

SECAUCUS BOARD OF EDUCATION
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2024

Secaucus, New Jersey

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

of the

Secaucus Board of Education

Secaucus, New Jersey

For The Fiscal Year Ended June 30, 2024

Prepared by

**Secaucus Board of Education
Business Department**

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Secaucus Public Schools

Erick Alfonso
Superintendent of Schools
(201) 974-2000 x2089

Ms. Grace Yeo
Business Administrator/Board Secretary
(201) 974-2008

December 4, 2024

Honorable President and Members of the
Secaucus Board of Education
685 Fifth Street
Secaucus, New Jersey 07094

Dear Board Members:

State Department of Education statutes require that all School District's prepare a complete set of financial statements presented in conformity with accounting principles generally accepted in the United State of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report (ACFR) of the Secaucus Board of Education for the fiscal year ended June 30, 2024.

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

The Secaucus Board of Education's financial statements have been audited by Lerch, Vinci & Bliss, LLP, a firm of licensed certified public accountants and public-school accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Secaucus Board of Education as of and for the fiscal year ended June 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Secaucus Board of Education's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Secaucus Board of Education was part of a broader, federal and state mandated “Single Audit” designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal control and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards and state financial assistance. These reports are available in the Single Audit Section of the Secaucus Board of Education’s ACFR.

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

1). REPORTING ENTITY AND ITS SERVICES: Secaucus Board of Education is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB). All funds of the District are included in this report. The Secaucus 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 PK through 12. These include regular, vocational as well as special education for students with disabilities. The District completed the 2023-2024 fiscal year with an enrollment of 2204 students. The following details the changes in the student enrollment of the District over the last ten (10) years.

<u>Fiscal Year</u>	<u>Student Count</u>	<u>Percent Change</u>
2023-2024	2,204	(2.0)%
2022-2023	2,250	2.4
2021-2022	2,197	0.1
2020-2021	2,194	(3.3)
2019-2020	2,270	(.09)
2018-2019	2,272	3.4
2017-2018	2,197	3.9
2016-2017	2,114	(0.3)
2015-2016	2,120	(3.0)
2014-2015	2,185	0.1

2). ECONOMIC CONDITION AND OUTLOOK: The Town of Secaucus continues with a significant increase in residential construction. This is due to the completion of housing units being built in various parts of town. Current construction has yielded additional students and our population will continue its rise in the long term. Future planned construction could also continue to impact the student population. The additional ratables will continue to assist in stabilizing the tax rate. This in turn will provide revenues which will enable the Town of Secaucus to continue providing services that were the basis for Secaucus being considered a very good place to live in New Jersey. For all these reasons, Secaucus will continue to prosper economically, and its residents will continue to enjoy a high quality of life.

3). MAJOR INITIATIVES: The Secaucus Public School District remains committed to enhancing rigorous academic standards. This effort is characterized by initiating personalized professional development programs, revising numerous curriculum materials, and utilizing Linkit! for efficient data warehousing and authentic assessment protocols. The Linkit! benchmarks in English Language Arts and Mathematics provide valuable data for educators and administrators to track student progress, identify areas of strength and weakness, and make informed instructional decisions. Educators can identify trends, patterns, and areas for improvement across grade levels, schools, and demographic groups from the Linkit! data. This information can be used to inform curriculum planning, professional development initiatives, and targeted interventions to support student learning and achievement.

Additionally, the Secaucus Public Schools is using the Amplify CKLA English Language Arts program for grades kindergarten through fourth grade, with a current pilot in fifth grade. Grades six through eight are utilizing IXL and the Empowering Writers Hub for English Language Arts. Additionally, grades six through twelve are using CommonLit to enhance English Language Arts instruction.

The Secaucus Public Schools is proud to share that the entire district is using the Reveal Mathematics program. This extensive program comes with Aleks for grades three through twelve as well as Aleks Adventure for grades first through second.

The Secaucus High School continues to expand elective course offerings to provide a more comprehensive, well-rounded education. Theatre, Theatre Arts Cycle, Production and Design, NJ Cultural History, and AP Psychology are just a few of the new electives initiated this school year.

Our technology team is implementing a multi-phase classroom interactive board transition. All kindergarten through second-grade classrooms have new interactive boards. This school year, our third-grade classrooms will receive the updated boards with the goal of continuous expansion district-wide. Our faculty and staff also received updated Chromebooks this school year. With new Chromebooks, teachers can continue to engage students in new and innovative ways, making learning more interactive and personalized.

The district is excited to share that we have a 97.1% graduation rate. Students in the Secaucus Public Schools are successfully completing their high school education and are prepared for the next chapter in their lives. This sets them up for success in the workforce, higher education, and in their personal lives. The Secaucus Public Schools is incredibly proud of our students for their hard work and dedication to their education.

Graduation Information:

Class of 2024: 171 Students

Class of 2023: 160 students

Class of 2024

75%- 4-year colleges

7%- 2-year college

1%- Trade school

1%- Military

16%- Undecided/Workforce

Class of 2023

69%- 4-year colleges

12%- 2-year colleges

5%- Trade school

2%- Military

12%- Undecided/Workforce

4).INTERNAL ACCOUNT CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with 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 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.

5). BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, special revenue fund and debt service fund. Project-length budgets are approved for the capital improvements 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 a re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2024.

6). ACCOUNTING SYSTEM AND REPORTS: The District’s accounting records reflect generally accepted accounting principles, as promulgated by the Government Accounts Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in the “Notes to the Financial Statements”.

7). DEBT ADMINISTRATION: As of June 30, 2024, the District’s outstanding debt issues included \$15,165,000 of school refunding bonds.

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

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

10). OTHER INFORMATION: 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 Secaucus Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the single audit requirements of the U.S. Uniform Guidance and New Jersey OMB Circular 15-08. The auditor's report on the basic financial statements, the individual fund statements and schedules is included in the financial section of this report. The auditor's report related specifically to the single audit is included in the single audit section of this report.

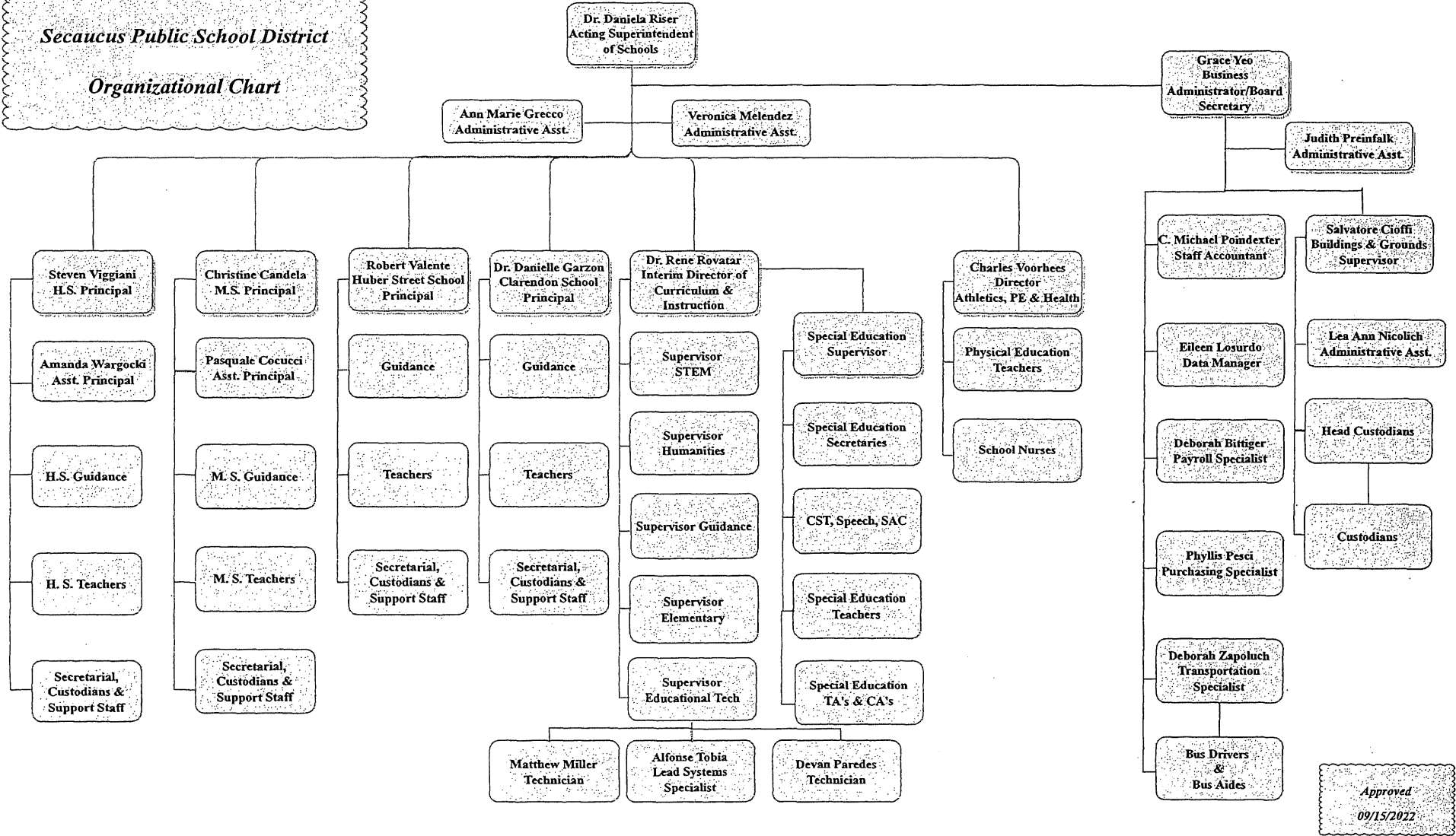
11). ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Secaucus Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of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

Respectfully submitted,



Grace Yeo
Business Administrator/Board Secretary

Secaucus Public School District
Organizational Chart



Approved
09/15/2022

Secaucus Board of Education

Roster of Officials

June 30, 2024

<u>Name</u>	<u>Term Expires</u>
Kelli D'Addetta, President	2025
Lance Bartletta, Vice President	2026
Leah Farinola	2024
Abigail Gonzalez	2024
Melissa Howard	2024
Christina DeBari	2025
Alexander de Hombre	2025
Enrico Bolognino	2026
Joseph Lewis	2026

**SECAUCUS BOARD OF EDUCATION
CONSULTANTS AND ADVISORS**

Audit Firm

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17-17 Route 208
Fair Lawn, New Jersey 07410

Attorneys

Fogarty & Hara
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Fair Lawn, New Jersey 07410

Wilentz Goldman & Spitzer
90 Woodbridge Center Drive Suite 900 Box 10
Woodbridge, New Jersey 07095-0958

Official Depository

TD Bank
1262 Paterson Plank Road
Secaucus, New Jersey 07094

Consultant

DiCara/Rubino Architects
30 Galesi Drive, West Wing
Wayne, NJ 07470

Construction Manager:

Legacy Construction Management, Inc.
435 Slopping Hill Terrace
Brick, New Jersey 08723

Benefit Advisors:

Brown & Brown Benefit Advisors
24 Arnett Ave. Ste. 110
Lambertville, New Jersey 08530

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 Trustees
Secaucus Board of Education
685 Fifth Street
Secaucus, New Jersey 07094

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


Other Information


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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 4, 2024 on our consideration of the Secaucus 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 Secaucus 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 Secaucus Board of Education's internal control over financial reporting and compliance.


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
December 4, 2024

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

SECAUCUS BOARD OF EDUCATION

Management's Discussion and Analysis

This section of Secaucus 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 (2022-2023) 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 Secaucus Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$37,336,838 (net position).
- Overall District revenues were \$57,293,887. General revenues accounted for \$41,382,700 or 72% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$15,911,187 or 28% of total revenues.
- The School District had \$51,519,176 in expenses for governmental activities; only \$14,545,394 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$41,382,700 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 \$17,521,620 an increase of \$2,555,362 when compared to the ending fund balance at June 30, 2023 of \$14,966,258.
- The General Fund unassigned fund balance at June 30, 2024 was \$731,127 an increase of \$304,408 when compared with the ending fund balance of \$426,719 at June 30, 2023.
- The General Fund unassigned budgetary fund balance at June 30, 2024 was \$1,082,966 which represents a decrease of \$292,628 when compared to the ending unassigned fund balance at June 30, 2023 of \$1,375,594.

SECAUCUS BOARD OF EDUCATION

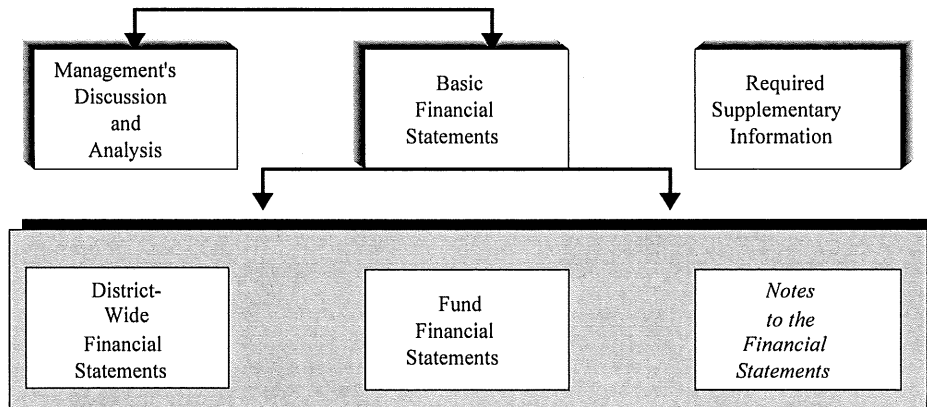
Management's Discussion and Analysis

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.



SECAUCUS 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.

SECAUCUS 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 and Technology Program Fund are included here.

Fund Financial Statements

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

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

SECAUCUS 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.

SECAUCUS 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 \$37,336,838 and \$32,883,020 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.

Statement of Net Position
As of June 30, 2024 and 2023

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Assets						
Current Assets	\$ 19,228,105	\$ 15,975,591	\$ 578,855	\$ 620,249	\$ 19,806,960	\$ 16,595,840
Capital Assets	46,055,461	46,132,162	558,894	472,497	46,614,355	46,604,659
Total Assets	<u>65,283,566</u>	<u>62,107,753</u>	<u>1,137,749</u>	<u>1,092,746</u>	<u>66,421,315</u>	<u>63,200,499</u>
Deferred Outflows of Resources						
Deferred Amount on Net Pension Liability	225,813	358,215	-	-	225,813	358,215
Total Deferred Outflows of Resources	<u>225,813</u>	<u>358,215</u>	<u>-</u>	<u>-</u>	<u>225,813</u>	<u>358,215</u>
Liabilities						
Other Liabilities	1,989,249	1,241,486	24,828	23,100	2,014,077	1,264,586
Long-Term Liabilities	26,210,549	27,482,828	-	-	26,210,549	27,482,828
Total Liabilities	<u>28,199,798</u>	<u>28,724,314</u>	<u>24,828</u>	<u>23,100</u>	<u>28,224,626</u>	<u>28,747,414</u>
Deferred Inflows of Resources						
Deferred Commodities Revenue			413	2,038	413	2,038
Deferred Amount on Refunding of Debt	80,367				80,367	-
Deferred Amount on Net Pension Liability	1,004,884	1,926,242	-	-	1,004,884	1,926,242
Total Deferred Inflows of Resources	<u>1,085,251</u>	<u>1,926,242</u>	<u>413</u>	<u>2,038</u>	<u>1,085,664</u>	<u>1,928,280</u>
Net Position:						
Net Investment in Capital Assets	28,832,238	27,764,090	558,894	472,497	29,391,132	28,236,587
Restricted	14,927,611	12,584,670			14,927,611	12,584,670
Unrestricted	(7,535,519)	(8,533,348)	553,614	595,111	(6,981,905)	(7,938,237)
Total Net Position	<u>\$ 36,224,330</u>	<u>\$ 31,815,412</u>	<u>\$ 1,112,508</u>	<u>\$ 1,067,608</u>	<u>\$ 37,336,838</u>	<u>\$ 32,883,020</u>

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

SECAUCUS BOARD OF EDUCATION

Management's Discussion and Analysis

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues						
Program Revenues						
Charges for Services	\$ 548,986	\$ 549,529	\$ 760,424	\$ 748,853	\$ 1,309,410	\$ 1,298,382
Grants and Contributions	13,996,408	11,516,862	605,369	653,434	14,601,777	12,170,296
General Revenues						
Property Taxes	40,257,956	39,493,996			40,257,956	39,493,996
State Aid	441,278	416,795			441,278	416,795
Other	683,466	409,461	-	-	683,466	409,461
Total Revenues	<u>55,928,094</u>	<u>52,386,643</u>	<u>1,365,793</u>	<u>1,402,287</u>	<u>57,293,887</u>	<u>53,788,930</u>
Program Expenses						
Instruction	29,983,510	28,245,110			29,983,510	28,245,110
Support Services						
Student and Instruction Related	6,459,321	5,128,689			6,459,321	5,128,689
General Administration	1,338,579	1,215,779			1,338,579	1,215,779
School Administration	2,579,328	2,686,436			2,579,328	2,686,436
Central Services	1,638,193	1,394,074			1,638,193	1,394,074
Plant Operations and Maintenance	7,061,833	6,593,963			7,061,833	6,593,963
Pupil Transportation	1,663,880	1,686,764			1,663,880	1,686,764
Interest on Debt	794,532	627,805			794,532	627,805
Food Service			1,273,798	1,360,501	1,273,798	1,360,501
Technology Program	-	-	47,095	105,971	47,095	105,971
Total Expenses	<u>51,519,176</u>	<u>47,578,620</u>	<u>1,320,893</u>	<u>1,466,472</u>	<u>52,840,069</u>	<u>49,045,092</u>
Change in Net Position	4,408,918	4,808,023	44,900	(64,185)	4,453,818	4,743,838
Net Position, Beginning of Year	<u>31,815,412</u>	<u>27,007,389</u>	<u>1,067,608</u>	<u>1,131,793</u>	<u>32,883,020</u>	<u>28,139,182</u>
Net Position, End of Year	<u>\$ 36,224,330</u>	<u>\$ 31,815,412</u>	<u>\$ 1,112,508</u>	<u>\$ 1,067,608</u>	<u>\$ 37,336,838</u>	<u>\$ 32,883,020</u>

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.

