

RIVER VALE BOARD OF EDUCATION
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

River Vale, New Jersey

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

of the

River Vale Board of Education

River Vale, New Jersey

For The Fiscal Year Ended June 30, 2024

Prepared by

Business Office

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RIVER VALE PUBLIC SCHOOLS

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Board Secretary
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Telephone: 201 / 358 - 4003
Fax: 201 / 358 - 2489

January 10, 2025

Honorable President and
Members of the Board of Education
River Vale School District
County of Bergen
River Vale, New Jersey 07675

Dear Board Members:

The annual comprehensive financial report of the River Vale School District for the fiscal year ended June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the River Vale Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the district. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the district's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon including the Management Discussion and Analysis. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Uniform Guidance, and the state Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

REPORTING ENTITY AND ITS SERVICES: The River Vale School District is an independent reporting entity within the criteria adopted by the GASB. All funds of the district are included in this report. The River Vale 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 levels Pre-K through 8. These include regular education, as well as special education for handicapped youngsters. The district completed the 2023/2024 fiscal year with an enrollment of 992 students, which is a decrease of 22 students from the previous year's enrollment.

The following details the changes in the student enrollment of the district.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2023-2024	992	-2.2%
2022-2023	1,014	-.002%
2021-2022	1,016	-4.00%
2020-2021	1,056	-4.26%
2019-2020	1,103	-1.61%
2018-2019	1,120	-2.41%
2017-2018	1,147	-1.39%
2016-2017	1,163	-1.44%
2015-2016	1,180	-3.59%
2014-2015	1,224	-4.7%

ECONOMIC CONDITION AND OUTLOOK: River Vale Township comprises a land area of 4.5 square miles and is located in the northeastern part of Bergen County. River Vale is a suburban community consisting of mainly single-family homes and, additionally, has three (3) condominium developments. The Fairways at Edgewood LLC, has removed an existing maintenance building and 9 holes of the existing golf course and construct 225 market rate units (193 townhomes and 32 quadplex units) and 24 affordable rental units in a three-story building. All of the total 193 townhouse units are proposed with three bedrooms. Of the 32 quadplex units, 16 are two bedroom and 15 are three bedroom. Of the 24 affordable units, 4 are one bedroom, 15 are two bedroom and 5 are three bedroom. The School District's most recent demographic study was presented in December 2015 by Whitehall Associates, Inc.

GENERAL EDUCATIONAL GOALS: The River Vale School District is a Pre-K-8 type II district which is made up of three schools: Roberge and Woodside (grades Pre-K-5) and Holdrum (grades 6-8).

The district continues to attract excellent teachers. More than half of the teachers are tenured. More than half are on the MA+ level. Enrollment for the 2022/2023 school year was 1,014 students including out-of-district special education placements. Enrollment for 2023/2024 is expected to continue to decline slightly. Homerooms average eighteen (17) students and reading/math groups have a lower faculty/student ratio.

The goals of the district are to provide learning opportunities to help each student grow and develop intellectually, emotionally, physically, and socially. The school system emphasizes a sound and basic curriculum. There are gifted and talented programs, special education and resource centers, and computer labs & media centers in each of the schools. In addition, the schools provide extensive curricular offerings in world language, instrumental and vocal music, visual arts, computer literacy, library services and physical education.

A continuing goal of the district is to “*Focus on meaningful innovation as the key to addressing 21st Century Skills needed for success in a changing world.*” This includes:

Commitment to Digital Citizenship and Increased Student Access to Technology: With much appreciated support from the River Vale Educational Fund and the River Vale PTA, the district is excited to continue their ongoing technology initiatives! Increased access to the right grade-level technology amplifies learning, increases engagement, and enables our classrooms to be more technology-driven, real-work oriented, and reflective of the evolving world our students live in.

Beginning in the 2014/2015 school year, the River Vale School District underwent a significant transformation in terms of increasing student access to technology as a dynamic instructional tool by making the decision to purchase the learning management system, *Canvas*, which was also being used at our sending regional high school, Pascack Valley. Canvas is an important tool that transformed the way students and teachers communicate and accomplish learning goals.

In the 2015/2016 school year, all 8th graders were provided a district-owned laptop that they could take home, giving teachers the opportunity to continue transforming and modernizing instructional practices, and students the opportunity to engage more fully in critical thinking, collaboration, accessing information, and creating new products. In the 2015/2016 school year, all 6th and 7th graders received laptops that stay at school for an *in-school* 1:1 initiative, all students in grades 3-5 received their own Chromebook for an *in-class* 1:1 initiative, and students in grades K-2 were given increased access to Chromebooks and tablets.

The River Vale School District considers itself to be a leader in supporting K-8 students with applicable and age-appropriate technology. As of the 2017/2018 school year, all students in grades 6-8 have a Chromebook or laptop they get to take home for the school year, all students in grades 2-5 have an in-school Chromebook initiative, which means they get their own device, but it stays in school, and all students in grades K-1 have their own device that stays in schools which equates to the District having a 1:1 initiative grades K-8.

Educate 2B Mindfulness Program: Thanks to a generous donation from the River Vale Educational Fund, the district's *Educate 2B Mindfulness Program* provided over 40 staff members an innovative and important way to help address mental health for all students in the district.

Being a "Leading" School District: In addition to being a member of the New Jersey Department of Education's *InnovateNJ* program, a state-wide program aimed at supporting innovation by fostering sharing and collaboration between districts, the River Vale School District is also a member of *EdLeader21*, a national consortium focused on integrating vital 21st century skills into the classroom.

This is an important time in public education, and our district needs to be a leader in terms of what a great education should look like for all children in New Jersey.

In River Vale, we are committed to providing students a rich and balanced education that focuses on the important 21st century skills needed for success in an increasingly complex, global world. This is an exciting time in education for our district, and together we will remain "Committed to Excellence" to our students!

Each member of the seven-member school board is elected to a three-year term and represents a cross-section of the community.

The Superintendent of Schools, under the direction of the Board of Education, has consulted with teaching staff members, pupils, parents and other residents in the formation of the educational goals of this district and has invited comments at public meetings relative to the goals. These educational goals were then adopted by the Board. The school-level goals address the needs of the pupils of this district and constitute the foundation on which the instructional program is anchored.

The performance of River Vale students on these standardized assessment measures continues to be well above state and national averages in all content areas.

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 statement in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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 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 appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as assignments of fund balance at June 30, 2024.

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 in "Notes to the Financial Statements", Note 1.

DEBT ADMINISTRATION: At June 30, 2024, the District's long-term debt issue is for \$30,570,000 of general obligation bonds to provide funding for the school referendum.

CASH MANAGEMENT: The school district primarily invests in the New Jersey Cash Management Fund due to the higher interest rates that are offered. The school district also invests in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA).

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

OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci, & Bliss, LLP, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related U.S. Uniform Guidance and State Treasury Circular Letter 15-08 OMB. The auditor's report on the basic financial statements is included in the financial section of this report. The auditor's reports relate specifically to the single audit are included in the single audit section of this report.

ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the River Vale School Board 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.

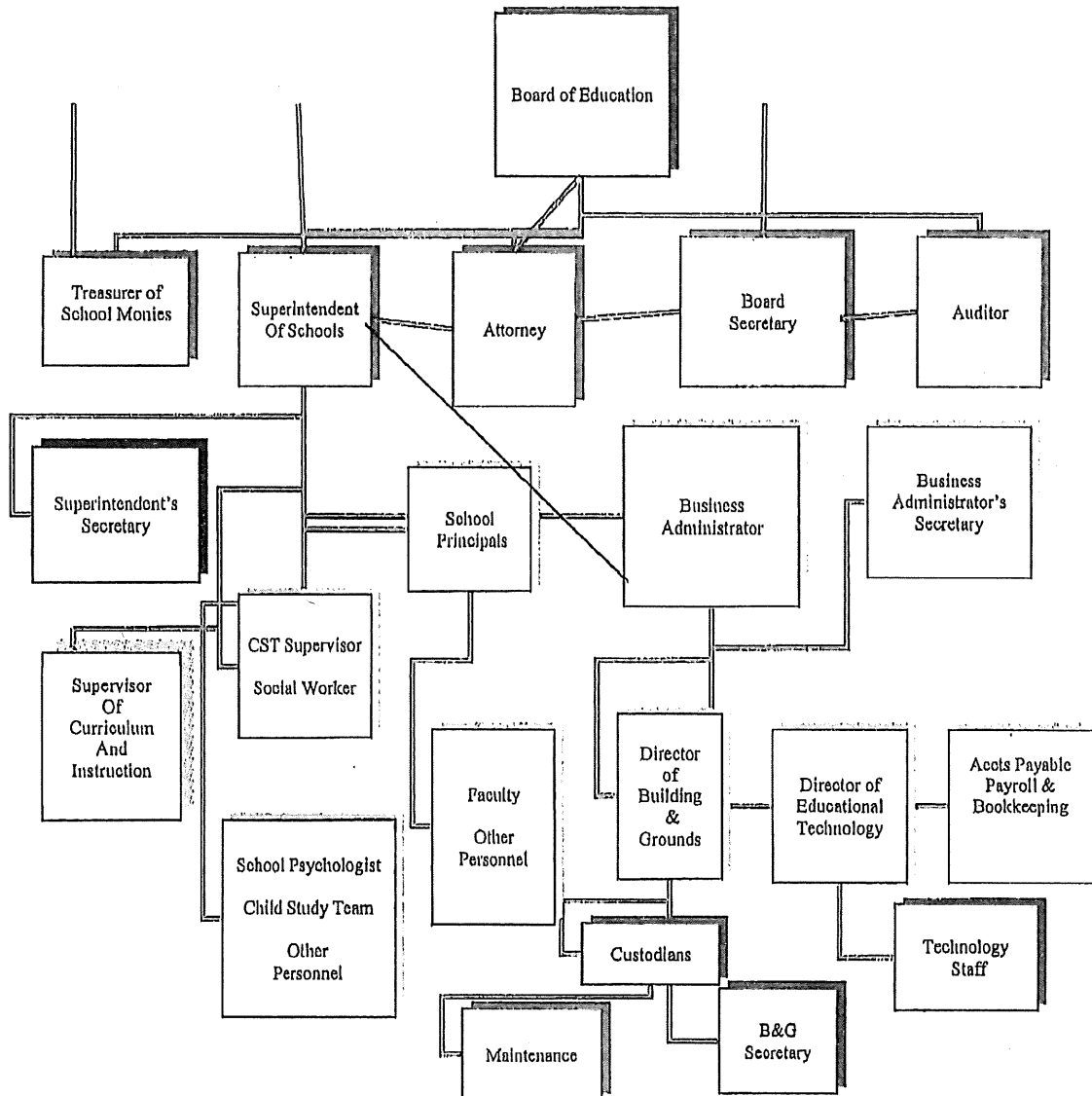
Respectfully submitted,



Kelly Ippolito
School Business Administrator/Board Secretary

RIVER VALE BOARD OF EDUCATION

ORGANIZATION CHART



RIVER VALE BOARD OF EDUCATION
RIVER VALE, NEW JERSEY

**ROSTER OF OFFICIALS
JUNE 30, 2024**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Steven Rosini, President	2026
Patrice Pintarelli, Vice President	2026
Jamie Assor, Trustee	2026
Louan Austin, Trustee	2025
Cheryl Berkowitz, Trustee	2024
Virginia Senande, Trustee	2025
Arthur White, Trustee	2024

Other Officials

Melissa Signore, Superintendent of Schools

Kelly Ippolito, School Business Administrator/Board Secretary

Gennaro Rotella, Treasurer of School Monies

**RIVER VALE BOARD OF EDUCATION
RIVER VALE, NEW JERSEY**

Consultants and Advisors

As of June 30, 2024

Architect

LAN Associates
445 Godwin Avenue, Suite 1
Midland Park, NJ 07432

Audit Firm

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

Attorney

Fogarty & Hara
16-00 Route 208
Fair Lawn, New Jersey 07410

Official Depository

Capital One Bank
553 Broadway Ave.
Westwood, NJ 07675

Risk Manager

Burton Agency
P.O. Box 270
Westwood, New Jersey 07675

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
River Vale Board of Education
River Vale, New Jersey

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the River Vale Board of Education, as of and for the fiscal year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the River Vale Board of Education as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 10, 2025 on our consideration of the River Vale Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the River Vale Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the River Vale Board of Education's internal control over financial reporting and compliance.



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



Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
January 10, 2025

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

RIVER VALE BOARD OF EDUCATION

Management's Discussion and Analysis

This section of River Vale Board of Education's annual comprehensive financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2024. The intent of this section is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement. Certain comparative information between the current year (2023-2024) and the prior year (2023-2024) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2023-2024 fiscal year include the following:

- The assets and deferred outflows of resources of the River Vale Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$31,400,088 (net position).
- Overall District revenues were \$32,216,757. General revenues accounted for \$26,540,580 or 82% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$5,676,177 or 12% of total revenues.
- The School District had \$29,899,085 in expenses for governmental activities; only \$5,647,515 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$26,540,580 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 \$17,919,640 a decrease of \$8,676,627 when compared to the ending fund balance at June 30, 2023 of \$26,596,267.
- The General Fund unassigned fund balance at June 30, 2024 was in a surplus position of \$395,660, an increase of \$17,677 when compared with the ending fund balance surplus of \$377,983 at June 30, 2023.
- The General Fund unassigned budgetary fund balance at June 30, 2024 was \$742,579 which represents a decrease of \$35,114 when compared to the ending unassigned fund balance at June 30, 2023 of \$777,693.

RIVER VALE BOARD OF EDUCATION

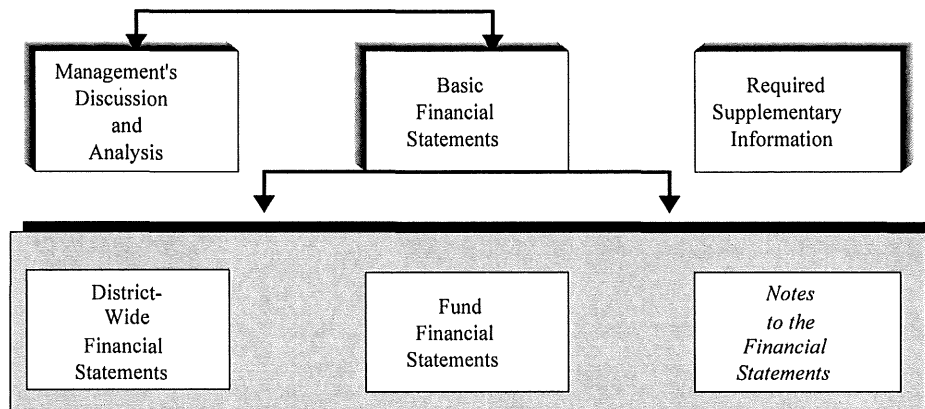
Management's Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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



RIVER VALE BOARD OF EDUCATION

Management's Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

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

Major Features of the District-Wide and Fund Financial Statements

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

RIVER VALE BOARD OF EDUCATION

Management's Discussion and Analysis

District-Wide Financial Statements

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

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

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

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

- *Governmental Activities* – Most of the District's basic services are included here, such as regular instruction and special education, transportation, administration, and plant operation and maintenance. State and Federal Aids and tuition charged to other school districts finance most of these activities.
- *Business Type Activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service Fund is included here.

Fund Financial Statements

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

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

RIVER VALE BOARD OF EDUCATION

Management's Discussion and Analysis

Fund Financial Statements (Continued)

The District has two kinds of funds:

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

Notes to the Financial Statements

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

Other Information

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

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

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

RIVER VALE BOARD OF EDUCATION

Management's Discussion and Analysis

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$31,400,088 and \$29,110,299 as of June 30, 2024 and 2023, respectively, as shown below.

