

**CRESSKILL BOARD OF EDUCATION**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**Cresskill, New Jersey**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**of the**

**Cresskill Board of Education**

**County of Bergen, New Jersey**

**For The Fiscal Year Ended June 30, 2025**

**Prepared by**

**Finance Department**

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## **INTRODUCTORY SECTION**

# CRESSKILL PUBLIC SCHOOLS

*One Lincoln Drive  
Cresskill, NJ 07626*

*Phone: (201) 227-7791 Ext1206, Fax :( 201) 567-7976*

January 9, 2026

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

Dear Board Members:

The Annual Comprehensive Financial Report (ACFR) of the Cresskill School District (“The District”) for the fiscal year ended June 30, 2025, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Cresskill Board of Education (“The Board”). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

Governmental Accounting Standards Board (GASB) 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 the MD&A and should be read in conjunction with it. Cresskill Public School’s MD&A can be found immediately following the “Independent Auditors’ Report”.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors’ Report, Management’s Discussion and Analysis (MD&A) and the basic financial statements including the District-Wide financial statements presented in accordance with the provisions of the Governmental Accounting Standards Board (GASB) Statements. The basic financial statements also include individual fund financial statements, notes to the financial statements and required supplemental information (RSI). The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the requirements of 2 CFR 200-Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (U.S. Uniform Guidance), and the State OMB Circular 15-08, “Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.” Information related to this single audit, including the auditor’s report on the internal control structure and compliance with applicable laws and regulations and findings and questioned costs, are included in the single audit section of this report.

**REPORTING ENTITY AND ITS SERVICES:** Cresskill School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). All funds of the District are included in this report. The Cresskill Board of Education and all its schools constitute the District's reporting entity. The District has no component units included in this report which meet the criteria of legally separate entities for which the District is financially accountable. In addition, the District is not includable in any other reporting entity as a component unit.

**REPORTING ENTITY AND ITS SERVICES:** (Continued)

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, advanced placement, English as a second language and vocational as well as special education for handicapped youngsters. The District completed the 2024-2025 fiscal year with an enrollment of 1,759 students, which is 32 students more than the previous year's enrollment.

The following details the changes in the student enrollment of the District over the last ten years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2024-25	1759	1.85
2023-24	1727	1.41
2022-23	1703	-0.23
2021-22	1707	-4.05
2020-21	1779	-3.52
2019-20	1844	0.49
2018-19	1835	1.78
2017-18	1803	-2.01
2016-17	1840	2.56
2015-16	1794	.61

**ECONOMIC CONDITION AND OUTLOOK:** The Cresskill Board of Education continues to provide a high-quality education while maintaining a fiscally conservative approach. The Board has controlled costs and been mindful of the impact of its decisions on the local taxpayer. The result is that District has consistently ranked near the bottom in per pupil spending in the county, while providing its students with an excellent education. The State of New Jersey continues to add costly mandates while maintaining or reducing state aid with a 2% budget CAP. Despite the challenging environment, the Cresskill Board of Education is committed to move forward with the expectation of full compliance to regulations, adherence to the strict budget CAP and understanding of the difficult economic conditions of our taxpayers while continuing to provide high quality instruction to students.

The District continues to find itself in a strong economic position as indicated by its AA-Stable long-term credit rating from Standard & Poor's, Inc. Global ("S&P"), Ratings Services. The S&P report dated June 17, 2024 noted that the Cresskill Board of Education is characterized by strong and stable economy, track record of positive financial performance and conservative budgeting. The District's debt burden is somewhat elevated compared with those of peers that are in part caused by Hurricane Ida-related costs that could ultimately be reimbursed by the Federal Emergency Management Agency.

**MAJOR INITIATIVES:** The Cresskill School District suffered a major catastrophe when Hurricane Ida destroyed our entire middle/high school building in September 2021 as we planned to reopen following the COVID-19 pandemic. Voters approved \$21,600,000 to be used to rebuild or replace the building's entire HVAC system, flooring, sheetrock, auditorium, media center, classroom furniture, technology and contents. The district submitted applications with the Federal Emergency Management Agency (FEMA). The District still has additional funding for which we seek reimbursement from FEMA but has received all funds that were originally approved. The entirety of reconstruction is completed and students are utilizing the middle high school. The final aspect related to the Hurricane is flood proofing the building which is currently in final planning and permitting stages. While the school district saw a decrease in enrollment following COVID and the school closure, our enrollment has continued to increase, becoming closer to pre-COVID figures.

Academically, the district has instituted a 1:1 device platform in each classroom. In grades K-8, we continued our Readers and Writers Workshop initiative. In the area of literacy, we see student growth and enhanced differentiation practices as teachers target specific students for 1:1 and small group instruction in the effort to address individual needs for all students and focus on differentiating and addressing gaps in achievement caused largely by effects of the pandemic. As an extension of this work we allocated training for and implementation of Leveled Literacy Intervention. Our administration continued improvement of the district-wide initiative focused on the evaluation/revision of our intervention protocols. Furthermore, in grades 6-12 we expanded our focus on the I&RS process and worked actively to shift teacher mindsets in order to provide and implement layers of in-class support strategies that precede teachers' recommending students to the

Child Study Team and rely on monitoring, collecting data, and attempting intervention tactics to assess students' progress. We are also focusing on sheltered English instruction professional development for all teaching staff to be equipped to educate our diverse multilingual student population.

## **RELEVANT FINANCIAL POLICIES**

The operations of the Cresskill Board of Education are financed primarily through the local property tax levy; however, the District receives additional revenue from state and federal aid along with other miscellaneous local revenues. The school portion of the property tax levy, the largest revenue source for the district, has been held stable over the past five years at 2% annual increases despite larger increases in contractual salaries and benefits, special educational placements and related transportation. The district continues to bear the cost of interest on short-term financing related to the hurricane damage and restoration. The interest is an additional expenditure in our operating budget.

The administration continues to operate under the District's Standard Operating Procedures and Internal Controls which are reviewed and updated annually by the School Business Administrator. The policies include internal controls, accounting, budget development and purchasing in addition to other standardized procedures.

## **INTERNAL ACCOUNTING CONTROLS**

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

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

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2025.

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

**FINANCIAL INFORMATION AT FISCAL YEAR -END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

**CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements". The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed

banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

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

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

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

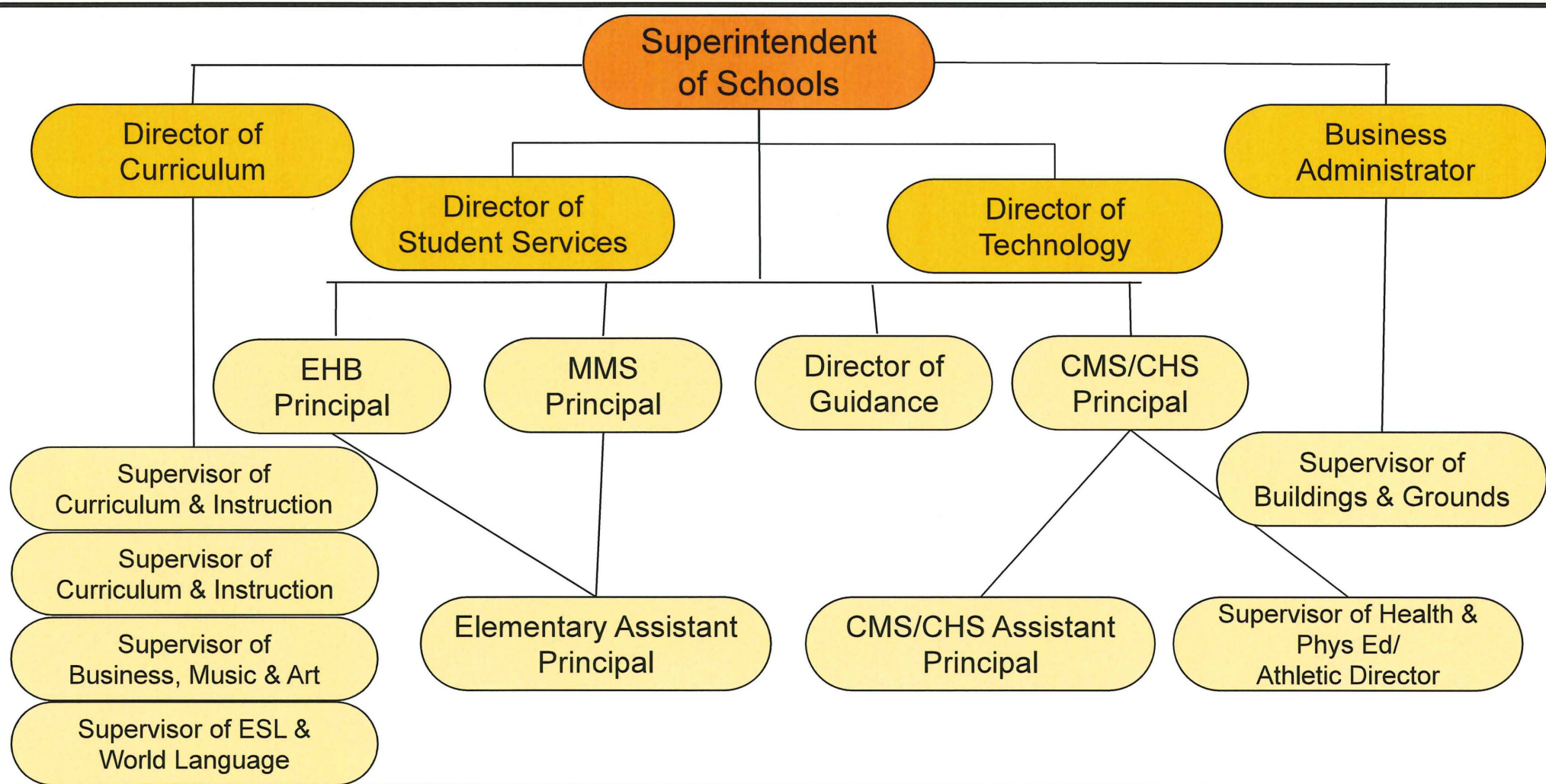
Respectfully submitted,

*Dawn Delasandro*

*Peter Hughes*

Dawn Delasandro  
Business Administrator/Board Secretary

Dr. Peter Hughes  
Superintendent



**CRESSKILL BOARD OF EDUCATION  
CRESSKILL, NEW JERSEY**

ROSTER OF OFFICIALS  
JUNE 30, 2025

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Barbara Costa, President	Jan. 2028
Suzanne Joshi, Vice President	Jan. 2026
Sarah Barrs	Jan. 2027
Sally Cummings	Jan. 2028
Amy Cusick	Jan. 2027
Michael DePalo	Jan. 2026
Heiddy Martin	Jan. 2027
Daniel Nemet-Nejat	Jan. 2026
Daniel Riccardo	Jan. 2028

**Other Officials**

Dr. Peter Hughes, Superintendent

Dawn Delasandro, Business Administrator/Board Secretary

**Cresskill Board of Education  
Cresskill, New Jersey**

**Consultants and Advisors  
June 30, 2025**

**Audit Firm**

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

**Attorney**

Scarinci Hollenbeck, LLC.  
150 Clove Road 9th Floor  
Little Falls, NJ, 07424

**Architect**

DiCara/Rubino Architects  
35 Waterview Boulevard  
Parsippany, NJ 07054

**Official Depository**

Capital One Bank  
710 Rte. 46  
Fairfield, NJ 07004

**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  
Cresskill Board of Education  
Cresskill, New Jersey

### **Report on the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Cresskill Board of Education, as of and for the fiscal year ended June 30, 2025 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 Cresskill Board of Education as of June 30, 2025, 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 Cresskill 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 Cresskill 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 Cresskill 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 Cresskill 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 Cresskill 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 Cresskill Board of Education. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


### ***Other Information***


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

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated January 9, 2026 on our consideration of the Cresskill 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 Cresskill 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 Cresskill Board of Education's internal control over financial reporting and compliance.

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

  
Robert W. Haag  
Public School Accountant  
PSA Number CS002364

Fair Lawn, New Jersey  
January 9, 2026

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**

# **CRESSKILL BOARD OF EDUCATION**

## **Management's Discussion and Analysis**

This section of Cresskill 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, 2025. 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 (2024-2025) and the prior year (2023-2024) is required to be presented in the MD&A.

### **FINANCIAL HIGHLIGHTS**

Key financial highlights for the 2024-2025 fiscal year include the following:

- The assets and deferred outflows of resources of the Cresskill Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$23,758,102 (net position).
- Overall District revenues were \$49,317,200. General revenues accounted for \$33,829,115, or 69%, of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$15,488,085 of total revenues.
- The School District had \$42,341,364 in expenses for governmental activities; only \$15,129,968 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$33,827,023 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 \$9,102,461, an increase of \$5,924,566 when compared to the ending fund balance deficit at June 30, 2024 of \$3,177,895. The increase is primarily due to the District realizing revenue from proceeds received from FEMA during 2024-25 for capital project expenditures related to the 2022 referendum.
- The General Fund unassigned fund balance at June 30, 2025 was \$92,251, a decrease of \$69,910 when compared with the ending, unassigned fund balance of \$162,161 at June 30, 2024.
- The General Fund unassigned budgetary fund balance at June 30, 2025 was \$1,004,353 which represents an increase of \$41,554 when compared to the ending unassigned budgetary fund balance at June 30, 2024 of \$962,799.

# CRESSKILL BOARD OF EDUCATION

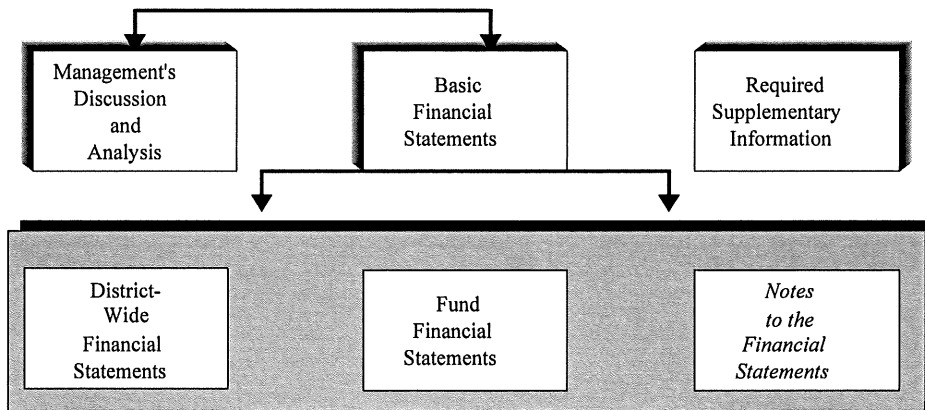
## Management's Discussion and Analysis

### 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.



# CRESSKILL 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.

# CRESSKILL 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 1:1 Initiative 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).

# CRESSKILL 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 and individual financial schedules are presented immediately following the major budgetary comparisons, if required.

# CRESSKILL 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 \$23,758,102 and \$17,065,765 as of June 30, 2025 and 2024, 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.

	<b>Net Position</b>					
	<b>June 30, 2025 and 2024</b>					
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Current and Other Assets	\$ 19,700,743	\$ 14,258,180	\$ 64,915	\$ 54,296	\$ 19,765,658	\$ 14,312,476
Capital Assets	42,975,957	44,045,754	10,343	14,076	42,986,300	44,059,830
<b>Total Assets</b>	<u>62,676,700</u>	<u>58,303,934</u>	<u>75,258</u>	<u>68,372</u>	<u>62,751,958</u>	<u>58,372,306</u>
Deferred Outflows of Resources						
Deferred Amounts on Refunding of Debt	98,918	140,772			98,918	140,772
Deferred Amounts on Net Pension Liability	163,729	197,125	-	-	163,729	197,125
<b>Total Deferred Outflows of Resources</b>	<u>262,647</u>	<u>337,897</u>	<u>-</u>	<u>-</u>	<u>262,647</u>	<u>337,897</u>
<b>Total Assets and Deferred Outflow of Resources</b>	<u>62,939,347</u>	<u>58,641,831</u>	<u>75,258</u>	<u>68,372</u>	<u>63,014,605</u>	<u>58,710,203</u>
Long-Term Liabilities	27,656,654	29,851,777			27,656,654	29,851,777
Other Liabilities	10,906,169	11,463,116	20,533	18,505	10,926,702	11,481,621
<b>Total Liabilities</b>	<u>38,562,823</u>	<u>41,314,893</u>	<u>20,533</u>	<u>18,505</u>	<u>38,583,356</u>	<u>41,333,398</u>
Deferred Inflows of Resources						
Deferred Amounts on Net Pension Liability	673,147	311,040	-	-	673,147	311,040
<b>Total Deferred Inflows of Resources</b>	<u>673,147</u>	<u>311,040</u>	<u>-</u>	<u>-</u>	<u>673,147</u>	<u>311,040</u>
<b>Total Liabilities and Deferred Outflow of Resources</b>	<u>39,235,970</u>	<u>41,625,933</u>	<u>20,533</u>	<u>18,505</u>	<u>39,256,503</u>	<u>41,644,438</u>
Net Investment in Capital Assets	11,336,207	10,588,769	10,343	14,076	11,346,550	10,602,845
Restricted	4,949,327	5,229,903			4,949,327	5,229,903
Unrestricted	7,417,843	1,197,226	44,382	35,791	7,462,225	1,233,017
<b>Total Net Position</b>	<u>\$ 23,703,377</u>	<u>\$ 17,015,898</u>	<u>\$ 54,725</u>	<u>\$ 49,867</u>	<u>\$ 23,758,102</u>	<u>\$ 17,065,765</u>

# CRESSKILL BOARD OF EDUCATION

## Management's Discussion and Analysis

The changes in net position for fiscal years ended 2025 and 2024 are as follows:

### Changes in Net Position For The Fiscal Years Ended June 30, 2025 and 2024

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 1,693,651	\$ 2,075,039	\$ 358,117	\$ 384,960	\$ 2,051,768	\$ 2,459,999
Operating Grants and Contributions	8,322,661	8,980,172			8,322,661	8,980,172
Capital Grants and Contributions	5,113,656	6,395,040			5,113,656	6,395,040
General Revenues						
Property Taxes	32,801,352	31,810,671			32,801,352	31,810,671
State Aid	263,800	175,300			263,800	175,300
Miscellaneous	761,871	409,850	2,092	1,399	763,963	411,249
<b>Total Revenues</b>	<b><u>48,956,991</u></b>	<b><u>49,846,072</u></b>	<b><u>360,209</u></b>	<b><u>386,359</u></b>	<b><u>49,317,200</u></b>	<b><u>50,232,431</u></b>
<b>Expenses</b>						
Instruction						
Regular	16,738,914	16,585,670			16,738,914	16,585,670
Special Education	8,318,676	8,486,785			8,318,676	8,486,785
Other Instruction	1,243,167	1,493,676			1,243,167	1,493,676
School Sponsored Activities and Athletics	1,154,227	1,170,661			1,154,227	1,170,661
Support Services						
Student and Instruction Related Services	4,339,195	4,186,651			4,339,195	4,186,651
General Administration Services	631,205	518,828			631,205	518,828
School Administration Services	2,464,310	2,458,769			2,464,310	2,458,769
Central Services and Admin Info. Tech	1,278,786	1,413,519			1,278,786	1,413,519
Plant Operations and Maintenance	4,684,162	4,309,770			4,684,162	4,309,770
Pupil Transportation	648,377	745,511			648,377	745,511
Interest on Debt	840,345	803,649			840,345	803,649
Food Services						
1:1 Initiative	-	-	347,797	316,920	7,554	23,112
	-	-	7,554	23,112	7,554	23,112
<b>Total Expenses</b>	<b><u>42,341,364</u></b>	<b><u>42,173,489</u></b>	<b><u>355,351</u></b>	<b><u>340,032</u></b>	<b><u>42,696,715</u></b>	<b><u>42,513,521</u></b>
<b>Change in Net Position Before and Other Special Items</b>	<b>6,615,627</b>	<b>7,672,583</b>	<b>4,858</b>	<b>46,327</b>	<b>6,620,485</b>	<b>7,718,910</b>
Other Special Items	<u>71,852</u>	<u>72,271</u>	<u>-</u>	<u>-</u>	<u>71,852</u>	<u>72,271</u>
<b>Change in Net Position</b>	<b>6,687,479</b>	<b>7,744,854</b>	<b>4,858</b>	<b>46,327</b>	<b>6,692,337</b>	<b>7,791,181</b>
<b>Net Position, Beginning of Year</b>	<b><u>17,015,898</u></b>	<b><u>9,271,044</u></b>	<b><u>49,867</u></b>	<b><u>3,540</u></b>	<b><u>17,065,765</u></b>	<b><u>9,274,584</u></b>
<b>Net Position, End of Year</b>	<b><u>\$ 23,703,377</u></b>	<b><u>\$ 17,015,898</u></b>	<b><u>\$ 54,725</u></b>	<b><u>\$ 49,867</u></b>	<b><u>\$ 23,758,102</u></b>	<b><u>\$ 17,065,765</u></b>

# CRESSKILL BOARD OF EDUCATION

## Management's Discussion and Analysis

### Governmental Activities

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

**Total and Net Cost of Governmental Activities.** The following schedule presents the District's total costs of services provided by major activity. After applying program revenues, derived from charges for services, operating grants and contributions and capital grants and contributions, the net cost of these services is presented. The following is a comparative analysis of the total and the net cost of governmental activities for the fiscal years ended June 30, 2025 and 2024.

#### Total and Net Cost of Governmental Activities For The Fiscal Years Ended June 30, 2025 and 2024

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Instruction				
Regular	\$ 16,738,914	\$ 16,585,670	\$ 12,449,905	\$ 12,926,235
Special Education	8,318,676	8,486,785	4,594,536	3,288,614
Other Instruction	1,243,167	1,493,676	1,059,275	1,058,756
School Sponsored Activities and Athletics	1,154,227	1,170,661	689,254	650,727
Support Services			-	
Student and Instruction Related Services	4,339,195	4,186,651	3,800,198	3,627,454
General Administration Services	631,205	518,828	569,471	518,828
School Administration Services	2,464,310	2,458,769	2,226,249	2,141,334
Central Services and Admin. Info. Tech.	1,278,786	1,413,519	1,249,042	1,398,030
Plant Operations and Maintenance	4,684,162	4,309,770	(676,033)	(2,273,344)
Pupil Transportation	648,377	745,511	559,110	662,859
Interest on Debt	840,345	803,649	690,389	723,745
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total</b>	<b><u>\$ 42,341,364</u></b>	<b><u>\$ 42,173,489</u></b>	<b><u>\$ 27,211,396</u></b>	<b><u>\$ 24,723,238</u></b>

# CRESSKILL BOARD OF EDUCATION

## Management's Discussion and Analysis

### FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

#### **Governmental Funds**

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$9,102,461, an increase of \$5,924,566 from last year's fund balance of \$3,177,895.