SECAUCUS BOARD OF EDUCATION

Management's Discussion and Analysis

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	\$ 29,983,510	\$ 28,245,110	\$ 19,386,738	\$ 18,945,801
Support Services				
Student and Instruction Related	6,459,321	5,128,689	4,083,509	3,991,750
General Administration, School Admin., Central Services	5,556,100	5,296,289	5,091,890	4,753,338
Plant Operations and Maintenance	7,061,833	6,593,963	6,815,101	6,331,103
Pupil Transportation	1,663,880	1,686,764	991,519	1,077,145
Interest on Debt	<u>794,532</u>	<u>627,805</u>	<u>605,025</u>	<u>413,092</u>
Total	<u>\$ 51,519,176</u>	<u>\$ 47,578,620</u>	<u>\$ 36,973,782</u>	<u>\$ 35,512,229</u>

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 \$17,521,620, an increase of \$2,555,362 from last year's fund balance of \$14,966,258.

Revenues and other financing sources of the District's governmental funds were \$77,209,988; total expenditures and other financing uses were \$74,654,626.

SECAUCUS BOARD OF EDUCATION

Management's Discussion and Analysis

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 of the General Fund were \$53,531,839 for the fiscal year ended June 30, 2024. State sources amounts to \$13,759,430, federal sources amounts to \$48,312 and local sources amounts to \$39,724,097.

Expenditures of the General Fund were \$51,004,399. Instructional expenditures were \$31,170,495 for support services were \$18,590,794, for debt services were \$45,957 and capital expenditures totaled \$1,197,153 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 \$4,685,554 for the fiscal year ended June 30, 2024. Federal sources amounts to \$4,140,511 and local sources totaled \$545,043.

Expenditures of the Special Revenue Fund were \$4,657,632. Instructional expenditures were \$2,282,745, for support services were \$1,820,593 and for capital expenditures \$554,294 for the fiscal year ended June 30, 2024.

Capital Projects – There was no activity in the Capital Projects Fund therefore the fund balance remained \$42 at June 30, 2024.

Proprietary Funds

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

Enterprise Fund - The District uses Enterprise Funds to report activities related to the Food Services program and Technology 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.
- Withdrawal from the General Fund Maintenance Reserve

SECAUCUS BOARD OF EDUCATION

Management's Discussion and Analysis

CAPITAL ASSETS

The District's investment in capital assets for its governmental type activities as of June 30, 2024 and 2023 amounts to \$46,614,355 and \$46,604,659 (net of accumulated depreciation), respectively. The capital assets consist of land, construction in progress, land improvements, buildings and building improvements, machinery and various other types of equipment. Depreciation charges for the fiscal year 2023-2024 amounted to \$1,828,148 for governmental activities and \$34,388 for the Business-Type activities.

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

	Governmental Activities		Business Type Activities		Total	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land	\$ 533,623	\$ 533,623			\$ 533,623	\$ 533,623
Land Improvements	1,074,488	676,919			1,074,488	676,919
Construction in Progress	3,416,030	2,446,136	\$ 434,146	\$ 313,361	3,850,176	2,759,497
Buildings and Building Improvements	40,087,552	41,304,895			40,087,552	41,304,895
Machinery and Equipment	943,768	1,170,589	124,748	159,136	1,068,516	1,329,725
Total Net Capital Assets	<u>\$ 46,055,461</u>	<u>\$ 46,132,162</u>	<u>\$ 558,894</u>	<u>\$ 472,497</u>	<u>\$ 46,614,355</u>	<u>\$ 46,604,659</u>

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

LONG TERM LIABILITIES

At June 30, 2024, the District's long-term liabilities consisted of compensated absences payable of \$2,293,838, serial bonds including unamortized premium of \$17,137,345, capital financing agreements of \$5,553 and net pension liability of \$6,773,813 totaling \$26,210,549. This is in comparison to long-term liabilities at June 30, 2023 of \$27,482,828 or a decrease of \$1,272,279.

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.

SECAUCUS BOARD OF EDUCATION

Management's Discussion and Analysis

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Secaucus Board of Education, 685 Fifth Street, Secaucus, NJ 07094.

DISTRICT-WIDE FINANCIAL STATEMENTS

SECAUCUS BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 17,228,066	\$ 471,184	\$ 17,699,250
Receivables, Net	2,000,039	98,689	2,098,728
Inventory		8,982	8,982
Capital Assets Not Being Depreciated	3,949,653	434,146	4,383,799
Capital Assets, Being Depreciated, net	<u>42,105,808</u>	<u>124,748</u>	<u>42,230,556</u>
Total Assets	<u>65,283,566</u>	<u>1,137,749</u>	<u>66,421,315</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Net Pension Liability	<u>225,813</u>	-	<u>225,813</u>
Total Deferred Outflows of Resources	<u>225,813</u>	-	<u>225,813</u>
Total Assets and Deferred Outflows of Resources	<u>65,509,379</u>	<u>1,137,749</u>	<u>66,647,128</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	1,628,369	2,568	1,630,937
Payable to State Government	40,303		40,303
Accrued Interest Payable	282,764		282,764
Unearned Revenue	37,813	22,260	60,073
Noncurrent Liabilities			
Due Within One Year	1,269,937		1,269,937
Due Beyond One Year	<u>24,940,612</u>	-	<u>24,940,612</u>
Total Liabilities	<u>28,199,798</u>	<u>24,828</u>	<u>28,224,626</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Commodities Revenue		413	413
Deferred Amount on Refunding of Debt	80,367		80,367
Deferred Amount on Net Pension Liability	<u>1,004,884</u>	-	<u>1,004,884</u>
Total Deferred Inflows of Resources	<u>1,085,251</u>	<u>413</u>	<u>1,085,664</u>
Total Liabilities and Deferred Inflows of Resources	<u>29,285,049</u>	<u>25,241</u>	<u>29,310,290</u>
NET POSITION			
Net Investment in Capital Assets	28,832,238	558,894	29,391,132
Restricted for			
Capital Projects	13,145,493		13,145,493
Other Purposes	1,782,118		1,782,118
Unrestricted	<u>(7,535,519)</u>	<u>553,614</u>	<u>(6,981,905)</u>
Total Net Position	<u>\$ 36,224,330</u>	<u>\$ 1,112,508</u>	<u>\$ 37,336,838</u>

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

SECAUCUS 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	\$ 19,801,178	\$ 7,140	\$ 4,936,785		\$ (14,857,253)		\$ (14,857,253)
Special Education	7,700,993		4,785,097		(2,915,896)		(2,915,896)
Other Instruction	535,653		80,931		(454,722)		(454,722)
School Sponsored Activities and Athletics	1,932,739	541,846	244,783		(1,146,110)		(1,146,110)
Community Services	12,947		190		(12,757)		(12,757)
Support Services							
Student and Instruction Related Services	6,459,321		2,375,812		(4,083,509)		(4,083,509)
School Administration Services	2,579,328		349,341		(2,229,987)		(2,229,987)
General Administration Services	1,338,579		54,791		(1,283,788)		(1,283,788)
Plant Operations and Maintenance	7,061,833		246,732		(6,815,101)		(6,815,101)
Pupil Transportation	1,663,880		672,361		(991,519)		(991,519)
Central Services	1,638,193		60,078		(1,578,115)		(1,578,115)
Interest on Long Term Debt	794,532	-	189,507	-	(605,025)	-	(605,025)
Total Governmental Activities	<u>51,519,176</u>	<u>548,986</u>	<u>13,996,408</u>	<u>-</u>	<u>(36,973,782)</u>	<u>-</u>	<u>(36,973,782)</u>
Business-Type Activities							
Food Service	1,273,798	689,402	605,369	-	-	\$ 20,973	20,973
Technology Program	47,095	71,022	-	-	-	23,927	23,927
Total Business-Type Activities	<u>1,320,893</u>	<u>760,424</u>	<u>605,369</u>	<u>-</u>	<u>-</u>	<u>44,900</u>	<u>44,900</u>
Total Primary Government	<u>\$ 52,840,069</u>	<u>\$ 1,309,410</u>	<u>\$ 14,601,777</u>	<u>\$ -</u>	<u>\$ (36,973,782)</u>	<u>\$ 44,900</u>	<u>\$ (36,928,882)</u>
General Revenues							
Property Taxes - General Purposes					\$ 39,033,491		\$ 39,033,491
Property Taxes - Debt Service					1,224,465		1,224,465
State Aid Restricted for Debt Service					441,278		441,278
Miscellaneous Income					683,466	-	683,466
Total General Revenues					<u>41,382,700</u>	<u>-</u>	<u>41,382,700</u>
Change in Net Position					4,408,918	\$ 44,900	4,453,818
Net Position, Beginning of Year					<u>31,815,412</u>	<u>1,067,608</u>	<u>32,883,020</u>
Net Position, End of Year					<u>\$ 36,224,330</u>	<u>\$ 1,112,508</u>	<u>\$ 37,336,838</u>

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

FUND FINANCIAL STATEMENTS

**SECAUCUS 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	\$ 16,928,235	\$ 299,789	\$ 42		\$ 17,228,066
Other Accounts Receivable	1,813	1,084			2,897
Due from Other Funds	1,472,838				1,472,838
Receivables from Other Governments	125,125	1,872,017	-	-	1,997,142
Total Assets	<u>\$ 18,528,011</u>	<u>\$ 2,172,890</u>	<u>\$ 42</u>	<u>\$ -</u>	<u>\$ 20,700,943</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 1,179,696	\$ 362,450			\$ 1,542,146
Payroll Deductions and Withholdings Payable	86,223				86,223
Due to Other Funds		1,472,838			1,472,838
Payable to State Government	40,303				40,303
Unearned Revenue	-	37,813	-	-	37,813
Total Liabilities	<u>1,306,222</u>	<u>1,873,101</u>	<u>-</u>	<u>-</u>	<u>3,179,323</u>
Fund Balances					
Restricted					
Capital Projects			\$ 42		42
Scholarship Awards		298			298
Student Activities		299,491			299,491
Unemployment Compensation Reserve	130,502				130,502
Capital Reserve	10,996,493				10,996,493
Capital Reserve-Designated for Subsequent Year's Budget	2,150,000				2,150,000
Maintenance Reserve	951,827				951,827
Emergency Reserve	400,000				400,000
Committed					
Year End Encumbrances	204,360				204,360
Assigned					
Year End Encumbrances	281,886				281,886
Designated for Subsequent Year's Budget	1,375,594				1,375,594
Unassigned	731,127	-	-	-	731,127
Total Fund Balances	<u>17,221,789</u>	<u>299,789</u>	<u>42</u>	<u>-</u>	<u>17,521,620</u>
Total Liabilities and Fund Balances	<u>\$ 18,528,011</u>	<u>\$ 2,172,890</u>	<u>\$ 42</u>	<u>\$ -</u>	<u>\$ 20,700,943</u>
Total Fund Balances-Governmental Funds					<u>\$ 17,521,620</u>

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$80,286,330 and the accumulated depreciation is \$34,230,869.	46,055,461
The District has financed capital assets through the issuance of serial bonds. The interest accrual at year end is:	(282,764)
Amounts resulting from the refunding of debt are reported as deferred outflows/(inflows) of resources on the statement of net position and amortized over the life of the debt.	(80,367)
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 deferred over future years.	
Deferred Outflows of Resources	\$ 225,813
Deferred Inflows of Resources	(1,004,884)
	(779,071)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. These items are as follows:	
Bonds Payable, Including Unamortized Premium	(17,137,345)
Capital Financing Agreements	(5,553)
Net Pension Liability	(6,773,813)
Compensated Absences Payable	(2,293,838)
	(26,210,549)
Net Position of Governmental Activities	<u>\$ 36,224,330</u>

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

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
REVENUES					
Local Sources					
Property Taxes	\$ 39,033,491			\$ 1,224,465	\$ 40,257,956
Tuition	7,140				7,140
Rents and Royalties	19,665				19,665
Miscellaneous	663,801	\$ 545,043	-	-	1,208,844
	<hr/>				
Total - Local Sources	39,724,097	545,043	-	1,224,465	41,493,605
State Sources	13,759,430			630,785	14,390,215
Federal Sources	48,312	4,140,511	-	-	4,188,823
	<hr/>				
Total Revenues	53,531,839	4,685,554	-	1,855,250	60,072,643
	<hr/>				
EXPENDITURES					
Current					
Regular Instruction	21,112,715	1,169,148			22,281,863
Special Education Instruction	7,835,102	601,273			8,436,375
Other Instruction	598,300				598,300
School Sponsored Activities and Athletics	1,609,898	512,324			2,122,222
Community Services	14,480				14,480
Support Services					
Student and Instruction Related Services	5,096,528	1,820,593			6,917,121
School Administration Services	2,915,269				2,915,269
General Administration Services	1,412,201				1,412,201
Plant Operations and Maintenance	5,775,111				5,775,111
Pupil Transportation	1,622,558				1,622,558
Central Services	1,769,127				1,769,127
Debt Service					
Principal	44,998			1,255,000	1,299,998
Interest	959			600,250	601,209
Cost of Issuance				142,712	142,712
Capital Outlay	1,197,153	554,294	-	-	1,751,447
	<hr/>				
Total Expenditures	51,004,399	4,657,632	-	1,997,962	57,659,993
	<hr/>				
Excess of Revenues Over Expenditures	2,527,440	27,922	-	(142,712)	2,412,650
	<hr/>				
OTHER FINANCING SOURCES (USES)					
Refunding Bonds Issued				15,165,000	15,165,000
Premium on Refunding Bonds Issued				1,972,345	1,972,345
Payment to Refunded Bond Escrow Agent	-	-	-	(16,994,633)	(16,994,633)
	<hr/>				
Total Other Financing Sources and Uses	-	-	-	142,712	142,712
	<hr/>				
Net Change in Fund Balances	2,527,440	27,922	-	-	2,555,362
Fund Balance, Beginning of Year	14,694,349	271,867	\$ 42	-	14,966,258
	<hr/>				
Fund Balance, End of Year	\$ 17,221,789	\$ 299,789	\$ 42	\$ -	\$ 17,521,620
	<hr/>				

**SECAUCUS 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) **\$ 2,555,362**

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 depreciation exceeds capital outlay in the current period.

Capital Outlay	\$ 1,751,447	
Depreciation Expense	<u>(1,828,148)</u>	(76,701)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt Issued		
Issuance of Refunding Bonds	(15,165,000)	
Premium on Refunding Bonds Issued	<u>(1,972,345)</u>	(17,137,345)
Principal Repayments		
Bond Principal	1,255,000	
Deferred Pension Obligation	4,529	
Capital Financing Agreement Principal	32,561	
Other Financing Agreement Principal	<u>7,908</u>	1,299,998
Payment to Escrow Agent for Refunding		16,994,633

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.

Increase in Accrued Interest		(50,611)
------------------------------	--	----------

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

Decrease in Pension Expense	943,209	
Increase in Compensated Absences	<u>(119,627)</u>	<u>823,582</u>

Change in net position of governmental activities (Exhibit A-2) **\$ 4,408,918**

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

	Business-Type Activities		
	Enterprise Funds		
	Food <u>Service Fund</u>	Non Major Technology Program <u>Fund</u>	<u>Totals</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 413,170	\$ 58,014	\$ 471,184
Intergovernmental Receivable			
State	6,728		6,728
Federal	78,617		78,617
Other Receivables	13,344		13,344
Inventory	8,982	-	8,982
Total Current Assets	<u>520,841</u>	<u>58,014</u>	<u>578,855</u>
Capital Assets			
Construction in Progress	434,146		434,146
Machinery and Equipment	511,645		511,645
Less: Accumulated Depreciation	(386,897)	-	(386,897)
Total Capital Assets, Net of Accumulated Depreciation	<u>558,894</u>	<u>-</u>	<u>558,894</u>
Total Assets	<u>1,079,735</u>	<u>58,014</u>	<u>1,137,749</u>
LIABILITIES			
Current Liabilities			
Accounts Payable		2,568	2,568
Unearned Revenue	22,260	-	22,260
Total Current Liabilities	<u>22,260</u>	<u>2,568</u>	<u>24,828</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Commodities Revenue	413	-	413
Total Deferred Inflows of Resources	<u>413</u>	<u>-</u>	<u>413</u>
Total Liabilities and Deferred Inflows of Resources	<u>22,673</u>	<u>2,568</u>	<u>25,241</u>
NET POSITION			
Investment in Capital Assets	558,894	-	558,894
Unrestricted	498,168	55,446	553,614
Total Net Position	<u>\$ 1,057,062</u>	<u>\$ 55,446</u>	<u>\$ 1,112,508</u>

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

	Business-Type Activities		
	Enterprise Funds		
	Food <u>Service Fund</u>	Non Major Technology Program <u>Fund</u>	<u>Totals</u>
OPERATING REVENUES			
Charges for Services			
Daily Sales			
Reimbursable Programs	\$ 427,485		\$ 427,485
Non-Reimbursable Programs	261,917		261,917
Program Fees	-	\$ 71,022	71,022
Total Operating Revenues	<u>689,402</u>	<u>71,022</u>	<u>760,424</u>
OPERATING EXPENSES			
Cost of Sales - Reimbursable Programs	454,976		454,976
Cost of Sales - Non-Reimbursable Programs	135,902		135,902
Salaries and Employee Benefits	439,033		439,033
Other Purchased Services	79,737	2,226	81,963
Management Fee	98,010		98,010
General Supplies	16,125	44,869	60,994
Miscellaneous	15,627		15,627
Depreciation Expense	34,388	-	34,388
Total Operating Expenses	<u>1,273,798</u>	<u>47,095</u>	<u>1,320,893</u>
Operating Income (Loss)	<u>(584,396)</u>	<u>23,927</u>	<u>(560,469)</u>
NONOPERATING REVENUES			
State Sources			
School Lunch Program	31,148		31,148
School Breakfast Program	8,565		8,565
Federal Sources			
National School Lunch Program	361,506		361,506
Supply Chain Assistance Funding	51,984		51,984
Pandemic EBT Admin Cost Reimbursement	653		653
Food Distribution Program	70,541		70,541
National School Breakfast Program	80,972	-	80,972
Total Nonoperating Revenues	<u>605,369</u>	<u>-</u>	<u>605,369</u>
Net Income (Loss)	<u>20,973</u>	<u>23,927</u>	<u>44,900</u>
Change in Net Position	20,973	23,927	44,900
Total Net Position, Beginning of Year	<u>1,036,089</u>	<u>31,519</u>	<u>1,067,608</u>
Total Net Position, End of Year	<u>\$ 1,057,062</u>	<u>\$ 55,446</u>	<u>\$ 1,112,508</u>