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net Position as of June 30, 2024 and 2023

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>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	\$ 19,420,704	\$ 30,064,619	\$ 9,132	\$ 5,674	\$ 19,429,836	\$ 30,070,293
Capital Assets	<u>48,927,956</u>	<u>39,537,842</u>	<u>9,088</u>	<u>10,267</u>	<u>48,937,044</u>	<u>39,548,109</u>
Total Assets	<u>68,348,660</u>	<u>69,602,461</u>	<u>18,220</u>	<u>15,941</u>	<u>68,366,880</u>	<u>69,618,402</u>
Deferred Outflows of Resources						
Deferred Amounts on Net Pension Liability	<u>305,741</u>	<u>508,996</u>	<u>-</u>	<u>-</u>	<u>305,741</u>	<u>508,996</u>
Total Deferred Outflows	<u>305,741</u>	<u>508,996</u>	<u>-</u>	<u>-</u>	<u>305,741</u>	<u>508,996</u>
Total Assets and Deferred Outflows	<u>68,654,401</u>	<u>70,111,457</u>	<u>18,220</u>	<u>15,941</u>	<u>68,672,621</u>	<u>70,127,398</u>
Liabilities						
Long-Term Liabilities	35,414,547	36,725,361			35,414,547	36,725,361
Other Liabilities	<u>1,525,598</u>	<u>3,493,352</u>	<u>1,500</u>	<u>-</u>	<u>1,527,098</u>	<u>3,493,352</u>
Total Liabilities	<u>36,940,145</u>	<u>40,218,713</u>	<u>1,500</u>	<u>-</u>	<u>36,941,645</u>	<u>40,218,713</u>
Deferred Inflows of Resources						
Deferred Amounts on Net Pension Liability	<u>330,888</u>	<u>798,386</u>	<u>-</u>	<u>-</u>	<u>330,888</u>	<u>798,386</u>
Total Deferred Inflows	<u>330,888</u>	<u>798,386</u>	<u>-</u>	<u>-</u>	<u>330,888</u>	<u>798,386</u>
Total Liabilities and Deferred Inflows	<u>37,271,033</u>	<u>41,017,099</u>	<u>1,500</u>	<u>-</u>	<u>37,272,533</u>	<u>41,017,099</u>
Net Position						
Net Investment in Capital Assets	26,801,540	26,538,911	9,088	10,267	26,810,628	26,549,178
Restricted	7,166,240	5,775,030			7,166,240	5,775,030
Unrestricted	<u>(2,584,412)</u>	<u>(3,219,583)</u>	<u>7,632</u>	<u>5,674</u>	<u>(2,576,780)</u>	<u>(3,213,909)</u>
Total Net Position	<u>\$ 31,383,368</u>	<u>\$ 29,094,358</u>	<u>\$ 16,720</u>	<u>\$ 15,941</u>	<u>\$ 31,400,088</u>	<u>\$ 29,110,299</u>

RIVER VALE BOARD OF EDUCATION

Management's Discussion and Analysis

The changes in net position for fiscal years ended 2024 and 2023 are as follows:

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>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	\$ 327,723	\$ 377,229	\$ 18,948	\$ 14,908	\$ 346,671	\$ 392,137
Operating Grants and Contributions	5,319,792	5,569,487	9,714	10,449	5,329,506	5,579,936
General Revenues						
Property Taxes	24,871,483	24,673,439			24,871,483	24,673,439
State Aid	712,126	809,585			712,126	809,585
Investment Earnings	768,880	766,571	-	-	768,880	766,571
Miscellaneous	188,091	180,245	-	-	188,091	180,245
Total Revenues	<u>32,188,095</u>	<u>32,376,556</u>	<u>28,662</u>	<u>25,357</u>	<u>32,216,757</u>	<u>32,401,913</u>
Expenses						
Instruction						
Regular	11,866,878	11,999,933			11,866,878	11,999,933
Special Education	3,797,400	3,563,516			3,797,400	3,563,516
Other Instruction	1,160,047	1,189,123			1,160,047	1,189,123
School Sponsored Activities and Athletics	463,688	473,242			463,688	473,242
Support Services						
Student and Instruction Related Services	4,396,063	4,198,890			4,396,063	4,198,890
General Administration Services	658,379	673,531			658,379	673,531
School Administration Services	1,204,510	1,155,574			1,204,510	1,155,574
Plant Operation and Maintenance	3,573,373	2,914,469			3,573,373	2,914,469
Pupil Transportation	831,885	747,735			831,885	747,735
Central Services	1,343,442	1,226,075			1,343,442	1,226,075
Interest and Other Chgs on Long-Term Debt	603,420	618,218			603,420	618,218
Food Service	-	-	27,883	18,424	27,883	18,424
Total Expenses	<u>29,899,085</u>	<u>28,760,306</u>	<u>27,883</u>	<u>18,424</u>	<u>29,926,968</u>	<u>28,778,730</u>
Change in Net Position	2,289,010	3,616,250	779	6,933	2,289,789	3,623,183
Net Position, Beginning of Year	<u>29,094,358</u>	<u>25,478,108</u>	<u>15,941</u>	<u>9,008</u>	<u>29,110,299</u>	<u>25,487,116</u>
Net Position, End of Year	<u>\$ 31,383,368</u>	<u>\$ 29,094,358</u>	<u>\$ 16,720</u>	<u>\$ 15,941</u>	<u>\$ 31,400,088</u>	<u>\$ 29,110,299</u>

RIVER VALE BOARD OF EDUCATION

Management's Discussion and Analysis

Governmental Activities

The financial position of the District improved significantly. However, maintaining existing programs with decreased enrollment, the provision of a multitude of special programs/services for disabled pupils, and increases in District health benefits costs places a great demand on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

Total and Net Cost of Governmental Activities. The following schedule presents the District's total costs of services provided by major activity. After applying program revenues, derived from charges for services, operating grants and contributions and capital grants and contributions, the net cost of these services is presented. The following is a comparative analysis of the total and the net cost of governmental activities for the fiscal years ended June 30, 2024 and 2023.

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Instruction				
Regular	\$ 11,866,878	\$ 11,999,933	\$ 9,722,033	\$ 9,664,066
Special Education	3,797,400	3,563,516	1,771,127	1,704,367
Other Instruction	1,160,047	1,189,123	938,128	769,140
School Sponsored Activities and Athletics	463,688	473,242	200,648	172,891
Support Services				
Student and Instruction Related Services	4,396,063	4,198,890	3,964,458	3,655,492
General Administration	658,379	673,531	657,203	669,038
School Administration Services	1,204,510	1,155,574	1,035,126	979,257
Plant Operation and Maintenance	3,573,373	2,914,469	3,383,180	2,810,094
Pupil Transportation	831,885	747,735	685,054	607,417
Central Services	1,343,442	1,226,075	1,291,193	1,163,610
Interest and Other Charges on Long-Term Debt	<u>603,420</u>	<u>618,218</u>	<u>603,420</u>	<u>618,218</u>
Total	<u>\$ 29,899,085</u>	<u>\$ 28,760,306</u>	<u>\$ 24,251,570</u>	<u>\$ 22,813,590</u>

RIVER VALE BOARD OF EDUCATION

Management's Discussion and Analysis

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$17,919,640 a decrease of \$8,676,627 from last year's fund balance of \$26,596,267.

Revenues and other financing sources for the District's governmental funds were \$35,017,274; total expenditures and other financing uses were \$43,693,901.

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

Revenues and other financing sources of the General Fund were \$32,665,376 for the fiscal year ended June 30, 2024. State revenue sources amounted to \$7,624,721 federal sources were \$98,395 and local revenue sources were \$24,942,260.

Expenditures of the General Fund were \$30,973,272. Instructional expenditures were \$19,130,325, support services expenditures were \$11,809,045, debt services expenditures were \$26,785, and capital expenditures totaled \$7,117 for the fiscal year ended June 30, 2024.

Special Revenue Fund - The Special Revenue Fund includes all restricted Federal and State sources utilized in the operations of the district in providing educational services to students with special needs.

Revenues of the Special Revenue Fund were \$688,348 for the fiscal year ended June 30, 2024. Federal sources totaled \$425,355 and local sources were \$262,993.

Expenditures of the Special Revenue Fund were \$711,317. Instructional expenditures were \$592,906 and support services expenditures were \$118,411 for the fiscal year ended June 30, 2024.

Capital Projects - The capital projects expenditures and other financing uses exceeded revenues by \$10,279,181 decreasing the fund balance from \$18,817,794 at June 30, 2023 to \$8,538,613 at June 30, 2024.

Proprietary Funds

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

RIVER VALE BOARD OF EDUCATION

Management's Discussion and Analysis

Enterprise Fund - The District uses Enterprise Funds to report activities related to the Food Services program. The District's Enterprise Fund provides the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

- Implementing budgets for specially funded projects, which include both federal and state grants.
- Reappropriation of June 30, 2023 encumbrances.
- Appropriation of Fund Balance

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2024 amounts to \$48,937,044 and \$39,548,109 (net of accumulated depreciation), respectively. The capital assets consist of land, land improvements, buildings, building improvements, machinery and various other types of equipment. Depreciation charges for the fiscal year 2023-2024 amounted to \$896,184 for governmental activities and \$1,179 for the Business-Type activities.

The following is a comparative analysis of capital assets at June 30, 2024 and 2023.

	<u>Governmental</u> <u>Activities</u>		<u>Business- Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land	\$ 31,805	\$ 31,805			\$ 31,805	\$ 31,805
Construction in Progress	32,268,893	21,989,712			32,268,893	21,989,712
Buildings and Building Improvements	15,569,551	16,258,478			15,569,551	16,258,478
Machinery and Equipment	493,248	653,941	\$ 9,088	\$ 10,267	502,336	664,208
Land Improvements	564,459	603,906	-	-	564,459	603,906
Total	\$ 48,927,956	\$ 39,537,842	\$ 9,088	\$ 10,267	\$ 48,937,044	\$ 39,548,109

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

RIVER VALE BOARD OF EDUCATION

Management's Discussion and Analysis

LONG TERM LIABILITIES

At June 30, 2024, the District's long-term liabilities consisted of compensated absences payable of \$826,904, serial bonds of \$30,570,916 (including Bond Premium), capital financing agreements of \$87,667, and net pension liability of \$3,929,060, totaling \$35,414,547. This is in comparison to long-term liabilities at June 30, 2023 of \$36,725,361 or a decrease of \$1,310,814.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2024-2025 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing labor and related employee benefit costs. Other budgetary increases are anticipated with special education, and utilizes the required investment to repair the District's aging facilities.

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

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the School Business Administrator at the River Vale Board of Education, 609 Westwood Ave., River Vale, NJ 07675.

BASIC FINANCIAL STATEMENTS

**RIVER VALE BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 19,134,202	\$ 6,429	\$ 19,140,631
Receivables, net			
Receivables from Other Governments	247,270	1,827	249,097
Other	40,108	-	40,108
Internal Balances	(876)	876	-
Capital Assets, Not Being Depreciated	32,300,698		32,300,698
Capital Assets, Being Depreciated, Net	<u>16,627,258</u>	<u>9,088</u>	<u>16,636,346</u>
 Total Assets	 <u>68,348,660</u>	 <u>18,220</u>	 <u>68,366,880</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>305,741</u>	<u>-</u>	<u>305,741</u>
 Total Deferred Outflows of Resources	 <u>305,741</u>	 <u>-</u>	 <u>305,741</u>
 Total Assets and Deferred Outflows of Resources	 <u>68,654,401</u>	 <u>18,220</u>	 <u>68,672,621</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	1,338,293	1,500	1,339,793
Accrued Interest Payable	24,534		24,534
Unearned Revenue	150,275		150,275
Intergovernmental Payable	12,496		12,496
Noncurrent Liabilities			
Due Within One Year	1,163,875		1,163,875
Due Beyond One Year	<u>34,250,672</u>	<u>-</u>	<u>34,250,672</u>
 Total Liabilities	 <u>36,940,145</u>	 <u>1,500</u>	 <u>36,941,645</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>330,888</u>	<u>-</u>	<u>330,888</u>
 Total Deferred Inflows of Resources	 <u>330,888</u>	 <u>-</u>	 <u>330,888</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>37,271,033</u>	 <u>1,500</u>	 <u>37,272,533</u>
NET POSITION			
Net Investment in Capital Assets	26,801,540	9,088	26,810,628
Restricted for			
Capital Projects	5,505,764		5,505,764
Maintenance	759,616		759,616
Other Purposes	900,860		900,860
Unrestricted	<u>(2,584,412)</u>	<u>7,632</u>	<u>(2,576,780)</u>
 Total Net Position	 <u>\$ 31,383,368</u>	 <u>\$ 16,720</u>	 <u>\$ 31,400,088</u>

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

**RIVER VALE BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 11,866,878	\$ 65,230	\$ 2,079,615		\$ (9,722,033)		\$ (9,722,033)
Special Education	3,797,400		2,026,273		(1,771,127)		(1,771,127)
Other Instruction	1,160,047		221,919		(938,128)		(938,128)
School Sponsored Activities and Athletics	463,688	262,493	547		(200,648)		(200,648)
Support Services							
Student and Instruction Related Services	4,032,117		431,605		(3,600,512)		(3,600,512)
Attendance and Social Work	124,188				(124,188)		(124,188)
Educational Media/School Library	239,758				(239,758)		(239,758)
School Administrative Services	1,204,510		169,384		(1,035,126)		(1,035,126)
General Administrative Services	658,379		1,176		(657,203)		(657,203)
Plant Operations and Maintenance	3,573,373		190,193		(3,383,180)		(3,383,180)
Pupil Transportation	831,885		146,831		(685,054)		(685,054)
Central Services	1,343,442		52,249		(1,291,193)		(1,291,193)
Interest on Long-Term Debt	603,420	-	-	-	(603,420)	-	(603,420)
Total Governmental Activities	29,899,085	327,723	5,319,792	-	(24,251,570)	-	(24,251,570)
Business-Type Activities							
Food Service - Non-Major	27,883	18,948	9,714	-	-	\$ 779	779
Total Business-Type Activities	27,883	18,948	9,714	-	-	779	779
Total Primary Government	\$ 29,926,968	\$ 346,671	\$ 5,329,506	\$ -	(24,251,570)	779	(24,250,791)
General Revenues							
Taxes							
Property Taxes Levied for General Purposes					23,920,059		23,920,059
Property Taxes Levied for Debt Services					951,424		951,424
State Aid Restricted for Debt Service					712,126		712,126
Interest on Deposits					768,880	-	768,880
Miscellaneous Income					188,091	-	188,091
Total General Revenues					26,540,580	-	26,540,580
Change in Net Position					2,289,010	779	2,289,789
Net Position, Beginning of Year					29,094,358	15,941	29,110,299
Net Position, End of Year					\$ 31,383,368	\$ 16,720	\$ 31,400,088

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

FUND FINANCIAL STATEMENTS

**RIVER VALE BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2024**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 9,280,235	\$ 358,614	\$ 9,494,142	\$ 1,211	\$ 19,134,202
Due from Other Funds	392,915			1,004	393,919
Other Receivables	40,108				40,108
Receivables from Other Governments	<u>61,402</u>	<u>185,867</u>	<u>-</u>	<u>1</u>	<u>247,270</u>
Total Assets	<u>9,774,660</u>	<u>544,481</u>	<u>9,494,142</u>	<u>2,216</u>	<u>19,815,499</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	395,540	-	862,607		1,258,147
Accrued Salaries and Wages Payable	8,072				8,072
Payroll Deductions and Withholdings Payable	8,081				8,081
Employee Flex Spending Deposits Payable	11,414				11,414
Unemployment Employee Contributions Payable	52,579				52,579
Due to Other Funds	876	300,997	92,922	-	394,795
Due to Other Governments	12,496				12,496
Unearned Revenue	<u>2,800</u>	<u>147,475</u>	<u>-</u>	<u>-</u>	<u>150,275</u>
Total Liabilities	<u>491,858</u>	<u>448,472</u>	<u>955,529</u>	<u>-</u>	<u>1,895,859</u>
Fund Balance					
Restricted:					
Excess Surplus	600,000				600,000
Excess Surplus - Designated for					
Subsequent Year's Expenditures (2024/25 Budget)	600,000				600,000
Capital Reserve	5,500,760				5,500,760
Maintenance Reserve	759,616				759,616
Emergency Reserve	181,412				181,412
Capital Projects			8,538,613		8,538,613
Debt Service				2,216	2,216
Unemployment Compensation Reserve	802,635				802,635
Co-Curricular Student Activities		96,009			96,009
Assigned:					
Year-End Encumbrances	242,719				242,719
Arbitrage Rebate	200,000				200,000
Unassigned Fund Balance	<u>395,660</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>395,660</u>
Total Fund Balances	<u>9,282,802</u>	<u>96,009</u>	<u>8,538,613</u>	<u>2,216</u>	<u>17,919,640</u>
Total Liabilities and Fund Balances	<u>\$ 9,774,660</u>	<u>\$ 544,481</u>	<u>\$ 9,494,142</u>	<u>\$ 2,216</u>	<u>\$ 19,815,499</u>

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

**RIVER VALE BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2024**

Total Fund Balances (Exhibit B-1) \$ 17,919,640

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 \$64,617,943 and the accumulated depreciation is \$15,689,987

48,927,956

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

(24,534)

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

Deferred Outflows of Resources
Deferred Inflows of Resources

\$ 305,741
(330,888)

(25,147)

Long-term liabilities, including bonds payable, and net pension liability are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:

General Obligation Bonds Payable, Including Unamortized Premium 30,570,916
Capital Financing Agreements Payable 87,667
Compensated Absences 826,904
Net Pension Liability 3,929,060

(35,414,547)

Net Position of Governmental Activities (Exhibit A-1) **\$ 31,383,368**

RIVER VALE BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Local Property Tax Levy	\$ 23,920,059			\$ 951,424	\$ 24,871,483
Tuition	65,230				65,230
Interest on Deposits	768,880			-	768,880
Miscellaneous	<u>188,091</u>	<u>\$ 262,993</u>	<u>-</u>	<u>-</u>	<u>451,084</u>
Total - Local Sources	24,942,260	262,993	-	951,424	26,156,677
State Sources	7,624,721	-		712,126	8,336,847
Federal Sources	<u>98,395</u>	<u>425,355</u>	<u>-</u>	<u>-</u>	<u>523,750</u>
Total Revenues	<u>32,665,376</u>	<u>688,348</u>	<u>-</u>	<u>1,663,550</u>	<u>35,017,274</u>
EXPENDITURES					
Current					
Regular Instruction	13,731,626	500			13,732,126
Special Education Instruction	3,871,849	295,800			4,167,649
Other Instruction	1,336,054	11,144			1,347,198
School-Sponsored Activities and Athletics	190,796	285,462			476,258
Support Services					
Student and Instruction Related Services	4,222,000	118,411			4,340,411
Attendance and Social Work	124,061				124,061
Educational Media/School Library	239,758				239,758
School Administrative Services	1,364,988				1,364,988
General Administrative Services	649,734				649,734
Plant Operations and Maintenance	2,935,660				2,935,660
Pupil Transportation	831,885				831,885
Central Services	1,440,959				1,440,959
Debt Service					
Principal	22,988			1,130,000	1,152,988
Interest and Other Charges	3,797			600,131	603,928
Capital Outlay	<u>7,117</u>	<u>-</u>	<u>\$ 10,279,181</u>	<u>-</u>	<u>10,286,298</u>
Total Expenditures	<u>30,973,272</u>	<u>711,317</u>	<u>10,279,181</u>	<u>1,730,131</u>	<u>43,693,901</u>
Excess (Deficiency) of Revenues Over/ (Under) Expenditures	<u>1,692,104</u>	<u>(22,969)</u>	<u>(10,279,181)</u>	<u>(66,581)</u>	<u>(8,676,627)</u>
Net Change in Fund Balances	1,692,104	(22,969)	(10,279,181)	(66,581)	(8,676,627)
Fund Balance, Beginning of Year	<u>7,590,698</u>	<u>118,978</u>	<u>18,817,794</u>	<u>68,797</u>	<u>26,596,267</u>
Fund Balance, End of Year	<u>\$ 9,282,802</u>	<u>\$ 96,009</u>	<u>\$ 8,538,613</u>	<u>\$ 2,216</u>	<u>\$ 17,919,640</u>

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

**RIVER VALE BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ (8,676,627)**

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

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

Capital Outlay	\$ 10,286,298	
Depreciation Expense	<u>(896,184)</u>	
		9,390,114

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

Decrease in Compensated Absences, Net	45,872	
Decrease in Pension Expense	<u>376,155</u>	
		422,027

Repayment of bond and financing agreement principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities. Including the issuance of serial bonds.