Revenues for the District's governmental funds were \$53,964,954; total expenditures were \$48,294,350. In addition, other financing sources were \$253,962.

**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 \$44,674,850 for the fiscal year ended June 30, 2025. State sources amounted to \$11,746,970 and local sources were \$32,927,880.

Expenditures of the General Fund were \$44,201,281. Instructional expenditures were \$30,926,086, support services were \$12,960,096, debt service was \$87,790, and capital outlay was \$227,309 for the fiscal year ended June 30, 2025.

**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.

Revenues of the Special Revenue Fund were \$1,524,283 for the fiscal year ended June 30, 2025. State sources amounted to \$72,214, federal sources totaled \$909,268 and local sources were \$542,801.

Expenditures of the Special Revenue Fund were \$1,482,463. Instructional expenditures were \$1,150,837, support services were \$241,041 and capital expenditures totaled \$90,585 for the fiscal year ended June 30, 2025.

**Capital Projects Fund** - The capital projects revenues and other financing sources exceeded expenditures and other financing uses by \$7,155,675, increasing the fund balance from a deficit balance of \$4,784,585 at June 30, 2024 to a positive balance of \$2,371,090 at June 30, 2025. This is primarily the result of the District realizing revenue from FEMA proceeds and transferring funds from its capital reserve for capital project expenditure.

#### **Proprietary Funds**

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

# CRESSKILL BOARD OF EDUCATION

## Management's Discussion and Analysis

**Enterprise Fund** - The District uses Enterprise Funds to report activities related to the Food Services and 1:1 Initiative programs. 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, 2024 encumbrances.

### CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2025 and 2024 amounts to \$42,986,300 and \$44,059,830 (net of accumulated depreciation), respectively. The capital assets consist of land, site improvements, buildings, building improvements, computers, specialized machinery and various other types of equipment as well as construction in progress. Depreciation charges for the fiscal year 2024-2025 amounted to \$1,637,787 for governmental activities and \$3,733 for the Business-Type activities.

The following is a comparative analysis of capital assets at June 30, 2025 and 2024.

Capital Assets at June 30, 2025 and 2024						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Land	\$ 1,286,701	\$ 1,286,701			\$ 1,286,701	\$ 1,286,701
Construction in Progress	14,843,958	17,471,676			14,843,958	17,471,676
Buildings and Building Improvements	41,787,200	38,909,386	\$ 14,800	\$ 14,800	41,802,000	38,924,186
Right-to-Use Leased Building	1,070,000	1,070,000			1,070,000	1,070,000
Improvements Other Than Buildings	1,034,141	988,641			1,034,141	988,641
Machinery and Equipment	<u>2,347,772</u>	<u>2,225,838</u>	<u>153,571</u>	<u>159,801</u>	<u>2,501,343</u>	<u>2,385,639</u>
	62,369,772	61,952,242	168,371	174,601	62,538,143	62,126,843
Less Accumulated Depreciation	<u>(19,393,815)</u>	<u>(17,906,488)</u>	<u>(158,028)</u>	<u>(160,525)</u>	<u>(19,551,843)</u>	<u>(18,067,013)</u>
<b>Total Capital Assets, Net</b>	<b><u>\$ 42,975,957</u></b>	<b><u>\$ 44,045,754</u></b>	<b><u>\$ 10,343</u></b>	<b><u>\$ 14,076</u></b>	<b><u>\$ 42,986,300</u></b>	<b><u>\$ 44,059,830</u></b>

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

# **CRESSKILL BOARD OF EDUCATION**

## **Management's Discussion and Analysis**

### **LONG TERM LIABILITIES**

At June 30, 2025, the District's long-term liabilities consisted of compensated absences payable of \$1,283,963, serial bonds of \$21,534,825 (including unamortized premium) capital financing agreements of \$180,219, leases payable of \$904,958 and net pension liability of \$3,752,689, totaling \$27,656,654. This is in comparison to long-term liabilities at June 30, 2024 of \$29,851,777, or a decrease of \$2,195,123.

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 2025-2026 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing labor and related employee benefit costs. Other budgetary increases are anticipated with special education, and utilizes the required investment to repair the District's aging facilities.

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

### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Cresskill Board of Education, 129 Madison Ave., Cresskill, NJ 07626.

**BASIC FINANCIAL STATEMENTS**

**DISTRICT-WIDE FINANCIAL STATEMENTS**

**CRESSKILL BOARD OF EDUCATION**  
**STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2025**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 19,437,519	\$ 57,886	\$ 19,495,405
Receivables, net	263,224	2,877	266,101
Inventories		4,152	4,152
Capital Assets, Not Being Depreciated	16,130,659		16,130,659
Capital Assets, Being Depreciated	<u>26,845,298</u>	<u>10,343</u>	<u>26,855,641</u>
Total Assets	<u>62,676,700</u>	<u>75,258</u>	<u>62,751,958</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amounts on Refunding of Debt	98,918		98,918
Deferred Amounts on Net Pension Liability	<u>163,729</u>	<u>-</u>	<u>163,729</u>
Total Deferred Outflows of Resources	<u>262,647</u>	<u>-</u>	<u>262,647</u>
Total Assets and Deferred Outflows of Resources	<u>62,939,347</u>	<u>75,258</u>	<u>63,014,605</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Current Liabilities	1,237,464	8,198	1,245,662
Payable to Other Governments	8,243		8,243
Temporary Note Payable	9,247,382		9,247,382
Accrued Interest Payable	307,887		307,887
Unearned Revenue	105,193	12,335	117,528
Noncurrent Liabilities			
Due Within One Year	1,713,589		1,713,589
Due Beyond One Year	<u>25,943,065</u>	<u>-</u>	<u>25,943,065</u>
Total Liabilities	<u>38,562,823</u>	<u>20,533</u>	<u>38,583,356</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Amounts on Net Pension Liability	<u>673,147</u>	<u>-</u>	<u>673,147</u>
Total Deferred Inflows of Resources	<u>673,147</u>	<u>-</u>	<u>673,147</u>
Total Liabilities and Deferred Inflows of Resources	<u>39,235,970</u>	<u>20,533</u>	<u>39,256,503</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	11,336,207	10,343	11,346,550
Restricted for			
Capital Projects	3,697,159		3,697,159
Plant Maintenance	746,155		746,155
Other Purposes	506,013		506,013
Unrestricted	<u>7,417,843</u>	<u>44,382</u>	<u>7,462,225</u>
Total Net Position	<u>\$ 23,703,377</u>	<u>\$ 54,725</u>	<u>\$ 23,758,102</u>

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

**CRESSKILL BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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	\$ 16,738,914	\$ 1,671,096	\$ 2,617,913		\$ (12,449,905)		\$ (12,449,905)
Special Education	8,318,676		3,724,140		(4,594,536)		(4,594,536)
Other Instruction	1,243,167		183,892		(1,059,275)		(1,059,275)
School Sponsored Activities and Athletics	1,154,227		464,973		(689,254)		(689,254)
Support Services:							
Student & Instruction Related Services	4,339,195		538,997		(3,800,198)		(3,800,198)
General Administration Services	631,205		61,734		(569,471)		(569,471)
School Administration Services	2,464,310		238,061		(2,226,249)		(2,226,249)
Central Services and Admin Info. Tech.	1,278,786		29,744		(1,249,042)		(1,249,042)
Plant Operations and Maintenance	4,684,162	22,555	223,984	\$ 5,113,656	676,033		676,033
Pupil Transportation	648,377		89,267		(559,110)		(559,110)
Interest on Long-Term Debt	840,345	-	149,956	-	(690,389)	-	(690,389)
<b>Total Governmental Activities</b>	<b>42,341,364</b>	<b>1,693,651</b>	<b>8,322,661</b>	<b>5,113,656</b>	<b>(27,211,396)</b>	<b>-</b>	<b>(27,211,396)</b>
Business-Type Activities:							
Food Service	347,797	356,494				\$ 8,697	8,697
Other	7,554	1,623	-	-	-	(5,931)	(5,931)
<b>Total Business-Type Activities</b>	<b>355,351</b>	<b>358,117</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,766</b>	<b>2,766</b>
<b>Total Primary Government</b>	<b>\$ 42,696,715</b>	<b>\$ 2,051,768</b>	<b>\$ 8,322,661</b>	<b>\$ 5,113,656</b>	<b>(27,211,396)</b>	<b>2,766</b>	<b>(27,208,630)</b>
General Revenues:							
Taxes:							
Property Taxes, levied for General Purposes					30,730,690		30,730,690
Property Taxes Levied for Debt Service					2,070,662		2,070,662
State Aid Restricted for Debt Service Principal					263,800		263,800
Investment Earnings					600,014	2,092	602,106
Miscellaneous Income					161,857		161,857
Special Items							
Premium on Issuance of Temporary Note					71,852	-	71,852
<b>Total General Revenues and Special Items</b>					<b>33,898,875</b>	<b>2,092</b>	<b>33,900,967</b>
<b>Change in Net Position</b>					<b>6,687,479</b>	<b>4,858</b>	<b>6,692,337</b>
<b>Net Position, Beginning of Year</b>					<b>17,015,898</b>	<b>49,867</b>	<b>17,065,765</b>
<b>Net Position, End of Year</b>					<b>\$ 23,703,377</b>	<b>\$ 54,725</b>	<b>\$ 23,758,102</b>

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

**FUND FINANCIAL STATEMENTS**

**CRESSKILL BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF JUNE 30, 2025**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 8,490,076	\$ 382,747	\$ 10,549,777	\$ 14,919	\$ 19,437,519
Receivables, Net					
Intergovernmental	79,291	139,423	44,510		263,224
Due from Other Funds	<u>19,260</u>	<u>-</u>	<u>1,053,413</u>	<u>-</u>	<u>1,072,673</u>
Total Assets	<u>\$ 8,588,627</u>	<u>\$ 522,170</u>	<u>\$ 11,647,700</u>	<u>\$ 14,919</u>	<u>\$ 20,773,416</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 999,815	\$ 14,970	\$ 29,228		\$ 1,044,013
Due to Other Funds	1,053,413	19,260			1,072,673
Temporary Note Payable			9,247,382		9,247,382
Payable to Other Governments	8,243				8,243
Payroll Deductions and Withholdings Payable	193,451				193,451
Unearned Revenue	<u>-</u>	<u>105,193</u>	<u>-</u>	<u>-</u>	<u>105,193</u>
Total Liabilities	<u>2,254,922</u>	<u>139,423</u>	<u>9,276,610</u>	<u>-</u>	<u>11,670,955</u>
Fund Balances					
Restricted Fund Balance					
Capital Reserve	2,587,733				2,587,733
Maintenance Reserve	602,560				602,560
Maintenance Reserve - Designated for					
Subsequent Year's Expenditures (2025/2026 Budget)	143,595				143,595
Excess Surplus (2026/27 Budget)	1,556,340				1,556,340
Excess Surplus- Designated for					
Subsequent Year's Expenditures (2025/2026 Budget)	1,185,202				1,185,202
Unemployment Compensation Reserve	108,347				108,347
Scholarships		77,295			77,295
Student Activities		305,452			305,452
Capital Projects			2,371,090		2,371,090
Debt Service				14,919	14,919
Assigned Fund Balance					
Year End Encumbrances	57,677				57,677
Unassigned Fund Balance	<u>92,251</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,251</u>
Total Fund Balances	<u>6,333,705</u>	<u>382,747</u>	<u>2,371,090</u>	<u>14,919</u>	<u>9,102,461</u>
Total Liabilities and Fund Balances	<u>\$ 8,588,627</u>	<u>\$ 522,170</u>	<u>\$ 11,647,700</u>	<u>\$ 14,919</u>	<u>\$ 20,773,416</u>

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

CRESSKILL BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF JUNE 30, 2025

**Total Fund Balance (Exhibit B-1)** \$ 9,102,461

**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 \$62,369,772 and the accumulated depreciation is \$19,393,815. 42,975,957

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 98,918

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

	Deferred Outflows of Resources	\$ 163,729	
	Deferred Inflow of Resources	<u>(673,147)</u>	
			(509,418)

The District has financed capital assets through the issuance of bonds and long-term lease obligations. The interest accrual at year end is: (307,887)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.

	Bonds Payable (Including Unamortized Premium)	(21,534,825)	
	Leases Payable	(904,958)	
	Capital Financing Agreements Payable	(180,219)	
	Compensated Absences Payable	(1,283,963)	
	Net Pension Liability	<u>(3,752,689)</u>	
			<u>(27,656,654)</u>

**Net Position of Governmental Activities (Exhibit A-1)** \$ 23,703,377

**CRESSKILL BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Local Sources					
Property Tax Levy	\$ 30,730,690			\$ 2,070,662	\$ 32,801,352
Tuition and Related Services Fees	1,671,096				1,671,096
Rentals	22,555				22,555
Interest and Investment Income	341,682		\$ 258,332		600,014
Miscellaneous	<u>161,857</u>	<u>\$ 542,801</u>	<u>-</u>	<u>-</u>	<u>704,658</u>
Total - Local Sources	32,927,880	542,801	258,332	2,070,662	35,799,675
State Sources	11,746,970	72,214	44,510	413,756	12,277,450
Federal Sources	<u>-</u>	<u>909,268</u>	<u>4,978,561</u>	<u>-</u>	<u>5,887,829</u>
Total Revenues	<u>44,674,850</u>	<u>1,524,283</u>	<u>5,281,403</u>	<u>2,484,418</u>	<u>53,964,954</u>
<b>EXPENDITURES</b>					
Current					
Instruction					
Regular Instruction	19,567,923	390,330			19,958,253
Special Education Instruction	9,045,209	374,119			9,419,328
Other Instruction	1,511,134				1,511,134
School-Sponsored Activities and Athletics	801,820	386,388			1,188,208
Support Services					
Student and Instruction Related Services	4,425,152	241,041			4,666,193
General Administration Services	721,163				721,163
School Administration Services	2,756,257				2,756,257
Central Services and Admin Info. Tech.	1,286,036				1,286,036
Plant Operations and Maintenance	3,123,111				3,123,111
Pupil Transportation	648,377				648,377
Debt Service					
Principal	59,100			1,505,000	1,564,100
Interest	28,690			855,510	884,200
Capital Outlay	<u>227,309</u>	<u>90,585</u>	<u>250,096</u>	<u>-</u>	<u>567,990</u>
Total Expenditures	<u>44,201,281</u>	<u>1,482,463</u>	<u>250,096</u>	<u>2,360,510</u>	<u>48,294,350</u>
Excess of Revenues Over Expenditures	<u>473,569</u>	<u>41,820</u>	<u>5,031,307</u>	<u>123,908</u>	<u>5,670,604</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Capital Financing Agreement Proceeds	182,110				182,110
Premium on Issuance of Temporary Note			71,852		71,852
Transfers In	454,093		2,382,700		2,836,793
Transfers Out	<u>(2,382,700)</u>	<u>-</u>	<u>(330,184)</u>	<u>(123,909)</u>	<u>(2,836,793)</u>
Total Other Financing Sources and Uses	<u>(1,746,497)</u>	<u>-</u>	<u>2,124,368</u>	<u>(123,909)</u>	<u>253,962</u>
Net Change in Fund Balances	(1,272,928)	41,820	7,155,675	(1)	5,924,566
Fund Balance (Deficit), Beginning of Year	<u>7,606,633</u>	<u>340,927</u>	<u>(4,784,585)</u>	<u>14,920</u>	<u>3,177,895</u>
Fund Balance, End of Year	<u>\$ 6,333,705</u>	<u>\$ 382,747</u>	<u>\$ 2,371,090</u>	<u>\$ 14,919</u>	<u>\$ 9,102,461</u>

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

**CRESSKILL BOARD OF EDUCATION  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2)** **\$ 5,924,566**

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

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

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

Capital outlays	\$ 567,990	
Depreciation expense	<u>(1,637,787)</u>	(1,069,797)

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

Debt Issued		
Capital Financing Agreement Issued		(182,110)
Principal Payments		
Repayment of Bond Principal	1,505,000	
Repayment of Lease Principal	29,448	
Repayment of Capital Financing Principal	<u>29,652</u>	1,564,100

Governmental Funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Amortization of Deferred Amount on Refunding of Debt	(41,854)	
Amortization of Original Issuance Premium	<u>10,765</u>	(31,089)

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

Decrease in Accrued Interest		74,944
------------------------------	--	--------

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

Net Decrease in Compensated Absences	25,653	
Decrease in Net Pension Expense	<u>381,212</u>	<u>406,865</u>

**Change in Net Position of Governmental Activities (Exhibit A-2)** **\$ 6,687,479**

**CRESSKILL BOARD OF EDUCATION  
 PROPRIETARY FUND  
 STATEMENT OF NET POSITION  
 AS OF JUNE 30, 2025**

	<u>Business-Type Activities</u>		
	<u>Enterprise Funds</u>		
	<u>Food Service</u>	<u>Other Non-Major</u>	<u>Total</u>
	<u>Fund</u>	<u>1:1 Initiative Fund</u>	
<b>ASSETS</b>			
Current Assets			
Cash	\$ 57,053	\$ 833	\$ 57,886
Other Accounts Receivable	2,877		2,877
Inventories	4,152	-	4,152
	<hr/>	<hr/>	<hr/>
Total Current Assets	64,082	833	64,915
Capital Assets			
Building Improvements	14,800		14,800
Furniture, Machinery and Equipment	153,571		153,571
Less: Accumulated Depreciation	(158,028)	-	(158,028)
	<hr/>	<hr/>	<hr/>
Total Capital Assets, Net	10,343	-	10,343
	<hr/>	<hr/>	<hr/>
Total Assets	74,425	833	75,258
	<hr/>	<hr/>	<hr/>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	8,198		8,198
Unearned Revenue	12,335	-	12,335
	<hr/>	<hr/>	<hr/>
Total Current Liabilities	20,533	-	20,533
	<hr/>	<hr/>	<hr/>
<b>NET POSITION</b>			
Investment in Capital Assets	10,343	-	10,343
Unrestricted	43,549	833	44,382
	<hr/>	<hr/>	<hr/>
Total Net Position	\$ 53,892	\$ 833	\$ 54,725
	<hr/>	<hr/>	<hr/>

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

**CRESSKILL BOARD OF EDUCATION  
 PROPRIETARY FUND  
 STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Business-Type Activities</u>		<u>Total</u>
	<u>Food Service Fund</u>	<u>Other Non-Major 1:1 Initiative Fund</u>	
<b>OPERATING REVENUES</b>			
Charges for Services			
Daily Sales	\$ 356,494		\$ 356,494
Other Fees	-	\$ 1,623	1,623
	<hr/>	<hr/>	<hr/>
Total Operating Revenues	356,494	1,623	358,117
<b>OPERATING EXPENSES</b>			
Salaries and Benefits	144,806		144,806
Cost of Sales	136,876		136,876
Management Fee	22,823		22,823
Other Purchased Services	26,896		26,896
Materials and Supplies	12,391	7,554	19,945
Miscellaneous Expenses	272		272
Depreciation	3,733	-	3,733
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	347,797	7,554	355,351
Operating Income	<hr/>	<hr/>	<hr/>
	8,697	(5,931)	2,766
<b>NONOPERATING REVENUES</b>			
Interest	<hr/>	<hr/>	<hr/>
	2,092	-	2,092
Total Nonoperating Revenues	<hr/>	<hr/>	<hr/>
	2,092	-	2,092
Change in Net Position	10,789	(5,931)	4,858
Total Net Position - Beginning of Year	<hr/>	<hr/>	<hr/>
	43,103	6,764	49,867
Total Net Position - End of Year	<hr/>	<hr/>	<hr/>
	\$ 53,892	\$ 833	\$ 54,725

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

**CRESSKILL BOARD OF EDUCATION  
 PROPRIETARY FUND  
 STATEMENT OF CASH FLOWS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Business-Type Activities</u>		
	<u>Enterprise Funds</u>		
	<u>Food Service</u>	<u>Other Non-Major</u>	
	<u>Fund</u>	<u>1:1 Initiative Fund</u>	<u>Total</u>
<b>Cash Flows from Operating Activities</b>			
Cash Received from Customers	\$ 356,520	\$ 1,623	\$ 358,143
Cash Payments for Salaries and Benefits	(144,806)		(144,806)
Cash Payments to Suppliers for Goods and Services	(198,235)	(7,554)	(205,789)
	<u>13,479</u>	<u>(5,931)</u>	<u>7,548</u>
Net Cash Provided by Operating Activities			
<b>Cash Flows from Investing Activities</b>			
Interest on Investments	<u>2,092</u>	<u>-</u>	<u>2,092</u>
Net Cash Provided by Investing Activities	<u>2,092</u>	<u>-</u>	<u>2,092</u>
Net Increase in Cash and Cash Equivalents	15,571	(5,931)	9,640
Cash and Cash Equivalents, Beginning of Year	<u>41,482</u>	<u>6,764</u>	<u>48,246</u>
Cash and Cash Equivalents, End of Year	<u>\$ 57,053</u>	<u>\$ 833</u>	<u>\$ 57,886</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>			
Operating Income	\$ 8,697	\$ (5,931)	\$ 2,766
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Depreciation	3,733		3,733
Change in Assets and Liabilities			
(Increase)/Decrease in Inventories	676		676
(Increase)/Decrease in Other Accounts Receivable	(1,655)		(1,655)
Increase/(Decrease) in Accounts Payable	347		347
Increase/(Decrease) in Unearned Revenue	1,681	-	1,681
	<u>4,782</u>	<u>-</u>	<u>4,782</u>
Total Adjustments			
Net Cash Provided by Operating Activities	<u>\$ 13,479</u>	<u>\$ (5,931)</u>	<u>\$ 7,548</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Cresskill 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 Cresskill 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 2025, the District adopted the following GASB statements:

- GASB Statement No. 101, *Compensated Absences*, was 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.
- GASB Statement No. 102, *Certain Risk Disclosures*, was 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.