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

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

Business-Type Activities

Enterprise Funds

	Non Major		Totals
	Food Service Fund	Technology Program Fund	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 676,297	\$ 71,022	\$ 747,319
Cash Payments to Employees' Salaries and Benefits	(439,033)		(439,033)
Cash Payments to Suppliers for Goods and Services	(730,529)	(47,231)	(777,760)
Net Cash Provided by (Used for) Operating Activities	(493,265)	23,791	(469,474)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash Received from State and Federal Subsidy Reimbursements	482,911	-	482,911
Net Cash Provided by Noncapital Financing Activities	482,911	-	482,911
CAHS FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of Capital Assets	(120,785)	-	(120,785)
Net Cash (Used for) Noncapital Financing Activities	(120,785)	-	(120,785)
Net Increase (Decrease) in Cash and Cash Equivalents	(131,139)	23,791	(107,348)
Cash and Cash Equivalents, Beginning of Year	544,309	34,223	578,532
Cash and Cash Equivalents, End of Year	\$ 413,170	\$ 58,014	\$ 471,184
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERTAING ACTIVITIES			
Operating Income (Loss)	\$ (584,396)	\$ 23,927	\$ (560,469)
Adjustments to Reconcile Operating (Loss) to Net Cash Provided by (Used for) Operating Activities			
Depreciation	34,388		34,388
Non-Cash Federal Assistance - Food Distribution - National School Lunch Program	70,541		70,541
Change in Assets and Liabilities			
(Increase)/Decrease in Inventory	(693)		(693)
(Increase)/Decrease in Other Receivables	(13,344)		(13,344)
Increase/(Decrease) in Unearned Revenue	239		239
Increase/(Decrease) in Accounts Payable	-	(136)	(136)
Total Adjustments	91,131	(136)	90,995
Net Cash Provided by (Used for) Operating Activities	\$ (493,265)	\$ 23,791	\$ (469,474)
Non-Cash Financing Activities			
National School Lunch (Food Distribution Program)	\$ 68,916	\$ -	\$ 68,916

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

NOTES TO THE FINANCIAL STATEMENTS

**SECAUCUS 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 Secaucus 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 nine elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade twelve (12) school district.

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

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Secaucus 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.

SECAUCUS 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.

SECAUCUS 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 and its food service enterprise fund to be major funds.

The District reports the following major governmental funds:

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

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

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

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

The District reports the following major proprietary fund which is organized to be self-supporting through user charges:

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

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

The *technology program fund* accounts for the activities of student purchased insurance on district issued computers.

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.

**SECAUCUS 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.

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

4. Capital Assets

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

**SECAUCUS 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)*

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

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

<u>Assets</u>	<u>Years</u>
Improvements Other Than Buildings	20
Buildings and Building Improvements	20-50
Right-to-use Leased Buildings	3-5
Machinery and Equipment	5-20
Right-to-use Leased Equipment	5-10

5. *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to 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 qualify 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 three types which arise only under the accrual basis of accounting that qualify for reporting in this category. The first 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. The second item that qualifies for reporting in this category is the deferred amounts which results from a debt refunding reported in the district-wide statement of net position. Deferred amount on refunding of debt results from the difference on the transaction when the carrying value of refunded debt is greater than its reacquisition price. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item that qualifies for reporting in this category 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. The other item is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

6. *Compensated Absences*

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused vacation, personal, and sick leave benefits. A long-term liability of accumulated vacation, personal and sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. 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.

SECAUCUS 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*

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

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

8. *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. Differences resulting from debt refundings are classified as deferred inflows of resources. Bond premiums are deferred and amortized over the life of the bonds using the effective interest method. Differences resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported with the unamortized bond premium. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

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

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.

SECAUCUS 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

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

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

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

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

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.

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

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

Capital Reserve - Designated for Subsequent Year's Budget – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the 2024/2025 original budget certified for taxes.

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

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

Committed Fund Balance – Amounts constrained to specific purposes by a school district itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the Board takes the same highest level action to remove or change the constraint.

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustees 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.

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

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

Designated for Subsequent Year's Budget – This designation was created to dedicate the portion of fund balance appropriated in the 2024/2025 original budget certified for taxes.

**SECAUCUS 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)*

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.

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.

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.

**SECAUCUS 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 are charges to customers for sales and services. Operating expenses for the 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 N.J.S.A. 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 \$1,597,253 and the Special Revenue Fund by \$609,433. The increases were funded by additional state aid, additional grant awards, the reappropriation of prior year general fund encumbrances, the inclusion of student activities and scholarship transactions and the additional appropriation of the maintenance reserve.

**SECAUCUS 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		\$ 11,232,103
Increased by:		
Deposits Approved by Board Resolution	\$ 2,506,073	
Return of Unencumbered Withdrawals from Capital Outlay	<u>528,317</u>	
Total Increases		<u>3,034,390</u>
		14,266,493
Decreased by:		
Withdrawals Approved in District Budget		<u>1,120,000</u>
Balance, June 30, 2024		<u>\$ 13,146,493</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the District’s Long Range Facilities Plan. \$2,150,000 of the capital reserve balance at June 30, 2024 was designated and appropriated for use in the 2024/2025 original budget certified for taxes.

**SECAUCUS 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		\$ 1,000,198
Increased by:		
Deposits Approved by Board Resolution	\$ 550,000	
Unexpended Balances in District Budget	<u>151,629</u>	
Total Increases		<u>701,629</u>
		1,701,827
Decreased by:		
Withdrawals Approved by Board Resolution		<u>750,000</u>
Balance, June 30, 2024		<u>\$ 951,827</u>

The June 30, 2024 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,077,584. The withdrawals from the maintenance reserve were for use in required maintenance activities for school facilities.

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		\$ <u>400,000</u>
Balance, June 30, 2024		\$ <u><u>400,000</u></u>

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

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 were \$17,699,250 and bank and brokerage firm balances of the Board's deposits amounted to \$22,642,782. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

Depository Account

Insured	\$ 20,846,851
Uninsured and Collateralized	<u>1,795,931</u>
	<u>\$ 22,642,782</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2024 \$1,795,931 of the Board's bank balances were exposed to custodial credit risk.

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department but not in the Board's name.	<u>\$ 1,795,931</u>
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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.

**SECAUCUS 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)

Investments (Continued)

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

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

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

B. Receivables

Receivables as of June 30, 2024 for the district’s individual major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Intergovernmental-				
Federal		\$ 1,872,017	\$ 78,617	\$ 1,950,634
State	\$ 125,125		6,728	131,853
Other	<u>1,813</u>	<u>1,084</u>	<u>13,344</u>	<u>16,241</u>
Gross Receivables	126,938	1,873,101	98,689	2,098,728
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 126,938</u>	<u>\$ 1,873,101</u>	<u>\$ 98,689</u>	<u>\$ 2,098,728</u>

C. Unearned Revenue

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

Special Revenue Fund	
Unencumbered Grant Draw Downs	<u>\$ 37,813</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 37,813</u>

SECAUCUS 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:

	<u>Balance,</u> <u>July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance,</u> <u>June 30, 2024</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 533,623			\$ 533,623
Construction in Progress	2,446,136	\$ 969,894	-	3,416,030
Total Capital Assets, Not Being Depreciated	<u>2,979,759</u>	<u>969,894</u>	<u>-</u>	<u>3,949,653</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	67,304,385	272,352		67,576,737
Land Improvements	1,735,763	464,979		2,200,742
Machinery and Equipment	6,514,976	44,222	-	6,559,198
Total Capital Assets Being Depreciated	<u>75,555,124</u>	<u>781,553</u>	<u>-</u>	<u>76,336,677</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(25,999,490)	(1,489,695)		(27,489,185)
Land Improvements	(1,058,844)	(67,410)		(1,126,254)
Machinery and Equipment	(5,344,387)	(271,043)	-	(5,615,430)
Total Accumulated Depreciation	<u>(32,402,721)</u>	<u>(1,828,148)</u>	<u>-</u>	<u>(34,230,869)</u>
Total Capital Assets, Being Depreciated, Net	<u>43,152,403</u>	<u>(1,046,595)</u>	<u>-</u>	<u>42,105,808</u>
Governmental Activities Capital Assets, Net	<u>\$ 46,132,162</u>	<u>\$ (76,701)</u>	<u>\$ -</u>	<u>\$ 46,055,461</u>

**SECAUCUS 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)

	<u>Balance, July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2024</u>
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 313,361	\$ 120,785	-	\$ 434,146
Total Capital Assets, Not Being Depreciated	<u>313,361</u>	<u>120,785</u>	-	<u>434,146</u>
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 511,645	-	-	511,645
Total Capital Assets Being Depreciated	<u>511,645</u>	<u>-</u>	<u>-</u>	<u>511,645</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(352,509)	(34,388)	-	(386,897)
Total Accumulated Depreciation	<u>(352,509)</u>	<u>(34,388)</u>	<u>-</u>	<u>(386,897)</u>
Total Capital Assets, Being Depreciated, Net	<u>159,136</u>	<u>(34,388)</u>	<u>-</u>	<u>124,748</u>
Business-Type Activities Capital Assets, Net	<u>\$ 472,497</u>	<u>\$ 86,397</u>	<u>\$ -</u>	<u>\$ 558,894</u>

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

Governmental Activities:	
Instruction	
Regular	\$ 6,724
Support Services	
Student and Instruction Related Services	48,768
School Administrative Services	336
Plant Operations and Maintenance	1,590,404
Pupil Transportation	176,279
Central Services & Info. Technology	<u>5,637</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,828,148</u>
Business-Type Activities:	
Food Service Fund	<u>\$ 34,388</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 34,388</u>

**SECAUCUS 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)

Construction 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>
BMS Control Upgrades at Huber Street School	\$ 180,230	\$ <u>77,241</u>
		<u>\$ 77,241</u>

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	\$ <u>1,472,838</u>
Total		<u>\$ 1,472,838</u>

The above balance is to cover the year-end cash balance which was in an overdraft position. The District expects the interfund balance to be liquidated within one year.

F. Financing Agreements

Capital Financing Agreements

The District entered into the following agreement to finance other capital assets under capital financing agreements. The repayments under this financing agreement is subject to the annual appropriation of funds in the District's approved budget.

Capital financing agreement at June 30, 2024 is comprised of the following:

\$151,650, fiscal year 2020 Agreement for the acquisition of telephone system for a term of 5 years due in annual principal installments of \$5,553 through August 1, 2024 interest at 3.45%	<u>\$ 5,553</u>
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SECAUCUS 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)

Other Financing Agreements

The maturity schedule of the remaining capital 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	\$ 5,553	\$ 28	\$ 5,581
Total	<u>\$ 5,553</u>	<u>\$ 28</u>	<u>\$ 5,581</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 is comprised of the following issue:

\$15,165,000, 2024 Refunding School Bonds, due in annual installments of \$1,035,000 to \$1,780,000 through August 15, 2034, interest at 5.00% \$15,165,000

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	\$ 1,035,000	\$ 730,269	\$ 1,765,269
2026	1,090,000	679,250	1,769,250
2027	1,150,000	623,250	1,773,250
2028	1,215,000	564,125	1,779,125
2029	1,280,000	501,750	1,781,750
2030-2034	7,615,000	1,438,125	9,053,125
2035	<u>1,780,000</u>	<u>44,500</u>	<u>1,824,500</u>
	<u>\$ 15,165,000</u>	<u>\$ 4,581,269</u>	<u>\$ 19,746,269</u>

**SECAUCUS 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:

4% of Equalized Valuation Basis (Municipal)	\$ 224,447,375
Less: Net Debt Issued and Authorized But Not Issued	<u>15,165,000</u>
Remaining Borrowing Power	<u>\$ 209,282,375</u>

Current Refundings of Debt

On February 16, 2024 the District issued \$15,165,000 in School District Refunding Bonds having an interest rate of 5%. These Bonds were issued in order to currently refund certain principal maturities of various school district bonds. The total principal currently refunded was \$17,075,000. The net reacquisition price carrying amount of the old debt exceeded the by \$80,367. This amount has been reported as Deferred Inflows of Resources on the financial statements and will be amortized over the new debt's life, which is shorter than the refunded debt. This current refunding was undertaken to reduce total debt service payments over the next 11 years by \$933,388 and resulted in an economic gain of \$817,633.

H. Other Long-Term Liabilities

Deferred Pension Obligation

During the 2009/2010 school year the Board elected to contribute only 50% of its normal and accrued liability components of the Public Employee Retirement System (PERS) obligations and deferred the remaining 50% in accordance with P.L. 2009, c.19. The deferred amount totaled \$139,317 and is being paid back with interest over 15 years beginning in the 2011/2012 fiscal year. The District is permitted to payoff the deferred PERS pension obligations at any time. It is estimated that the total deferred liability including accrued interest (at 7.00% effective July 1, 2017), at June 30, 2024 is \$0.

During the fiscal years ended June 30, 2024, 2023 and 2022 the Board was required to contribute for the deferred pension obligation the following amounts which equaled the required contribution for each year.

Fiscal Year Ending <u>June 30,</u>	<u>PERS</u>
2024	\$ 4,529
2023	20,448
2022	22,696

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities (Continued)

Changes in Long-Term Liabilities

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

	<u>Balance,</u> <u>July 1, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance,</u> <u>June 30, 2024</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
Governmental Activities:					
Bonds Payable	\$ 18,330,000	\$ 15,165,000	\$ 18,330,000	\$ 15,165,000	\$ 1,035,000
Add: Premium	-	1,972,345	-	1,972,345	-
Total Bonds Payable	18,330,000	17,137,345	18,330,000	17,137,345	1,035,000
Net Pension Liability	6,928,066	470,792	625,045	6,773,813	
Capital Financing Agreements	38,114		32,561	5,553	5,553
Other Financing Agreements	7,908		7,908	-	
Compensated Absences	2,174,211	236,238	116,611	2,293,838	229,384
Deferred Pension Obligation	4,529	-	4,529	-	-
Governmental Activity Long-Term Liabilities	<u>\$ 27,482,828</u>	<u>\$ 17,844,375</u>	<u>\$ 19,116,654</u>	<u>\$ 26,210,549</u>	<u>\$ 1,269,937</u>

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

NOTE 4 OTHER INFORMATION

A. Risk Management

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

The District is a member of the School Alliance Insurance Fund (SAIF or the "Fund"). The Fund 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 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 Fund, to report claims on a timely basis, cooperate with the management of the fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the Fund. Members have a contractual obligation to fund any deficit of the Fund attributable to a membership year during which they were a member.

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

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

SAIF 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 Fund 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, 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 fiduciary trust fund for the current and previous two years:

Fiscal Year Ended <u>June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024	\$ 50,000	\$ 43,560	\$ 30,869	\$ 130,502
2023	50,000	40,942	23,272	80,502
2022	50,000	39,993	38,253	30,502

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 except for the following:

John Doe v. Secaucus Board of Education

The Board is a defendant in ten cases, filed between December 2019 and February 2021 on behalf of ten former students that allege they were sexually abused by a former teacher when they were students in the district in the 1980's or 1990's. Although the allegations are decades old, the lawsuits are filed pursuant to a 2019 New Jersey law that extends the statute of limitations for civil actions based on sexual abuse. While the Board attorney is aggressively defending the Board in these actions, there is the potential for substantial liability in these cases due to the present lack of liability insurance coverage for all the time periods and causes of actions covered by the complaints. The Board's potential liability in each of these cases is substantial, the amount of which depends on the factual allegations in each case. If any of these cases proceed to trial and there is a damage award for any uninsured periods or causes of action, the damages must be paid by the Board. The Board's potential liability has increased due to the recent liquidation of Arrowood Indemnity Company, which was declared insolvent by the Court of Chancery of the State of Delaware on November 8, 2023.

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.

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

NOTE 4 OTHER INFORMATION (Continued)

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 has not estimated its arbitrage earnings due to the IRS, if any.

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

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.

**SECAUCUS 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) – 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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement 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 PFRS and new employees who would otherwise be eligible to participate in PERS or TPAF on or after November 2, 2008 and do not earn the minimum salary required for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollments but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**SECAUCUS 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)

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.

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.

**SECAUCUS 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	\$ 625,045	\$ 6,474,393	\$ 22,256
2023	578,915	6,077,174	25,152
2022	574,583	6,400,660	20,356

**SECAUCUS 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 \$2,978, \$2,743 and \$2,516, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,370,601 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 \$6,773,813 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 .04677 percent, which was an increase of .00086 percent from its proportionate share measured as of June 30, 2022 of .04591 percent.

**SECAUCUS 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 \$318,164 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	\$ 64,766	\$ 27,689
Changes of Assumptions	14,881	410,522
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	31,194	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>114,972</u>	<u>566,673</u>
Total	<u>\$ 225,813</u>	<u>\$ 1,004,884</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	\$ (566,299)
2026	(372,785)
2027	191,745
2028	(34,107)
2029	2,375
Thereafter	<u>-</u>
	<u>\$ (779,071)</u>

**SECAUCUS 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.

**SECAUCUS 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%

**SECAUCUS 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>\$ 8,818,063</u>	<u>\$ 6,773,813</u>	<u>\$ 5,033,886</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.

**SECAUCUS 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, 2023, 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 \$1,863,745 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, 2024 the State's proportionate share of the net pension liability attributable to the District is \$75,863,463. 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 .14866 percent, which was a decrease of .00466 percent from its proportionate share measured as of June 30, 2022 of .15332 percent.

**SECAUCUS 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.

SECAUCUS 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.

