long-Term Debt	74,012	94,438			74,012	94,438
Unallocated Depreciation	1,322,257	1,688,926			1,322,257	1,688,926
Capital Outlay -						
Nondepreciable	<u>402,277</u>	<u>325,609</u>	<u> </u>	<u> </u>	<u>402,277</u>	<u>325,609</u>
Total Expenses and Transfers	<u>67,434,731</u>	<u>64,661,906</u>	<u>2,421,523</u>	<u>2,070,328</u>	<u>69,856,254</u>	<u>66,732,234</u>
Increase or (Decrease) in						
Net Position	<u>\$2,657,026</u>	<u>\$4,418,884</u>	<u>(\$484,379)</u>	<u>(\$175,622)</u>	<u>\$2,172,647</u>	<u>\$4,243,262</u>

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

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental Activities

Net position from the District's governmental activities increased by \$2,657,026 during the fiscal year. However, maintaining existing programs, the provision of multitude of special programs/services for student with special needs and the cost of employee benefits has places demands on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health. Increasing parental and student demands for new activities and programs must be evaluated thoroughly.

Table 3 presents the costs of six major District activities: instruction, pupil and instructional services, administrative and business, maintenance and operations, transportation, and other. The table also shows each activity's net costs (total cost less fees generated by the activities and intergovernmental aid provided for specific program). The net cost shows the financial burden places on the District's taxpayers by each of these functions.

Table 3
Net Cost of Governmental Activities
Year Ended June 30,

	Total Cost of Services		Net Cost of Services	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Instruction	\$31,377,116	\$29,099,814	\$21,032,122	\$20,999,839
Pupil and Instruction Services	10,661,482	10,850,488	8,877,035	8,638,121
Administrative and Business	4,882,211	4,638,487	4,882,211	4,638,487
Maintenance and Operations	3,687,037	3,155,539	2,762,420	2,230,044
Transportation	2,301,271	2,629,370	1,978,228	2,306,057
Other	<u>14,525,614</u>	<u>14,288,208</u>	<u>7,169,762</u>	<u>4,398,541</u>
Total	<u>\$67,434,731</u>	<u>\$64,661,906</u>	<u>\$46,701,778</u>	<u>\$43,211,089</u>

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

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental and Business -Type Activities

As reported in the Statement of Activities the cost of all of our governmental and business-type activities this year was \$69,856,253. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$38,490,205 because some of the cost was paid by those who benefitted from the programs \$1,082,492, by other governments and organizations who subsidized certain programs with grants and contributions \$21,506,404, tuition received \$9,522,022, and by miscellaneous sources \$1,434,384.

The following schedules present a summary of governmental fund revenues and expenditures for the fiscal year ended June 30, 2024, and the amount and percentage of increases/(decreases) relative to the prior year.

Schedule of Change in Governmental Fund Revenue and Expenditures

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2023</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Local Source	\$49,860,582	65.5%	\$1,771,007	3.68%	48,089,575
State Source	22,528,947	29.6%	2,681,416	13.51%	19,847,531
Federal Source	<u>3,724,945</u>	<u>4.9%</u>	<u>(2,697,933)</u>	-42.01%	<u>6,422,877</u>
Total	<u>\$76,114,474</u>	<u>100%</u>	<u>\$1,754,490</u>	2.36%	<u>\$74,359,983</u>
<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2023</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Current Expenditures:					
Instruction	\$29,194,950	39.1%	\$1,749,754	6.38%	27,445,195
Undistributed	42,980,732	57.6%	1,245,285	2.98%	41,735,447
Debt Service	605,737	0.8%	1	100.00%	605,736
Capital Outlay	<u>1,851,866</u>	<u>2.5%</u>	<u>(2,301,027)</u>	-55.41%	<u>4,152,893</u>
Total	<u>\$74,633,285</u>	<u>100.0%</u>	<u>\$694,013</u>	0.94%	<u>\$73,939,271</u>

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

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS

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

During the fiscal year ended June 30, 2024, the School District amended the budgets of these major governmental funds several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditure item to the district but is required to be reflected in the financial statements.
- During the fiscal year ended June 30, 2024, the School District amended the special revenue fund by \$2,398,008 for increases in local and federal, and decreases in state grants.

General Fund

The general fund actual revenue was \$72,092,630. That amount is \$13,377,953 above the final amended budget of \$58,714,677. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$13,106,876 for TPAF pension and social security reimbursements, an excess in other state and federal aid of \$67,774 and \$203,303 excess in miscellaneous anticipated revenues.

The actual expenditures of the general fund were \$70,435,520 including transfers which is \$3,588,325 above the final amended budget of \$66,847,195. The variance between the actual expenditures and final budget was due to non-budget on-behalf payments of \$13,106,876 for TPAF pension and social security reimbursements, and \$9,518,551 of unexpended budgeted funds.

General fund had total revenues and other financing sources of \$72,092,630 and total expenditures of \$70,435,520 and an ending fund balance 15,706,747 on the budgetary basis of accounting.

Special Revenue Fund

The special revenue fund actual revenue was \$4,312,909. That amount is \$147,826 below the final amended budget of \$4,460,735. The variance between the actual revenues and the final budget was state and federal grant revenue that was anticipated to be spent by fiscal year end and the inclusion of student activity funds. The state and federal grant revenue will be received/realized in the next fiscal year.

The actual expenditures of the special revenue fund were \$4,324,842, which is \$135,893 below the final amended budget of \$4,460,735. The variance between the actual expenditures and the final budget was due to the anticipation of fully expending state and federal grant programs and the inclusion of student activity accounts. Expenditures will be incurred in the next fiscal year.

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

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2024 the School District had \$37,339,392 invested in sites, buildings, equipment, construction in progress and right to use leased assets. Of this amount \$20,143,967 in depreciation/amortization has been taken over the years. We currently have a net book value of \$17,195,425. Total additions for the year were \$303,644, the majority of which was for various technology and office equipment, transportation equipment, food service equipment and improvements to the District's facilities. Table 3 shows fiscal year 2024 balances compared to 2023.

**Table 4
Capital Assets at June 30,
(Net of Depreciation/Amortization)**

	<u>Governmental Activities</u>		<u>BusinessType Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land	\$188,668	\$188,668			\$188,668	\$188,668
Construction in Progress	1,227,462	840,902			1,227,462	840,902
Buildings and Improvements	11,206,950	10,814,757			11,206,950	10,814,757
Furniture, Equipment and Vehicles	925,683	946,268	153,236	162,363	1,078,919	1,108,631
Land Improvements	2,465,249	2,509,008			2,465,249	2,509,008
Right to Use Leased Assets	<u>1,028,177</u>	<u>1,672,486</u>	<u> </u>	<u> </u>	<u>1,028,177</u>	<u>1,672,486</u>
	<u>\$17,042,189</u>	<u>\$16,972,089</u>	<u>\$153,236</u>	<u>\$162,363</u>	<u>\$17,195,425</u>	<u>\$17,134,452</u>

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

Debt Administration

At June 30, 2024, the District had \$9,728,899 of outstanding debt. Of this amount, \$770,882 is for compensated absences; \$1,604,126 represents the lease liability for the rental of modulars; and \$7,353,891 is for net pension liability.

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

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

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

The following factors were considered in preparing the 2024-2025 fiscal year budget:

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

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

REQUESTS FOR INFORMATION

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

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

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	4,484,087	149,939	4,634,026
Receivables, net	3,499,423	56,371	3,555,794
Internal balances	354,687	(354,687)	-
Inventory		26,710	26,710
Restricted assets:			
Capital reserve account - cash	7,643,395		7,643,395
Unemployment compensation account - cash	266,891		266,891
Payroll deductions and withholdings account - cash	384,232		384,232
Student activity accounts - cash	218,542		218,542
Capital assets:			
Land and construction in progress	1,416,130		1,416,130
Other capital assets, net	14,597,882	153,236	14,751,118
Right to use leased assets, net of amortization	1,028,177		1,028,177
Total Assets	<u>33,893,446</u>	<u>31,569</u>	<u>33,925,015</u>
Deferred Outflow of Resources:			
Deferred Outflows of Resources Related to PERS	<u>1,165,575</u>		<u>1,165,575</u>
Total Deferred Outflows	<u>1,165,575</u>	<u>-</u>	<u>1,165,575</u>
	<u>35,059,021</u>	<u>31,569</u>	<u>35,090,590</u>
LIABILITIES			
Deficit cash and cash equivalents		3,292	3,292
Accounts payable and accrued liabilities	1,856,997	28,277	1,885,274
Payable to federal government	683		683
Payable to state government	3,026		3,026
Unearned revenue	164,743		164,743
Payroll deductions and withholdings payable	384,232		384,232
Noncurrent liabilities:			
Due within one year	530,018		530,018
Due beyond one year	9,198,881		9,198,881
Total liabilities	<u>12,138,580</u>	<u>31,569</u>	<u>12,170,149</u>
Deferred Inflow of Resources:			
Deferred Inflows of Resources Related to PERS	<u>620,118</u>		<u>620,118</u>
Total Deferred Inflows	<u>620,118</u>	<u>-</u>	<u>620,118</u>
	<u>12,758,698</u>	<u>31,569</u>	<u>12,790,267</u>
NET POSITION			
Net investment in capital assets	17,042,189	153,236	17,195,425
Restricted for:			
Special Revenue	218,542		218,542
Other purposes	14,528,811		14,528,811
Unrestricted (Deficit)	<u>(9,489,219)</u>	<u>(153,236)</u>	<u>(9,642,455)</u>
Total net position	<u>22,300,323</u>	<u>-</u>	<u>22,300,323</u>

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

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Activities
Fiscal Year Ended June 30, 2024

Functions/Programs	Expenses	Indirect Expenses Allocation	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	17,804,816	1,453,798		5,084,426		(14,174,188)		(14,174,188)
Special education	8,978,383	512,766		5,260,568		(4,230,581)		(4,230,581)
Other special instruction	1,448,365	129,038				(1,577,403)		(1,577,403)
Other instruction	996,611	53,339				(1,049,950)		(1,049,950)
Support services:								
Tuition	3,435,529			800,890		(2,634,639)		(2,634,639)
Health Services	481,215	42,293				(523,508)		(523,508)
Student & instruction related services	6,380,962	321,483	406,827 *	576,730		(5,718,888)		(5,718,888)
General administrative services	1,199,211	30,273				(1,229,484)		(1,229,484)
School administrative services	2,056,008	179,804				(2,235,812)		(2,235,812)
Central services and administrative information technology	1,335,850	81,065				(1,416,915)		(1,416,915)
Plant operations and maintenance	3,546,465	140,572		924,617		(2,762,420)		(2,762,420)
Pupil transportation	2,156,744	144,527		323,043		(1,978,228)		(1,978,228)
Unallocated benefits	12,694,108			7,288,708		(5,405,400)		(5,405,400)
Charter Schools	32,960					(32,960)		(32,960)
Capital outlay - non-depreciable	402,277				67,144	(335,133)		(335,133)
Interest on long-term debt	74,012					(74,012)		(74,012)
Unallocated depreciation/amortization	1,322,257 (D)					(1,322,257)		(1,322,257)
Total governmental activities	64,345,773	3,088,958	406,827	20,258,982	67,144	(46,701,778)	-	(46,701,778)
Business-type activities:								
Food Service	2,120,376		431,345	1,247,423	-	(441,608)	(441,608)	(441,608)
After School Program	301,147		244,320			(56,827)	(56,827)	(56,827)
Total business-type activities	2,421,523		675,665	1,247,423	-	(498,435)	(498,435)	(498,435)
Total primary government	66,767,296		1,082,492	21,506,405	67,144	(46,701,778)	(498,435)	(47,200,213)
General revenues:								
Taxes:								
Levied for general purposes						38,490,205		38,490,205
Tuition received						9,522,022		9,522,022
Transportation fees from other LEA's						836,501		836,501
Miscellaneous income						597,883		597,883
Other Financing Sources/(Uses)						(87,807)	14,056	(73,751)
Total general revenues, special items, extraordinary items and transfers						49,358,804	14,056	49,372,860
Change in Net Position						2,657,026	(484,379)	2,172,647
Net Position—beginning						19,643,297	484,379	20,127,676
Net Position—ending						22,300,323	-	22,300,323

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

* Student Activity revenue is reported as "charges for services"; scholarship revenue is reported as "operating grants and contributions"
(D) - Unallocated depreciation excludes direct depreciation expenses of the various programs

FUND FINANCIAL STATEMENTS

CLIFFSIDE PARK BOARD OF EDUCATION
Balance Sheet
Governmental Funds
June 30, 2024

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents			
Checking	4,484,087		4,484,087
Accounts Receivable -			
Interfunds	974,475		974,475
Intergovernmental - State	893,241	24,648	917,889
Intergovernmental - Federal		737,649	737,649
Intergovernmental - Other	1,843,885		1,843,885
Restricted cash and cash equivalents			
Capital reserve	7,643,395		7,643,395
Unemployment compensation	266,891 *		266,891
Payroll withholdings and deductions	384,232 *		384,232
Student Activities		218,542 *	218,542
	<u>16,490,206</u>	<u>980,839</u>	<u>17,471,045</u>
Total assets			
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	1,111,882	49,529	1,161,411
Intergovernmental accounts payable - State		3,026	3,026
Intergovernmental accounts payable - Federal		683	683
Payroll deductions and withholdings payable	384,232 **		384,232
Interfund payables		619,788	619,788
Unearned revenue	75,472	89,271	164,743
	<u>1,571,586</u>	<u>762,297</u>	<u>2,333,883</u>
Total liabilities			
Fund Balances:			
Restricted for:			
Excess Surplus - current year	1,049,258		1,049,258
Excess Surplus - prior year - designated for subsequent year's expenditures	1,035,825		1,035,825
Capital reserve account	7,643,395		7,643,395
Unemployment Compensation	266,891		266,891
Student Activities		218,542	218,542
Assigned to:			
Year-end Encumbrances	4,533,442		4,533,442
Unassigned:			
General Fund	389,809		389,809
	<u>14,918,620</u>	<u>218,542</u>	<u>15,137,162</u>
Total Fund balances			
Total liabilities and fund balances	<u>16,490,206</u>	<u>980,839</u>	

CLIFFSIDE PARK BOARD OF EDUCATION

Balance Sheet
Governmental Funds
June 30, 2024

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$31,332,208 and the accumulated depreciation is \$15,318,196	16,014,012
Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Right to use assets at historical cost	5,632,412
Accumulated amortization	(4,604,235)
Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds	(5,075)
Accounts payable for subsequent Pension payment is not a payable in the funds	(690,511)
Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred outflows of resources related to PERS Pension Liability	1,165,575
Deferred inflows of resources related to PERS Pension Liability	(620,118)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 6)	(9,728,899)
Net position of governmental activities	<u>22,300,323</u>

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

* Include former fiduciary fund cash and cash equivalents

** Include payroll deductions payable and flexible benefits liabilities (flex spending has no net position, only liabilities)

*** Include unspent employee payroll unemployment contributions

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
Local sources:			
Municipal tax levy	38,490,205		38,490,205
Tuition charges	9,522,022		9,522,022
Transportation fees from other LEAs	836,501		836,501
Miscellaneous	597,883	7,144	605,027
Student Group Receipts		406,827 *	406,827
Total - Local Sources	49,446,611	413,971	49,860,582
State sources	22,277,482	251,465	22,528,947
Federal sources	116,742	3,608,203	3,724,945
Total revenues	71,840,835	4,273,639	76,114,474
EXPENDITURES			
Current:			
Regular instruction	17,771,591		17,771,591
Special education instruction	5,755,445	3,222,938	8,978,383
Other special instruction	1,448,365		1,448,365
School sponsored/other instructional	996,611		996,611
Support services and undistributed costs:			
Tuition	3,435,529		3,435,529
Health services	481,215		481,215
Student & instruction related services	5,356,651	995,490 **	6,352,141
General administrative services	1,199,211		1,199,211
School administrative services	2,042,479		2,042,479
Central services & administrative information technology	1,335,850		1,335,850
Plant operations and maintenance	3,564,808		3,564,808
Pupil transportation	2,156,744		2,156,744
Unallocated benefits	9,272,919		9,272,919
On-behalf contributions	13,106,876		13,106,876
Transfer to charter schools	32,960		32,960
Debt service:			
Principal	530,018		530,018
Interest and other charges	75,719		75,719
Capital outlay	1,784,722	67,144	1,851,866
Total expenditures	70,347,713	4,285,572	74,633,285
Excess (Deficiency) of revenues	1,493,122	(11,933)	1,481,189
OTHER FINANCING SOURCES (USES)			
Transfers out	(20,229)		(20,229)
Unemployment claim payments	(67,578)		(67,578)
Total other financing sources and uses	(87,807)	-	(87,807)
Net change in fund balances	1,405,315	(11,933)	1,393,382
Fund balance—July 1	13,513,305	230,475	13,743,780
Fund balance—June 30	14,918,620	218,542	15,137,162

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

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

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

CLIFFSIDE PARK BOARD OF EDUCATION
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Fiscal Year Ended June 30, 2024

Total net change in fund balances - governmental funds (from B-2) 1,393,382

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

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

	Depreciation expense	(789,608)	
	Non-depreciable capital outlay - Construction in Progress	1,227,462	
	Depreciable Capital outlays	<u>276,555</u>	
			714,409

Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.