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. New Accounting Standards (Continued)**

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

- 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.
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*, will be effective beginning with the fiscal year ending June 30, 2026. The objective of this Statement is to provide user of governmental financial statements with essential information about certain types of capital assets. The requirements of this Statement will improve financial reporting by provided users of the financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments.

**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.

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation - Financial Statements (Continued)**

**District-Wide Financial Statements (Continued)**

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.

**Fund Financial Statements**

Separate fund financial statements are provided for governmental and proprietary 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 the 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 *1:1 initiative fund* accounts for the activities of the District's 1:1 initiative which provides for the maintenance repair of student laptops.

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.

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting**

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end. 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.

**Use of Estimates**

The preparation of financial statements requires management of the District to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of accrued revenues and expenses/expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

**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.

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**3. Inventories**

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

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

**4. Capital Assets**

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

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

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

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

**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 two items which arise only under the accrual basis of accounting that qualify for reporting in this category. One item is the deferred amount on refunding of debt which results from a debt refunding reported in the district-wide statement of net position. Deferred amounts on debt refunding result from the difference on the transaction when the debt's reacquisition price is greater than the carrying value of the refunded debt. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**5. *Deferred Outflows/Inflows of Resources (Continued)***

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

**6. *Compensated Absences***

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

**7. *Pensions***

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

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

**8. *Leases Payable***

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

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

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

***9. Financing Agreements***

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

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

***10. Long-Term Obligations***

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

In the governmental 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.

***11. Net Position/Fund Balance***

**District-Wide Statements**

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

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

**Governmental Fund Statements**

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

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**11. Net Position/Fund Balance (Continued)**

**Governmental Fund Statements (Continued)**

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

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

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

Maintenance Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of maintenance reserve fund balance appropriated in the 2025/2026 original budget certified for taxes.

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2025 audited excess surplus that is required to be appropriated in the 2026/2027 original budget certified for taxes.

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

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

Scholarships – 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.

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

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

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

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

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

***11. Net Position/Fund Balance (Continued)***

**Governmental Fund Statements (Continued)**

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

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

***12. Fund Balance Policies***

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

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

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

**F. Revenues and Expenditures/Expenses**

***1. Program Revenues***

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

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Revenues and Expenditures/Expenses (Continued)**

**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 1<sup>st</sup> 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 2023-2024 and 2024-2025 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

**4. *On-Behalf Payments***

Revenues and expenditures of the general funds 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, including on-behalf payments for post-retirement medical contributions for District employees enrolled in the Public Employees Retirement System (PERS).

Revenues and expenses of governmental activities and business-type activities funds 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, including the on-behalf actuarial determined post-retirement medical benefit amounts attributable to the District for District employees enrolled in the PERS retirement system.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the food service and 1:1 initiative enterprise funds are charges to customers for sales and services and user fees. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

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

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

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required. Effective for the 2025/2026 school year budget, voter approval is not required for budgets that meet levy cap requirements regardless of when the school board member elections are held.

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 2024/2025. Also, during 2024/2025 the Board increased the original budget of the general fund by \$1,927,498 and the special revenue fund by \$471,122. The increases were funded by grant awards, extraordinary aid, capital reserve and the reappropriation of prior year general fund encumbrances.

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

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

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**B. Capital Reserve**

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

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

The activity of the capital reserve for the fiscal year ended June 30, 2025 is as follows:

Balance, July 1, 2024		\$ 3,943,906
Increased by		
Interest Earnings	\$ 26,527	
Deposits Approved by Board Resolution	<u>1,000,000</u>	
Total Increases		<u>1,026,527</u>
		4,970,433
Decreased by:		
Withdrawals Approved in District Budget	1,000,000	
Withdrawals Approved by Board Resolution	<u>1,382,700</u>	
		<u>2,382,700</u>
Balance, June 30, 2025		<u>\$ 2,587,733</u>

The June 30, 2025 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be \$5,619,000.

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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, 2025 is as follows:

Balance, July 1, 2024	\$ 829,555
Decreased by:	
Withdrawals Approved by District Budget	<u>83,400</u>
Balance, June 30, 2025	<u>\$ 746,155</u>

The June 30, 2025 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$1,450,970. \$143,595 of the maintenance reserve balance at June 30, 2025 was designated and appropriated for use in the 2025/2026 original budget certified for taxes.

**E. Calculation of Excess Surplus**

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2025 is \$2,741,542. Of this amount, \$1,185,202 was designated and appropriated in the 2025/2026 original budget certified for taxes and the remaining amount of \$1,556,340 is required to be appropriated in the 2026/2027 original budget certified for taxes.

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits and Investments**

**Cash Deposits**

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

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash Deposits and Investments (Continued)**

**Cash Deposits (Continued)**

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2025, the book value of the Board's deposits was \$19,495,405 and bank and brokerage firm balances of the Board's deposits amounted to \$20,257,149. The Board's deposits which are displayed on the various fund balance sheets as "cash" or "cash and cash equivalents" are categorized as:

**Depository Account**

Insured	\$ 19,915,380
Uninsured and Collateralized	<u>341,769</u>
	<u>\$ 20,257,149</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, 2025 the Board's bank balance of \$341,769 was exposed to custodial credit risk as follows:

**Depository Account**

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department but not in the Board's name	<u>\$ 341,769</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, 2025, the Board had no outstanding investments.

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

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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.

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

**B. Receivables**

Receivables as of June 30, 2025 for the District’s individual major funds are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Food Service</u>	<u>Total</u>
Receivables:					
Accounts				\$ 2,877	\$ 2,877
Intergovernmental					
Federal		\$ 139,423			139,423
State			\$ 44,510		44,510
Local	\$ 79,291	-	-	-	79,291
	<u>\$ 79,291</u>	<u>\$ 139,423</u>	<u>\$ 44,510</u>	<u>\$ 2,877</u>	<u>\$ 266,101</u>
Total Receivables	<u>\$ 79,291</u>	<u>\$ 139,423</u>	<u>\$ 44,510</u>	<u>\$ 2,877</u>	<u>\$ 266,101</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:

	<u>Total</u>
Special Revenue Fund	
Grant Draw Downs for Year-End Encumbrances	\$ 31,354
Unencumbered Grant Draw Downs	<u>73,839</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 105,193</u>

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2025 was as follows:

	Balance, July 1, 2024	Increases	Adjustments/ Decreases	Balance, June 30, 2025
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,286,701			\$ 1,286,701
Construction in Progress	<u>17,471,676</u>	<u>\$ 250,096</u>	<u>\$ (2,877,814)</u>	<u>14,843,958</u>
Total Capital Assets, Not Being Depreciated	<u>18,758,377</u>	<u>250,096</u>	<u>(2,877,814)</u>	<u>16,130,659</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	38,909,386		2,877,814	41,787,200
Right-to-Use Leased Buildings	1,070,000			1,070,000
Improvements Other Than Buildings	988,641	45,500		1,034,141
Machinery and Equipment	<u>2,225,838</u>	<u>272,394</u>	<u>(150,460)</u>	<u>2,347,772</u>
Total Capital Assets Being Depreciated	<u>43,193,865</u>	<u>317,894</u>	<u>2,727,354</u>	<u>46,239,113</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(14,859,981)	(1,351,182)	-	(16,211,163)
Right-to-Use Leased Buildings	(249,669)	(35,667)		(285,336)
Improvements Other Than Buildings	(720,217)	(27,222)		(747,439)
Machinery and Equipment	<u>(2,076,621)</u>	<u>(223,716)</u>	<u>150,460</u>	<u>(2,149,877)</u>
Total Accumulated Depreciation	<u>(17,906,488)</u>	<u>(1,637,787)</u>	<u>150,460</u>	<u>(19,393,815)</u>
Total Capital Assets, Being Depreciated, Net	<u>25,287,377</u>	<u>(1,319,893)</u>	<u>-</u>	<u>26,845,298</u>
Governmental Activities Capital Assets, Net	<u>\$ 44,045,754</u>	<u>\$ (1,069,797)</u>	<u>\$ -</u>	<u>\$ 42,975,957</u>

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets (Continued)**

	Balance, <u>July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2025</u>
<b>Business-Type Activities:</b>				
Capital Assets, Being Depreciated:				
Building Improvements	\$ 14,800			\$ 14,800
Machinery and Equipment	159,801	-	\$ (6,230)	153,571
Total Capital Assets Being Depreciated	<u>174,601</u>	<u>-</u>	<u>(6,230)</u>	<u>168,371</u>
Less Accumulated Depreciation for:				
Building Improvements	(4,770)	\$ (470)		(5,240)
Machinery and Equipment	(155,755)	(3,263)	6,230	(152,788)
Total Accumulated Depreciation	<u>(160,525)</u>	<u>(3,733)</u>	<u>6,230</u>	<u>(158,028)</u>
Total Capital Assets, Being Depreciated, Net	<u>14,076</u>	<u>(3,733)</u>	<u>(12,460)</u>	<u>10,343</u>
Business-Type Activities Capital Assets, Net	<u>\$ 14,076</u>	<u>\$ (3,733)</u>	<u>\$ 6,230</u>	<u>\$ 10,343</u>

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

**Governmental activities:**

Instruction	
Regular	\$ 52,341
Total Instruction	<u>52,341</u>

Support Services

Student and Instruction Related Services	3,637
School Administration Services	5,070
Plant Operations and Maintenance	1,576,739
Total Support Services	<u>1,585,446</u>

Total Depreciation Expense - Governmental Activities	<u>\$ 1,637,787</u>
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**Business-Type Activities:**

Food Service Fund	\$ 3,733
Total Depreciation Expense-Business-Type Activities	<u>\$ 3,733</u>

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets (Continued)**

**Asset Impairment and Insurance Proceeds**

**Hurricane Ida**

On September 1, 2021 Hurricane Ida arrived in New Jersey and resulted in severe damage in numerous communities and a federal disaster was declared throughout the State. The District has incurred significant costs in the clean up and recovery from this federal disaster. In addition there was severe damage to the middle/high school that materially impaired the value of the middle/high school. The Federal Emergency Management Agency (“FEMA”) provides emergency grant assistance (voluntary nonexchange transaction) to help government’s cope with losses. Although the District has and will apply for reimbursement from FEMA, the total amount to be received in conjunction with this event is not considered to be measurable with sufficient reliability and therefore has not been recognized in the financial statements as of June 30, 2025. As of June 30, 2025, the District has received a total of \$11,979,379 in FEMA reimbursements relating to Hurricane Ida which have been reflected in the financial statements.

**Storm Damage – Impairment Losses**

The recording of the asset impairment to hurricane damaged assets was determined in accordance with GASB No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Proceeds*. The impairment was reflected in the financial statements for the year ended June 30, 2022, the year of occurrence. The impairments to the District’s assets is summarized as follows:

Buildings and Improvements Impairment	<u>\$ 8,585,658</u>
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**Insurance Proceeds**

The District had insurance policies in effect at the time of the hurricane for comprehensive property damage, casualty, business interruption and other coverages. As of June 30, 2025, the insurers have remitted \$2,085,196. These funds have been utilized by the District for the cleanup of damages caused by the hurricane.

**E. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2025, is as follows:

**Due To/From Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 19,260
Capital Projects Fund	General Fund	<u>1,053,413</u>
Total		<u>\$ 1,072,673</u>

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

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

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**E. Interfund Receivables, Payables, and Transfers (Continued)**

**Interfund Transfers**

	Transfer In:		Total
	General Fund	Capital Projects Fund	
Transfer Out:			
General Fund		\$ 2,382,700	\$ 2,382,700
Capital Projects Fund	\$ 330,184		330,184
Debt Service Fund	123,909	-	123,909
	<u>\$ 454,093</u>	<u>\$ 2,382,700</u>	<u>\$ 2,836,793</u>

The above transfers are the result of revenues earned in one fund to finance expenditures in another fund.

**F. Leases Payable**

On April 19, 2017, the District entered into a 30 year lease agreement as lessee for the use of property owned by the Borough of Cresskill. The leased premises will be used and occupied for school purposes by the District. An initial lease liability was recorded in the amount in \$1,070,000. The lease has an interest rate of 2.81%. The District is required to make annual payments of \$55,714 in years 3 through 30. Payments for years 1 and 2 were deferred. As of June 30, 2025 the value of the lease liability was \$904,958. The building has a 50 year estimated useful life but is being depreciated on a 30 year straight line method to coincide with the lease term. The value of the right -to-use asset as of June 30, 2025 is \$1,070,000 and had accumulated depreciation of \$285,336.

The future principal and interest lease payments as of June 30, 2025 were as follows:

**Governmental Activities:**

<u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 30,276	\$ 25,438	\$ 55,714
2027	31,127	24,587	55,714
2028	32,002	23,712	55,714
2029	32,901	22,813	55,714
2030	33,826	21,888	55,714
2031-2035	183,939	94,631	278,570
2036-2040	211,287	67,283	278,570
2041-2045	242,700	35,870	278,570
2046-2047	106,900	4,528	111,428
	<u>\$ 904,958</u>	<u>\$ 320,750</u>	<u>\$ 1,225,708</u>
Total	<u>\$ 904,958</u>	<u>\$ 320,750</u>	<u>\$ 1,225,708</u>

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**G. Financing Agreements**

**Capital Financing Agreements**

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

Capital financing agreements at June 30, 2025 are comprised of the following:

\$35,205, fiscal year 2021 Agreement for the acquisition of copiers for a term of 5 years due in annual principal installments of \$3,345 through November 28, 2025 interest at 3.60%	\$ 3,345
\$182,110, fiscal year 2025 Agreement for the acquisition of copiers for a term of 5 years due in annual principal installments of \$32,533 to \$38,908 through April 20, 2030 interest at 3.50%	<u>176,874</u>
Total	<u>\$ 180,219</u>

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

**Governmental Activities:**

<u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 35,878	\$ 9,745	\$ 45,623
2027	34,533	7,695	42,228
2028	36,655	5,573	42,228
2029	38,908	3,320	42,228
2030	<u>34,245</u>	<u>946</u>	<u>35,191</u>
Total	<u>\$ 180,219</u>	<u>\$ 27,279</u>	<u>\$ 207,498</u>

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**H. Long-Term Debt**

**General Obligation Bonds**

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

Bonds payable at June 30, 2025 are comprised of the following issues:

\$6,700,000, 2013 Bonds, due in annual installments of \$890,000 to \$1,040,000 through February 1, 2031, interest at 2.0% to 3.0%	\$5,920,000
\$12,446,000, 2018 Bonds, due in annual installments of \$350,000 to \$700,000 through February 1, 2043 interest at 3.0% to 3.5%	10,346,000
\$5,415,000, 2023 Bonds, due in annual installments of \$175,000 to \$300,000 through February 1, 2043 interest at 3.40% to 4.00%	<u>5,265,000</u>
Total	<u>\$21,531,000</u>

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>	
2026	\$ 1,565,000	\$ 738,928	\$ 2,303,928
2027	1,660,000	693,513	2,353,513
2028	1,655,000	643,508	2,298,508
2029	1,640,000	592,495	2,232,495
2030	1,625,000	540,525	2,165,525
2031-2035	5,440,000	2,027,040	7,467,040
2035-2039	4,975,000	1,107,800	6,082,800
2040-2043	<u>2,971,000</u>	<u>220,455</u>	<u>3,191,455</u>
Total	<u>\$ 21,531,000</u>	<u>\$ 6,564,264</u>	<u>\$ 28,095,264</u>

**Statutory Borrowing Power**

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2025 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 122,342,956
Less: Net Debt Issued and Authorized But Not Issued	<u>35,047,203</u>
Remaining Borrowing Power	<u>\$ 87,295,753</u>

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**I. Other Long-Term Liabilities**

**Changes in Long-Term Liabilities**

Long-term liability activity for the fiscal year ended June 30, 2025, was as follows:

	Balance			Balance	Due
	<u>July 1, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2025</u>	<u>Within</u>
					<u>One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable	\$ 23,036,000		\$ 1,505,000	\$ 21,531,000	\$ 1,565,000
Add:					
Unamortized Premiums	<u>14,590</u>	<u>-</u>	<u>10,765</u>	<u>3,825</u>	<u>1,210</u>
Bonds Payable, Net	23,050,590	-	1,515,765	21,534,825	1,566,210
Leases Payable	934,406		29,448	904,958	30,276
Capital Financing Agreements	27,761	\$ 182,110	29,652	180,219	35,878
Compensated Absences	1,309,616	37,397	63,050	1,283,963	81,225
Net Pension Liability	<u>4,529,404</u>	<u>-</u>	<u>776,715</u>	<u>3,752,689</u>	<u>-</u>
Governmental Activities					
Long-Term Liabilities	<u>\$ 29,851,777</u>	<u>\$ 219,507</u>	<u>\$ 2,414,630</u>	<u>\$ 27,656,654</u>	<u>\$ 1,713,589</u>

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

**J. Short-Term Debt**

The Board's short-term activity for the fiscal year ended June 30, 2025 was as follows:

**Temporary Notes**

The Board issues Temporary Notes to interim finance Capital Projects. The Board's short-term debt activity for the fiscal year ended June 30, 2025 was as follows:

Purpose	Rate	Maturity	Balance,			Balance,
	%	Date	July 1, 2024	Additions	Reductions	June 30, 2025
School Facilities Improvements	4.50%	7/17/2025		\$ 9,247,382		\$ 9,247,382
School Facilities Improvements	3.99%	7/19/2024	\$ 9,585,000	-	\$ 9,585,000	-
			<u>\$ 9,585,000</u>	<u>\$ 9,247,382</u>	<u>\$ 9,585,000</u>	<u>\$ 9,247,382</u>

State law requires that temporary notes issued for capital purposes be converted to long-term obligations within five years after the original issue date; provided however that notes are not renewed beyond the third anniversary date of the originals unless an amount of such notes equal to the first legally payable installment of the bonds in anticipation of which such notes were issued in anticipation of are paid and retired in each subsequent year.

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION**

**A. Risk Management**

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

The District is a member of the Northeast Bergen County School Board Insurance Group (NESBIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims. NESBIG also provides insured coverage (multi-peril) to its member school districts.

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

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

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

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

Fiscal Year Ended June 30,	District Contributions	Employee Contributions	Interest Earnings	Amount Reimbursed	Ending Balance
2025	NONE	\$ 36,709	\$ 7,751	\$ 21,378	\$ 108,347
2024	NONE	38,968	6,450	20,544	100,595
2023	NONE	29,013	3,403	21,976	94,146

**B. Contingent Liabilities**

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

**Federal and State Awards** – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2025, 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.

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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, 2025 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.nj.gov/treasury/pensions/annual-reports](http://www.nj.gov/treasury/pensions/annual-reports).

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:

<b>Tier</b>	<b>Definition</b>
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 1/55<sup>th</sup> of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> 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.

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Plan Descriptions and Benefits Provided (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.nj.gov/treasury/pensions/annual-reports](http://www.nj.gov/treasury/pensions/annual-reports).

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:

<b>Tier</b>	<b>Definition</b>
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 1/55<sup>th</sup> of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> 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.

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Plan Descriptions and Benefits Provided (Continued)**

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

**Other Pension Funds**

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

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

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

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

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Plan Descriptions and Benefits Provided (Continued)**

**Measurement Focus and Basis of Accounting (Continued)**

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.nj.gov/treasury/doinvest](http://www.nj.gov/treasury/doinvest).

**Collective Net Pension Liability**

The collective net pension liability of the participating employers for local PERS at June 30, 2024 is \$13.7 billion and the plan fiduciary net position as a percentage of the total pension liability is 68.22%. The collective net pension liability of the State funded TPAF at June 30, 2024 is \$49.5 billion and the plan fiduciary net position as a percentage of total pension liability is 37.99%.

The total pension liabilities for the June 30, 2024 measurement date were determined based on actuarial valuations as of July 1, 2023 which were rolled forward to June 30, 2024.

**Actuarial Methods and Assumptions**

In the July 1, 2023 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.

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Plan Descriptions and Benefits Provided (Continued)**

**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 2025.

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, 2025 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 2025, 2024 and 2023 were equal to the required contributions.

During the fiscal years ended June 30, 2025, 2024 and 2023 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>
2025	\$ 375,802	\$ 5,917,221	\$ 62,645
2024	417,946	6,272,972	54,695
2023	390,616	5,935,600	7,670

In addition for fiscal years 2025, 2024 and 2023 the State contributed \$2,192, \$2,193 and \$2,114, 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 \$1,313,088 during the fiscal year ended June 30, 2025 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.

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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**

**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, 2023 through June 30, 2024. 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/(benefit) 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, 2024 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2024.

At June 30, 2025, the District reported in the statement of net position (accrual basis) a liability of \$3,752,689 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. 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, 2024. At June 30, 2024, the District's proportionate share was .02762 percent, which was a decrease of .00365 percent from its proportionate share measured as of June 30, 2023 of 0.03127 percent.

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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, 2025, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$5,410 for PERS. The pension contribution made by the District during the current 2024/2025 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, 2025 with a measurement date of the prior fiscal year end of June 30, 2024. 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, 2025 for contributions made subsequent to the measurement date. At June 30, 2025, 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	\$ 75,173	\$ 9,991
Changes of Assumptions	4,662	42,697
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		174,002
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>83,894</u>	<u>446,457</u>
Total	<u>\$ 163,729</u>	<u>\$ 673,147</u>

At June 30, 2025, 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>
2024	\$ (369,505)
2025	(65,638)
2026	(258,342)
2027	(188,523)
2028	372,590
Thereafter	<u>-</u>
	<u>\$ (509,418)</u>

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. 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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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, 2024) 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, 2024 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%	7.10%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Investment Grade Credit	7.00%	5.37%
US Equity	28.00%	8.63%
Non-US Developed Markets Equity	12.75%	8.85%
Emerging Markets Equity	5.50%	10.66%
High Yield	4.50%	6.74%
Real Assets	3.00%	8.20%
Private Credit	8.00%	8.90%
Real Estate	8.00%	10.95%
Private Equity	13.00%	12.40%
International Small Cap Equity	1.25%	8.85%

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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, 2024. 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 as of the June 30, 2024 measurement date calculated using the discount rate of 7.00 percent, 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:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 4,986,401</u>	<u>\$ 3,752,689</u>	<u>\$ 2,702,807</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, 2024. A sensitivity analysis specific to the District's net pension liability at June 30, 2024 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.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions).

