

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

Elmwood Park, New Jersey

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
of the
Elmwood Park Board of Education
Elmwood Park, New Jersey
For The Fiscal Year Ended June 30, 2025**

**Prepared by
Business Office**

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INTRODUCTORY SECTION

ELMWOOD PARK PUBLIC SCHOOLS

OFFICE OF THE BUSINESS ADMINISTRATOR/BOARD SECRETARY

60 EAST 53RD STREET
ELMWOOD PARK, NEW JERSEY 07407
(201) 796-8700 EXT. 3979
FAX (201) 625-6466

ANTHONY IACHETTI, Ed.D
SUPERINTENDENT OF SCHOOLS

MARK S. JACOBUS
BUSINESS ADMINISTRATOR/BOARD SECRETARY

October 23, 2025

Members of the Board of Education
Elmwood Park Public Schools
60 East 53rd Street
Elmwood Park, NJ 07407

Dear Board Members:

The annual comprehensive financial report (ACFR) of the Elmwood Park Board of Education (the Board) 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 District. 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 the respective changes in financial position of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The 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 the narrative. The District's MD&A can be found immediately following the "Independent Auditor's Report."

The annual comprehensive financial report (ACFR) 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 auditor's report, management's discussion and analysis (MD&A) and the basic financial statements including the district-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual 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.

Every district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and the related U.S. Uniform Guidance and the State Treasury Circular OMB 15-08.

Information related to this single audit, including the auditors' report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES

Our District provides a full range of educational services appropriate to grade levels K through 12. These include regular and special education for handicapped, school-aged individuals. The District completed with an average daily enrollment of 2,695. The following Average Daily Enrollment figures, reported in the School Summary Register, detail the changes in student enrollment over the last ten (10) years:

<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2024/25	2,695	3.02%
2023/24	2,616	0.42%
2022/23	2,605	4.19%
2021/22	2,500	0.22%
2020/21	2,495	-2.65%
2019/20	2,563	0.58%
2018/19	2,548	-2.65%
2017/18	2,601	1.17%
2016/17	2,572	1.53%
2015/16	2,533	0.07%
2014/15	2,531	0.16%

2. ECONOMIC CONDITION AND OUTLOOK

The Borough of Elmwood Park is almost fully developed with only a nominal amount of land that remains vacant. Most land use changes reflect the results of redevelopment. This has resulted in a static tax base. The Borough could experience a growth in ratables as a portion of the former Marcal site is said to be redeveloped into a warehouse which will be leased.

The District's General Fund was in a deficit position at the end of the 2010-2011 and 2011-2012 school years. The District obtained a state aid advance loan in 2012-2013 in the amount of \$2,214,497, which was to be repaid over ten years. This loan was reflected as budgetary revenue pursuant to N.J.S.A. 18A:7A-56, and as other financing source on the GAAP basis governmental fund statements. As reflected in the June 2018 audit, the district identified funds to satisfy the loan. As of June 30, 2019, the district had paid off the outstanding amount in full.

3. MAJOR INITIATIVES

The capacities of the schools in the district were compared to the current enrollments in 2022-23 and the enrollment projections in the 2027-28 school year.

At the elementary level, a small shortage of seating currently exists in two schools in 2022-23, with the largest being at Gilbert Avenue (-31). Sixteenth Avenue is nearly at capacity (+3). In Memorial Middle School and Memorial High School, which are housed in the same building, there is currently a small shortage of seating (-12).

By 2027-28, a shortage of seating is projected in each of the three elementary schools due to the district's intention to expand the current pre-kindergarten program. Gantner Avenue is projected to have the largest number of unhoused students (-143). In Memorial Middle School and Memorial High School, surplus seating is projected (+23) due to a projected decline in enrollment.

In the last decade, enrollments (PK-12) have been fairly stable in the Elmwood Park School District. However, it appears a change in trend is on the horizon due to 390 new housing units in Elmwood Park, as well as the district's intention to expand its current pre-kindergarten program in September 2025. The projected enrollment gain is not expected to occur equally across each of the grade configurations. Most of the gain is projected at the elementary level (PK-5), while middle school enrollments (6-8) are projected to be fairly stable, and high school enrollments (9-12) are projected to decline. It has also addressed the growing population by beginning the Multipurpose room additions, and changed the high/middle school media center to a second cafeteria.

To meet the increase of ESL/ELL/ML students, the district has employed an additional 3 teachers to provide resources. The district has provided formal and ongoing training in the proper utilization of our new district-wide benchmark program, LinkIt and the updated NJSLs and the diversified learner. The district will continue to be provided to all staff members to continue the progress of rigorous instruction, implementation of effective assessments, and the application of 21st century technology, as well as establishing Professional Learning Communities for our teachers throughout the district. District in-service days have focused on a diversified curriculum meeting the needs of each type of learner, as well as establishing Professional Learning Communities for our teachers throughout the district.

Our infrastructure has faced numerous changes, which have led to updates. Since 2023 these construction projects include the PreK project, 2nd floor of Gantner, the multipurpose room expansion, Gilbert Ave roof, Promethean Boards in every classroom, updating the lockdowns and phone systems of the district, increasing technological security, ESIP projects (new lighting), painting and updating the interior of the 3 elementary schools, HS/MS teacher's lounge, rectifying parking issues for Gilbert Ave and Gantner Ave, the 16th Ave circle, new HS/MS bleachers and football field, new rooms and numerous moves throughout the last few summers and finally new playgrounds across the district.

In addition to the above professional development, training will continue to be provided to all staff members to continue the progress of rigorous instruction, implementation of effective assessments, and the application of 21st century technology. The district also continues to offer frequent PLC articulation time throughout the school year, after-school hours and during summer recess. The Quality School Assurance Continuum (QSAC) review will occur in the Spring of 2025.

4. INTERNAL ACCOUNTING CONTROLS

As a recipient of Federal and State financial assistance, the District is also 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 subject to periodic evaluation by District management and the auditor.

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

5. BUDGETARY CONTROLS

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund and the special revenue fund. The final budget amount as amended for FY 2024/2025 is reflected in the budgetary comparison schedules of the required supplementary information.

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

6. ACCOUNTING SYSTEM AND REPORTS

Our District accounting records reflect generally accepted accounting principles (GAAP), 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."

7. DEBT ADMINISTRATION

On June 30, 2025, the District had \$14,172,602 outstanding in General Obligation Bonds, including unamortized premium. The proceeds of these bonds were used to provide funds for major capital improvements to the District's buildings and grounds.

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

9. RISK MANAGEMENT

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

10. OTHER INFORMATION

Independent Audit. State statute requires an annual audit by an independent certified public accountant or registered municipal accountant. The Board's Finance Committee selected the accounting firm of Lerch Vinci & Bliss, LLP, CPA's. In addition to meeting the requirements as set forth in State statutes, the audit was also designed to meet the requirements of the Single Audit Act and the related U.S. Uniform Guidance and State Treasury Circular Letter OMB 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 are included in the single audit section of this report.

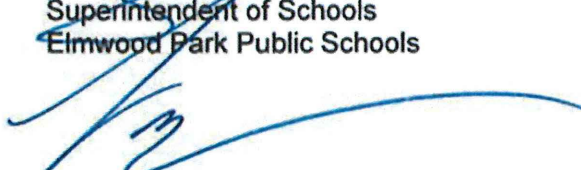
11. ACKNOWLEDGEMENTS

We would like to express our appreciation to the members of the Elmwood Park Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the District, as well as contributing their full support to the development and maintenance of our financial operations. Further, the preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff and other members in the central office.

Respectfully submitted,

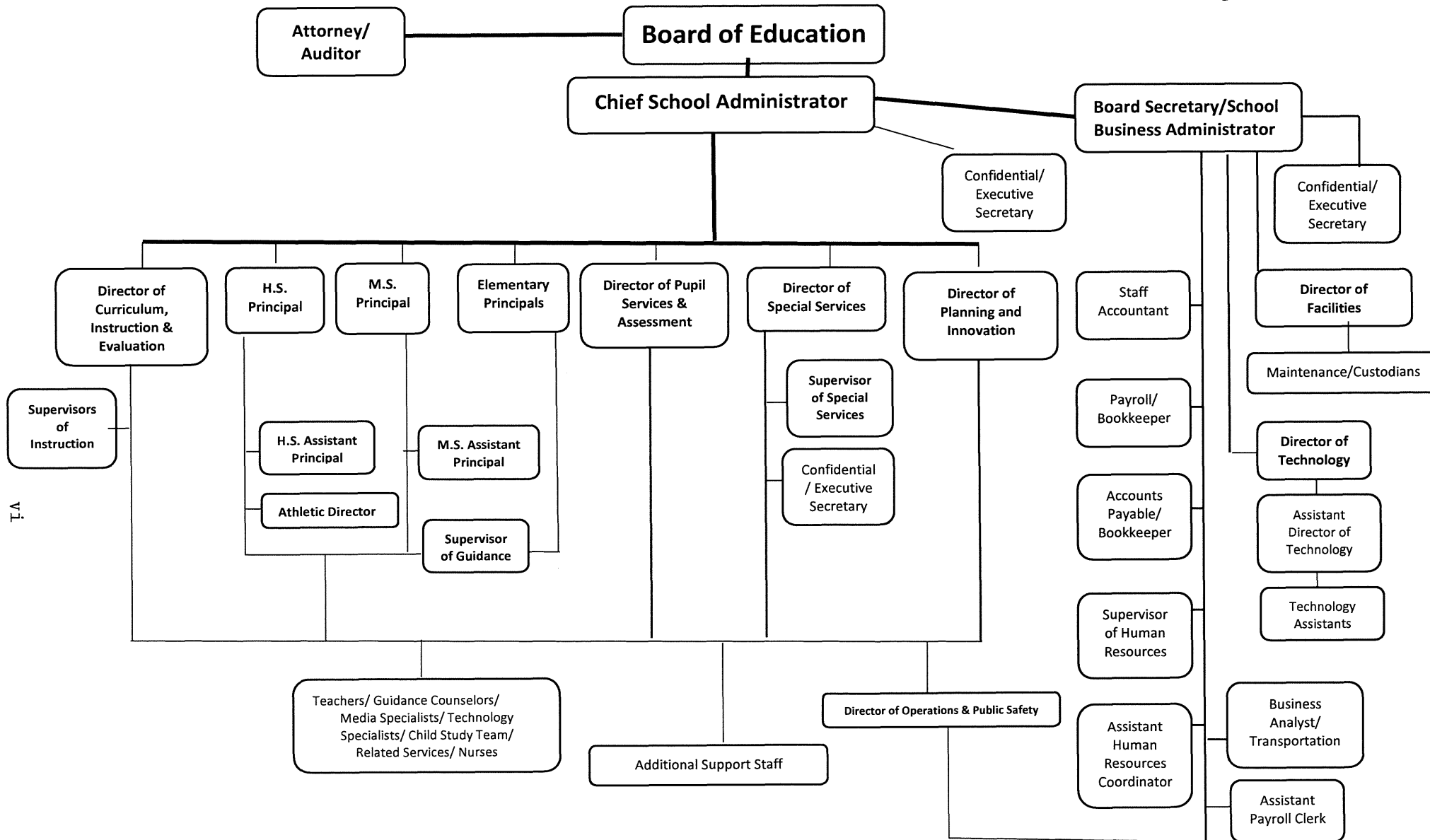


Dr. Anthony Iachetti,
Superintendent of Schools
Elmwood Park Public Schools



Mark S. Jacobus,
Business Administrator/Board Secretary
Elmwood Park Public Schools

Elmwood Park Board of Education
ADMINISTRATION
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Organizational Chart



**ELMWOOD PARK SCHOOL DISTRICT
ELMWOOD PARK, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2025**

<u>Members of the Board of Education</u>	<u>Term Expires December 31</u>
Louise Gerardi, President	2025
Dorin Aspras, Vice President	2026
Douglas DeMatteo	2026
Chakib Fakhoury	2027
Elizabeth Mierzejewski	2026
Carrie Paretti	2025
Karen Pena	2027
Andrew Tisellano	2027
Daniel Zoltek	2025

Other Officials

Dr. Anthony Iachetti, Superintendent

Mark S. Jacobus, Business Administrator/Board Secretary

Joanne Wilson, Treasurer of School Monies

Cleary, Giacobbe, Alfieri, Jacobs, LLD., Board Attorney

**ELMWOOD PARK BOARD OF EDUCATION
CONSULTANTS AND ADVISORS
JUNE 30, 2025**

ARCHITECT

DiCara Rubino Architects
30 Galesi Drive
Wayne, NJ 07470

AUDIT FIRM

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

ATTORNEY

Cleary, Giacobbe, Alfieri, Jacobs, LLC
169 Ramapo Valley Road
Upper Level – Suite 105
Oakland, NJ 07436

OFFICIAL DEPOSITORY

Spencer Savings Bank
River Drive Center 3
611 River Drive
Elmwood Park, NJ 07407

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Elmwood Park Board of Education
Elmwood Park, 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 Elmwood Park 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 Elmwood Park 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 Elmwood Park 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 Elmwood Park 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 Elmwood Park Board of Education's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Elmwood Park Board of Education's ability to continue as a going concern for a reasonable period of time.

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

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 Elmwood Park 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 Elmwood Park 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.

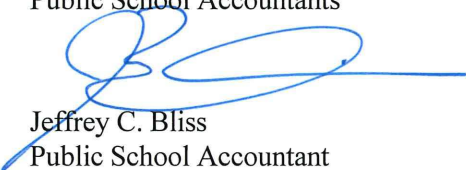
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, 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 October 23, 2025 on our consideration of the Elmwood Park Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Elmwood Park 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 Elmwood Park Board of Education's internal control over financial reporting and compliance.

Lerch, Vinci & Bliss, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
October 23, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

As management of the Elmwood Park Board of Education (the Board or District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the Elmwood Park Board of Education for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the letter of transmittal, which can be found in the introductory section of this report and the District's financial statements and related notes to the financial statement which immediately follows this section.

FINANCIAL HIGHLIGHTS

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

- The assets and deferred outflows of resources of the Elmwood Park Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$72,535,910. (Net Position)
- The District's total net position increased by \$12,785,780, or 21%.
- Overall District revenues were \$77,478,329. General revenues accounted for \$60,602,996, or 78%, of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$16,875,333, or 22% of total revenues.
- The school district had \$63,094,275 in expenses for governmental activities; only \$15,472,399 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$60,602,996 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 \$42,971,931. Of this amount, \$37,116,683 is restricted for capital projects, \$2,111,853 is restricted for required maintenance of District facilities, \$2,228,222 is restricted for excess surplus, \$705,728 is restricted for other purposes and \$1,944,986 is committed or assigned for year end encumbrances and the remaining amount is the unassigned fund deficit of \$(1,135,541).
- The General Fund fund balance at June 30, 2025 was \$35,642,342, an increase of \$1,807,441 compared to the ending fund balance at June 30, 2024 of \$33,834,901.
- The General Fund unassigned budgetary fund balance at June 30, 2025 was \$2,215,459, which represents an increase of \$144,880 when compared to the ending unassigned budgetary fund balance at June 30, 2024 of \$2,070,579.