	Accumulated amortization	<u>(644,309)</u>	(644,309)
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Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. In the current year, these amounts consist of:

	Right to Use Lease Liability	<u>530,018</u>	530,018
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In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation. (+)

	Right to Use Leases - Prior Year	6,782	
	Right to Use Leases	<u>(5,075)</u>	
			1,707

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

	Increase in compensated absences payable		(61,835)
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District pension contributions are reported as expenditures in the governmental funds when made.

However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for change in deferred

	District Pension Contributions	678,571	
	Plus: Pension Benefit	<u>45,083</u>	
	(Increase)/Decrease in Pension Expense		723,654

Per GASB No. 68, Non-employer contributing entities are required to record any increases in revenue and expense for On-behalf TPAF pension payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements.

	Decrease in On-behalf State Aid TPAF Pension		(6,183,961)
	Decrease in On-behalf TPAF Pension Expense		6,183,961

Per GASB No. 75 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF post employment medical payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements

	Increase in On-behalf State Aid TPAF Post Employment Medical Revenue		249,051
	Increase in On-behalf State Aid TPAF Post Employment Medical Expense		(249,051)

			<u><u>2,657,026</u></u>
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Change in net position of governmental activities

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

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-type Activities - Enterprise Fund		
	Food Service Program	After School Program	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	149,939		149,939
Accounts receivable:			
State	2,357		2,357
Federal	54,014		54,014
Inventories	26,710		26,710
Total current assets	<u>233,020</u>	<u></u>	<u>233,020</u>
Noncurrent assets:			
Capital assets:			
Equipment	358,312	16,460	374,772
Less accumulated depreciation	<u>(208,368)</u>	<u>(13,168)</u>	<u>(221,536)</u>
Total capital assets (net of accumulated depreciation)	<u>149,944</u>	<u>3,292</u>	<u>153,236</u>
Total assets	<u>382,964</u>	<u>3,292</u>	<u>386,256</u>
Current Liabilities:			
Deficit in cash and cash equivalents		3,292	3,292
Interfunds Payable	354,687		354,687
Accounts Payable	28,277		28,277
Total Liabilities	<u>382,964</u>	<u>3,292</u>	<u>386,256</u>
NET POSITION			
Invested in capital assets	149,944	3,292	153,236
Unrestricted	<u>(149,944)</u>	<u>(3,292)</u>	<u>(153,236)</u>
Total net position	<u></u>	<u></u>	<u></u>

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

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Fiscal Year Ended June 30, 2024

	Business-type Activities - Enterprise Fund		
	School Nutrition	After School Program	Totals
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	398,669		398,669
Daily sales - non-reimbursable programs	32,676		32,676
Program Fees		244,320	244,320
Total operating revenues	431,345	244,320	675,665
Operating expenses:			
Cost of food - reimbursable programs	712,795		712,795
Cost of food - non-reimbursable programs	102,251		102,251
Salaries	871,010	279,395	1,150,405
Employee benefits	203,281	18,160	221,441
Supplies and materials	47,249	300	47,549
Purchased services	104,642		104,642
Depreciation expense	26,751	3,292	30,043
Repairs and other expenses	52,397		52,397
Total Operating Expenses	2,120,376	301,147	2,421,523
Operating income (loss)	(1,689,031)	(56,827)	(1,745,858)
Nonoperating revenues (expenses):			
State sources:			
School lunch program	23,919		23,919
School lunch program NJEIE	6,753		6,753
Breakfast program	3,024		3,024
Breakfast program NJEIE	1,819		1,819
Breakfast after the bell program	9,495		9,495
Federal sources:			
National school lunch program	728,772		728,772
Snack program	27,343		27,343
Breakfast program	248,199		248,199
Supply Chain Assistance Funding	74,316		74,316
Local Food for School Cooperative Agreement Program	10,553		10,553
P-EBT	3,256		3,256
U.S.D.A. Commodities	109,974		109,974
Total nonoperating revenues (expenses)	1,247,423		1,247,423
Income (loss) before contributions & transfers	(441,608)	(56,827)	(498,435)
Other financing sources/(uses):			
Asset Retired Prior to Full Depreciation	(6,173)		(6,173)
Transfer In	8,279	11,950	20,229
Change in net assets	(439,502)	(44,877)	(484,379)
Total net position—beginning	439,502	44,877	484,379
Total net position—ending			

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

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Cash Flows
Proprietary Funds
Fiscal Year Ended June 30, 2024

	Business-type Activities - Enterprise Fund		
	Food Service Program	After School Program	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	423,598	244,320	667,918
Payments to suppliers	(1,757,140)	(297,855)	(2,054,995)
Net cash provided by (used for) operating activities	(1,333,542)	(53,535)	(1,387,077)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	45,085		45,085
Federal Sources	1,105,638		1,105,638
Board Contribution	4,581		4,581
Net cash provided by (used for) non-capital financing activities	1,155,304		1,155,304
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(27,089)		(27,089)
Net cash provided by (used for) capital and related financing activities	(27,089)		(27,089)
Net increase (decrease) in cash and cash equivalents	(205,327)	(53,535)	(258,862)
Balances—beginning of year	355,266	38,293	393,559
Balances—end of year	149,939	(15,242)	134,697
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	(1,689,031)	(56,827)	(1,745,858)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation and net amortization	26,751	3,292	30,043
Food Distribution Program	109,974		109,974
Increase (decrease) in interfunds	194,222		194,222
(Increase) decrease in inventories	2,065		2,065
Increase (decrease) in accounts payable	22,477		22,477
Total adjustments	(1,333,542)	(53,535)	(1,387,077)
Net cash provided by (used for) operating activities	(1,333,542)	(53,535)	(1,387,077)

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

NOTES TO THE FINANCIAL STATEMENTS

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

A. Description of the School District and Reporting Entity

The Board of Education ("Board") of the Borough of Cliffside Park School District ("District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Borough of Cliffside Park School District is a Type II district located in the County of Bergen, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members and a Borough of Fairview Representative, all elected to three-year terms. The purpose of the District is to educate students in grades Pre-K–12. A superintendent is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

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

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

B. Basis of Presentation

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Currently the District does not have any fiduciary funds.

District-wide Financial Statements

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

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

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

Fund Financial Statements

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

GOVERNMENTAL FUNDS

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

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

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

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

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

GOVERNMENTAL FUNDS, (continued)

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

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

PROPRIETARY FUNDS

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

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

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

FIDUCIARY FUNDS

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

C. Measurement Focus

District-wide Financial Statements

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

Fund Financial Statements

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

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

D. Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

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

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

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

Expenses/Expenditures

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

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

E. Budgets/Budgetary Control

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

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

E. Budgets/Budgetary Control (continued)

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

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

F. Encumbrances

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

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

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

G. Cash, Cash Equivalents and Investments

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

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

Additionally, the Board has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

G. Cash, Cash Equivalents and Investments (continued)

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

H. Tuition Revenues/Receivable

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

I. Inventories

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

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

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

K. Short-Term Interfund Receivables/Payables

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

L. Capital Assets

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

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

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

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

M. Compensated Absences

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

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

N. Unearned Revenue

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

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

O. Accrued Liabilities and Long-term Obligations

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

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

P. Interfund Activity

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

Q. Accounting and Financial Reporting for Pensions

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

Q. Accounting and Financial Reporting for Pensions (continued)

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

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

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

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

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

R. Bond Discounts/Premiums

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

S. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to pension.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify in this category, deferred amounts related to pension and unamortized bond premiums.

T. Right to Use Assets

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

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Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

U. Fund Balances

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

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

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

V. Net Position

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

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

W. Operating Revenues and Expenses

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

X. Extraordinary and Special Items

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

Y. Allocation of Indirect Expenses

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

Z. Use of Estimates

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

AA. New Accounting Standards

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

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

GASB Statement No. 101, Compensated Absences, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

In December 2023, the Government Accounting Standards Board issued GASB Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the District.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS:

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2024, \$-0- of the District's bank balance of \$14,389,379 was exposed to custodial credit risk.

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

Investments

Investment Rate Risk

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

Credit Risk

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

Concentration of Credit Risk

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

NOTE 3. RECEIVABLES:

Receivables at June 30, 2024, consisted of accounts receivable and intergovernmental receivables. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial <u>Statements</u>	Enterprise <u>Fund</u>	District Wide Financial <u>Statements</u>
Interfunds	\$974,475	\$	\$
State Aid	917,889	2,357	920,246
Federal Aid	737,649	54,014	791,663
Other Receivables	<u>1,843,885</u>	<u> </u>	<u>1,843,885</u>
Gross Receivables	4,473,898	56,371	3,555,794
Less: Allowance for Uncollectibles	<u> </u>	<u> </u>	<u> </u>
Total Receivables, Net	<u>\$4,473,898</u>	<u>\$56,371</u>	<u>\$3,555,794</u>

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 4. INTERFUND BALANCE AND ACTIVITY:

Balances due to/from other funds at June 30, 2024 consist of the following:

\$619,788 Due to the General Fund from the Special Revenue Fund for short term loans.

354,687 Due to the General Fund from the Cafeteria Fund for expense reimbursement.

\$974,475

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

Interfund transfers for the year ended June 30, 2024 consisted of the following:

\$8,279 Transfer from the General Fund to the Food Service Fund for expense reimbursement.

11,950 Transfer from the General Fund to the After School Program for expense reimbursement.

\$20,229

NOTE 5. CAPITAL ASSETS:

Capital asset activity for the fiscal year ended June 30, 2024 was as follows:

	Balance 6/30/2023	Additions	Deletions	Balance 6/30/2024
Governmental Activities				
Capital assets that are not being depreciated:				
Land	\$188,668	\$	\$	\$188,668
Construction in progress	<u>840,902</u>	<u>1,227,462</u>	<u>(840,902)</u>	<u>1,227,462</u>
Total capital assets not being depreciated	<u>1,029,570</u>	<u>1,227,462</u>	<u>(840,902)</u>	<u>1,416,130</u>
Building and building improvements	21,220,851	194,027	840,902	22,255,780
Machinery and equipment	3,536,130	71,528	(5,800)	3,601,858
Land Improvements	4,047,440	11,000		4,058,440
Right to use leased assets	<u>5,632,412</u>			<u>5,632,412</u>
Totals at historical cost	<u>34,436,833</u>	<u>276,555</u>	<u>835,102</u>	<u>35,548,490</u>
Less accumulated depreciation for:				
Buildings and improvements	(10,406,094)	(642,736)		(11,048,830)
Machinery and Equipment	(2,589,862)	(92,113)	5,800	(2,676,175)
Land Improvements	(1,538,432)	(54,759)		(1,593,191)
Right to use leased assets	<u>(3,959,926)</u>	<u>(644,309)</u>		<u>(4,604,235)</u>
Total accumulated depreciation	<u>(18,494,314)</u>	<u>(1,433,917)</u>	<u>5,800</u>	<u>(19,922,431)</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>15,942,519</u>	<u>(1,157,362)</u>		<u>15,626,059</u>
Governmental activities capital assets, net	<u>\$16,972,089</u>	<u>\$70,100</u>	<u>\$ -0-</u>	<u>\$17,042,189</u>

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 5. CAPITAL ASSETS: (continued)

	<u>Balance</u> <u>6/30/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2024</u>
Business-type activities:				
Equipment - Food Service	\$340,944	\$27,089	(\$9,721)	\$358,312
Equipment - After School	16,460			16,460
Less accumulated depreciation for:				
Equipment - Food Service	(185,165)	(26,751)	3,548	(208,368)
Equipment - After School	(9,876)	(3,292)		(13,168)
Business-type activities capital assets, net	<u>\$162,363</u>	<u>(\$2,954)</u>	<u>(\$6,173)</u>	<u>\$153,236</u>

*Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$37,550
Support Service:	
Student & Instruction Related Services	28,821
School Administration	13,529
Operations and Maintenance	31,760
Student Transportation	
Unallocated Depreciation	623,189
Amortization	644,309
Land Improvements	54,759
Total Depreciation Expense	<u>\$1,433,917</u>

NOTE 6. LONG-TERM OBLIGATION ACTIVITY:

Changes in long-term obligations for the fiscal year ended June 30, 2024 were as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Issued</u>	<u>Retired</u>	<u>Ending</u> <u>Balance</u>	<u>Amount Due</u> <u>Within</u> <u>One Year</u>
Governmental Activities:					
Other Liabilities:					
Net Pension Liability PERS	\$7,265,569	\$88,322	\$	\$7,353,891	\$
Compensated Absences Payable	709,047	221,304	(159,469)	770,882	
Lease Liability	2,134,144		(530,018)	1,604,126	530,018
Total Other Liabilities	<u>10,108,760</u>	<u>309,626</u>	<u>(689,487)</u>	<u>9,728,899</u>	<u>530,018</u>
	<u>\$10,108,760</u>	<u>\$309,626</u>	<u>(\$689,487)</u>	<u>\$9,728,899</u>	<u>\$530,018</u>

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

A. Bonds Payable:

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

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

There were no outstanding bonds payable at June 30, 2024.

B. Bonds Authorized But Not Issued:

As of June 30, 2024, the Board had no authorized but not issued bonds.

C. Capital Leases:

There were no outstanding capital leases payable at June 30, 2024.

D. Compensated Absences:

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

E. Net Pension Liability:

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

F. Leases:

The District has entered into multiple leases as a lessee of building for instructional space. An initial lease liability was recorded in the amount of \$5,632,412 in the fiscal year 2023. For year ended June 30, 2024, the value of the lease liability is \$1,604,126. The lease have interest rates of 4.00%. The value of the right to use assets for the year ended June 30, 2024 was \$1,028,177, with accumulated amortization of \$4,604,235.

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

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

F. Leases: (continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2024 were as follows:

<u>Fiscal Year Ending</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2025	\$435,000	\$377,710	\$57,290
2026	356,250	313,556	42,694
2027	300,000	268,370	31,630
2028	300,000	279,304	20,696
2029	300,000	290,683	9,317
2030	<u>75,000</u>	<u>74,503</u>	<u>497</u>
	<u>\$1,766,250</u>	<u>\$1,604,126</u>	<u>\$162,124</u>

NOTE 7. PENSION PLANS:

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

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS: (continued)

Benefits Provided

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

The following represents the membership tiers for TPAF:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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

Benefits Provided

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS: (continued)

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Defined Contribution Retirement Program

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

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

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS: (continued)

Contributions Requirements Fund Based Statements

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

<u>Year</u> <u>Ending</u>	<u>PERS</u>	<u>DCRP</u>
6/30/24	\$678,571	\$79,304
6/30/23	607,117	43,759
6/30/22	563,688	-0-

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

<u>Year</u> <u>Ending</u>	<u>Pension</u> <u>Contributions</u>	<u>Post-Retirement</u> <u>Medical</u> <u>Contributions</u>	<u>NCGI</u> <u>Premium</u>	<u>Long-Term</u> <u>Disability</u> <u>Liability</u>
6/30/24	\$8,692,048	\$2,392,636	\$99,128	\$4,335
6/30/23	8,501,433	2,264,290	117,948	4,189
6/30/22	8,067,476	1,911,482	113,821	3,758

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,918,729 during the year ended June 30, 2024 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS: (continued)

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

Public Employees Retirement System (PERS)

At June 30, 2024, the District had a liability of \$7,353,891 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2023, the District's proportion was 0.0507712054 percent, which was an increase of 0.0026273608 percent from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$(45,082). At June 30, 2024, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in actual and expected experience	\$70,313	\$30,060
Changes of assumptions	16,155	445,677
Net difference between projected and actual earnings on pension plan investments	33,866	
Changes in proportion and differences between District's contributions and proportionate share of contributions	354,730	144,381
District contributions subsequent to the measurement date	<u>690,511</u>	<u> </u>
Total	<u>\$1,165,575</u>	<u>\$620,118</u>

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS: (continued)

The \$690,511 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2024, the plan measurement date is June 30, 2023) will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2024	\$(388,258)
2025	(216,711)
2026	302,839
2027	(54,196)
2028	923

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.08, 5.04, 5.13, 5.16, 5.21 and 5.63 years for 2023, 2022, 2021, 2020, 2019 and 2018, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2023 and June 30, 2022 are as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Collective deferred outflows of resources	\$1,080,204,730	\$1,660,772,008
Collective deferred inflows of resources	1,780,216,457	3,236,303,935
Collective net pension liability	14,484,374,047	15,091,376,611
District's Proportion	0.05077112054%	0.0481438446%

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS: (continued)

Actuarial Assumptions

The collective total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which rolled forward to June 30, 2023. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75%-6.55% based on years of service
Investment Rate of Return	7.00 Percent

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions.

Mortality Rates

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS: (continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Market Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS: (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the collective net pension liability of the participating employers as of June 30, 2023 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2023		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's proportionate share of the pension liability	\$9,591,912	\$7,353,891	\$5,449,039

Pension Plan Fiduciary Net Position

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS: (continued)

Teachers Pensions and Annuity Fund (TPAF)

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

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

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2024 was as follows:

Net Pension Liability:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>106,126,326</u>
	<u><u>\$106,126,356</u></u>

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2023, the proportion of the TPAF net pension liability associated with the District was 0.2079576219%.

For the year ended June 30, 2024, the District recognized on-behalf pension expense and revenue of \$2,607,215 for contributions provided by the State in the District-Wide Financial Statements.