**SECAUCUS 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 <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 89,456,789</u>	<u>\$ 75,863,463</u>	<u>\$ 64,414,651</u>

The sensitivity analysis was based on the State’s proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 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.

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

NOTE 4 OTHER INFORMATION (Continued)

D. 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.

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

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.44 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 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 \$1,762,093, \$1,618,608 and \$1,495,453, 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 \$2,228,192. 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 \$69,048,694. 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 .13187 percent, which was a decrease of .00060 percent from its proportionate share measured as of June 30, 2022 of .13247 percent.

**SECAUCUS 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%.

**SECAUCUS 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	\$ <u>67,089,391</u>
Changes Recognized for the Fiscal Year:	
Service Cost	3,001,862
Interest on the Total OPEB Liability	2,431,811
Differences Between Expected and Actual Experience	(1,780,227)
Changes of Assumptions	139,124
Gross Benefit Payments	(1,895,636)
Contributions from the Member	62,319
Net Changes	<u>1,959,253</u>
Balance, June 30, 2023 Measurement Date	\$ <u><u>69,048,644</u></u>

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.

**SECAUCUS 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	\$ <u>80,947,740</u>	\$ <u>69,048,694</u>	\$ <u>59,495,142</u>

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	Healthcare Cost Trend Rates	1% Increase
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>57,321,061</u>	\$ <u>69,048,694</u>	\$ <u>84,394,331</u>

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.

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.

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

NOTE 5 RECENT HEALTHCARE DEVELOPMENTS (Continued)

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

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

The Board has been awarded in excess of \$5.8 million in federal aid to address the effects of the COVID-19 pandemic.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

**SECAUCUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
REVENUES					
Local Sources					
Property Taxes	\$ 39,033,491		\$ 39,033,491	\$ 39,033,491	
Tuition from Individuals				7,140	\$ 7,140
Rents and Royalties	50,000		50,000	19,665	(30,335)
Interest Earned on Capital Reserve Funds	50		50		(50)
Interest Earned on Current Expense Emergency Reserve	25		25		(25)
Interest Earned on Maintenance Reserve	25		25		(25)
Unrestricted Miscellaneous Revenue	191,100		191,100	663,801	472,701
State Sources					
Extraordinary Aid	155,000		155,000	351,839	196,839
Non Public Transportation Aid				58,240	58,240
Special Education Aid	2,404,681		2,404,681	2,404,681	-
Security Aid	191,170		191,170	191,170	-
Transportation Aid	546,399		546,399	546,399	-
On-behalf TPAF (Non-Budget)					
NCGI Premium				73,004	73,004
Long Term Disability Insurance				2,978	2,978
Pension Contribution - Normal Cost				6,401,389	6,401,389
Post Retirement Medical Benefits				1,762,093	1,762,093
Social Security Contribution				1,370,601	1,370,601
Federal Sources					
Medical Assistance Program (SEMI)	48,625	-	48,625	48,312	(313)
Total Revenues	42,620,566	-	42,620,566	52,934,803	10,314,237
EXPENDITURES					
CURRENT EXPENDITURES					
Regular Programs - Instruction					
Salaries of Teachers					
Preschool	247,412	\$ 93,875	341,287	254,412	86,875
Kindergarten	618,866	22,185	641,051	600,808	40,243
Grades 1-5	4,838,859	(179,339)	4,659,520	4,313,223	346,297
Grades 6-8	2,744,599	85,465	2,830,064	2,824,998	5,066
Grades 9-12	3,777,495	(128,340)	3,649,155	3,429,536	219,619
Regular Programs - Home Instruction					
Salaries of Teachers	31,000	7,060	38,060	30,433	7,627
Regular Programs - Undistributed Instruction					
Purchased Professional/Educational Services	600,039	138,995	739,034	737,179	1,855
Other Purchased Services	53,191	48,230	101,421	48,595	52,826
General Supplies	205,374	50,802	256,176	144,341	111,835
Textbooks	100,368	(8,400)	91,968	69,313	22,655
Other Objects	500	700	1,200	1,028	172
Total Regular Programs	13,217,703	131,233	13,348,936	12,453,866	895,070
Special Education					
Learning and/or Language Disabilities					
Salaries of Teachers	350,785	-	350,785	322,721	28,064
Other Salaries for Instruction	298,284	(4,760)	293,524	289,114	4,410
General Supplies	6,000	1,200	7,200	5,179	2,021
Total Learning and/or Language Disabilities	655,069	(3,560)	651,509	617,014	34,495
Multiple Disabilities					
Salaries of Teachers	106,405	6,105	112,510	112,510	-
Purchased Professional/Educational Services	341,562	(63,500)	278,062	257,000	21,062
General Supplies	5,500	-	5,500	2,797	2,703
Total Multiple Disabilities	453,467	(57,395)	396,072	372,307	23,765

SECAUCUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - 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)					
Special Education (Continued)					
Resource Room/Resource Center					
Salaries of Teachers	\$ 2,000,061	\$ 114,395	\$ 2,114,456	\$ 2,113,326	\$ 1,130
Other Salaries for Instruction	160,564	19,995	180,559	180,053	506
Purchased Professional/Educational Services	574,802	81,386	656,188	655,712	476
General Supplies	6,360	780	7,140	4,268	2,872
Total Resource Room/Resource Center	2,741,787	216,556	2,958,343	2,953,359	4,984
Preschool Disabilities - Part Time					
Salaries of Teachers	338,459	-	338,459	325,569	12,890
Total Preschool Disabilities - Part Time	338,459	-	338,459	325,569	12,890
Preschool Disabilities - Full Time					
Salaries of Teachers	90,805	6,245	97,050	97,050	-
Other Salaries for Instruction	82,414	2,871	85,285	84,635	650
General Supplies	7,294	(700)	6,594	982	5,612
Total Preschool Disabilities - Full Time	180,513	8,416	188,929	182,667	6,262
Home Instruction:					
Salaries of Teachers	40,000	-	40,000	23,467	16,533
Total Home Instruction	40,000	-	40,000	23,467	16,533
Total Special Education	4,409,295	164,017	4,573,312	4,474,383	98,929
Basic Skills/Remedial					
Salaries of Teachers	62,986	-	62,986	33,500	29,486
General Supplies	2,400	-	2,400	553	1,847
Total Basic Skills/Remedial	65,386	-	65,386	34,053	31,333
Bilingual Education					
Salaries of Teachers	304,198	(8,635)	295,563	254,962	40,601
General Supplies	2,550	-	2,550	789	1,761
Total Bilingual Education	306,748	(8,635)	298,113	255,751	42,362
School Sponsored Co-Curricular Activities					
Salaries	211,525	28,405	239,930	230,847	9,083
Supplies and Materials	10,900	-	10,900	6,501	4,399
Total School Sponsored Co-Curricular Activities	222,425	28,405	250,830	237,348	13,482
School Sponsored Athletics					
Salaries	613,589	(12,581)	601,008	551,348	49,660
Purchased Services	90,000	7,926	97,926	97,642	284
Supplies and Materials	72,350	(2,121)	70,229	66,465	3,764
Other Objects	12,000	6,995	18,995	18,759	236
Total School Sponsored Athletics	787,939	219	788,158	734,214	53,944
Other Instructional Programs					
Salaries	125,647	-	125,647	90,292	35,355
Supplies and Materials	2,700	5,200	7,900	7,157	743
Total Other Instructional Programs	128,347	5,200	133,547	97,449	36,098

SECAUCUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - 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)					
Community Services Programs/Operations					
Salaries	\$ 45,000	-	\$ 45,000	\$ 9,982	\$ 35,018
Total Community Services Programs/Operations	45,000	-	45,000	9,982	35,018
Total - Instruction	19,182,843	\$ 320,439	19,503,282	18,297,046	1,206,236
Undistributed Expenditures					
Instruction					
Tuition to CSSD & Reg Day Schools	225,244	65,350	290,594	251,636	38,958
Tuition to Private Schools for the Disabled Within the State	364,769	304,950	669,719	661,191	8,528
Tuition - Other	415,000	(370,300)	44,700	7,357	37,343
Total Undistributed Expenditures - Instruction	1,005,013	-	1,005,013	920,184	84,829
Health Services					
Salaries	376,671	(18,256)	358,415	330,336	28,079
Purchased Professional and Technical Services	68,000	(2,265)	65,735	34,264	31,471
Supplies and Materials	22,951	1,465	24,416	15,832	8,584
Total Health Services	467,622	(19,056)	448,566	380,432	68,134
Speech, OT, PT & Related Services					
Salaries	270,308	(3,050)	267,258	257,263	9,995
Purchased Professional- Educational Services	225,000	121,857	346,857	296,432	50,425
Supplies and Materials	3,000	4,000	7,000	4,033	2,967
Total Speech, OT, PT & Related Services	498,308	122,807	621,115	557,728	63,387
Other Support Services - Students - Extra Services					
Purchased Professional - Educational Services	362,000	218,528	580,528	527,361	53,167
Total Other Support Services - Students - Extra Serv.	362,000	218,528	580,528	527,361	53,167
Guidance					
Salaries of Other Prof. Staff	701,591	17,083	718,674	704,303	14,371
Salaries of Secretarial and Clerical Assistants	125,046	-	125,046	122,827	2,219
Purchased Professional - Educational Services	10,800	(300)	10,500	7,331	3,169
Other Purchased Prof. and Technical Services	6,000	1,400	7,400	6,852	548
Supplies and Materials	5,150	-	5,150	2,282	2,868
Other Objects	250	1,000	1,250	1,125	125
Total Guidance	848,837	19,183	868,020	844,720	23,300
Child Study Teams					
Salaries of Other Professional Staff	917,456	6,046	923,502	863,277	60,225
Salaries of Secretarial and Clerical Assistants	125,073	-	125,073	116,852	8,221
Purchased Professional - Educational Services	18,000	-	18,000	11,840	6,160
Other Purchased Prof. and Technical Services	10,000	-	10,000	3,220	6,780
Other Purchased Services	14,000	-	14,000	2,087	11,913
Supplies and Materials	25,000	-	25,000	12,873	12,127
Other Objects	1,500	-	1,500	1,180	320
Total Child Study Teams	1,111,029	6,046	1,117,075	1,011,329	105,746
Improvement of Instructional Services					
Salaries of Other Professional Staff	66,500	-	66,500	49,750	16,750
Salaries of Secretarial and Clerical Assistants	41,921	-	41,921	41,605	316
Other Purchased Services	22,600	8,400	31,000	2,268	28,732
Supplies and Materials	10,464	-	10,464	885	9,579
Total Improvement of Instructional Services	141,485	8,400	149,885	94,508	55,377

SECAUCUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - 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)					
Undistributed Expenditures (Continued)					
Educational Media Services/School Library					
Other Purchased Services	\$ 6,000	-	\$ 6,000		\$ 6,000
Supplies and Materials	7,000	-	7,000	\$ 1,057	5,943
Total Educational Media Services/School Library	13,000	-	13,000	1,057	11,943
Instructional Staff Training Services					
Salaries of Other Professional Staff	22,825	-	22,825	5,900	16,925
Other Purchased Prof. and Technical Services	2,500	-	2,500	-	2,500
Other Purchased Services	5,000	\$ 790	5,790	3,171	2,619
Total Instructional Staff Training Services	30,325	790	31,115	9,071	22,044
Support Services General Administration					
Salaries	404,102	1,786	405,888	404,938	950
Legal Services	250,000	30,000	280,000	247,013	32,987
Audit Fees	50,000	-	50,000	47,960	2,040
Architectural/Engineering Services	25,000	-	25,000		25,000
Other Purchased Professional Services	54,000	-	54,000	48,600	5,400
Communications/Telephone	208,200	(49,257)	158,943	142,587	16,356
BOE Other Purchased Services	11,000	-	11,000	7,617	3,383
Miscellaneous Purchased Services	235,044	(14,000)	221,044	188,366	32,678
General Supplies	3,499	7,882	11,381	10,676	705
BOE In-House Training/Meeting Supplies	6,000	3,000	9,000	7,616	1,384
Judgements Against the School District		24,000	24,000	23,965	35
Miscellaneous Expenditures	11,750	1,932	13,682	10,457	3,225
BOE Membership Due and Fees	20,000	(1,500)	18,500	16,957	1,543
Total Support Services General Administration	1,278,595	3,843	1,282,438	1,156,752	125,686
Support Services School Administration					
Salaries of Principals/Asst. Principals	799,171	2,426	801,597	801,596	1
Salaries of Other Professional Staff	435,060	-	435,060	411,296	23,764
Salaries of Secretarial and Clerical Assistants	502,394	2,034	504,428	474,651	29,777
Other Purchased Services	36,250	700	36,950	35,267	1,683
Supplies and Materials	80,050	18,653	98,703	84,578	14,125
Other Objects	8,690	(1,200)	7,490	6,595	895
Total Support Services School Administration	1,861,615	22,613	1,884,228	1,813,983	70,245
Central Services					
Salaries	522,360	-	522,360	510,487	11,873
Purchased Professional Services	112,690	17,700	130,390	88,416	41,974
Purchased Technical Services	6,400	-	6,400	1,095	5,305
Miscellaneous Purchased Services	67,500	-	67,500	25,039	42,461
Supplies and Materials	21,000	-	21,000	13,091	7,909
Miscellaneous Expenditures	7,000	-	7,000	2,220	4,780
Total Central Services	736,950	17,700	754,650	640,348	114,302
Admin. Info. Technology					
Salaries	260,636	49,266	309,902	308,639	1,263
Other Purchased Services	424,935	(28,910)	396,025	380,602	15,423
Supplies and Materials	-	28,910	28,910	27,163	1,747
Total Admin. Info. Technology	685,571	49,266	734,837	716,404	18,433
Required Maintenance for School Facilities					
Salaries	174,423	-	174,423	163,380	11,043
Cleaning, Repairs & Maintenance Service	380,000	753,086	1,133,086	825,850	307,236
Lead Testing of Drinking Water	5,000	-	5,000		5,000
General Supplies	56,000	153,599	209,599	207,809	1,790
Other Objects	1,500	151,684	153,184	1,555	151,629
Total Required Maintenance for School Facilities	616,923	1,058,369	1,675,292	1,198,594	476,698

SECAUCUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - 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)					
Undistributed Expenditures (Continued)					
Custodial Services					
Salaries	\$ 1,559,017	\$ (111,125)	\$ 1,447,892	\$ 1,400,067	\$ 47,825
Purchased Professional Technical Services		12,850	12,850	12,840	10
Cleaning, Repairs & Maintenance Service	75,000	(3,000)	72,000	68,706	3,294
Rental of Land & Buildings Other Than Leases	200,000	-	200,000	200,000	-
Other Purchased Property Services	52,500	25,630	78,130	53,429	24,701
Insurance	364,202	12,720	376,922	376,920	2
Miscellaneous Purchased Services	1,500	(500)	1,000	455	545
General Supplies	92,000	14,905	106,905	95,649	11,256
Energy (Natural Gas)	232,000	-	232,000	157,048	74,952
Energy (Electricity)	730,000	52,200	782,200	717,957	64,243
Other Objects	9,500	-	9,500	9,460	40
Total Custodial Services	3,315,719	3,680	3,319,399	3,092,531	226,868
Security					
Salaries	458,400	(2,525)	455,875	414,751	41,124
Purchased Professional and Technical Services	200,000	4,087	204,087	204,087	-
General Supplies	50,000	(1,562)	48,438	45,394	3,044
Total Security	708,400	-	708,400	664,232	44,168
Student Transportation Services					
Salaries of Non-Instructional Aides	501,065	(55,399)	445,666	251,516	194,150
Salaries for Pupil Transportation (Between Home and School) - Regular	362,736	(127,000)	235,736	225,620	10,116
Salaries for Pupil Transportation (Between Home and School) - Special Ed	630,583	(262,994)	367,589	342,946	24,643
Salaries for Pupil Transportation (Other than Between Home and School) -	70,000	-	70,000	59,035	10,965
Cleaning, Repair and Maintenance Svcs.	95,000	1,000	96,000	86,128	9,872
Contracted Services (Between Home and School) - Vendors	170,000	(1,400)	168,600	161,528	7,072
Contracted Services (Spec Ed)-ESC & CTSA		262,994	262,994		262,994
Miscellaneous Purchased Services	20,300	(14,631)	5,669	1,165	4,504
General Supplies	2,000	-	2,000	532	1,468
Transportation Supplies	193,200	(5,847)	187,353	80,346	107,007
Other Objects	19,000	5,031	24,031	17,571	6,460
Total Student Transportation Services	2,063,884	(198,246)	1,865,638	1,226,387	639,251
Unallocated Benefits-Employee Benefits					
Social Security Contributions	596,000	(46,932)	549,068	508,486	40,582
Other Retirement Contributions - PERS	810,750	(141,210)	669,540	647,156	22,384
Other Retirement Contributions - Regular	35,000	-	35,000	22,256	12,744
Unemployment Compensation	50,000	-	50,000		50,000
Worker's Compensation	432,646	(10,000)	422,646	348,577	74,069
Health Benefits	5,819,634	(609,782)	5,209,852	4,969,359	240,493
Other Employee Benefits	345,503	-	345,503	277,368	68,135
Unused Sick Payments to Terminated/Retired Staff	-	-	-	-	-
Total Regular Programs-Instr.- Employee Benefits	8,089,533	(807,924)	7,281,609	6,773,202	508,407
On-behalf TPAF (Non-Budget)					
NCGI Premium				73,004	(73,004)
Long Term Disability Insurance				2,978	(2,978)
Pension Contribution - Normal Cost				6,401,389	(6,401,389)
Post Retirement Medical Benefit Contribution				1,762,093	(1,762,093)
Social Security Contribution	-	-	-	1,370,601	(1,370,601)
Total On-Behalf TPAF	-	-	-	9,610,065	(9,610,065)
Total Undistributed Expenditures	23,834,809	505,999	24,340,808	31,238,888	(6,898,080)
Total - Current Expenditures	43,017,652	826,438	43,844,090	49,535,934	(5,691,844)

**SECAUCUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures					
Instruction		\$ 10,000	\$ 10,000	\$ 7,229	\$ 2,771
Admin Info Technology		128,916	128,916	125,416	3,500
Operation and Maintenance of Plant Services		32,944	32,944	15,252	17,692
Care and Upkeep of Grounds		25,000	25,000	7,257	17,743
Security	-	17,232	17,232	17,232	-
Total Equipment	-	214,092	214,092	172,386	41,706
Facilities Acquisition and Construction Services					
Construction Services		1,644,023	1,644,023	953,052	690,971
Assessment for Debt Service on SDA	\$ 55,872	-	55,872	55,872	-
Total Facilities Acquisition and Constr. Services	55,872	1,644,023	1,699,895	1,008,924	690,971
Interest Deposit to Capital Reserve	50	-	50	-	50
Interest Earned on Current Expense Emergency Reserve	25	-	25	-	25
Interest Earned on Maintenance Reserve	25	-	25	-	25
Total Capital Outlay	55,972	1,858,115	1,914,087	1,181,310	732,777
Transfer of Funds to Charter Schools	254,516	32,700	287,216	287,155	61
Total Expenditures	43,328,140	2,717,253	46,045,393	51,004,399	(4,959,006)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(707,574)	(2,717,253)	(3,424,827)	1,930,404	5,355,231
Other Financing Sources(Uses)					
Capital Reserve-Transfer to Capital Outlay Projects	(1,120,000)	1,120,000	-	-	-
Total Other Financing Sources (Uses)	(1,120,000)	1,120,000	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(1,827,574)	(1,597,253)	(3,424,827)	1,930,404	5,355,231
Fund Balances, Beginning of Year	15,643,224	-	15,643,224	15,643,224	-
Fund Balances, End of Year	\$ 13,815,650	\$ (1,597,253)	\$ 12,218,397	\$ 17,573,628	\$ 5,355,231
Recapitulation					
Restricted:					
Capital Reserve				\$ 10,996,493	
Capital Reserve - Designated for Subsequent Year's Budget				2,150,000	
Maintenance Reserve				951,827	
Emergency Reserve				400,000	
Unemployment Compensation Reserve				130,502	
Committed					
Year End Encumbrances				204,360	
Assigned:					
Year End Encumbrances				281,886	
Designated for Subsequent Year's Budget				1,375,594	
Unassigned				1,082,966	
Total Fund Balance				17,573,628	
Reconciliation to Governmental Funds Statements (GAAP)					
Less : State Aid Payments not Recognized on GAAP Basis				(351,839)	
Fund Balance per Governmental Funds				\$ 17,221,789	

**SECAUCUS BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Intergovernmental					
Federal	\$ 3,738,978	\$ 603,809	\$ 4,342,787	\$ 3,848,561	\$ (494,226)
Local Sources					
Miscellaneous	-	517,948	517,948	545,043	27,095
Total Revenues	<u>3,738,978</u>	<u>1,121,757</u>	<u>4,860,735</u>	<u>4,393,604</u>	<u>(467,131)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	331,442	146,211	477,653	452,471	25,182
Purchased Professional Educational Services	269,000	296,316	565,316	267,819	297,497
Other Purchased Services	436,250	205,755	642,005	628,181	13,824
General Supplies	357,882	7,100	364,982	297,038	67,944
Co-Curricular/Extra-Curricular Activities		436,916	436,916	436,916	-
Athletic Activities		75,408	75,408	75,408	-
Other Objects	-	3,200	3,200	897	2,303
Total Instruction	<u>1,394,574</u>	<u>1,170,906</u>	<u>2,565,480</u>	<u>2,158,730</u>	<u>406,750</u>
Support Services					
Salaries of Teachers	97,592	77,423	175,015	172,512	2,503
Salaries of Other Professional Staff	56,412	(55,357)	1,055	-	1,055
Purchased Professional Educational Services	521,783	485,802	1,007,585	961,625	45,960
Other Purchased Professional Services		26,982	26,982	779	26,203
Employee Benefits	96,064	59,479	155,543	151,661	3,882
Cleaning, Repair & Maintenance Services		499,980	499,980	492,309	7,671
General Supplies	150,224	(109,114)	41,110	40,107	1,003
Scholarship Award	-	1,624	1,624	1,600	24
Total Support Services	<u>922,075</u>	<u>986,819</u>	<u>1,908,894</u>	<u>1,820,593</u>	<u>88,301</u>
Facilities Acquisition and Construction Svs					
Instructional Equipment	23,319	(23,319)	-	-	-
Noninstructional Equipment	33,319	(33,319)	-	-	-
Construction Services	1,365,691	(979,330)	386,361	386,359	2
Total Facilities Acquisition and Const Svs	<u>1,422,329</u>	<u>(1,035,968)</u>	<u>386,361</u>	<u>386,359</u>	<u>2</u>
Total Expenditures	<u>3,738,978</u>	<u>1,121,757</u>	<u>4,860,735</u>	<u>4,365,682</u>	<u>495,053</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	27,922	27,922
Fund Balance, Beginning of Year	271,867	-	271,867	271,867	-
Fund Balance, End of Year	<u>\$ 271,867</u>	<u>\$ -</u>	<u>\$ 271,867</u>	<u>\$ 299,789</u>	<u>\$ 27,922</u>
Recapitulation of Fund Balance					
Restricted:					
Scholarship Awards				\$ 298	
Student Activities				299,491	
				<u>\$ 299,789</u>	

**SECAUCUS BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
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 Revenues (Budgetary Basis)	\$ 52,934,803	\$ 4,393,604
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
June 30, 2023 Encumbrances, Net		291,950
June 30, 2024 Encumbrances		-
State Aid payments recognized for GAAP purposes, not recognized for budgetary purposes. (2022-2023)	948,875	
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements. (2023-2024)	<u>(351,839)</u>	<u>-</u>
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.(Exhibit B-2)	<u>\$ 53,531,839</u>	<u>\$ 4,685,554</u>
Uses/outflows of resources		
Actual Expenditures (Budgetary Basis)	\$ 51,004,399	\$ 4,365,682
Differences - Budget to GAAP		
Encumbrances for good and services ordered but not received are reported in the year the order is placed for budgetary purposes but in the year the goods and services are received for financial reporting purposes.		
June 30, 2023 Encumbrances, Net		291,950
June 30, 2024 Encumbrances	<u>-</u>	<u>-</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 51,004,399</u>	<u>\$ 4,657,632</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

SECAUCUS 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)	<u>0.04677%</u>	<u>0.04591%</u>	<u>0.04906%</u>	<u>0.05082%</u>	<u>0.05160%</u>	<u>0.05224%</u>	<u>0.05313%</u>	<u>0.05575%</u>	<u>0.05432%</u>	<u>0.05372%</u>
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 6,773,813</u>	<u>\$ 6,928,066</u>	<u>\$ 5,812,230</u>	<u>\$ 8,287,425</u>	<u>\$ 9,298,334</u>	<u>\$ 10,286,385</u>	<u>\$ 12,366,917</u>	<u>\$ 16,510,250</u>	<u>\$ 12,194,135</u>	<u>\$ 10,057,446</u>
District's Covered Employee Payroll	<u>\$ 3,303,069</u>	<u>\$ 3,459,827</u>	<u>\$ 3,397,540</u>	<u>\$ 3,636,286</u>	<u>\$ 3,591,745</u>	<u>\$ 3,626,572</u>	<u>\$ 3,684,476</u>	<u>\$ 3,685,550</u>	<u>\$ 3,765,997</u>	<u>\$ 3,670,569</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	205%	200%	171%	228%	259%	284%	336%	448%	324%	274%
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%	47.92%	52.08%

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

SECAUCUS BOARD OF EDUCATION
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE DISTRICT'S 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	\$ 625,045	\$ 578,915	\$ 574,583	\$ 555,947	\$ 501,961	\$ 519,649	\$ 492,157	\$ 495,236	\$ 467,021	\$ 464,094
Contributions in Relation to the Contractually Required Contributions	<u>625,045</u>	<u>578,915</u>	<u>574,583</u>	<u>555,947</u>	<u>501,961</u>	<u>519,649</u>	<u>492,157</u>	<u>495,236</u>	<u>467,021</u>	<u>464,094</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 Employee Payroll	<u>\$ 3,504,167</u>	<u>\$ 3,303,069</u>	<u>\$ 3,459,827</u>	<u>\$ 3,397,540</u>	<u>\$ 3,636,286</u>	<u>\$ 3,591,745</u>	<u>\$ 3,626,572</u>	<u>\$ 3,684,476</u>	<u>\$ 3,685,550</u>	<u>\$ 3,765,997</u>
Contributions as a Percentage of Covered Payroll	17.84%	17.53%	16.61%	16.36%	13.80%	14.47%	13.57%	13.44%	12.67%	12.32%

SECAUCUS 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)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate Share of the Net Pension Liability (Asset)	-	-	-	-	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$75,863,463</u>	<u>\$79,103,987</u>	<u>\$ 73,484,658</u>	<u>\$ 99,646,325</u>	<u>\$ 90,547,224</u>	<u>\$ 94,238,041</u>	<u>\$ 99,876,153</u>	<u>\$ 117,287,912</u>	<u>\$ 90,706,484</u>	<u>\$ 76,735,244</u>
Total	<u>\$75,863,463</u>	<u>\$79,103,987</u>	<u>\$ 73,484,658</u>	<u>\$ 99,646,325</u>	<u>\$ 90,547,224</u>	<u>\$ 94,238,041</u>	<u>\$ 99,876,153</u>	<u>\$ 117,287,912</u>	<u>\$ 90,706,484</u>	<u>\$ 76,735,244</u>
District's Covered Employee Payroll	<u>\$18,303,604</u>	<u>\$18,003,953</u>	<u>\$ 17,728,772</u>	<u>\$ 17,259,881</u>	<u>\$ 16,718,008</u>	<u>\$ 15,964,944</u>	<u>\$ 15,521,054</u>	<u>\$ 15,167,830</u>	<u>\$ 14,823,127</u>	<u>\$ 14,925,265</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee 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.

SECAUCUS 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 4D.

SECAUCUS 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
Service Cost	\$ 3,001,862	\$ 3,785,656	\$ 4,430,279	\$ 2,400,268	\$ 2,126,199	\$ 2,443,853	\$ 2,923,049
Interest on the Total OPEB Liability	2,431,811	1,777,943	2,063,181	1,955,129	2,333,333	2,516,410	2,179,386
Changes of Benefit Terms		-	(84,654)				
Differences Between Expected and Actual Experience	(1,780,227)	1,694,315	(15,312,433)	16,453,385	(8,406,283)	(6,306,297)	
Changes of Assumptions	139,174	(17,997,331)	78,466	16,427,311	808,322	(6,766,689)	(9,063,233)
Gross Benefit Payments	(1,895,636)	(1,761,105)	(1,625,208)	(1,565,625)	(1,664,181)	(1,576,740)	(1,663,310)
Contribution from the Member	62,319	56,497	52,745	47,454	49,331	54,495	61,247
Net Change in Total OPEB Liability	1,959,303	(12,444,025)	(10,397,624)	35,717,922	(4,753,279)	(9,634,968)	(5,562,861)
Total OPEB Liability - Beginning	67,089,391	79,533,416	89,931,040	54,213,118	58,966,397	68,601,365	74,164,226
Total OPEB Liability - Ending	<u>\$ 69,048,694</u>	<u>\$ 67,089,391</u>	<u>\$ 79,533,416</u>	<u>\$ 89,931,040</u>	<u>\$ 54,213,118</u>	<u>\$ 58,966,397</u>	<u>\$ 68,601,365</u>
District's Proportionate Share	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share	<u>\$ 69,048,694</u>	<u>\$ 67,089,391</u>	<u>\$ 79,533,416</u>	<u>\$ 89,931,040</u>	<u>\$ 54,213,118</u>	<u>\$ 58,966,397</u>	<u>\$ 68,601,365</u>
Total OPEB Liability - Ending	<u>\$ 69,048,694</u>	<u>\$ 67,089,391</u>	<u>\$ 79,533,416</u>	<u>\$ 89,931,040</u>	<u>\$ 54,213,118</u>	<u>\$ 58,966,397</u>	<u>\$ 68,601,365</u>
Covered Payroll	<u>\$ 21,463,780</u>	<u>\$ 21,126,312</u>	<u>\$ 20,896,167</u>	<u>\$ 20,309,753</u>	<u>\$ 19,591,516</u>	<u>\$ 19,205,530</u>	<u>\$ 18,853,380</u>
District's Proportionate Share of the OPEB Liability as a Percentage of Covered Payroll:	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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.

**SECAUCUS 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.

SPECIAL REVENUE FUND

**SECAUCUS BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>ESEA</u>				<u>I.D.E.A. Basic</u>	<u>I.D.E.A. Preschool</u>	<u>C.O.P.S.</u>	<u>Scholarship Awards</u>	<u>Student Activities</u>	<u>Total Exhibit E-1a</u>	<u>Totals</u>
	<u>Title I</u>	<u>Title IIA</u>	<u>Title III</u>	<u>Title IV</u>							
REVENUES											
Intergovernmental											
Federal	\$ 458,040	\$ 68,223	\$ 5,240	\$ 21,655	\$ 505,042	\$ 7,527	\$ 492,309			\$ 2,290,525	\$ 3,848,561
Local	-	-	-	-	-	-	-	\$ 1,655	\$ 540,191	3,197	545,043
Total Revenues	<u>\$ 458,040</u>	<u>\$ 68,223</u>	<u>\$ 5,240</u>	<u>\$ 21,655</u>	<u>\$ 505,042</u>	<u>\$ 7,527</u>	<u>\$ 492,309</u>	<u>\$ 1,655</u>	<u>\$ 540,191</u>	<u>2,293,722</u>	<u>\$ 4,393,604</u>
EXPENDITURES											
Instruction											
Salaries of Teachers	\$ 278,844	\$ 600	\$ 600							\$ 172,427	\$ 452,471
Purchased Professional Educational Services										267,819	267,819
Other Purchased Services					\$ 505,042					123,139	628,181
General Supplies	27,535	60,000	4,640	\$ 21,655		\$ 7,527				175,681	297,038
Co-Curricular/Extra-Curricular Activities									\$ 436,916		436,916
Athletic Activities									75,408	-	75,408
Other Objects	-	-	-	-	-	-	-	-	-	897	897
Total Instruction	<u>306,379</u>	<u>60,600</u>	<u>5,240</u>	<u>21,655</u>	<u>505,042</u>	<u>7,527</u>	<u>-</u>	<u>-</u>	<u>512,324</u>	<u>739,963</u>	<u>2,158,730</u>
Support Services											
Salaries of Teachers										172,512	172,512
Purchased Professional Educational Services		6,844								954,781	961,625
Other Purchased Prof. Services		779								-	779
Employee Benefits	151,661									-	151,661
Cleaning, Repair & Maintenance Services							\$ 492,309			-	492,309
Scholarship Awards	-	-	-	-	-	-	-	\$ 1,600	-	-	1,600
Total Support Services	<u>151,661</u>	<u>7,623</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>492,309</u>	<u>1,600</u>	<u>-</u>	<u>1,167,400</u>	<u>1,820,593</u>
Facilities Acquisition and Construction Svs											
Construction Services	-	-	-	-	-	-	-	-	-	386,359	386,359
Total Facilities Acquisition and Const Svs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>386,359</u>	<u>386,359</u>
Total Expenditures	<u>\$ 458,040</u>	<u>\$ 68,223</u>	<u>\$ 5,240</u>	<u>\$ 21,655</u>	<u>\$ 505,042</u>	<u>\$ 7,527</u>	<u>\$ 492,309</u>	<u>\$ 1,600</u>	<u>512,324</u>	<u>2,293,722</u>	<u>\$ 4,365,682</u>
Net Changes in Fund Balance	-	-	-	-	-	-	-	55	27,867	-	27,922
Fund Balance, Beginning of the Year	-	-	-	-	-	-	-	243	271,624	-	271,867
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 298</u>	<u>\$ 299,491</u>	<u>-</u>	<u>\$ 299,789</u>

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

	CRRSA		American Rescue Plan (ARP)					NJ Consortium			ACSERS Aid	Page Totals
	ESSER II	Learning	ESSER III	Accelerated Learning Coach	Evidence Based Summer Learn. & Enrichment	Evidence Based Compreh. Beyond the School Day	NJTSS Mental Health	NJ Special Olympics	NJ High Impact Tutor Cooperative	Fostering Diverse Schools		
		Acceleration										
REVENUES												
Intergovernmental												
Federal	\$ 14,269	\$ 9,333	\$ 1,670,338	\$ 140,365	\$ 34,132	\$ 40,000	\$ 40,000		\$ 47,355	\$ 206,029	\$ 88,704	\$ 2,290,525
Local	-	-	-	-	-	-	-	\$ 3,197	-	-	-	3,197
Total Revenues	\$ 14,269	\$ 9,333	\$ 1,670,338	\$ 140,365	\$ 34,132	\$ 40,000	\$ 40,000	\$ 3,197	\$ 47,355	\$ 206,029	\$ 88,704	\$ 2,293,722
EXPENDITURES												
Instruction												
Salaries of Teachers		\$ 9,333	\$ 6,469		\$ 27,500	\$ 34,000	\$ 40,000	\$ 2,300	\$ 32,825	\$ 20,000		\$ 172,427
Purchased Professional Educational Services			83,256							184,563		267,819
Other Purchased Services			32,969							1,466	\$ 88,704	123,139
General Supplies	\$ 14,269		146,250		632				14,530			175,681
Other Objects	-	-	-	-	-	-	-	897	-	-	-	897
Total Instruction	14,269	9,333	268,944	-	28,132	34,000	40,000	3,197	47,355	206,029	88,704	739,963
Support Services												
Salaries of Teachers			20,147	140,365	6,000	6,000						172,512
Purchased Professional Educational Services			954,781									954,781
General Supplies			40,107									40,107
Total Support Services			1,015,035	140,365	6,000	6,000						1,167,400
Facilities Acquisition and Construction Svs												
Construction Services			386,359									386,359
Total Facilities Acquisition and Const Svs			386,359									386,359
Total Expenditures	\$ 14,269	\$ 9,333	\$ 1,670,338	\$ 140,365	\$ 34,132	\$ 40,000	\$ 40,000	\$ 3,197	\$ 47,355	\$ 206,029	88,704	\$ 2,293,722
Net Changes in Fund Balance	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of the Year	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CAPITAL PROJECTS FUND