ELMWOOD PARK BOARD OF EDUCATION

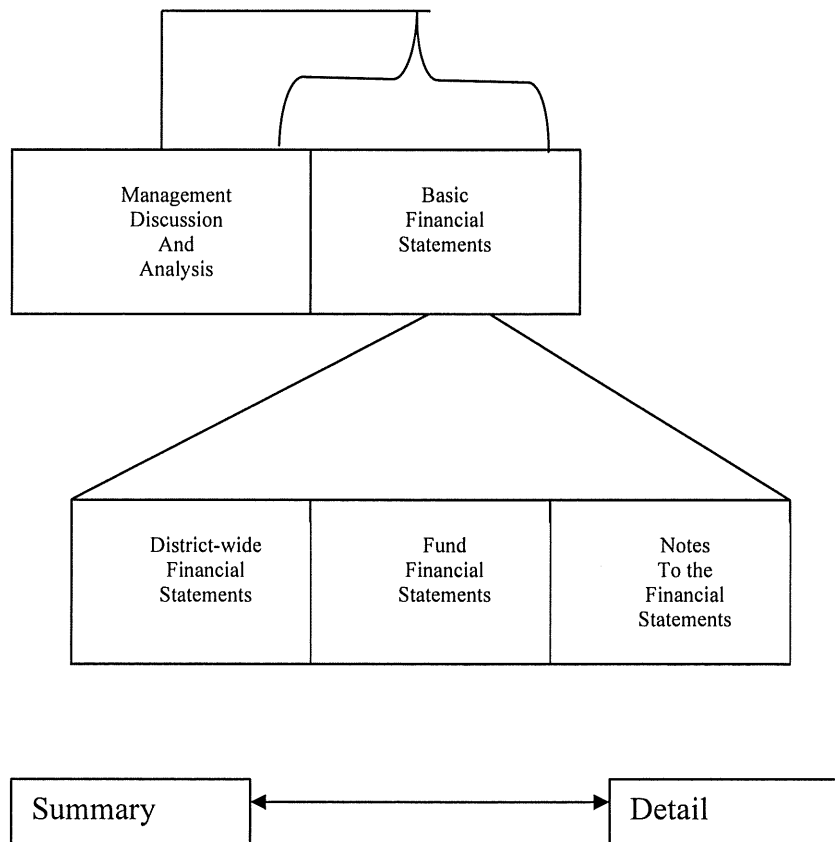
Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

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 basic financial statements also include notes that explain some of the information in the statements and provide more detailed data. The following shows how the various parts of this Annual Report are arranged and related to one another.



ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

The table below summarizes 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. 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 (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as instruction, building maintenance, transportation, and administration.	Activities the district operates similar to private businesses: Enterprise Funds
Required financial Statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenue, Expenditures and Changes in Fund Balances	Statement of Net position Statement of Revenue, Expenses, and Changes in Fund 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 and deferred inflows/outflows information	All assets, deferred outflows, liabilities, and 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 and 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.

District-Wide 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 is an indicator of whether its financial condition 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.

ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

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 and special education, transportation, administration, and plant operation and maintenance. Property taxes and Federal and State aid finance most of these activities.
- *Business type activities* – These are activities for operations that are financed and operated in a manner similar to private business enterprises. The District's food services (cafeteria) program and summer session program are included under this category.

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).

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 resources* 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.
 - *Enterprise Funds* – This 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. The District currently has two enterprise funds, for its food service (cafeteria) program and summer session program.

Notes to the Financial Statements

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

ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

Other Information (Continued)

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.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. The District's *combined* net position was \$72,535,910 and \$59,750,130 on June 30, 2025 and 2024, respectively as follows:

Net Position As of June 30, 2025 and 2024

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Assets						
Current and Other Assets	\$ 47,251,709	\$ 42,389,268	\$ 393,599	\$ 523,402	\$ 47,645,308	\$ 42,912,670
Capital Assets	51,742,064	43,559,422	331,054	389,224	52,073,118	43,948,646
Total Assets	<u>98,993,773</u>	<u>85,948,690</u>	<u>724,653</u>	<u>912,626</u>	<u>99,718,426</u>	<u>86,861,316</u>
Total Deferred Outflows of Resources	<u>925,760</u>	<u>508,541</u>	<u>-</u>	<u>-</u>	<u>925,760</u>	<u>508,541</u>
Total Assets and Deferred Outflows of Resources	<u>99,919,533</u>	<u>86,457,231</u>	<u>724,653</u>	<u>912,626</u>	<u>100,644,186</u>	<u>87,369,857</u>
Liabilities						
Long-Term Liabilities	22,491,645	24,161,595			22,491,645	24,161,595
Other Liabilities	4,556,132	2,273,830	11,686	9,266	4,567,818	2,283,096
Total Liabilities	<u>27,047,777</u>	<u>26,435,425</u>	<u>11,686</u>	<u>9,266</u>	<u>27,059,463</u>	<u>26,444,691</u>
Deferred Inflows of Resources	<u>1,043,866</u>	<u>1,175,036</u>	<u>4,947</u>	<u>-</u>	<u>1,048,813</u>	<u>1,175,036</u>
Total Liabilities and Deferred Inflows of Resources	<u>28,091,643</u>	<u>27,610,461</u>	<u>16,633</u>	<u>9,266</u>	<u>28,108,276</u>	<u>27,619,727</u>
Net Position						
Net Investment in Capital Assets	36,707,741	26,442,477	331,054	389,224	37,038,795	26,831,701
Restricted	39,484,264	37,018,397			39,484,264	37,018,397
Unrestricted	(4,364,115)	(4,614,104)	376,966	514,136	(3,987,149)	(4,099,968)
Total Net Position	<u>\$ 71,827,890</u>	<u>\$ 58,846,770</u>	<u>\$ 708,020</u>	<u>\$ 903,360</u>	<u>\$ 72,535,910</u>	<u>\$ 59,750,130</u>

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. Restricted net position represents amounts reserved for specific purposes by outside parties or state laws and regulations. Unrestricted net position represents amounts available to the government that are neither restricted nor invested in capital assets.

ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

The District's total net position of \$72,535,910 at June 30, 2025 represents a \$12,785,780, or 21%, increase from the prior year. The following presents the changes in net position for the fiscal years ended June 30, 2025 and 2024.

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

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenues						
Program Revenues						
Charges for Services and Sales	\$ 300,197	\$ 326,832	\$ 430,808	\$ 501,997	\$ 731,005	\$ 828,829
Operating Grants and Contributions	11,707,333	14,027,835	972,126	851,393	12,679,459	14,879,228
Capital Grants and Contributions	3,464,869	699,557			3,464,869	699,557
General Revenues						
Property Taxes, Levied	37,839,357	37,147,412			37,839,357	37,147,412
State Aid - Unrestricted	21,030,049	16,178,560			21,030,049	16,178,560
Miscellaneous Income	1,733,590	2,136,699	-	-	1,733,590	2,136,699
Total Revenues	76,075,395	70,516,895	1,402,934	1,353,390	77,478,329	71,870,285
Expenses						
Instruction						
Regular	20,665,114	19,362,163			20,665,114	19,362,163
Special	11,357,527	10,702,485			11,357,527	10,702,485
Other Instruction	1,516,198	1,470,088			1,516,198	1,470,088
School Sponsored Activities and Athletics	1,244,681	1,196,728			1,244,681	1,196,728
Support Services						
Student and Instruction Related Services	9,877,334	9,150,831			9,877,334	9,150,831
General Administrative Services	1,183,066	1,626,687			1,183,066	1,626,687
School Administrative Services	3,388,486	3,660,588			3,388,486	3,660,588
Central Administrative Services	1,701,830	1,480,250			1,701,830	1,480,250
Plant Operations and Maintenance	7,940,120	7,809,810			7,940,120	7,809,810
Pupil Transportation	3,769,019	3,713,261			3,769,019	3,713,261
Interest on Long-Term Debt	450,900	412,849			450,900	412,849
Food Services			1,598,274	1,304,823	1,598,274	1,304,823
Summer Session	-	-	-	16,163	-	16,163
Total Expenses	63,094,275	60,585,740	1,598,274	1,320,986	64,692,549	61,906,726
Change in Net Position Before Transfers	12,981,120	9,931,155	(195,340)	32,404	12,785,780	9,963,559
Transfers	-	(150,000)	-	150,000	-	-
Increase (Decrease) in Net Position	12,981,120	9,781,155	(195,340)	182,404	12,785,780	9,963,559
Net Position, Beginning of Year	58,846,770	50,407,206	903,360	720,956	59,750,130	51,128,162
Prior Period Adjustment	-	(1,341,591)	-	-	-	(1,341,591)
Net Position, End of Year	\$ 71,827,890	\$ 58,846,770	\$ 708,020	\$ 903,360	\$ 72,535,910	\$ 59,750,130

ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$76,075,395 for the fiscal year ended June 30, 2025, property taxes of \$37,839,357 represented 50% of revenues. Another significant portion of revenues came from grants and contributions and unrestricted state aid which totaled \$36,202,251 and represented 20% of revenues for the fiscal year ended June 30, 2024.

The total cost of all governmental activities programs and services was \$63,094,275 for the fiscal year ended June 30, 2025. The District's expenses are predominantly related to educating and caring for students. Instruction costs were \$34,783,520 (55%) of total expenses and support services costs were \$27,859,855 (44%) of total expenses for the fiscal year ended June 30, 2025.

For fiscal year 2025, total governmental activities revenues exceeded expenses and transfers out increasing net position for governmental activities by \$12,981,120 from the previous year.

Total and Net Cost of Governmental Activities. The District's total cost of services was \$63,094,275. After applying program revenues, derived from operating and capital grants and contributions of \$15,172,202 and charges for services of \$300,197 the net cost of services of the District is \$47,621,876 for the fiscal year ended June 30, 2025.

Total and Net Cost of Governmental Activities

	<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	\$ 20,665,114	\$ 19,362,163	\$ 18,076,684	\$ 15,030,999
Special Education	11,357,527	10,702,485	6,405,398	5,404,558
Other Instruction	1,516,198	1,470,088	1,267,396	1,234,362
School Sponsored Activities and Athletics	1,244,681	1,196,728	992,867	979,450
Support Services:				
Student & Instruction Related Services	9,877,334	9,150,831	8,351,338	7,083,456
General Administrative Services	1,183,066	1,626,687	1,133,676	1,528,691
School Administrative Services	3,388,486	3,660,588	2,994,908	3,143,412
Central Administrative Services	1,701,830	1,480,250	1,620,912	1,413,586
Plant Operations and Maintenance	7,940,120	7,809,810	3,393,108	6,289,966
Pupil Transportation	3,769,019	3,713,261	2,987,710	3,082,864
Interest on Long Term Debt	450,900	412,849	397,879	340,172
Total	\$ 63,094,275	\$ 60,585,740	\$ 47,621,876	\$ 45,531,516

Business-Type Activities – The District's total business-type activities revenues were \$1,402,934 for the fiscal year ended June 30, 2025. Operating grants and contributions accounted for 69% of total revenues and the remaining 31% of revenues was from charges for services and sales.

Total cost of all business-type activities programs and services was \$1,598,274 for the fiscal year ended June 30, 2025. Food service expenses represented the entire amount the total expenses as the summer session program incurred no expenses for the fiscal year ended June 30, 2025.

For fiscal year 2025, total business-type activities expenses were more than revenues decreasing net position by \$195,340, or 22% from the previous year.

ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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 \$42,971,931 at June 30, 2025, an increase of \$2,709,413 from last year's fund balance of \$40,262,518. 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.

Revenues for the District's governmental funds were \$81,107,451 while total expenditures were \$78,590,811 for the fiscal year ended June 30, 2025. Other financing sources, net were \$192,773 for the fiscal year ended June 30, 2025.

GENERAL FUND

The General Fund includes the primary operations of the District in providing educational services to students from grades Pre-K through 12 including pupil transportation, extra-curricular activities and plant operation and maintenance costs.

The following schedule presents a summary of General Fund Revenues.

	<u>Year Ended</u> <u>June 30, 2025</u>	<u>Year Ended</u> <u>June 30, 2024</u>	<u>Amount of</u> <u>Increase</u> <u>(Decrease)</u>	<u>Percent</u> <u>Change</u>
Local Sources:				
Property Tax Levy	\$ 36,169,708	\$ 35,460,498	\$ 709,210	2%
Tuition and Fees	29,323	134,892	(105,569)	-78%
Miscellaneous	1,788,659	2,136,699	(348,040)	-16%
State Sources	35,902,335	29,957,791	5,944,544	20%
Federal Sources	<u>33,128</u>	<u>16,501</u>	<u>16,627</u>	101%
Total General Fund Revenues	<u>\$ 73,923,153</u>	<u>\$ 67,706,381</u>	<u>\$ 6,216,772</u>	9%

For fiscal year 2025, total General Fund revenues increased \$6,216,772, or 9% from the previous year.

The following schedule presents a summary of General Fund expenditures.

	<u>Year Ended</u> <u>June 30, 2025</u>	<u>Year Ended</u> <u>June 30, 2024</u>	<u>Amount of</u> <u>Increase</u> <u>(Decrease)</u>	<u>Percent</u> <u>Change</u>
Instruction	\$ 37,010,122	\$ 32,591,923	\$ 4,418,199	14%
Support Services	26,241,903	25,190,776	1,051,127	4%
Debt Service	24,275	23,256	1,019	100%
Capital Outlay	<u>1,630,687</u>	<u>577,184</u>	<u>1,053,503</u>	183%
Total Expenditures	<u>\$ 64,906,987</u>	<u>\$ 58,383,139</u>	<u>\$ 6,523,848</u>	11%

ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

GENERAL FUND (Continued)

For fiscal year 2025, total General Fund expenditures increased \$6,523,848, or 11%, from the previous year.

In fiscal year 2025, General Fund revenues and other financing sources exceeded expenditures and other financing uses by \$1,807,441. Therefore, the total fund balance at June 30, 2024 of \$33,834,901 increased to a fund balance of \$35,642,342 at June 30, 2025.

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of fiscal year 2025, the District had \$51,742,064 invested in land, buildings, furniture, equipment and vehicles for governmental activities and \$331,054 for business type activity. For fiscal year 2025 depreciation expense for governmental activities was \$2,739,930 and for business-type activities was \$61,599. The following is a comparison of the June 30, 2025 and 2024 balances:

Capital Assets at June 30, 2025 and 2024 (Net of Accumulated Depreciation)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Land	\$ 443,610	\$ 443,610			\$ 443,610	\$ 443,610
Construction in Progress	9,509,195	503,622			9,509,195	503,622
Land Improvements	3,535,866	3,650,100			3,535,866	3,650,100
Buildings and Improvements	36,114,822	37,016,660	\$ 192,961	\$ 216,020	36,307,783	37,232,680
Furniture, Equipment and Vehicles	1,955,437	1,932,690	138,093	173,204	2,093,530	2,105,894
Right-to-use Leased Equipment	183,134	12,740	-	-	183,134	12,740
Total Capital Assets, Net	\$ 51,742,064	\$ 43,559,422	\$ 331,054	\$ 389,224	\$ 52,073,118	\$ 43,948,646

Additional information on the District's capital assets is presented in Note 3 of this report.

LONG TERM LIABILITIES

At June 30, 2025 the District had \$22,491,645 of total outstanding long-term liabilities. For fiscal year 2024-2025 total outstanding long-term liabilities decreased by \$1,669,950. The following is a comparison of the June 30, 2025 and 2024 balances:

Outstanding Long-Term Liabilities as of June 30, 2025 and 2024

	<u>Governmental Activities</u>	
	<u>2025</u>	<u>2024</u>
Serial Bonds (including unamortized premium)	\$ 14,172,602	\$ 16,345,078
Compensated Absences	2,551,168	2,462,517
Leases Payable	184,068	13,455
Net Pension Liability	5,583,807	5,340,545
Total	\$ 22,491,645	\$ 24,161,595

Additional information of the District's long-term liabilities is presented in Note 3 of this report.

ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to New Jersey Law, and is based on accounting for certain transactions on the budgetary basis of accounting for revenues, expenditures and encumbrances. The most significant budget fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made through budget transfers to prevent over expenditures in specific line item accounts and the appropriation of restricted and unassigned fund balances.

For fiscal year 2025 General Fund budgetary revenues exceeded budgetary expenditures and other financing uses increasing budgetary fund balance \$2,439,131. After deducting fund balances restricted, committed and assigned, the unassigned budgetary fund balance increased \$144,880 from an unassigned fund balance of \$2,070,579 at June 30, 2024 to \$2,215,459 at June 30, 2025. In addition at June 30, 2024 the District had balances in its capital reserve of \$30,042,822, maintenance reserve of \$2,111,853, emergency reserve of \$450,000 and reserved excess surplus of \$2,228,222.