Principal Repayments:		
Serial Bond	1,130,000	
Capital Financing	<u>22,988</u>	
		1,152,988

The issuance of refunding bonds provides current financial resources to the governmental funds, while the repayment of the refunded bonds uses those current financial resources of governmental funds. Neither transactions, however, has any effect on net position. Also, governmental funds report the effect of premiums and other such items related to the refunding bonds when they are first issued, whereas these amounts are deferred and amortized in the statement of activities.

Amortization of Bond Premium		42
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Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Decrease in Accrued Interest		<u>466</u>
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Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 2,289,010**

**RIVER VALE BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024**

	<u>Business- Type Activities</u>	<u>Non-Major Food Service</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 6,429	
Due from Other Funds	876	
Intergovernmental Receivable Federal	<u>1,827</u>	
Total Current Assets	<u>9,132</u>	
Capital Assets		
Equipment	15,243	
Less: Accumulated Depreciation	<u>(6,155)</u>	
Total Capital Assets, Net	<u>9,088</u>	
Total Assets	<u>18,220</u>	
LIABILITIES		
Current Liabilities		
Accounts Payable	<u>1,500</u>	
Total Current Liabilities	<u>1,500</u>	
Total Liabilities	<u>1,500</u>	
NET POSITION		
Net Investment in Capital Assets	9,088	
Unrestricted	<u>7,632</u>	
Total Net Position	<u>\$ 16,720</u>	

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

**RIVER VALE BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Business- Type Activities</u>
	<u>Non-Major Food Service</u>
OPERATING REVENUE	
Charges for Services	
Daily Sales - Milk	\$ 18,948
Total Operating Revenues	<u>18,948</u>
OPERATING EXPENSES	
Cost of Sales	17,704
Salaries and Benefits	9,000
Depreciation	<u>1,179</u>
Total Operating Expenses	<u>27,883</u>
Operating Income/(Loss)	<u>(8,935)</u>
NONOPERATING REVENUE	
Federal Sources	
Special Milk Program	<u>9,714</u>
Total Nonoperating Revenues	<u>9,714</u>
Change in Net Position	779
Total Net Position, Beginning of Year	<u>15,941</u>
Total Net Position, End of Year	<u>\$ 16,720</u>

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

**RIVER VALE BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Business- Type Activities
	<u>Non-Major Food Service</u>
Cash Flows from Operating Activities	
Cash Received from Customers	\$ 21,627
Cash Payments for Salaries and Benefits	(9,000)
Cash Payments to Suppliers for Goods and Services	<u>(18,883)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(6,256)</u>
Cash Flows from Noncapital Financing Activities	
Cash Received from State and Federal Subsidy Reimbursements	<u>7,011</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>7,011</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	755
Cash and Cash Equivalents, Beginning of Year	<u>5,674</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 6,429</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities	
Operating Income (Loss)	\$ (8,935)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used for Operating Activities	
Depreciation	1,179
Change in Assets and Liabilities	
Increase/(Decrease) in Accounts Payable	<u>1,500</u>
Total Adjustments	<u>2,679</u>
Net Cash (Used for) Operating Activities	<u><u>\$ (6,256)</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The River Vale Board of Education (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of seven elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade eight (8) school district.

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

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

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

B. New Accounting Standards

During fiscal year 2024, the District adopted the following GASB statements:

- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

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.

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB Statement No. 102, *Certain Risk Disclosures*, will be effective beginning with the fiscal year ending June 30, 2025. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a school district vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a school district's financial condition.
- GASB Statement No. 103, *Financial Reporting Model Improvements*, will be effective beginning with the fiscal year ending June 30, 2026. The requirements for MD&A will improve the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A. The requirements for the separate presentation of unusual or infrequent items will provide clarity regarding which items should be reported separately from other inflows and outflows of resources. The definitions of operating revenues and expenses and of nonoperating revenues and expenses will replace accounting policies that vary from school district to school district, thereby improving comparability. The addition of a subtotal for operating income (loss) and noncapital subsidies will improve the relevance of information provided in the proprietary fund statement of revenues, expenses, and changes in fund net position. The requirement for presentation of major component unit information will improve comparability. The requirement that budgetary comparison information be presented as RSI will improve comparability, and the inclusion of the specified variances and the explanations of significant variances will provide more useful information for making decisions and assessing accountability.

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

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

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

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

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

3. Inventories

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

4. Capital Assets

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

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

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

4. Capital Assets (Continued)

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	45-50
Building Improvements	20
Machinery and Equipment	5-20

5. Deferred Outflows/Inflows of Resources

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

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

6. Compensated Absences

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

7. Pensions

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

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

7. Pensions (Continued)

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

8. Financing Agreements

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

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

9. Long-Term Obligations

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

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

10. Net Position/Fund Balance

District-Wide Statements

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

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

Governmental Fund Statements

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

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

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

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2024 audited excess surplus that is required to be appropriated in the 2025/2026 original budget certified for taxes.

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

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

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

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

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

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

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

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

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

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

Arbitrage Rebate - Represents fund balance assigned specifically for future amounts due to the Internal Revenue Service for arbitrage relating to investment of bond proceeds.

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

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

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

11. Fund Balance Policies

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

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

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

F. Revenues and Expenditures/Expenses

1. Program Revenues

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

2. Property Taxes

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

3. Tuition Revenues and Expenditures

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

Tuition Expenditures - Tuition charges for the fiscal years 2022-2023 and 2023-2024 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

4. *On-Behalf Payments*

Revenues and expenditures of the general fund include payments made by the State of New Jersey on-behalf of the District for social security, pension, long-term disability insurance and post-retirement medical benefit contributions for District employees enrolled in the Teacher Pension and Annuity Fund (TPAF) retirement system.

Revenues and expenses of governmental activities include the State's proportionate share of the on-behalf actuarial determined pension and post-retirement medical benefit amounts attributable to the District for District employees enrolled in the TPAF retirement system.

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2023/2024. Also, during 2023/2024 the Board increased the original budget of the general fund by \$769,550 and the special revenue fund by \$819,600. The increases were funded by the additional appropriation of unassigned fund balance, grant awards, student activity revenues, scholarship donations and the reappropriation of prior year general fund encumbrances. During the fiscal year the Board authorized and approved additional fund balance appropriations of unassigned fund balance of \$290,257 from the general fund.

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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

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

B. Capital Reserve

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

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

The activity of the capital reserve for the fiscal year ended June 30, 2024 is as follows:

Balance, July 1, 2023	\$ 4,053,045
Increased by	
Interest Earnings	\$ 93,048
Deposits Approved by Board Resolution	<u>1,354,667</u>
Total Increases	<u>1,447,715</u>
Balance, June 30, 2024	<u>\$ 5,500,760</u>

The June 30, 2024 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be \$40,795,494.

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Maintenance Reserve

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

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

The activity of the maintenance reserve for the fiscal year ended June 30, 2024 is as follows:

Balance, July 1, 2023	\$ 759,616
Increased by	
Deposits Approved by Board Resolution	<u>366,000</u>
	1,125,616
Decreased by:	
Withdrawals Approved by Board Resolution	<u>366,000</u>
Balance, June 30, 2024	<u>\$ 759,616</u>

The June 30, 2024 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$759,616.

D. Emergency Reserve

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

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

The activity of the emergency reserve for the fiscal year ended June 30, 2024 is as follows:

Balance, July 1, 2023	\$ 253,412
Decreased by:	
Withdrawals Approved in District Budget	<u>72,000</u>
Balance, June 30, 2024	<u>\$ 181,412</u>

RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

E. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year’s budget. The excess fund balance at June 30, 2024 is \$1,200,000. Of this amount, \$600,000 was designated and appropriated in the 2024/2025 original budget certified for taxes and the remaining amount of \$600,000 will be appropriated in the 2025/2026 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2024, the book value of the Board's deposits was \$19,140,631 and bank and brokerage firm balances of the Board’s deposits amounted to \$19,557,109. The Board's deposits which are displayed on the various fund balance sheets as "cash" or “cash and cash equivalents” are categorized as:

Depository Account

Insured	\$ 19,512,256
Uninsured and Collateralized	<u>44,853</u>
	<u>\$ 19,557,109</u>

RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2024 the Board’s bank balance of \$44,853 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department but not in the Board's name	\$ 44,853
	<u>\$ 44,853</u>

Investments

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

As of June 30, 2024, the Board had no outstanding investments.

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

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

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

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

Investment and interest earnings in the Capital Projects Fund are assigned to the General Fund in accordance with Board policy.

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

Receivables as of June 30, 2024 for the district's individual major funds and nonmajor funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Food Service</u>	<u>Total</u>
Receivables:					
Intergovernmental-					
Federal		\$ 185,867		\$ 1,827	\$ 187,694
State	\$ 61,402				61,402
Local	<u>40,108</u>	<u>-</u>	<u>\$ 1</u>	<u>-</u>	<u>40,109</u>
Gross Receivables	101,510	185,867	1	1,827	289,205
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 101,510</u>	<u>\$ 185,867</u>	<u>\$ 1</u>	<u>\$ 1,827</u>	<u>\$ 289,205</u>

C. Unearned Revenue

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

General Fund	
Prepaid Preschool Tuition	\$ 2,800
Special Revenue Fund	
Grant Draw Downs for Year-End Encumbrances	<u>147,475</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 150,275</u>

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Balance, July 1, 2023	Increases	Decreases	Balance, June 30, 2024
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 31,805			\$ 31,805
Construction in Progress	21,989,712	\$ 10,279,181	-	32,268,893
Total Capital Assets, Not Being Depreciated	22,021,517	10,279,181	-	32,300,698
Capital Assets, Being Depreciated:				
Building and Building Improvements	28,294,244			28,294,244
Machinery and Equipment	2,888,545	7,117		2,895,662
Land Improvements	1,127,339	-	-	1,127,339
Total Capital Assets Being Depreciated	32,310,128	7,117	-	32,317,245
Less Accumulated Depreciation for:				
Building and Building Improvements	(12,035,766)	(688,927)		(12,724,693)
Machinery and Equipment	(2,234,604)	(167,810)		(2,402,414)
Land Improvements	(523,433)	(39,447)	-	(562,880)
Total Accumulated Depreciation	(14,793,803)	(896,184)	-	(15,689,987)
Total Capital Assets, Being Depreciated, Net	17,516,325	(889,067)	-	16,627,258
Governmental Activities Capital Assets, Net	\$ 39,537,842	\$ 9,390,114	\$ -	\$ 48,927,956
	Balance, July 1, 2023	Increases	Decreases	Balance, June 30, 2024
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 27,043	-	\$ (11,800)	\$ 15,243
Total Capital Assets Being Depreciated	27,043	-	(11,800)	15,243
Less Accumulated Depreciation for:				
Machinery and Equipment	(16,776)	\$ (1,179)	11,800	(6,155)
Total Accumulated Depreciation	(16,776)	(1,179)	11,800	(6,155)
Total Capital Assets, Being Depreciated, Net	10,267	(1,179)	-	9,088
Business-Type Activities Capital Assets, Net	\$ 10,267	\$ (1,179)	\$ -	\$ 9,088

RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

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

Governmental Activities:

Instruction	
Regular	\$ 25,118
Total Instruction	25,118
Support Services	
Student and Instruction Related Services	77,543
General Administrative Services	10,633
School Administrative Services	31,045
Plant Operations and Maintenance	751,845
Total Support Services	871,066
Total Depreciation Expense - Governmental Activities	\$ 896,184

Business-Type Activities:

Food Service Fund	\$ 1,179
Total Depreciation Expense-Business-Type Activities	\$ 1,179

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2024:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Bond Referendum Project	\$ 21,982,318	\$ 8,533,995
Total		\$ 8,533,995

RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2024, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 300,997
General Fund	Capital Projects Fund	91,918
Debt Service Fund	Capital Projects Fund	1,004
Food Service Fund	General Fund	876
Total		<u>\$ 394,795</u>

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

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

F. Financing Agreements

Capital Financing Agreements

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

Capital financing agreements at June 30, 2024 are comprised of the following:

\$121,827, fiscal year 2023 Agreement for the acquisition of copiers for a term of 5 years due in annual principal installments of \$1,883 to \$2,218 through January 1, 2028 interest at 3.790%	<u>\$ 87,667</u>
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**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Financing Agreements (Continued)

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

Governmental Activities:

Fiscal Year Ending June 30,	<u>Capital Agreements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2025	\$ 23,875	\$ 2,911	\$ 26,786
2026	24,795	1,990	26,785
2027	25,751	1,034	26,785
2028	<u>13,246</u>	<u>147</u>	<u>13,393</u>
Total	<u>\$ 87,667</u>	<u>\$ 6,082</u>	<u>\$ 93,749</u>

G. Long-Term Debt

General Obligation Bonds

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

Bonds payable at June 30, 2024 are comprised of the following issues:

\$32,325,000, 2021 Bonds, due in annual
installments of \$1,130,000 to \$1,675,000
through June 15, 2046, interest at 1.00% to 2.250% \$ 30,570,000

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

Governmental Activities:

Fiscal Year Ending June 30,	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2025	\$ 1,140,000	\$ 588,831	\$ 1,728,831
2026	1,165,000	577,431	1,742,431
2027	1,185,000	565,781	1,750,781
2028	1,205,000	553,931	1,758,931
2029	1,225,000	529,831	1,754,831
2030-2034	6,415,000	2,274,256	8,689,256
2035-2039	7,090,000	1,606,856	8,696,856
2040-2044	7,820,000	867,256	8,687,256
2045-2046	<u>3,325,000</u>	<u>112,500</u>	<u>3,437,500</u>
Total	<u>\$ 30,570,000</u>	<u>\$ 7,676,673</u>	<u>\$ 38,246,673</u>

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt (Continued)

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2024 was as follows:

3% of Equalized Valuation Basis (Municipal)	\$ 70,197,982
Less: Net Debt Issued and Authorized But Not Issued	<u>30,570,442</u>
Remaining Borrowing Power	<u>\$ 39,627,540</u>

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2024, was as follows:

	Balance, July 1, 2023	<u>Additions</u>	<u>Reductions</u>	Balance, June 30, 2024	Due Within One Year
Governmental Activities:					
Bonds Payable	\$ 31,700,000		\$ 1,130,000	\$ 30,570,000	\$ 1,140,000
Add: Premium	<u>958</u>	<u>-</u>	<u>42</u>	<u>916</u>	<u>-</u>
Total Bonds Payable	31,700,958	-	1,130,042	30,570,916	1,140,000
Capital Financing Agreements	110,655		22,988	87,667	\$ 23,875
Compensated Absences	872,776		45,872	826,904	
Net Pension Liability	<u>4,040,972</u>	<u>\$ 250,637</u>	<u>362,549</u>	<u>3,929,060</u>	<u>-</u>
Governmental Activity Long-Term Liabilities	<u>\$ 36,725,361</u>	<u>\$ 250,637</u>	<u>\$ 1,561,451</u>	<u>\$ 35,414,547</u>	<u>\$ 1,163,875</u>

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

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION

A. Risk Management

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

The District provided traditional health coverage with the State Employee Health Benefit Program.

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

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

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

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

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

<u>Fiscal Year Ended June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024		\$ 45,790	\$ 28,041	\$ 34,509	\$ 802,635
2023		45,578	17,303	40,288	774,594
2022		61,492	1,498	41,285	757,290

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

B. Contingent Liabilities

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

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2024, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2024, the District is in the process of estimating its arbitrage earnings due to the IRS, if any.

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Public Employees' Retirement System (PERS) (Continued)

The following represents the membership tiers for PERS:

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

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

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

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

The following represent the membership tiers for TPAF:

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

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

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

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

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

Other Pension Funds

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

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

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

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

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

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

RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2023 is \$14.6 billion and the plan fiduciary net position as a percentage of the total pension liability is 65.23%. The collective net pension liability of the State funded TPAF at June 30, 2023 is \$51.1 billion and the plan fiduciary net position as a percentage of total pension liability is 34.68%.

The total pension liabilities for the June 30, 2023 measurement date were determined based on actuarial valuations as of July 1, 2022 which were rolled forward to June 30, 2023.

Actuarial Methods and Assumptions

In the July 1, 2022 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary’s report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee’s annual compensation for fiscal year 2024.

PERS employers’ and TPAF State’s nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2024 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State’s annual pension contribution was more than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2024, 2023 and 2022 were equal to the required contributions.

During the fiscal years ended June 30, 2024, 2023 and 2022 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and unfunded accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2024	\$ 362,549	\$ 4,097,987	\$ 39,014
2023	337,667	3,980,162	41,758
2022	310,394	3,894,257	44,656

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2024, 2023 and 2022 the State contributed \$1,067, \$971 and \$799, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$834,444 during the fiscal 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 recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2022 through June 30, 2023. Employer allocation percentages have been rounded for presentation purposes. Contributions from employers are recognized when due based on statutory requirements.

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

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2023 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2023.

At June 30, 2024, the District reported in the statement of net position (accrual basis) a liability of \$3,929,060 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2023. At June 30, 2023, the District's proportionate share was .02713 percent, which was an increase of .00035 percent from its proportionate share measured as of June 30, 2022 of .02678 percent.

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) pension (benefit) of \$(13,606) for PERS. The pension contribution made by the District during the current 2023/2024 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2024 with a measurement date of the prior fiscal year end of June 30, 2023. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2024 for contributions made subsequent to the measurement date. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 37,567	\$ 16,061
Changes of Assumptions	8,631	238,118
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	18,094	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>241,449</u>	<u>76,709</u>
Total	<u>\$ 305,741</u>	<u>\$ 330,888</u>

At June 30, 2024, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense/(benefit) as follows:

Year Ending <u>June 30,</u>	<u>Total</u>
2025	\$ (161,418)
2026	(39,985)
2027	188,970
2028	(14,305)
2029	1,591
Thereafter	<u>-</u>
	<u>\$ (25,147)</u>

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District’s total pension liability for the June 30, 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.

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

Mortality Rates

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

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

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the PERS's target asset allocation as of June 30, 2023 are summarized in the following table:

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

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 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 in determining the total pension liability.