SECAUCUS 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>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Middle School Renovations and Expansion Project	\$ 27,400,000	\$ 27,399,958	\$ -	\$ 42
	<u>\$ 27,400,000</u>	<u>\$ 27,399,958</u>	<u>\$ -</u>	<u>\$ 42</u>

<u>Recapitulation of Balance</u>	
Restricted for Capital Projects:	
Available for Capital Projects	\$ 42
Total Fund Balance - Restricted For Capital Projects	<u>\$ 42</u>

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

Revenues and Other Financing Sources	
Total Revenues and Other Financing Sources	-
 Expenditures and Other Financing Uses	
Total Expenditures and Other Financing Uses	-
 Excess of Expenditures and Other Financing Uses Over Revenues and Other Financing Sources	
	-
 Fund Balance, Beginning of Year	 \$ 42
 Fund Balance, End of Year	 \$ 42
 <u>Reconciliation to GAAP Basis</u>	
Fund Balance, June 30, 2024 - Budgetary Basis	\$ 42
Fund Balance, June 30, 2024 - GAAP Basis	\$ 42

**SECAUCUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
MIDDLE SCHOOL RENOVATIONS AND EXPANSION 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				
Bond Proceeds	\$ 27,400,000	-	\$27,400,000	\$27,400,000
 Total Revenues	<u>27,400,000</u>	<u>-</u>	<u>27,400,000</u>	<u>27,400,000</u>
Expenditures and Other Financing Uses				
Legal	108,774		108,774	129,063
Purchased Professional and Technical Services	2,351,676		2,351,676	3,010,871
Construction Services	23,688,346		23,688,346	21,708,135
Equipment	898,849		898,849	606,000
Other Objects	352,313	-	352,313	1,945,931
 Total Expenditures	<u>27,399,958</u>	<u>-</u>	<u>27,399,958</u>	<u>27,400,000</u>
 Excess of Revenue Over Expenditures	<u>\$ 42</u>	<u>\$ -</u>	<u>\$ 42</u>	<u>\$ -</u>

Additional Project Information:

Project Number	4730-050-13-1000
Grant Date	N/A
Bond Authorization (Referendum) Date	12/10/2013
Bonds Authorized	\$ 27,400,000
Bonds Issued	\$ 27,400,000
Original Authorized Cost	\$ 27,400,000
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 27,400,000

ENTERPRISE FUNDS

NOT APPLICABLE

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

SECAUCUS BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance July 1, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2024</u>
School Bonds Series 2014	7/16/2014	\$ 27,400,000				\$ 18,330,000		\$ 18,330,000	
Refunding School Bonds, Series 2024	2/16/2024	15,165,000	8/15/2024	\$ 1,035,000	5.000%				
			8/15/2025	1,090,000	5.000%				
			8/15/2026	1,150,000	5.000%				
			8/15/2027	1,215,000	5.000%				
			8/15/2028	1,280,000	5.000%				
			8/15/2029	1,360,000	5.000%				
			8/15/2030	1,440,000	5.000%				
			8/15/2031	1,520,000	5.000%				
			8/15/2032	1,605,000	5.000%				
			8/15/2033	1,690,000	5.000%				
			8/15/2034	1,780,000	5.000%				
						-	\$ 15,165,000	-	\$ 15,165,000
						<u>\$ 18,330,000</u>	<u>\$ 15,165,000</u>	<u>\$ 18,330,000</u>	<u>\$ 15,165,000</u>
							Paid	\$ 1,255,000	
							Refunded	<u>17,075,000</u>	
								<u>\$ 18,330,000</u>	

**SECAUCUS BOARD OF EDUCATION
SCHEDULE OF CAPITAL AND OTHER FINANCING AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Capital Financing Agreements

<u>Purpose</u>	<u>Interest Rate Payable</u>	<u>Amount of Original Issue</u>	<u>Balance, July 1, 2023</u>	<u>Retired</u>	<u>Balance, June 30, 2024</u>
Phone System	3.96%	\$ 151,650	\$ 38,114	\$ 32,561	\$ 5,553
			<u>\$ 38,114</u>	<u>\$ 32,561</u>	<u>\$ 5,553</u>

Other Financing Agreements

<u>Purpose</u>	<u>Interest Rate Payable</u>	<u>Amount of Original Issue</u>	<u>Balance, July 1, 2023</u>	<u>Retired</u>	<u>Balance, June 30, 2024</u>
Chromebooks	3.57%	\$ 177,390	\$ 7,908	\$ 7,908	\$ -
			<u>\$ 7,908</u>	<u>\$ 7,908</u>	<u>\$ -</u>

**SECAUCUS BOARD OF EDUCATION
LONG-TERM DEBT
DEBT SERVICE FUND BUDGETARY COMPARISON SCHEDULE
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	\$ 1,224,465		\$ 1,224,465	\$ 1,224,465	
State Sources					
Debt Service Aid	<u>630,785</u>	<u>-</u>	<u>630,785</u>	<u>630,785</u>	<u>-</u>
Total Revenues	<u>1,855,250</u>	<u>-</u>	<u>1,855,250</u>	<u>1,855,250</u>	<u>-</u>
EXPENDITURES					
Debt Service					
Principal	1,255,000		1,255,000	1,255,000	
Interest	600,250		600,250	600,250	
Bond Issuance Costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>142,712</u>	<u>\$ (142,712)</u>
Total Expenditures	<u>1,855,250</u>	<u>-</u>	<u>1,855,250</u>	<u>1,997,962</u>	<u>(142,712)</u>
Excess (Deficiency) of Revenues Over/ (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>(142,712)</u>	<u>(142,712)</u>
Other Financing Sources (Uses)					
Payment to Refunded Bond Escrow Agent				(16,994,633)	(16,994,633)
Refunding Bonds Issued				15,165,000	15,165,000
Premium on Refunding Bonds Issued	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,972,345</u>	<u>1,972,345</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>142,712</u>	<u>142,712</u>
Excess (Deficiency) of Revenues Over/ (Under) Expenditures and Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

This part of the Secaucus 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 district'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.

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

	As of June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Net Investment in Capital Assets	\$ 18,324,882	\$ 20,860,209	\$ 22,249,472	\$ 23,569,792	\$ 23,627,355	\$ 24,608,429	\$ 25,321,865	\$ 25,840,528	\$ 27,764,090	\$ 28,832,238
Restricted	881,285	1,950,928	3,041,745	4,349,830	5,336,500	6,753,680	8,693,843	11,311,039	12,584,670	14,927,611
Unrestricted	(9,889,492)	(10,389,772)	(12,124,730)	(12,612,423)	(12,618,632)	(12,782,084)	(11,666,907)	(10,144,178)	(8,533,348)	(7,535,519)
Total Governmental Activities Net Position	\$ 9,316,675	\$ 12,421,365	\$ 13,166,487	\$ 15,307,199	\$ 16,345,223	\$ 18,580,025	\$ 22,348,801	\$ 27,007,389	\$ 31,815,412	\$ 36,224,330
Business-Type Activities										
Net Investment in Capital Assets	\$ 28,276	\$ 36,209	\$ 32,804	\$ 193,493	\$ 198,407	\$ 179,069	\$ 159,902	\$ 193,524	\$ 472,497	\$ 558,894
Unrestricted	679,034	818,123	944,824	857,206	829,953	738,992	1,088,520	938,269	595,111	553,614
Total Business-Type Activities Net Position	\$ 707,310	\$ 854,332	\$ 977,628	\$ 1,050,699	\$ 1,028,360	\$ 918,061	\$ 1,248,422	\$ 1,131,793	\$ 1,067,608	\$ 1,112,508
District-Wide										
Net Investment in Capital Assets	\$ 18,353,158	\$ 20,896,418	\$ 22,282,276	\$ 23,763,285	\$ 23,825,762	\$ 24,787,498	\$ 25,481,767	\$ 26,034,052	\$ 28,236,587	\$ 29,391,132
Restricted	881,285	1,950,928	3,041,745	4,349,830	5,336,500	6,753,680	8,693,843	11,311,039	12,584,670	14,927,611
Unrestricted	(9,210,458)	(9,571,649)	(11,179,906)	(11,755,217)	(11,788,679)	(12,043,092)	(10,578,387)	(9,205,909)	(7,938,237)	(6,981,905)
Total District Net Position	\$ 10,023,985	\$ 13,275,697	\$ 14,144,115	\$ 16,357,898	\$ 17,373,583	\$ 19,498,086	\$ 23,597,223	\$ 28,139,182	\$ 32,883,020	\$ 37,336,838

Note 1 - Net position at June 30, 2020 is restated to reflect the implementation of GASB 84, "Fiduciary Activities".

SECAUCUS 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	\$ 17,891,698	\$ 18,631,672	\$ 21,972,466	\$ 22,669,639	\$ 21,507,249	\$ 20,756,782	\$ 23,058,564	\$ 19,892,050	\$ 18,734,410	\$ 19,801,178
Special Education	5,299,019	5,636,227	5,873,674	6,058,490	6,686,059	6,900,384	6,917,989	7,207,913	6,934,293	7,700,993
Other Special Instruction										
Other Instruction	438,715	585,582	546,407	462,428	434,110	548,883	603,970	589,297	584,729	535,653
School Sponsored Activities And Athletics	1,345,392	1,406,365	1,554,978	1,579,347	1,398,894	1,378,398	1,489,183	1,730,961	1,979,821	1,932,739
Community Services	42,123	40,068	44,379	49,365	51,720	52,708	4,637	12,488	11,857	12,947
Support Services:										
Tuition										
Student & Instruction Related Services	4,394,143	4,600,464	5,129,110	5,246,723	4,877,420	4,764,119	5,730,596	5,311,587	5,128,689	6,459,321
School Administration Services	2,429,217	2,789,015	2,974,427	2,866,244	2,815,991	2,529,611	2,912,271	2,685,042	2,686,436	2,579,328
General Administrative Services	1,005,038	1,046,506	1,210,746	1,277,129	1,208,780	1,125,856	1,181,161	1,270,298	1,215,779	1,338,579
Business/Central Services	1,221,673	1,267,410	1,430,431	1,434,535	1,254,064	1,121,975	1,160,327	1,252,625	1,394,074	1,638,193
Administration of Information Technology										
Plant Operations And Maintenance	4,802,450	5,135,538	6,377,866	6,150,870	6,035,771	5,928,702	6,280,124	6,588,128	6,593,963	7,061,833
Pupil Transportation	1,756,128	1,640,332	1,939,996	1,924,270	1,994,340	1,685,783	1,230,309	1,631,008	1,686,764	1,663,880
Transfer to Charter School										
Interest On Long-Term Debt	965,431	948,658	896,480	832,525	792,148	760,526	714,387	671,283	627,805	794,532
Total Governmental Activities Expenses	41,591,027	43,727,837	49,950,960	50,551,565	49,056,546	47,553,727	51,283,518	48,842,680	47,578,620	51,519,176
Business-Type Activities:										
Enterprise Fund										
	938,181	896,165	967,022	1,062,094	1,170,158	980,990	759,403	1,458,393	1,466,472	1,320,893
Total Business-Type Activities	938,181	896,165	967,022	1,062,094	1,170,158	980,990	759,403	1,458,393	1,466,472	1,320,893
Total District Expenses	\$ 42,529,208	\$ 44,624,002	\$ 50,917,982	\$ 51,613,659	\$ 50,226,704	\$ 48,534,717	\$ 52,042,921	\$ 50,301,073	\$ 49,045,092	\$ 52,840,069
Program Revenues										
Governmental Activities:										
Charges For Services:										
Operating Grants And Contributions	8,395,904	10,318,266	13,579,378	14,501,964	12,407,342	11,200,155	16,073,215	13,724,351	11,516,862	13,996,408
Capital Grants And Contributions	-	-	-	-	58,545	-	-	-	-	-
Total Governmental Activities Program Revenues	8,432,954	10,327,316	13,593,160	14,626,914	12,553,667	11,253,575	16,209,181	14,140,074	12,066,391	14,545,394
Business-Type Activities:										
Charges For Services										
Food Service	646,804	648,083	685,843	722,056	717,140	464,715	5,941	71,710	673,549	689,402
Technology Program										
Operating Grants And Contributions	404,095	395,104	404,475	413,109	430,679	368,767	1,027,091	1,199,147	653,434	605,369
Total Business Type Activities Program Revenues	1,050,899	1,043,187	1,090,318	1,135,165	1,147,819	870,691	1,089,764	1,341,764	1,402,287	1,365,793
Total District Program Revenues	\$ 9,483,853	\$ 11,370,503	\$ 14,683,478	\$ 15,762,079	\$ 13,701,486	\$ 12,124,266	\$ 17,298,945	\$ 15,481,838	\$ 13,468,678	\$ 15,911,187

SECAUCUS 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
Net (Expense)/Revenue										
Governmental Activities	\$ (33,158,073)	\$ (33,400,521)	\$ (36,357,800)	\$ (35,924,651)	\$ (36,502,879)	\$ (36,300,152)	\$ (35,074,337)	\$ (34,702,606)	\$ (35,512,229)	\$ (36,973,782)
Business-Type Activities	112,718	147,022	123,296	73,071	(22,339)	(110,299)	330,361	(116,629)	(64,185)	44,900
Total District-Wide Net Expense	\$ (33,045,355)	\$ (33,253,499)	\$ (36,234,504)	\$ (35,851,580)	\$ (36,525,218)	\$ (36,410,451)	\$ (34,743,976)	\$ (34,819,235)	\$ (35,576,414)	\$ (36,928,882)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied For General Purposes	\$ 32,748,152	\$ 33,321,245	\$ 33,987,669	\$ 34,667,422	\$ 35,360,770	\$ 36,067,984	\$ 36,789,344	\$ 37,517,774	\$ 38,268,129	\$ 39,033,491
Taxes Levied For Debt Service	1,877,925	2,368,408	2,413,708	2,526,693	1,554,633	1,534,459	1,512,240	1,233,276	1,225,867	1,224,465
Federal and State Aid - Restricted		573,563	465,009	472,476	409,149	416,662	425,386	406,300	416,795	441,278
Federal and State Aid - Unrestricted	39,072	42,688	62,119	64,682	4,859					-
Investment Earnings	41,595	37,644								-
Miscellaneous Income	36,954	161,663	174,417	334,090	211,492	196,694	116,143	203,844	409,461	683,466
Transfers	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	34,743,698	36,505,211	37,102,922	38,065,363	37,540,903	38,215,799	38,843,113	39,361,194	40,320,252	41,382,700
Business-Type Activities:										
Miscellaneous Income	42,688	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	42,688	-	-	-	-	-	-	-	-	-
Total District-Wide	\$ 34,786,386	\$ 36,505,211	\$ 37,102,922	\$ 38,065,363	\$ 37,540,903	\$ 38,215,799	\$ 38,843,113	\$ 39,361,194	\$ 40,320,252	\$ 41,382,700
Change in Net Position										
Governmental Activities	\$ 1,585,625	\$ 3,104,690	\$ 745,122	\$ 2,140,712	\$ 1,038,024	\$ 1,915,647	\$ 3,768,776	\$ 4,658,588	\$ 4,808,023	\$ 4,408,918
Business-Type Activities	155,406	147,022	123,296	73,071	(22,339)	(110,299)	330,361	(116,629)	(64,185)	44,900
Total District	\$ 1,741,031	\$ 3,251,712	\$ 868,418	\$ 2,213,783	\$ 1,015,685	\$ 1,805,348	\$ 4,099,137	\$ 4,541,959	\$ 4,743,838	\$ 4,453,818

Note 1 - Changes in Net Position for the year ended June 30, 2020 is restated to reflect the implementation of GASB 84, "Fiduciary Activities".

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

	As of June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Reserved										
Unreserved										
Restricted	\$ 1,548,141	\$ 2,604,017	\$ 3,841,745	\$ 5,099,830	\$ 5,936,500	\$ 6,917,446	\$ 8,806,392	\$ 11,454,213	\$ 12,712,803	\$ 14,628,822
Committed	302,900	387,343	133,001				187,718	329,558	738,605	204,360
Assigned	796,128	488,021	377,484	285,887	133,733	127,783	130,417	177,598	816,762	1,657,480
Unassigned	470,999	478,988	492,560	512,886	505,723	462,212	1,174,533	1,185,730	426,719	731,127
Total General Fund	<u>\$ 3,118,168</u>	<u>\$ 3,958,369</u>	<u>\$ 4,844,790</u>	<u>\$ 5,898,603</u>	<u>\$ 6,575,956</u>	<u>\$ 7,507,441</u>	<u>\$ 10,299,060</u>	<u>\$ 13,147,099</u>	<u>\$ 14,694,889</u>	<u>\$ 17,221,789</u>
All Other Governmental Funds										
Reserved										
Unreserved										
Restricted	<u>\$23,794,552</u>	<u>\$ 6,309,981</u>	<u>\$ 962,971</u>	<u>\$ 437,398</u>	<u>\$ 385,919</u>	<u>\$ 327,084</u>	<u>\$ 239,780</u>	<u>\$ 259,155</u>	<u>\$ 271,909</u>	<u>\$ 299,831</u>
Total All Other Governmental Funds	<u>\$23,794,552</u>	<u>\$ 6,309,981</u>	<u>\$ 962,971</u>	<u>\$ 437,398</u>	<u>\$ 385,919</u>	<u>\$ 327,084</u>	<u>\$ 239,780</u>	<u>\$ 259,155</u>	<u>\$ 271,909</u>	<u>\$ 299,831</u>

Note 1 - Fund Balances at June 30, 2020 are restated to reflect the implementation of GASB 84, "Fiduciary Activities".