FACTORS BEARING ON THE DISTRICT'S FUTURE

While many factors influence the district's future, the availability of funding for increased enrollment, staffing needs special education costs and the economy will have the most impact on educational and fiscal decisions in the future.

Many factors were considered by the District's administration during the process of developing the fiscal year 2024-2025 budget. The primary factors were the District's projected student population, anticipated State and federal aid as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2025-2026. Budgeted expenditures in the General Fund decreased approximately 6% to \$66,841,404 for fiscal year 2025-2026. The majority of the decrease was due to a reduction in budgeted capital outlay project for the 2025-2026 fiscal year.

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, Elmwood Park Board of Education, 60 East 53rd Street, Elmwood Park, NJ 07407.

FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

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

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 46,792,545	\$ 93,758	\$ 46,886,303
Receivables, Net	465,459	288,599	754,058
Internal Balances	(6,295)	6,295	-
Inventory		4,947	4,947
Capital Assets, Not Being Depreciated	9,952,805		9,952,805
Capital Assets, Being Depreciated, Net	<u>41,789,259</u>	<u>331,054</u>	<u>42,120,313</u>
Total Assets	<u>98,993,773</u>	<u>724,653</u>	<u>99,718,426</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>925,760</u>	-	<u>925,760</u>
Total Deferred Outflows of Resources	<u>925,760</u>	-	<u>925,760</u>
Total Assets and Deferred Outflows of Resources	<u>99,919,533</u>	<u>724,653</u>	<u>100,644,186</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	2,763,685		2,763,685
Payable to Other Governments	54,284		54,284
Accrued Interest Payable	276,354		276,354
Unearned Revenue	1,461,809	11,686	1,473,495
Noncurrent Liabilities			
Due Within One Year	2,025,751		2,025,751
Due Beyond One Year	<u>20,465,894</u>	-	<u>20,465,894</u>
Total Liabilities	<u>27,047,777</u>	<u>11,686</u>	<u>27,059,463</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount on Refunding of Debt	677,653		677,653
Deferred Amounts on Net Pension Liability	366,213	-	366,213
Deferred Commodities Revenue	<u>-</u>	<u>4,947</u>	<u>4,947</u>
Total Deferred Inflows of Resources	<u>1,043,866</u>	<u>4,947</u>	<u>1,048,813</u>
Total Liabilities and Deferred Inflows of Resources	<u>28,091,643</u>	<u>16,633</u>	<u>28,108,276</u>
NET POSITION			
Net Investment in Capital Assets	36,707,741	331,054	37,038,795
Restricted for:			
Capital Projects	37,116,683		37,116,683
Plant Maintenance	2,111,853		2,111,853
Student Activities	199,822		199,822
Debt Service	55,906		55,906
Unrestricted	<u>(4,364,115)</u>	<u>376,966</u>	<u>(3,987,149)</u>
Total Net Position	<u>\$ 71,827,890</u>	<u>\$ 708,020</u>	<u>\$ 72,535,910</u>

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

**ELMWOOD PARK 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	\$ 20,665,114	\$ 29,323	\$ 2,559,107		\$ (18,076,684)		\$ (18,076,684)
Special Education	11,357,527		4,952,129		(6,405,398)		(6,405,398)
Other Instruction	1,516,198		248,802		(1,267,396)		(1,267,396)
School Sponsored Activities and Athletics	1,244,681	215,805	36,009		(992,867)		(992,867)
Support Services:							
Student & Instruction Related Services	9,877,334		1,525,996		(8,351,338)		(8,351,338)
General Administrative Services	1,183,066		49,390		(1,133,676)		(1,133,676)
School Administrative Services	3,388,486		393,578		(2,994,908)		(2,994,908)
Central Administrative Services	1,701,830		80,918		(1,620,912)		(1,620,912)
Plant Operations and Maintenance	7,940,120		1,082,143	\$ 3,464,869	(3,393,108)		(3,393,108)
Pupil Transportation	3,769,019	55,069	726,240		(2,987,710)		(2,987,710)
Interest on Long Term Debt	450,900	-	53,021	-	(397,879)	-	(397,879)
Total Governmental Activities	63,094,275	300,197	11,707,333	3,464,869	(47,621,876)	-	(47,621,876)
Business-Type Activities:							
Food Service	1,598,274	426,353	972,126			\$ (199,795)	(199,795)
Summer Session Program	-	4,455	-	-	-	4,455	4,455
Total Business-Type Activities	1,598,274	430,808	972,126	-	-	(195,340)	(195,340)
Total Primary Government	\$ 64,692,549	\$ 731,005	\$ 12,679,459	\$ 3,464,869	(47,621,876)	(195,340)	(47,817,216)

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

(Continued)

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

	Net (Expense) Revenue and Changes in Net Position		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General Revenues:			
Property Taxes:			
Levied for General Purposes	\$ 36,169,708		\$ 36,169,708
Levied for Debt Service	1,669,649		1,669,649
State Aid - Unrestricted	20,827,019		20,827,019
State Aid for Debt Service Principal	203,030		203,030
Interest Earnings	1,556,504		1,556,504
Miscellaneous Income	<u>177,086</u>	<u>-</u>	<u>177,086</u>
 Total General Revenues and Transfers	 <u>60,602,996</u>	 <u>-</u>	 <u>60,602,996</u>
 Change in Net Position	 12,981,120	 (195,340)	 12,785,780
Net Position, Beginning of Year (Restated)	<u>58,846,770</u>	<u>903,360</u>	<u>59,750,130</u>
Net Position, End of Year	<u>\$ 71,827,890</u>	<u>\$ 708,020</u>	<u>\$ 72,535,910</u>

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

FUND FINANCIAL STATEMENTS

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 36,668,875	\$ 199,822	\$ 9,867,942	\$ 55,906	\$ 46,792,545
Receivables From Other Governments	256,527	208,932	-	-	465,459
Due from Other Funds	149,692	-	-	-	149,692
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 37,075,094</u>	<u>\$ 408,754</u>	<u>\$ 9,867,942</u>	<u>\$ 55,906</u>	<u>\$ 47,407,696</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 335,419		\$ 1,337,228		\$ 1,672,647
Payroll Deductions and Withholdings Payable	4,858				4,858
Employee Deposits Payable	1,086,180				1,086,180
Payable to State Government		\$ 54,284			54,284
Due to Other Funds	6,295	149,692			155,987
Unearned Revenue	-	4,956	1,456,853	-	1,461,809
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>1,432,752</u>	<u>208,932</u>	<u>2,794,081</u>	<u>-</u>	<u>4,435,765</u>
Fund Balances:					
Restricted					
Capital Reserve	29,342,822				29,342,822
Capital Reserve - Designated for Subsequent Year's Expenditures	700,000				700,000
Maintenance Reserve	2,111,853				2,111,853
Emergency Reserve	50,000				50,000
Emergency Reserve - Designated for Subsequent Year's Expenditures	400,000				400,000
Reserved Excess Surplus	1,114,111				1,114,111
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	1,114,111				1,114,111
Student Activities		199,822			199,822
Capital Projects			7,073,861		7,073,861
Debt Service				\$ 55,906	55,906
Committed					
Year-End Encumbrances	739,465				739,465
Assigned					
Year-End Encumbrances	1,205,521				1,205,521
Unassigned	(1,135,541)	-	-	-	(1,135,541)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>35,642,342</u>	<u>199,822</u>	<u>7,073,861</u>	<u>55,906</u>	<u>42,971,931</u>
Total Liabilities and Fund Balances	<u>\$ 37,075,094</u>	<u>\$ 408,754</u>	<u>\$ 9,867,942</u>	<u>\$ 55,906</u>	<u>\$ 47,407,696</u>

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

Total Fund Balances - Governmental Funds (Exhibit B-1) **\$ 42,971,931**

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 \$85,345,067 and the accumulated depreciation is \$33,603,003.

51,742,064

Amounts resulting from the refunding of debt are reported as deferred outflows/(inflows) of resources on the statement of net position and amortized over the life of the debt.

(677,653)

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

Deferred Outflows of Resources
Deferred Inflows of Resources

\$ 925,760
(366,213)

559,547

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

(276,354)

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

General Obligation Bonds (including unamortized premium)
Compensated Absences
Leases Payable
Net Pension Liability

(14,172,602)
(2,551,168)
(184,068)
(5,583,807)

(22,491,645)

Total Net Position of Governmental Activities (Exhibit A-1) **\$ 71,827,890**

**ELMWOOD PARK 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>
REVENUES					
Local Sources:					
Property Tax Levy	\$ 36,169,708			\$ 1,669,649	\$ 37,839,357
Tuition	29,323				29,323
Interest Earned	1,556,504				1,556,504
Miscellaneous	232,155	\$ 222,820	-	-	454,975
Total - Local Sources	37,987,690	222,820	-	1,669,649	39,880,159
State Sources	35,902,335	236,009		256,051	36,394,395
Federal Sources	33,128	1,916,339	\$ 2,883,430	-	4,832,897
Total Revenues	73,923,153	2,375,168	2,883,430	1,925,700	81,107,451
EXPENDITURES					
Current Expenditures					
Instruction					
Regular	23,286,320	151,983			23,438,303
Special Education	11,011,007	741,491			11,752,498
Other Instruction	1,722,974	50,463			1,773,437
School Sponsored Activities and Athletics	989,821	241,269			1,231,090
Support Services					
Student and Instruction Related Services	10,252,745	633,987			10,886,732
General Administrative Services	1,220,848				1,220,848
School Administrative Services	3,815,656				3,815,656
Central Administrative Services	1,737,483				1,737,483
Plant Operations and Maintenance	5,518,724				5,518,724
Pupil Transportation	3,696,447				3,696,447
Debt Service					
Principal	22,160			2,040,000	2,062,160
Interest	2,115			532,746	534,861
Capital Outlay	1,630,687	581,439	8,710,446	-	10,922,572
Total Expenditures	64,906,987	2,400,632	8,710,446	2,572,746	78,590,811
Excess (Deficiencies) of Revenues					
Over/(Under) Expenditures	9,016,166	(25,464)	(5,827,016)	(647,046)	2,516,640
OTHER FINANCING SOURCES (USES)					
Leases Issued	192,773				192,773
Transfers In		70,000	6,631,498	700,000	7,401,498
Transfers Out	(7,401,498)	-	-	-	(7,401,498)
Total Other Financing Sources (Uses)	(7,208,725)	70,000	6,631,498	700,000	192,773
Net Change in Fund Balances	1,807,441	44,536	804,482	52,954	2,709,413
Fund Balance, Beginning of Year	33,834,901	155,286	6,269,379	2,952	40,262,518
Fund Balance, End of Year	\$ 35,642,342	\$ 199,822	\$ 7,073,861	\$ 55,906	\$ 42,971,931

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

**ELMWOOD PARK BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ 2,709,413**

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

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

Capital Outlays	\$ 10,922,572	
Depreciation Expense	<u>(2,739,930)</u>	
		8,182,642

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

Debt Issued or Incurred:		
Lease Payable Proceeds	(192,773)	
Principal Repayments:		
General Obligations Bonds	2,040,000	
Lease Payments	<u>22,160</u>	
		1,869,387

In the statement of activities, certain amounts related to the issuance of long term debt are deferred and amortized over the term of the debt. In the governmental funds, these amounts either provide or use current resources. These amounts represent the current year amortization of the costs related to the issuance of long term debt.

Deferred Amounts on Refunding of Debt	80,759	
Original Issue Premium	<u>132,476</u>	
		213,235

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

Increase in Compensated Absences	(88,651)	
Decrease in Pension Expense	<u>224,368</u>	
		135,717

In the Statement of Activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The increase in accrued interest is a reduction in the reconciliation.

(129,274)

Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 12,981,120**

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

	Business-Type Activities		
	Enterprise Funds		
	<u>Food</u>	<u>Non-Major</u>	
	<u>Service</u>	<u>Summer</u>	<u>Total</u>
		<u>Session Program</u>	
ASSETS			
Cash and Cash Equivalents	\$ 58,406	\$ 35,352	\$ 93,758
Intergovernmental Receivable	74,344		74,344
Other Accounts Receivable, Net	214,255		214,255
Due from Other Funds	6,270	25	6,295
Inventories	4,947	-	4,947
Total Current Assets	<u>358,222</u>	<u>35,377</u>	<u>393,599</u>
Capital Assets			
Building Improvements	272,309		272,309
Equipment	548,843		548,843
Accumulated Depreciation	(490,098)	-	(490,098)
Total Capital Assets, Net	<u>331,054</u>	<u>-</u>	<u>331,054</u>
Total Assets	<u>689,276</u>	<u>35,377</u>	<u>724,653</u>
LIABILITIES			
Current Liabilities			
Unearned Revenue	<u>10,736</u>	<u>950</u>	<u>11,686</u>
Total Current Liabilities	<u>10,736</u>	<u>950</u>	<u>11,686</u>
DEFERRED INFLOW OF RESOURCES			
Deferred Commodities Revenue	<u>4,947</u>	<u>-</u>	<u>4,947</u>
Total Liabilities and Deferred Inflow of Resources	<u>15,683</u>	<u>950</u>	<u>16,633</u>
NET POSITION			
Investment in Capital Assets	331,054		331,054
Unrestricted	<u>342,539</u>	<u>34,427</u>	<u>376,966</u>
Total Net Position	<u>\$ 673,593</u>	<u>\$ 34,427</u>	<u>\$ 708,020</u>

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

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

	Business-Type Activities		
	Enterprise Funds		
	Food	Non-Major	
	<u>Service</u>	<u>Summer</u>	<u>Total</u>
		<u>Session Program</u>	
OPERATING REVENUES			
Local Sources			
Daily Sales - Reimbursable Programs	\$ 209,280		\$ 209,280
Daily Sales - Non-Reimbursable Programs	217,073		217,073
Program Fees	-	\$ 4,455	4,455
Total Operating Revenues	426,353	4,455	430,808
OPERATING EXPENSES			
Salaries and Benefits	500,649		500,649
Cost of Sales - Reimbursable Programs	611,577		611,577
Cost of Sales - Non-Reimbursable Programs	107,925		107,925
Purchased Professional and Technical Services	119,940		119,940
Purchased Property Services	74,246		74,246
Repairs	7,131		7,131
Supplies and Materials	10,419		10,419
Miscellaneous	27,461		27,461
Depreciation	61,599	-	61,599
Total Operating Expenses	1,520,947	-	1,520,947
Operating Income (Loss)	(1,094,594)	4,455	(1,090,139)
Nonoperating Revenues (Expenses)			
State Sources			
State School Lunch Program	54,957		54,957
State School Breakfast Program	6,154		6,154
Administrative Cost Program for Summer EBT	1,556		1,556
SSO State Supplement	53		53
Federal Sources			
School Breakfast Program	101,113		101,113
National School Lunch Program	673,507		673,507
Administrative Cost Program for Pandemic EBT	1,556		1,556
Food Distribution Program	133,230		133,230
Bad Debt Expense	(77,327)	-	(77,327)
Total Nonoperating Revenues (Expenses)	894,799	-	894,799
Change in Net Position	(199,795)	4,455	(195,340)
Total Net Position, Beginning of Year	873,388	29,972	903,360
Total Net Position, End of Year	\$ 673,593	\$ 34,427	\$ 708,020

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

**ELMWOOD PARK BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Business-Type Activities		
	Enterprise Funds		
	Food	Non-Major	
	<u>Service</u>	<u>Summer</u>	<u>Total</u>
		<u>Session Program</u>	
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 474,260	\$ 5,405	\$ 479,665
Cash Payments for Employees Salaries and Benefits	(500,649)	-	(500,649)
Cash Payments to Suppliers for Goods and Services	(819,803)	-	(819,803)
Net Cash Provided by (Used for) Operating Activities	(846,192)	5,405	(840,787)
Cash Flows from Noncapital Financing Activities			
Cash Received from (Paid to) Other Funds		(25)	-
Cash Received from State and Federal Subsidy Reimbursements	795,851	-	795,851
Net Cash Provided by (Used for) Noncapital Financing Activities	795,851	(25)	795,851
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(3,429)	-	(3,429)
Net Cash (Used For) Capital and Related Financing Activities	(3,429)	-	(3,429)
Net (Decrease) in Cash and Cash Equivalents	(53,770)	5,380	(48,365)
Cash and Cash Equivalents, Beginning of Year	112,176	29,972	142,148
Cash and Cash Equivalents, End of Year	\$ 58,406	\$ 35,352	\$ 93,758
Reconciliation of Operating Income (Loss) to Net Cash			
Provided by(Used for) Operating Activities			
Operating Income (Loss)	\$ (1,094,594)	\$ 4,455	(1,090,139)
Adjustments to Reconcile Operating Income (Loss)			
to Net Cash Provided by (Used for) Operating Activities			
Depreciation	61,599		61,599
Provision for Bad Debt Expense	(77,327)		
Non-Cash Federal Assistance - Food Distribution Program	133,230		133,230
Change in Assets, Liabilities and Deferred Inflows			
(Increase)/Decrease in Accounts Receivable	123,764		123,764
(Increase)/Decrease in Inventory	719		719
Increase/(Decrease) in Deferred Commodities Revenue	4,947		4,947
Increase/(Decrease) in Unearned Revenue	1,470	950	2,420
Total Adjustments	248,402	950	326,679
Net Cash Provided by (Used For) Operating Activities	\$ (846,192)	\$ 5,405	\$ (763,460)
Non-Cash Investing, Capital and Financing Activities:			
Value Received - Food Distribution Program	\$ 138,177		\$ 138,177

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

NOTES TO THE FINANCIAL STATEMENTS

**ELMWOOD PARK 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 Elmwood Park 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 Elmwood Park Board of Education this includes general operations, food service, summer session program 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.