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
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**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, 2023 through June 30, 2024. Non-employer allocation percentages have been rounded for presentation purposes.

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

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

For the fiscal year ended June 30, 2025, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$262,414 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, 2025 the State's proportionate share of the net pension liability attributable to the District is \$71,936,706. The net pension liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. 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, 2024. At June 30, 2024, the State's share of the net pension liability attributable to the District was 0.14555 percent, which was an increase of 0.00234 percent from its proportionate share measured as of June 30, 2023 of .14321 percent.

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
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**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, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

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

***Mortality Rates***

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

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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, 2024) 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, 2024 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%	7.10%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Investment Grade Credit	7.00%	5.37%
US Equity	28.00%	8.63%
Non-US Developed Markets Equity	12.75%	8.85%
Emerging Markets Equity	5.50%	10.66%
High Yield	4.50%	6.74%
Real Assets	3.00%	8.20%
Private Credit	8.00%	8.90%
Real Estate	8.00%	10.95%
Private Equity	13.00%	12.40%
International Small Cap Equity	1.25%	8.85%

***Discount Rate***

The discount rate used to measure the total pension liability for TPAF was 7.00% as of June 30, 2024. 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.

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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 as of the June 30, 2024 measurement date 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%) or 1-percentage-point higher (8.00%) than the current rate:

	<b>1% Decrease <u>(6.00%)</u></b>	<b>Current Discount Rate <u>(7.00%)</u></b>	<b>1% Increase <u>(8.00%)</u></b>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 85,506,959</u>	<u>\$ 71,936,706</u>	<u>\$ 60,507,988</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, 2024. A sensitivity analysis specific to the State’s proportionate share of the net pension liability attributable to the District at June 30, 2024 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.nj.gov/treasury/pensions](http://www.nj.gov/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, 2024. 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.

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

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

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

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

**Plan Membership**

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2023:

Active Plan Members	219,185
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>153,556</u>
Total	<u>372,741</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, 2024 is \$59.7 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, 2024 were determined based on actuarial valuations as of July 1, 2023 which were rolled forward to June 30, 2024.

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**Actuarial Methods and Assumptions**

In the June 30, 2024 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 \$1.50 billion to the OPEB plan in fiscal year 2024.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2025, 2024 and 2023 were \$1,729,017, \$1,707,273 and \$1,559,268, 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, 2023 through June 30, 2024. 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, 2025, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$2,900,689. 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, 2025 the State's proportionate share of the OPEB liability attributable to the District is \$62,526,074. The State's proportionate share of the OPEB liability attributable to the District was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. 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, 2024 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2024. At June 30, 2024, the state's share of the OPEB liability attributable to the District was .11941 percent, which was an increase of .01005 percent from its proportionate share measured as of June 30, 2023 of .10936 percent.

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>PERS</u>	<u>TPAF</u>
Salary Increases	2.75% to 6.55%	2.75% to 5.65%
	Based on Years of Service	Based on Years of Service

**Mortality Rates**

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

The actuarial assumptions used in the July 1, 2023 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 7.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is, increasing to 19.36% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For HMO the trend is, increasing to 22.88% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.25% and decreases to a 4.50% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**CRESSKILL BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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, 2024 was 3.93%. 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, 2025 (measurement date June 30, 2024) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2023 Measurement Date	\$ <u>55,387,734</u>
Changes Recognized for the Fiscal Year:	
Service Cost	2,456,158
Interest on the Total OPEB Liability	2,058,210
Differences Between Expected and Actual Experience	(535,745)
Changes of Assumptions	4,677,782
Gross Benefit Payments	(1,571,888)
Contributions from the Member	53,823
Net Changes	\$ <u>7,138,340</u>
Balance, June 30, 2024 Measurement Date	\$ <u><u>62,526,074</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.65% in 2023 to 3.93% in 2024.

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, 2024.

**CRESSKILL 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 as of the June 30, 2024 measurement date calculated using the discount rate of 3.93%, 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 (2.93%) or 1-percentage-point higher (4.93%) than the current rate:

	<b>1% Decrease <u>(2.93%)</u></b>	<b>Current Discount Rate <u>(3.93%)</u></b>	<b>1% Increase <u>(4.93%)</u></b>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>73,231,424</u>	\$ <u>62,526,074</u>	\$ <u>53,916,751</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 as of the June 30, 2024 measurement date calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>52,084,675</u>	\$ <u>62,526,074</u>	\$ <u>76,126,685</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2024. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2024 were not provided by the pension system.

**F. Tax Abatements**

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

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

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 5 SUBSEQUENT EVENT**

**Project Notes**

On July 16, 2025 the District issued \$5,097,064 of project notes to temporarily finance expenditures related to the 2022 referendum as a result of Hurricane Ida. The District awarded the sale of said notes to TD Securities, LLC, at an interest rate of 3.75%. These notes, dated July 16, 2025, will mature on July 15, 2026.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**  
**BUDGETARY COMPARISON SCHEDULES**

**CRESSKILL BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
<b>REVENUES</b>					
Local Sources					
Local Tax Levy	\$ 30,730,690		\$ 30,730,690	\$ 30,730,690	
Tuition from Individuals	259,576		259,576	291,131	\$ 31,555
Tuition from Other LEA's Within the State	1,210,761		1,210,761	1,379,965	169,204
Interest				307,404	307,404
Interest on Capital Reserve Funds	250		250	26,527	26,277
Interest on Maintenance Reserve Funds	250		250		(250)
Interest on Unemployment Reserve Funds				7,751	7,751
Rents and Royalties	12,000		12,000	22,555	10,555
Unrestricted Miscellaneous Revenues	97,500	-	97,500	161,857	64,357
Total Local Sources	<u>32,311,027</u>	<u>-</u>	<u>32,311,027</u>	<u>32,927,880</u>	<u>616,853</u>
State Sources					
Categorical Special Education Aid	1,926,872		1,926,872	1,926,872	
Categorical Transportation Aid	90,008		90,008	90,008	
Categorical Security Aid	161,371		161,371	161,371	
Extraordinary Aid	463,119		463,119	718,665	255,546
On-behalf TPAF Contributions (Non-budgeted)					
Pension - Normal Cost & Accrued Liab. Contribution				5,844,819	5,844,819
Pension - Non-Contributory Group Life Insurance				72,402	72,402
Post Retirement Medical Benefit Contribution				1,729,017	1,729,017
Long Term Disability Insurance				2,192	2,192
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,313,088	1,313,088
Total State Sources	<u>2,641,370</u>	<u>-</u>	<u>2,641,370</u>	<u>11,858,434</u>	<u>9,217,064</u>
Federal Sources					
SEMI Reimbursements	22,649	-	22,649	-	(22,649)
Total Federal Sources	<u>22,649</u>	<u>-</u>	<u>22,649</u>	<u>-</u>	<u>(22,649)</u>
Total Revenues	<u>34,975,046</u>	<u>-</u>	<u>34,975,046</u>	<u>44,786,314</u>	<u>9,811,268</u>
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES</b>					
Regular Programs - Instruction					
Salaries of Teachers					
Kindergarten	653,103		653,103	636,158	16,945
Grades 1-5	4,421,393	\$ (6,000)	4,415,393	4,334,280	81,113
Grades 6-8	2,406,208	(230,480)	2,175,728	2,122,294	53,434
Grades 9-12	3,406,765	179,225	3,585,990	3,585,981	9
Regular Programs - Home Instruction					
Salaries of Teachers	13,500	(1,200)	12,300	4,200	8,100
Purchased Professional-Educational Services	4,750	11,840	16,590	10,252	6,338
Regular Programs - Undistributed Instruction					
Purchased Professional-Educational Services	57,500	(7,900)	49,600	25,865	23,735
Other Purchased Services	126,601	(1,498)	125,103	120,137	4,966
General Supplies	692,314	104,774	797,088	629,870	167,218
Textbooks	12,500	(4,000)	8,500	-	8,500
Total Regular Programs	<u>11,794,634</u>	<u>44,761</u>	<u>11,839,395</u>	<u>11,469,037</u>	<u>370,358</u>
Special Education					
Intellectual Disability - Mild					
Salaries of Teachers	194,482	(150)	194,332	192,085	2,247
Other Salaries for Instruction	65,227	150	65,377	63,324	2,053
Other Purchased Services	600	500	1,100	989	111
General Supplies	17,737	(500)	17,237	10,180	7,057
Total Cognitive Mild	<u>278,046</u>	<u>-</u>	<u>278,046</u>	<u>266,578</u>	<u>11,468</u>

**CRESSKILL BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
<b>Special Education (Continued)</b>					
<b>Learning and/or Language Disabilities</b>					
Salaries of Teachers	\$ 529,139	\$ 645	\$ 529,784	\$ 517,768	\$ 12,016
Other Salaries for Instruction	217,836	16,855	234,691	234,041	650
General Supplies	<u>2,008</u>	<u>563</u>	<u>2,571</u>	<u>1,984</u>	<u>587</u>
<b>Total Learning and/or Language Disabilities</b>	<u>748,983</u>	<u>18,063</u>	<u>767,046</u>	<u>753,793</u>	<u>13,253</u>
<b>Multiple Disabilities</b>					
Salaries of Teachers	193,589	88,130	281,719	277,042	4,677
Other Salaries for Instruction	119,992	7,400	127,392	124,750	2,642
Purchased Professional- Educational Services		125	125	125	-
General Supplies	<u>319</u>	<u>400</u>	<u>719</u>	<u>594</u>	<u>125</u>
<b>Total Multiple Disabilities</b>	<u>313,900</u>	<u>96,055</u>	<u>409,955</u>	<u>402,511</u>	<u>7,444</u>
<b>Resource Room/Resource Center</b>					
Salaries of Teachers	1,662,982	53,370	1,716,352	1,714,172	2,180
Other Salaries for Instruction	129,269	18,969	148,238	148,233	5
General Supplies	<u>7,081</u>	<u>(63)</u>	<u>7,018</u>	<u>4,031</u>	<u>2,987</u>
<b>Total Resource Room/Resource Center</b>	<u>1,799,332</u>	<u>72,276</u>	<u>1,871,608</u>	<u>1,866,436</u>	<u>5,172</u>
<b>Autism</b>					
Salaries of Teachers	630,434	25,452	655,886	644,316	11,570
Other Salaries for Instruction	918,433	(101,526)	816,907	815,243	1,664
Purchased Professional-Educational Services	12,405	(6,022)	6,383	6,383	-
General Supplies	<u>19,875</u>	<u>-</u>	<u>19,875</u>	<u>16,583</u>	<u>3,292</u>
<b>Total Autism</b>	<u>1,581,147</u>	<u>(82,096)</u>	<u>1,499,051</u>	<u>1,476,142</u>	<u>22,909</u>
<b>Preschool Disabled- Part Time</b>					
Salaries of Teachers	128,605	95,743	224,348	220,944	3,404
Other Salaries for Instruction	45,237	1,618	46,855	25,704	21,151
Purchased Professional-Educational Services	650	400	1,050	-	1,050
General Supplies	<u>188</u>	<u>-</u>	<u>188</u>	<u>90</u>	<u>98</u>
<b>Total Preschool Disabled-Part Time</b>	<u>174,680</u>	<u>97,761</u>	<u>272,441</u>	<u>246,738</u>	<u>25,703</u>
<b>Total Special Education</b>	<u>4,896,088</u>	<u>202,059</u>	<u>5,098,147</u>	<u>5,012,198</u>	<u>85,949</u>
<b>Basic Skills/Remedial</b>					
Salaries of Teachers	455,218	29,647	484,865	484,860	5
<b>Total Basic Skills/Remedial</b>	<u>455,218</u>	<u>29,647</u>	<u>484,865</u>	<u>484,860</u>	<u>5</u>
<b>Bilingual Education</b>					
Salaries of Teachers	420,194	8,906	429,100	397,039	32,061
General Supplies	2,910	685	3,595	3,483	112
Textbooks	<u>575</u>	<u>(575)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Bilingual Education</b>	<u>423,679</u>	<u>9,016</u>	<u>432,695</u>	<u>400,522</u>	<u>32,173</u>
<b>School Sponsored Co/Extra Curricular Activities</b>					
Salaries	116,051	500	116,551	98,882	17,669
Supplies and Materials	32,275	(2,822)	29,453	27,143	2,310
Other Objects	<u>7,000</u>	<u>-</u>	<u>7,000</u>	<u>2,502</u>	<u>4,498</u>
<b>Total School Sponsored Co/Extra Curricular Activ.</b>	<u>155,326</u>	<u>(2,322)</u>	<u>153,004</u>	<u>128,527</u>	<u>24,477</u>

**CRESSKILL BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
School Sponsored Athletics					
Salaries	\$ 364,679	\$ (2,425)	\$ 362,254	\$ 326,425	\$ 35,829
Purchased Services	47,500	3,492	50,992	47,750	3,242
Supplies and Materials	40,260	476	40,736	40,735	1
Other Objects	48,556	(1,651)	46,905	32,500	14,405
Transfer to Cover Deficit (Custodial Funds)	50,000	-	50,000	50,000	-
<b>Total School Sponsored Athletics</b>	<b>550,995</b>	<b>(108)</b>	<b>550,887</b>	<b>497,410</b>	<b>53,477</b>
<b>Total - Instruction</b>	<b>18,275,940</b>	<b>283,053</b>	<b>18,558,993</b>	<b>17,992,554</b>	<b>566,439</b>
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State - Special	63,978	85,875	149,853	125,309	24,544
Tuition to County Voc. School Districts - Regular	568,864	(2,740)	566,124	550,897	15,227
Tuition to County Voc. School Districts - Special	39,600	(16,620)	22,980	22,980	-
Tuition to CSSD & Regional Day Schools	228,009	5,102	233,111	231,060	2,051
Tuition to Priv. Sch. For the Disabled W/I State	830,370	(115,282)	715,088	688,576	26,512
<b>Total Undistributed Expenditures - Instruction</b>	<b>1,730,821</b>	<b>(43,665)</b>	<b>1,687,156</b>	<b>1,595,842</b>	<b>91,314</b>
Attendance & Social Work					
Purchased Professional & Technical Services	21,910	-	21,910	21,533	377
Supplies and Materials	725	(325)	400	-	400
<b>Total Attendance &amp; Social Work</b>	<b>22,635</b>	<b>(325)</b>	<b>22,310</b>	<b>21,533</b>	<b>777</b>
Health Services					
Salaries	264,921	614	265,535	265,364	171
Purchased Professional & Technical Services	8,800	(289)	8,511	8,000	511
Supplies and Materials	7,135	-	7,135	4,275	2,860
<b>Total Health Services</b>	<b>280,856</b>	<b>325</b>	<b>281,181</b>	<b>277,639</b>	<b>3,542</b>
Speech, OT, PT & Related Services					
Salaries	671,511	(193,055)	478,456	269,142	209,314
Purchased Professional-Educational Services	202,879	19,600	222,479	205,910	16,569
Supplies and Materials	4,718	800	5,518	5,127	391
<b>Total Speech, OT, PT &amp; Related Services</b>	<b>879,108</b>	<b>(172,655)</b>	<b>706,453</b>	<b>480,179</b>	<b>226,274</b>
Other Support Services - Students - Extra Services					
Salaries	396,335	59,820	456,155	454,588	1,567
Purchased Professional-Educational Services	-	5,625	5,625	2,425	3,200
Supplies and Materials	3,656	162	3,818	2,414	1,404
<b>Total Other Support Services-Students-Extra Svcs</b>	<b>399,991</b>	<b>65,607</b>	<b>465,598</b>	<b>459,427</b>	<b>6,171</b>
Guidance					
Salaries of Other Professional Staff	735,812	755	736,567	736,267	300
Salaries of Secretarial and Clerical Assistants	53,609	-	53,609	53,609	-
Purchased Professional-Educational Services	7,000	-	7,000	6,801	199
Other Purchased Services	5,725	-	5,725	1,643	4,082
Supplies and Materials	2,400	-	2,400	1,475	925
<b>Total Guidance</b>	<b>804,546</b>	<b>755</b>	<b>805,301</b>	<b>799,795</b>	<b>5,506</b>

**CRESSKILL BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
<b>Undistributed Expenditures (Continued)</b>					
<b>Child Study Teams</b>					
Salaries of Other Professional Staff	\$ 599,350	\$ (2,000)	\$ 597,350	\$ 590,044	\$ 7,306
Salaries of Secretarial and Clerical Assistants	66,609	-	66,609	66,609	-
Purchased Professional-Educational Services	74,185	26,275	100,460	100,451	9
Other Purchased Services	375	-	375	-	375
Supplies and Materials	1,990	-	1,990	808	1,182
<b>Total Child Study Team</b>	<b>742,509</b>	<b>24,275</b>	<b>766,784</b>	<b>757,912</b>	<b>8,872</b>
<b>Improvement of Instructional Services</b>					
Salaries of Supervisor of Instruction	179,114	-	179,114	179,114	-
Salaries of Other Professional Staff	5,400	8,283	13,683	13,172	511
Purchased Professional-Educational Services	29,060	-	29,060	26,743	2,317
Other Purchased Services	1,100	20	1,120	1,118	2
Supplies and Materials	1,100	(120)	980	-	980
Other Objects	3,475	-	3,475	3,449	26
<b>Total Improvement of Inst. Serv.</b>	<b>219,249</b>	<b>8,183</b>	<b>227,432</b>	<b>223,596</b>	<b>3,836</b>
<b>Educational Media Services/School Library</b>					
Salaries	116,852	-	116,852	116,852	-
Supplies and Materials	2,700	-	2,700	877	1,823
<b>Total Educational Media Services/School Library</b>	<b>119,552</b>	<b>-</b>	<b>119,552</b>	<b>117,729</b>	<b>1,823</b>
<b>Instructional Staff Training Services</b>					
Purchased Professional- Educational Services	7,600	-	7,600	4,000	3,600
Other Purchased Services	8,625	(1,601)	7,024	1,245	5,779
<b>Total Instructional Staff Training Services</b>	<b>16,225</b>	<b>(1,601)</b>	<b>14,624</b>	<b>5,245</b>	<b>9,379</b>
<b>Support Services General Administration</b>					
Salaries	296,628	-	296,628	296,060	568
Legal Services	66,000	(4,000)	62,000	35,037	26,963
Audit Fees	40,000	-	40,000	33,950	6,050
Architectural/Engineering Services	5,000	-	5,000	2,540	2,460
Other Purchased Professional Services	10,700	24,500	35,200	17,953	17,247
Communications/Telephone	13,590	4,600	18,190	11,680	6,510
BOE Other Purchased Services	7,400	740	8,140	7,100	1,040
Misc. Purchased Services	82,750	-	82,750	79,984	2,766
General Supplies	5,000	16,380	21,380	202	21,178
BOE In-House Training/Meeting Supplies	1,650	-	1,650	948	702
Judgements Against the School District	4,000	4,000	8,000	7,900	100
Miscellaneous Expenditures	5,750	-	5,750	3,363	2,387
BOE Membership Dues and Fees	15,000	(540)	14,460	14,456	4
<b>Total Support Services General Administration</b>	<b>553,468</b>	<b>45,680</b>	<b>599,148</b>	<b>511,173</b>	<b>87,975</b>

**CRESSKILL BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
<b>Undistributed Expenditures (Continued)</b>					
<b>Support Services School Administration</b>					
Salaries of Principals/Asst. Principals/Prog. Dir.	\$ 985,965	\$ (2,015)	\$ 983,950	\$ 944,531	\$ 39,419
Salaries of Other Prof. Staff	463,260	38,000	501,260	497,486	3,774
Salaries of Secretarial and Clerical Assistants	266,186	-	266,186	261,217	4,969
Other Salaries	72,842	-	72,842	72,351	491
Other Purchased Services	2,900	-	2,900	2,148	752
Supplies and Materials	52,465	1,500	53,965	26,995	26,970
Other Objects	10,350	2,015	12,365	12,365	-
<b>Total Support Services School Administration</b>	<b>1,853,968</b>	<b>39,500</b>	<b>1,893,468</b>	<b>1,817,093</b>	<b>76,375</b>
<b>Central Services</b>					
Salaries	376,256	-	376,256	374,357	1,899
Purchased Technical Services	60,275	3,872	64,147	51,950	12,197
Misc. Purchased Services	9,200	(4,047)	5,153	992	4,161
Supplies and Materials	7,500	695	8,195	8,194	1
Interest on BANS	359,438	-	359,438	359,438	-
Miscellaneous Expenditures	1,575	-	1,575	1,525	50
<b>Total Central Services</b>	<b>814,244</b>	<b>520</b>	<b>814,764</b>	<b>796,456</b>	<b>18,308</b>
<b>Admin. Info. Tech</b>					
Salaries	223,808	3,145	226,953	226,951	2
Purchased Technical Services	107,200	397	107,597	67,845	39,752
Other Purchased Services	200	-	200	-	200
Supplies and Materials	2,500	20,000	22,500	(14)	22,514
<b>Total Admin. Info. Tech</b>	<b>333,708</b>	<b>23,542</b>	<b>357,250</b>	<b>294,782</b>	<b>62,468</b>
<b>Required Maintenance for School Facilities</b>					
Salaries	114,765	637	115,402	114,628	774
Cleaning, Repair and Maintenance Services	331,410	108,376	439,786	218,414	221,372
General Supplies	20,500	1,500	22,000	20,717	1,283
<b>Total Required Maintenance for School Facilities</b>	<b>466,675</b>	<b>110,513</b>	<b>577,188</b>	<b>353,759</b>	<b>223,429</b>
<b>Custodial Services</b>					
Salaries	1,057,108	11,186	1,068,294	1,058,899	9,395
Salaries of Non-Instructional Aides	31,000	(11,805)	19,195	16,434	2,761
Purchased Professional and Technical Services	3,100	-	3,100	3,050	50
Cleaning, Repair and Maintenance Services	9,290	4,845	14,135	10,300	3,835
Rental of Land & Bldg Oth. Than Lease Pur Agrmt	65,000	-	65,000	65,000	-
Other Purchased Property Services	36,960	(1,106)	35,854	35,851	3
Insurance	402,400	(97,700)	304,700	254,608	50,092
General Supplies	84,155	14,925	99,080	87,272	11,808
Energy (Natural Gas)	85,000	22,381	107,381	102,157	5,224
Energy (Electricity)	327,000	60,868	387,868	387,864	4
Energy (Gasoline)	3,900	-	3,900	2,961	939
Other Objects	2,400	-	2,400	1,182	1,218
<b>Total Custodial Services</b>	<b>2,107,313</b>	<b>3,594</b>	<b>2,110,907</b>	<b>2,025,578</b>	<b>85,329</b>
<b>Care and Upkeep of Grounds</b>					
Salaries	94,791	17,418	112,209	111,251	958
Purchased Professional and Technical Services	2,400	-	2,400	2,393	7
Cleaning, Repair, and Maintenance Svc.	37,250	50,049	87,299	75,622	11,677
General Supplies	65,530	(31,731)	33,799	28,357	5,442
<b>Total Care and Upkeep of Grounds</b>	<b>199,971</b>	<b>35,736</b>	<b>235,707</b>	<b>217,623</b>	<b>18,084</b>