SECAUCUS 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										
Property Taxes	\$ 34,626,077	\$ 35,689,653	\$ 36,401,377	\$ 37,194,115	\$ 36,915,403	\$ 37,602,443	\$ 38,301,584	\$ 38,751,050	\$ 39,493,996	\$ 40,257,956
Other Local Governmental Units-Restricted	3,200	9,050								
Tuition Charges				124,950	87,780	53,420	8,000	8,400	19,200	7,140
Rents and Royalties		65,041	51,681	72,203	66,514	46,715	12,715	850	28,855	19,665
Restricted Revenue from Intermediate Sources	33,850	13,442	13,782							
Miscellaneous	175,718	120,824	122,736	261,887	144,978	149,979	232,049	610,317	910,935	1,208,844
State Sources	4,088,104	5,728,295	6,054,287	6,858,840	7,961,112	8,546,317	10,054,057	12,553,310	12,693,179	14,390,215
Federal Sources	896,511	861,490	905,861	786,495	1,062,966	1,055,291	1,451,692	2,792,639	2,382,434	4,188,823
Total Revenue	39,823,460	42,487,795	43,549,724	45,298,490	46,238,753	47,454,165	50,060,097	54,716,566	55,528,599	60,072,643
Expenditures										
Instruction										
Regular Instruction	15,709,509	15,933,860	17,195,586	18,253,198	19,499,704	19,385,759	20,124,572	20,793,617	20,610,374	22,281,863
Special Education Instruction	4,889,398	5,101,040	4,987,977	5,277,013	6,302,599	6,646,555	6,309,556	7,500,684	7,522,295	8,436,375
Other Instruction	393,617	508,514	437,645	384,912	399,678	518,215	536,461	613,461	634,546	598,300
School Sponsored Activities and Athletics	1,189,777	1,209,951	1,218,386	1,279,193	1,268,059	1,290,187	1,316,298	1,795,752	2,129,921	2,122,222
Community Services	41,525	38,301	38,042	43,562	50,813	53,741	4,485	14,028	14,123	14,480
Support Services:										
Student and Inst. Related Services	3,986,083	4,062,874	4,184,282	4,394,443	4,524,357	4,508,397	5,124,297	5,508,297	5,531,553	6,917,121
General Administration Services	968,588	993,383	1,093,413	1,171,126	1,172,461	1,109,385	1,128,951	1,326,917	1,285,412	1,412,201
School Administration Services	2,194,588	2,439,118	2,356,554	2,340,776	2,570,976	2,390,603	2,575,411	2,850,059	3,000,838	2,915,269
Plant Operations And Maintenance	3,970,609	4,209,721	4,630,399	4,378,138	4,572,205	4,508,195	4,666,024	5,353,616	5,501,949	5,775,111
Pupil Transportation	1,620,705	1,492,560	1,557,112	1,587,676	1,817,242	1,532,970	1,002,072	1,535,614	1,694,829	1,622,558
Central Services	1,164,975	1,195,051	1,216,041	1,247,351	1,191,521	1,093,894	1,085,299	1,343,498	1,546,384	1,769,127
Capital Outlay	3,290,438	18,221,641	5,697,524	1,223,759	499,827	1,683,586	1,132,427	1,142,740	2,487,865	1,751,447
Principal	1,936,598	2,744,828	2,477,761	2,329,472	1,457,283	1,578,180	1,617,486	1,386,142	1,366,976	1,299,998
Interest and Other Charges	674,370	981,323	919,591	859,631	809,789	778,393	732,443	684,727	641,530	743,921
Total Expenditures	42,030,780	59,132,165	48,010,313	44,770,250	46,136,514	47,078,060	47,355,782	51,849,152	53,968,595	57,659,993
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	(2,207,320)	(16,644,370)	(4,460,589)	528,240	102,239	376,105	2,704,315	2,867,414	1,560,004	2,412,650
Other Financing Sources (Uses)										
Capital Lease Proceeds					523,635	177,390				
Premium on Refunding Bonds										1,972,345
Payment to Refunding Escrow Agent										(16,994,633)
Refunding Bond Proceeds										15,165,000
Bond Proceeds	27,400,000									
Transfers In	2	257	150,533							
Transfers Out	(2)	(257)	(150,533)							
Total Other Financing Sources (Uses)	27,400,000	-	-	-	523,635	177,390	-	-	-	142,712
Net Change in Fund Balances	\$ 25,192,680	\$ (16,644,370)	\$ (4,460,589)	\$ 528,240	\$ 625,874	\$ 553,495	\$ 2,704,315	\$ 2,867,414	\$ 1,560,004	\$ 2,555,362
Debt Service as a Percentage of										
Noncapital Expenditures	6.74%	9.11%	8.03%	7.32%	4.97%	5.19%	5.08%	4.08%	3.90%	3.66%

* Noncapital expenditures are total expenditures less capital outlay.

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

<u>Year</u>	<u>Interlocal Agreements</u>	<u>Tuition</u>	<u>Interest Earned on Investments</u>	<u>Miscellaneous</u>	<u>Sale of Assets</u>	<u>Total</u>
2015	\$ 33,850	\$ 3,200	\$ 41,593	\$ 36,954		\$ 115,597
2016	13,442	9,050	37,130	145,918	\$ 2,560	208,100
2017	13,782	8,122	17,765	148,530		188,199
2018	4,200	124,950	29,317	298,473	2,100	459,040
2019		87,780	51,713	159,779		299,272
2020		53,420	100,628	96,066		250,114
2021		8,000	16,569	99,574		124,143
2022		8,400	10,971	192,873		212,244
2023		19,200	253,773	149,188	6,500	428,661
2024		7,140	525,209	158,257		690,606

Source: District Records

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Valuation	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2015	\$ 60,295,500	\$ 867,609,000	\$ 799,892,975	\$ 869,802,300	\$ 54,043,000	\$ 2,651,642,775	\$ 3,339,721	\$ 2,654,982,496	\$ 4,402,341,949	\$ 1.408
2016	60,427,100	865,092,000	797,560,475	867,274,300	56,537,100	2,646,890,975	3,293,675	2,650,184,650	4,577,186,263	1.360
2017	60,578,100	829,147,250	892,345,175	906,471,500	65,058,400	2,753,600,425	3,232,106	2,756,832,531	4,832,900,084	1.304
2018	59,458,100	833,569,750	903,258,175	906,966,800	65,058,400	2,768,311,225	3,258,237	2,771,569,462	4,898,813,081	1.337
2019	52,745,100	838,410,850	922,260,875	939,627,600	64,763,400	2,817,807,825	3,336,160	2,821,143,985	5,472,494,946	1.321
2020	52,417,300	845,440,750	919,485,575	936,428,450	63,663,400	2,817,435,475	3,352,759	2,820,788,234	5,550,541,721	1.346
2021	52,675,600	848,416,150	920,609,275	940,545,350	63,663,400	2,825,909,775	3,488,259	2,829,398,034	5,688,048,937	1.362
2022	53,501,800	850,806,050	899,861,775	978,187,100	63,663,400	2,846,020,125	3,840,357	2,849,860,482	5,307,569,560	1.372
2023	52,912,600	856,130,150	899,656,575	982,777,800	63,663,400	2,855,140,525	3,538,758	2,858,679,283	5,923,456,864	1.395
2024	53,989,900	861,601,750	880,153,275	989,190,500	63,893,400	2,848,828,825	3,731,668	2,852,560,493	5,756,721,972	1.424

Source: County Abstract of Ratables

^a Tax rates are per \$100

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

<u>Calendar Year</u>	<u>Total</u>	<u>Local School District</u>	<u>Municipality</u>	<u>County</u>
2015	\$ 3.702	\$ 1.408	\$ 1.390	\$ 0.904
2016	3.707	1.360	1.429	0.918
2017	3.614	1.304	1.439	0.871
2018	3.610	1.337	1.481	0.792
2019	3.712	1.321	1.560	0.831
2020	3.736	1.346	1.636	0.754
2021	3.770	1.362	1.636	0.772
2022	3.763	1.372	1.686	0.705
2023	3.969	1.395	1.837	0.737
2024	4.092	1.424	1.930	0.738

Source: Tax Duplicate, Township of Secaucus

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

Taxpayer	2024		Taxpayer	2015	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Fraternity Meadows LLC	\$ 143,965,900	5.05%	PMP 500 Plaza Corp	\$ 48,477,600	1.83%
Hancock S REIT SECA Corp	63,251,200	2.22%	300-400 Park Plaza Drive Inc	41,679,000	1.57%
800 Secaucus LLC % Hartz	57,246,700	2.01%	755 Secaucus Road	35,548,900	1.34%
755 Secaucus LLC % Hartz	52,695,800	1.85%	Fraternity Meadows LLC	33,793,600	1.27%
Hartz Enterprise LLC	48,070,600	1.69%	Mill Creek Mall LLC	33,158,200	1.25%
HMGL LLC	46,983,200	1.65%	800 Secaucus LLC	31,672,000	1.19%
Fraternity Riverside Holding Co	39,256,400	1.38%	BT Newyo LLC	30,900,500	1.16%
NY2 Hartz Way LLC	38,021,400	1.33%	50 Meadowland Parkway LLC	30,439,400	1.15%
Coresite RE 2 Emerson Lane LLC	36,448,600	1.28%	Gaia 200 Plaza Drive	28,857,400	1.09%
50 Meadowland Parkway LLC	36,424,400	1.28%	400 Plaza Dr Inc	25,801,500	0.97%
	<u>\$ 562,364,200</u>	<u>19.71%</u>		<u>\$ 340,328,100</u>	<u>12.82%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Local School District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$ 34,626,077	\$ 34,626,075	99.99%	\$ 2
2016	35,689,653	35,689,653	100.00%	N/A
2017	36,401,377	36,401,377	100.00%	N/A
2018	37,194,115	37,194,115	100.00%	N/A
2019	36,915,403	36,915,403	100.00%	N/A
2020	37,602,443	37,602,443	100.00%	N/A
2021	38,301,584	38,301,584	100.00%	N/A
2022	38,751,050	38,751,050	100.00%	N/A
2023	39,493,996	39,493,996	100.00%	N/A
2024	40,257,956	40,257,956	100.00%	N/A

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

Fiscal Year Ended June 30,	Governmental Activities			Total District	Population (1)	Per Capita
	General Obligation Bonds	Capital Financing Agreements	Bond Anticipation Notes			
2015	\$ 31,810,000	\$ 688,492		\$ 32,498,492	18,156	\$ 1,790
2016	29,585,000	168,664		29,753,664	18,827	1,580
2017	27,305,000			27,305,000	19,560	1,396
2018	24,990,000			24,990,000	19,686	1,269
2019	23,595,000	476,975		24,071,975	20,634	1,167
2020	22,180,000	508,097		22,688,097	21,936	1,034
2021	20,745,000	99,496		20,844,496	21,602	965
2022	19,550,000	69,412		19,619,412	21,295	921
2023	18,330,000	38,114		18,368,114	21,108	870
2024	15,165,000	5,553		15,170,553	21,005	722

Source: District records

(1) Estimated

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

Fiscal Year Ended June 30,	<u>General Bonded Debt Outstanding</u>		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions			
2015	\$ 31,810,000		\$ 31,810,000	1.20%	\$ 1,752
2016	29,585,000		29,585,000	1.12%	1,571
2017	27,305,000		27,305,000	0.99%	1,396
2018	24,990,000		24,990,000	0.90%	1,269
2019	23,595,000		23,595,000	0.84%	1,144
2020	22,180,000		22,180,000	0.79%	1,011
2021	20,745,000		20,745,000	0.73%	960
2022	19,550,000		19,550,000	0.69%	918
2023	18,330,000		18,330,000	0.64%	868
2024	15,165,000		15,165,000	0.53%	722

Source: District records

**SECAUCUS BOARD OF EDUCATION
COMPUTATION OF DIRECT AND OVERLAPPING OUTSTANDING BONDED DEBT
AS OF DECEMBER 31, 2023
(Unaudited)**

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Municipal Debt: (1)			
Secaucus Board of Education	\$ 17,075,000	\$ 17,075,000	
Town of Secaucus	<u>60,608,437</u>	<u>3</u>	\$ 60,608,434
	<u>\$ 77,683,437</u>	<u>\$ 17,075,003</u>	60,608,434
 Overlapping Debt Apportioned to the Municipality:			
Hudson County:			
County of Hudson (2)			<u>31,447,629</u>
 Total Direct and Overlapping Debt			<u>\$ 92,056,063</u>

Source:

- (1) 2023 Annual Debt Statement of the Town of Secaucus
- (2) Hudson County Treasurer's Office

**SECAUCUS 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	\$ 186,236,835	\$ 179,928,993	\$ 177,785,822	\$ 184,473,973	\$ 205,510,487	\$ 217,518,238	\$ 219,869,504	\$ 218,403,234	\$ 223,136,459	\$ 224,447,375
Total Net Debt Applicable To Limit	<u>31,810,000</u>	<u>29,585,000</u>	<u>27,305,000</u>	<u>24,990,000</u>	<u>23,595,000</u>	<u>22,180,000</u>	<u>20,745,000</u>	<u>19,550,000</u>	<u>18,330,000</u>	<u>15,165,000</u>
Legal Debt Margin	<u>\$ 154,426,835</u>	<u>\$ 150,343,993</u>	<u>\$ 150,480,822</u>	<u>\$ 159,483,973</u>	<u>\$ 181,915,487</u>	<u>\$ 195,338,238</u>	<u>\$ 199,124,504</u>	<u>\$ 198,853,234</u>	<u>\$ 204,806,459</u>	<u>\$ 209,282,375</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	17.08%	16.44%	15.36%	13.55%	11.48%	10.20%	9.44%	8.95%	8.21%	6.76%

Source: Annual Debt Statements

Legal Debt Margin Calculation for Fiscal Year 2024

Equalized Valuation Basis:

2023	\$ 5,732,062,889
2022	5,869,292,895
2021	<u>5,232,197,325</u>
	<u>\$ 16,833,553,109</u>

Average Equalized Valuation Of Taxable Property	<u>\$ 5,611,184,370</u>
---	-------------------------

Debt Limit (4% of Average Equalization Value)	\$ 224,447,375
Total Net Debt Applicable to Limit	<u>15,165,000</u>
Legal Debt Margin	<u>\$ 209,282,375</u>

**SECAUCUS BOARD OF EDUCATION
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
(Unaudited)**

<u>Year Ended December 31,</u>	<u>Unemployment Rate</u>	<u>Per Capita Income (A)</u>	<u>School District Population (1)</u>
2015	4.6	\$ 54,675	18,156
2016	4.3	56,597	18,827
2017	3.8	60,558	19,560
2018	3.4	65,090	19,686
2019	2.8	67,570	20,634
2020	9.1	71,682	21,936
2021	5.8	72,046	21,602
2022	3.3	72,730	72,046
2023	3.8	N/A	21,108
2024	N/A	N/A	21,005

(A) Represents the County of Hudson

(1) Estimated

Source: State of New Jersey Dept. of Labor
United States Bureau of Census

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

<u>Employer</u>	<u>2024</u>		<u>2015</u>	
	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION NOT AVAILABLE

**SECAUCUS 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	138	141	150	151	155	155	153	149	144	151
Special Education	39	37	41	42	47	47	48	48	48	48
Other Instruction	4	3	3	3	3	3	3	3	3	3
Support Services:										
Student and Instruction Related Services	33	33	33	33	30	31	31	31	32	29
General Administration	8	8	6	6	6	6	6	6	6	6
School Administrative Services	16	16	16	16	18	18	17	17	18	18
Central Services	5	5	5	5	6	6	6	6	9	9
Administrative Information Technology	1	1	1							
Plant Operations And Maintenance	27	21	21	22	32	32	28	32	29	28
Pupil Transportation	30	30	30	30	30	32	28	22	23	23
Total	<u>301</u>	<u>295</u>	<u>306</u>	<u>308</u>	<u>327</u>	<u>330</u>	<u>320</u>	<u>314</u>	<u>312</u>	<u>315</u>

Source: District Personnel Records

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

Pupil/Teacher Ratio

<u>Fiscal Year</u>	<u>Enrollment^a</u>	<u>Operating Expenditures^b</u>	<u>Cost Per Pupil^c</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Elementary</u>	<u>Middle School</u>	<u>Senior High School</u>	<u>Average Daily Enrollment (ADE)</u>	<u>Average Daily Attendance (ADA)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2015	2,189	\$ 36,129,374	\$ 16,505	2.00%	N/A	N/A	N/A	N/A	2,181	2,076	N/A	95.19%
2016	2,114	37,184,373	17,590	6.57%	N/A	N/A	N/A	N/A	2,110	2,017	-3.26%	95.59%
2017	2,113	38,915,437	18,417	4.70%	N/A	N/A	N/A	N/A	2,109	2,012	-0.05%	95.40%
2018	2,197	40,357,388	18,369	-0.26%	N/A	N/A	N/A	N/A	2,171	2,076	2.94%	95.62%
2019	2,272	43,369,615	19,089	3.92%	N/A	N/A	N/A	N/A	2,272	2,257	4.65%	99.34%
2020	2,270	43,037,901	18,959	-0.68%	N/A	N/A	N/A	N/A	2,270	2,183	-0.09%	96.17%
2021	2,194	43,873,426	19,997	5.47%	N/A	N/A	N/A	N/A	2,152	2,140	-5.20%	99.44%
2022	2,197	48,635,543	22,137	10.70%	N/A	N/A	N/A	N/A	2,192	2,158	1.86%	98.45%
2023	2,250	49,472,224	21,988	-0.68%	N/A	N/A	N/A	N/A	2,230	2,090	1.73%	93.72%
2024	2,204	53,864,627	24,439	11.15%	N/A	N/A	N/A	N/A	2,204	2,072	-1.17%	94.01%

Sources: District records

N/A - Not Available

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

SECAUCUS 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>										
Clarendon School										
Square Feet	97,715	97,715	97,715	97,715	97,715	97,715	97,715	97,715	97,715	97,715
Capacity (students)	456	456	456	456	456	456	456	456	456	456
Enrollment	579	448	448	456	479	472	454	471	482	492
Huber School										
Square Feet	58,240	58,240	58,240	58,240	58,240	58,240	58,240	58,240	58,240	58,240
Capacity (students)	466	466	466	466	466	466	466	466	466	466
Enrollment	694	600	593	622	655	660	639	620	639	608
 <u>High School / Middle School</u>										
Square Feet	159,070	159,070	213,695	213,695	213,695	213,695	213,695	213,695	213,695	213,695
Capacity (students)	1,109	1,109	1,109	1,109	1,109	1,109	1,109	1,109	1,109	1,109
Enrollment	916	1,066	1,072	1,119	1,138	1,138	1,101	1,106	1,129	1,104