**ELMWOOD PARK 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.

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.

ELMWOOD PARK 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)

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

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

The District reports the following major proprietary 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 *summer session fund* accounts for the activities of the District's middle school summer programs which provides classroom instruction during the summer recess.

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.

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

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

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.

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

4. *Capital Assets*

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost, except for intangible right-to-use leased assets the measurement of which is discussed in Note 1. E.8 and intangible right-to-use subscription assets. 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	20-50
Building Improvements	15-40
Heavy Equipment	10
Office Equipment and Furniture	5-10
Computer Equipment	5
Right-to-use Leased 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 only one item which arises under the accrual basis of accounting that qualifies for reporting in this category. It is the 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.

**ELMWOOD PARK 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 three 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 carrying value of the refunded debt is greater than its reacquisition price. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. Another 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; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other item that qualifies for reporting in this category is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

6. Compensated Absences

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused 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.

**ELMWOOD PARK 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)

8. Leases

Leases Payable

Non-cancellable leases for the use of another entity's 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.

9. Long-Term Obligations

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

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

10. Net Position/Fund Balance

District-Wide Statements

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

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

**ELMWOOD PARK 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)

10. Net Position/Fund Balance (Continued)

Governmental Fund Statements

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

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

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

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

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

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

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

Reserved 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.

Reserved 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.

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.

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

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustees for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

**ELMWOOD PARK 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)

10. Net Position/Fund Balance (Continued)

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.

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

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

11. Fund Balance Policies

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

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

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

F. Revenues and Expenditures/Expenses

1. Program Revenues

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

2. Property Taxes

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

**ELMWOOD PARK 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)

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 fund include payments made by the State of New Jersey on-behalf of the District for social security, pension, long-term disability insurance and post-retirement medical benefit contributions for District employees enrolled in the Teacher Pension and Annuity Fund (TPAF) retirement system, 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 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 summer session program enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal, State and vendor subsidies for the food service operation are considered nonoperating revenues.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2024/2025. Also, during 2024/2025 the Board increased the original budget of the General Fund by \$7,275,546 and the Special Revenue Fund by \$943,286. The increases were funded by the additional appropriation of unassigned fund balance, capital reserve, maintenance reserve, grant awards, student activity revenues and the reappropriation of prior year general fund encumbrances. During the fiscal year the Board authorized and approved additional fund balance appropriations from the general fund of unassigned fund balance of \$850,300, capital reserve of \$4,246,875, and maintenance reserve of \$963,740.

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

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

B. Deficit Fund Equity

The District has an unassigned fund deficit of \$1,135,541 in the General Fund as of June 30, 2025 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2024/2025 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General Fund deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) general fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District deficit in the GAAP (fund) financial statements of \$1,135,541 in the General Fund is less than the delayed state aid payments at June 30, 2025.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve

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

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		\$ 28,478,927
Increased by:		
Deposits Approved by Board Resolution	\$ 8,933,075	
Return of Unencumbered Budget Withdrawals	<u>4,360,500</u>	
		<u>13,293,575</u>
		41,772,502
Decreased by:		
Withdrawals Approved by Board Resolution	4,246,875	
Withdrawals Approved in District Budget	<u>7,482,805</u>	
		<u>11,729,680</u>
Balance, June 30, 2025		<u>\$ 30,042,822</u>

The June 30, 2025 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be \$49,367,404. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district's Long Range Facilities Plan (LRFP) or transferred to the debt service fund to offset principal and interest on payments for bonded projects in the LRFP. \$700,000 of the capital reserve balance at June 30, 2025 was designated and appropriated for use in the 2025/2026 original budget certified for taxes.

D. Maintenance Reserve

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Maintenance Reserve (Continued)

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

Balance, July 1, 2024		\$ 2,111,853
Increased by:		
Return of Unencumbered Budget Withdrawals	\$ 290,478	
Deposits Approved by Board Resolution	<u>672,992</u>	
		<u>963,470</u>
		3,075,323
Decreased by:		
Withdrawals Approved by Board Resolution		<u>963,740</u>
Balance, June 30, 2025		<u>\$ 2,111,583</u>

The June 30, 2025 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,111,583.

E. Emergency Reserve

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

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

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

Balance, July 1, 2024	\$ <u>450,000</u>
Balance, June 30, 2025	<u>\$ 450,000</u>

\$400,000 of the emergency reserve balance at June 30, 2025 was designated and appropriated for use in the 2025/2026 original budget certified for taxes..

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

F. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 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 \$2,228,222. Of this amount, \$1,114,111 was designated and appropriated in the 2025/2026 original budget certified for taxes and the remaining amount of \$1,114,111 will 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.

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 \$46,886,303 and bank and brokerage firm balances of the Board's deposits amounted to \$51,077,898. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 49,524,382
Uninsured and Collateralized	<u>1,553,516</u>
	<u><u>\$ 51,077,898</u></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 \$1,553,516 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

\$ 1,553,516

**ELMWOOD PARK 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

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.

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.

Interest earnings on the Capital Projects Fund balances are assigned to the General Fund in accordance with the Board policy.

B. Receivables

Receivables as of June 30, 2025 for the District's individual major funds, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Intergovernmental				
State	\$ 256,527		\$ 5,332	\$ 261,859
Federal		\$ 208,932	69,012	277,944
Accounts	-	-	214,255	214,255
Gross Receivables	256,527	208,932	288,599	754,058
Less: Allowance for Uncollectibles	-	-	-	-
Net Total Receivables	<u>\$ 256,527</u>	<u>\$ 208,932</u>	<u>\$ 288,599</u>	<u>\$ 754,058</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

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>Unearned</u>
Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 4,956
Capital Projects Fund	
Unencumbered Grant Draw Downs	<u>1,456,853</u>
 Total Deferred Revenue for Governmental Funds	 <u>\$ 1,461,809</u>

D. Capital Assets

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

	Balance, <u>July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2025</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 443,610			\$ 443,610
Construction in Progress	<u>503,622</u>	<u>\$ 9,005,573</u>	<u>-</u>	<u>9,509,195</u>
Total Capital Assets, Not Being Depreciated	<u>947,232</u>	<u>9,005,573</u>	<u>-</u>	<u>9,952,805</u>
Capital Assets, Being Depreciated:				
Land Improvements	4,779,018			4,779,018
Building and Building Improvements	64,038,395	1,319,008		65,357,403
Machinery and Equipment	4,657,850	405,218		5,063,068
Right-to-use Leased Equipment	<u>109,200</u>	<u>192,773</u>	<u>\$ (109,200)</u>	<u>192,773</u>
Total Capital Assets Being Depreciated	<u>73,584,463</u>	<u>1,916,999</u>	<u>(109,200)</u>	<u>75,392,262</u>
Less Accumulated Depreciation for:				
Land Improvements	(1,128,918)	(114,234)		(1,243,152)
Buildings and Improvements	(27,021,735)	(2,220,846)		(29,242,581)
Machinery and Equipment	(2,725,160)	(382,471)		(3,107,631)
Right-to-use Leased Equipment	<u>(96,460)</u>	<u>(22,379)</u>	<u>109,200</u>	<u>(9,639)</u>
Total Accumulated Depreciation	<u>(30,972,273)</u>	<u>(2,739,930)</u>	<u>109,200</u>	<u>(33,603,003)</u>
Total Capital Assets, Being Depreciated, Net	<u>42,612,190</u>	<u>(822,931)</u>	<u>-</u>	<u>41,789,259</u>
Governmental Activities Capital Assets, Net	<u>\$ 43,559,422</u>	<u>\$ 8,182,642</u>	<u>\$ -</u>	<u>\$ 51,742,064</u>

**ELMWOOD PARK 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, July 1, 2024	Increases	Decreases	Balance, June 30, 2025
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Building Improvements	\$ 272,309			\$ 272,309
Equipment	545,414	\$ 3,429	-	548,843
Total Capital Assets Being Depreciated	817,723	3,429	-	821,152
Less Accumulated Depreciation for:				
Building Improvements	(56,289)	(23,059)		(79,348)
Equipment	(372,210)	(38,540)	-	(410,750)
Total Accumulated Depreciation	(428,499)	(61,599)	-	(490,098)
Total Capital Assets, Being Depreciated, Net	389,224	(58,170)	-	331,054
Business-Type Activities Capital Assets, Net	\$ 389,224	\$ (58,170)	\$ -	\$ 331,054

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

Governmental Activities:

Instruction	
Regular	\$ 201,457
Special Education	3,106
School Sponsored Activities and Athletics	194
Total Instruction	204,757

Support Services	
Student and Instruction Related Services	35,033
General Administrative Services	15,821
School Administrative Services	38,233
Plant Operations and Maintenance	2,375,715
Pupil Transportation	70,371
Total Support Services	2,535,173

Total Depreciation Expense - Governmental Activities	\$ 2,739,930
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Business-Type Activities:

Food Service Fund	\$ 61,599
Total Depreciation Expense - Business-Type Activities	\$ 61,599

**ELMWOOD PARK 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)

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2025:

<u>Project</u>	<u>Remaining Commitment</u>
Preschool Classroom Addition Projects at Elementary Schools	\$ 7,324,111
Second Floor Shell at Gantner Ave. Elementary School	1,135,530
Refurbish Field Turf at Elmwood Park High School	295,127
Furnishings in Elmwood Park High School Cafeteria and Teacher's Lounge	455,547
Roof Repairs and Maintenance at Gilbert	581,615
Acquisition of School Bus	163,983
	<u>\$ 9,955,913</u>

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	\$ 149,692
Food Service Fund	General Fund	6,270
Summer Sessions Enterprise Fund	General Fund	25
		<u>\$ 155,987</u>

The above balances are the result of revenues deposited in one fund which are due to another fund or to cover cash balances which were in an overdraft position.

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

**ELMWOOD PARK 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

<u>Transfer Out:</u>	<u>Transfer In:</u>			
	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total</u>
General Fund	\$ 70,000	\$ 6,631,498	\$ 700,000	\$ 7,401,498

The above transfers are the result of budget appropriations or fund balances available in one fund to finance expenditures in another fund.

F. Leases Payable

The District has entered into the following agreement as lessee for the right-to-use another entity's equipment under a lease payable agreement.

On January 28, 2025, the District entered into a 5 year lease agreement as lessee for the use of photo copiers. An initial lease liability was recorded in the amount of \$192,773. The lease has an interest rate of 4.22%. The District is required to make monthly payments of \$3,569. In addition, the District has the option to purchase the equipment for fair market value at the end of the lease term. As of June 30, 2025 the value of the lease liability was \$184,068. The equipment has a 5 year estimated useful life. The value of the right-to-use asset as of June 30, 2025 is \$192,773 and had accumulated depreciation of \$9,639.

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

Governmental Activities:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 35,751	\$ 7,081	\$ 42,832
2027	37,289	5,543	42,832
2028	38,894	3,939	42,833
2029	40,567	2,265	42,832
2030	31,567	558	32,125
Total	\$ 184,068	\$ 19,386	\$ 203,454

**ELMWOOD PARK 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. 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. 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:

\$13,335,000, 2024 Refunding Bonds, due in annual installments of \$530,000 to \$2,240,000 through August 1, 2034, interest at 5.00%	<u>\$ 13,265,000</u>
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The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Year Ended June 30,	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2026	\$ 1,940,000	\$ 614,750	\$ 2,554,750
2027	2,030,000	515,500	2,545,500
2028	2,140,000	411,250	2,551,250
2029	2,230,000	302,000	2,532,000
2030	2,240,000	190,250	2,430,250
2031-2035	<u>2,685,000</u>	<u>337,375</u>	<u>3,022,375</u>
Totals	<u>\$ 13,265,000</u>	<u>\$ 2,371,125</u>	<u>\$ 15,636,125</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)	\$ 116,804,868
Less: Net Debt Issued and Authorized But Not Issued	<u>13,265,000</u>
Remaining Borrowing Power	<u>\$ 103,539,868</u>

**ELMWOOD PARK 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. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	Beginning Balance (Restated)	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds Payable	\$ 15,305,000		\$ 2,040,000	\$ 13,265,000	\$ 1,940,000
Add: Unamortized Premium	1,040,078	-	132,476	907,602	-
	16,345,078	-	2,172,476	14,172,602	1,940,000
Compensated Absences *	2,462,517	\$ 88,651		2,551,168	50,000
Leases Payable	13,455	192,773	22,160	184,068	35,751
Net Pension Liability	5,340,545	802,436	559,174	5,583,807	-
Governmental Activities Long-Term Liabilities	<u>\$ 24,161,595</u>	<u>\$ 1,083,860</u>	<u>\$ 2,753,810</u>	<u>\$ 22,491,645</u>	<u>\$ 2,025,751</u>

* The change in compensated absences liability is presented as a net number.

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

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained 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 New Jersey Schools Insurance Group (NJSIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims. NJSIG also provides insured coverage (multi-peril) to its member school districts.

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

NJSIG 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 NJSIG 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 coverages in any of the prior three years.

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

NOTE 4 OTHER INFORMATION (Continued)

B. Contingent Liabilities

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

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

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.

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

The following represents the membership tiers for PERS:

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

**ELMWOOD PARK 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)

Public Employees' Retirement System (PERS) (Continued)

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

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

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

The following represent the membership tiers for TPAF:

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

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

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

**ELMWOOD PARK 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)

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

Other Pension Funds

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

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

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

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

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

**ELMWOOD PARK 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)

Investment Valuation

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

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

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.

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, 2024 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was more than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2025, 2024 and 2023 were equal to the required contributions.

**ELMWOOD PARK 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)

Employer and Employee Pension Contributions (Continued)

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:

<u>Fiscal Year Ended June 30,</u>	<u>PERS</u>	<u>On-behalf TPAF</u>	<u>DCRP</u>
2025	\$ 559,174	\$ 6,200,548	\$ 49,577
2024	492,792	6,046,139	40,232
2023	432,565	5,722,155	47,981

In addition for fiscal years 2025, 2024 and 2023 the State contributed \$3,873, \$3,278 and \$2,927, 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 \$1,418,599 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.

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.