**CRESSKILL BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
<b>Undistributed Expenditures (Continued)</b>					
<b>Security</b>					
Purchased Professional and Technical Services	\$ 46,000	\$ (2,282)	\$ 43,718	\$ 40,941	\$ 2,777
Cleaning, Repair and Maintenance Services	7,000	-	7,000	6,725	275
General Supplies	8,000	12,289	20,289	19,693	596
<b>Total Security</b>	<b>61,000</b>	<b>10,007</b>	<b>71,007</b>	<b>67,359</b>	<b>3,648</b>
<b>Student Transportation Services</b>					
Contracted Services (Aid-In-Lieu) - Choice Students	6,000	(2,650)	3,350	1,222	2,128
Contracted Services (Other Than Between Home and School) - Vendors	90,000	70,700	160,700	145,675	15,025
Contracted Services (Between Home and School) - Joint Agreements	42,500	6,000	48,500	38,030	10,470
Contract Services (Special Ed) - Vendors	610,000	(23,350)	586,650	463,450	123,200
Contracted Services (Sp Ed Stds)-Joint Agreements	610,000	(23,350)	586,650	463,450	123,200
<b>Total Student Transportation Services</b>	<b>748,500</b>	<b>50,700</b>	<b>799,200</b>	<b>648,377</b>	<b>150,823</b>
<b>Unallocated Benefits</b>					
Social Security Contributions	414,000	(2,338)	411,662	411,419	243
Other Retirement Contributions- PERS	426,139	(50,000)	376,139	375,802	337
Other Retirement Contributions - Regular	61,000	4,400	65,400	62,645	2,755
Workmens Compensation	155,000	27,000	182,000	181,792	208
Health Benefits	4,297,776	10,800	4,308,576	4,207,742	100,834
Tuition Reimbursement	4,500	-	4,500	4,450	50
Other Employee Benefits	160,020	-	160,020	148,933	11,087
Unused Sick Payment to Terminated/Retired Staff	65,300	-	65,300	63,050	2,250
<b>Total Employee Benefits</b>	<b>5,583,735</b>	<b>(10,138)</b>	<b>5,573,597</b>	<b>5,455,833</b>	<b>117,764</b>
<b>On-behalf Contributions</b>					
<b>On-behalf TPAF Contributions (Non-Budgeted)</b>					
Pension - Normal Cost & Accrued Liab.				5,844,819	(5,844,819)
Pension - Non-Contributory Group Life Insurance				72,402	(72,402)
Post Retirement Medical Benefit Contribution				1,729,017	(1,729,017)
Long Term Disability Insurance				2,192	(2,192)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,313,088	(1,313,088)
<b>Total On-Behalf Contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,961,518</b>	<b>(8,961,518)</b>
<b>Total Undistributed Expenditures</b>	<b>17,938,074</b>	<b>190,553</b>	<b>18,128,627</b>	<b>25,888,448</b>	<b>(7,759,821)</b>
Interest Earned on Maintenance Reserve	-	-	-	-	-
<b>Total Expenditures - Current Expenditures</b>	<b>36,214,014</b>	<b>473,606</b>	<b>36,687,620</b>	<b>43,881,002</b>	<b>(7,193,382)</b>
<b>CAPITAL OUTLAY</b>					
<b>Equipment</b>					
School Sponsored Co-Curricular	-	14,586	14,586	14,586	-
Care and Upkeep of Grounds	-	56,606	56,606	30,613	25,993
<b>Total Equipment</b>	<b>-</b>	<b>71,192</b>	<b>71,192</b>	<b>45,199</b>	<b>25,993</b>
<b>Facilities Acquisition and Construction Services</b>					
Construction Services		-	-	-	-
Assessment for Debt Service on SDA Funding	92,970	-	92,970	92,970	-
<b>Total Facilities Acquisition and Construction Services</b>	<b>92,970</b>	<b>-</b>	<b>92,970</b>	<b>92,970</b>	<b>-</b>
Assets Acquired Under Capital Financing Agreement (Non-Budget)		-		182,110	(182,110)
Interest Deposit to Capital Reserve	500	-	500	-	500
<b>Total Capital Outlay</b>	<b>93,470</b>	<b>71,192</b>	<b>164,662</b>	<b>320,279</b>	<b>(155,617)</b>
<b>Total Expenditures</b>	<b>36,307,484</b>	<b>544,798</b>	<b>36,852,282</b>	<b>44,201,281</b>	<b>(7,348,999)</b>

**CRESSKILL BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (1,332,438)	\$ (544,798)	\$ (1,877,236)	\$ 585,033	\$ 2,462,269
Other Financing Sources (Uses)					
Capital Financing Agreement Proceeds	-	-	-	182,110	182,110
Transfer In - Capital Projects Fund	-	-	-	330,184	330,184
Transfer In - Debt Service Fund				123,909	123,909
Transfer Out - Capital Projects Fund	<u>(1,000,000)</u>	<u>(1,382,700)</u>	<u>(2,382,700)</u>	<u>(2,382,700)</u>	<u>-</u>
Total Other Financing Sources	<u>(1,000,000)</u>	<u>(1,382,700)</u>	<u>(2,382,700)</u>	<u>(1,746,497)</u>	<u>636,203</u>
Net Change in Fund Balances	(2,332,438)	(1,927,498)	(4,259,936)	(1,161,464)	3,098,472
Fund Balances, Beginning of Year	<u>8,407,271</u>	<u>-</u>	<u>8,407,271</u>	<u>8,407,271</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 6,074,833</u>	<u>\$ (1,927,498)</u>	<u>\$ 4,147,335</u>	<u>\$ 7,245,807</u>	<u>\$ 3,098,472</u>
<b>Recapitulation</b>					
Restricted Fund Balance					
Capital Reserve				\$ 2,587,733	
Maintenance Reserve				602,560	
Maintenance Reserve- Designated for Subsequent Year's Expenditures				143,595	
Excess Surplus - (2026/2027 Budget)				1,556,340	
Excess Surplus - Designated for Subsequent Year's Expenditures (2025/2026) Budget)				1,185,202	
Unemployment Compensation Reserve				108,347	
Assigned Fund Balance					
Year End Encumbrances				57,677	
Unassigned Fund Balance				<u>1,004,353</u>	
				7,245,807	
Reconciliation to Governmental Funds Statements (GAAP)					
State Aid Revenue Not Recognized on GAAP Basis				<u>(912,102)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 6,333,705</u>	

**CRESSKILL BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>REVENUES</b>					
Intergovernmental					
Federal	\$ 423,831	\$ 396,732	\$ 820,563	\$ 691,248	\$ (129,315)
Local Sources					
Miscellaneous	<u>85,000</u>	<u>74,390</u>	<u>159,390</u>	<u>556,101</u>	<u>396,711</u>
Total Revenues	<u>508,831</u>	<u>471,122</u>	<u>979,953</u>	<u>1,247,349</u>	<u>267,396</u>
<b>EXPENDITURES</b>					
Instruction					
Salaries of Teachers	91,847	68,846	160,693	144,353	16,340
Tuition	307,794	(16,279)	291,515	291,144	371
Purchased Professional and Technical Services		54,139	54,139	44,010	10,129
General Supplies	85,000	120,919	205,919	103,341	102,578
Other Objects		16,687	16,687	7,706	8,981
Co-Curricular Activities (Non-Budget)	<u>-</u>	<u>-</u>	<u>-</u>	<u>344,813</u>	<u>(344,813)</u>
Total Instruction	<u>484,641</u>	<u>244,312</u>	<u>728,953</u>	<u>935,367</u>	<u>(206,414)</u>
Support Services					
Salaries		6,336	6,336	6,003	333
Employee Benefits		57,643	57,643	62,098	(4,455)
Purchased Professional and Technical Services		44,946	44,946	44,150	796
Purchased Property Services		41,424	41,424	41,424	-
Other Purchased Services	24,190	14,020	38,210	27,715	10,495
Supplies and Materials		13,817	13,817	1,697	12,120
Other Objects		3,109	3,109		3,109
Scholarship Awards (Non-Budget)	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,575</u>	<u>(41,575)</u>
Total Support Services	<u>24,190</u>	<u>181,295</u>	<u>205,485</u>	<u>224,662</u>	<u>(19,177)</u>
Facilities Acquisition and Construction					
Construction Services	<u>-</u>	<u>45,515</u>	<u>45,515</u>	<u>45,500</u>	<u>15</u>
Total Facilities Acquisition and Construction	<u>-</u>	<u>45,515</u>	<u>45,515</u>	<u>45,500</u>	<u>15</u>
Total Expenditures	<u>508,831</u>	<u>471,122</u>	<u>979,953</u>	<u>1,205,529</u>	<u>(225,576)</u>
Net Change in Fund Balances	-	-	-	41,820	41,820
Fund Balances, Beginning of Year	<u>340,927</u>	<u>-</u>	<u>340,927</u>	<u>340,927</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 340,927</u>	<u>\$ -</u>	<u>\$ 340,927</u>	<u>\$ 382,747</u>	<u>\$ 41,820</u>
<b>Recapitulation of Fund Balance</b>					
Restricted Fund Balance					
Student Activities				\$ 305,452	
Scholarships				<u>77,295</u>	
				<u>\$ 382,747</u>	

**CRESSKILL BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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.

	<b><u>General Fund</u></b>	<b><u>Special Revenue Fund</u></b>
<b>Sources/Inflows of Resources</b>		
Actual amounts (budgetary basis) revenue from the budgetary comparison schedule (Exhibits C-1 and C-2)	\$ 44,786,314	\$ 1,247,349
Difference - Budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2024		308,288
Encumbrances, June 30, 2025		(31,354)
State Aid revenue recognized for budgetary purposes, not recognized for GAAP statements (2023-2024)	800,638	
State Aid revenue recognized for budgetary purposes, not recognized for GAAP statements (2024-2025)	<u>(912,102)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 44,674,850</u>	<u>\$ 1,524,283</u>
<b>Uses/Outflows of Resources</b>		
Actual amounts (budgetary basis) total expenditures from the budgetary comparison schedule	\$ 44,201,281	\$ 1,205,529
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes but in the year the supplies are received for financial reporting purposes		
Encumbrances, June 30, 2024		308,288
Encumbrances, June 30, 2025	<u>-</u>	<u>(31,354)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 44,201,281</u>	<u>\$ 1,482,463</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**PENSION INFORMATION**

**AND**

**OTHER POST-EMPLOYMENT BENEFITS INFORMATION**

**CRESSKILL 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>2025</u>	<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>
District's Proportion of the Net Position Liability (Asset)	0.02762%	0.03127%	0.03097%	0.03037%	0.03022%	0.03035%	0.03159%	0.03163%	0.03366%	0.03335%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 3,752,689	\$ 4,529,404	\$ 4,674,630	\$ 3,597,802	\$ 4,927,353	\$ 5,467,978	\$ 6,220,736	\$ 7,362,778	\$ 9,970,006	\$ 7,486,627
District's Covered Payroll	\$ 2,203,196	\$ 2,232,611	\$ 2,335,587	\$ 2,174,570	\$ 2,243,622	\$ 2,198,080	\$ 2,167,338	\$ 2,195,403	\$ 2,270,291	\$ 2,359,577
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	170%	203%	200%	165%	220%	249%	287%	335%	439%	317%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%

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

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

**Public Employees Retirement System**

**Last Ten Fiscal Years**

	<u>2025</u>	<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>
Contractually Required Contribution	\$ 375,802	\$ 417,946	\$ 390,616	\$ 355,670	\$ 330,543	\$ 295,184	\$ 314,260	\$ 293,011	\$ 299,057	\$ 286,729
Contributions in Relation to the Contractually Required Contribution	<u>375,802</u>	<u>417,946</u>	<u>390,616</u>	<u>355,670</u>	<u>330,543</u>	<u>295,184</u>	<u>314,260</u>	<u>293,011</u>	<u>299,057</u>	<u>286,729</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 2,338,426	\$ 2,203,196	\$ 2,232,611	\$ 2,335,587	\$ 2,174,570	\$ 2,243,622	\$ 2,198,080	\$ 2,167,338	\$ 2,195,405	\$ 2,270,291
Contributions as a Percentage of Covered Payroll	16.07%	18.97%	17.50%	15.23%	15.20%	13.16%	14.30%	13.52%	13.62%	12.63%

**CRESSKILL 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>2025</u>	<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>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 71,936,706</u>	<u>\$ 73,082,215</u>	<u>\$ 72,671,151</u>	<u>\$ 67,485,131</u>	<u>\$ 90,363,170</u>	<u>\$ 84,357,804</u>	<u>\$ 87,621,932</u>	<u>\$ 90,170,838</u>	<u>\$ 101,475,040</u>	<u>\$ 81,650,274</u>
<b>Total</b>	<u>\$ 71,936,706</u>	<u>\$ 73,082,215</u>	<u>\$ 72,671,151</u>	<u>\$ 67,485,131</u>	<u>\$ 90,363,170</u>	<u>\$ 84,357,804</u>	<u>\$ 87,621,932</u>	<u>\$ 90,170,838</u>	<u>\$ 101,475,040</u>	<u>\$ 81,650,274</u>
District's Covered Payroll	\$ 17,567,950	\$ 17,119,211	\$ 17,060,592	\$ 16,841,742	\$ 16,020,070	\$ 15,319,050	\$ 14,818,859	\$ 14,443,153	\$ 14,107,227	\$ 13,695,726
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

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

**CRESSKILL 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, 2025**

**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.

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

**Postemployment Health Benefit Plan**

**Last Eight Fiscal Years\***

	2025	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>								
Service Cost	\$ 2,456,158	\$ 2,461,138	\$ 3,175,232	\$ 3,586,919	\$ 2,028,798	\$ 1,922,770	\$ 2,182,791	\$ 2,648,039
Interest on Total OPEB Liability	2,058,210	1,950,688	1,393,296	1,598,442	1,483,102	1,761,590	1,900,990	1,629,774
Changes in Benefit Terms	-	-	-	(65,585)				
Differences between Expected and Actual Experiences	(535,745)	(240,147)	1,827,789	(9,680,838)	11,752,475	(6,366,570)	(5,153,729)	
Changes of Assumptions	4,677,782	111,639	(14,103,721)	60,791	12,300,116	609,957	(5,072,154)	(6,801,648)
Gross Benefit Payments	(1,571,888)	(1,520,593)	(1,380,101)	(1,259,125)	(1,172,278)	(1,255,785)	(1,181,888)	(1,509,756)
Contribution from the Member	53,823	49,989	44,274	40,864	35,532	37,225	40,848	55,593
Net Change in Total OPEB Liability	7,138,340	2,812,714	(9,043,231)	(5,718,532)	26,427,745	(3,290,813)	(7,283,142)	(3,977,998)
Total OPEB Liability - Beginning	55,387,734	52,575,020	61,618,251	67,336,783	40,909,038	44,199,851	51,482,993	55,460,991
Total OPEB Liability - Ending	<u>\$ 62,526,074</u>	<u>\$ 55,387,734</u>	<u>\$ 52,575,020</u>	<u>\$ 61,618,251</u>	<u>\$ 67,336,783</u>	<u>\$ 40,909,038</u>	<u>\$ 44,199,851</u>	<u>\$ 51,482,993</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	62,526,074	55,387,734	52,575,020	61,618,251	67,336,783	40,909,038	44,199,851	51,482,993
Total OPEB Liability - Ending	<u>\$ 62,526,074</u>	<u>\$ 55,387,734</u>	<u>\$ 52,575,020</u>	<u>\$ 61,618,251</u>	<u>\$ 67,336,783</u>	<u>\$ 40,909,038</u>	<u>\$ 44,199,851</u>	<u>\$ 51,482,993</u>
District's Covered Payroll	<u>\$ 19,771,146</u>	<u>\$ 19,351,822</u>	<u>\$ 19,396,179</u>	<u>\$ 19,016,312</u>	<u>\$ 19,235,162</u>	<u>\$ 19,085,364</u>	<u>\$ 18,218,150</u>	<u>\$ 17,486,388</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%

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

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

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

**CRESSKILL 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, 2025**

**Changes in Benefit Terms:**

None.

**Changes of Assumptions**

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

**SCHOOL LEVEL SCHEDULES**

**EXHIBITS D-1, D-2 AND D-3**

**NOT APPLICABLE**

**SPECIAL REVENUE FUND**

**CRESSKILL BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Every Student Succeeds Act (ESEA)</u>					<u>IDEA Part B- Basic</u>	<u>IDEA Part B- Preschool</u>	<u>High Impact Tutoring Grant</u>	<u>Total Page 2</u>	<u>Grand Total</u>
	<u>Title I</u>	<u>Title II-A</u>	<u>Title III</u>	<u>Title III Immigrant</u>	<u>Title IV</u>					
<b>REVENUES</b>										
Intergovernmental										
Federal	\$ 83,560	\$ 33,490	\$ 26,460	\$ 10,003	\$ 8,391	\$ 334,776	\$ 16,540	\$ 21,739	\$ 156,289	\$ 691,248
Local	-	-	-	-	-	-	-	-	556,101	556,101
<b>Total Revenues</b>	<b>83,560</b>	<b>33,490</b>	<b>26,460</b>	<b>10,003</b>	<b>8,391</b>	<b>334,776</b>	<b>16,540</b>	<b>21,739</b>	<b>712,390</b>	<b>1,247,349</b>
<b>EXPENDITURES</b>										
Instruction										
Salaries of Teachers	\$ 77,622		\$ 10,875	\$ 9,000	\$ 3,614	\$ 7,275		\$ 20,194	15,773	144,353
Tuition						291,144			-	291,144
Purchased Professional and Technical Services					4,500	13,000	\$ 16,540		9,970	44,010
General Supplies									103,341	103,341
Other Objects									7,706	7,706
Co-Curricular Activities	-	-	-	-	-	-	-	-	344,813	344,813
<b>Total Instruction</b>	<b>77,622</b>	<b>-</b>	<b>10,875</b>	<b>9,000</b>	<b>8,114</b>	<b>311,419</b>	<b>16,540</b>	<b>20,194</b>	<b>481,603</b>	<b>935,367</b>
Support Services										
Salaries		\$ 5,328	675							6,003
Employee Benefits	5,938	408	884	688	277	557		1,545	51,801	62,098
Purchased Professional and Technical Services		9,356	9,994			22,800			2,000	44,150
Purchased Property Services									41,424	41,424
Other Purchased Services		18,398	4,032						5,285	27,715
Supplies and Materials				315					1,382	1,697
Scholarship Awards	-	-	-	-	-	-	-	-	41,575	41,575
<b>Total Support Services</b>	<b>5,938</b>	<b>33,490</b>	<b>15,585</b>	<b>1,003</b>	<b>277</b>	<b>23,357</b>	<b>-</b>	<b>1,545</b>	<b>143,467</b>	<b>224,662</b>
Facilities Acquisition and Construction										
Construction Services	-	-	-	-	-	-	-	-	45,500	45,500
<b>Total Facilities Acquisition and Construction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,500</b>	<b>45,500</b>
<b>Total Expenditures</b>	<b>83,560</b>	<b>33,490</b>	<b>26,460</b>	<b>10,003</b>	<b>8,391</b>	<b>334,776</b>	<b>16,540</b>	<b>21,739</b>	<b>670,570</b>	<b>1,205,529</b>
Net Change in Fund Balances	-	-	-	-	-	-	-	-	41,820	41,820
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	340,927	340,927
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 382,747	\$ 382,747

CRESSKILL BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	ESSER III				Local Grants	Student Activities	Scholarship	Total (Carried Forward)
	ARP	ARP - Accelerated Learning Coach	ARP - Beyond th School Day	ARP - NJTSS Mental Health				
<b>REVENUES</b>								
Intergovernmental								
Federal	\$ 109,711	\$ 11,916	\$ 32,649	\$ 2,013				\$ 156,289
Local	-	-	-	-	\$ 127,893	\$ 379,787	\$ 48,421	556,101
Total Revenues	<u>109,711</u>	<u>11,916</u>	<u>32,649</u>	<u>2,013</u>	<u>127,893</u>	<u>379,787</u>	<u>48,421</u>	<u>712,390</u>
<b>EXPENDITURES</b>								
Instruction								
Salaries of Teachers	5,325		10,448					15,773
Purchased Professional Technical Services			9,970					9,970
General Supplies	61,918		566	2,013	38,844			103,341
Other Objects			5,581		2,125			7,706
Co-Curricular Activities	-	-	-	-	-	344,813	-	344,813
Total Instruction	<u>67,243</u>	<u>-</u>	<u>26,565</u>	<u>2,013</u>	<u>40,969</u>	<u>344,813</u>	<u>-</u>	<u>481,603</u>
Support Services								
Employee Benefits	39,086	11,916	799					51,801
Purchased Professional and Technical Services	2,000							2,000
Purchased Property Services					41,424			41,424
Other Purchased Services			5,285					5,285
Supplies and Materials	1,382							1,382
Scholarship Awards	-	-	-	-	-	-	41,575	41,575
Total Support Services	<u>42,468</u>	<u>11,916</u>	<u>6,084</u>	<u>-</u>	<u>41,424</u>	<u>-</u>	<u>41,575</u>	<u>143,467</u>
Facilities Acquisition and Construction								
Construction Services	-	-	-	-	45,500	-	-	45,500
Total Facilities Acquisition and Construction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,500</u>	<u>-</u>	<u>-</u>	<u>45,500</u>
Total Expenditures	<u>109,711</u>	<u>11,916</u>	<u>32,649</u>	<u>2,013</u>	<u>127,893</u>	<u>344,813</u>	<u>41,575</u>	<u>670,570</u>
Net Change in Fund Balances	-	-	-	-	-	34,974	6,846	41,820
Fund Balance, Beginning of Year	-	-	-	-	-	270,478	70,449	340,927
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 305,452</u>	<u>\$ 77,295</u>	<u>\$ 382,747</u>