Number of Schools at June 30, 2024
 Elementary = 2 Clarendon/Huber Street
 Middle School / High School = 1
 Other = 2 Pre K and Board Office

Source: District Records

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

<u>School Facility</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>
Clarendon School	\$ 133,113	\$ 218,018	\$ 181,614	\$ 177,298	\$ 171,623	\$ 190,177	\$ 238,178	\$ 269,635	\$ 265,025	\$ 330,093
Huber School	74,504	122,026	101,651	95,312	92,261	102,235	128,039	144,950	142,472	177,451
High School / Middle School	<u>290,144</u>	<u>475,210</u>	<u>395,862</u>	<u>371,174</u>	<u>359,292</u>	<u>398,135</u>	<u>498,625</u>	<u>564,481</u>	<u>554,830</u>	<u>691,050</u>
Total School Facilities	497,761	815,254	679,127	643,784	623,176	690,547	864,842	979,066	962,327	1,198,594
Other Facilities	<u>5,479</u>	<u>8,974</u>	<u>7,476</u>	-	-	-	-	-	-	-
Grand Total	<u>\$ 503,240</u>	<u>\$ 824,228</u>	<u>\$ 686,603</u>	<u>\$ 643,784</u>	<u>\$ 623,176</u>	<u>\$ 690,547</u>	<u>\$ 864,842</u>	<u>\$ 979,066</u>	<u>\$ 962,327</u>	<u>\$ 1,198,594</u>

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

	<u>Coverage</u>	<u>Deductible</u>
School Alliance Insurance Fund (SAIF)		
Property - Blanket Property	\$ 500,000,000	\$ 2,500 Per Claim
Comprehensive General Liability - Per Occurrence	5,000,000	
Flood - (A or V Zone)	25,000,000	500,000
Business Automobile - Per Occurrence	5,000,000	1,000
Flood - All Other Zones	10,000,000	2,500
Boiler and Machinery	Included in Blanket Buildings and Contents	
Excess Liability	10,000,000	
Public Officials - Selective Insurance Co.		
Treasurer	300,000	
Board Secretary	250,000	
All Risk (subject to certain exclusions) including equipment breakdowns, demolition and increased cost of construction, EDP equipment, extra expenses and newly acquired equipment		
Sub-Limits:		
Newly Acquired Property	\$ 25,000,000	
Builder's Risk	25,000,000	
Demolition and Increased Cost of Construction	25,000,000	
Cyber	2,000,000	10,000
Earthquakes	25,000,000	
Boiler and Machinery	100,000,000	
Terrorism	100,000,000	
Fine Arts	2,500,000	
EDP Equipment	1,500,000	
Blanket Dishonesty Bond (includes Faithful Performance Elected Officials);		
Per Loss	500,000	1,000
Computer Fraud:		
Per Loss	50,000	2,500
Forgery and Alteration:		
Per Loss	50,000	2,500
School Leaders Professional Liability - Each Claim	5,000,000	10,000
Workers' Compensation and Employers Liability:		
Workers Compensation	Statutory Limits	
Employers Liability Coverage B	1,000,000	

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
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DEBRA GOLLE, CPA
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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 Trustees
Secaucus Board of Education
685 Fifth Street
Secaucus, New Jersey 07094

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 Secaucus 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 Secaucus Board of Education's basic financial statements and have issued our report thereon dated December 4, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Secaucus 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 Secaucus Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Secaucus 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.

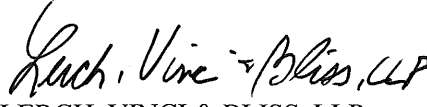
Report on Compliance and Other Matters


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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Secaucus Board of Education in a separate report entitled, “Auditor’s Management Report on Administrative Findings – Financial, Compliance and Performance” dated December 4, 2024.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Secaucus 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 Secaucus 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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
December 4, 2024



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
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JOHN CUIFFO, CPA, PSA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Secaucus Board of Education
685 Fifth Street
Secaucus, New Jersey 07094

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Secaucus Board of Education's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Secaucus Board of Education's major federal and state programs for the fiscal year ended June 30, 2024. The Secaucus Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal and State Program

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

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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


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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Secaucus 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 December 4, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
December 4, 2024

SECAUCUS 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 AL Number	Federal FAIN Number	Grant Period	Award Amount	Balance, July 1, 2023	Unearned Revenue Carryover	Accounts Receivable Carryover	Cash Received	Budgetary Expenditures	Repayment of Prior Year Balance	Adjustments (A)	June 30, 2024		MEMO GAAP Receivable
												(Account Receivable)	Unearned Revenue	
U.S. Department of Agriculture														
Passed-Through State Department of Agriculture														
Enterprise Fund:														
National School Lunch Program	10.555													
Cash Assistance		241NJ304N1099	7/01/23-6/30/24	\$ 361,506				\$ 299,073	\$ 361,506			\$ (62,433)		\$ (62,433)
Cash Assistance		231NJ304N1099	7/01/22-6/30/23	390,831	\$ (25,869)			25,869						
Non-Cash Assistance (Food Distribution)		241NJ304N1099	7/01/23-6/30/24	70,540				68,916	68,503				\$ 413	
Non-Cash Assistance (Food Distribution)		231NJ304N1099	7/01/22-6/30/23	67,331	2,038				2,038					
Supply Chain Assistance Funding	10.555	241NJ344N8903	7/01/23-6/30/24	51,984				51,984	51,984					
P-EBT Administrative Cost Reimbursement	10.649	2022225900941	7/01/23-6/30/24	653				653	653					
School Breakfast Program	10.553	241NJ304N1099	7/01/23-6/30/24	80,972				64,788	80,972			(16,184)		(16,184)
School Breakfast Program	10.553	231NJ304N1099	7/01/22-6/30/23	97,332	(5,852)			5,852						
Child Nutrition Cluster					(29,683)			517,135	565,656				413	(78,617)
U.S. Department of Education														
Passed-Through State Department of Education														
Special Revenue Fund:														
ESEA														
Title I	84.010	S010A230030	7/01/23-9/30/24	482,496		\$ 785	\$ (91,373)	351,778	458,040			(222,091)	25,241	(196,850)
Title I, Carryover	84.010	S010A220030	7/01/22-9/30/23	328,232	(90,588)	(785)	91,373							
Title II - Part A	84.367A	S367A230029	7/01/23-9/30/24	77,871		26,937	(37,603)	70,181	68,223			(45,293)	36,585	(8,708)
Title II - Part A, Carryover	84.367A	S367A220029	7/01/22-9/30/23	54,831	(10,666)	(26,937)	37,603							
Title III	84.365	S365A230030	7/01/23-9/30/24	16,173		10,405	(17,215)	10,104	5,240		\$ 199	(23,284)	21,537	(1,747)
Title III- Carryover	84.365	S365A220030	7/01/22-9/30/23	16,656	(6,810)	(10,405)	17,215							
Title III-Immigrant	84.365	S365A230030	7/01/23-9/30/24			3,348	(22,754)	20,037				(2,717)	3,348	
Title III-Immigrant, Carryover	84.365	S365A220030	7/01/22-9/30/23	21,607	(19,406)	(3,348)	22,754							
Title IV	84.424	S424A230031	7/01/23-9/30/24	24,750		16,226	(13,402)	17,735	21,655			(20,417)	19,321	(1,096)
Title IV, Carryover	84.424	S424A220031	7/01/22-9/30/23	29,710	2,824	(16,226)	13,402							
CRRSA-ESSER II	84.425D	S425D210027	3/13/20-9/30/23	1,334,539	(82,590)			96,859	14,269					
CRRSA-Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	85,644	(37,211)			46,544	9,333					
CRRSA-Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(5,610)			5,610						
ARP - ESSER	84.425U	S425U210027	3/13/20-9/30/24	2,999,290	(621,474)			1,486,628	1,670,338			(825,184)	20,000	(805,184)
ARP - Accelerated Learning Coach	84.425U	S425U210027	3/13/20-9/30/24	197,086	(5,168)			82,689	140,365			(62,844)		(62,844)
ARP - Evidence Based Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000	(5,868)			5,868	34,132			(34,132)		(34,132)
ARP - Evidence Based Comprehensive Beyond School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000					40,000			(40,000)		(40,000)
ARP - NJTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000					40,000			(40,000)		(40,000)
NJ High Impact Tutoring Competitive	84.425V	S425V230031	10/11/23-8/31/24	113,263					47,355			(113,263)	65,908	(47,355)
Education Stabilization Fund (ESF) Cluster					(757,921)			1,724,198	1,995,792			(1,115,423)	85,908	(1,029,515)
ACSERS Aid														
ACSERS Aid	21.027	SLFRFDOEE1SES	7/01/23-6/30/24	88,704				44,352	88,704			(44,352)		(44,352)
ACSERS Aid	21.027	SLFRFDOEE1SES	7/01/22-6/30/23	63,816	(63,816)			63,816						
NJ Consortium of Fostering Diverse Schools	84.424G	S424G230041	10/1/23-9/30/24	499,360				108,589	206,029			(390,771)	293,331	(97,440)
School Violence Prevention Program (SVPP)	16.710	N/A	7/1/22-6/30/24	499,980					492,309			(499,980)	7,671	(492,309)
I.D.E.A. Part B, Basic Regular	84.027A	H027A230100	7/01/23-9/30/24	505,042		124,126	(190,929)	606,160	505,042			(89,811)	124,126	
I.D.E.A. Part B, Basic Regular, Carryover	84.027A	H027A220100	7/01/22-9/30/23	459,836	(66,803)		(124,126)	190,929						
I.D.E.A. ARP Basic	84.027X	H027X210100	7/01/21-9/30/22	103,936	(21,536)			21,536						
I.D.E.A. ARP Preschool	84.173X	H173X210114	7/01/21-9/30/22	8,851	(8,851)			8,851						
I.D.E.A. Part B, Preschool	84.173A	H173A230114	7/01/23-9/30/24	16,775		33,942	(55,130)	30,779	7,527			(41,126)	43,190	
I.D.E.A. Part B, Preschool, Carryover	84.173A	H173A220114	7/01/22-9/30/23	16,644	(21,188)	(33,942)	55,130							
Special Education Cluster (IDEA)					(118,378)			667,326	512,569			(130,937)	167,316	
Total Special Revenue Fund					(1,064,761)			3,078,116	3,848,561		199	(2,495,265)	660,258	(1,872,017)
U.S. Department of Education														
Passed-Through State Department of Education														
General Fund:														
Medicaid Assistance Program (SEMI)	93.778	2405NJ5MAP	7/01/23-6/30/24	48,312				48,312	48,312					
Total General Fund								48,312	48,312					
Total Federal Financial Awards					\$ (1,094,444)	\$ -	\$ -	\$ 3,643,563	\$ 4,462,529	\$ -	\$ 199	\$ (2,573,882)	\$ 660,671	\$ (1,950,634)

(A) Represents cancelled prior year encumbrances and accounts payable

SECAUCUS 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		Budgetary Expenditures	Adjustments	June 30, 2024		MEMO	
				(Accts. Rec.) Unearned Revenue	Cash Received			(Accounts Receivable)	Unearned Revenue	GAAP Receivable	Cumulative Expenditures
State Department of Education											
General Fund											
Special Education Aid	24-495-034-5120-089	07/01/2023-6/30/2024	\$ 2,404,681		\$ 2,404,681	\$ 2,404,681					\$ 2,404,681
Special Education Aid	23-495-034-5120-089	07/01/2022-6/30/2023	2,046,041	\$ (190,793)	190,793						
Security Aid	24-495-034-5120-084	07/01/2023-6/30/2024	191,170		191,170	191,170					191,170
Security Aid	23-495-034-5120-084	07/01/2022-6/30/2023	191,170	(17,826)	17,826	-					-
Subtotal State Aid Public Cluster				(208,619)	2,804,470	2,595,851	-	-	-		2,595,851
Transportation Aid	24-495-034-5120-014	07/01/2023-6/30/2024	546,399		546,399	546,399					546,399
Transportation Aid	23-495-034-5120-014	07/01/2022-6/30/2023	546,399	(50,952)	50,952						
Non-Public Transportation Reimb.	24-495-034-5120-014	07/01/2023-6/30/2024	58,240			58,240		\$ (58,240)		\$ (58,240)	58,240
Non-Public Transportation Reimb.	23-495-034-5120-014	07/01/2022-6/30/2023	37,128	(37,128)	37,128	-					-
Subtotal Transportation Aid Cluster				(88,080)	634,479	604,639	-	(58,240)	-	(58,240)	604,639
Extraordinary Aid	24-495-034-5120-044	07/01/2023-6/30/2024	351,839			351,839		(351,839)			351,839
Extraordinary Aid	23-495-034-5120-044	07/01/2022-6/30/2023	689,304	(689,304)	689,304						
T.P.A.F. NCGI	24-495-034-5094-004	07/01/2023-6/30/2024	73,004		73,004	73,004					73,004
T.P.A.F. LTDI	24-495-034-5094-004	07/01/2023-6/30/2024	2,978		2,978	2,978					2,978
T.P.A.F. Post Retirement Medical	24-495-034-5094-001	07/01/2023-6/30/2024	1,762,093		1,762,093	1,762,093					1,762,093
T.P.A.F. Normal Cost & Accrued Liab	24-495-034-5094-002	07/01/2023-6/30/2024	6,401,389		6,401,389	6,401,389					6,401,389
Reimbursed T.P.A.F. Social Security Aid	24-495-034-5094-003	07/01/2023-6/30/2024	1,370,601		1,303,716	1,370,601		(66,885)		(66,885)	1,370,601
Reimbursed T.P.A.F. Social Security Aid	23-495-034-5094-003	07/01/2022-6/30/2023	1,315,809	(64,529)	64,529	-					-
Total General Fund				(1,050,532)	13,735,962	13,162,394	-	(476,964)	-	(125,125)	13,162,394
Debt Service Fund											
Debt Service Aid	24-495-034-5120-075	07/01/2023-6/30/2024	630,785	-	630,785	630,785	-	-	-	-	630,785
Total Debt Service Fund				-	630,785	630,785	-	-	-	-	630,785
State Department of Agriculture											
Enterprise Fund											
National School Breakfast (State Share)	24-100-010-3350-023	07/01/2023-6/30/2024	8,565		6,927	8,565		(1,638)		(1,638)	8,565
National School Breakfast (State Share)	23-100-010-3350-023	07/01/2022-6/30/2023	5,682	(507)	507						
National School Lunch (State Share)	24-100-010-3350-023	07/01/2023-6/30/2024	31,148		26,058	31,148		(5,090)		(5,090)	31,148
National School Lunch (State Share)	23-100-010-3350-023	07/01/2022-6/30/2023	18,173	(1,200)	1,200	-					-
Total Enterprise Fund				(1,707)	34,692	39,713	-	(6,728)	-	(6,728)	39,713
State Financial Assistance Subject to Single Audit Determination			\$ (1,052,239)	\$ 14,401,439	\$ 13,832,892	\$ -	\$ (483,692)	\$ -	\$ (131,853)	\$ 13,832,892	
State Financial Assistance Not Subject to Single Audit											
General Fund											
T.P.A.F. NCGI	24-495-034-5094-004	07/01/2023-6/30/2024			(73,004)	(73,004)					(73,004)
T.P.A.F. LTDI	24-495-034-5094-004	07/01/2023-6/30/2024			(2,978)	(2,978)					(2,978)
T.P.A.F. Post Retirement Medical	24-495-034-5094-001	07/01/2023-6/30/2024			(1,762,093)	(1,762,093)					(1,762,093)
T.P.A.F. Normal Cost & Accrued Liab	24-495-034-5094-002	07/01/2023-6/30/2024			(6,401,389)	(6,401,389)					(6,401,389)
Total State Financial Assistance for Major Program Determination			\$ (1,052,239)	\$ 6,161,975	\$ 5,593,428	\$ -	\$ (483,692)	\$ -	\$ (131,853)	\$ 5,593,428	

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

NOTE 2 BASIS OF PRESENTATION

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

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$597,036 for the general fund and an increase of \$291,950 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	\$ 48,312	\$ 13,759,430	\$ 13,807,742
Special Revenue Fund	4,140,511		4,140,511
Debt Service Fund		630,785	630,785
Food Service Fund	<u>565,656</u>	<u>39,713</u>	<u>605,369</u>
Total Awards Financial Assistance	<u>\$ 4,754,479</u>	<u>\$ 14,429,928</u>	<u>\$ 19,184,407</u>

**SECAUCUS 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 \$1,370,601 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 \$6,474,393, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,762,093 and TPAF Long-Term Disability Insurance in the amount of \$2,978 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.

**SECAUCUS 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 Statements

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

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

 2) Significant deficiencies identified not considered to be material weakness(es)? yes X none reported

Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

Internal Control over major programs:

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

 2) Significant deficiencies identified not considered to be material weakness(es)? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.510(a) of U.S. Uniform Guidance? yes X no

Identification of major federal programs:

<u>AL Number(s)</u>	<u>FAIN Number</u>	<u>Name of Federal Program or Cluster</u>
84.425D	S425D210027	Elementary and Secondary School Emergency Relief (ESSER) Fund
84.425U	S425U210027	American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP)
84.425V	S425V230031	American Rescue Plan - Elementary and Secondary School Emergency Relief- High Impact Tutoring Competitive

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

Auditee qualified as low-risk auditee? X yes no

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

Part I – Summary of Auditor’s Results

State Awards Section

Internal Control over major programs:

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

2) Significant deficiencies identified not considered to be material weakness(es)?
_____ yes X none reported

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

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

Identification of major state programs:

<u>GMIS Number</u>	<u>Name of State Program or Cluster</u>
<u>24-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>24-495-034-5120-084</u>	<u>Security Aid</u>
<u>24-495-034-5094-003</u>	<u>Reimbursed T.P.A.F. Social Security Aid</u>
_____	_____
_____	_____
_____	_____

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

Auditee qualified as low-risk auditee? X yes _____ no

**SECAUCUS 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.

SECAUCUS BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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

THERE ARE NONE.

CURRENT YEAR STATE AWARDS

THERE ARE NONE.