Sensitivity of Net Pension Liability

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

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>5,114,800</u>	\$ <u>3,929,060</u>	\$ <u>2,919,838</u>

The sensitivity analysis was based on the proportionate share of the District’s net pension liability as of the measurement date of June 30, 2023. A sensitivity analysis specific to the District’s net pension liability at June 30, 2023 was not provided by the pension system.

Pension Plan Fiduciary Net Position

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

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The non-employer allocation percentages presented are based on the ratio of the State's actual contributions made as an employer and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2022 through June 30, 2023. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2024, the State's pension contribution was more than the actuarial determined amount.

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

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$1,203,931 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2023 the State's proportionate share of the net pension liability attributable to the District is \$49,005,837. The net pension liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2023. At June 30, 2023, the State's share of the net pension liability attributable to the District was .09603 percent, which was an increase of .00275 from its proportionate share measured as of June 30, 2022 of .09328 percent.

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 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.

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

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

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the TPAF's target asset allocation as of June 30, 2023 are summarized in the following table:

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

Discount Rate

The discount rate used to measure the total pension liability for TPAF 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 in determining the total pension liability.

RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Sensitivity of Net Pension Liability

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	\$ 57,786,775	\$ 49,005,837	\$ 41,610,200

The sensitivity analysis was based on the State’s proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2023. A sensitivity analysis specific to the State’s proportionate share of the net pension liability attributable to the District at June 30, 2023 was not provided by the pension system.

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

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

**RIVER VALE BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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

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

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2022:

Active Plan Members	217,212
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>152,383</u>
Total	<u>369,595</u>

Measurement Focus and Basis of Accounting

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

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

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2023 is \$52.4 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities at June 30, 2023 were determined based on actuarial valuations as of June 30, 2022 which were rolled forward to June 30, 2023.

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the June 30, 2022 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.44 billion to the OPEB plan in fiscal year 2023.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2024, 2023 and 2022 were \$1,115,322, \$1,045,579 and \$909,865, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2022 through June 30, 2023. Nonemployer allocation percentages have been rounded for presentation purposes.

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

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$1,180,199. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2024 the State's proportionate share of the OPEB liability attributable to the District is \$42,105,729. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2023 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2023. At June 30, 2023 the state's share of the OPEB liability attributable to the District was .08041 percent, which was a decrease of .00025 from its proportionate share measured as of June 30, 2022 of .08066 percent.

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions

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

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

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

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

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.50% 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 and decreases to 4.50% in fiscal year 2033. For HMO the trend is, increasing to 17.4% in fiscal year 2026 and decreases to 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Discount Rate

The discount rate for June 30, 2023 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.

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2024 (measurement date June 30, 2023) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2022 Measurement Date	\$ 40,850,559
Changes Recognized for the Fiscal Year:	
Service Cost	1,619,125
Interest on the Total OPEB Liability	1,482,912
Differences Between Expected and Actual Experience	(813,783)
Changes of Assumptions	84,868
Gross Benefit Payments	(1,155,954)
Contributions from the Member	38,002
Net Changes	\$ 1,255,170
Balance, June 30, 2023 Measurement Date	\$ 42,105,729

Changes of assumptions and other inputs reflect a change in the discount rate from 3.54% in 2022 to 3.65% in 2023.

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2023.

RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State’s proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.65%, as well as what the State’s proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current rate:

	1% Decrease <u>(2.65%)</u>	Current Discount Rate <u>(3.65%)</u>	1% Increase <u>(4.65%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 49,361,739	\$ 42,105,729	\$ 36,279,996

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

	1% Decrease <u></u>	Healthcare Cost Trend Rates <u></u>	1% Increase <u></u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 34,954,247	\$ 42,105,729	\$ 51,463,462

The sensitivity analyses were based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2023. Sensitivity analyses specific to the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2023 were not provided by the pension system.

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 RECENT HEALTHCARE DEVELOPMENTS

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

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

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

The Board has been awarded a total of \$1,071,250 in federal aid to address the effects of the COVID-19 pandemic.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

**RIVER VALE BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
REVENUES					
Local Sources					
Property Taxes	\$ 23,920,059		\$ 23,920,059	\$ 23,920,059	
Interest on Deposits				647,791	\$ 647,791
Interest on Capital Reserve	20,000		20,000	93,048	73,048
Interest - Restricted for Unemployment				28,041	28,041
Tuition (Pre-K)				32,000	32,000
Tuition from Others	24,000		24,000	33,230	9,230
Building Rental	92,195		92,195	92,195	-
Miscellaneous	6,000	-	6,000	95,896	89,896
Total - Local Sources	24,062,254	-	24,062,254	24,942,260	880,006
State Sources					
Special Education Aid	1,065,675		1,065,675	1,065,675	
Transportation Aid	126,476		126,476	126,476	
Security Aid	86,869		86,869	86,869	
Extraordinary Aid				224,070	224,070
Nonpublic School Transportation Aid				20,020	20,020
On-behalf TPAF Payments -					
Pension Contribution (Non-Budget)				4,051,779	4,051,779
NCGI Premium (Non-Budget)				46,208	46,208
Post Retirement Medical Benefits (Non-Budget)				1,115,322	1,115,322
Long-Term Disability Insurance Contributions (Non-Budget)				1,067	1,067
Reimbursed TPAF Social Security Payments (Non-Budget)	-	-	-	834,444	834,444
Total - State Sources	1,279,020	-	1,279,020	7,571,930	6,292,910
Federal Sources					
Federal Emergency Management Agency (FEMA)	-	-	-	98,395	98,395
Total - Federal Sources	-	-	-	98,395	98,395
Total Revenues	25,341,274	-	25,341,274	32,612,585	7,271,311
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	633,930	\$ 1,670	635,600	635,566	34
Grades 1-5	3,875,692	(119,825)	3,755,867	3,738,920	16,947
Grades 6-8	3,219,996	(118,800)	3,101,196	3,100,504	692
Instruction - Home					
Salaries of Teachers	15,000	-	15,000	9,775	5,225
Purchased Professional - Educational Services	8,000	(2,000)	6,000	770	5,230
Total Instruction - Regular	7,752,618	(238,955)	7,513,663	7,485,535	28,128
Regular Programs - Undistributed Instruction					
Purchased Professional-Educational Services	154,376	210,676	365,052	365,046	6
Other Purchased Services	201,292	(118,315)	82,977	63,225	19,752
General Supplies	542,238	(178,315)	363,923	309,251	54,672
Textbooks	10,262	(4,000)	6,262	2,310	3,952
Other Objects	2,650	260	2,910	1,468	1,442
Total Regular Programs	910,818	(89,694)	821,124	741,300	79,824

**RIVER VALE BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Learning and/or Language Disabilities					
Salaries of Teachers	\$ 227,855	\$ 18,156	\$ 246,011	\$ 246,010	\$ 1
Other Salaries for Instruction	137,320	96,371	233,691	211,602	22,089
Purchased Professional - Educational Services	2,500	(840)	1,660		1,660
General Supplies	3,000	(1,750)	1,250	874	376
Total Learning and/or Language Disabilities	370,675	111,937	482,612	458,486	24,126
Resource Room					
Salaries of Teachers	1,190,326	(111,398)	1,078,928	1,046,170	32,758
Purchased Professional-Educational Services	15,000	-	15,000	10,849	4,151
General Supplies	4,960	(1,000)	3,960	2,926	1,034
Textbooks	800	-	800	460	340
Total Resource Room	1,211,086	(112,398)	1,098,688	1,060,405	38,283
Preschool Disabilities - Part Time					
Salaries of Teachers	97,785	4,509	102,294	102,294	-
Other Salaries for Instruction	70,501	15,167	85,668	56,857	28,811
Purchased Professional - Educational Services	-	-	-	-	-
General Supplies	1,233	(900)	333	315	18
Total Preschool Disabilities - Part Time	169,519	18,776	188,295	159,466	28,829
Total Special Education	1,751,280	18,315	1,769,595	1,678,357	91,238
Basic Skills/Remedial					
Salaries of Teachers	523,839	143,885	667,724	666,892	832
Purchased Professional - Educational Services	4,000	-	4,000		4,000
General Supplies	-	20,517	20,517	20,515	2
Textbooks	800	(196)	604	-	604
Total Basic Skills/Remedial	528,639	164,206	692,845	687,407	5,438
Bilingual Education					
Salaries of Teachers	58,672	33,220	91,892	91,890	2
Purchased Professional - Educational Services	5,500	-	5,500		5,500
Other Purchased Services	500	-	500		500
General Supplies	50	80	130	77	53
Textbooks	250	(80)	170	62	108
Total Bilingual Education	64,972	33,220	98,192	92,029	6,163
School Sponsored Co/Extra Curricular Activities					
Salaries	69,808	732	70,540	70,028	512
Total School Sponsored Co/Extra Curricular Activities	69,808	732	70,540	70,028	512
School Sponsored Athletics - Instruction					
Salaries	69,090	(732)	68,358	58,249	10,109
Purchased Services	7,210	1,000	8,210	7,260	950
Supplies and Materials	2,722	2,000	4,722	4,425	297
Total School Sponsored Athletics - Instruction	79,022	2,268	81,290	69,934	11,356
Total - Instruction	11,157,157	(109,908)	11,047,249	10,824,590	222,659

**RIVER VALE BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State-Special	\$ 1,292,022	\$ (193,099)	\$ 1,098,923	\$ 846,177	\$ 252,746
Tuition to CSSD and Regional Day Schools		696	696	696	-
Tuition to APSSD Within the State	169,442	68,415	237,857	217,294	20,563
Total Undistributed Expenditures - Instruction	1,461,464	(123,988)	1,337,476	1,064,167	273,309
Attendance and Social Work Services					
Salaries	80,067	2,015	82,082	82,039	43
Purchased Professional and Technical Services	500	-	500	500	-
Other Purchased Services	13,848	1,622	15,470	15,470	-
Total Attendance and Social Work Services	94,415	3,637	98,052	98,009	43
Health Services					
Salaries	293,210	(7,447)	285,763	284,584	1,179
Salaries for Instruction		106	106		106
Other Salaries		3,936	3,936	3,936	-
Purchased Professional - Educational Services		234,932	234,932	199,366	35,566
Purchased Professional and Technical Services	226,070	(220,070)	6,000	6,000	-
Other Purchased Services	3,600	-	3,600	482	3,118
Supplies and Materials	1,170	5,347	6,517	6,190	327
Total Health Services	524,050	16,804	540,854	500,558	40,296
Speech, OT, PT & Related Services					
Salaries	147,761	-	147,761	123,695	24,066
Purchased Professional - Educational Services	575,676	213,200	788,876	650,829	138,047
Supplies and Materials	2,650	-	2,650	703	1,947
Total Speech, OT, PT and Related Services	726,087	213,200	939,287	775,227	164,060
Other Support Services - Students - Extra. Service					
Salaries	757,155	(175,580)	581,575	509,480	72,095
Purchased Professional - Educational Services	36,950	21,921	58,871	58,871	-
Supplies and Materials	2,100	(987)	1,113	-	1,113
Total Other Support Svcs.-Students-Extra. Service.	796,205	(154,646)	641,559	568,351	73,208
Guidance					
Salaries of Other Professional Staff	425,128	(44,869)	380,259	371,071	9,188
Other Purchased Professional & Technical Services	5,000	-	5,000	2,096	2,904
Supplies and Materials	2,850	252	3,102	938	2,164
Total Guidance	432,978	(44,617)	388,361	374,105	14,256
Child Study Team					
Salaries of Other Professional Staff	444,542	39,928	484,470	444,317	40,153
Salaries of Secretarial and Clerical Assistants	72,959	(1,500)	71,459	70,459	1,000
Purchased Professional-Educational Services	7,500	-	7,500	5,900	1,600
Other Purchased Prof. and Technical Services	70,000	(5,046)	64,954	64,954	-
Other Purchased Services	21,634	(14,467)	7,167	3,399	3,768
Miscellaneous Purchased Services (O/than Resid. Costs)		23,675	23,675	23,458	217
Supplies and Materials	5,000	(987)	4,013	3,244	769
Total Child Study Team	621,635	41,603	663,238	615,731	47,507

**RIVER VALE BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Improvement of Inst. Serv.					
Salaries of Supervisors of Instruction	\$ 134,246	\$ 450	\$ 134,696	\$ 134,696	
Salaries of Other Professional Staff	50,375	-	50,375	37,017	\$ 13,358
Purchased Professional-Educational Services	55,500	(450)	55,050	29,776	25,274
Other Purchased Services	4,500	-	4,500	1,292	3,208
Supplies and Materials	10,000	-	10,000	8,691	1,309
Other Objects	2,000	-	2,000	1,269	731
Total Improvement of Inst. Serv.	256,621	-	256,621	212,741	43,880
Educational Media Services/School Library					
Salaries	177,268	(41,494)	135,774	134,120	1,654
Other Salaries for Instructions		31,494	31,494	31,006	488
Other Purchased Services	14,504	(909)	13,595	8,284	5,311
Supplies and Materials	7,497	-	7,497	5,807	1,690
Total Educational Media Services/School Library	199,269	(10,909)	188,360	179,217	9,143
Instructional Staff Training Services					
Other Salaries	1,750	1,147	2,897	2,897	-
Purchased Professional - Educational Services	15,000	530	15,530	10,311	5,219
Other Purchased Prof and Tech Services	8,000	(1,147)	6,853	757	6,096
Other Purchased Services	10,000	-	10,000	3,986	6,014
Supplies and Materials	2,000	-	2,000		2,000
Other Objects	500	-	500	-	500
Total Instructional Staff Training Services	37,250	530	37,780	17,951	19,829
Support Services General Administration					
Salaries	276,456	-	276,456	275,835	621
Legal Services	16,000	20,830	36,830	20,964	15,866
Audit Fees	10,000	63,670	73,670	36,670	37,000
Architectural/Engineering Services		500	500		500
Other Purchased Professional Services	14,000	28,000	42,000	35,115	6,885
Communications/Telephone	34,792	4,192	38,984	38,380	604
BOE Other Purchased Services	5,000	3,000	8,000	1,914	6,086
Miscellaneous Purchased Services	66,903	6,854	73,757	55,071	18,686
General Supplies	10,000	-	10,000	2,924	7,076
Judgements Against the School	52,471	(24,900)	27,571	5,146	22,425
Miscellaneous Expenditures	18,967	(6,691)	12,276	4,635	7,641
BOE Membership Dues and Fees	12,550	691	13,241	13,241	-
Total Support Services General Administration	517,139	96,146	613,285	489,895	123,390
Support Services School Administration					
Salaries of Principals/Asst. Principals	510,221	63,681	573,902	573,902	-
Salaries of Other Professional Staff	32,588	110	32,698	32,698	-
Salaries of Secretarial and Clerical Assistants	211,066	1,713	212,779	207,025	5,754
Other Purchased Services	14,051	-	14,051	9,268	4,783
Supplies and Materials	13,824	(1,711)	12,113	9,860	2,253
Other Objects	11,925	308	12,233	10,838	1,395
Total Support Services School Administration	793,675	64,101	857,776	843,591	14,185

**RIVER VALE BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Central Services					
Salaries	\$ 477,815	\$ 762	\$ 478,577	\$ 478,577	
Purchased Technical Services	10,794	4,419	15,213	2,861	\$ 12,352
Misc. Purchased Services	22,948	1,450	24,398	15,256	9,142
Supplies and Materials	10,000	(250)	9,750	4,399	5,351
Interest on Lease Purchase Agreements	2,000	-	2,000		2,000
Miscellaneous Expenditures	4,325	-	4,325	2,393	1,932
Total Central Services	<u>527,882</u>	<u>6,381</u>	<u>534,263</u>	<u>503,486</u>	<u>30,777</u>
Admin. Info. Tech.					
Salaries	308,949	857	309,806	309,805	1
Purchased Professional Services	16,223	91,445	107,668	107,341	327
Purchased Technical Services	27,484	(1,755)	25,729	23,583	2,146
Other Purchased Services	12,244	-	12,244	5,891	6,353
Supplies and Materials	2,400	143,507	145,907	120,999	24,908
Other Objects	1,550	6,948	8,498	1,969	6,529
Total Admin. Info. Tech.	<u>368,850</u>	<u>241,002</u>	<u>609,852</u>	<u>569,588</u>	<u>40,264</u>
Required Maintenance for School Facilities					
Salaries	150,444	(5,332)	145,112	145,103	9
Cleaning, Repair and Maintenance Service	113,400	405,289	518,689	481,773	36,916
Lead Testing of Drinking Water	6,000	(968)	5,032	4,094	938
General Supplies	35,000	8,080	43,080	40,363	2,717
Total Required Maintenance for School Facilities	<u>304,844</u>	<u>407,069</u>	<u>711,913</u>	<u>671,333</u>	<u>40,580</u>
Custodial Services					
Salaries	102,000	-	102,000	102,000	-
Salaries of Non-Instructional Aides	82,357	(5,210)	77,147	77,109	38
Other Salaries	817,519	937	818,456	780,690	37,766
Purchased Professional and Technical Services	28,210	33,750	61,960	47,835	14,125
Cleaning, Repair, and Maintenance Services	116,751	(3,308)	113,443	68,333	45,110
Rental of Land & Bldg. Other Than Leas Purchase Agree.	2,000	4,645	6,645	3,778	2,867
Other Purchased Property Services	21,250	4,378	25,628	24,499	1,129
Insurance	228,114	33,751	261,865	261,865	-
Miscellaneous Purchased Services	20,900	39,300	60,200	48,163	12,037
General Supplies	120,200	(30,921)	89,279	74,302	14,977
Energy (Natural Gas)	132,500	(19,673)	112,827	74,037	38,790
Energy (Electricity)	249,000	(15,379)	233,621	196,963	36,658
Other Objects	10,000	-	10,000	5,408	4,592
Total Custodial Services	<u>1,930,801</u>	<u>42,270</u>	<u>1,973,071</u>	<u>1,764,982</u>	<u>208,089</u>
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Service	14,000	5,100	19,100	16,030	3,070
General Supplies	10,000	(1,500)	8,500	1,402	7,098
Total Care and Upkeep of Grounds	<u>24,000</u>	<u>3,600</u>	<u>27,600</u>	<u>17,432</u>	<u>10,168</u>