**CAPITAL PROJECTS FUND**

**CRESSKILL BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

<u>Project</u>	<u>Original Appropriation</u>	<u>Additional Appropriation</u>	<u>Expenditures to Date</u>		<u>Balance, June 30, 2025</u>
			<u>Prior Year</u>	<u>Current Year</u>	
2022 Referendum - Hurricane Ida	\$ 21,663,200	\$ 1,000,000	\$ 17,200,403	\$ 138,822	\$ 5,323,975
HVAC Upgrades at Edward H. Bryan School	1,033,500			57,980	975,520
HVAC Upgrades at Merritt Memorial School	1,033,500			53,294	980,206
HVAC Rooftop Upgrades at Merritt Memorial School	<u>153,700</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>153,700</u>
	<u>\$ 23,883,900</u>	<u>\$ 1,000,000</u>	<u>\$ 17,200,403</u>	<u>\$ 250,096</u>	<u>\$ 7,433,401</u>

**Reconciliation to GAAP**

Project Balance (Budgetary Basis)	\$ 7,433,401
Bonds Authorized But Not Issued	
Bonds Authorized	\$ (21,663,200)
Less:	
Bonds Issued	5,415,000
FEMA Reimbursements	<u>11,979,379</u>
Remaining Bonds Authorized But Not Issued	<u>(4,268,821)</u>
Fund Balance, Budgetary Basis	\$ 3,164,580
Less: Unearned Revenue - ROD Grants	<u>(793,490)</u>
Fund Balance, GAAP Basis	<u>\$ 2,371,090</u>
<b><u>Recapitulation of Fund Balance</u></b>	
Restricted for Capital Projects:	
Year-End Encumbrances	\$ 996,811
Available for Capital Projects	<u>1,374,279</u>
Total Fund Balance - Restricted for Capital Projects	<u>\$ 2,371,090</u>

**CRESSKILL 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, 2025**

**Revenues and Other Financing Sources**

**Revenues**

Local Sources				
Interest Earned		\$		258,332
State Sources				
Regular Operating District Grants				838,000
Federal Sources				
FEMA Reimbursements - Hurricane Ida				4,978,561
<b>Other Financing Sources</b>				
Transfer from Capital Reserve				2,382,700
Premium on Issuance of Bond Anticipation Notes				71,852
Total Revenues and Other Financing Sources				8,529,445

**Expenditures and Other Financing Uses**

**Expenditures**

Materials, Furniture and Supplies				4,067
Legal Services				57,718
Architectural/Engineering Services				144,543
Other Purchased Prof. and Tech. Services				7,277
Construction Services				22,050
Miscellaneous Expenditures				14,441
<b>Other Financing Uses</b>				
Transfer to General Fund				330,184
Total Expenditures and Other Financing Uses				580,280

Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses				7,949,165
Fund Balance (Deficit), Beginning of Year				(4,784,585)
Fund Balance, End of Year		\$		3,164,580

**Reconciliation to GAAP**

Fund Balance-End of Year-Budgetary Basis		\$		3,164,580
Unrealized Revenue - SDA Grants				(793,490)
Fund Balance- End of Year GAAP Basis		\$		2,371,090

**CRESSKILL BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
2022 REFERENDUM PROJECT - HURRICANE IDA  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Year</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Bond Proceeds	\$ 5,415,000		\$ 5,415,000	\$ 9,683,821
Transfer from Capital Reserve		\$ 1,000,000	1,000,000	1,000,000
FEMA Reimbursements	<u>7,000,818</u>	<u>4,978,561</u>	<u>11,979,379</u>	<u>11,979,379</u>
 Total Revenues and Other Financing Sources	 <u>12,415,818</u>	 <u>5,978,561</u>	 <u>18,394,379</u>	 <u>22,663,200</u>
 <b>Expenditures and Other Financing Uses</b>				
Cleaning, Repair and Maintenance Services	271,534		271,534	271,534
Transportation Services	381,892		381,892	381,892
Furniture and Supplies	2,215,406	4,067	2,219,473	2,406,561
Equipment	167,290		167,290	187,663
Legal Services	166,211	55,128	221,339	245,000
Architectural/Engineering Services	1,143,456	37,690	1,181,146	1,447,973
Other Purchased Prof. and Tech. Services	156,451	5,446	161,897	629,737
Construction Services	12,430,579	22,470	12,453,049	16,575,679
Textbooks	18,239		18,239	150,000
Miscellaneous Expenditures	<u>249,345</u>	<u>14,021</u>	<u>263,366</u>	<u>367,161</u>
 Total Expenditures and Other Financing Uses	 <u>17,200,403</u>	 <u>138,822</u>	 <u>17,339,225</u>	 <u>22,663,200</u>
 Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	 <u>\$ (4,784,585)</u>	 <u>\$ 5,839,739</u>	 <u>\$ 1,055,154</u>	 <u>\$ -</u>
			 <u>4,268,821</u>	
			 <u>\$ 5,323,975</u>	
<b>Additional Project Information:</b>				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	1/25/2022			
Bonds Authorized	\$ 21,663,200			
Bonds Issued	5,415,000			
Original Authorized Cost	21,663,200			
Additional Authorized Cost	1,000,000			
Revised Authorized Cost	22,663,200			
 Percentage Increase Over Original Authorized Cost	 5%			
Percentage Completion	76.51%			
Original Target Completion Date	2022/23			
Revised Target Completion Date	2026/27			

**CRESSKILL BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
HVAC UPGRADES AT EDWARD H BRYAN SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Year</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State- Regular Operating District Grants		\$ 390,000	\$ 390,000	\$ 390,000
Transfer from Capital Reserve	-	643,500	643,500	643,500
Total Revenues and Other Financing Sources	-	1,033,500	1,033,500	1,033,500
<b>Expenditures and Other Financing Uses</b>				
Legal Services		1,295	1,295	16,000
Architectural/Engineering Services		55,652	55,652	57,000
Other Purchased Prof. and Tech. Services		1,033	1,033	40,500
Construction Services			-	906,000
Miscellaneous Expenditures	-	-	-	14,000
Total Expenditures and Other Financing Uses	-	57,980	57,980	1,033,500
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>				
	\$ -	\$ 975,520	\$ 975,520	\$ -

**Additional Project Information:**

Project Number	0990-050-23-G5ED
Grant Date	11/7/2024
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,033,500
Additional Authorized Cost	-
Revised Authorized Cost	1,033,500
Percentage Increase Over Original Authorized Cost	0%
Percentage Completion	5.61%
Original Target Completion Date	2025/26

**CRESSKILL BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
HVAC UPGRADES AT MERRITT MEMORIAL SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Year</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State- Regular Operating District Grants		\$ 390,000	\$ 390,000	\$ 390,000
Transfer from Capital Reserve	-	643,500	643,500	643,500
	-	1,033,500	1,033,500	1,033,500
<b>Expenditures and Other Financing Uses</b>				
Legal Services		1,295	1,295	16,000
Architectural/Engineering Services		51,201	51,201	54,000
Other Purchased Prof. and Tech. Services		798	798	43,500
Construction Services			-	906,000
Miscellaneous Expenditures	-	-	-	14,000
	-	53,294	53,294	1,033,500
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>				
	\$ -	\$ 980,206	\$ 980,206	\$ -

**Additional Project Information:**

Project Number	0990-060-23-G5EF
Grant Date	11/7/2024
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,033,500
Additional Authorized Cost	-
Revised Authorized Cost	1,033,500
Percentage Increase Over Original Authorized Cost	0%
Percentage Completion	5.16%
Original Target Completion Date	2025/26

**CRESSKILL BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
HVAC ROOFTOP UPGRADES AT MERRITT MEMORIAL SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Year</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State- Regular Operating District Grants		\$ 58,000	\$ 58,000	\$ 58,000
Transfer from Capital Reserve	-	95,700	95,700	95,700
	-	153,700	153,700	153,700
<b>Expenditures and Other Financing Uses</b>				
Architectural/Engineering Services			-	2,000
Construction Services	-	-	-	151,700
	-	-	-	153,700
Excess (Deficiency) of Revenues and Other Financing				
Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 153,700	\$ 153,700	\$ -

**Additional Project Information:**

Project Number	0990-060-23-G5EE
Grant Date	11/7/2024
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	153,700
Additional Authorized Cost	-
Revised Authorized Cost	153,700
Percentage Increase Over Original Authorized Cost	0%
Percentage Completion	0.00%
Original Target Completion Date	2025/26

**PROPRIETARY FUNDS**

**ENTERPRISE FUNDS**

**EXHIBIT G-1**

**CRESSKILL BOARD OF EDUCATION  
ENTERPRISE FUND  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2025**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

**EXHIBIT G-2**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

**EXHIBIT G-3**

**COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

**INTERNAL SERVICE FUND**

**EXHIBITS G-4, G-5 AND G-6**

**NOT APPLICABLE**

**FIDUCIARY FUNDS**

**NOT APPLICABLE**

**LONG-TERM DEBT**

**CRESSKILL BOARD OF EDUCATION  
LONG-TERM DEBT  
SCHEDULE OF BONDS PAYABLE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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<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, 2024</u>	<u>Retired</u>	<u>Balance, June 30, 2025</u>
			<u>Date</u>	<u>Amount</u>				
Refunding School Bonds	8/15/2012	\$ 8,960,000				\$ 720,000	\$ 720,000	
Refunding School Bonds	2/22/2013	6,700,000	2/1/2026	\$ 1,040,000	2.60%	6,205,000	285,000	\$ 5,920,000
			2/1/2027	1,020,000	2.65%			
			2/1/2028	1,005,000	2.75%			
			2/1/2029	990,000	2.80%			
			2/1/2030	975,000	2.80%			
			2/1/2031	890,000	2.85%			
School Bonds	2/27/2018	12,446,000	2/1/2026-31	350,000	3.25-3.50%	10,696,000	350,000	10,346,000
			2/1/2032-36	675,000	3.50%			
			2/1/2037-42	700,000	3.50%			
			2/1/2043	671,000	3.50%			
School Bonds	10/19/2023	5,415,000	2/1/2026	175,000	4.00%	5,415,000	150,000	5,265,000
			2/1/2027	290,000	3.40%			
			2/1/2028-43	300,000	4.00-4.25%			
						<u>\$ 23,036,000</u>	<u>\$ 1,505,000</u>	<u>\$ 21,531,000</u>
							<u>\$ 1,505,000</u>	

**CRESSKILL BOARD OF EDUCATION  
LONG-TERM DEBT  
SCHEDULE OF LEASES PAYABLE AND CAPITAL FINANCING AGREEMENTS  
FOR THE FISCAL YEAR JUNE 30, 2025**

<u>Series</u>	<u>Interest Rate</u>	<u>Amount of Original Issue</u>	<u>Balance, July 1, 2024</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2025</u>
<b><u>Leases Payable</u></b>						
Leased Premises - Borough of Cresskill	2.81%	\$ 1,070,000	\$ <u>934,406</u>	\$ <u>-</u>	\$ <u>29,448</u>	\$ <u>904,958</u>
<b><u>Capital Financing Agreements</u></b>						
2020 Atlantic Copier Lease	3.600%	154,360	\$ 16,714		\$ 16,714	
2021 Atlantic Copier Lease	3.600%	35,205	11,047		7,702	\$ 3,345
2025 Atlantic Copier Lease	3.500%	182,110	<u>-</u>	\$ <u>182,110</u>	<u>5,236</u>	<u>176,874</u>
			<u>\$ 27,761</u>	<u>\$ 182,110</u>	<u>\$ 29,652</u>	<u>\$ 180,219</u>

**CRESSKILL BOARD OF EDUCATION  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>REVENUES</b>					
Local Sources					
Property Taxes	\$ 2,070,662		\$ 2,070,662	\$ 2,070,662	
Intergovernmental State Debt Service Aid Type II	<u>413,756</u>	<u>-</u>	<u>413,756</u>	<u>413,756</u>	<u>-</u>
 Total Revenues	 <u>2,484,418</u>	 <u>-</u>	 <u>2,484,418</u>	 <u>2,484,418</u>	 <u>-</u>
<b>EXPENDITURES</b>					
Regular Debt Service					
Principal	1,505,000		1,505,000	1,505,000	
Interest	<u>979,419</u>	<u>-</u>	<u>979,419</u>	<u>855,510</u>	<u>\$ 123,909</u>
 Total Expenditures	 <u>2,484,419</u>	 <u>-</u>	 <u>2,484,419</u>	 <u>2,360,510</u>	 <u>123,909</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1)</u>	<u>-</u>	<u>(1)</u>	<u>123,908</u>	<u>123,909</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>(123,909)</u>	<u>(123,909)</u>
 Total Other Financing Sources (Uses)	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>(123,909)</u>	 <u>(123,909)</u>
 Net Changes in Fund Balance	 <u>(1)</u>	 <u>-</u>	 <u>(1)</u>	 <u>(1)</u>	 <u>-</u>
Fund Balance, Beginning of Year	<u>1</u>	<u>-</u>	<u>1</u>	<u>14,920</u>	<u>14,919</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,919</u>	<u>\$ 14,919</u>

Recapitulation of Fund Balance

Restricted for Debt Service \$ 14,919

**CRESSKILL BOARD OF EDUCATION  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS  
FOR THE FISCAL YEAR JUNE 30, 2025**

**NOT APPLICABLE**

## STATISTICAL SECTION

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

### Contents

### Exhibits

#### **Financial Trends**

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

J-1 to J-5

#### **Revenue Capacity**

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

J-6 to J-9

#### **Debt Capacity**

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

J-10 to J-13

#### **Demographic and Economic Information**

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

J-14 and J-15

#### **Operating Information**

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

J-16 to J-20

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

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

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 14,141,986	\$ 14,317,166	\$ 14,996,636	\$ 15,867,265	\$ 15,551,509	\$ 15,516,683	\$ 8,611,320	\$ 9,940,521	\$ 10,588,769	\$ 11,336,207
Restricted	646,274	1,315,072	1,514,654	1,452,620	1,959,960	3,178,690	3,108,589	4,595,259	5,229,903	4,949,327
Unrestricted	(6,950,121)	(7,780,872)	(8,165,212)	(7,549,406)	(6,581,432)	(6,463,065)	(4,490,094)	(5,264,736)	1,197,226	7,417,843
<b>Total Governmental Activities Net Position</b>	<b>\$ 7,838,139</b>	<b>\$ 7,851,366</b>	<b>\$ 8,346,078</b>	<b>\$ 9,770,479</b>	<b>\$ 10,930,037</b>	<b>\$ 12,232,308</b>	<b>\$ 7,229,815</b>	<b>\$ 9,271,044</b>	<b>\$ 17,015,898</b>	<b>\$ 23,703,377</b>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 14,161	\$ 25,766	\$ 22,571	\$ 25,879	\$ 24,675	\$ 21,142	\$ 17,609	\$ 11,803	\$ 14,076	\$ 10,343
Unrestricted	44,422	13,131	10,909	(6,573)	(11,797)	(16,270)	(9,037)	(8,263)	35,791	44,382
<b>Total Business-Type Activities Net Position</b>	<b>\$ 58,583</b>	<b>\$ 38,897</b>	<b>\$ 33,480</b>	<b>\$ 19,306</b>	<b>\$ 12,878</b>	<b>\$ 4,872</b>	<b>\$ 8,572</b>	<b>\$ 3,540</b>	<b>\$ 49,867</b>	<b>\$ 54,725</b>
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ 14,156,147	\$ 14,342,932	\$ 15,019,207	\$ 15,893,144	\$ 15,576,184	\$ 15,537,825	\$ 8,628,929	\$ 9,952,324	\$ 10,602,845	\$ 11,346,550
Restricted	646,274	1,315,072	1,514,654	1,452,620	1,959,960	3,178,690	3,108,589	4,595,259	5,229,903	4,949,327
Unrestricted	(6,905,699)	(7,767,741)	(8,154,303)	(7,555,979)	(6,593,229)	(6,479,335)	(4,499,131)	(5,272,999)	1,233,017	7,462,225
<b>Total District Net Position</b>	<b>\$ 7,896,722</b>	<b>\$ 7,890,263</b>	<b>\$ 8,379,558</b>	<b>\$ 9,789,785</b>	<b>\$ 10,942,915</b>	<b>\$ 12,237,180</b>	<b>\$ 7,238,387</b>	<b>\$ 9,274,584</b>	<b>\$ 17,065,765</b>	<b>\$ 23,758,102</b>

Note 1 - Net Position at June 30, 2020 was restated to reflect the implementation of GASB Statement No. 84 "Fiduciary Activities" and a correction of an error for compensated absences liability.

Note 2 - Net Position at June 30, 2021 was restated to reflect the implementation of GASB Statement No. 87 "Leases".

Source: District financial statements

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

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Expenses</b>										
<b>Governmental Activities</b>										
<b>Instruction</b>										
Regular	\$ 15,940,432	\$ 17,856,975	\$ 18,832,667	\$ 17,225,661	\$ 16,944,911	\$ 18,850,157	\$ 16,948,162	\$ 17,145,767	\$ 16,585,670	\$ 16,738,914
Special Education	7,325,828	8,155,710	8,029,425	7,529,952	8,055,210	8,736,703	7,908,711	7,958,095	8,486,785	8,318,676
Other Instruction	1,063,352	1,401,524	1,450,619	1,399,111	1,374,351	1,862,878	1,484,028	1,430,740	1,493,676	1,243,167
School Sponsored Activities And Athletics	904,425	1,005,498	975,125	786,069	771,306	894,905	1,023,844	1,024,282	1,170,661	1,154,227
<b>Support Services:</b>										
Student & Instruction Related Services	3,501,128	3,494,100	3,538,010	3,939,191	3,925,041	4,226,026	3,830,685	4,210,867	4,186,651	4,339,195
General Administration Services	648,006	710,738	735,828	782,521	824,708	864,384	854,330	820,760	518,828	631,205
School Administration Services	2,505,272	2,648,043	2,876,419	2,821,716	2,685,525	2,730,411	2,507,405	2,345,007	2,458,769	2,464,310
Central Services/Business Services	682,143	669,237	798,100	808,375	814,213	878,777	760,270	1,065,723	1,413,519	1,278,786
Plant Operations And Maintenance	3,218,382	3,341,624	3,551,209	3,487,792	3,984,036	3,910,199	5,736,266	4,072,522	4,309,770	4,684,162
Pupil Transportation	385,357	418,144	456,471	454,426	393,077	308,144	430,116	727,760	745,511	648,377
Interest On Long-Term Debt	542,990	514,990	607,871	870,109	832,624	786,091	760,731	710,002	803,649	840,345
<b>Total Governmental Activities Expenses</b>	<b>36,717,315</b>	<b>40,216,583</b>	<b>41,851,744</b>	<b>40,104,923</b>	<b>40,605,002</b>	<b>44,048,675</b>	<b>42,244,548</b>	<b>41,511,525</b>	<b>42,173,489</b>	<b>42,341,364</b>
<b>Business-Type Activities:</b>										
<b>Food Service</b>	<b>336,671</b>	<b>338,082</b>	<b>347,883</b>	<b>355,719</b>	<b>234,957</b>	<b>14,293</b>	<b>17,880</b>	<b>183,256</b>	<b>340,032</b>	<b>355,351</b>
<b>Total Business-Type Activities Expense</b>	<b>336,671</b>	<b>338,082</b>	<b>347,883</b>	<b>355,719</b>	<b>234,957</b>	<b>14,293</b>	<b>17,880</b>	<b>183,256</b>	<b>340,032</b>	<b>355,351</b>
<b>Total District Expenses</b>	<b>\$ 37,053,986</b>	<b>\$ 40,554,665</b>	<b>\$ 42,199,627</b>	<b>\$ 40,460,642</b>	<b>\$ 40,839,959</b>	<b>\$ 44,062,968</b>	<b>\$ 42,262,428</b>	<b>\$ 41,694,781</b>	<b>\$ 42,513,521</b>	<b>\$ 42,696,715</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
<b>Charges For Services:</b>										
Regular Instruction	\$ 247,599	\$ 257,635	\$ 283,190	\$ 286,592	\$ 215,957	\$ 187,820	\$ 325,519	\$ 289,748	\$ 304,534	\$ 1,671,096
Special Education Instruction	1,008,845	1,093,015	1,110,133	1,108,166	1,356,145	1,528,579	1,418,559	1,018,460	1,279,554	-
School Sponsored Co-Curricular Activities								298,597	479,141	-
Student & Instruction Related Services			97,150	101,276						
Plant Operations And Maintenance	9,567	10,700	10,700	6,525	3,100	1,750	10,765	9,000	11,810	22,555
Operating Grants And Contributions	9,142,412	11,854,014	12,859,141	10,591,119	9,789,846	13,323,414	10,533,285	9,753,720	8,980,172	8,322,661
Capital Grants And Contributions	157,961	4,350	17,013	-	-	-	2,488,934	415,453	6,395,040	5,113,656
<b>Total Governmental Activities Program Revenues</b>	<b>10,566,384</b>	<b>13,219,714</b>	<b>14,377,327</b>	<b>12,093,678</b>	<b>11,365,048</b>	<b>15,041,563</b>	<b>14,777,062</b>	<b>11,784,978</b>	<b>17,450,251</b>	<b>15,129,968</b>
<b>Business-Type Activities:</b>										
<b>Charges For Services</b>										
Food Service	323,646	318,162	341,968	341,057	216,993		16,478	169,218	355,084	356,494
Other									29,876	1,623
<b>Operating Grants And Contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Business Type Activities Program Revenues</b>	<b>323,646</b>	<b>318,162</b>	<b>341,968</b>	<b>341,057</b>	<b>216,993</b>	<b>-</b>	<b>16,478</b>	<b>169,218</b>	<b>384,960</b>	<b>358,117</b>
<b>Total District Program Revenues</b>	<b>\$ 10,890,030</b>	<b>\$ 13,537,876</b>	<b>\$ 14,719,295</b>	<b>\$ 12,434,735</b>	<b>\$ 11,582,041</b>	<b>\$ 15,041,563</b>	<b>\$ 14,793,540</b>	<b>\$ 11,954,196</b>	<b>\$ 17,835,211</b>	<b>\$ 15,488,085</b>
<b>Net (Expense)/Revenue</b>										
<b>Governmental Activities</b>	\$ (26,150,931)	\$ (26,996,869)	\$ (27,474,417)	\$ (28,011,245)	\$ (29,239,954)	\$ (29,007,112)	\$ (27,467,486)	\$ (29,726,547)	\$ (24,723,238)	\$ (27,211,396)
<b>Business-Type Activities</b>	(13,025)	(19,920)	(5,915)	(14,662)	(17,964)	(14,293)	(1,402)	(14,038)	44,928	2,766
<b>Total District-Wide Net Expense</b>	<b>\$ (26,163,956)</b>	<b>\$ (27,016,789)</b>	<b>\$ (27,480,332)</b>	<b>\$ (28,025,907)</b>	<b>\$ (29,257,918)</b>	<b>\$ (29,021,405)</b>	<b>\$ (27,468,888)</b>	<b>\$ (29,740,585)</b>	<b>\$ (24,678,310)</b>	<b>\$ (27,208,630)</b>