Actuarial Assumptions

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS: (continued)

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75%-4.25% based on years of service
Investment Rate of Return	7.00%

Mortality Rates

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

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2023 are summarized in the following table:

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 7. PENSION PLANS: (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Market Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 8. POST-RETIREMENT BENEFITS:

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 8. POST-RETIREMENT BENEFITS: (continued)

Total OPEB Liability

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

The portion of the OPEB Liability that was associated with the District recognized at June 30, 2024 was as follows:

OPEB Liability:	
District's proportionate share	\$
State's proportionate share	
associated with the District	<u>78,680,345</u>
	<u><u>\$78,680,345</u></u>

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Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 8. POST-RETIREMENT BENEFITS: (continued)

Actual Assumptions and Other Imputes

The total OPEB liability in the June 30, 2023 actuarial valuation reported by the State in the State's Report of Total Nonemployer OPEB Liability for the State Health Benefit Local Education Retired Employee's Plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2023. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP). “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the TPAF, PERS and PFRS actuarial experience studies prepared for July 1, 2018 to June 30, 2021.

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 8. POST-RETIREMENT BENEFITS: (continued)

(a) Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026, decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026, and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursements, the trend rate is 5.00%.

(b) Discount Rate

The discount rate used to measure the total OPEB Liability was 3.65%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

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

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

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

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

For the year ended June 30, 2024, the board of education/board of trustees recognized on-behalf OPEB expense of \$2,641,687 in the district-wide financial statements as determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75 and in which there is a special funding situation.

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

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 9. DEFERRED COMPENSATION:

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

AXA Equitable	GALIC
Oppenheimer Funds	Security Benefit
First Investors	VALIC
MetLife	

NOTE 10. RISK MANAGEMENT:

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

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

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

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balances for the current and previous two years:

<u>Fiscal Year</u>	<u>Interest Earnings/ District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023-2024	\$-0-	\$11,783	\$94,495	\$266,891
2022-2023	-0-	60,411	130,879	349,603
2021-2022	-0-	55,849	998	420,071

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 11. CAPITAL RESERVE ACCOUNT:

A capital reserve account was established by the Borough of Cliffside Park Board of Education by inclusion of \$200,000 on June 24, 2008 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget. There existed a balance of \$7,643,395 in the capital reserve account at June 30, 2024.

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

The activity of the capital reserve for the July 1, 2023 to June 30, 2024 fiscal year is as follows:

Beginning Balance, July 1, 2023	\$6,859,348
Increased by:	
Interest Earnings	3,353
Capital Outlay Unexpended Appropriations	180,694
Board Resolution - June 23, 2024	<u>4,100,000</u>
Decreased by:	
Budget Appropriations	<u>(3,500,000)</u>
Ending balance, June 30, 2024	<u><u>\$7,643,395</u></u>

NOTE 12. FUND BALANCE APPROPRIATED:

General Fund [Exhibit B-1] - Of the \$14,918,620 General Fund fund balance at June 30, 2024, \$2,085,083 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7; (\$1,035,825 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2025); \$7,643,395 has been reserved in the Capital Reserve Account; \$4,533,442 is reserved for encumbrances; \$266,891 is reserved for Unemployment compensation; and \$389,809 is unreserved and undesignated.

Special Revenue Fund: Of the \$218,542 Special Revenue Fund fund balance at June 30, 2024, \$218,542 is reserved for Student Groups.

Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024

NOTE 13. CALCULATION OF EXCESS SURPLUS:

In accordance with N.J.S.A. 18A:7F-7, the designation for Reserved Fund Balance — Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2024 is \$2,085,083 of which \$1,049,258 is the result of current year operations.

NOTE 14. INVENTORY:

Inventory in the Food Service Fund at June 30, 2024 consisted of the following:

Food	\$19,955
Supplies	<u>6,755</u>
	<u>\$26,710</u>

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

NOTE 15. RIGHT TO USE LEASED ASSETS:

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

	<u>Balance</u> <u>July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30,</u> <u>2024</u>
Right to use assets				
Leased Building	<u>\$5,632,412</u>	<u>\$</u>	<u>\$</u>	<u>\$5,632,412</u>
Total right to use assets	<u>5,632,412</u>	<u></u>	<u></u>	<u>5,632,412</u>
Less accumulated amortization for:				
Leased Building	<u>(3,959,926)</u>	<u>(644,309)</u>	<u></u>	<u>(4,604,235)</u>
Total accumulated amortization	<u>(3,959,926)</u>	<u>(644,309)</u>	<u></u>	<u>(4,604,235)</u>
Right to use leased asset, net	<u>\$2,652,224</u>	<u>(\$644,309)</u>	<u>\$0</u>	<u>\$1,028,177</u>

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2024**

NOTE 16. CONTINGENT LIABILITIES:

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

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

NOTE 17. SUBSEQUENT EVENTS:

The District has evaluated subsequent events through October 28, 2024, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

**REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

BUDGETARY COMPARISON SCHEDULES

CLIFFSIDE PARK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
General Fund:					
Revenues from Local Sources:					
Local Tax Levy	38,490,205		38,490,205	38,490,205	
Tuition from LEA's Within State	9,598,938		9,598,938	9,522,022	(76,916)
Transportation Fees from Other LEAs	761,765		761,765	836,501	74,736
Interest Earned on Capital Reserve Funds	8,000		8,000	3,353	(4,647)
Unrestricted Miscellaneous Revenues	384,400		384,400	594,530	210,130
Total - Local Sources	<u>49,243,308</u>		<u>49,243,308</u>	<u>49,446,611</u>	<u>203,303</u>
Revenues from State Sources:					
Categorical Special Education Aid	2,052,790		2,052,790	2,052,790	
Equalization Aid	5,318,915		5,318,915	5,318,915	
Categorical Security Aid	926,208		926,208	926,208	
Categorical Transportation Aid	323,598		323,598	323,598	
Extraordinary Aid	650,000		650,000	683,119	33,119
NTE Homeless Reimbursement				117,771	117,771
On-behalf TPAF Post Retirement Medical Contributions (non-budgeted)				2,392,636	2,392,636
On-behalf TPAF Pension (non-budgeted)				8,692,048	8,692,048
On-behalf TPAF NCGI Premium (non-budgeted)				99,128	99,128
On-behalf TPAF LTDI				4,335	4,335
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,918,729	1,918,729
Total - State Sources	<u>9,271,511</u>		<u>9,271,511</u>	<u>22,529,277</u>	<u>13,257,766</u>
Special Education Medicaid Initiative	199,858		199,858	116,742	(83,116)
Total - Federal Sources	<u>199,858</u>		<u>199,858</u>	<u>116,742</u>	<u>(83,116)</u>
TOTAL REVENUES	<u>58,714,677</u>		<u>58,714,677</u>	<u>72,092,630</u>	<u>13,377,953</u>
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Preschool - Salaries of Teachers	62,758		62,758	25,540	37,218
Kindergarten - Salaries of Teachers	661,061	194,574	855,635	855,635	
Grades 1-5 - Salaries of Teachers	5,052,310	(406,588)	4,645,722	4,525,858	119,864
Grades 6-8 - Salaries of Teachers	2,999,180	(164,925)	2,834,255	2,765,873	68,382
Grades 9-12 - Salaries of Teachers	8,050,438	(138,008)	7,912,430	7,767,071	145,359
Regular Programs - Home Instruction:					
Salaries of Teachers	74,700		74,700	64,640	10,060
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	303,897	11,611	315,508	313,246	2,262
Other Purchased Services (400-500 series)	1,001,459	(84,178)	917,281	879,868	37,413
General Supplies	483,110	(8,903)	474,207	392,344	81,863
Textbooks	314,942	139,169	454,111	358,576	95,535
Other Objects	478,533	10,773	489,306	428,677	60,629
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>19,482,388</u>	<u>(446,475)</u>	<u>19,035,913</u>	<u>18,377,328</u>	<u>658,585</u>
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities - Mild/Moderate					
Salaries of Teachers	793,065	4,224	797,289	782,499	14,790
Other Salaries for Instruction	433,292	146,508	579,800	579,602	198
General Supplies	5,000		5,000		5,000
Total Learning and/or Language Disabilities - Mild/Moderate	<u>1,231,357</u>	<u>150,732</u>	<u>1,382,089</u>	<u>1,362,101</u>	<u>19,988</u>
Emotional Regulation Impairment					
Salaries of Teachers	456,040	(115,347)	340,693	335,898	4,795
Other Salaries for Instruction	113,188	(16,315)	96,873	96,165	708
Total Emotional Regulation Impairment	<u>569,228</u>	<u>(131,662)</u>	<u>437,566</u>	<u>432,063</u>	<u>5,503</u>
Multiple Disabilities					
Salaries of Teachers	226,144		226,144	214,162	11,982
Other Salaries for Instruction	229,783	(18,458)	211,325	207,760	3,565
Total Multiple Disabilities	<u>455,927</u>	<u>(18,458)</u>	<u>437,469</u>	<u>421,922</u>	<u>15,547</u>
Resource Room/Resource Center:					
Salaries of Teachers	1,489,716	220,806	1,710,522	1,695,108	15,414
Other Salaries for Instruction	511,887	120,874	632,761	627,843	4,918
Total Resource Room/Resource Center	<u>2,001,603</u>	<u>341,680</u>	<u>2,343,283</u>	<u>2,322,951</u>	<u>20,332</u>

CLIFFSIDE PARK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Autism					
Salaries of Teachers	416,523	(76,723)	339,800	328,759	11,041
Other Salaries for Instruction	283,248	95,228	378,476	357,367	21,109
Total Autism	<u>699,771</u>	<u>18,505</u>	<u>718,276</u>	<u>686,126</u>	<u>32,150</u>
Preschool Disabilities- Full-Time:					
Salaries of Teachers	270,487	15,838	286,325	274,066	12,259
Other Salaries for Instruction	180,001	86,076	266,077	256,216	9,861
Total Preschool Disabilities - Full-Time	<u>450,488</u>	<u>101,914</u>	<u>552,402</u>	<u>530,282</u>	<u>22,120</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>5,408,374</u>	<u>462,711</u>	<u>5,871,085</u>	<u>5,755,445</u>	<u>115,640</u>
Bilingual Education - Instruction					
Salaries of Teachers	1,448,659		1,448,659	1,448,365	294
Total Bilingual Education - Instruction	<u>1,448,659</u>		<u>1,448,659</u>	<u>1,448,365</u>	<u>294</u>
School-Sponsored Cocurricular Activities - Instruction					
Salaries	200,000	19,150	219,150	219,150	
Other Objects	35,000	(19,150)	15,850	13,194	2,656
Total School-Sponsored Cocurricular Activities - Instruction	<u>235,000</u>		<u>235,000</u>	<u>232,344</u>	<u>2,656</u>
School-Sponsored Athletics - Instruction					
Salaries	385,000		385,000	379,540	5,460
Purchased Services (300-500 series)	27,500	(1,197)	26,303	15,240	11,063
Supplies and Materials	230,077	54,885	284,962	268,977	15,985
Transfers to Cover Deficit (Custodial Funds)	164,919	(53,688)	111,231	67,510	43,721
Total School-Sponsored Athletics - Instruction	<u>807,496</u>		<u>807,496</u>	<u>731,267</u>	<u>76,229</u>
Instructional Alternative Ed Programs - Instruction					
Other Purchased Services (400-500 series)	65,000		65,000	33,000	32,000
Total Instructional Alternative Ed Programs - Instruction	<u>65,000</u>		<u>65,000</u>	<u>33,000</u>	<u>32,000</u>
TOTAL INSTRUCTION	<u>27,446,917</u>	<u>16,236</u>	<u>27,463,153</u>	<u>26,577,749</u>	<u>885,404</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Special	1,149,983	128	1,150,111	617,113	532,998
Tuition to County Voc. School Dist. - Regular	714,024		714,024	605,422	108,602
Tuition to County Voc. School Dist. - Special	283,983		283,983	193,202	90,781
Tuition to CSSD & Regional Day Schools	1,370,176	(254,462)	1,115,714	779,365	336,349
Tuition to Private Schools for the Handicapped - Within State	1,123,364	184,334	1,307,698	1,240,427	67,271
Total Undistributed Expenditures - Instruction:	<u>4,641,530</u>	<u>(70,000)</u>	<u>4,571,530</u>	<u>3,435,529</u>	<u>1,136,001</u>
Undist. Expend. - Health Services					
Salaries	460,946	14,662	475,608	474,705	903
Other Purchased Services (400-500 series)	8,500		8,500	658	7,842
Supplies and Materials	18,290		18,290	5,852	12,438
Total Undistributed Expenditures - Health Services	<u>487,736</u>	<u>14,662</u>	<u>502,398</u>	<u>481,215</u>	<u>21,183</u>
Undist. Expend. - Speech, OT, PT & Related Svcs.					
Salaries	653,677	(77,499)	576,178	557,722	18,456
Purchased Prof. Services-Educational Services	1,658,014	(147,791)	1,510,223	587,770	922,453
Total Undist. Expend. - Speech, OT, PT, & Related Svcs	<u>2,311,691</u>	<u>(225,290)</u>	<u>2,086,401</u>	<u>1,145,492</u>	<u>940,909</u>
Undist. Expend. - Other Supp. Serv. Students-Extra Serv.					
Purchased Prof. Services-Educational Services	252,088	20,930	273,018	198,212	74,806
Total Undist. Expend. - Other Supp. Serv. Students-Extra Svcs.	<u>252,088</u>	<u>20,930</u>	<u>273,018</u>	<u>198,212</u>	<u>74,806</u>
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	1,091,524	414	1,091,938	1,091,938	
Salaries of Secretarial and Clerical Assistants	68,215		68,215	68,215	
Total Undist. Expend. - Guidance	<u>1,159,739</u>	<u>414</u>	<u>1,160,153</u>	<u>1,160,153</u>	
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	1,190,652	244,226	1,434,878	1,433,276	1,602
Salaries of Secretarial and Clerical Assistants	134,180	(3,272)	130,908	130,908	
Other Purchased Professional and Technical Services	1,784,944	(38,531)	1,746,413	868,402	878,011
Total Undist. Expend. - Child Study Teams	<u>3,109,776</u>	<u>202,423</u>	<u>3,312,199</u>	<u>2,432,586</u>	<u>879,613</u>
Undist. Expend. - Educational Media Serv./Sch. Library					
Salaries	323,285	3,175	326,460	326,360	100
Supplies and Materials	51,397		51,397	38,605	12,792
Total Undist. Expend. - Educational Media Serv./Sch. Library	<u>374,682</u>	<u>3,175</u>	<u>377,857</u>	<u>364,965</u>	<u>12,892</u>

CLIFFSIDE PARK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Services	14,000	2,365	16,365	16,365	
Other Purchased Services (400-500 series)	51,756	(2,365)	49,391	38,878	10,513
Total Undist. Expend. - Instructional Staff Training Serv.	65,756		65,756	55,243	10,513
Undist. Expend. - Supp. Serv. - General Administration					
Salaries	322,413	17,374	339,787	339,787	
Legal Services	112,596	(2,924)	109,672	14,757	94,915
Audit Fees	91,450	2,710	94,160	45,610	48,550
Other Purchased Professional Services	73,500	(3,586)	69,914	36,000	33,914
Purchased Technical Services	40,315		40,315	25,315	15,000
Communications/Telephone	95,513		95,513	63,805	31,708
BOE Other Purchased Services		550	550	550	
Other Purch Services (400-500 Series)	555,545	(550)	554,995	532,599	22,396
General Supplies	13,750	429	14,179	14,179	
Judgements against the School District	50,000	(41,189)	8,811		8,811
Misc. Expenditures	96,373	40,512	136,885	125,359	11,526
BOE Membership Dues and Fees	1,500		1,500	1,250	250
Total Undist. Expend. - Supp. Serv. - General Administration	1,452,955	13,326	1,466,281	1,199,211	267,070
Undist. Expend. - Support Serv. - School Administration					
Salaries of Principals/Assistant Principals	1,568,129	(59,403)	1,508,726	1,490,124	18,602
Salaries of Other Professional Staff		40,625	40,625	40,625	
Salaries of Secretarial and Clerical Assistants	490,550		490,550	487,430	3,120
Other Objects	18,850	5,450	24,300	24,300	
Total Undist. Expend. - Support Serv. - School Administration	2,077,529	(13,328)	2,064,201	2,042,479	21,722
Undist. Expend. - Support Serv. - Central Services					
Salaries	482,650	38,854	521,504	512,820	8,684
Purchased Professional Services	82,000	11,855	93,855	93,855	
Supplies and Materials	15,000	(4,730)	10,270		10,270
Other Objects	4,550	(50)	4,500	3,134	1,366
Total Undist. Expend. - Support Serv. - Central Services	584,200	45,929	630,129	609,809	20,320
Undist. Expend. - Administrative Info. Technology					
Salaries	410,588		410,588	397,085	13,503
Supplies and Materials	280,000	(12,526)	267,474	191,756	75,718
Other Objects	145,000		145,000	137,200	7,800
Total Undist. Expend. - Administrative Info. Technology	835,588	(12,526)	823,062	726,041	97,021
Undist. Expend. - Required Maint. for School Facilities (261)					
Salaries	115,000		115,000	115,000	
Cleaning, Repair and Maintenance Services	370,209		370,209	324,970	45,239
General Supplies	85,250		85,250	15,800	69,450
Undist. Expend. - Required Maint. for School Facilities	570,459		570,459	455,770	114,689
Undist. Expend. - Custodial Services (262)					
Salaries	1,577,061		1,577,061	1,462,828	114,233
Cleaning, Repair and Maintenance Services	148,905		148,905	33,233	115,672
Insurance	89,400	56,822	146,222	145,962	260
General Supplies	357,611	(18,099)	339,512	249,552	89,960
Energy (Energy and Electricity)	376,805	20,045	396,850	396,850	
Energy (Natural Gas)	387,740	(20,495)	367,245	182,239	185,006
Total Undist. Expend. - Custodial Services	2,937,522	38,273	2,975,795	2,470,664	505,131
Undist. Expend. - Care & Upkeep of Grounds (263)					
Cleaning, Repair and Maintenance Services	72,185	20,858	93,043	91,833	1,210
Other Objects	232,560		232,560	232,560	
Total Undist. Expend. - Care & Upkeep of Grounds	304,745	20,858	325,603	324,393	1,210
Undist. Expend. - Security					
Purchased Professional and Technical Services	268,175	17,780	285,955	285,955	
Cleaning, Repair and Maintenance Services	20,000	(1,194)	18,806	18,806	
General Supplies	17,000	(7,780)	9,220	9,220	
Total Undist. Expend. - Security	305,175	8,806	313,981	313,981	