**RIVER VALE BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Security					
Purchased Professional and Technical Services	\$ 3,900	\$ 118,647	\$ 122,547	\$ 16,761	\$ 105,786
Cleaning, Repair and Maintenance Service	12,000	(2,100)	9,900	6,268	3,632
General Supplies	6,800	23,623	30,423	22,223	8,200
Total Security	22,700	140,170	162,870	45,252	117,618
Student Transportation Services					
Contracted Services-Aid in Lieu of Pymts-Non-Public Schools	40,000	14,988	54,988	54,988	-
Contracted Services (Between Home and School) - Vendors	250,000	(10,718)	239,282	235,678	3,604
Contracted Services (Other Than Between Home and School) - Vendors	25,410	(14,032)	11,378	11,032	346
Contracted Services (Spec. Ed. Students) - Joint Agreement	497,913	32,274	530,187	530,187	-
Total Student Transportation Services	813,323	22,512	835,835	831,885	3,950
Employee Benefits - Unallocated					
Social Security Contributions	300,000	-	300,000	289,614	10,386
Other Retirement Contributions - PERS	320,542	42,007	362,549	362,549	-
Other Retirement Contributions - Regular	67,500	-	67,500	39,014	28,486
Workmen's Compensation	129,898	(66,587)	63,311	60,129	3,182
Health Benefits	3,354,273	(110,303)	3,243,970	2,985,973	257,997
Tuition Reimbursement	29,900	-	29,900	8,642	21,258
Other Employee Benefits	108,800	-	108,800	107,188	1,612
Unused Sick Payment to Terminated / Retired Staff	20,240	-	20,240	16,928	3,312
Total Employee Benefits - Unallocated	4,331,153	(134,883)	4,196,270	3,870,037	326,233
On-behalf TPAF Payments -					
Pension Contribution				4,051,779	(4,051,779)
NCGI Premium (Non-Budget)				46,208	(46,208)
Post Retirement Medical Benefits (Non-Budget)				1,115,322	(1,115,322)
Long-Term Disability Insurance Contributions (Non-Budget)				1,067	(1,067)
Reimbursed TPAF Social Security Payments (Non-Budget)	-	-	-	834,444	(834,444)
Total On-behalf TPAF Pension Payments	-	-	-	6,048,820	(6,048,820)
Total Undistributed Expenditures	14,784,341	829,982	15,614,323	20,062,358	(4,448,035)
Total Current Expenditures	25,941,498	720,074	26,661,572	30,886,948	(4,225,376)

RIVER VALE BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
CAPITAL OUTLAY					
Interest Deposit to Capital Reserve	\$ 20,000		\$ 20,000		\$ 20,000
Security		\$ 80,000	80,000	\$ 7,117	72,883
Custodial Services	60,000	(60,000)	-	-	-
Total Undistributed Expenditures - Instruction	80,000	20,000	100,000	7,117	92,883
Total Equipment	80,000	20,000	100,000	7,117	92,883
Facilities Acquisition and Construction Services					
Other Purchased Professional and Technical Services		800	800		800
Assessment for Debt Service on SDA Funding	50,531	-	50,531	50,531	-
Total Facilities Acquisition and Construction Svcs.	50,531	800	51,331	50,531	800
Assets Acquired Under Capital Financing (Nonbudgeted)					
Equipment					
Non-Instructional Equipment (Copiers)	-	-	-	-	-
Total Assets Acquired Under Capital Financing	-	-	-	-	-
Total Capital Outlay	130,531	20,800	151,331	57,648	93,683
Transfer of Funds to Charter School	-	28,676	28,676	28,676	-
Total Expenditures	26,072,029	769,550	26,841,579	30,973,272	(4,131,693)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(730,755)	(769,550)	(1,500,305)	1,639,313	3,139,618
Net Change in Fund Balance	(730,755)	(769,550)	(1,500,305)	1,639,313	3,139,618
Fund Balances, Beginning of Year	7,990,408	-	7,990,408	7,990,408	-
Fund Balances, End of Year	\$ 7,259,653	\$ (769,550)	\$ 6,490,103	\$ 9,629,721	\$ 3,139,618
Recapitulation					
Restricted Fund Balance:					
Excess Surplus				\$ 600,000	
Excess Surplus - Designated for Subsequent Year's Expenditures				600,000	
Capital Reserve				5,500,760	
Maintenance Reserve				759,616	
Emergency Reserve				181,412	
Unemployment Compensation Reserve				802,635	
Assigned Fund Balance					
Year-End Encumbrances				242,719	
Arbitrage Rebate				200,000	
Unassigned Fund Balance				742,579	
				9,629,721	
Reconciliation to Governmental Funds Statements (GAAP)					
State Aid Public			\$ 122,849		
Extraordinary Aid Payment			224,070		
				346,919	
Fund Balances Per Governmental Funds (GAAP)				\$ 9,282,802	

RIVER VALE BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>				<u>Variance</u>
	<u>Original</u>	<u>Adjustments</u>	<u>Final</u>	<u>Actual</u>	<u>Final to Actual</u>
REVENUES					
Intergovernmental					
Local		\$ 285,462	\$ 285,462	\$ 262,993	\$ (22,469)
State		-		-	-
Federal	\$ 162,962	534,138	697,100	544,355	(152,745)
Total Revenues	162,962	819,600	982,562	807,348	(175,214)
EXPENDITURES					
Instruction					
Salaries		-		-	-
Tuition	143,000	173,409	316,409	295,800	20,609
General Supplies		150,894	150,894	142,894	8,000
Co-Curricular/Extra-Curricular Activities	-	285,462	285,462	285,462	-
Total Instruction	143,000	609,765	752,765	724,156	28,609
Support Services					
Purchased Professional/Educational Services	16,962	69,960	86,922	58,447	28,475
General Supplies	3,000	139,875	142,875	47,714	95,161
Total Support Services	19,962	209,835	229,797	106,161	123,636
Total Expenditures	162,962	819,600	982,562	830,317	152,245
Net Change in Fund Balance	-	-	-	(22,969)	(22,969)
Fund Balances, Beginning of Year	118,978	-	118,978	118,978	-
Fund Balances, End of Year	\$ 118,978	\$ -	\$ 118,978	\$ 96,009	\$ (22,969)
Recapitulation of Fund Balance					
Restricted Fund Balances					
Student Activities				\$ 96,009	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**RIVER VALE BOARD OF EDUCATION
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

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

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

	General Fund		Special Revenue Fund	
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	(C-1)	\$ 32,612,585	(C-2)	\$ 807,348
Difference - Budget to GAAP				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized				
Encumbrances, June 30, 2024				(147,475)
Encumbrances, June 30, 2023				28,475
State Aid payment and Extraordinary Aid (2022/2023) recognized for GAAP statements, not recognized for budgetary statements		399,710		
State Aid payments and Extraordinary Aid (2023/2024) recognized for budgetary purposes, not recognized for GAAP statements		<u>(346,919)</u>		<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures	(B-2)	\$ <u>32,665,376</u>	(B-2)	\$ <u>688,348</u>
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	(C-1)	\$ <u>30,973,272</u>	(C-2)	\$ <u>830,317</u>
Difference - Budget to GAAP				
Encumbrances for supplies ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.				
Encumbrances, June 30, 2024			\$	(147,475)
Encumbrances, June 30, 2023		<u>-</u>		<u>28,475</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	(B-2)	\$ 30,973,272	(B-2)	\$ 711,317

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

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

Public Employees Retirement System

Last Ten Fiscal Years*

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Position Liability (Asset)	.02713%	.02678%	.02650%	.02474%	0.02626%	0.02579%	0.02677%	0.02783%	0.02804%	0.02752%
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 3,929,060</u>	<u>\$ 4,040,972</u>	<u>\$ 3,139,810</u>	<u>\$ 4,035,608</u>	<u>\$ 4,732,145</u>	<u>\$ 5,078,572</u>	<u>\$ 6,232,396</u>	<u>\$ 8,241,189</u>	<u>\$ 6,293,457</u>	<u>\$ 5,152,885</u>
District's Covered Payroll	<u>\$ 1,970,770</u>	<u>\$ 2,019,504</u>	<u>\$ 1,911,052</u>	<u>\$ 1,849,973</u>	<u>\$ 1,770,233</u>	<u>\$ 1,809,116</u>	<u>\$ 1,743,573</u>	<u>\$ 1,734,025</u>	<u>\$ 1,866,029</u>	<u>\$ 1,836,183</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	199.37%	200.10%	164.30%	218.14%	267.32%	280.72%	357.45%	475.26%	337.26%	280.63%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

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

**RIVER VALE BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 362,549	\$ 337,667	\$ 310,394	\$ 270,721	\$ 255,461	\$ 256,560	\$ 248,026	\$ 247,200	\$ 241,032	\$ 226,888
Contributions in Relation to the Contractually Required Contribution	<u>362,549</u>	<u>337,667</u>	<u>310,394</u>	<u>270,721</u>	<u>255,461</u>	<u>256,560</u>	<u>248,026</u>	<u>247,200</u>	<u>241,032</u>	<u>226,888</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	<u>\$ 2,057,116</u>	<u>\$ 1,970,770</u>	<u>\$ 2,019,504</u>	<u>\$ 1,911,052</u>	<u>\$1,849,973</u>	<u>\$1,770,233</u>	<u>\$ 1,809,116</u>	<u>\$1,743,573</u>	<u>\$ 1,734,025</u>	<u>\$ 1,866,029</u>
Contributions as a Percentage of Covered Payroll	17.62%	17.13%	15.37%	14.17%	13.81%	14.49%	13.71%	14.18%	13.90%	12.16%

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

Teachers Pension and Annuity Fund

Last Ten Fiscal Years*

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	-	-	-	-	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 49,005,837</u>	<u>\$ 48,128,051</u>	<u>\$ 44,845,469</u>	<u>\$ 61,016,475</u>	<u>\$ 57,676,492</u>	<u>\$ 58,052,253</u>	<u>\$ 61,697,988</u>	<u>\$ 71,350,794</u>	<u>\$ 55,506,801</u>	<u>\$ 51,226,575</u>
Total	<u>\$ 49,005,837</u>	<u>\$ 48,128,051</u>	<u>\$ 44,845,469</u>	<u>\$ 61,016,475</u>	<u>\$ 57,676,492</u>	<u>\$ 58,052,253</u>	<u>\$ 61,697,988</u>	<u>\$ 71,350,794</u>	<u>\$ 55,506,801</u>	<u>\$ 51,226,575</u>
District's Covered Payroll	<u>\$ 11,438,171</u>	<u>\$ 11,207,398</u>	<u>\$ 10,690,979</u>	<u>\$ 10,607,084</u>	<u>\$ 10,294,021</u>	<u>\$ 9,894,490</u>	<u>\$ 9,664,566</u>	<u>\$ 9,369,586</u>	<u>\$ 9,194,904</u>	<u>\$ 9,186,308</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

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

**RIVER VALE BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Change of Benefit Terms: None.

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

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

Postemployment Health Benefit Plan

Last Seven Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service Cost	\$ 1,619,125	\$ 2,067,118	\$ 2,330,897	\$ 1,282,861	\$ 1,258,818	\$ 1,457,312	\$ 1,746,924
Interest on Total OPEB Liability	1,482,912	1,082,585	1,255,835	1,189,141	1,460,927	1,523,146	1,318,863
Differences Between Expected and Actual Experience	(813,783)	1,306,218	(8,737,545)	9,862,958	(6,058,007)	(2,363,678)	-
Changes of Assumptions	84,868	(10,958,529)	47,761	9,959,445	494,252	(4,243,670)	(5,490,916)
Gross Benefit Payments	(1,155,954)	(1,072,332)	(989,246)	(949,197)	(1,017,571)	(988,839)	(927,976)
Contribution from the Member	38,002	14,401	32,106	28,770	30,164	34,176	34,170
Changes of Benefit Terms	-	-	(51,528)	-	-	-	-
Net Change in Total OPEB Liability	1,255,170	(7,560,539)	(6,111,720)	21,373,978	(3,831,417)	(4,581,553)	(3,318,935)
Total OPEB Liability - Beginning	<u>40,850,559</u>	<u>48,411,098</u>	<u>54,522,818</u>	<u>33,148,840</u>	<u>36,980,257</u>	<u>41,561,810</u>	<u>44,880,745</u>
Total OPEB Liability - Ending	<u>\$ 42,105,729</u>	<u>\$ 40,850,559</u>	<u>\$ 48,411,098</u>	<u>\$ 54,522,818</u>	<u>\$ 33,148,840</u>	<u>\$ 36,980,257</u>	<u>\$ 41,561,810</u>
 District's Proportionate Share of OPEB Liability	 \$ -	 \$ -	 \$ -	 \$ -	 \$ -	 \$ -	 \$ -
State's Proportionate Share of OPEB Liability	<u>42,105,729</u>	<u>40,850,559</u>	<u>48,411,098</u>	<u>54,522,818</u>	<u>33,148,840</u>	<u>36,980,257</u>	<u>41,561,810</u>
Total OPEB Liability - Ending	<u>\$ 42,105,729</u>	<u>\$ 40,850,559</u>	<u>\$ 48,411,098</u>	<u>\$ 54,522,818</u>	<u>\$ 33,148,840</u>	<u>\$ 36,980,257</u>	<u>\$ 41,561,810</u>
 District's Covered-Employee Payroll	 <u>\$ 13,408,941</u>	 <u>\$ 13,226,902</u>	 <u>\$ 12,602,031</u>	 <u>\$ 12,457,057</u>	 <u>\$ 12,064,254</u>	 <u>\$ 12,064,254</u>	 <u>\$ 11,703,606</u>
 District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee Payroll	 0%	 0%	 0%	 0%	 0%	 0%	 0%

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

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

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

**RIVER VALE BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Changes in Benefit Terms:

None.

Changes of Assumptions

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

SCHOOL LEVEL SCHEDULES

(General Fund)

NOT APPLICABLE

SPECIAL REVENUE FUND

RIVER VALE BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	IDEA <u>Basic</u>	IDEA <u>Preschool</u>	ESEA <u>Title II</u>	ESSER II <u>Learning Acceleration</u>	ESSER III <u>ARP Non-Title I</u>	Local <u>Grant</u>	Student <u>Activities</u>	<u>Total</u>
REVENUES								
Intergovernmental								
Local						\$ 500	\$ 262,493	\$ 262,993
Federal	\$ 284,388	\$ 14,415	\$ 23,925	\$ 34,522	\$ 187,105	-	-	544,355
Total Revenues	<u>\$ 284,388</u>	<u>\$ 14,415</u>	<u>\$ 23,925</u>	<u>\$ 34,522</u>	<u>\$ 187,105</u>	<u>\$ 500</u>	<u>\$ 262,493</u>	<u>\$ 807,348</u>
EXPENDITURES								
Instruction								
Tuition	\$ 281,385	\$ 14,415						\$ 295,800
General Supplies					\$ 142,394	\$ 500		142,894
Co-Curricular/Extra-Curricular Activities	-	-	-	-	-	-	\$ 285,462	285,462
Total Instruction	<u>281,385</u>	<u>14,415</u>	<u>-</u>	<u>-</u>	<u>142,394</u>	<u>500</u>	<u>285,462</u>	<u>724,156</u>
Support Services								
Purchased Professional/Educational Services			\$ 23,925	\$ 34,522				58,447
General Supplies	3,003	-	-	-	44,711	-	-	47,714
Total Support Services	<u>3,003</u>	<u>-</u>	<u>23,925</u>	<u>34,522</u>	<u>44,711</u>	<u>-</u>	<u>-</u>	<u>106,161</u>
Total Expenditures	<u>284,388</u>	<u>14,415</u>	<u>23,925</u>	<u>34,522</u>	<u>187,105</u>	<u>500</u>	<u>285,462</u>	<u>830,317</u>
Net Change in Fund Balances	-	-	-	-	-	-	(22,969)	(22,969)
Fund Balances, Beginning of Year	-	-	-	-	-	-	118,978	118,978
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,009</u>	<u>\$ 96,009</u>

RIVER VALE BOARD OF EDUCATION
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION PROGRAM AID
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOT APPLICABLE

STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Balance, July 1, <u>2023</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2024</u>
SCHOOLS				
Roberge Elementary	\$ 15,328	\$ 876	\$ 6,872	\$ 9,332
Woodside Elementary	11,369	871	4,068	8,172
Holdrum Middle School	87,978	118,980	128,737	78,221
Merchant Account	<u>4,303</u>	<u>141,766</u>	<u>145,785</u>	<u>284</u>
 Total All Schools	 <u>\$ 118,978</u>	 <u>\$ 262,493</u>	 <u>\$ 285,462</u>	 <u>\$ 96,009</u>

CAPITAL PROJECTS FUND

**RIVER VALE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Issue/Project Title</u>	<u>Appropriation</u>	<u>Expenditures To Date</u>		<u>Balance June 30, 2024</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Facilities Acquisitions and Construction Services at Holdrum, Woodside and Roberge Schools*	\$ 19,646,038	\$ 19,645,090		\$ 948
Roberge Upgrade 2 Gang Bathrooms and 2 Staff Bathrooms	238,805	239,405	\$ (600)	-
Technology Project **	301,518	302,252	(734)	-
Emergency Generator Project	650,000	643,554		6,446
Fiscal Year 2021 School Bond Referendum - Proposal #1 and #2 Various Upgrades and Renovations	<u>40,795,494</u>	<u>21,982,318</u>	<u>10,280,515</u>	<u>8,532,661</u>
Total	<u>\$ 61,631,855</u>	<u>\$ 42,812,619</u>	<u>\$ 10,279,181</u>	<u>\$ 8,540,055</u>
Project Balances, June 30, 2024				\$ 8,540,055
Less: Debt Authorized But Not Issued				<u>(1,442)</u>
Fund Balance, GAAP Basis				<u>\$ 8,538,613</u>
Reconciliation to Governmental Funds Statements (GAAP):				
Fund Balance, Budgetary Basis				<u>\$ 8,538,613</u>
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 8,538,613</u>
Analysis of Restricted Fund Balance				
Year End Encumbrances				\$ 7,689,631
Restricted Fund Balance				<u>848,982</u>
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 8,538,613</u>

* - Modified Appropriation for transfer from Capital Reserve \$800,000.