**ELMWOOD PARK 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)

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 \$5,583,807 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 .04109 percent, which was an increase of .00422 percent from its proportionate share measured as of June 30, 2023 of .03687 percent.

For the fiscal year ended June 30, 2025, the District recognized in the district-wide statement of activities (accrual basis) pension expense/(benefit) of \$334,806 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	\$ 111,854	\$ 14,866
Changes of Assumptions	6,937	63,531
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		258,906
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>806,969</u>	<u>28,910</u>
Total	<u>\$ 925,760</u>	<u>\$ 366,213</u>

**ELMWOOD PARK 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)

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:

<u>Year Ending June 30,</u>	<u>Total</u>
2026	\$ 22,064
2027	389,446
2028	94,429
2029	44,253
2030	9,355
Thereafter	-
	<u>\$ 559,547</u>

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 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.

**ELMWOOD PARK 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%

**ELMWOOD PARK 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)

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

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 7,419,507</u>	<u>\$ 5,583,807</u>	<u>\$ 4,021,637</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability at 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.state.nj.us/treasury/pensions.

**ELMWOOD PARK 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)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The non-employer allocation percentages presented are based on the ratio of the State's actual contributions made as an employer and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2022 through June 30, 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 expense/(benefit) of (\$252,925) 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 \$69,335,451. 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 .14028 percent, which was an increase of .00222 percent from its proportionate share measured as of June 30, 2023 of .13806 percent.

ELMWOOD PARK 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.

**ELMWOOD PARK 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)

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.

ELMWOOD PARK 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% percent) or 1-percentage-point higher (8.00% percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	\$ 82,414,999	\$ 69,335,451	\$ 58,319,999

The sensitivity analysis was based on the State’s proportionate share of the net pension liability attributable to the District at 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.state.nj.us/treasury/pensions.

E. Post-Retirement Medical Benefits

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 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.

**ELMWOOD PARK 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.

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.

**ELMWOOD PARK 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 July 1, 2023 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 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 \$1,811,805, \$1,645,538 and \$1,503,196, 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 \$3,233,222. 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 \$62,741,790. 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 .10518 percent, which was an increase of .00023 percent from its proportionate share measured as of June 30, 2023 of .10495 percent.

**ELMWOOD PARK 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% Based on Years of Service	2.75% to 5.65% 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 disables retirees. Future disabled retirees was based on the Pub-2010 “General” (PERS) and “Teachers” (TPAF) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The actuarial assumptions used in the 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%.

**ELMWOOD PARK 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	\$ 54,954,266
Changes Recognized for the Fiscal Year:	
Service Cost	3,126,581
Interest on the Total OPEB Liability	2,065,311
Differences Between Expected and Actual Experience	(574,985)
Changes of Assumptions	4,693,920
Gross Benefit Payments	(1,577,312)
Contributions from the Member	54,009
Net Changes	\$ 7,787,524
Balance, June 30, 2024 Measurement Date	\$ 62,741,790

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.

**ELMWOOD PARK 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:

	1% Decrease <u>(2.93%)</u>	Current Discount Rate <u>(3.93%)</u>	1% Increase <u>(4.93%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 73,484,073</u>	<u>\$ 62,741,790</u>	<u>\$ 54,102,765</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:

	1% Decrease <u></u>	Healthcare Cost Trend Rates	1% Increase <u></u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 52,264,368</u>	<u>\$ 62,741,790</u>	<u>\$ 76,389,324</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.

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

NOTE 4 OTHER INFORMATION (Continued)

F. Subsequent Events

Appropriation of Fund Balance

On August 26, 2025 the Board approved the appropriation of \$877,211 of General Fund unassigned fund balance to the 2025/2026 budget.

On August 26 and September 25, 2025 the Board approved the appropriations of an additional \$181,078 of Maintenance Reserve restricted fund balance to the 2025/2026 budget.

On September 25, 2025 the Board approved the appropriation of an additional \$20,075,000 of Capital Reserve restricted fund balance to the 2025/2026 budget.

Energy Savings Incentive Program (ESIP) Bonds

On September 16, 2025 the District issued \$4,700,000 in ESIP Bonds. These Bonds were issued in order to permanently finance expenditures related to the 2025 energy savings incentive program for various capital improvement projects. The District awarded the said sale of bonds to Roosevelt & Cross, Inc. at an interest rate of 4.00% to 5.00%. These Bonds dated September 30, 2025 will mature over 21 years with the first maturity due September 15, 2027.

NOTE 5 RESTATEMENT

During fiscal year 2025, the Elmwood Park Board of Education determined that the implementation of GASB No. 101 “Compensated Absences” materially changed their compensated absences liability. The Elmwood Park Board of Education has determined that the effect of GASB No. 101 on the financial statements previously reported as of and for the fiscal year ended June 30, 2024 are as follows:

Governmental Activities

The financial statements of the governmental activities as of June 30, 2024 have been restated to reflect certain activities related to compensated absences. The effect of this restatement is to decrease net position of governmental activities by \$1,341,591 from \$60,188,361 as previously reported to \$58,846,770 as of June 30, 2024.

	District-Wide Net Position
	Governmental Activities
Balance July 1, 2024 - As Reported	\$ 60,188,361
Change in Accounting Principle (Adoption of GASB No. 101)	(1,341,591)
	\$ 58,846,770

REQUIRED SUPPLEMENTARY INFORMATION - PART II
BUDGETARY COMPARISON SCHEDULES

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

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 36,169,708		\$ 36,169,708	\$ 36,169,708	
Tuition Fees from Other LEA's within the State				29,323	\$ 29,323
Transportation Fees from Other LEA's within the State				55,069	55,069
Interest Earned				1,556,504	1,556,504
Interest Earned in Capital Reserve Funds	1,000		1,000		(1,000)
Interest Earned in Maintenance Reserve	750		750		(750)
Interest Earned in Emergency Reserve	250		250		(250)
Unrestricted Miscellaneous Revenues	130,000	-	130,000	177,086	47,086
Total Local Revenues	36,301,708	-	36,301,708	37,987,690	1,685,982
State Sources					
Special Education Aid	3,084,460		3,084,460	3,084,460	-
Equalization Aid	21,322,467		21,322,467	21,322,467	-
Security Aid	981,384		981,384	981,384	-
Transportation Aid	646,983		646,983	646,983	-
Extraordinary Special Education Costs Aid				878,248	878,248
Nonpublic School Transportation Costs				83,593	83,593
Homeless Tuition Reimbursement				102,065	102,065
On-Behalf TPAF Contributions (Non-Budgeted)					
Pension Benefit Contribution				6,124,680	6,124,680
Pension - NCGI Premium				75,868	75,868
Post-Retirement Medical Benefit Contribution				1,811,805	1,811,805
Long-Term Disability Insurance				3,873	3,873
Reimbursed Social Security Contribution	-	-	-	1,418,599	1,418,599
Total State Revenues	26,035,294	-	26,035,294	36,534,025	10,498,731
Federal Sources					
Special Education Medicaid Initiative Reimbursement	60,204	-	60,204	33,128	(27,076)
Total Federal Revenues	60,204	-	60,204	33,128	(27,076)
Total Revenues	62,397,206	-	62,397,206	74,554,843	12,157,637
CURRENT EXPENDITURES					
Regular Programs - Instruction					
Salaries of Teachers					
Kindergarten	1,368,848	-	1,368,848	685,938	682,910
Grades 1-5	3,911,171	\$ 37,151	3,948,322	3,630,231	318,091
Grades 6-8	2,618,058	155,350	2,773,408	2,634,555	138,853
Grades 9-12	3,907,846	(169,698)	3,738,148	3,730,365	7,783
Regular Programs - Home Instruction					
Salaries of Teachers	15,000	37,485	52,485	52,485	-
Purchased Professional-Educational Services	12,000	28,523	40,523	26,497	14,026
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	151,960	5,600	157,560	157,282	278
Purchased Professional-Educational Services	15,000	(9,100)	5,900	5,872	28
Purchased Technical Services	335,000	(64,400)	270,600	223,197	47,403
Other Purchased Services	260,700	346	261,046	229,429	31,617
General Supplies	1,855,132	(260,594)	1,594,538	1,260,010	334,528
Textbooks	26,552	262,591	289,143	278,962	10,181
Total Regular Programs	14,477,267	23,254	14,500,521	12,914,823	1,585,698

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

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Special Education					
Learning / Language Disabilities					
Salaries of Teachers	\$ 531,292	\$ (90,555)	\$ 440,737	\$ 362,180	\$ 78,557
Other Salaries for Instruction	115,050	9,800	124,850	86,890	37,960
Total Learning / Language Disabilities	646,342	(80,755)	565,587	449,070	116,517
Emotional Regulation Impairment					
Salaries of Teachers	108,423	60,700	169,123	168,919	204
Other Salaries for Instruction	20,100	(20,100)	-	-	-
Total Emotional Regulation Impairment	128,523	40,600	169,123	168,919	204
Multiple Disabilities					
Salaries of Teachers	320,877	(1,677)	319,200	269,222	49,978
Other Salaries for Instruction	61,950	(100)	61,850	61,792	58
General Supplies	2,000	3,000	5,000	3,447	1,553
Total Multiple Disabilities	384,827	1,223	386,050	334,461	51,589
Resource Room / Resource Center					
Salaries of Teachers	2,165,179	175,700	2,340,879	2,332,762	8,117
Other Salaries for Instruction	198,090	(75,700)	122,390	122,187	203
General Supplies	1,000	(660)	340	338	2
Total Resource Room / Resource Center	2,364,269	99,340	2,463,609	2,455,287	8,322
Autism					
Salaries of Teachers	461,374	20,620	481,994	425,604	56,390
Other Salaries for Instruction	514,620	(133,500)	381,120	380,941	179
General Supplies	15,000	(8,393)	6,607	6,535	72
Total Autism	990,994	(121,273)	869,721	813,080	56,641
Preschool Disabilities - Part - Time					
Salaries of Teachers	206,850	1,200	208,050	189,983	18,067
Other Salaries for Instruction	37,200	(37,100)	100	-	100
Total Preschool Disabilities - Part - Time	244,050	(35,900)	208,150	189,983	18,167
Preschool Disabilities - Full - Time					
Salaries of Teachers	187,689	(2,400)	185,289	60,941	124,348
Other Salaries for Instruction	141,600	(56,500)	85,100	84,795	305
Total Preschool Disabilities - Full - Time	329,289	(58,900)	270,389	145,736	124,653
Home Instruction					
Salaries of Teachers	40,000	(18,100)	21,900	21,840	60
Total Home Instruction	40,000	(18,100)	21,900	21,840	60
Total Special Education	5,128,294	(173,765)	4,954,529	4,578,376	376,153

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

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Basic Skills/Remedial					
Salaries of Teachers	\$ 525,429	\$ (66,493)	\$ 458,936	\$ 458,838	\$ 98
Total Basic Skills/Remedial	<u>525,429</u>	<u>(66,493)</u>	<u>458,936</u>	<u>458,838</u>	<u>98</u>
Bilingual Education					
Salaries of Teachers	<u>544,915</u>	<u>(65,734)</u>	<u>479,181</u>	<u>478,998</u>	<u>183</u>
Total Bilingual Education	<u>544,915</u>	<u>(65,734)</u>	<u>479,181</u>	<u>478,998</u>	<u>183</u>
School Sponsored Co-Curricular Activities					
Salaries	212,466	10,645	223,111	193,500	29,611
Other Salaries for Instruction		997	997	994	3
Purchased Services	10,000	-	10,000	1,137	8,863
Supplies and Materials	<u>8,000</u>	<u>-</u>	<u>8,000</u>	<u>4,409</u>	<u>3,591</u>
Total School Sponsored Co-Curricular Activities	<u>230,466</u>	<u>11,642</u>	<u>242,108</u>	<u>200,040</u>	<u>42,068</u>
School Sponsored Athletics - Instruction					
Salaries	347,642	(27,999)	319,643	304,172	15,471
Other Salaries for Instruction	46,750	24,000	70,750	70,709	41
Purchased Services	124,500	(67,737)	56,763	56,405	358
Supplies and Materials	70,175	(11,924)	58,251	26,542	31,709
Other Objects	<u>19,723</u>	<u>2,022</u>	<u>21,745</u>	<u>20,413</u>	<u>1,332</u>
Total School Sponsored Athletics - Instruction	<u>608,790</u>	<u>(81,638)</u>	<u>527,152</u>	<u>478,241</u>	<u>48,911</u>
Other Suppl./At-Risk Program - Instruction					
Salaries of Teacher Tutors	<u>300,000</u>	<u>-</u>	<u>300,000</u>	<u>63,881</u>	<u>236,119</u>
Total Other Suppl./At-Risk Program - Instruction	<u>300,000</u>	<u>-</u>	<u>300,000</u>	<u>63,881</u>	<u>236,119</u>
Total - Instruction	<u>21,815,161</u>	<u>(352,734)</u>	<u>21,462,427</u>	<u>19,173,197</u>	<u>2,289,230</u>
Undistributed Expenditures					
Instruction (Tuition)					
Tuition to Other LEA's Within State - Special	788,332	-	788,332	88,889	699,443
Tuition to County Vocational School District - Reg.	581,256	-	581,256	575,463	5,793
Tuition to County Vocational School District - Spec.	1,261,602	(282,944)	978,658	826,488	152,170
Tuition to County Special Services School Districts & Regional Day Schools	2,624,437	1,030,100	3,654,537	2,299,855	1,354,682
Tuition to Private Schools - Disabled Within State	1,942,662	41,200	1,983,862	1,700,594	283,268
Tuition - State Facilities	<u>-</u>	<u>61,944</u>	<u>61,944</u>	<u>61,944</u>	<u>-</u>
Total Undistributed - Instruction (Tuition)	<u>7,198,289</u>	<u>850,300</u>	<u>8,048,589</u>	<u>5,553,233</u>	<u>2,495,356</u>
Attendance and Social Work Services					
Salaries	200,117	4,501	204,618	204,618	-
Supplies and Materials	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total Attendance and Social Work Services	<u>201,117</u>	<u>4,501</u>	<u>205,618</u>	<u>204,618</u>	<u>1,000</u>

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

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Health Services					
Salaries	\$ 370,040	\$ (6,916)	\$ 363,124	\$ 281,068	\$ 82,056
Purchased Professional and Technical Services	137,491	95,757	233,248	154,044	79,204
Supplies and Materials	27,820	(11,213)	16,607	16,171	436
Total Health Services	535,351	77,628	612,979	451,283	161,696
Speech, OT, PT and Related Services					
Salaries	699,916	(57,400)	642,516	575,641	66,875
Purchased Professional - Educational Services	550,000	(19,529)	530,471	426,409	104,062
Supplies and Materials	4,000	400	4,400	4,360	40
Total Speech, OT, PT and Related Services	1,253,916	(76,529)	1,177,387	1,006,410	170,977
Other Support Services-Students-Extra Services					
Salaries	856,820	(206,613)	650,207	644,865	5,342
Purchased Professional-Educational Services	1,337,584	583,143	1,920,727	1,607,561	313,166
Supplies and Materials	2,000	-	2,000	-	2,000
Total Other Support Services-Extra Services	2,196,404	376,530	2,572,934	2,252,426	320,508
Guidance					
Salaries of Other Professional Staff	1,047,004	(195,102)	851,902	815,082	36,820
Salaries of Secretarial and Clerical Assistants	45,524	5,100	50,624	50,571	53
Other Purchased Services	8,800	-	8,800	7,102	1,698
Supplies and Materials	1,200	-	1,200	967	233
Total Guidance	1,102,528	(190,002)	912,526	873,722	38,804
Child Study Team					
Salaries of Other Professional Staff	1,265,428	-	1,265,428	1,110,403	155,025
Salaries of Secretarial and Clerical Assistants	44,149	-	44,149	36,914	7,235
Other Purchased Professional and Technical Services	150,000	1,640	151,640	30,880	120,760
Other Purchased Services	5,000	-	5,000	5,000	-
Supplies and Materials	15,000	-	15,000	13,181	1,819
Total Child Study Team	1,479,577	1,640	1,481,217	1,196,378	284,839
Improvement of Instruction Services					
Salaries of Supervisor of Instruction	150,852	3,000	153,852	153,615	237
Salaries of Other Professional Staff	32,887	-	32,887	28,860	4,027
Other Purchased Professional and Technical Services	93,500	(3,000)	90,500	38,205	52,295
Other Purchased Services	10,000	-	10,000	5,000	5,000
Supplies and Materials	20,000	(7,800)	12,200	2,102	10,098
Total Improvement of Instruction Services	307,239	(7,800)	299,439	227,782	71,657