CLIFFSIDE PARK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Student Transportation Services (270)					
Salaries of Non-Instructional Aides	609,948		609,948	609,948	
Salaries for Pupil Trans (Bet. Home & Sch.) - Sp Ed	997,115		997,115	987,811	9,304
Salaries for Pupil Trans (Other than Bet. Home & Sch.)	40,000		40,000	24,466	15,534
Cleaning, Repair and Maintenance Services	348,000	(7,067)	340,933	214,570	126,363
Rental Payments - School Buses	10,000		10,000		10,000
Contract Services (Sp. Ed. Students)-Joint Agreements	378,118		378,118	200,031	178,087
Misc. Purchased Services - Transportation	64,800		64,800	26,854	37,946
General Supplies	156,973	(10,251)	146,722	93,064	53,658
Total Undist. Expend. - Student Transportation Services	2,604,954	(17,318)	2,587,636	2,156,744	430,892
UNALLOCATED BENEFITS					
Social Security Contributions	710,000	58,418	768,418	768,418	
T.P.A.F. Contributions - ERIP	325,000		325,000	323,555	1,445
Other Retirement Contributions - PERS	673,594	5,802	679,396	679,396	
Other Retirement Contributions - Regular	95,000		95,000	79,304	15,696
Workmen's Compensation	447,168	7,945	455,113	423,203	31,910
Health Benefits	7,486,659	(123,184)	7,363,475	6,948,274	415,201
Tuition Reimbursements	70,000	10,251	80,251	50,769	29,482
Other Employee Benefits	55,000		55,000		55,000
TOTAL UNALLOCATED BENEFITS	9,862,421	(40,768)	9,821,653	9,272,919	548,734
On-behalf TPAF Post Retirement Medical Contributions (non-budgeted)				2,392,636	(2,392,636)
On-behalf TPAF Pension (non-budgeted)				8,692,048	(8,692,048)
On-behalf TPAF NCGI Premium (non-budgeted)				99,128	(99,128)
On-behalf TPAD LTDI				4,335	(4,335)
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,918,729	(1,918,729)
TOTAL ON-BEHALF CONTRIBUTIONS				13,106,876	(13,106,876)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	9,862,421	(40,768)	9,821,653	22,379,795	(12,558,142)
TOTAL UNDISTRIBUTED EXPENDITURES	33,938,546	(10,434)	33,928,112	41,952,282	(8,024,170)
TOTAL GENERAL CURRENT EXPENSE	61,385,463	5,802	61,391,265	68,530,031	(7,138,766)
CAPITAL OUTLAY					
Undist. Expenditures:					
Instruction	102,938	935	103,873	103,815	58
School Buses-Special	152,000	(935)	151,065		151,065
Total Undist. Expend.	254,938		254,938	103,815	151,123
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	376,465		376,465	195,400	181,065
Construction Services	4,682,489		4,682,489	1,478,706	3,203,783
Assessment for Debt Service on SDA Funding	6,801		6,801	6,801	
Total Facilities Acquisition and Construction Services	5,065,755		5,065,755	1,680,907	3,384,848
TOTAL CAPITAL OUTLAY	5,320,693		5,320,693	1,784,722	3,535,971
Transfer of Funds to Charter Schools	39,839		39,839	32,960	6,879
TOTAL EXPENDITURES	66,745,995	5,802	66,751,797	70,347,713	(3,595,916)
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(8,031,318)	(5,802)	(8,037,120)	1,744,917	9,782,037
Other Financing Sources/(Uses):					
Operating Transfers Out:					
Transfers to Cover Deficit (Enterprise Fund)	(101,200)	5,802	(95,398)	(20,229)	75,169
Unemployment Claim Payments				(67,578)	(67,578)
Total Other Financing Sources/(Uses):	(101,200)	5,802	(95,398)	(87,807)	7,591

CLIFFSIDE PARK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Excess (Deficiency) of Revenues and Other Financing Sources					
Over (Under) Expenditures and Other Financing Sources (Uses)	(8,132,518)		(8,132,518)	1,657,110	9,789,628
Fund Balance, July 1	14,049,637		14,049,637	14,049,637	
Fund Balance, June 30	<u>5,917,119</u>		<u>5,917,119</u>	<u>15,706,747</u>	<u>9,789,628</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Adjustment for Prior Year Encumbrances	(2,266,238)		(2,266,238)	(2,266,238)	
Increase in Capital Reserve:					
Principal				4,280,694	4,280,694
Interest Deposit to Capital Reserve	8,000		8,000	3,353	(4,647)
Withdrawal from Capital Reserve	(3,500,000)		(3,500,000)	(3,500,000)	
Budgeted Fund Balance	<u>(2,374,280)</u>		<u>(2,374,280)</u>	<u>3,139,301</u>	<u>5,513,581</u>
	<u>(8,132,518)</u>		<u>(8,132,518)</u>	<u>1,657,110</u>	<u>9,789,628</u>
Recapitulation:					
Restricted Fund Balance:					
Legally Restricted - Excess Surplus				1,049,258	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures				1,035,825	
Capital Reserve				7,643,395	
Unemployment Compensation				266,891	
Assigned Fund Balance:					
Year-end Encumbrances				4,533,442	
Unassigned Fund Balance				<u>1,177,936</u>	
Total Fund Balance per Governmental Funds (Budgetary)				<u>15,706,747</u>	
Recapitulation to Governmental Fund Statement (GAAP):					
Less: Last State Aid Payment not Recognized GAAP Basis				<u>788,127</u>	
Total Fund Balance per Governmental Funds (GAAP)				<u><u>14,918,620</u></u>	

CLIFFSIDE PARK BOARD OF EDUCATION
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	17,058	(9,914)	7,144	413,971	406,827 note 1
State Sources	246,487	74,509	320,996	251,466	(69,530)
Federal Sources	1,799,182	2,333,413	4,132,595	3,647,473	(485,122)
Total Revenues	2,062,727	2,398,008	4,460,735	4,312,910	(147,825)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	1,090,638	860,083	1,950,721	1,615,969	334,752
Other Salaries for Instruction	33,891	-	33,891	33,891	-
Purchased Professional and Technical Services	30,000	426,136	456,136	442,389	13,747
Other Purchased Services (400-500 series)	726,421	383,237	1,109,658	1,091,658	18,000
General Supplies	53,883	(6,009)	47,874	32,366	15,508
Total instruction	1,934,833	1,663,447	3,598,280	3,216,273	382,007
Support services:					
Salaries of Supervisors of Instruction	19,000	38,801	57,801	28,000	29,801
Salaries of Program Directors	29,438	-	29,438	29,438	-
Salaries of Secretarial and Clerical Assistants	9,000	-	9,000	9,000	-
Other Salaries	15,000	-	15,000	15,000	-
Personal Services - Employee Benefits	-	18,512	18,512	12,876	5,636
Other Purchased Professional Services	18,450	403,892	422,342	377,801	44,541
Other Purchased Services (400-500 series)	19,829	21,490	41,319	41,318	1
Supplies & Materials	119	187,271	187,390	169,233	18,157
Other Objects	-	-	-	-	-
Student Activities	-	-	-	418,760	(418,760) note 1
Total support services	110,836	669,966	780,802	1,101,426	(320,624)
Facilities acquisition and const. serv.:					
Noninstructional Equipment	17,058	64,595	81,653	7,144	74,509
Total facilities acquisition and const. serv.	17,058	64,595	81,653	7,144	74,509
Total Expenditures	2,062,727	2,398,008	4,460,735	4,324,843	135,892
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources (Uses)	-	-	-	(11,933)	(11,933)
Fund Balance, July 1				230,475	
Fund Balance, June 30				\$ 218,542	
Recapitulation:					
Restricted:				\$ 218,542	
Student Activities				\$ 218,542	
Total Fund Balance				\$ 218,542	

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

CLIFFSIDE PARK BOARD OF EDUCATION
Required Supplementary Information
Budgetary Comparison Schedule
Note to Required Supplementary Information - Part II
Fiscal Year Ended June 30, 2024

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

		General Fund	Special Revenue Fund
		<u> </u>	<u> </u>
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue"			
from the budgetary comparison schedule	[C-1]&[C-2]	72,092,630	4,312,910
 Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that			
encumbrances are recognized as expenditures, and the related			
revenue is recognized.			
Prior Year			258,735
Current Year			(298,006)
 State aid payment recognized for GAAP statements in the			
current year, previously recognized for budgetary purposes.		536,332	
 The last state aid payment is recognized as revenue for budgetary			
purposes, and differs from GAAP which does not recognize			
this revenue until the subsequent year when the state			
recognizes the related expense (GASB 33).		<u>(788,127)</u>	<u> </u>
 Total revenues as reported on the statement of revenues, expenditures			
and changes in fund balances - governmental funds.	[B-2]	<u><u>71,840,835</u></u>	<u><u>4,273,639</u></u>
 Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the			
budgetary comparison schedule	[C-1]&[C-2]	70,347,713	4,324,843
 Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but			
not received are reported in the year the order is placed for			
<i>budgetary</i> purposes, but in the year the supplies are received			
for <i>financial reporting</i> purposes.			
Prior Year			258,735
Current Year			<u>(298,006)</u>
 Total expenditures as reported on the statement of revenues,			
expenditures, and changes in fund balances - governmental funds	[B-2]	<u><u>70,347,713</u></u>	<u><u>4,285,572</u></u>

**REQUIRED SUPPLEMENTARY
INFORMATION - PART III**

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

Fiscal Year Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's		District's Covered Payroll - PERS Employee's	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
		Proportionate Share of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)			
2015	0.0543352543%	\$	11,056,537	\$ 4,000,517	276.38%	52.08%
2016	0.0545073473%		12,235,807	3,424,541	357.30%	52.07%
2017	0.0515009406%		15,253,101	3,433,088	444.30%	59.86%
2018	0.0487524088%		11,348,782	3,568,969	317.98%	51.90%
2019	0.0504385900%		9,931,107	3,477,249	285.60%	46.40%
2020	0.0506286880%		9,122,522	3,571,606	255.42%	43.43%
2021	0.0485842326%		7,922,818	3,292,992	240.60%	41.35%
2022	0.0481325412%		5,702,021	3,754,583	151.87%	29.35%
2023	0.0481438446%		7,265,569	3,874,600	187.52%	36.78%
2024	0.0507712054%		7,353,891	3,981,282	184.71%	34.48%

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

Fiscal Year Ending June 30,	Contractually Required Contribution		Contributions in Relations to the Contractually Required Contributions		Contribution Deficiency (Excess)	District's PERS Covered- Employee Payroll	Contributions as a Percentage of PERS Covered- Employee Payroll
2015	\$	447,932	\$	(447,932)	\$ -	4,000,517	11.20%
2016		468,617		(468,617)	-	3,424,541	13.68%
2017		457,527		(457,527)	-	3,433,088	13.33%
2018		451,639		(451,639)	-	3,568,969	12.65%
2019		501,701		(501,701)	-	3,477,249	14.43%
2020		492,468		(492,468)	-	3,571,606	13.79%
2021		531,487		(531,487)	-	3,292,992	16.14%
2022		563,688		(563,688)	-	3,754,583	15.01%
2023		607,117		(607,117)	-	3,874,600	15.67%
2024		678,571		(678,571)	-	3,981,282	17.04%

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

Fiscal Year Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	State's		District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	State's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
			Share of the Net Pension Liability Associated with the District (Asset)	District's Covered Payroll - TPAF Employee's			
2015	0.1806634861%	\$	\$ 96,558,753	\$ 18,509,605	0.00%	521.67%	33.64%
2016	0.1784512921%	-	112,788,837	18,203,062	0.00%	619.61%	28.71%
2017	0.1843280061%	-	145,004,146	20,189,243	0.00%	718.22%	22.33%
2018	0.1867755745%	-	125,930,827	20,466,136	0.00%	615.31%	25.41%
2019	0.1839927387%	-	117,052,228	20,684,815	0.00%	565.88%	26.49%
2020	0.1954902878%	-	119,974,235	21,808,695	0.00%	550.12%	26.95%
2021	0.1969959656%	-	129,719,473	23,543,699	0.00%	550.97%	24.60%
2022	0.1884053909%	-	90,576,247	23,997,553	0.00%	377.44%	35.52%
2023	0.1959715961%	-	101,110,400	24,743,065	0.00%	408.64%	32.29%
2024	0.2079576219%	-	106,126,326	25,810,763	0.00%	411.17%	34.68%

CLIFFSIDE PARK BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of the School District's Contribution
Teacher's Pension and Annuity Fund (TPAF)
Last 10 Fiscal Years

This schedule is not applicable.

The School District is not required to make any contribution towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

CLIFFSIDE PARK BOARD OF EDUCATION
Note to Required Schedules of Supplementary Information - Part III
Fiscal Year Ended June 30, 2024

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms:

None

Change in assumptions:

Assumptions used in calculating the net pension liability and
statutorily required employer contribution are presented in
Note 7 of the Notes to the Financial Statements.

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms:

None

Change in assumptions:

Assumptions used in calculating the net pension liability and
statutorily required employer contribution are presented in
Note 7 of the Notes to the Financial Statements.

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

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service Costs	\$ 3,768,373	\$ 4,521,000	\$ 5,560,217	\$ 3,134,996	\$ 2,846,638	\$ 3,138,459	\$ 3,786,116
Interest on Total OPEB Liability	2,771,026	2,050,180	2,350,092	2,254,540	2,685,551	2,966,247	2,551,818
Changes of Benefit Terms			(96,426)				
Differences between Expected and Actual Experiences	(3,290,650)	2,916,021	(19,316,486)	19,051,294	(9,922,855)	(9,737,707)	
Changes in Assumptions	158,587	(20,753,066)	89,377	18,960,309	926,647	(7,741,864)	(10,603,354)
Gross Benefit Payments	(2,160,060)	(2,030,764)	(1,851,214)	(1,807,036)	(1,907,790)	(1,803,971)	(1,866,422)
Contribution from the Member	71,012	65,148	60,080	54,771	56,552	62,348	68,726
Net Changes in total Share of OPEB Liability	<u>1,318,288</u>	<u>(13,231,481)</u>	<u>(13,204,360)</u>	<u>41,048,874</u>	<u>(5,315,257)</u>	<u>(13,116,488)</u>	<u>(6,063,116)</u>
Total OPEB Liability - Beginning	<u>77,362,057</u>	<u>90,593,538</u>	<u>103,797,898</u>	<u>62,149,024</u>	<u>67,464,281</u>	<u>80,580,769</u>	<u>86,643,885</u>
Total OPEB Liability - Ending	<u>\$ 78,680,345</u>	<u>\$ 77,362,057</u>	<u>\$ 90,593,538</u>	<u>\$ 103,797,898</u>	<u>\$ 62,149,024</u>	<u>\$ 67,464,281</u>	<u>\$ 80,580,769</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	78,680,345	77,362,057	90,593,538	103,797,898	62,149,024	67,464,281	80,580,769
Total OPEB Liability - Ending	<u>\$ 78,680,345</u>	<u>\$ 77,362,057</u>	<u>\$ 90,593,538</u>	<u>\$ 103,797,898</u>	<u>\$ 62,149,024</u>	<u>\$ 67,464,281</u>	<u>\$ 80,580,769</u>
District's Covered Employee Payroll	<u>\$ 29,792,045</u>	<u>\$ 28,617,665</u>	<u>\$ 27,752,136</u>	<u>\$ 26,836,691</u>	<u>\$ 25,380,301</u>	<u>\$ 24,162,064</u>	<u>\$ 24,035,105</u>
Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%

Notes to Schedule:

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

Change in benefit terms

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

Change in assumptions

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

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

Other Supplementary Information

SPECIAL REVENUE FUND

CLIFFSIDE PARK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2024

	Total Brought Forward (Ex. E-1a)	IDEA Part - B Basic	IDEA Part - B Preschool	ESEA Title I	ESEA Title I SIA	ESEA Title I National Disfinguished Schools	Totals 2024
REVENUES							
Local Sources	413,971						413,971
State Sources	251,466						251,466
Federal Sources	1,763,640	791,274	360	1,058,399	18,800	15,000	3,647,473
Total Revenues	2,429,077	791,274	360	1,058,399	18,800	15,000	4,312,910
EXPENDITURES:							
Instruction:							
Salaries of Teachers	612,832			1,003,137			1,615,969
Other Salaries for Instruction	33,891						33,891
Purchased Professional and Technical Services	423,589				18,800		442,389
Other Purchased Services (400-500 series)	300,384	791,274					1,091,658
General Supplies	16,211		360	15,795			32,366
Total instruction	1,386,907	791,274	360	1,018,932	18,800	-	3,216,273
Support services:							
Salaries of Supervisors of Instruction	-			28,000			28,000
Salaries of Program Directors	29,438						29,438
Salaries of Secretarial and Clerical Assistants	9,000						9,000
Other Salaries	15,000						15,000
Personal Services - Employee Benefits	12,876						12,876
Other Purchased Professional Services	371,333			6,468		15,000	377,801
Other Purchased Services (400-500 series)	21,319			4,999			41,318
Supplies & Materials	169,233						169,233
Student Activities	418,760						418,760
Total support services	1,046,959	-	-	39,467	-	15,000	1,101,426
Facilities acquisition and const. serv.:							
Noninstructional Equipment	7,144						7,144
Total facilities acquisition and const. serv.	7,144	-	-	-	-	-	7,144
Total Expenditures	2,441,010	791,274	360	1,058,399	18,800	15,000	4,324,843
Excess (Deficiency) of Revenues Over (Under)	(11,933)	-	-	-	-	-	(11,933)
Expenditures and Other Financing Sources (Uses)							
Fund Balance, July 1	230,475						230,475
Fund Balance, June 30	218,542	-	-	-	-	-	218,542