** Modified Appropriation for interest earning.

**RIVER VALE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Revenues and Other Financing Sources

Revenues:

Other Financing Sources:

Interest on Deposit	\$ -
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Total Revenues and Other Financing Sources	-
--	---

Expenditures and Other Financing Uses

Architectural/Engineering Services	398,641
------------------------------------	---------

Construction Services	9,540,000
-----------------------	-----------

Other Professional Services	340,540
-----------------------------	---------

Total Expenditures and Other Financing Uses	10,279,181
---	------------

Net Change in Fund Balance	(10,279,181)
----------------------------	--------------

Fund Balance, Beginning of Year	18,817,794
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Fund Balance, End of Year - Budgetary Basis	\$ 8,538,613
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Fund Balance, End of Year - GAAP Basis	\$ 8,538,613
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**RIVER VALE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
IMPROVEMENTS TO THE MIDDLE SCHOOL AND ELEMENTARY SCHOOLS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grants	\$ 6,115,052		\$ 6,115,052	\$ 6,115,052
Bond Proceeds	12,834,000		12,834,000	12,834,948
Transfer from Capital Reserve	800,000		800,000	800,000
	<u>19,749,052</u>	<u>-</u>	<u>19,749,052</u>	<u>19,750,000</u>
Expenditures and Other Financing Uses				
Construction Services	19,645,090		19,645,090	19,646,038
Transfer Out	103,962		103,962	103,962
	<u>19,749,052</u>	<u>-</u>	<u>19,749,052</u>	<u>19,750,000</u>
Excess (deficiency) or Revenues over (under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Additional project information:				
Project Number	4430-050-01-0393-00	Add: Authorized		
	4430-060-01-0395-00	Debt Not		
	4430-070-01-0394-00	Issued	<u>948</u>	
Grant Date	11/9/2001		<u>\$ 948</u>	
Bond Authorization Date	9/27/2000			
Bonds Authorized	\$ 12,834,948			
Bonds Issued	12,834,000			
Original Authorized Cost	18,950,000			
Additional Authorized Cost	800,000			
Revised Authorized Cost	19,750,000			
Percentage Increase over Original				
Authorized Cost	4.00%			
Percentage completion	100%			
Original target completion date	9/1/2004			
Revised target completion date	12/1/2005			

**RIVER VALE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
ROBERGE ELEMENTARY SCHOOL - UPGRADE 2 GANG BATHROOMS AND 2 STAFF BATHROOMS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
SDA Grant Proceeds	\$ 95,280		\$ 95,280	\$ 95,280
Transfer from Capital Reserve	1,085		1,085	1,085
Transfer from Capital Outlay	142,440		142,440	142,440
Total Revenues	238,805	-	238,805	238,805
Expenditures and Other Financing Uses				
Professional Services	23,005		23,005	23,005
Construction Services	216,400	\$ (600)	215,800	215,800
Total Expenditures	239,405	(600)	238,805	238,805
Excess (deficiency) or Revenues over (under) Expenditures	\$ (600)	\$ 600	\$ -	\$ -
Additional project information:				
Project Number	DOE Project #	4430-060-14-1001		
	SDA Project #	4430-060-14-G1GS		
	Grant #	G5-4920		
Grant Date		3/5/2014		
Bond Authorization Date		N/A		
Bonds Authorized		N/A		
Bonds Issued		N/A		
Original Authorized Cost	\$	292,200		
Reduced Authorized Cost		(53,395)		
Revised Authorized Cost		238,805		
Percentage Decrease over Original Authorized Cost		-18.27%		
Percentage completion		100.00%		
Original target completion date		Dec 2014		
Revised target completion date		June 2015		

RIVER VALE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
TECHNOLOGY PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Lease Proceeds	\$ 294,500		\$ 294,500	\$ 294,500
Interest Earnings	<u>7,018</u>		<u>7,018</u>	<u>7,018</u>
Total Revenues	<u>301,518</u>	<u>-</u>	<u>301,518</u>	<u>301,518</u>
Expenditures and Other Financing Uses				
Equipment	294,792	\$ (734)	294,058	294,500
Transfer Out - General Fund	<u>7,460</u>		<u>7,460</u>	<u>7,018</u>
Total Expenditures	<u>302,252</u>	<u>(734)</u>	<u>301,518</u>	<u>301,518</u>
Excess (deficiency) or Revenues over (under) Expenditures	<u>\$ (734)</u>	<u>\$ 734</u>	<u>\$ -</u>	<u>\$ -</u>
Additional project information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 294,500			
Additional Authorized Cost	7,018			
Revised Authorized Cost	301,518			
Percentage Increase over Original Authorized Cost	2.38%			
Percentage completion	100%			
Original target completion date	June 2019			
Revised target completion date	June 2021			

**RIVER VALE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
EMERGENCY GENERATOR PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	\$ 650,000		\$ 650,000	\$ 650,000
Total Revenues	650,000	-	650,000	650,000
Expenditures and Other Financing Uses				
Professional Services	12,596		12,596	17,780
Construction Services	630,958		630,958	632,220
Total Expenditures	643,554	-	643,554	650,000
Excess (deficiency) or Revenues over (under) Expenditures	\$ 6,446	\$ -	\$ 6,446	\$ -
Additional project information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 650,000			
Additional Authorized Cost	N/A			
Revised Authorized Cost	N/A			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	99.01%			
Original target completion date	September 2019			
Revised target completion date	June 2022			

**RIVER VALE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
FISCAL YEAR 2021 BOND REFERENDUM - PROPOSAL #1 AND #2 - VARIOUS UPGRADES AND
RENOVATIONS TO ALL DISTRICT SCHOOLS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 33,325,000		\$ 33,325,000	\$ 33,325,494
Note Proceeds	700,000		700,000	700,000
Transfer from Capital Reserve	6,770,000	-	6,770,000	6,770,000
Total Revenues	40,795,000	-	40,795,000	40,795,494
Expenditures and Other Financing Uses				
Other Professional Services	802,679.0	\$ 341,874	1,144,553	1,275,031
Architectural/Engineering Services	2,609,608	398,641	3,008,249	3,520,463
Construction Services	18,570,031	9,540,000	28,110,031	36,000,000
Total Expenditures	21,982,318	10,280,515	32,262,833	40,795,494
Excess (deficiency) or Revenues over (under) Expenditures	\$ 18,812,682	\$ (10,280,515)	8,532,167	\$ -
Additional project information:				
Project Number	4430-050-20-1000	Add: Authorized		
	4430-060-20-1000	Debt Not		
	4430-070-20-1000	Issued	494	
Grant Date	N/A		\$ 8,532,661	
Bond Authorization Date	8/11/2021			
Bonds Authorized	\$ 33,325,494			
Bonds Issued	33,325,000			
Original Authorized Cost	40,795,494			
Additional Authorized Cost	-			
Revised Authorized Cost	40,795,494			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	13.11%			
Original target completion date	6/30/2024			
Revised target completion date	6/30/2024			

PROPRIETARY FUNDS

NOT APPLICABLE

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

RIVER VALE BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2023</u>	<u>Decreased</u>	<u>Balance, June 30, 2024</u>
School District Bonds - 2021	8/11/2021	\$ 33,325,000	6/15/2025	\$ 1,140,000	1.000 %			
			6/15/2026	1,165,000	1.000			
			6/15/2027	1,185,000	1.000			
			6/15/2028	1,205,000	2.000			
			6/15/2029	1,225,000	2.000			
			6/15/2030	1,245,000	2.000			
			6/15/2031	1,260,000	2.000			
			6/15/2032	1,280,000	2.000			
			6/15/2033	1,300,000	2.000			
			6/15/2034	1,330,000	2.000			
			6/15/2035	1,365,000	2.000			
			6/15/2036	1,390,000	2.000			
			6/15/2037	1,420,000	2.000			
			6/15/2038	1,445,000	2.000			
			6/15/2039	1,470,000	2.000			
			6/15/2040	1,500,000	2.000			
			6/15/2041	1,535,000	2.000			
			6/15/2042	1,570,000	2.000			
			6/15/2043	1,600,000	2.125			
			6/15/2044	1,615,000	2.125			
			6/15/2045	1,650,000	2.250			
			6/15/2046	1,675,000	2.250	\$ 31,700,000	\$ 1,130,000	\$ 30,570,000
						<u>\$ 31,700,000</u>	<u>\$ 1,130,000</u>	<u>\$ 30,570,000</u>

**RIVER VALE BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCING AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

CAPITAL FINANCING AGREEMENTS

<u>Description</u>	<u>Interest Rate</u>	<u>Amount of Original Obligation</u>	<u>Balance, July 1, 2023</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance, June 30, 2024</u>
Copiers - 2023	3.790%	121,827	\$ 110,655	\$ -	22,988	\$ 87,667
Total			\$ 110,655	\$ -	\$ 22,988	\$ 87,667

**RIVER VALE BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local Sources					
Local Property Tax Levy	\$ 951,425	-	\$ 951,425	\$ 951,424	\$ (1)
State Sources					
Debt Service Aid	<u>712,126</u>	<u>-</u>	<u>712,126</u>	<u>712,126</u>	<u>-</u>
Total Revenues	<u>1,663,551</u>	<u>-</u>	<u>1,663,551</u>	<u>1,663,550</u>	<u>(1)</u>
EXPENDITURES					
Regular Debt Service					
Principal	1,130,000		1,130,000	1,130,000	
Interest	<u>600,132</u>	<u>-</u>	<u>600,132</u>	<u>600,131</u>	<u>1</u>
Total Expenditures	<u>1,730,132</u>	<u>-</u>	<u>1,730,132</u>	<u>1,730,131</u>	<u>1</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(66,581)	-	(66,581)	(66,581)	-
Net Change in Fund Balance	(66,581)	-	(66,581)	(66,581)	-
Fund Balance, Beginning of Year	<u>68,797</u>	<u>-</u>	<u>68,797</u>	<u>68,797</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2,216</u>	<u>\$ -</u>	<u>\$ 2,216</u>	<u>\$ 2,216</u>	<u>\$ -</u>
Analysis of Balance					
Restricted for Debt Service				<u>\$ 2,216</u>	

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

J-16 to J-20

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

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

	2015	2016	2017	2018	Fiscal Year Ended June 30,		2021	2022	2023	2024
					2019	2020				
Governmental Activities										
Net Investment in Capital Assets	\$ 13,584,567	\$ 14,277,535	\$ 15,262,477	\$ 16,285,030	\$ 17,400,881	\$ 18,233,200	\$ 18,918,368	\$ 25,605,013	\$ 26,538,911	\$ 26,801,540
Restricted	2,484,162	3,256,802	4,094,443	5,162,107	5,292,572	7,037,414	8,739,902	4,245,266	5,775,030	7,166,240
Unrestricted	(4,364,121)	(4,320,483)	(4,889,344)	(5,064,138)	(4,783,153)	(4,414,881)	(5,232,697)	(4,372,171)	(3,219,583)	(2,584,412)
Total Governmental Activities Net Position	\$ 11,704,608	\$ 13,213,854	\$ 14,467,576	\$ 16,382,999	\$ 17,910,300	\$ 20,855,733	\$ 22,425,573	\$ 25,478,108	\$ 29,094,358	\$ 31,383,368
Business-Type Activities										
Net Investment in Capital Assets	\$ 491	\$ 153						\$ 3,056	\$ 10,267	\$ 9,088
Restricted										
Unrestricted	6,825	3,035	4,560	5,038	7,100	4,088	4,099	5,952	5,674	7,632
Total Business-Type Activities Net Position	\$ 7,316	\$ 3,188	\$ 4,560	\$ 5,038	\$ 7,100	\$ 4,088	\$ 4,099	\$ 9,008	\$ 15,941	\$ 16,720
District-Wide										
Net Investment in Capital Assets	\$ 13,585,058	\$ 14,277,688	\$ 15,262,477	\$ 16,285,030	\$ 17,400,881	\$ 18,233,200	\$ 18,918,368	\$ 25,608,069	\$ 26,549,178	\$ 26,810,628
Restricted	2,484,162	3,256,802	4,094,443	5,162,107	5,292,572	7,037,414	8,739,902	4,245,266	5,775,030	7,166,240
Unrestricted	(4,357,296)	(4,317,448)	(4,884,784)	(5,059,100)	(4,776,053)	(4,410,793)	(5,228,598)	(4,366,219)	(3,213,909)	(2,576,780)
Total District Net Position	\$ 11,711,924	\$ 13,217,042	\$ 14,472,136	\$ 16,388,037	\$ 17,917,400	\$ 20,859,821	\$ 22,429,672	\$ 25,487,116	\$ 29,110,299	\$ 31,400,088

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

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

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 12,155,828	\$ 12,956,831	\$ 14,660,861	\$ 14,844,590	\$ 13,879,320	\$ 13,398,018	\$ 14,410,133	\$ 12,532,920	\$ 11,999,933	\$ 11,866,878
Special Education	3,012,413	2,833,926	3,307,958	3,197,258	3,289,415	3,292,070	3,569,347	3,457,580	3,563,516	3,797,400
Other Instruction	777,249	826,581	735,632	778,351	831,455	801,974	978,042	1,047,043	1,189,123	1,160,047
School Sponsored Activities and Athletics	165,731	187,152	195,003	197,371	192,072	178,731	204,361	262,095	473,242	463,688
Support Services:										
Student & Instruction Related Services	2,969,688	3,101,326	3,520,859	3,755,883	3,613,041	3,543,222	4,279,542	3,657,856	3,871,393	4,032,117
Attendance and Social Work	95,684	101,908	93,463	115,397	89,686	92,537	136,034	130,305	117,168	124,188
Educational Media/School Library	245,608	252,636	281,046	404,105	372,292	276,629	294,785	263,760	210,329	239,758
School Administrative Services	1,191,048	1,315,095	1,398,509	1,389,406	1,292,720	1,270,239	999,130	586,428	1,155,574	1,204,510
General Administration	609,048	630,874	627,090	683,631	685,570	796,618	693,937	1,255,106	673,531	658,379
Central Services	1,068,917	1,175,357	1,274,128	1,283,092	1,265,156	1,210,459	1,441,212	2,674,242	2,914,469	3,573,373
Plant Operations and Maintenance	2,220,141	2,213,141	2,263,671	2,176,186	2,537,756	2,373,660	3,367,557	400,854	747,735	831,885
Pupil Transportation	435,775	391,112	351,882	384,269	398,892	301,420	289,116	1,217,788	1,226,075	1,343,442
Interest on Long-Term Debt	196,130	166,924	135,810	106,258	80,291	54,290	14,403	587,468	618,218	603,420
Total Governmental Activities Expenses	25,143,260	26,152,863	28,845,912	29,315,797	28,527,666	27,589,867	30,677,599	28,073,445	28,760,306	29,899,085
Business-Type Activities:										
Food Service	16,722	21,783	20,537	19,648	16,579	19,980	25	15,035	18,424	27,883
Park Academy	2,151	3,446	3,436	1,107	952	331	-	-	-	-
Total Business-Type Activities Expense	18,873	25,229	23,973	20,755	17,531	20,311	25	15,035	18,424	27,883
Total District Expenses	\$ 25,162,133	\$ 26,178,092	\$ 28,869,885	\$ 29,336,552	\$ 28,545,197	\$ 27,610,178	\$ 30,677,624	\$ 28,088,480	\$ 28,778,730	\$ 29,926,968
Program Revenues										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)	\$ 17,801	\$ 18,785	\$ 20,155	\$ 31,540	\$ 34,867	\$ 25,617	\$ 7,500	\$ 56,211	\$ 79,140	\$ 65,230
School-Sponsored Activities and Athletics							53,373	85,421	298,089	262,493
Operating Grants and Contributions	2,778,294	5,183,923	5,921,273	7,968,230	8,471,792	6,956,169	8,583,355	6,413,102	5,569,487	5,319,792
Capital Grants and Contributions	22,260	304,130	298	-	2,975	150,000	59,626			
Total Governmental Activities Program Revenues	2,818,355	5,506,838	5,941,726	7,999,770	8,509,634	7,131,786	8,703,854	6,554,734	5,946,716	5,647,515

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

	2015	2016	2017	2018	Fiscal Year Ended June 30,		2021	2022	2023	2024
					2019	2020				
Business-Type Activities:										
Charges for Services										
Food Service	\$ 12,666	\$ 11,318	\$ 11,826	\$ 14,623	\$ 13,149	\$ 12,168	\$ 25	\$ 12,886	\$ 14,908	\$ 18,948
Park Academy	4,013	2,151	3,446	3,436	1,107	952				
Operating Grants and Contributions	5,793	6,279	5,800	7,258	6,938	6,349		7,058	10,449	9,714
Total Business Type Activities Program Revenues	22,472	19,748	21,072	25,317	21,194	19,469	25	19,944	25,357	28,662
Total District Program Revenues	\$ 2,840,827	\$ 5,526,586	\$ 5,962,798	\$ 8,025,087	\$ 8,530,828	\$ 7,151,255	\$ 8,703,879	\$ 6,574,678	\$ 5,972,073	\$ 5,676,177
Net (Expense)/Revenue										
Governmental Activities	\$ (22,324,905)	\$ (20,646,025)	\$ (22,904,186)	\$ (21,316,027)	\$ (20,018,032)	\$ (20,458,081)	\$ (21,973,745)	\$ (21,518,711)	\$ (22,813,590)	\$ (24,251,570)
Business-Type Activities	3,599	(5,481)	(2,901)	4,562	3,663	(842)	-	4,909	6,933	779
Total district-wide net expense	\$ (22,321,306)	\$ (20,651,506)	\$ (22,907,087)	\$ (21,311,465)	\$ (20,014,369)	\$ (20,458,923)	\$ (21,973,745)	\$ (21,513,802)	\$ (22,806,657)	\$ (24,250,791)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, net	\$ 20,804,887	\$ 21,175,835	\$ 21,563,660	\$ 21,917,688	\$ 22,280,759	\$ 22,655,917	\$ 23,409,896	\$ 24,290,434	\$ 24,673,439	\$ 24,871,483
Unrestricted Grants and Contributions		11,300	12,382	12,375	12,366	1,097				
State Aid Restricted for Debt Service									809,585	712,126
Investment Earnings	14,063	10,456	15,330	19,941	33,464	113,273	27,716	79,660	766,571	768,880
Miscellaneous Income	123,918	154,637	129,011	149,860	394,997	152,894	105,973	201,152	180,245	188,091
Total Governmental Activities	20,942,868	21,352,228	21,720,383	22,099,864	22,721,586	22,923,181	23,543,585	24,571,246	26,429,840	26,540,580
Business-Type Activities:										
Investment Earnings	86	46	29	28	39	124	11			
Total Business-Type Activities	86	46	29	28	39	124	11	-	-	-
Total District-Wide	\$ 20,942,954	\$ 21,352,274	\$ 21,720,412	\$ 22,099,892	\$ 22,721,625	\$ 22,923,305	\$ 23,543,596	\$ 24,571,246	\$ 26,429,840	\$ 26,540,580
Change in Net Position										
Governmental Activities	\$ (1,382,037)	\$ 706,203	\$ (1,183,803)	\$ 783,837	\$ 2,703,554	\$ 2,465,100	\$ 1,569,840	\$ 3,052,535	\$ 3,616,250	\$ 2,289,010
Business-Type Activities	3,685	(5,435)	(2,872)	4,590	3,702	(718)	11	4,909	6,933	779
Total District	\$ (1,378,352)	\$ 700,768	\$ (1,186,675)	\$ 788,427	\$ 2,707,256	\$ 2,464,382	\$ 1,569,851	\$ 3,057,444	\$ 3,623,183	\$ 2,289,789