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

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Property Taxes Levied For General Purposes, Net	\$ 24,615,287	\$ 25,339,664	\$ 26,280,248	\$ 27,150,294	\$ 27,693,300	\$ 28,247,166	\$ 28,812,109	\$ 29,388,351	\$ 29,976,118	\$ 30,730,690
Property Taxes Levied For Debt Service, Net	1,558,430	1,557,669	1,570,291	2,050,290	1,960,019	1,980,602	1,931,886	1,888,167	1,834,553	2,070,662
State Aid Restricted for Debt Service	18,560	17,694	23,761	19,059	141,420	97,193	97,801	98,919	175,300	263,800
Unrestricted State Aid			-							
Investment Earnings	12,157	16,250	47,901	175,532	86,221	18,466	26,870	258,484	372,619	600,014
Miscellaneous Income	83,136	78,819	46,928	40,471	104,329	61,400	60,287	39,105	37,231	161,857
Special Items						1,500	(8,458,863)	103,350	72,271	71,852
Transfers	-	-	-	-	(11,336)	(6,269)	(5,097)	(8,600)	-	-
<b>Total Governmental Activities</b>	<b>26,287,570</b>	<b>27,010,096</b>	<b>27,969,129</b>	<b>29,435,646</b>	<b>29,973,953</b>	<b>30,400,058</b>	<b>22,464,993</b>	<b>31,767,776</b>	<b>32,468,092</b>	<b>33,898,875</b>
Business-Type Activities:										
Investment Earnings	329	234	498	488	200	18	5	406	1,399	2,092
Transfers	-	-	-	-	11,336	6,269	5,097	8,600	-	-
<b>Total Business-Type Activities</b>	<b>329</b>	<b>234</b>	<b>498</b>	<b>488</b>	<b>11,536</b>	<b>6,287</b>	<b>5,102</b>	<b>9,006</b>	<b>1,399</b>	<b>2,092</b>
<b>Total District-Wide</b>	<b>\$ 26,287,899</b>	<b>\$ 27,010,330</b>	<b>\$ 27,969,627</b>	<b>\$ 29,436,134</b>	<b>\$ 29,985,489</b>	<b>\$ 30,406,345</b>	<b>\$ 22,470,095</b>	<b>\$ 31,776,782</b>	<b>\$ 32,469,491</b>	<b>\$ 33,900,967</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 136,639	\$ 13,227	\$ 494,712	\$ 1,424,401	\$ 733,999	\$ 1,392,946	\$ (5,002,493)	\$ 2,041,229	\$ 7,744,854	\$ 6,687,479
Business-Type Activities	(12,696)	(19,686)	(5,417)	(14,174)	(6,428)	(8,006)	3,700	(5,032)	46,327	4,858
<b>Total District</b>	<b>\$ 123,943</b>	<b>\$ (6,459)</b>	<b>\$ 489,295</b>	<b>\$ 1,410,227</b>	<b>\$ 727,571</b>	<b>\$ 1,384,940</b>	<b>\$ (4,998,793)</b>	<b>\$ 2,036,197</b>	<b>\$ 7,791,181</b>	<b>\$ 6,692,337</b>

Source: School District's financial statements

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

	2016	2017	2018	2019	Fiscal Year Ending June 30, 2020	2021	2022	2023	2024	2025
General Fund										
Restricted	\$ 687,028	\$ 1,575,384	\$ 1,708,274	\$ 2,477,619	\$ 3,505,792	\$ 4,137,223	\$ 4,036,625	\$ 6,295,276	\$ 7,184,388	\$ 6,183,777
Committed							136,884	-		-
Assigned	277,729	171,773	161,800	409,737	29,741	85,638	1,059,799	374,032	260,084	57,677
Unassigned	<u>338,549</u>	<u>260,093</u>	<u>312,160</u>	<u>293,041</u>	<u>283,493</u>	<u>782,736</u>	<u>910,163</u>	<u>49,753</u>	<u>162,161</u>	<u>92,251</u>
Total General Fund	<u>\$ 1,303,306</u>	<u>\$ 2,007,250</u>	<u>\$ 2,182,234</u>	<u>\$ 3,180,397</u>	<u>\$ 3,819,026</u>	<u>\$ 5,005,597</u>	<u>\$ 6,143,471</u>	<u>\$ 6,719,061</u>	<u>\$ 7,606,633</u>	<u>\$ 6,333,705</u>
All Other Governmental Funds										
Restricted	\$ 91,202	\$ 266	\$ 10,843,272	\$ 4,620,302	\$ 878,835	\$ 486,292	\$ 281,434	\$ 294,858	\$ 355,847	\$ 2,768,756
Unassigned	-	-	-	-	-	-	(5,259,224)	(15,988,012)	(4,784,585)	-
Total All Other Governmental Funds	<u>\$ 91,202</u>	<u>\$ 266</u>	<u>\$ 10,843,272</u>	<u>\$ 4,620,302</u>	<u>\$ 878,835</u>	<u>\$ 486,292</u>	<u>\$ (4,977,790)</u>	<u>\$ (15,693,154)</u>	<u>\$ (4,428,738)</u>	<u>\$ 2,768,756</u>

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

Source: District financial statements

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

	Fiscal Year Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Revenues</b>										
Tax Levy	\$ 26,173,717	\$ 26,897,333	\$ 27,850,539	\$ 29,200,584	\$ 29,653,319	\$ 30,227,768	\$ 30,743,995	\$ 31,276,518	\$ 31,810,671	\$ 32,801,352
Tuition Charges	1,256,444	1,350,650	1,490,473	1,496,034	1,572,102	1,716,399	1,744,078	1,308,208	1,584,088	1,671,096
Interest Earnings	12,157	16,250	47,901	175,532	86,221	18,466	26,870	258,484	372,619	600,014
Miscellaneous	185,535	174,410	125,681	126,808	200,633	317,910	429,993	448,914	681,453	727,213
State Sources	4,741,899	5,196,899	5,898,368	6,610,106	7,185,389	8,409,785	10,866,880	11,429,340	12,281,666	12,277,450
Federal Sources	531,495	474,118	541,414	505,934	520,080	811,219	1,258,934	1,787,502	6,979,194	5,887,829
<b>Total Revenue</b>	<b>32,901,247</b>	<b>34,109,660</b>	<b>35,954,376</b>	<b>38,114,998</b>	<b>39,217,744</b>	<b>41,501,547</b>	<b>45,070,750</b>	<b>46,508,966</b>	<b>53,709,691</b>	<b>53,964,954</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	13,373,181	13,938,213	15,018,657	15,363,113	15,689,827	16,743,601	18,230,660	19,051,173	18,952,488	19,958,253
Special Education Instruction	6,356,881	6,692,017	6,757,318	6,938,359	7,675,428	8,070,434	8,355,464	8,672,601	9,402,871	9,419,328
Other Instruction	882,335	1,070,505	1,134,871	1,234,927	1,266,967	1,650,876	1,597,779	1,614,265	1,706,471	1,511,134
School Sponsored Activities and Athletics	785,938	819,829	796,898	754,622	769,635	876,451	1,055,928	1,087,391	1,213,884	1,188,208
<b>Support Services:</b>										
Student and Inst. Related Services	3,381,591	3,175,132	3,204,423	3,583,059	3,706,577	3,831,230	4,029,378	4,565,624	4,559,684	4,666,193
General Administrative Services	633,126	663,886	683,916	739,582	807,538	824,411	901,139	889,553	518,828	721,163
School Administrative Services	2,226,331	2,175,473	2,384,819	2,515,659	2,502,727	2,455,076	2,675,755	2,617,251	2,725,331	2,756,257
Central Services/Business Services	663,041	608,022	703,440	779,572	804,034	843,907	787,456	1,126,748	1,445,641	1,286,036
Plant Operations And Maintenance	2,300,433	2,297,383	2,523,373	2,500,946	2,569,305	2,431,429	4,582,652	2,949,869	3,105,026	3,123,111
Pupil Transportation	385,357	418,144	456,471	454,426	393,077	308,144	430,116	727,760	745,511	648,377
Capital Outlay	468,152	437,422	2,005,582	6,318,385	4,423,294	454,146	6,702,554	11,307,923	591,694	567,990
<b>Debt Service:</b>										
Principal	1,060,000	1,090,000	1,237,606	1,346,042	1,450,760	1,465,726	1,498,158	1,431,097	1,428,445	1,564,100
Interest and Other Charges	535,549	503,055	475,012	811,113	829,996	781,024	756,813	702,235	649,100	884,200
Advance Refunding Escrow	-	-	-	-	-	-	-	-	-	-
Cost of Issuance	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>33,051,915</b>	<b>33,889,081</b>	<b>37,382,386</b>	<b>43,339,805</b>	<b>42,889,165</b>	<b>40,736,455</b>	<b>51,603,852</b>	<b>56,743,490</b>	<b>47,044,974</b>	<b>48,294,350</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(150,668)</b>	<b>220,579</b>	<b>(1,428,010)</b>	<b>(5,224,807)</b>	<b>(3,671,421)</b>	<b>765,092</b>	<b>(6,533,102)</b>	<b>(10,234,524)</b>	<b>6,664,717</b>	<b>5,670,604</b>
<b>Other Financing Sources (Uses)</b>										
Bond Sale Proceeds	-	-	12,446,000	-	-	-	-	-	5,415,000	-
Premium on Sale of Bonds/Notes	-	-	-	-	-	-	126,795	103,350	72,271	71,852
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	2,085,196	-	-	-
Insurance Proceeds	-	-	-	-	-	-	-	-	-	182,110
Lease Purchase Proceeds	-	392,429	-	-	154,360	35,205	-	-	-	-
Transfers In	50,209	121,300	367,674	105,724	29,190	907	139,153	185,130	279,621	2,836,793
Transfers Out	(50,209)	(121,300)	(367,674)	(105,724)	(40,526)	(7,176)	(144,250)	(193,730)	(279,621)	(2,836,793)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>392,429</b>	<b>12,446,000</b>	<b>-</b>	<b>143,024</b>	<b>28,936</b>	<b>2,206,894</b>	<b>94,750</b>	<b>5,487,271</b>	<b>253,962</b>
<b>Net Change in Fund Balances</b>	<b>\$ (150,668)</b>	<b>\$ 613,008</b>	<b>\$ 11,017,990</b>	<b>\$ (5,224,807)</b>	<b>\$ (3,528,397)</b>	<b>\$ 794,028</b>	<b>\$ (4,326,208)</b>	<b>\$ (10,139,774)</b>	<b>\$ 12,151,988</b>	<b>\$ 5,924,566</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>4.90%</b>	<b>4.76%</b>	<b>4.84%</b>	<b>5.83%</b>	<b>5.93%</b>	<b>5.58%</b>	<b>5.02%</b>	<b>4.70%</b>	<b>4.47%</b>	<b>5.13%</b>

\* Noncapital expenditures are total expenditures less capital outlay.

Source: School District's financial statements

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

<b>Fiscal Year Ended June 30,</b>	<b>Tuition</b>	<b>Related Services Provided to Other LEAs</b>	<b>Interest on Invest.</b>	<b>Rentals</b>	<b>Student Activity/ Athletic Fee</b>	<b>E-Rate Reimbursement</b>	<b>Miscellaneous</b>	<b>Total</b>
2016	\$ 1,155,289	\$ 101,155	\$ 11,948	\$ 9,567		\$ 46,484	\$ 36,652	\$ 1,361,095
2017	1,250,497	100,153	15,985	10,700		32,973	45,846	1,456,154
2018	1,393,323	97,150	24,552	10,700		26,733	20,195	1,572,653
2019	1,394,758	101,276	69,808	6,525		34,465	6,006	1,612,838
2020	1,493,118	78,984	86,221	3,100		35,254	39,885	1,736,562
2021	1,716,399		17,559	1,750		29,940	31,460	1,797,108
2022	1,744,078		14,512	10,765		11,577	48,710	1,829,642
2023	1,308,208		176,704	9,000		12,912	26,193	1,533,017
2024	1,584,088		290,042	11,810		25,066	12,165	1,923,171
2025	1,671,096		341,682	22,555	\$ 64,351	25,066	72,440	2,197,190

Source School District's Financial Statements

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>a</sup>
2016	\$ 21,820,400	\$ 1,623,946,700	\$ 124,731,700	\$ 2,138,100	\$ 5,663,400	\$ 1,778,300,300	\$ -	\$ 1,778,300,300	\$ 2,145,106,430	1.510
2017	21,008,400	1,640,487,300	123,015,200	2,138,100	5,669,500	1,792,318,500	-	1,792,318,500	2,218,765,165	1.550
2018 (1)	19,049,400	1,934,454,200	146,012,500	2,416,900	6,347,700	2,108,280,700	-	2,108,280,700	2,202,549,833	1.385
2019	18,091,700	1,950,844,000	157,251,100	2,643,000	6,857,100	2,135,686,900	-	2,135,686,900	2,241,386,341	1.389
2020	19,414,400	1,972,049,700	155,882,800	3,085,600	7,252,100	2,157,684,600	-	2,157,684,600	2,251,245,928	1.401
2021	17,984,200	2,013,931,700	141,173,600	8,094,700	7,399,300	2,188,583,500	-	2,188,583,500	2,237,068,139	1.400
2022	17,261,100	2,095,831,000	144,492,100	9,166,500	9,321,200	2,276,071,900	-	2,276,071,900	2,344,715,722	1.375
2023	16,102,500	2,246,386,500	153,045,200	11,395,100	9,785,200	2,436,714,500	-	2,436,714,500	2,577,620,552	1.306
2024	16,505,500	2,355,365,900	162,811,200	11,794,900	8,810,800	2,555,288,300	-	2,555,288,300	2,829,110,770	1.284
2025	17,666,300	2,510,949,200	171,951,200	12,777,900	9,222,800	2,722,567,400	-	2,722,567,400	3,066,113,409	1.256

Source: County Abstract of Ratables

**CRESSKILL BOARD OF EDUCATION  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
(UNAUDITED)  
*Per \$100 OF Assessed Valuation***

<b>Calendar Year</b>	<b>Total Direct School Tax Rate Cresskill Local School District</b>	<b>Overlapping Rates</b>		<b>Total Direct and Overlapping Tax Rate</b>
		<b>Municipality of Cresskill</b>	<b>County of Bergen</b>	
2016	\$ 1.510	\$ 0.821	\$ 0.305	\$ 2.636
2017	1.550	0.860	0.310	2.720
2018	(1) 1.385	0.759	0.255	2.399
2019	1.390	0.762	0.256	2.408
2020	1.401	0.762	0.269	2.432
2021	1.400	0.775	0.262	2.437
2022	1.375	0.783	0.249	2.407
2023	1.306	0.762	0.253	2.321
2024	1.284	0.760	0.256	2.300
2025	1.256	0.749	0.264	2.269

Source: Tax Duplicate, Borough of Cresskill

(1)- The Borough undertook a revaluation of real property effective January 1, 2018.

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

Taxpayer	2025	
	Taxable Assessed Value	% of Total District Net Assessed Value
CNL Retirement Suni Cresskill	41,897,100	1.54%
Care One at Dunroven	12,102,700	0.44%
Cresskill Mill C/O Asset Realty	9,908,800	0.36%
Resident	7,127,000	0.26%
JKP Broadway Associates LLC NJ	7,065,200	0.26%
P.S. Realty, L.L.C. C/O CVS	6,797,800	0.25%
Kings Supermarket Inc.	6,371,700	0.23%
Flower Center Real Est.	5,881,000	0.22%
101 Broadway Cresskill LLC	5,712,700	0.21%
Resident	5,563,800	0.20%
	<b>\$ 108,427,800</b>	<b>3.98%</b>
	2016	
	Taxable Assessed Value	% of Total District's Net Assessed Value
CNL Retirement Suni Cresskill	\$ 36,757,300	2.07%
Care One at Dunroven	6,760,000	0.38%
Kings Supermarket Inc.	5,635,300	0.32%
Cresskill Mill C/O Asset Realty	5,275,000	0.30%
P.S. Realty, L.L.C.	4,434,000	0.25%
NTX Wealth Mgmt.	4,210,700	0.24%
Resident	3,800,000	0.21%
Cresskill Industrial Park	3,798,200	0.21%
Piermont Associates, LLC	3,657,100	0.21%
Resident	3,440,400	0.19%
	<b>\$ 77,768,000</b>	<b>4.39%</b>

Source: Municipal Tax Assessor

**CRESSKILL 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	
2016	\$ 26,173,717	\$ 26,173,717	100.00%	N/A
2017	26,897,333	26,897,333	100.00%	N/A
2018	27,850,539	27,850,539	100.00%	N/A
2019	29,200,584	29,200,584	100.00%	N/A
2020	29,653,319	29,653,319	100.00%	N/A
2021	30,227,768	30,227,768	100.00%	N/A
2022	30,743,995	30,743,995	100.00%	N/A
2023	31,276,518	31,276,518	100.00%	N/A
2024	31,810,671	31,810,671	100.00%	N/A
2025	32,801,352	32,801,352	100.00%	N/A

Source: District records

N/A - Not Applicable

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

Fiscal Year Ended June 30,	Governmental Activities				Total District	Population	Per Capita
	General Obligation Bonds	Certificates of Participation	Leases Payable/Capital Financing Agreements	Bond Anticipation Notes (BANs)			
2016	\$ 15,485,000				\$ 15,485,000	8,658	\$ 1,789
2017	14,395,000		\$ 392,429		14,787,429	8,767	1,687
2018	25,706,000		289,823		25,995,823	8,722	2,980
2019	24,431,000		218,781		24,649,781	8,669	2,843
2020	23,066,000		287,381		23,353,381	8,626	2,707
2021	21,706,000		1,234,867		22,940,867	9,101	2,521
2022	20,346,000		1,096,709	\$ 16,200,000	37,642,709	9,072	4,149
2023	18,981,000		1,030,612	15,000,000	35,011,612	9,118	3,840
2024	23,036,000		962,167	9,585,000	33,583,167	9,311	3,683
2025	21,531,000		1,085,177	9,247,382	31,863,559	9,311 E	3,422

Source: District records

E: Estimated

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

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2016	\$ 15,485,000		\$ 15,485,000	0.87%	\$ 1,789
2017	14,395,000		14,395,000	0.80%	1,642
2018	25,706,000		25,706,000	1.22%	2,947
2019	24,431,000		24,431,000	1.14%	2,818
2020	23,066,000		23,066,000	1.07%	2,674
2021	21,706,000		21,706,000	0.99%	2,385
2022	20,346,000		20,346,000	0.89%	2,243
2023	18,981,000		18,981,000	0.78%	2,082
2024	23,036,000		23,036,000	0.90%	2,474
2025	21,531,000		21,531,000	0.79%	2,312

Source: District records

**CRESSKILL BOARD OF EDUCATION  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(UNAUDITED)**

Municipal Debt:	
Cresskill Board of Education	\$ 28,228,382
Borough of Cresskill	<u>16,956,500</u>
 Total Direct Debt	 <u>45,184,882</u>
 Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	21,005,312
Bergen County Utilities Authority - Water Pollution (B)	<u>1,721,532</u>
 Total Overlapping Debt	 <u>22,726,844</u>
 Total Direct and Overlapping Debt	 <u>\$ 67,911,726</u>

(A) The debt for this entity was apportioned by dividing the Municipality's 2024 equalized value by the total 2024 equalized value for Bergen County.