CLIFFSIDE PARK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2024

	Total Brought Forward (Ex. E-1b)	ESEA Title II, Part A Training & Recruiting	ESEA Title III	ESEA Title III Immigrant	21st Century Community Learning	CRRSA - ESSER II	Total Carried Forward
REVENUES							
Local Sources	413,971						413,971
State Sources	251,466						251,466
Federal Sources	1,335,589	128,704	84,589	20,379	24,751	169,628	1,763,640
Total Revenues	2,001,026	128,704	84,589	20,379	24,751	169,628	2,429,077
EXPENDITURES:							
Instruction:							
Salaries of Teachers	388,562	119,385	60,000	20,379	24,506		612,832
Other Salaries for Instruction	33,891						33,891
Purchased Professional and Technical Services	253,961					169,628	423,589
Other Purchased Services (400-500 series)	300,384						300,384
General Supplies	5,784		10,427				16,211
Total instruction	982,582	119,385	70,427	20,379	24,506	169,628	1,386,907
Support services:							
Salaries of Supervisors of Instruction	-						-
Salaries of Program Directors	29,438						29,438
Salaries of Secretarial and Clerical Assistants	9,000						9,000
Other Salaries	15,000						15,000
Personal Services - Employee Benefits	12,631				245		12,876
Other Purchased Professional Services	369,171		2,162				371,333
Other Purchased Services (400-500 series)	-	9,319	12,000				21,319
Supplies & Materials	169,233						169,233
Student Activities	418,760						418,760
Total support services	1,023,233	9,319	14,162	-	245	-	1,046,959
Facilities acquisition and const. serv.:							
Noninstructional Equipment	7,144						7,144
Total facilities acquisition and const. serv.	7,144	-	-	-	-	-	7,144
Total Expenditures	2,012,959	128,704	84,589	20,379	24,751	169,628	2,441,010
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(11,933)	-	-	-	-	-	(11,933)
Fund Balance, July 1	230,475						230,475
Fund Balance, June 30	218,542	-	-	-	-	-	218,542

CLIFFSIDE PARK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2024

	Total Brought Forward (Ex. E-1c)	ARP ESSER	ARP- Accelerated Learning Coach and Educator Support	ARP- Evidence Based Comprehensive Beyond the School Day	ARP- NJTSS Mental Health Support Staffing	Preschool Education Aid	Total Carried Forward
REVENUES							
Local Sources	413,971						413,971
State Sources	4,979					246,487	251,466
Federal Sources	-	1,026,890	245,562	18,137	45,000		1,335,589
Total Revenues	418,950	1,026,890	245,562	18,137	45,000	246,487	2,001,026
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-	211,490		17,914		159,158	388,562
Other Salaries for Instruction	-					33,891	33,891
Purchased Professional and Technical Services	3,399	5,000	245,562				253,961
Other Purchased Services (400-500 series)	-	300,384					300,384
General Supplies	1,580	4,204					5,784
Total instruction	4,979	521,078	245,562	17,914	-	193,049	982,582
Support services:							
Salaries of Supervisors of Instruction	-						-
Salaries of Program Directors	-					29,438	29,438
Salaries of Secretarial and Clerical Assistants	-					9,000	9,000
Other Salaries	-					15,000	15,000
Personal Services - Employee Benefits	-	12,408		223	45,000		12,631
Other Purchased Professional Services	-	324,171					369,171
Other Purchased Services (400-500 series)	-						-
Supplies & Materials	-	169,233					169,233
Student Activities	418,760						418,760
Total support services	418,760	505,812	-	223	45,000	53,438	1,023,233
Facilities acquisition and const. serv.:							
Noninstructional Equipment	7,144						7,144
Total facilities acquisition and const. serv.	7,144	-	-	-	-	-	7,144
Total Expenditures	430,883	1,026,890	245,562	18,137	45,000	246,487	2,012,959
Excess (Deficiency) of Revenues Over (Under)	(11,933)	-	-	-	-	-	(11,933)
Expenditures and Other Financing Sources (Uses)							
Fund Balance, July 1	230,475						230,475
Fund Balance, June 30	218,542	-	-	-	-	-	218,542

CLIFFSIDE PARK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2024

	Total Brought Forward (Ex. E-1d)	Non Public Nursing	Non Public Technology	Non Public Textbooks	Non Public Security	Total Carried Forward
REVENUES						
Local Sources	413,971					413,971
State Sources	3,399	443	196	187	754	4,979
Federal Sources	-					-
Total Revenues	417,370	443	196	187	754	418,950
EXPENDITURES:						
Instruction:						
Salaries of Teachers	-					-
Other Salaries for Instruction	-					-
Purchased Professional and Technical Services	3,399					3,399
Other Purchased Services (400-500 series)	-	443	196	187	754	-
General Supplies	-					1,580
Total instruction	3,399	443	196	187	754	4,979
Support services:						
Salaries of Supervisors of Instruction	-					-
Salaries of Program Directors	-					-
Salaries of Secretarial and Clerical Assistants	-					-
Other Salaries	-					-
Personal Services - Employee Benefits	-					-
Other Purchased Professional Services	-					-
Other Purchased Services (400-500 series)	-					-
Supplies & Materials	-					-
Student Activities	418,760					418,760
Total support services	418,760	-	-	-	-	418,760
Facilities acquisition and const. serv.:						
Noninstructional Equipment	7,144					7,144
Total facilities acquisition and const. serv.	7,144	-	-	-	-	7,144
Total Expenditures	429,303	443	196	187	754	430,883
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(11,933)	-	-	-	-	(11,933)
Fund Balance, July 1	230,475					230,475
Fund Balance, June 30	218,542	-	-	-	-	218,542

CLIFFSIDE PARK BOARD OF EDUCATION

Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2024

	Total Brought Forward (Ex. E-1e)	N.J. Nonpublic Auxiliary Services Chapter 192		N.J. Nonpublic Handicapped Services Chapter 193	NJSBAIG Safety Grant	Total Carried Forward
		Compensatory Education	English as a Second Language	Corrective Speech		
REVENUES						
Local Sources	406,827				7,144	413,971
State Sources	-	855	870	1,674		3,399
Federal Sources	-					-
Total Revenues	406,827	855	870	1,674	7,144	417,370
EXPENDITURES:						
Instruction:						
Salaries of Teachers	-					-
Other Salaries for Instruction	-					-
Purchased Professional and Technical Services	-	855	870	1,674		3,399
Other Purchased Services (400-500 series)	-					-
General Supplies	-					-
Total instruction	-	855	870	1,674	-	3,399
Support services:						
Salaries of Supervisors of Instruction	-					-
Salaries of Program Directors	-					-
Salaries of Secretarial and Clerical Assistants	-					-
Other Salaries	-					-
Personal Services - Employee Benefits	-					-
Other Purchased Professional Services	-					-
Other Purchased Services (400-500 series)	-					-
Supplies & Materials	-					-
Student Activities	418,760					418,760
Total support services	418,760	-	-	-	-	418,760
Facilities acquisition and const. serv.:						
Noninstructional Equipment	-				7,144	7,144
Total facilities acquisition and const. serv.	-	-	-	-	7,144	7,144
Total Expenditures	418,760	855	870	1,674	7,144	429,303
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(11,933)	-	-	-	-	(11,933)
Fund Balance, July 1	230,475					230,475
Fund Balance, June 30	218,542	-	-	-	-	218,542

CLIFFSIDE PARK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2024

	Total Brought Forward (Ex. E-1e)	Student Activity Accounts			Total Carried Forward
		School #3	School #4	School #5	
REVENUES					
Local Sources	354,787	6,591	30,412	15,037	406,827
State Sources	-				-
Federal Sources	-				-
Total Revenues	354,787	6,591	30,412	15,037	406,827
EXPENDITURES:					
Instruction:					
Salaries of Teachers	-				-
Other Salaries for Instruction	-				-
Purchased Professional and Technical Services	-				-
Other Purchased Services (400-500 series)	-				-
General Supplies	-				-
Total instruction	-	-	-	-	-
Support services:					
Salaries of Supervisors of Instruction	-				-
Salaries of Program Directors	-				-
Salaries of Secretarial and Clerical Assistants	-				-
Other Salaries	-				-
Personal Services - Employee Benefits	-				-
Other Purchased Professional Services	-				-
Other Purchased Services (400-500 series)	-				-
Supplies & Materials	-				-
Student Activities	364,910	11,443	28,234	14,173	418,760
Total support services	364,910	11,443	28,234	14,173	418,760
Facilities acquisition and const. serv.:					
Noninstructional Equipment	-				-
Total facilities acquisition and const. serv.	-	-	-	-	-
Total Expenditures	364,910	11,443	28,234	14,173	418,760
Excess (Deficiency) of Revenues Over (Under)	(10,123)	(4,852)	2,178	864	(11,933)
Expenditures and Other Financing Sources (Uses)					
Fund Balance, July 1	212,690	7,376	2,518	7,891	230,475
Fund Balance, June 30	202,567	2,524	4,696	8,755	218,542

CLIFFSIDE PARK BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2024

	Student Activity Accounts					Total Carried Forward
	School #6	School #6	High School	Athletic Account	Project Graduation	
	School #6	Middle School				
REVENUES						
Local Sources	16,930	17,525	216,669	73,092	30,571	354,787
State Sources						-
Federal Sources						-
Total Revenues	16,930	17,525	216,669	73,092	30,571	354,787
EXPENDITURES:						
Instruction:						
Salaries of Teachers						-
Other Salaries for Instruction						-
Purchased Professional and Technical Services						-
Other Purchased Services (400-500 series)						-
General Supplies						-
Total instruction	-	-	-	-	-	-
Support services:						
Salaries of Supervisors of Instruction						-
Salaries of Program Directors						-
Salaries of Secretarial and Clerical Assistants						-
Other Salaries						-
Personal Services - Employee Benefits						-
Other Purchased Professional Services						-
Other Purchased Services (400-500 series)						-
Supplies & Materials						-
Student Activities	15,847	9,646	241,338	69,673	28,406	364,910
Total support services	15,847	9,646	241,338	69,673	28,406	364,910
Facilities acquisition and const. serv.:						
Noninstructional Equipment						-
Total facilities acquisition and const. serv.	-	-	-	-	-	-
Total Expenditures	15,847	9,646	241,338	69,673	28,406	364,910
Excess (Deficiency) of Revenues Over (Under)						
Expenditures and Other Financing Sources (Uses)	1,083	7,879	(24,669)	3,419	2,165	(10,123)
Fund Balance, July 1	7,629	2,921	163,275	24,816	14,049	212,690
Fund Balance, June 30	8,712	10,800	138,606	28,235	16,214	202,567

CLIFFSIDE PARK BOARD OF EDUCATION
Special Revenue Fund
Schedule of Preschool Education Aid
Budgetary Basis
Fiscal Year Ended June 30, 2024

	<u>District Wide Total</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Expenditures:			
Instruction:			
Salaries of teachers	159,158	159,158	
Other salaries for instruction	33,891	33,891	
Total instruction	<u>193,049</u>	<u>193,049</u>	
Support services:			
Salaries of Program Directors	29,438	29,438	
Salaries of Secr. and Clerical Assistants	9,000	9,000	
Other Salaries	15,000	15,000	
Total support services	<u>53,438</u>	<u>53,438</u>	
Total expenditures	<u>246,487</u>	<u>246,487</u>	

Summary of Location Totals

Total revised 2023-24 Preschool Education Aid	246,487
Add: Actual Preschool Education Aid Carryover (June 30, 2023)	
Add: Budgeted Transfer from the General Fund 2023-24	
Total Preschool Education Aid Funds Available for 2023-24 Budget	<u>246,487</u>
Less: 2023-24 Budgeted Preschool Education Aid	
(prior year budgeted carryover)	<u>246,487</u>
Available & Unbudgeted Preschool Educaiton Aid Funds as of June 30, 2024	
Add: June 30, 2024 Unexpended Preschool Education Aid	
2023-24 Carryover - Preschool Education Aid/Preschool	<u></u>

PROPRIETARY FUNDS

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-type Activities - Enterprise Fund		
	Food Service Program	After School Program	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	149,939		149,939
Accounts receivable:			
State	2,357		2,357
Federal	54,014		54,014
Inventories	26,710		26,710
Total current assets	<u>233,020</u>	<u>-</u>	<u>233,020</u>
Noncurrent assets:			
Capital assets:			
Equipment	358,312	16,460	374,772
Less accumulated depreciation	<u>(208,368)</u>	<u>(13,168)</u>	<u>(221,536)</u>
Total capital assets (net of accumulated depreciation)	<u>149,944</u>	<u>3,292</u>	<u>153,236</u>
Total assets	<u>382,964</u>	<u>3,292</u>	<u>386,256</u>
Current Liabilities:			
Deficit in cash and cash equivalents		3,292	3,292
Interfunds Payable	354,687		354,687
Accounts Payable	28,277		28,277
Total Liabilities	<u>382,964</u>	<u>3,292</u>	<u>386,256</u>
NET POSITION			
Invested in capital assets	149,944	3,292	153,236
Unrestricted	<u>(149,944)</u>	<u>(3,292)</u>	<u>(153,236)</u>
Total net position	<u>-</u>	<u>-</u>	<u>-</u>

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Fiscal Year Ended June 30, 2024

	Business-type Activities - Enterprise Fund		
	Food Service Program	After School Program	Totals
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	398,669		398,669
Daily sales - non-reimbursable programs	32,676		32,676
Program fees		244,320	244,320
Total operating revenues	431,345	244,320	675,665
Operating expenses:			
Cost of food - reimbursable programs	712,795		712,795
Cost of food - non-reimbursable programs	102,251		102,251
Salaries	871,010	279,395	1,150,405
Employee benefits	203,281	18,160	221,441
Supplies and materials	47,249	300	47,549
Purchased services	104,642		104,642
Depreciation expense	26,751	3,292	30,043
Repairs and other expenses	52,397		52,397
Total Operating Expenses	2,120,376	301,147	2,421,523
Operating income (loss)	(1,689,031)	(56,827)	(1,745,858)
Nonoperating revenues (expenses):			
State sources:			
School lunch program	23,919		23,919
School lunch program NJEIE	6,753		6,753
Breakfast program	3,024		3,024
Breakfast program NJEIE	1,819		1,819
Breakfast after the bell program	9,495		9,495
Federal sources:			
National school lunch program	728,772		728,772
Snack program	27,343		27,343
Breakfast program	248,199		248,199
Supply Chain Assistance Funding	74,316		74,316
Local Food for Schools Cooperative Agreement Program	10,553		10,553
P-EBT	3,256		3,256
U.S.D.A. Commodities	109,974		109,974
Total nonoperating revenues (expenses)	1,247,423	-	1,247,423
Income (loss) before contributions & transfers	(441,608)	(56,827)	(498,435)
Other financing sources/(uses):			
Fixed Asset Retired Prior to Full Depreciation	(6,173)		(6,173)
Transfer In	8,279	11,950	20,229
Change in net assets	(439,502)	(44,877)	(484,379)
Total net position—beginning	439,502	44,877	484,379
Total net position—ending	-	-	-

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

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Cash Flows
Proprietary Funds
Fiscal Year Ended June 30, 2024

	Business-type Activities - Enterprise Fund		
	Food Service Program	After School Program	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	423,598	244,320	667,918
Payments to suppliers	(1,757,140)	(297,855)	(2,054,995)
Net cash provided by (used for) operating activities	(1,333,542)	(53,535)	(1,387,077)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	45,085		45,085
Federal Sources	1,105,638		1,105,638
Board Contribution	4,581	11,950	16,531
Net cash provided by (used for) non-capital financing activities	1,155,304	11,950	1,167,254
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(27,089)		(27,089)
Net cash provided by (used for) capital and related financing activities	(27,089)	-	(27,089)
Net increase (decrease) in cash and cash equivalents	(205,327)	(41,585)	(246,912)
Balances—beginning of year	355,266	38,293	393,559
Balances—end of year	149,939	(3,292)	146,647
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	(1,689,031)	(56,827)	(1,745,858)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation and net amortization	26,751	3,292	30,043
Food Distribution Program	109,974		109,974
Increase (decrease) in interfunds	194,222		194,222
(Increase) decrease in inventories	2,065		2,065
Increase (decrease) in accounts payable	22,477		22,477
Total adjustments	(1,333,542)	(53,535)	(1,387,077)
Net cash provided by (used for) operating activities	(1,333,542)	(53,535)	(1,387,077)

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

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

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STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

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Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax.	J-6 to J-9
Debt Capacity These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20
Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports (ACFR) for the relevant year.	