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

	2015	2016	2017	2018	Fiscal Year Ended June 30,		2021	2022	2023	2024
					2019	2020				
General Fund										
Restricted	\$ 3,297,639	\$ 4,058,596	\$ 4,333,422	\$ 4,907,058	\$ 6,145,276	\$ 8,179,548	\$ 9,009,703	\$ 4,964,951	\$ 6,828,622	\$ 8,444,423
Committed		252,989	866,013	433,214	69,351	403,700				
Assigned		159,884	157,805	424,344	337,241	443,635	64,529	91,406	384,093	442,719
Unassigned	361,755	369,795	383,236	406,324	391,227	365,009	867,179	508,742	377,983	395,660
Total General Fund	<u>\$ 3,659,394</u>	<u>\$ 4,841,264</u>	<u>\$ 5,740,476</u>	<u>\$ 6,170,940</u>	<u>\$ 6,943,095</u>	<u>\$ 9,391,892</u>	<u>\$ 9,941,411</u>	<u>\$ 5,565,099</u>	<u>\$ 7,590,698</u>	<u>\$ 9,282,802</u>
All Other Governmental Funds										
Restricted	\$ 225,580	\$ 102,963	\$ 372,827	\$ 1,345,598	\$ 491,326	\$ 126,538	\$ 17,274	\$ 35,641,871	\$ 19,005,569	\$ 8,636,838
Total All Other Governmental Funds	<u>\$ 225,580</u>	<u>\$ 102,963</u>	<u>\$ 372,827</u>	<u>\$ 1,345,598</u>	<u>\$ 491,326</u>	<u>\$ 126,538</u>	<u>\$ 17,274</u>	<u>\$ 35,641,871</u>	<u>\$ 19,005,569</u>	<u>\$ 8,636,838</u>

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

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

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax Levy	\$ 21,175,835	\$ 21,563,660	\$ 21,917,688	\$ 22,280,759	\$ 22,655,917	\$ 23,029,689	\$ 23,409,896	\$ 24,290,434	\$ 24,673,439	\$ 24,871,483
Tuition Charges	18,785	20,155	31,540	34,867	25,617	29,359	7,500	56,211	79,140	65,230
Interest Earnings	10,456	15,330	19,941	33,464	113,273	114,399	27,716	79,660	766,571	768,880
Miscellaneous	163,898	187,308	156,073	407,341	311,894	166,121	159,346	298,073	449,030	451,084
State Sources	2,880,072	2,986,745	3,328,671	3,748,401	4,316,220	4,530,565	5,425,262	6,853,954	8,072,538	8,336,847
Federal Sources	328,343	225,904	313,986	224,497	252,485	322,915	347,984	610,992	734,108	523,750
Total revenues	24,577,389	24,999,102	25,767,899	26,729,329	27,675,406	28,193,048	29,377,704	32,189,324	34,774,826	35,017,274
Expenditures										
Instruction										
Regular Instruction	9,808,445	10,357,451	10,826,464	11,160,280	11,634,122	11,654,463	12,699,526	13,384,710	13,610,573	13,732,126
Special Education Instruction	2,833,105	2,644,651	2,955,284	2,821,276	3,067,943	3,149,235	3,319,748	3,662,142	3,879,858	4,167,649
Other Instruction	661,784	693,230	565,092	600,161	734,994	740,212	881,583	1,123,063	1,329,619	1,347,198
School Sponsored Activities and Athletics	165,731	178,420	172,983	176,024	185,496	181,660	189,474	280,767	495,621	476,258
Support Services:										
Student & Inst. Related Services	2,712,389	2,763,634	2,899,280	3,148,985	3,331,409	3,413,513	3,860,797	3,887,421	4,204,672	4,340,411
Attendance and Social Work	95,193	100,647	93,253	103,592	90,095	91,178	124,307	130,043	124,340	124,061
Educational Media/School Library	263,428	252,636	268,072	368,409	361,389	280,412	267,577	264,156	226,323	239,758
General Administration	606,474	610,702	580,032	633,979	665,759	798,855	678,011	643,581	1,314,070	1,364,988
School Administrative Services	1,063,175	1,140,969	1,127,609	1,125,295	1,119,180	1,161,050	924,239	1,282,881	686,939	649,734
Central Services	1,068,362	1,091,364	1,108,670	1,117,061	1,199,681	1,195,954	1,384,007	1,944,683	2,345,235	2,935,660
Plant Operations and Maintenance	2,171,232	2,115,705	2,079,883	1,999,126	2,464,373	2,363,436	2,601,253	400,854	747,735	831,885
Pupil Transportation	435,775	391,112	351,882	384,269	398,892	301,420	289,116	1,325,722	1,362,300	1,440,959
Capital Outlay	911,426	454,654	737,044	1,139,885	1,393,716	675,051	793,147	5,262,017	16,859,783	10,286,298
Debt Service:										
Principal	936,628	963,575	980,545	984,895	1,019,916	899,544	897,708	810,970	1,736,629	1,152,988
Interest and Other Charges	209,366	181,099	147,230	120,380	90,558	63,582	26,956	564,033	621,259	603,928
Total Expenditures	23,942,513	23,939,849	24,893,323	25,883,617	27,757,523	26,969,565	28,937,449	34,967,043	49,544,956	43,693,901

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

	2015	2016	2017	2018	Fiscal Year Ended June 30,		2021	2022	2023	2024
					2019	2020				
Excess (Deficiency) of Revenues over (under) Expenditures	\$ 634,876	\$ 1,059,253	\$ 874,576	\$ 845,712	\$ (82,117)	\$ 1,223,483	\$ 440,255	\$ (2,777,719)	\$ (14,770,130)	\$ (8,676,627)
Other Financing Sources (uses)										
Capital Leases (non-budgeted)			294,500	557,523					121,827	-
Bond Proceeds								33,325,000	-	-
Premium on Bonds								1,004		
Return of Overpayment									37,600	-
Note Proceeds								700,000	-	-
Transfers In	528	386	384	650,655	116,106	3,866	7,712	6,771,004	494,579	-
Transfers Out	(528)	(386)	(384)	(650,655)	(116,106)	(3,866)	(7,712)	(6,771,004)	(494,579)	-
Total Other Financing Sources (uses)	-	-	294,500	557,523	-	-	-	34,026,004	159,427	-
Net Change in Fund Balances	<u>\$ 634,876</u>	<u>\$ 1,059,253</u>	<u>\$ 1,169,076</u>	<u>\$ 1,403,235</u>	<u>\$ (82,117)</u>	<u>\$ 1,223,483</u>	<u>\$ 440,255</u>	<u>\$ 31,248,285</u>	<u>\$ (14,610,703)</u>	<u>\$ (8,676,627)</u>
Debt Service as a Percentage of Noncapital Expenditures	4.98%	4.87%	4.67%	4.47%	4.21%	3.66%	3.29%	4.63%	7.21%	5.26%

* Noncapital expenditures are total expenditures less capital outlay.

**RIVER VALE SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Ended June 30</u>	<u>Tuition</u>	<u>Interest on Deposits</u>	<u>Donations</u>	<u>E-Rate Rebate</u>	<u>Energy Rebate</u>	<u>Laptop Fees</u>	<u>Rentals</u>	<u>Miscellaneous</u>	<u>Total</u>
2015	\$ 18,785	\$ 9,928		\$ 16,226			\$ 100,340	\$ 38,071	\$ 183,350
2016	20,155	14,944		15,727			103,055	10,229	164,110
2017	31,540	19,049	\$ 10,000	13,316			103,905	22,639	200,449
2018	34,867	30,638	225,000	14,665	\$ 33,842		103,055	18,435	460,502
2019	25,617	96,818		13,741	12,000		104,555	22,598	275,329
2020	29,359	110,118					103,055	54,796	297,328
2021	7,500	27,463		12,381	1,650		84,050	7,892	140,936
2022	56,211	16,241		36,578			117,535	47,039	273,604
2023	79,140	271,992		31,297	13,117		92,195	4,332	492,073
2024	65,230	768,880		10,655		\$ 20,567	92,195	64,674	1,022,201

Source: School District's Financial Statements

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

98	Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
	2015	\$ 17,521,400	\$ 1,964,593,300		\$ 71,228,200		\$ 13,034,700	\$ 2,066,377,600	\$ 1,351,396	\$ 2,067,728,996	\$ 1,956,461,720	\$ 1.034
	2016	15,375,500	1,974,406,900		70,235,800		13,034,700	2,073,052,900	1,344,095	2,074,396,995	2,013,198,179	1.049
	2017	15,467,100	1,974,720,200		71,521,600		13,034,700	2,074,743,600	1,333,316	2,076,076,916	2,052,142,618	1.065
	2018	14,378,600	1,981,135,500		71,521,600		13,034,700	2,080,070,400	1,342,127	2,081,412,527	2,074,763,194	1.079
	2019	14,094,200	1,987,790,600		71,459,800		13,034,700	2,086,379,300	1,348,864	2,087,728,164	2,078,144,276	1.095
	2020	14,720,400	1,993,400,600		71,704,400		13,034,700	2,092,860,100	1,325,398	2,094,185,498	2,138,007,357	1.109
	2021	35,273,200	1,997,201,900		67,991,100		13,034,700	2,113,500,900	1,353,096	2,114,853,996	2,114,110,802	1.112
	2022	34,321,800	2,001,900,800		67,991,100		14,519,600	2,118,733,300	1,311,441	2,120,044,741	2,196,108,614	1.139
	2023	47,487,736	2,020,729,200		67,816,100		14,519,600	2,150,552,636	1,238,232	2,151,790,868	2,366,132,216	1.153
	2024	27,416,411	2,109,585,200		67,316,100		14,519,600	2,218,837,311		2,218,837,311	2,587,364,684	1.140

Source: County Abstract of Ratables

^a Tax rates are per \$100, includes local school district and regional school district.

**RIVER VALE BOARD OF EDUCATION
PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUATION
LAST TEN FISCAL YEARS
(Unaudited)**

Calendar Year		<u>Total</u>	<u>Local School District</u>	<u>Regional School District</u>	<u>Municipality (2)</u>	<u>County (1)</u>
2015	\$	2.348	\$ 1.034	\$ 0.560	\$ 0.527	\$ 0.227
2016		2.417	1.049	0.581	0.548	0.239
2017		2.488	1.065	0.612	0.562	0.249
2018		2.525	1.079	0.634	0.567	0.245
2019		2.553	1.095	0.634	0.581	0.243
2020		2.613	1.109	0.655	0.595	0.254
2021		2.583	1.112	0.614	0.606	0.251
2022		2.645	1.139	0.633	0.623	0.250
2023		2.714	1.153	0.659	0.639	0.263
2024		2.731	1.140	0.673	0.646	0.272

Source: Tax Duplicate, Township of River Vale

(1) Includes County Open Space Tax

(2) Includes Municipal Open Space and Library Tax

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

Taxpayer	2024		2015	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Toll NJ LCC	\$ 16,622,011	0.749%		
Edgewood Country Club, Inc.	17,522,100	0.790%	\$ 21,235,400	1.030%
River Vale Dev LLC % Garden Homes			8,585,800	0.420%
Gal-Ben Associates	7,672,000	0.346%	7,672,000	0.370%
Village on the Green			7,266,400	0.350%
Rivervale Collignon Vil Prty Owr LP	7,266,400	0.327%		
United Water Co of NJ	6,850,600	0.309%	6,850,600	0.330%
688 Westwood Ave LLC c/o V Luppinfo	5,548,200	0.250%	5,548,200	0.270%
Florentine, Inc.	5,187,100	0.234%	5,187,100	0.250%
Lindvale Gardens	4,875,400	0.220%	4,875,400	0.240%
MWD River Vale One LLC			3,222,800	0.160%
Rudd-O'Connor LLC NJ			2,514,600	0.120%
Powder Hill Holdings LLC	2,514,600	0.113%		
MWD River Vale One LLC	2,326,400	0.105%		
	<u>\$ 76,384,811</u>	<u>3.443%</u>	<u>\$ 72,958,300</u>	<u>3.540%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$ 21,175,835	\$ 21,175,835	100.00%	-
2016	21,563,660	21,563,660	100.00%	-
2017	21,917,688	21,917,688	100.00%	-
2018	22,280,759	22,280,759	100.00%	-
2019	22,655,917	22,655,917	100.00%	-
2020	23,029,689	23,029,689	100.00%	-
2021	23,409,896	23,409,896	100.00%	-
2022	24,290,434	24,290,434	100.00%	-
2023	24,673,439	24,673,439	100.00%	-
2024	24,871,483	24,871,483	100.00%	\$ -

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

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Capital Financing Agreements			
2015	\$ 4,780,000	\$ 325,587	\$ 5,105,587	9,902	\$ 516
2016	3,990,000	152,012	4,142,012	10,030	413
2017	3,185,000	270,967	3,455,967	10,049	344
2018	2,385,000	643,595	3,028,595	10,016	302
2019	1,585,000	423,679	2,008,679	9,985	201
2020	790,000	319,135	1,109,135	9,946	112
2021		211,427	211,427	9,840	21
2022	33,325,000	100,457	33,425,457	9,888	3,380
2023	31,700,000	110,655	31,810,655	10,111	3,146
2024	30,570,000	87,667	30,657,667	10,111 *	3,032

Source: District records

Note: * Estimate

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

General Bonded Debt Outstanding					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2015	\$ 4,780,000		\$ 4,780,000	0.23%	\$ 483
2016	3,990,000		3,990,000	0.19%	398
2017	3,185,000		3,185,000	0.15%	317
2018	2,385,000		2,385,000	0.11%	238
2019	1,585,000		1,585,000	0.08%	159
2020	790,000		790,000	0.04%	79
2021			-	0.00%	-
2022	33,325,000		33,325,000	1.58%	3,370
2023	31,700,000		31,700,000	1.50%	3,135
2024	30,570,000		30,570,000	1.42%	3,023

Source: District records

**RIVER VALE BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2023
(Unaudited)**

	<u>Total Debt</u>
Municipal Debt: (1)	
Local and Regional School	\$ 34,030,404
Golf Course Utility	13,500,000
Borough of River Vale	<u>31,431,910</u>
	<u>78,962,314</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen	17,899,640
Bergen Utilities Authority - Water Pollution (B)	<u>2,782,222</u>
	<u>20,681,862</u>
Total Direct and Overlapping Debt	<u><u>\$ 99,644,176</u></u>

Source:

(1) Township of River Vale's 2023 Annual Debt Statement

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

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 58,813,253	\$ 58,985,263	\$ 59,966,599	\$ 61,151,919	\$ 61,803,814	\$ 62,613,861	\$ 62,854,569	\$ 64,043,649	\$ 66,042,201	\$ 70,197,982
Total net debt applicable to limit	4,780,948	3,990,948	3,185,948	2,385,948	1,585,948	790,000		33,326,442	31,717,817	30,570,442
Legal debt margin	<u>\$ 54,032,305</u>	<u>\$ 54,994,315</u>	<u>\$ 56,780,651</u>	<u>\$ 58,765,971</u>	<u>\$ 60,217,866</u>	<u>\$ 61,823,861</u>	<u>\$ 62,854,569</u>	<u>\$ 30,717,207</u>	<u>\$ 34,324,384</u>	<u>\$ 39,627,540</u>
Total net debt applicable to the limit as a percentage of debt limit	8.13%	6.77%	5.31%	3.90%	2.57%	1.26%	0.00%	52.04%	48.03%	43.55%

Legal Debt Margin Calculation for Fiscal Year 2024

	Equalized valuation basis
	2023 \$ 2,505,303,630
	2022 2,327,511,040
	2021 2,186,983,547
	<u>\$ 7,019,798,217</u>
Average equalized valuation of taxable property	<u>\$ 2,339,932,739</u>
Debt limit (3 % of average equalization value)	\$ 70,197,982
Total Net Debt Applicable to Limit	<u>30,570,442</u>
Legal debt margin	<u>\$ 39,627,540</u>

Source: Annual Debt Statements

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

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2015	9,902	\$ 73,883	4.0%
2016	10,030	77,323	3.8%
2017	10,049	78,836	3.5%
2018	10,016	81,024	3.0%
2019	9,985	85,191	2.5%
2020	9,946	88,241	8.1%
2021	9,840	97,343	5.5%
2022	9,888	97,138	3.1%
2023	10,111	97,138 *	3.5%
2024	10,111 *	97,138 *	3.5% *

Source: New Jersey State Department of Education

* Estimate

**RIVER VALE BOARD OF EDUCATION
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND TEN YEARS AGO
(Unaudited)**

NOT APPLICABLE

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

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Instruction										
Regular	97	97	98	98	83	83	83	83	83	83
Special education	15	15	15	15	31	31	31	31	32	35
Support Services:										
Student & instruction related services	14	14	14	14	14	14	14	14	14	14
General administration	2	2	2	2	2	2	2	2	2	2
School administrative services	6	6	6	6	6	6	6	6	6	6
Administrative Information Technology	2	2	2	2	2	2	2	2	2	2
Plant operations and maintenance	16	16	16	16	16	16	17	17	17	18
Other support services	5	5	5	5	5	5	5	5	5	5
Total	<u>157</u>	<u>157</u>	<u>158</u>	<u>158</u>	<u>159</u>	<u>159</u>	<u>160</u>	<u>160</u>	<u>161</u>	<u>165</u>

Source: District Personnel Records

**RIVER VALE BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Enrollment ^a	Teacher/Pupil Ratio		Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Elementary	Middle School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2015	1,224	\$	21,885,093	\$	17,880	#DIV/0!	124	13.45	11.8	1,224	1,122.0	-4.75%	91.66%
2016	1,180		22,340,521		18,933	5.89%	124	13.45	11.8	1,180	1,141.8	-3.59%	96.76%
2017	1,163		23,028,504		19,801	4.59%	113	10.86	10.14	1,163	1,114.7	-1.44%	95.85%
2018	1,147		23,638,457		20,609	4.08%	114	10.86	10.14	1,147	1,103.0	-1.38%	96.16%
2019	1,120		25,253,333		22,548	9.41%	114	10.86	10.14	1,120	1,073.5	-2.35%	95.85%
2020	1,104		25,331,388		22,945	1.76%	115	10.86	10.14	1,103	1,070.0	-1.52%	97.01%
2021	1,053		27,219,638		25,850	12.66%	115	10.86	10.14	1,053	653.8	-4.53%	62.09%
2022	1,016		28,330,023		27,884	7.87%	115	10.86	10.14	1,024	974.2	-2.75%	95.14%
2023	1,014		30,327,285		29,909	7.26%	116	10.86	10.14	1,014	962.7	-0.98%	94.94%
2024	994		31,650,687		31,842	6.46%	118	10.86	10.14	994	962.7	-1.97%	96.85%

Sources: District records

- Note:
- a Enrollment based on annual October district count.
 - b Operating expenditures equal total expenditures (modified accrual) less debt service and capital outlay.
 - c Cost per pupil represents operating expenditures divided by enrollment.