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

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Educational Media Services/School Library					
Salaries	\$ 197,167	\$ 16,000	\$ 213,167	\$ 212,566	\$ 601
Salaries - Technology Coordinator	332,080	-	332,080	328,787	3,293
Other Purchased Services	8,000	(994)	7,006	7,006	-
Supplies and Materials	9,540	(3,493)	6,047	5,998	49
Total Educational Media Services/School Library	546,787	11,513	558,300	554,357	3,943
Instructional Staff Training Services					
Salaries of Supervisor of Instruction	145,852	7,800	153,652	153,615	37
Total Instructional Staff Training Services	145,852	7,800	153,652	153,615	37
Support Services General Administration					
Salaries	501,744	(2,500)	499,244	314,065	185,179
Legal Services	103,000	1,632	104,632	79,861	24,771
Audit Fees	80,000	-	80,000	11,925	68,075
Architectural/Engineering Services	15,000	-	15,000		15,000
Other Purchased Professional Services	24,350	-	24,350	4,965	19,385
Communications/Telephone	229,000	(80)	228,920	107,300	121,620
Miscellaneous Purchased Services	346,914	1,800	348,714	288,991	59,723
General Supplies	9,110	-	9,110	1,435	7,675
Miscellaneous Expenditures	2,000	500	2,500	2,367	133
BOE Membership Dues and Fees	28,055	3,280	31,335	28,566	2,769
Total Support Services General Administration	1,339,173	4,632	1,343,805	839,475	504,330
Support Services School Administration					
Salaries of Principals/Asst. Principals/Prog. Dir.	1,858,093	104,700	1,962,793	1,733,374	229,419
Salaries of Secretarial and Clerical Assistants	488,449	(4,700)	483,749	474,703	9,046
Other Purchased Services	59,792	-	59,792	47,221	12,571
Supplies and Materials	33,386	378	33,764	18,019	15,745
Total Support Services School Administration	2,439,720	100,378	2,540,098	2,273,317	266,781
Central Services					
Salaries	667,509	54,436	721,945	721,786	159
Purchased Professional Services	68,000	(2,169)	65,831	65,830	1
Purchased Technical Services	34,000	(5,668)	28,332	28,332	-
Travel	2,081	(1,560)	521	521	-
Other Objects	16,500	(11,902)	4,598	4,513	85
Supplies and Materials	12,000	2,363	14,363	14,339	24
Total Central Services	800,090	35,500	835,590	835,321	269

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

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Administration Information Technology					
Salaries	\$ 214,245	\$ (19,000)	\$ 195,245	\$ 194,651	\$ 594
Purchased Technical Services	159,356	(11,642)	147,714	127,775	19,939
Other Purchased Services	39,700	10,000	49,700	25,469	24,231
Supplies and Materials	28,236	37,413	65,649	51,789	13,860
Total Administration Information Technology	441,537	16,771	458,308	399,684	58,624
Required Maintenance for School Facilities					
Salaries	399,836	(1,311)	398,525	398,289	236
Cleaning, Repair & Maintenance Services	545,107	791,222	1,336,329	662,077	674,252
General Supplies	107,404	(47,112)	60,292	43,886	16,406
Other Objects	1,180	35	1,215	1,135	80
Total Required Maintenance for School Facilities	1,053,527	742,834	1,796,361	1,105,387	690,974
Custodial Services					
Salaries	1,627,931	60,917	1,688,848	1,624,546	64,302
Salaries of Non-Instructional Aides	174,000	(95,943)	78,057	77,956	101
Cleaning, Repair and Maintenance Services	94,497	74,228	168,725	73,871	94,854
Other Purchased Property Services	37,886	250	38,136	29,202	8,934
Insurance	326,127	(45,627)	280,500	280,336	164
General Supplies	139,408	(133,495)	5,913	5,788	125
Energy (Natural Gas)	300,000	536,125	836,125	577,089	259,036
Energy (Electricity)	694,700	(218,430)	476,270	232,065	244,205
Energy (Gasoline)	10,000	(10,000)	-	-	-
Total Custodial Services	3,404,549	168,025	3,572,574	2,900,853	671,721
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	619,424	(181,848)	437,576	137,521	300,055
General Supplies	28,632	(24,600)	4,032	3,806	226
Total Care and Upkeep of Grounds	648,056	(206,448)	441,608	141,327	300,281
Security					
Salaries	52,592	6,000	58,592	58,591	1
Purchased Professional and Technical Services	191,320	52,436	243,756	243,756	-
General Supplies	5,000	2,040	7,040	6,471	569
Total Security	248,912	60,476	309,388	308,818	570
Student Transportation Services					
Salaries for Pupil Transportation					
(Between Home and School) - Regular	64,113	-	64,113	31,460	32,653
Salaries for Pupil Transportation					
(Between Home and School) - Special	64,113	-	64,113	39,630	24,483
Salaries for Pupil Transportation					
(Other Than Between Home & School)	45,000	-	45,000	32,940	12,060
Cleaning, Repair and Maintenance Services	35,000	-	35,000	23,591	11,409
Contracted Services - Aid-in-Lieu-Nonpublic Schools	300,000	12,931	312,931	280,399	32,532
Contracted Services (Other Than Between Home and School) - Vendors	200,000	(30,000)	170,000	25,752	144,248
Contracted Services (Regular) - ESC's & CTSA's	401,500	-	401,500	157,542	243,958
Contracted Services (Spec. Ed.) - ESC's & CTSA's	4,226,874	2,510	4,229,384	3,053,804	1,175,580
Miscellaneous Purchased Services - Transportation	51,393	-	51,393	150	51,243
Total Student Transportation Services	5,387,993	(14,559)	5,373,434	3,645,268	1,728,166

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

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Unallocated Benefits					
Social Security Contributions	\$ 550,000	\$ 55,000	\$ 605,000	\$ 604,244	\$ 756
Other Retirement Contributions - PERS	495,000	65,000	560,000	559,174	826
Other Retirement Contributions - DCRP	60,000	-	60,000	49,577	10,423
Unemployment Compensation	100,000	-	100,000	96,814	3,186
Workmen's Compensation	237,539	-	237,539	235,098	2,441
Health Benefits	7,555,054	(934,329)	6,620,725	6,562,426	58,299
Tuition Reimbursement	64,260	-	64,260	45,000	19,260
Other Employee Benefits	200,000	(112,547)	87,453	46,168	41,285
Unused Sick Payment to Terminated/Retired Staff	13,086	-	13,086	7,265	5,821
Total Unallocated Benefits	9,274,939	(926,876)	8,348,063	8,205,766	142,297
On-Behalf TPAF Contributions (Non-Budgeted)					
Pension Benefit Contribution				6,124,680	(6,124,680)
Pension - NCGI Premium				75,868	(75,868)
Post Retirement Medical Benefit Contribution				1,811,805	(1,811,805)
Long Term Disability Insurance				3,873	(3,873)
Reimbursed Social Security Contribution	-	-	-	1,418,599	(1,418,599)
Total On-Behalf Contributions	-	-	-	9,434,825	(9,434,825)
Total Undistributed Expenditures	40,005,556	1,036,314	41,041,870	42,563,865	(1,521,995)
Interest on Maintenance Reserve	750	-	750		750
Interest on Current Expense Emergency Reserve	250	-	250	-	250
Total Expenditures - Current Expenditures	61,821,717	683,580	62,505,297	61,737,062	768,235
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures - Support Svcs - Students		455,547	455,547		455,547
Undistributed Expenditures - Admin. Info. Tech.	-	7,944	7,944	7,944	-
Undistributed Expenditures - Required Maint for School Facilities	-	168,070	168,070	168,070	-
Undistributed Expenditures - School Buses - Regular	-	471,456	471,456	187,538	283,918
Undistributed Expenditures - Athletics/High School	-	3,984	3,984	3,984	-
Total Equipment	-	1,107,001	1,107,001	367,536	739,465
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	84,009	133,794	217,803		217,803
Construction Services	6,698,796	(2,383,023)	4,315,773	37,682	4,278,091
Land Improvements		295,127	295,127	295,127	-
Building Improvements		737,569	737,569	737,569	-
Assessment for Debt Service on SDA Funding	170,358	-	170,358	170,358	-
Total Facilities Acquisition and Construction Services	6,953,163	(1,216,533)	5,736,630	1,240,736	4,495,894
Interest on Capital Reserve	1,000	-	1,000	-	1,000
Assets Acquired Under Leases Payable - (Non-Budgeted)					
Leased Equipment - School Administration	-	-	-	192,773	(192,773)
Total Assets Acquired Under Leases Payable	-	-	-	192,773	(192,773)
Total Capital Outlay	6,954,163	(109,532)	6,844,631	1,801,045	5,043,586
Transfer of Funds to Charter Schools	1,518,242	-	1,518,242	1,368,880	149,362
Total Expenditures	\$ 70,294,122	\$ 574,048	\$ 70,868,170	\$ 64,906,987	\$ 5,961,183
(Under) Expenditures	(7,896,916)	(574,048)	(8,470,964)	9,647,856	18,118,820

CAPITAL OUTLAY (Continued)

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

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
Other Financing Sources / (Uses)					
Leases Issued				\$ 192,773	\$ 192,773
Transfer Out - Special Revenue Fund (Athletics)		\$ (70,000)	\$ (70,000)	(70,000)	-
Transfer Out - Capital Projects Fund		(6,631,498)	(6,631,498)	(6,631,498)	-
Transfer Out - Debt Service Fund	\$ (700,000)	-	(700,000)	(700,000)	-
Total Other Financing Sources / (Uses)	\$ (700,000)	\$ (6,701,498)	\$ (7,401,498)	\$ (7,208,725)	\$ 192,773
Net Change in Fund Balances	\$ (8,596,916)	\$ (7,275,546)	\$ (15,872,462)	\$ 2,439,131	\$ 18,311,593
Fund Balance, Beginning of Year	36,554,211	-	36,554,211	36,554,211	-
Fund Balance, End of Year	\$ 27,957,295	\$ (7,275,546)	\$ 20,681,749	\$ 38,993,342	\$ 18,311,593
Recapitulation of Fund Balance					
Restricted					
Capital Reserve				\$ 29,342,822	
Capital Reserve - Designated for Subsequent Year's Expenditures				700,000	
Maintenance Reserve				2,111,853	
Emergency Reserve				50,000	
Emergency Reserve - Designated for Subsequent Year's Expenditures				400,000	
Reserved Excess Surplus				1,114,111	
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures				1,114,111	
Committed					
Year-End Encumbrances				739,465	
Assigned					
Year-End Encumbrances				1,205,521	
Unassigned				<u>2,215,459</u>	
Fund Balance Per State Budgetary Basis of Accounting				38,993,342	
Reconciliation to Governmental Funds Statements (GAAP)					
Less: State Aid Revenue Not Recognized on GAAP Basis				<u>(3,351,000)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 35,642,342</u>	

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

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 174,034	\$ 54,907	\$ 228,941	\$ 174,657	\$ (54,284)
Federal	1,026,493	717,228	1,743,721	1,396,252	(347,469)
Local Sources					
Miscellaneous	70,000	101,151	171,151	222,820	51,669
Total Revenues	1,270,527	873,286	2,143,813	1,793,729	(350,084)
EXPENDITURES					
Instruction					
Salaries	\$ 594,564	\$ (204,252)	\$ 390,312	\$ 123,476	\$ 266,836
Other Purchased Services	46,381	(46,381)	-	-	-
Tuition	455,548	296,121	751,669	741,491	10,178
General Supplies	30,936	48,768	79,704	54,958	24,746
Textbooks	8,555	1,724	10,279	8,571	1,708
Other Objects		500	500	500	-
Co-Curricular/Extra-Curricular Activities		169,828	169,828	168,828	1,000
Athletic Activities	-	71,323	71,323	71,323	-
Total Instruction	1,135,984	337,631	1,473,615	1,169,147	304,468
Support Services					
Personal Services - Employee Benefits		14,941	14,941	14,941	-
Purchased Professional and Technical Services		2,885	2,885	2,885	-
Purchased Professional and Educational Services	134,543	475,402	609,945	534,127	75,818
Other Purchased Services	-	112,427	112,427	96,975	15,452
Total Support Services	134,543	605,655	740,198	648,928	91,270
Total Expenditures	1,270,527	943,286	2,213,813	1,818,075	395,738
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	(70,000)	(70,000)	(24,346)	45,654
OTHER FINANCING SOURCES (USES)					
Transfers In - General Fund	-	70,000	70,000	70,000	-
Total Other Financing Sources (Uses)	-	70,000	70,000	70,000	-
Net Change in Fund Balances	-	-	-	45,654	45,654
Fund Balance, Beginning of Year	132,596	-	132,596	154,168	21,572
Fund Balance, End of Year	\$ 132,596	\$ 70,000	\$ 202,596	\$ 199,822	\$ 67,226
Recapitulation of Fund Balance					
Restricted					
Student Activities				\$ 199,822	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**ELMWOOD PARK BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
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.

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 74,554,843	\$ 1,793,729
Difference - Budget to GAAP:		
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements. (2024-2025)	(3,351,000)	
State Aid payments recognized for GAAP statements, not recognized for budgetary purposes. (2023-2024)	2,719,310	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances - June 30, 2024		581,439
Encumbrances - June 30, 2025	-	-
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 73,923,153</u>	<u>\$ 2,375,168</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 64,906,987	\$ 1,818,075
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances - June 30, 2024		582,557
Encumbrances - June 30, 2025	-	-
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 64,906,987</u>	<u>\$ 2,400,632</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

**ELMWOOD PARK 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)	0.04109%	0.03687%	0.03430%	.03395%	.03455%	.03383%	.03565%	.03542%	0.03524%	0.03370%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 5,583,807	\$ 5,340,545	\$ 5,176,648	\$ 4,021,432	\$ 5,633,865	\$ 6,095,315	\$ 7,019,420	\$ 8,244,092	\$ 10,437,473	\$ 7,565,220
District's Covered-Employee Payroll	\$ 3,350,532	\$ 2,848,637	\$ 2,566,657	\$ 2,573,752	\$ 2,486,928	\$ 2,417,083	\$ 2,441,484	\$ 2,449,487	\$ 2,336,786	\$ 2,268,342
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	166.65%	187.48%	201.69%	156.25%	226.54%	252.18%	287.51%	336.56%	446.66%	333.51%
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.