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

	2015	2016	2017	2018	2019	2020	2021	Restated 2022	2023	2024
Governmental activities										
Invested in capital assets, net of related debt	\$ 5,979,075	\$ 6,199,408	\$ 6,838,827	\$ 8,009,191	\$ 9,723,576	\$ 9,777,608	\$ 10,868,227	\$ 17,655,728	\$ 16,972,089	\$ 17,042,189
Restricted	7,204,960	8,571,130	8,678,103	7,670,657	6,915,160	6,645,780	7,869,371	11,423,811	13,100,635	14,747,353
Unrestricted	(10,050,627)	(11,286,040)	(12,025,401)	(11,877,092)	(11,884,642)	(11,709,939)	(9,709,927)	(13,855,126)	(10,429,427)	(9,489,219)
Total governmental activities net position	\$ 3,133,408	\$ 3,484,498	\$ 3,491,529	\$ 3,802,756	\$ 4,754,094	\$ 4,713,449	\$ 9,027,671	\$ 15,224,413	\$ 19,643,297	\$ 22,300,323
Business-type activities										
Invested in capital assets, net of related debt	\$ 3,257	\$ 30,958	\$ 36,569	\$ 36,946	\$ 107,659	\$ 114,879	\$ 142,237	\$ 152,054	\$ 162,363	\$ 153,236
Restricted	161,956	(92,460)	128,584	178,239	185,901	424,260	319,379	507,947	322,016	(153,236)
Unrestricted	\$ 165,213	\$ (61,502)	\$ 165,153	\$ 215,185	\$ 293,560	\$ 539,139	\$ 461,616	\$ 660,001	\$ 484,379	\$ -
Total business-type activities net position	\$ 165,213	\$ (61,502)	\$ 165,153	\$ 215,185	\$ 293,560	\$ 539,139	\$ 461,616	\$ 660,001	\$ 484,379	\$ -
District-wide										
Invested in capital assets, net of related debt	\$ 5,982,332	\$ 6,230,366	\$ 6,875,396	\$ 8,046,137	\$ 9,831,235	\$ 9,892,487	\$ 11,010,464	\$ 17,807,782	\$ 17,134,452	\$ 17,195,425
Restricted	7,204,960	8,571,130	8,678,103	7,670,657	6,915,160	6,645,780	7,869,371	11,423,811	13,100,635	14,747,353
Unrestricted	(9,888,671)	(11,378,500)	(11,896,817)	(11,698,853)	(11,698,741)	(11,285,679)	(9,390,548)	(13,347,179)	(10,107,411)	(9,642,455)
Total district net position	\$ 3,298,621	\$ 3,422,996	\$ 3,656,682	\$ 4,017,941	\$ 5,047,654	\$ 5,252,588	\$ 9,489,287	\$ 15,884,414	\$ 20,127,676	\$ 22,300,323

Source: ACFR Exhibit A-1

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
Instruction										
Regular	\$ 20,167,606	\$ 20,959,736	\$ 25,503,214	\$ 23,830,560	\$ 21,032,634	\$ 21,227,391	\$ 21,334,938	\$ 17,583,323	\$ 18,139,759	\$ 19,258,614
Special education	7,225,713	7,677,281	6,199,552	6,405,279	8,649,824	9,207,827	9,558,558	8,261,581	8,765,710	9,491,149
Other special education	975,861	1,132,610	1,427,089	1,702,727	1,666,513	1,639,113	1,516,620	1,208,847	1,282,852	1,577,403
Other instruction	877,419	874,743	1,088,113	1,019,296	992,732	1,017,733	935,429	723,936	911,493	1,049,950
Support Services:										
Tuition	2,342,048	2,632,974	2,762,927	2,885,875	3,278,780	3,007,701	3,196,468	2,660,617	3,338,095	3,435,529
Health services			831,315	893,825	553,126	557,312	590,569	473,331	491,643	523,508
Student & instruction related services	5,569,956	5,751,694	5,926,093	6,762,833	6,029,123	5,874,727	6,591,948	6,067,051	7,020,750	6,702,445
General administrative services	1,021,223	1,320,318	1,371,211	1,283,939	2,236,374	1,267,315	1,249,815	1,256,010	1,245,647	1,229,484
School administrative services	1,903,573	2,071,241	2,166,455	2,140,242	1,314,026	2,339,403	2,368,883	2,162,941	2,193,783	2,235,812
Central services and administrative information technology	822,333	1,330,507	1,322,446	1,304,985	1,299,763	1,305,626	1,287,000	1,198,158	1,199,057	1,416,915
Plant operations and maintenance	2,779,899	2,885,143	3,252,771	3,219,844	3,253,497	3,251,822	3,388,335	2,871,226	3,155,539	3,687,037
Pupil transportation	1,375,200	1,678,321	2,092,611	2,205,590	2,279,702	2,296,260	2,057,436	2,081,975	2,629,370	2,301,271
Unallocated Benefits	3,884,814	4,756,207	6,212,337	9,433,622	8,599,819	7,424,493	12,464,560	14,354,825	12,133,877	12,694,108
Charter Schools	76,578	81,329	41,985	18,992	23,013	21,757	37,512	52,670	45,358	32,960
Interest on long-term debt	85,877	58,601	61,271	42,375	24,010	5,146	5,146	499,797	94,438	74,012
Unallocated depreciation/amortization	328,040	230,694	263,594	263,594	394,086	396,350	486,272	1,688,926	1,322,257	1,322,257
Capital Outlay - nondepreciable	11,275	1,363,294	531,400	497,034	704,826	2,595,660	698,995	801,615	325,609	402,277
Total governmental activities expenses	49,447,415	54,804,693	61,054,384	63,910,612	62,331,848	63,435,636	67,763,338	62,257,903	64,661,906	67,434,731
Business-type activities:										
Food service	1,712,554	1,703,223	1,815,217	1,798,808	1,784,140	1,664,282	1,285,310	1,893,226	1,879,738	2,120,376
After School Program	198,828	265,421	232,953	342,275	283,817	121,024	69,431	132,233	190,590	301,147
Total business-type activities expense	1,911,382	1,968,644	2,048,170	2,141,083	2,067,957	1,785,306	1,354,741	2,025,459	2,070,328	2,421,523
Total district expenses	\$ 51,358,797	\$ 56,773,337	\$ 63,102,554	\$ 66,051,695	\$ 64,399,805	\$ 65,220,942	\$ 69,118,079	\$ 64,283,362	\$ 66,732,234	\$ 69,856,254
Program Revenues										
Governmental activities:										
Charges for services:										
Student & instruction related services		2,276,459	2,326,016	2,072,330	2,285,902	2,395,627	\$ 207,611	\$ 387,535	\$ 386,737	\$ 406,827
Operating grants and contributions	2,263,066						3,204,676	3,259,071	4,325,511	20,326,126
Total governmental activities program revenues	2,263,066	2,276,459	2,326,016	2,072,330	2,285,902	2,395,627	3,412,287	3,646,606	4,712,248	20,732,953

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Business-type activities:										
Charges for services										
Food service	548,487	554,327	555,377	562,793	604,414	424,307	19,927	155,164	465,030	431,345
After School Program	240,211	240,296	226,355	345,616	285,877	135,825	57,719	159,668	156,839	244,320
Operating grants and contributions	977,965	947,306	1,016,998	1,030,771	1,053,861	1,142,808	1,199,572	1,902,879	1,231,413	1,247,423
Total business type activities program revenues	1,766,663	1,741,929	1,798,730	1,939,180	1,944,152	1,702,940	1,277,218	2,217,711	1,853,282	1,923,088
Total district program revenues	\$ 4,029,729	\$ 4,018,388	\$ 4,124,746	\$ 4,011,510	\$ 4,230,054	\$ 4,098,567	\$ 4,689,505	\$ 5,864,317	\$ 6,565,530	\$ 22,656,041
Net (Expense)/Revenue										
Governmental activities	\$ (47,184,349)	\$ (52,528,234)	\$ (58,728,368)	\$ (61,838,282)	\$ (60,045,946)	\$ (61,040,009)	\$ (64,351,051)	\$ (58,611,297)	\$ (59,949,658)	\$ (46,701,778)
Business-type activities	(144,719)	(226,715)	(249,440)	(201,903)	(123,805)	(82,366)	(77,523)	192,252	(217,046)	(498,435)
Total district-wide net expense	\$ (47,329,068)	\$ (52,754,949)	\$ (58,977,808)	\$ (62,040,185)	\$ (60,169,751)	\$ (61,122,375)	\$ (64,428,574)	\$ (58,419,045)	\$ (60,166,704)	\$ (47,200,213)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 29,753,765	\$ 30,907,252	\$ 31,827,901	\$ 32,879,872	\$ 34,180,255	\$ 35,225,237	\$ 36,270,179	\$ 36,995,583	\$ 37,735,495	\$ 38,490,205
Taxes levied for debt service	421,929	414,688	378,762	402,120	393,958	385,303				
Tuition	5,969,338	6,727,108	7,744,083	7,980,012	8,482,342	8,386,082	8,369,899	8,717,987	8,842,427	9,522,022
Federal and State Aid - Restricted										
Federal and State Aid - Not Restricted	12,149,173	14,041,339	18,332,258	19,950,875	17,092,170	16,354,589	22,359,394	17,215,569	14,474,704	
Federal and State Aid - Capital Outlay	24,102	-	-				112,349	660,106	2,235,124	
Local Aid - Capital Outlay		16,526	21,931	13,478	20,584	24,865	24,446	7,720	28,741	
Miscellaneous income	569,869	772,411	906,559	1,175,087	1,030,155	951,233	999,859	1,217,207	1,096,175	1,434,384
Other Financing Sources/(Uses)			(476,095)	(251,935)	(202,180)	(327,945)		(6,133)	(44,124)	(87,807)
Total governmental activities	48,888,176	52,879,324	58,735,399	62,149,509	60,997,284	60,999,364	68,136,126	64,808,039	64,368,542	49,358,804
Business-type activities:										
Other Financing Sources/(Uses)			476,095	251,935	202,180	327,945		6,133	41,424	14,056
Total business-type activities	-	-	476,095	251,935	202,180	327,945	-	6,133	41,424	14,056
Total district-wide	\$ 48,888,176	\$ 52,879,324	\$ 59,211,494	\$ 62,401,444	\$ 61,199,464	\$ 61,327,309	\$ 68,136,126	\$ 64,814,172	\$ 64,409,966	\$ 49,372,860
Change in Net Position										
Governmental activities	\$ 1,703,827	\$ 351,090	\$ 7,031	\$ 311,227	\$ 951,338	\$ (40,645)	\$ 3,785,075	\$ 6,196,742	\$ 4,418,884	\$ 2,657,026
Business-type activities	(144,719)	(226,715)	226,655	50,032	78,375	245,579	(77,523)	198,385	(175,622)	(484,379)
Total district	\$ 1,559,108	\$ 124,375	\$ 233,686	\$ 361,259	\$ 1,029,713	\$ 204,934	\$ 3,707,552	\$ 6,395,127	\$ 4,243,262	\$ 2,172,647

Source: ACFR Exhibit A-2

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	7,173,935	7,482,218	7,028,251	7,131,731	6,281,600	5,234,616	6,871,018	9,179,245	9,269,058	9,995,369
Assigned	1,186,625	1,057,887	1,649,851	538,925	633,559	1,411,164	688,897	2,043,457	3,601,102	4,533,442
Unassigned	577,134	610,508	761,080	779,165	725,636	537,693	1,972,782	1,943,381	643,145	389,809
Total general fund	\$ 8,937,694	\$ 9,150,613	\$ 9,439,182	\$ 8,449,821	\$ 7,640,795	\$ 7,183,473	\$ 9,532,697	\$ 13,166,083	\$ 13,513,305	\$ 14,918,620
All Other Governmental Funds										
Restricted, reported in:										
Special revenue fund							169,675	201,109	230,475	218,542
Assigned, reported in:							139,781			
Capital projects fund	31,025	31,025	1	1	1					
Debt service fund										
Total all other governmental funds	\$ 31,025	\$ 31,025	\$ 1	\$ 1	\$ 1	\$ -	\$ 309,456	\$ 201,109	\$ 230,475	\$ 218,542

Source: ACFR Exhibit B-1

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax levy	\$ 30,175,694	\$ 31,321,940	\$ 32,206,663	\$ 33,281,992	\$ 34,574,213	\$ 35,610,540	\$ 36,270,179	\$ 36,995,583	\$ 37,735,495	\$ 38,490,205
Tuition	5,969,338	6,727,108	7,744,083	7,980,012	8,482,342	8,386,082	8,369,899	8,717,987	8,842,427	9,522,022
Miscellaneous	569,869	788,937	928,490	1,188,565	1,050,739	976,098	1,024,916	1,224,927	1,441,528	1,441,528
Student Group Receipts							207,611	387,535	386,737	406,827
State sources	8,096,934	8,871,888	9,804,000	10,808,487	13,136,750	13,766,221	16,017,630	19,452,848	19,847,531	22,528,947
Federal sources	2,108,413	2,034,938	2,060,087	1,813,839	1,998,131	2,214,608	3,202,368	3,760,362	6,422,877	3,724,945
Total revenue	46,920,248	49,744,811	52,743,323	55,072,895	59,242,175	60,953,549	65,091,992	70,539,242	74,359,983	76,114,474
Expenditures										
Instruction										
Regular Instruction	14,409,852	14,397,046	17,082,571	16,865,668	15,512,644	15,838,363	16,086,175	16,855,553	16,949,774	17,771,591
Special education instruction	5,597,551	5,783,504	3,814,943	4,235,149	6,761,879	7,254,848	7,794,204	8,012,128	8,395,025	8,978,383
Other special instruction	680,349	755,752	878,170	1,125,992	1,189,686	1,186,460	1,116,739	1,152,745	1,195,553	1,448,365
Other instruction	681,014	646,617	754,966	738,544	772,946	794,032	741,230	705,746	904,843	996,611
Support Services:										
Tuition	2,342,048	2,632,974	2,762,927	2,885,875	3,278,780	3,007,701	3,196,468	2,660,617	3,338,095	3,435,529
Health services			606,540	703,739	398,726	407,680	436,502	451,756	458,974	481,215
Student & instruction related services	4,406,946	4,391,655	4,350,264	5,275,273	4,927,574	4,777,763	5,461,047	5,906,152	6,764,416	6,352,141
School Administrative services	1,328,365	1,385,951	1,343,804	1,418,238	1,595,082	1,132,781	1,129,147	1,239,596	1,219,893	1,199,211
General administrative services	912,089	1,166,019	1,186,700	1,135,894	1,191,972	1,693,242	1,734,999	2,047,171	2,029,084	2,042,479
Central services and administrative information technology	683,263	1,033,321	920,022	984,759	1,011,384	1,018,315	1,013,279	1,178,214	1,317,018	1,335,850
Plant operations and maintenance	2,225,314	2,297,145	2,484,992	2,543,742	2,713,087	2,703,350	3,089,556	3,074,632	3,278,125	3,564,808
Pupil transportation	1,044,891	1,181,913	1,399,418	1,560,090	1,718,499	1,739,360	1,547,394	1,932,987	2,303,221	2,156,744
Unallocated benefits	6,528,231	7,098,894	7,462,448	8,148,391	8,604,151	8,726,971	8,417,468	7,591,000	8,276,086	9,272,919
On-behalf contributions	3,894,499	4,653,441	5,319,425	6,107,374	7,296,800	7,691,476	9,058,653	11,899,905	12,705,177	13,106,876
Charter Schools	76,578	81,329	41,985	18,992	23,013	21,757	37,512	52,670	45,358	32,960
Capital outlay	1,249,473	1,607,126	1,313,308	1,759,101	2,597,492	2,726,528	2,102,086	2,247,198	4,152,893	1,851,866
Debt service:										
Principal	335,000	340,000	350,000	360,000	370,000	380,000			518,080	530,018
Interest and other charges	91,524	79,205	64,250	46,500	28,250	9,500			87,656	75,719
Total expenditures	46,486,987	49,531,892	52,136,733	55,913,321	59,991,965	61,110,127	62,962,459	67,008,070	73,939,271	74,633,285
Excess (Deficiency) of revenues over (under) expenditures	433,261	212,919	606,590	(840,426)	(749,790)	(156,578)	2,129,533	3,531,172	420,712	1,481,189
Other Financing sources (uses)										
Capital leases (non-budgeted)	-	-	127,050	103,000	142,944	27,200				
Transfers in	111,698	-	-			1				
Transfers out	(111,698)	-	(476,095)	(251,935)	(202,180)	(327,946)		(6,133)	(44,124)	(87,807)
Total other financing sources (uses)	-	-	(349,045)	(148,935)	(59,236)	(300,746)	-	(6,133)	(44,124)	(87,807)
Net change in fund balances	\$ 433,261	\$ 212,919	\$ 257,545	\$ (989,361)	\$ (809,026)	\$ (457,323)	\$ 2,129,533	\$ 3,525,039	\$ 376,588	\$ 1,393,382
Debt service as a percentage of noncapital expenditures	0.9%	0.9%	0.8%	0.8%	0.7%	0.7%	0.0%	0.0%	0.9%	0.8%