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>District Building</u>										
<u>Elementary</u>										
<u>Roberge Elementary</u>										
Square Feet	57,817	57,817	57,817	57,817	57,817	57,817	57,817	57,817	57,817	57,817
Capacity (students)	407	407	407	407	407	407	407	407	407	407
Enrollment		382	379	388	361	338	301	313	315	325
<u>Woodside Elementary</u>										
Square Feet	46,273	46,273	46,273	46,273	46,273	46,273	46,273	46,273	46,273	46,273
Capacity (students)	454	454	454	454	454	454	454	454	454	454
Enrollment ^a		344	348	357	350	353	343	347	338	320
<u>Middle School</u>										
Square Feet	62,133	62,133	62,133	62,133	62,133	62,133	62,133	62,133	62,133	62,133
Capacity (students)	363	363	363	363	363	363	363	363	363	363
Enrollment		454	436	402	409	413	409	356	361	349

Number of Schools at June 30, 2024

 Elementary = 2

 Middle School = 1

 Senior High School = None

 Other = None

Source: District Records

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
School Facilities										
Roberge Elementary School	\$ 88,691	\$ 104,673	\$ 111,777	\$ 99,546	\$ 94,283	\$ 105,995	\$ 203,171	\$ 80,360	\$ 85,421	\$ 233,508
Woodside Elementary School	70,982	83,773	89,460	54,601	95,206	128,738	272,541	64,315	68,366	186,885
Holdrum Middle School	<u>95,311</u>	<u>112,486</u>	<u>120,121</u>	<u>108,911</u>	<u>76,544</u>	<u>73,450</u>	<u>168,165</u>	<u>86,359</u>	<u>91,798</u>	<u>250,940</u>
Grand Total	<u>\$ 254,984</u>	<u>\$ 300,932</u>	<u>\$ 321,358</u>	<u>\$ 263,058</u>	<u>\$ 266,033</u>	<u>\$ 308,183</u>	<u>\$ 643,877</u>	<u>\$ 231,035</u>	<u>\$ 245,585</u>	<u>\$ 671,333</u>

Source: District Records

RIVER VALE BOARD OF EDUCATION
SCHEDULE OF INSURANCE
JUNE 30, 2024
(Unaudited)

	Coverage	Deductible
Northeast Bergen County School Board Insurance Group (NESBIG):		
Package Policy - National Union Fire Ins. Co.		
Property	\$ 50,748,064	\$ 5,000
Earthquake/Flood (Outside Zones A & V)	5,000,000	50,000
Flood Zones A, V & N	7,500,000/15,000,000 agg	500,000
Flood Zones C or X	20,000,000/200,000,000 agg	50,000
Liability		
Automobile (Comprehensive & Collision)	1,000,000	1,000
Automobile Liability	1,000,000	2,500
Comprehensive General Liability	1,000,000	2,500
Worker's Compensation & Employer's Liability	Statutory	
	1,000,000	
Crime (Non-statutory Bonds) National Union		
Per Employee	500,000	5,000
Forgery and Alterations	250,000	5,000
Boiler & Machinery	Incl. Property Limit	5,000
Environmental - Chubb	2,000,000/4,000,000agg	25,000
Fund Aggregate	20,000,000	
Mold	50,000	
Educator's Legal Liability/ Employment Practices - XL	1,000,000 incl.	10,000 25,000
Commercial Umbrella -National Union Fire Ins. Co.	9,000,000	10,000
Excess Umbrella - Fireman's Fund	25,000,000	
Fund Aggregate (Shared 1/4 Fund)	25,000,000	
Excess Umbrella - Unshared	30,000,000	
Great American/Allied World/Hudson Ins.		
Cyber Liability - CFC	1,000,000	10,000
Accidental Death & Dismemberment - Gerber Life		
Business Administrator/Superintendent/Board Members	100,000	
Surety Bond Coverage:		
Business Administrator	150,000	
Treasurer of School Monies	300,000	
NESBIG Student Accident	1,000,000	
QBE Insurance/Bob McCloskey		

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
River Vale Board of Education
River Vale, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the River Vale Board of Education as of and for the fiscal year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the River Vale Board of Education's basic financial statements and have issued our report thereon dated January 10, 2025.

Report on Internal Control Over Financial Reporting

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

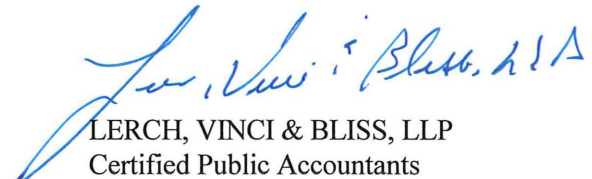
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

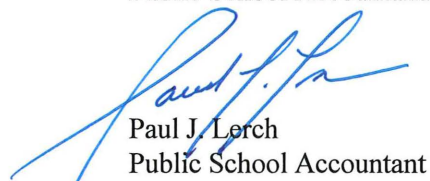
As part of obtaining reasonable assurance about whether the River Vale Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have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

Purpose of this Report

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



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



Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
January 10, 2025



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
River Vale Board of Education
River Vale, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the River Vale Board of Education's compliance with the types of compliance requirements identified as subject to audit in the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the River Vale Board of Education's major state programs for the fiscal year ended June 30, 2024. The River Vale Board of Education's major 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 River Vale Board of Education complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the fiscal year ended June 30, 2024.

Basis for Opinion on Each Major State Program

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

We are required to be independent of the River Vale 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 state program. Our audit does not provide a legal determination of the River Vale Board of Education's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the River Vale Board of Education's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the River Vale 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 New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the River Vale 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 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 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 state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

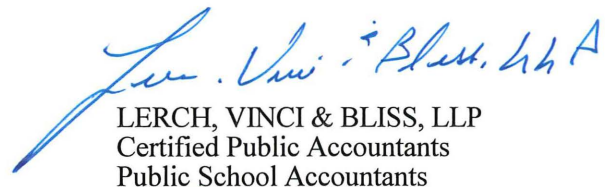
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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

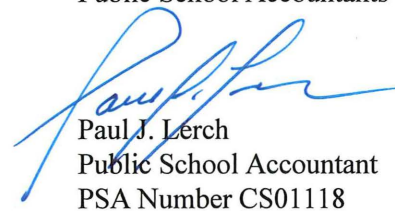
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the River Vale Board of Education, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated January 10, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



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



Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
January 10, 2025

**RIVER VALE BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal A.L. Number	FAIN Number	Grant Period	Award Amount	Balance, July 1, 2023		Unearned Revenue Carryover Amount	Accounts Receivable Carryover Amount	Cash Received	Budgetary Expenditures	Balance, June 30, 2024		Memo GAAP Receivable
					(Account Receivable)	Unearned Revenue					(Account Receivable)	Unearned Revenue	
<u>Food Service Fund</u>													*
U.S. Department of Agriculture													*
Passed-through State Department													*
of Agriculture													*
Special Milk Program	10.556	231NJ304N1099	7/1/23-6/30/24	\$ 9,714	-	-	-	-	\$ 7,887	\$ 9,714	\$ (1,827)	-	* \$ (1,827)
Total U.S. Department of Agriculture/Child Nutrition Cluster					-	-	-	-	7,887	9,714	(1,827)	-	* (1,827)
<u>General Fund</u>													*
U.S. Department of Homeland Security													*
Passed-through State Department													*
of Law and Public Safety													*
Disaster Grants - Public Assistance (FEMA)	97.036		7/1/23-6/30/24	98,395	-	-	-	-	98,395	98,395	-	-	* -
Total U.S. Department of Homeland Security/FEMA Cluster					-	-	-	-	98,395	98,395	-	-	* -
<u>Special Revenue Fund</u>													*
U.S. Department of Education													*
Passed-through State Department													*
of Education													*
I.D.E.A. Part B, Basic	84.027A	H027A230100	7/1/23-9/30/24	243,645			\$ 61,352	\$ (61,352)	283,912	284,388	(21,085)	\$ 20,609	* (476)
I.D.E.A. Part B, Basic	84.027A	H027A220100	7/1/22-9/30/23	230,404	\$ (107,538)	\$ 61,352	(61,352)	61,352	46,186		-	-	* -
I.D.E.A.Part B, Preschool	84.173A	H173A230114	7/1/23-9/30/24	14,415	-	-	-	-	14,415	14,415	-	-	* -
Total Special Education Cluster (IDEA)					(107,538)	61,352	-	-	344,513	298,803	(21,085)	20,609	* (476)
NCLB Title II	84.367A	S367A230029	7/1/23-9/30/24	23,925	-	-	-	-	23,925	23,925	-	-	* -
Total Elementary and Secondary Education Act (ESEA)					-	-	-	-	23,925	23,925	-	-	* -
Elementary and Secondary School Emergency Relief Fund (ESSER):													*
ESSER II - Coronavirus Response and Relief Supplem. Appropriations	84.425D	S425D200027	3/13/20-9/30/23	218,841	(95,024)				95,024		-	-	* -
ESSER II - Learning Acceleration	84.425D	S425D200027	3/13/20-9/30/23	25,000	(4,687)				4,687		-	-	* -
ESSER III - Non-Title I	84.425U	S425U210027	3/13/20-9/30/24	437,682	(397,016)	282,266			159,461	187,105	(237,555)	95,161	* (142,394)
ESSER III - Accelerated Learning Coach and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	86,622	(36,222)	34,522			21,700	34,522	(14,522)	-	* (14,522)
ESSER III - Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000	(35,625)				7,150		(28,475)	-	* (28,475)
ESSER III - NJTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000	(22,000)	-	-	-	22,000	-	-	-	* -
Total Elementary and Secondary School Emergency Relief Fund Cluster (ESSER)					(590,574)	316,788	-	-	310,022	221,627	(280,552)	95,161	* (185,391)
Total U.S. Department of Education					(698,112)	378,140	-	-	678,460	544,355	(301,637)	115,770	* (185,867)
Total Special Revenue Fund					(698,112)	378,140	-	-	678,460	544,355	(301,637)	115,770	* (185,867)
Total Federal Awards					\$ (698,112)	\$ 378,140	\$ -	\$ -	\$ 784,742	\$ 652,464	\$ (303,464)	\$ 115,770	* \$ (187,694)

RIVER VALE BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2023		Cash Received	Budgetary Expenditures	Balance, June 30, 2024		Memo	
				(Accounts Receivable)	Unearned Revenue			(Accounts Receivable)	Unearned Revenue	GAAP Receivable	Cumulative Total Expenditures
State Department of Education											
General Fund											
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	\$ 1,065,675			\$ 963,318	\$ 1,065,675	\$ (102,357)		\$	1,065,675
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	895,617	\$ (88,396)		88,396					-
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	86,869			78,525	86,869	(8,344)			86,869
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	86,869	(8,574)	-	8,574	-	-	-		-
Total State Aid Public Cluster				(96,970)	-	1,138,813	1,152,544	(110,701)	-		
Transportation Aid											
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	126,476			114,328	126,476	(12,148)			126,476
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	126,476	(12,483)		12,483					-
Nonpublic School Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	20,020				20,020	(20,020)		\$ (20,020)	20,020
Nonpublic School Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	14,352	(14,352)	-	14,352	-	-	-		-
Total Transportation Aid Cluster				(26,835)	-	141,163	146,496	(32,168)	-		
Extraordinary Aid											
Extraordinary Aid	24-495-034-5120-044	7/1/23-6/30/24	224,070				224,070	(224,070)			224,070
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	290,257	(290,257)		290,257		-			-
On-Behalf TPAF Social Security Aid	24-495-034-5094-003	7/1/23-6/30/24	834,444			793,062	834,444	(41,382)		(41,382)	834,444
On-Behalf TPAF Social Security Aid	23-495-034-5094-003	7/1/22-6/30/23	813,442	(39,936)		39,936		-			-
TPAF Pension Benefit Contributions	24-495-034-5094-002	7/1/23-6/30/24	4,051,779			4,051,779	4,051,779				4,051,779
TPAF Pension - NCGI Premium	24-495-034-5094-004	7/1/23-6/30/24	46,208			46,208	46,208				46,208
TPAF - Post-Retirement Medical	24-495-034-5094-001	7/1/23-6/30/24	1,115,322			1,115,322	1,115,322				1,115,322
TPAF - Long-Term Disability Insurance Contributions	24-495-034-5094-004	7/1/23-6/30/24	1,067	-	-	1,067	1,067	-	-	-	1,067
Total General Fund				(453,998)	-	7,617,607	7,571,930	(408,321)	-	(61,402)	7,571,930
Debt Service Fund											
Debt Service Aid - Type II	24-495-034-5120-075	7/1/23-6/30/24	712,126	-	-	712,125	712,126	(1)	-	(1)	712,126
Total Debt Service Fund				-	-	712,125	712,126	(1)	-	(1)	712,126
Total State Financial Assistance Subject to Single Audit Determination				(453,998)	-	8,329,732	8,284,056	(408,322)	-	(61,403)	8,284,056
State Financial Assistance											
Not Subject to Major Program Determination											
General Fund											
TPAF Pension Benefit Contributions	24-495-034-5094-002	7/1/23-6/30/24	4,051,779			(4,051,779)	(4,051,779)				(4,051,779)
TPAF Pension - NCGI Premium	24-495-034-5094-004	7/1/23-6/30/24	46,208			(46,208)	(46,208)				(46,208)
TPAF - Post Retirement Medical	24-495-034-5094-001	7/1/23-6/30/24	1,115,322			(1,115,322)	(1,115,322)				(1,115,322)
TPAF - Long-Term Disability Insurance Contributions	24-495-034-5094-004	7/1/23-6/30/24	1,067	-	-	(1,067)	(1,067)	-	-	-	(1,067)
Total State Financial Assistance Subject to Major Program Determination				\$ (453,998)	\$ -	\$ 3,115,356	\$ 3,069,680	\$ (408,322)	\$ -	\$ (61,403)	\$ 3,069,680

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 1 REPORTING ENTITY

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

NOTE 2 BASIS OF PRESENTATION

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

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$52,791 for the general fund and a decrease of \$119,000 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board’s financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 98,395	\$ 7,624,721	\$ 7,723,116
Special Revenue Fund	425,355		425,355
Debt Service Fund		712,126	712,126
Food Service Fund	<u>9,714</u>	<u>-</u>	<u>9,714</u>
Total Awards and Financial Assistance	<u>\$ 533,464</u>	<u>\$ 8,336,847</u>	<u>\$ 8,870,311</u>

**RIVER VALE BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$834,444 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2024. The amount reported as TPAF Pension System Contributions in the amount of \$4,097,987, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,115,322 and TPAF Long-Term Disability Insurance in the amount of \$1,067 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2024.

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

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

NOTE 8 DE MINIMIS INDIRECT COST RATE

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

**RIVER VALE BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Part I – Summary of Auditor’s Results

Financial Statement Section

- | | | |
|---|------------|---------------------|
| A) Type of auditors' report issued: | Unmodified | |
| B) Internal control over financial reporting: | | |
| 1) Material weakness(es) identified? | _____ yes | _____ <u>X</u> no |
| 2) Were significant deficiencies identified that were not considered to be material weaknesses? | _____ yes | _____ <u>X</u> none |
| C) Noncompliance material to basic financial statements noted? | _____ yes | _____ <u>X</u> no |

Federal Awards Section

Not Applicable

**RIVER VALE BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Part I – Summary of Auditor's Results

State Awards Section

Internal Control over compliance:

- 1) Material weakness(es) identified? _____ yes X no
- 2) Were significant deficiencies identified that were not considered to be material weaknesses? _____ yes X none

Type of auditors' report on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08?

_____ yes X no

Identification of major programs:

State Grant/Project Number

24-495-034-5120-089

24-495-034-5120-084

24-495-034-5094-003

State Grant/Project Number

Special Education Aid

Security Aid

On-Behalf TPAF Social Security Aid

Dollar threshold used to determine Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 X yes _____ no

**RIVER VALE BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Part 2 - Schedule of Financial Statement Findings

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

There are none.

**RIVER VALE BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

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

CURRENT YEAR FEDERAL AWARDS

Not Applicable

CURRENT YEAR STATE AWARDS

There are none.