**ELMWOOD PARK 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	\$ 559,174	\$ 492,792	\$ 432,565	\$ 397,549	\$ 377,938	\$ 329,049	\$ 354,608	\$ 328,084	\$ 313,079	\$ 289,739
Contributions in Relation to the Contractually Required Contribution	<u>559,174</u>	<u>492,792</u>	<u>432,565</u>	<u>397,549</u>	<u>377,938</u>	<u>329,049</u>	<u>354,608</u>	<u>328,084</u>	<u>313,079</u>	<u>289,739</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 3,709,666	\$ 3,350,532	\$ 2,848,637	\$ 2,566,657	\$ 2,573,752	\$ 2,486,928	\$ 2,417,083	\$ 2,441,484	\$ 2,449,487	\$ 2,336,786
Contributions as a Percentage of Covered-Employee Payroll	15.07%	14.71%	15.18%	15.49%	14.68%	13.23%	14.52%	13.44%	12.78%	12.40%

**ELMWOOD PARK 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>\$ 69,335,451</u>	<u>\$ 70,454,169</u>	<u>\$ 70,656,250</u>	<u>\$ 64,917,328</u>	<u>\$ 84,319,464</u>	<u>\$ 78,125,309</u>	<u>\$ 78,909,522</u>	<u>\$ 79,894,315</u>	<u>\$ 91,219,332</u>	<u>\$ 72,022,972</u>
Total	<u>\$ 69,335,451</u>	<u>\$ 70,454,169</u>	<u>\$ 70,656,250</u>	<u>\$ 64,917,328</u>	<u>\$ 84,319,464</u>	<u>\$ 78,125,309</u>	<u>\$ 78,909,522</u>	<u>\$ 79,894,315</u>	<u>\$ 91,219,332</u>	<u>\$ 72,022,972</u>
District's Covered Payroll	\$ 18,540,434	\$ 17,082,644	\$ 16,348,717	\$ 15,974,491	\$ 15,245,371	\$ 14,606,965	\$ 13,693,149	\$ 13,506,891	\$ 12,040,919	\$ 11,393,763
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.

**ELMWOOD PARK 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.

**ELMWOOD PARK 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
Total OPEB Liability								
Service Cost	\$ 3,126,581	\$ 3,086,715	\$ 4,086,128	\$ 4,699,112	\$ 2,534,947	\$ 2,223,563	\$ 2,427,458	\$ 2,960,139
Interest on Total OPEB Liability	2,065,311	1,935,422	1,422,678	1,660,512	1,612,890	1,920,201	2,006,606	1,713,733
Changes of Benefit Terms				(68,132)				
Differences Between Expected and Actual Experience	(574,985)	(2,403,259)	(70,910)	(13,064,453)	11,754,289	(7,382,258)	(3,872,671)	
Changes of Assumptions	4,693,920	110,765	(14,401,139)	63,152	13,149,429	658,280	(5,513,442)	(7,165,584)
Gross Benefit Payments	(1,577,312)	(1,508,693)	(1,409,204)	(1,308,018)	(1,253,223)	(1,355,274)	(1,284,715)	(1,649,441)
Contribution from the Member	54,009	49,598	45,208	42,451	37,985	40,174	44,402	60,737
Net Change in Total OPEB Liability	7,787,524	1,270,548	(10,327,239)	(7,975,376)	27,836,317	(3,895,314)	(6,192,362)	(4,080,416)
Total OPEB Liability - Beginning	\$ 54,954,266	\$ 53,683,718	\$ 64,010,957	\$ 71,986,333	\$ 44,150,016	\$ 48,045,330	\$ 54,237,692	\$ 58,318,108
Total OPEB Liability - Ending	\$ 62,741,790	\$ 54,954,266	\$ 53,683,718	\$ 64,010,957	\$ 71,986,333	\$ 44,150,016	\$ 48,045,330	\$ 54,237,692
 District's Proportionate Share of OPEB Liability	 \$ -	 \$ -	 \$ -	 \$ -	 \$ -	 \$ -	 \$ -	 \$ -
State's Proportionate Share of OPEB Liability	62,741,790	54,954,266	53,683,718	64,010,957	71,986,333	48,045,330	48,045,330	54,237,692
Total OPEB Liability - Ending	\$ 62,741,790	\$ 54,954,266	\$ 53,683,718	\$ 64,010,957	\$ 71,986,333	\$ 48,045,330	\$ 48,045,330	\$ 54,237,692
 District's Covered Payroll	 \$ 21,890,966	 \$ 19,197,354	 \$ 18,915,374	 \$ 18,548,243	 \$ 17,732,299	 \$ 17,024,048	 \$ 16,134,633	 \$ 15,956,378
 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.

**ELMWOOD PARK 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 LEVELS SCHEDULES

GENERAL FUND

NOT APPLICABLE

SPECIAL REVENUE FUND

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

	ESEA Title I	ESEA Title IIA	ESEA Title III	ESEA Title III Immigrant	ESEA Title IV	(Exhibit) E-1a	(Exhibit) E-1b	(Exhibit) E-1c	Grand Total
REVENUES									
Intergovernmental									
State							\$ 174,657	-	\$ 174,657
Federal	\$ 463,021	\$ 79,560	\$ 16,684	\$ 14,916	\$ 64,715	\$ 752,971	-	\$ 4,385	1,396,252
Other Sources	-	-	-	-	-	222,820	-	-	222,820
Total Revenues	\$ 463,021	\$ 79,560	\$ 16,684	\$ 14,916	\$ 64,715	\$ 975,791	\$ 174,657	\$ 4,385	\$ 1,793,729
EXPENDITURES									
Instruction									
Salaries	\$ 101,360		\$ 7,200	14,916		-	-	-	\$ 123,476
Tuition						741,491	-	-	741,491
General Supplies	27,111					-	27,847	-	54,958
Textbooks						-	8,571	-	8,571
Other Objects						500	-	-	500
Co-Curricular/Extra-Curricular Activities						168,828	-	-	168,828
Athletic Activities	-	-	-	-	-	71,323	-	-	71,323
Total Instruction	128,471	-	7,200	14,916	-	982,142	36,418	-	1,169,147
Support Services									
Personal Services - Employee Benefits	14,857		84			-	-	-	14,941
Purchased Professional and Technical Services						-	-	2,885	2,885
Purchased Professional and Educational Services	319,693				64,715	11,480	138,239	-	534,127
Other Purchased Services	-	\$ 79,560	9,400	-	-	6,515	-	1,500	96,975
Total Support Services	334,550	79,560	9,484	-	64,715	17,995	138,239	4,385	648,928
Total Expenditures	\$ 463,021	\$ 79,560	\$ 16,684	\$ 14,916	\$ 64,715	\$ 1,000,137	\$ 174,657	\$ 4,385	\$ 1,818,075
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	(24,346)	-	-	(24,346)
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	70,000	-	-	70,000
Total Other Financing Sources (Uses)	-	-	-	-	-	70,000	-	-	70,000
Net Changes in Fund Balances	-	-	-	-	-	45,654	-	-	45,654
Fund Balance, Beginning of Year	-	-	-	-	-	154,168	-	-	154,168
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 199,822	\$ -	\$ -	\$ 199,822

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

	<u>Local Grants</u>	<u>IDEA Basic</u>	<u>IDEA PreK</u>	<u>Student Activities</u>	<u>Total Exhibit E-1a</u>
REVENUES					
Intergovernmental					
State					
Federal					
Other Sources	\$ 7,015	\$ 737,264	\$ 15,707	\$ 215,805	\$ 752,971
		-	-		222,820
Total Revenues	\$ 7,015	\$ 737,264	\$ 15,707	\$ 215,805	\$ 975,791
EXPENDITURES					
Instruction					
Tuition		\$ 725,784	\$ 15,707		741,491
Other Objects	\$ 500				500
Co-Curricular/Extra-Curricular Activities				\$ 168,828	168,828
Athletic Activities	-	-	-	71,323	71,323
Total Instruction	500	725,784	15,707	240,151	982,142
Support Services					
Purchased Professional and Educational Services		11,480			11,480
Other Purchased Services	6,515	-	-	-	6,515
Total Support Services	6,515	11,480	-	-	17,995
Total Expenditures	\$ 7,015	\$ 737,264	\$ 15,707	\$ 240,151	\$ 1,000,137
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	(24,346)	(24,346)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	70,000	70,000
Total Other Financing Sources (Uses)	-	-	-	70,000	70,000
Net Changes in Fund Balances	-	-	-	45,654	45,654
Fund Balance, Beginning of Year	-	-	-	154,168	154,168
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ 199,822	\$ 199,822

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

	Chapter 192 Services		Chapter 193 Services			Nonpublic	Nonpublic	Nonpublic	Nonpublic	Total
	Compensatory	ESL	Examination &	Corrective	Supplemental	Textbooks	Nursing	Security	Technology	Exhibit
	Services		Classification	Speech	Instruction					E-1b
REVENUES										
Intergovernmental										
State	\$ 59,296	\$ 11,571	\$ 11,571	\$ 24,645	\$ 11,894	\$ 8,571	\$ 19,262	\$ 19,112	\$ 8,735	\$ 174,657
Federal										-
Other Sources	-	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 59,296	\$ 11,571	\$ 11,571	\$ 24,645	\$ 11,894	\$ 8,571	\$ 19,262	\$ 19,112	\$ 8,735	\$ 174,657
EXPENDITURES										
Instruction										
General Supplies								\$ 19,112	\$ 8,735	\$ 27,847
Textbooks	-	-	-	-	-	\$ 8,571	-	-	-	8,571
Total Instruction	-	-	-	-	-	8,571	-	19,112	8,735	36,418
Support Services										
Purchased Professional and Educational Services	\$ 59,296	\$ 11,571	\$ 11,571	\$ 24,645	\$ 11,894	-	\$ 19,262	-	-	138,239
Total Support Services	59,296	11,571	11,571	24,645	11,894	-	19,262	-	-	138,239
Total Expenditures	\$ 59,296	\$ 11,571	\$ 11,571	\$ 24,645	\$ 11,894	\$ 8,571	\$ 19,262	\$ 19,112	\$ 8,735	\$ 174,657
Net Changes in Fund Balances	-	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	<u>American Rescue Plan - ESSER III Programs</u>		
	<u>ESSER III</u>	<u>Accelerated Learning Coach and Educator Support</u>	<u>Total Exhibit E-1c</u>
REVENUES			
Intergovernmental			
State			
Federal	\$ 1,500	\$ 2,885	\$ 4,385
Other Sources	-	-	-
Total Revenues	<u>\$ 1,500</u>	<u>\$ 2,885</u>	<u>\$ 4,385</u>
EXPENDITURES			
Support Services			
Purchased Professional and Technical Services		\$ 2,885	2,885
Other Purchased Services	\$ 1,500	-	1,500
Total Support Services	<u>1,500</u>	<u>2,885</u>	<u>4,385</u>
Total Expenditures	<u>\$ 1,500</u>	<u>\$ 2,885</u>	<u>\$ 4,385</u>
Net Changes in Fund Balances	-	-	-
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CAPITAL PROJECTS FUND

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

<u>Project Title</u>	<u>Appropriation</u>	<u>Expended</u>		<u>Balance, June 30, 2025</u>
		<u>Prior Year</u>	<u>Current Year</u>	
Pre-Kindergarten Classroom Additions at Gantner Avenue, Gilbert Avenue, and 16th Avenue Elementary Schools	\$ 19,509,581	\$ 503,622	\$ 8,710,446	\$ 10,295,513
 <u>Reconciliation to GAAP Basis</u>				
Project Balance, June 30, 2025				\$ 10,295,513
Less: Unearned Grant Revenue				<u>(3,221,652)</u>
Fund Balance, June 30, 2025 - GAAP Basis				<u>\$ 7,073,861</u>
 <u>Recapitulation of Fund Balance</u>				
Restricted for Capital Projects				
Year-End Encumbrances				\$ 8,855,341
Available for Capital Projects				<u>(1,781,480)</u>
Total Fund Balance, GAAP Basis				<u>\$ 7,073,861</u>

**ELMWOOD PARK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Revenues and Other Financing Sources

Other Financing Sources	
Transfer from Capital Reserve	\$ 6,631,498
Total Revenues and Other Financing Sources	\$ 6,631,498

Expenditures and Other Financing Uses

Expenditures	
Architect and Engineering Services	\$ 2,092,162
Other Purchased Professional and Technical Services	186,619
Construction Services	6,431,665
Total Expenditures and Other Financing Uses	8,710,446

Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,078,948)
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Fund Balance, Beginning of Year	\$ 12,374,461
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Fund Balance, End of Year	\$ 10,295,513
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Reconciliation to GAAP:

Fund Balance, June 30, 2025 - Budgetary Basis	\$ 10,295,513
Less: Unearned Grant Revenue	(3,221,652)
Fund Balance, June 30, 2025 - GAAP Basis	\$ 7,073,861

**ELMWOOD PARK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
PRE-KINDERGARTEN CLASSROOM ADDITIONS AT
GANTNER AVENUE, GILBERT AVENUE, AND 16TH AVENUE ELEMENTARY SCHOOLS
FROM INCEPTION AND THROUGH THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Periods</u>	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State Sources - Preschool Facilities Expansion	\$ 6,105,082		\$ 6,105,082	\$ 6,105,082
Transfer from Capital Reserve	<u>6,773,001</u>	<u>\$ 6,631,498</u>	<u>13,404,499</u>	<u>13,404,499</u>
Total Revenues	<u>12,878,083</u>	<u>6,631,498</u>	<u>19,509,581</u>	<u>19,509,581</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Expenditures				
Architectural and Engineering Services	\$ 412,533	\$ 2,092,162	2,504,695	3,076,175
Other Professional and Technical Services	62,356	186,619	248,975	795,700
Construction Services	25,708	6,431,665	6,457,373	15,225,000
Supplies and Materials			-	392,000
Other Objects	<u>3,025</u>	<u>-</u>	<u>3,025</u>	<u>20,706</u>
Total Expenditures and Other Financing Uses	<u>503,622</u>	<u>8,710,446</u>	<u>9,214,068</u>	<u>19,509,581</u>
Excess / (Deficiency) of Revenues over / (under) Expenditures	<u>\$ 12,374,461</u>	<u>\$ (2,078,948)</u>	<u>\$ 10,295,513</u>	<u>\$ -</u>

Additional Project Information:

Project Numbers 1345-070-23-PK01; 1345-080-23-PK01; 1345-090-23-PK01
Grant Date/Letter of Notification 1/25/2025
Bond Authorization (Referendum) Date N/A

Original Authorized Cost \$ 15,262,706
Increase/(Decrease) 4,246,875
Revised Authorized Cost \$ 15,262,706

Percentage Increase Over Original
Authorized Cost 27.83%
Percentage Completion 47.23%
Original Target Completion Date January 31, 2026
Revised Completion Date January 31, 2026

PROPRIETARY FUNDS

EXHIBIT G-1

**ELMWOOD PARK BOARD OF EDUCATION
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED 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

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

**ELMWOOD PARK BOARD OF EDUCATION
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

<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>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2025</u>
School Bonds	7/9/2014	\$ 9,290,000				\$ 470,000		\$ 470,000	
Refunding Schools Bonds	7/9/2014	21,275,000				1,500,000		1,500,000	
∞ Refunding Schools Bonds	5/9/2024	13,335,000	8/1/2025	\$ 1,940,000	5.000 %				
			8/1/2026	2,030,000	5.000				
			8/1/2027	2,140,000	5.000				
			8/1/2028	2,230,000	5.000				
			8/1/2029	2,240,000	5.000				
			8/1/2030	530,000	5.000				
			8/1/2031	535,000	5.000				
			8/1/2032	535,000	5.000				
			8/1/2033	540,000	5.000				
			8/1/2034	545,000	5.000				
						<u>13,335,000</u>	<u>-</u>	<u>70,000</u>	<u>\$ 13,265,000</u>
						<u>\$ 15,305,000</u>	<u>\$ -</u>	<u>\$ 2,040,000</u>	<u>\$ 13,265,000</u>
							Paid by Budget	<u>\$ 2,040,000</u>	

**ELMWOOD PARK BOARD OF EDUCATION
SCHEDULE OF LEASE PAYABLES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Original <u>Issue</u>	Interest <u>Rate</u>	Balance, <u>July 1, 2024</u>	<u>Issued</u>	<u>Retired</u>	Balance, <u>June 30, 2025</u>
Copiers - 2020	\$ 109,200	2.50%	\$ 13,455		\$ 13,455	
Copiers - 2025	192,773	4.22%	<u>-</u>	<u>\$ 192,773</u>	<u>8,705</u>	<u>\$ 184,068</u>
			<u>\$ 13,455</u>	<u>\$ 192,773</u>	<u>\$ 22,160</u>	<u>\$ 184,068</u>