Source: ACFR Exhibit B-2

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

Fiscal Year Ended June 30,	Interest on Investments	Transportation			Rent	Misc.	Total
		Tuition Revenue	Fees	Refunds			
2015	2,088	5,969,338	388,833	28,223		150,725	6,539,207
2016	18,780	6,727,108	482,184	62,294		209,153	7,499,519
2017	8,872	7,744,083	695,390	39,495		162,802	8,650,642
2018	15,962	7,980,012	861,737	23,932		273,456	9,155,099
2019	22,291	8,482,342	770,363	33,862		203,639	9,512,497
2020	21,833	8,386,082	771,548	21,918		135,934	9,337,315
2021	7,868	8,369,899	893,470	3,948		94,573	9,369,758
2022	5,877	8,717,987	1,012,918			198,412	9,935,194
2023	94,057	8,842,427	761,765			240,353	9,938,602
2024	233,071	9,522,022	836,501			364,812	10,956,406

Source: District Records

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

Year Ended Dec. 31,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax- Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)	% of Net Assessed to Estimated Full Cash Valuations
2014	\$ 4,896,700	\$ 2,297,734,100	\$ 185,198,500	\$ 4,562,900	\$ 250,242,800	\$ 2,742,635,000	\$ -	\$ 5,457,917	\$ 2,748,092,917	1.120	\$ 2,901,874,485	94.70%
2015	\$ 10,614,200	\$ 2,307,857,200	\$ 177,888,800	\$ 3,952,700	\$ 255,676,000	\$ 2,755,988,900	\$ -	\$ 5,828,349	\$ 2,761,817,249	1.151	\$ 2,987,769,028	92.44%
2016	\$ 27,852,700	\$ 2,316,723,800	\$ 177,598,700	\$ 3,927,500	\$ 257,177,300	\$ 2,783,280,000	\$ -	\$ 5,817,465	\$ 2,789,097,465	1.174	\$ 3,096,731,675	90.07%
2017	\$ 36,739,700	\$ 2,333,225,200	\$ 176,711,900	\$ 3,927,500	\$ 263,945,400	\$ 2,814,549,700	\$ -	\$ 5,796,670	\$ 2,820,346,370	1.203	\$ 3,279,821,874	85.99%
2018	\$ 14,217,700	\$ 2,449,134,600	\$ 174,673,300	\$ 3,927,500	\$ 264,370,400	\$ 2,906,323,500	\$ -	\$ 5,894,422	\$ 2,912,217,922	1.206	\$ 3,425,459,628	85.02%
2019	\$ 16,694,500	\$ 2,466,986,100	\$ 174,949,100	\$ 3,927,500	\$ 264,370,400	\$ 2,926,927,600	\$ -	\$ 5,748,618	\$ 2,932,676,218	1.226	\$ 3,573,230,623	82.07%
2020	\$ 15,143,300	\$ 2,490,404,600	\$ 179,549,300	\$ 3,927,500	\$ 260,636,100	\$ 2,949,660,800	\$ -	\$ 6,001,858	\$ 2,955,662,658	1.240	\$ 3,634,341,170	81.33%
2021	\$ 18,473,900	\$ 2,510,874,600	\$ 179,066,400	\$ 3,927,500	\$ 264,175,100	\$ 2,976,517,500	\$ -	\$ 5,759,805	\$ 2,982,277,305	1.253	\$ 3,829,622,650	77.87%
2022	\$ 26,386,100	\$ 2,544,613,600	\$ 181,208,100	\$ 3,927,500	\$ 261,369,300	\$ 3,017,504,600	\$ -	\$ 5,747,074	\$ 3,023,251,674	1.260	\$ 3,999,791,783	75.59%
2023	\$ 18,891,000	\$ 2,586,665,800	\$ 178,841,300	\$ 3,927,500	\$ 261,369,300	\$ 3,049,694,900	\$ -	\$ 5,472,231	\$ 3,055,167,131	1.277	\$ 4,281,101,335	71.36%

Source: Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per \$100

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

Fiscal Year Ended June 30,	Cliffside Park Board of Education			Overlapping Rates		Total Direct and Overlapping Tax Rate
	General Obligation		Total Direct	Borough of Cliffside Park	Bergen County	
	Basic Rate ^a	Debt Service ^b				
2015	1.100	0.020	1.120	0.867	0.253	2.240
2016	1.131	0.020	1.151	0.929	0.265	2.345
2017	1.150	0.024	1.174	0.940	0.278	2.392
2018	1.188	0.015	1.203	0.950	0.285	2.438
2019	1.192	0.014	1.206	0.950	0.286	2.442
2020	1.213	0.013	1.226	0.960	0.302	2.488
2021	1.240	0.000	1.240	0.968	0.309	2.517
2022	1.253	0.000	1.253	1.001	0.311	2.565
2023	1.260	0.000	1.260	1.099	0.317	2.676
2024	1.278	0.000	1.278	1.151	0.327	2.756

Source: District Records and Municipal Tax Collector

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

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the net valuation taxable.

b Rates for debt service are based on each year's requirements.

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

Taxpayer	2024			2016		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Briarcliff Corp.	\$ 71,500,000	1	2.34%	\$ 71,500,000	1	2.60%
Palisadium Mgmt. Corp.	\$ 11,000,000	3	0.36%	\$ 12,550,500	3	0.46%
Verizon - New Jersey	\$ 7,595,938	4	0.25%	\$ 7,171,709	10	0.26%
T&F Realty	\$ 5,000,000	6	0.16%	\$ 6,250,000	4	0.23%
Savoy Plaza	\$ 5,664,800	5	0.19%	\$ 5,664,800	5	0.21%
Carlton Corp.	\$ 4,000,000	7	0.13%	\$ 4,700,500	6	0.17%
Cliff Lane/Palisade Ave, LLC	\$ 14,238,200	2	0.47%	\$ 14,238,200	2	0.52%
Robert Apartments, LLC				\$ 3,375,000	7	0.12%
Walker Properties	\$ 3,557,600	9	0.12%			0.00%
Timmes Realty Assoc.	\$ 3,690,500	8	0.12%	\$ 3,690,500	8	0.13%
G&N Realty	\$ 3,300,000	10		\$ 3,300,000	9	0.12%
Total	<u>\$ 129,547,038</u>		<u>4.13%</u>	<u>\$ 132,441,209</u>		<u>4.82%</u>
Net Assessed Valuation:			\$ 3,055,167,131	\$ 2,748,092,917		

Source: Municipal Tax Assessor.

Exhibit J-9

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

Year Ended June 30,	District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$30,175,694	\$30,175,694	100.00%	\$ -
2016	\$31,321,940	\$31,321,940	100.00%	\$ -
2017	\$32,206,663	\$32,206,663	100.00%	\$ -
2018	\$33,281,992	\$33,281,992	100.00%	\$ -
2019	\$34,574,213	\$34,574,213	100.00%	\$ -
2020	\$35,610,540	\$35,610,540	100.00%	\$ -
2021	\$36,270,179	\$36,270,179	100.00%	\$ -
2022	\$36,995,583	\$36,995,583	100.00%	\$ -
2023	\$37,735,495	\$37,735,495	100.00%	\$ -
2024	\$38,490,205	\$38,490,205	100.00%	\$ -

Source: Municipal Tax Collector

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

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities	Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds/Loans ^b	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2015	1,800,000	-	-	-	1,800,000	4.32%	\$ 77,767
2016	1,460,000	-	-	-	1,460,000	5.44%	\$ 79,407
2017	1,110,000	83,900	-	-	1,193,900	6.84%	\$ 81,676
2018	750,000	145,722	-	-	895,722	9.65%	\$ 86,404
2019	380,000	177,253	-	-	557,253	16.05%	\$ 89,456
2020	-	120,327	-	-	120,327	76.44%	\$ 91,972
2021	-	65,346	-	-	65,346	148.97%	\$ 97,343
2022	-	9,060	-	-	9,060	1072.16%	\$ 97,138
2023	-	-	-	-	-	\$ -	\$ -
2024	-	-	-	-	-	\$ -	\$ -

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

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

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

b Includes Early Retirement Incentive Plan (ERIP) refunding

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds/Loans	Deductions	Net General Bonded Debt Outstanding		
2015	\$ 1,800,000	-	1,800,000	0.07%	\$ 23
2016	\$ 1,460,000	-	1,460,000	0.05%	\$ 18
2017	\$ 1,110,000	-	1,110,000	0.04%	\$ 14
2018	\$ 750,000	-	750,000	0.03%	\$ 9
2019	\$ 380,000	-	380,000	0.01%	\$ 4
2020	\$ -	-	-	0.00%	\$ -
2021	\$ -	-	-	0.00%	\$ -
2022	\$ -	-	-	0.00%	\$ -
2023	\$ -	-	-	0.00%	Not Available
2024	\$ -	-	-	0.00%	Not Available

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

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

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

CLIFFSIDE PARK BOARD OF EDUCATION
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2024

<u>Governmental Unit</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Debt Outstanding</u>	<u>Estimated Share of Overlapping Debt</u>
Direct Debt of School District as of June 30, 2024			\$ -
Net overlapping debt of School District:			
Borough of Cliffside Park	100.000%	\$ 28,444,000	
County of Bergen - City's Share	1.670%	\$ 16,223,046	
Bergen County Utility Authority-City's Share	3.828%	\$ 1,427,215	
Subtotal, overlapping debt			<u>\$ 46,094,260</u>
Total direct and overlapping debt			<u><u>\$ 46,094,260</u></u>

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

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

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

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

Legal Debt Margin Calculation for Fiscal Year 2024

		Equalized valuation basis																		
		2023	\$	4,281,101,335																
		2022	\$	3,999,791,783																
		2021	\$	3,829,622,650																
		[A]	\$	12,110,515,768																
Average equalized valuation of taxable property		[A/3]	\$	4,036,838,589																
Debt limit (4 % of average equalization value)		[B]		161,473,544	^a															
Net bonded school debt		[C]		-																
Legal debt margin		[B-C]	\$	161,473,544																
		2015		2016		2017		2018		2019		2020		2021		2022		2023		2024
Debt limit		116,825,618		116,165,585		119,818,336		81,126,676		130,693,509		93,315,870		93,315,870		99,519,518		152,850,075		161,473,544
Total net debt applicable to limit		1,460,000		1,110,000		750,000		380,000		-		-		-		-		-		-
Legal debt margin		\$ 115,365,618		\$ 115,055,585		\$ 119,068,336		\$ 80,746,676		\$ 130,693,509		\$ 93,315,870		\$ 93,315,870		\$ 99,519,518		\$ 152,850,075		\$ 161,473,544
Total net debt applicable to the limit as a percentage of debt limit		1.25%		0.96%		0.63%		0.47%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%

Source: Abstract of Ratables and District Records ACFR Schedule J-6

a Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

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

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income (thousands of dollars) ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2015	24,490	\$ 1,893,640,270	77,323	4.00%
2016	24,537	\$ 1,948,409,559	79,407	4.00%
2017	24,653	\$ 2,013,558,428	81,676	3.70%
2018	25,759	\$ 2,225,680,636	86,404	3.30%
2019	26,120	\$ 2,336,590,720	89,456	2.60%
2020	26,001	\$ 2,391,363,972	91,972	8.80%
2021	25,594	\$ 2,491,396,742	97,343	5.50%
2022	25,560	\$ 2,482,847,280	97,138	3.00%
2023	25,570	Not Available	Not Available	3.60%
2024	Not Available	Not Available	Not Available	Not Available

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Personal income - Bergen County - provided by NJ Dept of Labor and Workforce Development

^c Per Capita Personal Income - Bergen County - provided by NJ Dept of Labor and Workforce Development

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

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

<u>2024</u>				<u>2015</u>		
<u>Employer</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>

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

Source: Borough of Cliffside Park

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

<u>Function/Program</u>	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Instruction										
Regular	212	210	189	219	224	223	221	231	242	237
Special education	26	47	44	37	41	44	47	46	46	39
Support Services:										
Student & instruction related services	87	91	72	76	80	146	127	134	152	171
General administrative services	1	1	1	1	1	1	1	1	1	1
School administrative services	7	12	7	8	8	8	8	9	9	9
Central services	6	6	11	11	12	12	12	13	13	13
Plant operations and maintenance	5	5	5	5	5	5	5	5	5	5
Pupil transportation	62	67	63	54	57	68	79	75	74	72
Food Service	24	32	41	53	46	53	56	42	42	42
Total	430	471	433	464	474	560	556	556	584	589

Source: District Personnel Records

CLIFFSIDE PARK BOARD OF EDUCATION
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Pupil/Teacher Ratio							Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Elementary	Middle School	High School			
2015	2,968	44,810,990	15,098	1.09%	238	1:23	1:24	1:23	2,815	1.62%	95.20%
2016	3,000	47,505,561	15,835	4.88%	257	1:23	1:24	1:23	2,793	-0.64%	95.06%
2017	3,074	50,409,175	16,399	3.56%	233	1:23	1:24	1:23	2,888	3.95%	94.56%
2018	3,164	53,747,720	16,987	3.59%	256	1:23	1:24	1:23	2,974	1.93%	95.53%
2019	3,154	56,996,223	18,071	6.38%	265	1:23	1:24	1:23	2,953	-0.55%	95.38%
2020	3,203	57,994,099	18,106	0.19%	267	1:23	1:24	1:23	3,017	1.42%	96.08%
2021	3,107	60,860,373	19,588	8.18%	268	1:23	1:24	1:23	2,941	-2.04%	95.61%
2022	2,994	64,760,872	21,630	10.43%	268	1:23	1:24	1:23	2,834	-3.64%	95.61%
2023	3,071	69,180,642	22,527	4.15%	288	1:23	1:24	1:23	2,899	2.67%	95.27%
2024	3,091	72,175,681	23,350	3.65%	276	1:23	1:24	1:23	2,900	0.79%	94.55%

Sources: District records, ASSA and Schedules J-4

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

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

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

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

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>District Buildings</u>										
<u>Elementary</u>										
School #3										
Square Feet	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	346	308	285	291	294	389	395	561	374	354
School #4										
Square Feet	57,574	57,574	57,574	57,574	57,574	57,574	57,574	57,574	57,574	57,574
Capacity (students)	600	600	600	600	600	600	600	600	600	600
Enrollment	502	569	598	575	568	560	532	481	481	498
School #5										
Square Feet	22,080	22,080	22,080	22,080	22,080	22,080	22,080	22,080	22,080	22,080
Capacity (students)	180	180	180	180	180	180	180	180	180	180
Enrollment	246	281	316	327	341	332	287	269	277	285
School #6										
Square Feet	44,250	44,250	44,250	44,250	44,250	44,250	44,250	44,250	44,250	44,250
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	380	355	326	346	327	311	274	255	240	243
<u>Middle School</u>										
Middle School										
Square Feet	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Capacity (students)	375	375	375	375	375	375	375	375	375	375
Enrollment	376	361	393	408	426	410	423	437	454	423
<u>High School</u>										
High School										
Square Feet	112,563	112,563	112,563	112,563	112,563	112,563	112,563	112,563	112,563	112,563
Capacity (students)	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Enrollment	1,118	1,126	1,156	1,217	1,198	1,233	1,196	1,191	1,245	1,288

Number of Schools at June 30, 2024

Elementary = 4

Middle School = 1

High School = 1

Other School = 0

Source: District records, ASSA

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

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

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

School Facilities	Project # (s)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School #3	N/A	63,045	44,380	51,967	34,207	24,081	31,214	29,732	46,126	78,493	85,171
School #4	N/A	47,463	45,689	44,357	26,462	32,341	31,641	44,372	51,477	66,634	57,005
School #5	N/A	26,834	34,038	37,151	22,445	34,796	21,405	46,753	44,558	63,641	61,304
School #6	N/A	97,501	88,473	97,488	58,480	118,539	64,417	94,626	85,567	146,120	133,896
High School	N/A	57,364	57,286	76,356	60,604	69,005	64,668	98,390	81,641	92,845	118,394
Grand Total		\$ 292,207	\$ 269,866	\$ 307,319	\$ 202,198	\$ 278,762	\$ 213,345	\$ 313,873	\$ 309,369	\$ 447,733	\$ 455,770

CLIFFSIDE PARK BOARD OF EDUCATION
Insurance Schedule
For the Fiscal Year Ended June 30, 2024
Unaudited

Company	Type of Coverage	Coverage	Deductible
New Jersey School Boards Association Insurance Group			
	Property		
	Real and Personal Property	\$ 500,000,000	\$ 5,000
	Extra Expense	50,000,000	5,000
	Valuable Papers and Records	10,000,000	5,000
	Demolition and Increased Cost of Construction	25,000,000	
	Limited Builders Risk	10,000,000	
	Fire Department Service Charge	10,000	
	Arson Reward	10,000	
	Pollutant Cleanup and Removal	250,000	
	Special Flood Hazard Area Flood Zones	25,000,000	500,000
	Flood (All Flood Zones)	75,000,000	10,000
	Earthquake	50,000,000	
	Terrorism	1,000,000	
	Electronic Data Processing		
	Data Processing Equipment	500,000,000	1,000
	Computer Virus	250,000	
	Special Flood Hazard Area Flood Deductible	500,000	
	All Other Flood Zones Flood Deductible	10,000	
	Equipment		
	Accident for Property Damage and Business Income	100,000,000	25,000
	Crime		
	Public Employees' Faithful Performance Blanket	100,000	1,000
	Money Orders & Counterfeit Paper Currency	5,000	500
	Computer Fraud	50,000	500
	Comprehensive General Liability		
	Bodily Injury and Property Damage	11,000,000	
	Products and Completed Operations	11,000,000	
	Sexual Abuse	11,000,000	
	Communicable Disease Outbreak	1,000,000	
	Personal Injury and Advertising Injury	11,000,000	
	Employee Benefits Liability	11,000,000	1,000
	Premises Medical Payments	10,000	
	Terrorism	1,000,000	
	School Leaders Errors & Omissions	10,000,000	10,000
	Workers' Compensation and Employers' Liability	3,000,000	

Source: District Records

SINGLE AUDIT SECTION



WIELKOTZ & COMPANY ^{LLC}

CERTIFIED PUBLIC ACCOUNTANTS

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Cliffside Park School District, in the County of Bergen, New Jersey, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 28, 2024.