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

Sources:

Borough of Cresskill 2024 Annual Debt Statement

BCUA 2024 Audit

Bergen County 2024 Annual Debt Statement

**CRESSKILL BOARD OF EDUCATION  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

**Legal Debt Margin Calculation for Fiscal Year 2024**

	Equalized valuation basis	
	2022	\$ 2,698,366,212
	2023	3,085,229,805
	2024	<u>3,392,125,714</u>
		<u>\$ 9,175,721,731</u>
	Average equalized valuation of taxable property	\$ 3,058,573,910.33
	Debt limit (4 % of average equalization value)	122,342,956
	Total Net Debt Applicable to Limit	<u>35,047,203</u>
	Legal debt margin	<u>\$ 87,295,753</u>

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit	\$ 82,933,207	\$ 85,601,316	\$ 88,347,187	\$ 91,022,603	\$ 92,744,024	\$ 92,685,533	\$ 93,575,140	\$ 98,479,780	\$ 109,224,113	\$ 122,342,956
Total Net Debt Applicable to Limit	<u>15,485,000</u>	<u>14,395,000</u>	<u>25,706,400</u>	<u>24,431,400</u>	<u>23,066,000</u>	<u>21,706,400</u>	<u>41,705,862</u>	<u>39,928,409</u>	<u>41,868,382</u>	<u>35,047,203</u>
Legal Debt Margin	<u>\$ 67,448,207</u>	<u>\$ 71,206,316</u>	<u>\$ 62,640,787</u>	<u>\$ 66,591,203</u>	<u>\$ 69,678,024</u>	<u>\$ 70,979,133</u>	<u>\$ 51,869,278</u>	<u>\$ 58,551,371</u>	<u>\$ 67,355,731</u>	<u>\$ 87,295,753</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	18.67%	16.82%	29.10%	26.84%	24.87%	23.42%	44.57%	40.54%	38.33%	28.65%

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation

**CRESSKILL BOARD OF EDUCATION  
DEMOGRAPHIC STATISTICS  
LAST TEN YEARS  
(UNAUDITED)**

<u>Year Ended December 31,</u>	<u>Unemployment Rate</u>	<u>County Per Capita Income (1)</u>	<u>School District Population</u>	
2016	3.0	\$ 78,836	8,658	
2017	2.8	81,024	8,767	
2018	2.4	85,191	8,722	
2019	2.2	88,241	8,669	
2020	6.5	91,972	8,626	
2021	4.8	97,343	9,101	
2022	2.5	97,138	9,072	
2023	2.9	102,229	9,118	
2024	3.0	Not Available	9,311	
2025	Not Available	Not Available	9,311	(E)

(E) Estimate

Source: United States Bureau of Census  
School District Records

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

	2024		2015	
Employer	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment

INFORMATION NOT AVAILABLE

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

<u>Function/Program</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>	<u>2025</u>
Instruction										
Regular	120.30	122.30	124.30	122.30	122.00	124.00	121.00	113.00	116.00	117.0
Special Education	48	49	49	53	53	54	53	50	50	59
Support Services:										
Student and Instruction Related Services	42.0	42.0	42.0	42.0	34.0	35.0	30.0	30.0	72.0	73.0
General Administration	3	3	3	3	3	3	3	2	2	2.0
School Administrative Services	18.5	18.5	18.0	18.0	16.0	15.0	16.0	15.0	16.0	16.0
Central Services	3	3	3	3	3	3	3	3	4	4.0
Administrative Information Technology	1	1	1	1	2	2	2	2	2	2.0
Plant Operations And Maintenance	26	26	26	20	18	18	18	18	18	18.0
Pupil Transportation	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<u>261.80</u>	<u>264.80</u>	<u>266.30</u>	<u>261.80</u>	<u>251.00</u>	<u>254.00</u>	<u>246.00</u>	<u>233.00</u>	<u>280.00</u>	<u>291.00</u>

Source: District Personnel Records

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

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Junior Senior High School				
2016	1,794.0	\$ 30,988,214	17,273	7.25%	153	12.8:1	10.9:1	1,799.1	1,740.5	5.43%	96.74%
2017	1,840.0	31,858,604	17,314	0.24%	156	12.7:1	10.9:1	1,848.8	1,784.0	2.76%	96.50%
2018	1,848.0	33,664,186	18,217	5.21%	158	12.3:1	11.3:1	1,850.7	1,783.8	0.10%	96.39%
2019	1,835.0	34,864,265	19,000	4.30%	159	12.1:1	11.1:1	1,812.9	1,746.7	-2.04%	96.35%
2020	1,844.0	36,043,157	19,546	2.88%	160	12.1:1	11.5:1	1,824.7	1,774.8	0.65%	97.27%
2021	1,779.0	38,030,599	21,378	9.37%	159	10.7:1	1.6:1	1,778.9	1,734.5	-2.51%	97.50%
2022	1,707.0	42,646,327	24,983	16.87%	162	10.7:1	10.4:1	1,724.0	1,644.4	-3.09%	95.38%
2023	1,703.0	43,302,235	25,427	1.78%	157	11.1:1	10.6:1	1,696.0	1,613.6	-1.62%	95.14%
2024	1,727.0	44,375,735	25,695	1.05%	154	11.5:1	10.9:1	1,724.3	1,634.1	1.67%	94.77%
2025	1,759.0	45,278,060	25,741	0.18%	157	11.1:3	11.1:1	1,754.4	1,663.4	1.75%	94.81%

Sources: District records

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b><u>District Building</u></b>										
<b><u>Elementary</u></b>										
<b><u>Edward H. Bryan School</u></b>										
Square Feet	48,738	48,738	48,738	48,738	70,955	70,955	70,955	70,955	70,955	70,955
Capacity (students)	378	378	378	378	475	475	475	475	475	475
Enrollment	496	496	500	478	484	499	521	543	555	561
<b><u>Merrill Memorial School</u></b>										
Square Feet	42,450	42,450	42,450	42,450	42,450	42,450	42,450	42,450	42,450	42,450
Capacity (students)	313	313	313	313	313	313	313	313	313	313
Enrollment	335	335	357	352	359	295	290	286	279	291
<b><u>Middle School/High School</u></b>										
Square Feet	140,261	140,261	140,261	140,261	140,261	140,261	140,261	140,261	140,261	140,261
Capacity (students)	956	956	956	956	956	956	956	956	956	956
Enrollment	963	963	982	968	982	985	896	874	893	907

Number of Schools at June 30, 2024  
 Elementary = 2  
 Junior/Senior High School = 1

Source: District Records

CRESSKILL BOARD OF EDUCATION  
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
LAST TEN FISCAL YEARS  
(UNAUDITED)

<u>School Facilities</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>	<u>2025</u>
Edward H. Bryan	\$ 54,592	\$ 89,714	\$ 86,697	\$ 70,115	\$ 42,274	\$ 50,905	\$ 67,941	\$ 61,496	\$ 59,180	\$ 39,443
Merritt Memorial School	76,734	86,103	78,006	63,087	38,037	45,804	62,207	37,838	36,413	24,269
Middle School/High School	<u>174,314</u>	<u>200,414</u>	<u>402,143</u>	<u>325,230</u>	<u>196,091</u>	<u>236,125</u>	<u>1,927,933</u>	<u>452,218</u>	<u>435,185</u>	<u>290,047</u>
Total School Facilities	<u>\$ 305,640</u>	<u>\$ 376,231</u>	<u>\$ 566,846</u>	<u>\$ 458,432</u>	<u>\$ 276,402</u>	<u>\$ 332,834</u>	<u>\$ 2,058,081</u>	<u>\$ 551,552</u>	<u>\$ 530,778</u>	<u>\$ 353,759</u>

**CRESSKILL BOARD OF EDUCATION**  
**SCHEDULE OF INSURANCE**  
**JUNE 30, 2025**  
**(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy -		
General Liability		
General Aggregate	\$ 1,000,000	
Products Completed Operations	1,000,000	
Personal & Advertising Injury	1,000,000	
Each Occurrence Limit	1,000,000	
Fire Legal Liability	1,000,000	
Medical Expense	10,000	
Commercial Auto Policy	1,000,000	1,000
Umbrella Liability Policy	10,000,000	
Excess Umbrella Liability Policy	10,000,000	
Environmental Impairment Liability	2,000,000	
School Board Legal Liability	1,000,000	5,000
Employment Related Practices Liability		15,000
Crime - Selective Insurance Company of America		
Employee Dishonesty	\$100,000 Per Employee	5,000
Forgery & Alteration	\$500,000 Per Loss	100,000
Forgery & Alteration	100,000	1,000
Workers' Compensation - Safety National		
BI by Accident - Each Accident	1,000,000	
BI by Accident - Each Employee	1,000,000	
BI by Disease - Policy Limit	1,000,000	
Employers Liability Retained Limit	1,000,000	
Cyber Liability-Indian Harbor		
Each Claim	1,000,000	
Aggregate	6,000,000	
Privacy and Cyber Security	2,000,000	
Data Breach Response and Crisis Management	1,000,000	

**SINGLE AUDIT SECTION**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

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

**INDEPENDENT AUDITOR'S REPORT**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Cresskill Board of Education as of and for the fiscal year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the Cresskill Board of Education's basic financial statements and have issued our report thereon dated January 9, 2026.

**Report on Internal Control Over Financial Reporting**

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

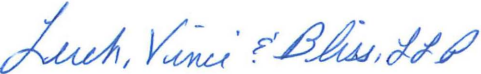
### **Report on Compliance and Other Matters**


As part of obtaining reasonable assurance about whether the Cresskill 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 a certain matter that is not required to be reported under Government Auditing Standards that we reported to management of the Cresskill Board of Education in a separate report entitled, “Auditor’s Management Report on Administrative Findings – Financial, Compliance and Performance” dated January 9, 2026.

### **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 Cresskill 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 Cresskill 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

  
Robert W. Haag  
Public School Accountant  
PSA Number CS002364

Fair Lawn, New Jersey  
January 9, 2026



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
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CHRISTINA CUIFFO, CPA, PSA  
JOHN CUIFFO, CPA, PSA

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

**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Trustees  
Cresskill Board of Education  
Cresskill, New Jersey

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited the Cresskill 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 Cresskill Board of Education's major federal and state programs for the fiscal year ended June 30, 2025. The Cresskill 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 Cresskill 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, 2025.

***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 Cresskill 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 Cresskill 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 Cresskill 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 Cresskill 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 Cresskill 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 Cresskill 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 Cresskill 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 Cresskill 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.

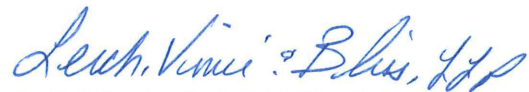
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant 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 Cresskill Board of Education, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated January 9, 2026, 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



Robert W. Haag  
Public School Accountant  
PSA Number CS002364

Fair Lawn, New Jersey  
January 9, 2026

**CRESSKILL BOARD OF EDUCATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2024	Carryover/ Deferred Revenue	Carryover/ (Accounts Receivable)	Cash Received	Budgetary Expenditures	Funds Released			June 30, 2025 Unearned Revenue	Due to Grantor	MEMO GAAP Receivable
											Adjust Deferred Revenue	Adjust (Accounts Receivable)	(Accounts Receivable)			
<b>U.S. Department of Education</b>																
<b>Passed-through State Department of Education</b>																
ESEA Title I - Grants to Local Education Agencies	84.010	S010A250030	ESEA30990-25	7/1/24-9/30/25	\$ 76,285		\$ 11,174	\$ (11,174)	\$ 57,971	\$ 83,560	\$ (22)	22	\$ (29,466)	\$ 3,877		\$ (25,589)
ESEA Title I - Grants to Local Education Agencies	84.010	S010A240030	ESEA30990-24	7/1/23-9/30/24	74,348	\$ (86,823)	(11,174)	11,174	86,823	-	-	-	-	-	-	-
<b>Total Title I Cluster</b>						(86,823)	-	-	144,794	83,560	(22)	22	(29,466)	3,877	-	(25,589)
ESEA Title IIA - Supporting Effective Instruction	84.367A	S367A250029	ESEA30990-25	7/1/24-9/30/25	29,024		13,716	(13,716)	13,311	33,490	-	-	(29,429)	9,250		(20,179)
ESEA Title IIA - Supporting Effective Instruction	84.367A	S367A240029	ESEA30990-24	7/1/23-9/30/24	28,459	(17,339)	(13,716)	13,716	17,339	-	-	-	-	-	-	-
<b>Total Title II Cluster</b>						(17,339)	-	-	30,650	33,490	-	-	(29,429)	9,250	-	(20,179)
ESEA Title III - English Language Acquisition	84.365	S365A250030	ESEA30990-25	7/1/24-9/30/25	25,206		5,353	(5,353)	9,328	26,460	-	-	(21,231)	4,099		(17,132)
ESEA Title III - English Language Acquisition	84.365	S365A240030	ESEA30990-24	7/1/23-9/30/24	23,707	(27,136)	(5,353)	5,353	27,136	-	-	-	-	-	-	-
ESEA Title III-immigrant	84.365	S365A250030	ESEA30990-25	7/1/24-9/30/25	12,217		-	-	146	10,003	-	-	(12,071)	2,214		(9,857)
<b>Total Title III Cluster</b>						(27,136)	-	-	36,610	36,463	-	-	(33,302)	6,313	-	(26,989)
ESEA Title IV - Student Support and Academic Enrichment	84.424	S424A250031	ESEA30990-25	7/1/24-9/30/25	10,000		6	(6)	2,168	8,391	-	-	(7,838)	1,615		(6,223)
ESEA Title IV - Student Support and Academic Enrichment	84.424	S424A240031	ESEA30990-24	7/1/23-9/30/24	10,000	(10,485)	(6)	6	10,485	-	-	-	-	-	-	-
<b>Total Title IV Cluster</b>						(10,485)	-	-	12,653	8,391	-	-	(7,838)	1,615	-	(6,223)
<b>American Rescue Plan - Elementary and Secondary Schools</b>																
<b>Emergency Relief Fund (ARP - ESSER)</b>																
ARP	84.425U	S425U210027	N/A	3/13/20-9/30/24	908,157	(342,181)	-	-	451,892	109,711	-	-	-	-	-	-
Accelerated Learning Coach and Educator Support	84.425U	S425U210027	N/A	3/13/20-9/30/24	146,488	-	-	-	11,916	11,916	-	-	-	-	-	-
Evidence Based Summer Learning and Enrichment	84.425U	S425U210027	N/A	3/13/20-9/30/24	40,000	-	-	-	32,649	32,649	(7,351)	7,351	-	-	-	-
Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	N/A	3/13/20-9/30/24	40,000	(27,550)	-	-	27,550	-	(675)	675	-	-	-	-
NTSS Mental Health Support Staffing	84.425U	S425U210027	N/A	3/13/20-9/30/24	45,000	(42,641)	-	-	44,654	2,013	(346)	346	-	-	-	-
<b>Total Elementary and Secondary School Emergency Relief Fund Cluster (ESSER)</b>						(412,372)	-	-	568,661	156,289	(8,372)	8,372	-	-	-	-
<b>New Jersey Learning Acceleration Program</b>																
High Impact Tutoring Grant		E2400231	N/A	8/31/24-6/30/25			25,696	(25,696)	12,993	21,739	-	-	(18,876)	10,130		(8,746)
High Impact Tutoring Grant		E2400231	N/A	10/11/23-8/31/24	75,968	(50,272)	(25,696)	25,696	50,272	-	-	-	-	-	-	-
						(50,272)	-	-	63,265	21,739	-	-	(18,876)	10,130	-	(8,746)
<b>Individuals with Disabilities Education Act (IDEA)</b>																
IDEA Basic	84.027A	H027A250100	FT-03-0990-25	7/1/24-9/30/25	345,702		1,555	(1,555)	283,079	334,776	-	-	(64,178)	12,481		(51,697)
IDEA Basic	84.027A	H027A240100	FT-03-0990-24	7/1/23-9/30/24	346,107	(323,786)	(1,555)	1,555	323,786	-	-	-	-	-	-	-
IDEA Preschool	84.173A	H173A250114	PS-03-0990-25	7/1/24-9/30/25	15,542		1,380	(1,380)	16,540	16,540	-	-	(382)	382		-
IDEA Preschool	84.173A	H173A240114	PS-03-0990-24	7/1/23-9/30/24	16,003	(17,440)	(1,380)	1,380	17,440	-	-	-	-	-	-	-
<b>Total Special Education (IDEA) Cluster</b>						(341,226)	-	-	640,845	351,316	-	-	(64,560)	12,863	-	(51,697)
<b>Total U.S. Department of Education/Special Revenue Fund</b>						(945,653)	-	-	1,497,478	691,248	(8,394)	8,394	(183,471)	44,048	-	(139,423)
<b>Total Special Revenue Fund</b>						(945,653)	-	-	1,497,478	691,248	(8,394)	8,394	(183,471)	44,048	-	(139,423)
<b>U.S. Department of Homeland Security</b>																
<b>Federal Emergency Management Agency</b>																
<b>(Passed Through New Jersey State Department of Public Safety)</b>																
Disaster Grant - Public Assistance	97.036	N/A	066-1200-100-C84	N/A	11,979,379	-	-	-	4,978,561	4,978,561	-	-	-	-	-	-
<b>Total U.S. Department of Homeland Security/Capital Projects Fund</b>						-	-	-	4,978,561	4,978,561	-	-	-	-	-	-
						\$ (945,653)	\$ -	\$ -	\$ 6,476,039	\$ 5,669,809	\$ (8,394)	\$ 8,394	\$ (183,471)	\$ 44,048	\$ -	\$ (139,423)

**CRESSKILL BOARD OF EDUCATION  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2024	Cash Received	Budgetary Expenditures	Balance, June 30, 2025			Memo	
							(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
<b>General Fund</b>											
State Department of Education											
Special Education Categorical Aid	25-495-034-5120-089	7/1/24-6/30/25	\$ 1,926,872		\$ 1,755,758	\$ 1,926,872	\$ (171,114)				\$ 1,926,872
Special Education Categorical Aid	24-495-034-5120-089	7/1/23-6/30/24	1,752,124	\$ (153,995)	153,995		-				
Security Aid	25-495-034-5120-084	7/1/24-6/30/25	161,371		147,041	161,371	(14,330)				161,371
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	143,116	(12,578)	12,578	-	-	-	-	-	-
<b>Total State Aid Public Cluster</b>				<b>(166,573)</b>	<b>2,069,372</b>	<b>2,088,243</b>	<b>(185,444)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,088,243</b>
Transportation Aid											
Transportation Aid	25-495-034-5120-014	7/1/24-6/30/25	90,008		82,015	90,008	(7,993)				90,008
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	82,508	(7,252)	7,252						-
Extraordinary Sp. Ed. Costs Aid	25-495-034-5120-044	7/1/24-6/30/25	718,665			718,665	(718,665)				718,665
Extraordinary Sp. Ed. Costs Aid	24-495-034-5120-044	7/1/23-6/30/24	626,813	(626,813)	626,813						-
TPAF On behalf Contributions											
Pension - Normal Cost & Accrued Liability	25-495-034-5095-002	7/1/24-6/30/25	5,844,819		5,844,819	5,844,819					5,844,819
Pension - Non-Contributory Insurance	25-495-034-5094-004	7/1/24-6/30/25	72,402		72,402	72,402					72,402
Post Retirement Medical Benefit Contrib	25-495-034-5095-001	7/1/24-6/30/25	1,729,017		1,729,017	1,729,017					1,729,017
Long Term Disability Insurance	25-495-034-5094-004	7/1/24-6/30/25	2,192		2,192	2,192					2,192
Reimbursed TPAF Social Security	25-495-034-5095-003	7/1/24-6/30/25	1,313,088	-	1,313,088	1,313,088	-	-	-	-	1,313,088
<b>Total General Fund</b>				<b>(800,638)</b>	<b>11,746,970</b>	<b>11,858,434</b>	<b>(912,102)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,858,434</b>
<b>Special Revenue Fund</b>											
State Department of Education											
DCA Rec Grant	N/A		67,000	(67,000)	67,000	-	-	-	-	-	-
<b>Total Special Revenue Fund</b>				<b>(67,000)</b>	<b>67,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital Projects Fund</b>											
School Development Authority											
Facilities Construction Grant											
HVAC Upgrade at Edward H. Bryan School	0990-050-23-G5ED		390,000			23,192	(390,000)	\$ 366,808		\$ (23,192)	23,192
HVAC Upgrade at Merritt Memorial School	0990-060-23-G5EF		390,000			21,318	(390,000)	368,682		(21,318)	21,318
HVAC Rooflop Upgrade at Merritt Memorial Scho	0990-060-23-G5EE		58,000	-	-	-	(58,000)	58,000	-	-	-
<b>Total Capital Projects Fund</b>				<b>-</b>	<b>-</b>	<b>44,510</b>	<b>(838,000)</b>	<b>793,490</b>	<b>-</b>	<b>(44,510)</b>	<b>44,510</b>
<b>Debt Service Fund</b>											
State Department of Education											
Debt Service Aid	25-100-034-5120-075	7/1/24-6/30/25	413,756	-	413,756	413,756	-	-	-	-	413,756
<b>Total Debt Service Fund</b>				<b>-</b>	<b>413,756</b>	<b>413,756</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>413,756</b>
<b>Total State Financial Assistance Subject to Single Audit Determination</b>				<b>\$ (867,638)</b>	<b>\$ 12,227,726</b>	<b>\$ 12,316,700</b>	<b>\$ (1,750,102)</b>	<b>\$ 793,490</b>	<b>\$ -</b>	<b>\$ (44,510)</b>	<b>\$ 12,316,700</b>
<b>State Financial Assistance Not Subject to Single Audit Determination</b>											
General Fund											
On-Behalf TPAF Pension-NCGI	25-495-034-5095-002	7/1/24-6/30/25			(5,844,819)	(5,844,819)					(5,844,819)
On-Behalf TPAF Pension-Normal Costs	25-495-034-5094-004	7/1/24-6/30/25			(72,402)	(72,402)					(72,402)
On-Behalf TPAF-Long Term Disability	25-495-034-5095-001	7/1/24-6/30/25			(1,729,017)	(1,729,017)					(1,729,017)
On-Behalf TPAF Post Retirement Medical	25-495-034-5094-004	7/1/24-6/30/25			(2,192)	(2,192)					(2,192)
<b>Total State Financial Assistance Subject to Major Program Determination</b>				<b>\$ (867,638)</b>	<b>\$ 4,579,296</b>	<b>\$ 4,668,270</b>	<b>\$ (1,750,102)</b>	<b>\$ 793,490</b>	<b>\$ -</b>	<b>\$ (44,510)</b>	<b>\$ 4,668,270</b>

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 1 REPORTING ENTITY**

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

**NOTE 2 BASIS OF PRESENTATION**

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

**NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$111,464 for the general fund and an increase of \$276,934 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		\$ 11,746,970	\$ 11,746,970
Special Revenue Fund	\$ 909,268	72,214	981,482
Capital Projects Fund	4,978,561	44,510	5,023,071
Debt Service Fund	<u>-</u>	<u>413,756</u>	<u>413,756</u>
Total Financial Assistance	<u>\$ 5,887,829</u>	<u>\$ 12,277,450</u>	<u>\$ 18,165,279</u>

**CRESSKILL BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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**

TPAF Social Security contributions in the amount of \$1,313,088 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, 2025. The amount reported as TPAF Pension System Contributions in the amount of \$5,917,221, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,729,017 and TPAF Long-Term Disability Insurance in the amount of \$2,192 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2025.

**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 t 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.

**CRESSKILL BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

*Part I – Summary of Auditor’s Results*

**Financial Statement Section**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

2) Were significant deficiency(ies) identified that were not considered to be material weaknesses? \_\_\_\_\_ yes       X  none reported

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

**Federal Awards Section**

Internal Control over compliance:

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

2) Were significant deficiencies identified that were not considered to be material weaknesses? \_\_\_\_\_ yes       X  none reported

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

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

Identification of major programs:

<u>Federal AL Number</u>	<u>Name of Federal Program or Cluster</u>
<u>97.036</u>	<u>FEMA Disaster Grant - Public Assistance</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

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

Auditee qualified as low-risk auditee?  X  yes      \_\_\_\_\_ no



**CRESSKILL BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

*Part 2 – Schedule of Financial Statement Findings*

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

There are none.

**CRESSKILL BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

*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.

**CRESSKILL BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

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

**CURRENT YEAR STATE AWARDS**

There are none.