Internal Control Over Financial Reporting

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



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

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

Compliance and Other Matters

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

We noted certain matters that were required to be reported to the Board of Education of the Cliffside Park Borough School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated October 28, 2024.

Purpose of this Report

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

Steven D. Wielkotz

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

Wielkotz & Company, LLC

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

October 28, 2024





WIELKOTZ & COMPANY LLC

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

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Board of Education of the Borough of Cliffside Park School District in the County of Bergen, New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Borough of Cliffside Park Board of Education's major federal and state programs for the year ended June 30, 2024. The Borough of Cliffside Park Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Borough of Cliffside Park Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and N.J. OMB Circular 15-08. Our



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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and N.J. OMB Circular 15-08, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Borough of Cliffside Park Board of Education's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.



- Obtain an understanding of Borough of Cliffside Park Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Borough of Cliffside Park Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

Honorable President and
Members of the Board of Education

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

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

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
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WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

October 28, 2024



CLIFFSIDE PARK
BOARD OF EDUCATION

Schedule of Expenditures of Federal Awards

Year ended June 30, 2024

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2023	Carryover/ (Walkover) Amount	Cash Received	Total Budgetary Expenditures	Adjustments	Balance at June 30, 2024		
											(Accounts Receivable)	Deferred Revenue/ Interfund Payable	Due to Grantor
U.S. Department of Health and Human Services Passed-through State Department of Education: General Fund: Medical Assistance Program (SEMI) Total General Fund	93.778	2005NI5MAP	N/A	7/1/23-6/30/24	\$ 116,742			116,742 116,742	116,742 116,742				
U.S. Department of Education Passed-through State Department of Education: Special Revenue Fund: Title I Part A, Improving Basic Programs Title I Part A, Improving Basic Programs Title I SIA Title I SIA Title I National Distinguished Schools Program	84.010 84.010 84.010 84.010 84.010	S010A230030 S010A220030 S010A230030 S010A220030 S010A230030	ESEA-0890-24 ESEA-0890-23 ESEA-0890-24 ESEA-0890-23 ESEA-0890-24	7/1/23-9/30/24 7/1/22-9/30/23 7/1/23-9/30/24 7/1/22-9/30/23 7/1/23-9/30/24	1,136,202 823,751 40,400 40,400 15,000	(207,325) (207,325) (24,400) (24,400) (231,725)	(207,325) 207,325 (24,400) 24,400	975,694 21,600 15,000 1,012,294	1,058,399 18,800 15,000 1,092,199	(290,030) (21,600) (311,630)			
IDEA, Part B IDEA, Part B Preschool IDEA, Part B Preschool IDEA, Part B Preschool	84.027A 84.173A 84.173A 84.173A	H027A230100 H173A230014 H173A220014 H173A180114	IDEA-0890-24 IDEA-0890-24 IDEA-0890-23 IDEA-0890-19	7/1/23-9/30/24 7/1/23-9/30/24 7/1/22-9/30/23 7/1/18-6/30/19	791,274 21,239 20,839 16,908	(19,806) 16 (19,790)	(20,473) 20,473	791,274 20,833	791,274 360				667 16 683
Title II Part A Title II Part A	84.367A 84.367A	S367A230029 S367A220029	ESEA-0890-24 ESEA-0890-23	7/1/23-9/30/24 7/1/22-9/30/23	128,585 107,792	(25,809) (25,809)	(25,809) 25,809	132,315 132,315	128,704 128,704	(22,198) (22,198)			
Title III Title III Title III, Immigrant	84.365A 84.365A 84.365A	S365A230030 S365A220030 S365A230030	ESEA-0890-24 ESEA-0890-23 ESEA-0890-24	7/1/23-9/30/24 7/1/22-9/30/23 7/1/23-9/30/24	89,149 74,467 42,379	(77,626) (77,626) (77,626)	(77,626) 77,626	84,945 74,467 84,945	84,589 20,379 104,968	(77,270) (20,379) (97,649)			
21st Century Community Learning Centers	84.287C	S287C220030	CCLC-0890-23	9/1/22-8/31/23	500,000	(128,175) (128,175)		152,926 152,926	24,751 24,751				

CLIFFSIDE PARK
BOARD OF EDUCATION

Schedule of Expenditures of Federal Awards

Year ended June 30, 2024

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2023	Carryover/ (Walkover) Amount	Cash Received	Total Budgetary Expenditures	Adjustments	Balance at June 30, 2024		
											(Accounts Receivable)	Deferred Revenue/ Interfund Payable	Due to Grantor
Coronavirus Response and Relief Supplemental Act													
CARES - ESSER I	84.425D	S425D20027		3/13/20-10/15/22	508,473	19							19
CRRSA - ESSER II	84.425D	S425D210027		3/13/20-9/30/23	2,017,146	(10,852)		188,472	169,628				7,992
CR Learning Acceleration	84.425D	S425D210027		3/13/20-9/30/23	129,451	6,751							6,751
American Rescue Plan:													
ARP - ESSER	84.425U	S425U210027		3/13/20-9/30/23	4,533,405	(294,194)		776,183	1,026,890		(544,901)		
Accelerated Learning Coach and Educator Support	84.425U	S425U210027		3/13/20-9/30/23	280,270	(5,840)		232,957	245,562		(18,445)		
Evidence Based Summer Learning and Enrichment	84.425U	S425U210027		3/13/20-9/30/23	40,000	(780)					(780)		
Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027		3/13/20-9/30/23	40,000	(1,336)		2,611	18,137		(16,862)		
NYTSS Mental Health Support Staffing	84.425U	S425U210027		3/13/20-9/30/23	45,000			22,500	45,000		(22,500)		
ARP - Homeless II	84.425W	S425W210031		4/23/21-9/30/23	20,844	(690)		1,222,723	1,505,217		(604,178)		14,762
Total Special Revenue Fund						(790,047)		3,417,310	3,647,473		(1,035,655)		15,445
U.S. Department of Agriculture													
Passed-through State Department of Agriculture:													
Enterprise Fund:													
USDA Commodities	10.555	241N1304N1096	N/A	7/1/23-6/30/24	\$ 109,974			109,974	109,974				
National Breakfast Program	10.553	241N1304N1099	N/A	7/1/23-6/30/24	248,199			230,462	248,199		(17,737)		
National Breakfast Program	10.553	231N1304N1099	N/A	7/1/22-6/30/23	193,809	(16,797)		16,797					
National School Lunch Program	10.555	241N1304N1099	N/A	7/1/23-6/30/24	728,772			698,306	728,772		(30,466)		
National School Lunch Program	10.555	231N1304N1099	N/A	7/1/22-6/30/23	748,809	(43,031)		43,031					
National School Snack Program	10.555	241N1304N1099	N/A	7/1/23-6/30/24	27,343			26,552	27,343		(791)		
National School Snack Program	10.555	231N1304N1099	N/A	7/1/22-6/30/23	40,151	(2,365)		2,365					
Supply Chain Assistance Funding (4th Round	10.555	241N1344N8903	N/A	10/1/23-9/30/24	74,316			74,316	74,316				
P-EBT Administrative Cost Reimbursement	10.649	2022225900941	N/A	7/1/23-6/30/24	3,256			3,256	3,256		(5,020)		
School Equipment Grant	10.579	231N1354N8103	N/A	10/1/22-9/30/24	5,020	(5,020)							
Local Food for Schools Cooperative Agreement Program	10.185	USDA-AMS-10185	N/A	7/1/22-6/30/23	15,147			10,553	10,553				
Total Enterprise Fund						(67,213)		1,215,612	1,202,413		(54,014)		
Total Federal Financial Assistance:						(857,260)		4,749,664	4,966,628		(1,089,669)		15,445

Total Federal Financial Assistance:

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

**CLIFFSIDE PARK
BOARD OF EDUCATION**
Schedule of Expenditures of State and Local Awards
Year ended June 30, 2024

	Balance at June 30, 2023										Balance at June 30, 2024				MEMO	
	Grant or State Project Number	State/Local Grantor/Program Title	Grant Period	Award Amount	Deferred Revenue (Accts Receivable)	Due to Grantor	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures Pass through Funds	Budgetary Expenditures Direct	Repayment of Prior Years' Balances	Intergovernmental (Accounts Receivable)	Deferred Revenue/ Interfund Payable	Due to Grantor at	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education																
General Fund:																
Equalization Aid	495-034-5120-078		7/1/23-6/30/24	5,318,915				4,832,691	5,318,915						486,224	5,318,915
Special Education Aid	495-034-5120-089		7/1/23-6/30/24	2,052,790				1,865,136	2,052,790						187,654	2,052,790
Security Aid	495-034-5120-084		7/1/23-6/30/24	926,208				841,540	926,208						84,668	926,208
Transportation Aid	495-034-5120-014		7/1/23-6/30/24	323,598				294,017	323,598						29,581	323,598
NTE Homeless Reimbursement	100-029-6060-034		7/1/23-6/30/24	117,771					117,771			(117,771)			117,771	117,771
NTE Homeless Reimbursement	100-029-6060-034		7/1/23-6/30/24	85,534	(85,534)			85,534							85,534	85,534
Extraordinary Aid	495-034-5120-044		7/1/23-6/30/24	683,119				743,730	683,119			(683,119)			683,119	683,119
Reimbursed TPAF Social Security	495-034-5120-044		7/1/23-6/30/24	743,730	(743,730)			1,826,778	1,918,729			(92,351)			743,730	743,730
Reimbursed TPAF Social Security	495-034-5094-003		7/1/23-6/30/24	1,918,729				90,288	2,392,636						1,918,729	1,918,729
On Behalf TPAF - Post Retirement Medica	495-034-5094-003		7/1/23-6/30/24	1,817,317	(90,288)			2,392,636	2,392,636						1,817,317	1,817,317
On Behalf TPAF Pension Contribution	495-034-5094-001		7/1/23-6/30/24	2,392,636				8,692,048	8,692,048						2,392,636	2,392,636
On Behalf TPAF NCGI Premium	495-034-5094-002		7/1/23-6/30/24	8,692,048				99,128	99,128						8,692,048	8,692,048
On Behalf TPAF - LTDI	495-034-5094-004		7/1/23-6/30/24	99,128				4,335	4,335						99,128	99,128
Total General Fund				4,335	(919,552)			21,767,461	22,529,277			(893,241)			788,127	25,175,858
Special Revenue Fund:																
Preschool Education Aid	495-034-5120-086		7/1/23-6/30/24	246,487				221,839	246,487			(24,648)			24,648	246,487
Preschool Education Aid	100-034-5120-086		7/1/23-6/30/24	218,616	(21,861)			231	187		25			44	187	218,616
N.J. Nonpublic Textbook Aid	100-034-5120-064		7/1/23-6/30/24	198				196	196						196	196
N.J. Nonpublic Technology Initiative	100-034-5120-073		7/1/23-6/30/24	126	41			480	443		41			37	85	196
N.J. Nonpublic Technology Initiative	100-034-5120-073		7/1/23-6/30/24	480				820	754		21			66	443	443
N.J. Nonpublic Nursing Services	100-034-5120-070		7/1/23-6/30/24	336	21										315	315
N.J. Nonpublic Security Grant	100-034-5120-509		7/1/23-6/30/24	820											754	754
N.J. Nonpublic Handicapped Services:																
Exam & Classification	100-034-5120-066		7/1/23-6/30/24	1,326				1,326	1,674					1,326		1,674
Corrective Speech	100-034-5120-066		7/1/23-6/30/24	2,418				2,418						744		
N.J. Auxiliary Services																
Compensatory Education	100-034-5120-067		7/1/23-6/30/24	1,618				1,618	855					763		855
English as a Second Language	100-034-5120-067		7/1/23-6/30/24	916				916	870					46		870
SDA Emergent Needs and Capital																
Maintenance in School Districts																
Total Special Revenue Fund				74,509	(21,774)			74,509	74,509		87	(24,648)	74,509	3,026	24,648	470,655
State Department of Agriculture																
Enterprise Fund:																
National School Lunch Program (State Share)	100-010-3350-023		7/1/23-6/30/24	23,919				22,945	23,919			(974)				23,919
National School Lunch Program (State Share)	100-010-3350-023		7/1/23-6/30/24	26,274	(1,482)			1,482	6,753			(362)				26,274
National School Lunch Program (NJIE)	100-010-3350-023		7/1/23-6/30/24	6,753				6,391	6,753			(206)				6,753
National School Breakfast Program	100-010-3350-023		7/1/23-6/30/24	3,024				2,818	3,024							3,024
National School Breakfast Program	100-010-3350-023		7/1/23-6/30/24	3,516	(333)			333	1,819			(150)				3,516
National School Breakfast Program (NJIE)	100-010-3350-023		7/1/23-6/30/24	1,819				1,669	9,495			(665)				9,495
National School Breakfast After the Bel	100-010-3350-023		7/1/23-6/30/24	9,495	(617)			8,830	7,220			(2,357)				7,220
National School Breakfast After the Bel	100-010-3350-023		7/1/23-6/30/24	7,220	(2,432)			617	45,010							80,201
Total Enterprise Fund					(943,758)			22,138,760	22,825,753		87	(950,246)	74,509	3,026	812,775	25,726,714
Total State Financial Assistance																

**CLIFFSIDE PARK
BOARD OF EDUCATION**
Schedule of Expenditures of State and Local Awards
Year ended June 30, 2024

				Balance at June 30, 2023					Balance at June 30, 2024					MEMO	
	Grant or State Project Number	Grant Period	Award Amount	Deferred Revenue (Assets Receivable)	Due to Grantor	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures Pass through Funds	Budgetary Expenditures Direct	Repayment of Prior Years Balances	Intergovernmental Accounts Receivable	Deferred Revenue Interfund Payable	Due to Grantor at	Budgetary Receivable	Cumulative Total Expenditures
Less: On-Behalf TPAF Pension System Contributions															
	495-034-5094-001	7/1/23-6/30/24	2,392,636					2,392,636						*	*
	On Behalf TPAF - Post Retirement Medical													*	*
	495-034-5094-002	7/1/23-6/30/24	8,692,048					8,692,048						*	*
	On Behalf TPAF Pension Contribution													*	*
	495-034-5094-004	7/1/23-6/30/24	99,128					99,128						*	*
	On Behalf TPAF NCGI Premium													*	*
	495-034-5094-004	7/1/23-6/30/24	4,335					4,335						*	*
	On Behalf TPAF - LTDI													*	*
								11,188,147						*	*
								11,637,606						*	*
Total State Financial Assistance															
			7,144				7,144	7,144						*	7,144
Local Awards:															
														*	
			Special Revenue Fund											*	
			NISBAIG Safety Grant Program	7/1/23-6/30/24			7,144	7,144						*	7,144
Total Local Awards															
							22,145,904	22,832,897		87	(920,246)	74,509	3,026	*	25,733,858
				\$	(943,758)									*	
Total State/Local Financial Assistance															

See accompanying notes to schedules of expenditures of federal and state award

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

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

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(251,795) for the general fund and \$(39,271) for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
General Fund	\$116,742	\$22,277,482	\$	\$22,394,224
Special Revenue Fund	3,608,202	251,465	7,144	3,866,811
Food Service Fund	<u>1,202,413</u>	<u>45,010</u>	<u> </u>	<u>1,247,423</u>
Total Awards and Financial Assistance	<u>\$4,927,357</u>	<u>\$22,573,957</u>	<u>\$7,144</u>	<u>\$27,508,458</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2024. The amount reported as TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2024.

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

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, the amount of \$11,188,147 of on-behalf payments is excluded from major program determination.

NOTE 7. INDIRECT COST RATE

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

NOTE 8. SCHOOLWIDE PROGRAM FUNDS

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

<u>Program</u>	<u>Total</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	\$1,073,399
Title I, SIA: <i>Grants to Local Educational Agencies</i>	18,800
Title II, Part A: <i>Improving Teacher Quality State Grants</i>	128,704
Title III: <i>English Language Acquisition State Grants</i>	<u>104,968</u>
Total	<u>\$1,325,871</u>

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

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

Noncompliance material to basic financial statements noted? yes X no

Federal Awards

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

Auditee qualified as low-risk auditee? X yes no

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

Internal Control over major programs:

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

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

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.010</u>	<u>S010A2200030</u> (A)	Title I, Part A, Improving Basic Programs/ Title I SIA/ Title I National Distinguished School Program
<u>84.425D/84.425U</u>	<u>S425D210027/ S425U210027</u> (A)	CRRSA-ESSER II/ARP-ESSER/ Accepted Learning Coach and Educator Support/ Evidence Based Comprehensive Beyond the School Day/ NJTSS Mental Health Support Staffing

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

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(CONTINUED)**

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

State Awards

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

Auditee qualified as low-risk auditee? X yes no

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

Internal Control over major programs:

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

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

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

Identification of major programs:

GMIS Number(s)

Name of State Program

495-034-5120-089/

495-034-5120-084/

495-034-5120-078

(A)

495-034-5120-086

(B)

State Aid Public Cluster:

Special Education Categorical Aid/Security
Aid/Equalization Aid

Preschool Education Aid

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

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

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Section II – Financial Statement Findings

NONE

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

FEDERAL AWARDS

None

STATE AWARDS

None

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Status of Prior Year Findings

Find 2023-001

Condition:

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

Current Status:

Corrective action has been taken.