**ELMWOOD PARK BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local Sources					
Local Tax Levy	\$ 1,669,649		\$ 1,669,649	\$ 1,669,649	
State Sources					
Debt Service State Aid	<u>256,051</u>	<u>-</u>	<u>256,051</u>	<u>256,051</u>	<u>-</u>
Total Revenues	<u>1,925,700</u>	<u>-</u>	<u>1,925,700</u>	<u>1,925,700</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Principal	2,019,250	\$ 20,750	2,040,000	2,040,000	
Interest	<u>606,450</u>	<u>(20,750)</u>	<u>585,700</u>	<u>532,746</u>	<u>\$ 52,954</u>
Total Expenditures	<u>2,625,700</u>	<u>-</u>	<u>2,625,700</u>	<u>2,572,746</u>	<u>52,954</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(700,000)</u>	<u>-</u>	<u>(700,000)</u>	<u>(647,046)</u>	<u>52,954</u>
OTHER FINANCING SOURCES / (USES)					
Transfer In - Capital Reserve	<u>700,000</u>	<u>-</u>	<u>700,000</u>	<u>700,000</u>	<u>-</u>
Total Other Financing Sources	<u>700,000</u>	<u>-</u>	<u>700,000</u>	<u>700,000</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	52,954	52,954
Fund Balance, Beginning of Year	<u>2,952</u>	<u>-</u>	<u>2,952</u>	<u>2,952</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2,952</u>	<u>\$ -</u>	<u>\$ 2,952</u>	<u>\$ 55,906</u>	<u>\$ 52,954</u>
<u>Recapitulation of Fund Balance</u>					
Restricted for Debt Service:					
Designated for Subsequent Year's Expenditures				\$ 2,952	
Available for Expenditures				<u>52,954</u>	
Total Fund Balance - Restricted for Debt Service				<u>\$ 55,906</u>	

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

J-16 to J-20

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

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

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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net Investment in Capital Assets	\$ 17,710,996	\$ 18,431,982	\$ 19,137,424	\$ 19,729,688	\$ 20,286,423	\$ 21,266,965	\$ 23,162,256	\$ 25,234,523	\$ 26,442,477	\$ 36,707,741
Restricted	3,091,934	3,970,740	5,191,524	7,184,290	10,163,345	14,774,083	20,884,338	28,379,569	37,018,397	39,484,264
Unrestricted	(9,819,821)	(9,905,619)	(8,515,481)	(8,028,871)	(7,065,582)	(5,144,666)	(3,190,586)	(3,206,886)	(4,614,104)	(4,364,115)
Total governmental activities net position	<u>\$ 10,983,109</u>	<u>\$ 12,497,103</u>	<u>\$ 15,813,467</u>	<u>\$ 18,885,107</u>	<u>\$ 23,384,186</u>	<u>\$ 30,896,382</u>	<u>\$ 40,856,008</u>	<u>\$ 50,407,206</u>	<u>\$ 58,846,770</u>	<u>\$ 71,827,890</u>
Business-type activities										
Net Investment in Capital Assets	\$ 23,456	\$ 79,223	\$ 121,482	\$ 177,929	\$ 161,155	\$ 148,714	\$ 163,266	\$ 251,001	\$ 389,224	\$ 331,054
Restricted	277,869	299,291	308,253	228,135	158,604	422,350	583,080	469,955	514,136	376,966
Unrestricted	<u>\$ 301,325</u>	<u>\$ 378,514</u>	<u>\$ 429,735</u>	<u>\$ 406,064</u>	<u>\$ 319,759</u>	<u>\$ 571,064</u>	<u>\$ 746,346</u>	<u>\$ 720,956</u>	<u>\$ 903,360</u>	<u>\$ 708,020</u>
Total business-type activities net position										
District-wide										
Net Investment in Capital Assets	\$ 18,511,205	\$ 19,258,906	\$ 19,907,617	\$ 20,447,578	\$ 21,415,679	\$ 21,415,679	\$ 23,325,522	\$ 25,485,524	\$ 26,831,701	\$ 37,038,795
Restricted	3,970,740	5,191,524	7,184,290	10,163,345	14,774,083	14,774,083	20,884,338	28,379,569	37,018,397	39,484,264
Unrestricted	(9,606,328)	(8,207,228)	(7,800,736)	(6,906,978)	(4,722,316)	(4,722,316)	(2,607,506)	(2,736,931)	(4,099,968)	(3,987,149)
Total district net position	<u>\$ 12,875,617</u>	<u>\$ 16,243,202</u>	<u>\$ 19,291,171</u>	<u>\$ 23,703,945</u>	<u>\$ 31,467,446</u>	<u>\$ 31,467,446</u>	<u>\$ 41,602,354</u>	<u>\$ 51,128,162</u>	<u>\$ 59,750,130</u>	<u>\$ 72,535,910</u>

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

Note 2 - Net Position at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84 "Fiduciary Activities".

Note 3 - Net Position at June 30, 2021 is restated to reflect the implementation of GASB Statement No. 87 "Leases".

Note 4 - Net Position at June 30, 2024 is restated to reflect the implementation of GASB Statement No. 101 "Compensated Absences".

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

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 15,783,095	\$ 17,305,932	\$ 18,591,827	\$ 17,907,427	\$ 17,840,223	\$ 19,980,393	\$ 19,155,477	\$ 18,506,247	\$ 19,362,163	\$ 20,665,114
Special Education	9,663,299	10,436,257	10,273,035	10,659,067	11,693,525	11,729,724	10,856,587	10,653,159	10,702,485	11,357,527
Other Instruction	569,196	625,591	1,130,913	1,159,106	1,177,948	899,777	855,388	3,045,415	1,470,088	1,516,198
School Sponsored	613,296	672,594	603,415	801,019	932,553	780,801	924,794	1,090,551	1,196,728	1,244,681
Support Services:										
Tuition										
Student & instruction Related Services	5,600,381	6,667,445	6,933,736	7,896,193	7,687,696	8,016,637	7,460,571	8,996,580	9,150,831	9,877,334
General Administrative Services	1,272,670	1,256,669	1,201,790	1,063,522	1,478,353	1,519,874	1,441,941	1,376,093	1,626,687	1,183,066
School Administrative Services	2,890,800	3,438,947	3,649,080	3,653,932	3,402,486	3,905,484	3,698,841	3,514,832	3,660,583	3,388,486
Central Services and Admin. Info. Technolog	1,322,865	1,371,526	1,413,974	1,372,111	1,468,876	1,524,447	1,438,149	1,356,066	1,480,250	1,701,830
Plant Operations and Maintenance	3,669,476	3,754,899	3,776,579	4,076,207	3,684,940	3,919,240	3,991,798	6,105,356	7,809,810	7,940,120
Pupil Transportation	1,886,266	2,060,894	2,109,614	2,608,161	2,500,364	1,906,103	2,769,692	3,218,162	3,713,261	3,769,019
Unallocated Benefits										
Interest on Long-Term Debt	913,382	912,312	916,101	900,330	858,132	808,067	735,550	649,751	412,849	450,900
Total Governmental Activities Expenses	44,184,726	48,503,066	50,600,064	52,097,075	52,725,096	54,990,547	53,328,788	58,512,212	60,585,735	63,094,275
Business-Type Activities:										
Food service	947,926	931,821	1,003,913	1,098,382	873,687	822,427	1,554,324	1,470,239	1,304,823	1,598,274
Before/After Care Program										
Summer Session Program	36,945	36,415	19,719	38,069	33,793			18,772	16,163	-
Total Business-Type Activities Expense	984,871	968,236	1,023,632	1,136,451	907,480	822,427	1,554,324	1,489,011	1,320,986	1,598,274
Total District Expenses	\$ 45,169,597	\$ 49,471,302	\$ 51,623,696	\$ 53,233,526	\$ 53,632,576	\$ 55,812,974	\$ 54,883,112	\$ 60,001,223	\$ 61,906,721	\$ 64,692,549
Program Revenues										
Governmental Activities:										
Charges for Services	\$ 197,399	\$ 124,088	\$ 228,599	\$ 79,676	\$ 190,837	\$ 133,370	\$ 324,741	\$ 309,854	\$ 326,832	\$ 300,197
Operating Grants and Contributions	10,694,109	12,918,625	14,414,893	14,028,415	13,395,095	17,762,922	15,443,858	15,686,693	14,027,835	11,707,333
Capital Grants and Contributions	77,000	9,410	31,182				6,887	915,908	699,557	3,464,869
Total Governmental Activities Program Revenues	10,968,508	13,052,123	14,674,674	14,108,091	13,585,932	17,896,292	15,775,486	16,912,455	15,054,224	15,472,399

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

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Business-Type Activities:										
Charges for Services										
Food Service	\$ 398,561	\$ 415,325	\$ 466,259	\$ 497,685	\$ 332,230		\$ 84,636	\$ 597,110	\$ 499,243	\$ 426,353
Before/After CARE Program	2,245									
Summer Session Program	22,656	16,149	8,998	27,570	12,525			1,850	2,754	4,455
Operating Grants and Contributions	566,237	588,951	574,596	577,525	476,420	\$ 1,073,732	1,624,970	812,378	851,393	972,126
Total Business Type Activities Program Revenues	989,699	1,020,425	1,049,853	1,102,780	821,175	1,073,732	1,709,606	1,411,338	1,353,390	1,402,934
Total District Program Revenues	\$ 11,958,207	\$ 14,072,548	\$ 15,724,527	\$ 15,210,871	\$ 14,407,107	\$ 18,970,024	\$ 17,485,092	\$ 18,323,793	\$ 16,407,614	\$ 16,875,333
Net (Expense)/Revenue										
Governmental Activities	\$ (31,371,584)	\$ (35,450,943)	\$ (35,925,390)	\$ (37,988,984)	\$ (39,139,164)	\$ (37,094,255)	\$ (37,553,302)	\$ (41,599,757)	\$ (45,531,511)	\$ (47,621,876)
Business-Type Activities	4,828	52,189	26,221	(33,671)	(86,305)	251,305	155,282	(77,673)	32,404	(195,340)
Total District-Wide Net Expense	\$ (31,366,756)	\$ (35,398,754)	\$ (35,899,169)	\$ (38,022,655)	\$ (39,225,469)	\$ (36,842,950)	\$ (37,398,020)	\$ (41,677,430)	\$ (45,499,107)	\$ (47,817,216)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes	\$ 31,160,280	\$ 31,783,486	\$ 32,973,746	\$ 33,692,252	\$ 33,770,852	\$ 34,446,269	\$ 34,765,194	\$ 34,765,194	\$ 35,460,498	\$ 36,169,708
Taxes Levied for Debt Service	2,128,740	2,292,850	2,390,209	2,394,530	2,141,484	2,391,430	2,264,688	2,395,899	1,686,914	1,669,649
Unrestricted Federal and State Aid	1,269,440	1,232,660	1,241,807	2,743,495	4,643,921	6,144,774	10,024,544	12,733,646	15,995,951	20,827,019
State Aid for Debt Service Principal		169,176	140,550	142,780	146,519	152,229	158,574	169,181	182,609	203,030
Cancellation Accounts Receivable/Payable	82,582									
Investment earnings		90,730	64,241	124,589	196,359	157,171		874,513	1,548,461	1,556,504
Miscellaneous Income	312,991	134,873	179,384	169,108	171,489	210,433	319,928	232,522	588,238	177,086
Transfers	(11,436)	381,843	(25,000)	(25,000)	(10,000)		(20,000)	(20,000)	(150,000)	-
Total Governmental Activities	34,942,597	36,085,618	36,964,937	39,241,754	41,060,624	43,502,306	47,512,928	51,150,955	55,312,671	60,602,996
Business-Type Activities:										
Investment Earnings										
Miscellaneous								32,283	177,086	-
Transfers	11,436	(381,843)	25,000	25,000	10,000		20,000	20,000	150,000	-
Total Business-Type Activities	11,436	(381,843)	25,000	25,000	10,000	-	20,000	52,283	327,086	-
Total District-Wide	\$ 34,954,033	\$ 35,703,775	\$ 36,989,937	\$ 39,266,754	\$ 41,070,624	\$ 43,502,306	\$ 47,532,928	\$ 51,203,238	\$ 55,639,757	\$ 60,602,996
Change in Net Position										
Governmental Activities	\$ 3,571,013	\$ 634,675	\$ 1,039,547	\$ 1,252,770	\$ 1,921,460	\$ 6,408,051	\$ 9,959,626	\$ 9,551,198	\$ 9,781,160	\$ 12,981,120
Business-Type Activities	16,264	(329,654)	51,221	(8,671)	(76,305)	251,305	175,282	(25,390)	359,490	(195,340)
Total District	\$ 3,587,277	\$ 305,021	\$ 1,090,768	\$ 1,244,099	\$ 1,845,155	\$ 6,659,356	\$ 10,134,908	\$ 9,525,808	\$ 10,140,650	\$ 12,785,780

Note 1 - Changes in Net Position for the year ended June 30, 2020 is restated to reflect the implementation of GASB No. 84 "Fiduciary Activities".

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

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Restricted	\$ 3,087,205	\$ 3,970,740	\$ 6,216,903	\$ 7,375,172	\$ 11,569,347	\$ 17,293,756	\$ 23,766,951	\$ 31,269,870	\$ 33,269,002	\$ 34,832,897
Committed							619,563	491,510	135,394	739,465
Assigned	65,719	31,442	166,540	551,627	343,154	196,751	376,982	962,845	1,079,236	1,205,521
Unassigned	104,031	88,167	308,597	203,689	34,431	756,403	495,811	(509,565)	(648,731)	(1,135,541)
Total General Fund	\$ 3,256,955	\$ 4,090,349	\$ 6,692,040	\$ 8,130,488	\$ 11,946,932	\$ 18,246,910	\$ 25,259,307	\$ 32,214,660	\$ 33,834,901	\$ 35,642,342
All Other Governmental Funds										
Restricted for:										
Student Activities						\$ 143,998	\$ 132,243	\$ 132,596	\$ 154,168	\$ 199,822
Capital Projects	\$ 6,969,798	\$ 2,300,730	\$ 1,186,862	\$ 122,365					6,269,379	7,073,861
Debt Service	4,729	4,729			\$ 137,857	137,857			2,952	55,906
Assigned								6,070	1,118	
Unassigned										
Total all other governmental funds	\$ 6,974,527	\$ 2,305,459	\$ 1,186,862	\$ 122,365	\$ 137,857	\$ 281,855	\$ 132,243	\$ 138,666	\$ 6,427,617	\$ 7,329,589

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

ELMWOOD PARK BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax Levy	\$ 34,076,336	\$ 35,363,955	\$ 36,086,782	\$ 35,912,336	\$ 36,837,699	\$ 37,171,512	\$ 37,029,882	\$ 37,161,093	\$ 37,147,412	\$ 37,839,357
Tuition	197,399	124,088	228,599	79,676	26,350	98,992	203,931	152,256	134,892	29,323
Miscellaneous	302,922	293,649	352,359	403,502	557,626	392,428	462,088	1,275,272	2,348,293	2,011,479
State Sources	7,098,021	7,393,918	9,520,545	13,639,212	15,704,588	18,056,198	23,689,451	26,631,965	30,380,262	36,394,395
Federal Sources	1,528,353	1,345,434	1,375,067	1,471,857	1,496,113	2,280,444	2,231,505	5,021,579	3,934,589	4,832,897
Total revenue	<u>43,203,031</u>	<u>44,521,044</u>	<u>47,563,352</u>	<u>51,506,583</u>	<u>54,622,376</u>	<u>57,999,574</u>	<u>63,616,857</u>	<u>70,242,165</u>	<u>73,945,448</u>	<u>81,107,451</u>
Expenditures										
Instruction										
Regular Instruction	13,187,793	13,749,348	14,562,038	15,296,139	15,761,241	17,093,292	18,934,846	19,443,163	20,949,032	23,438,303
Special Education Instruction	8,884,888	9,268,202	9,005,598	9,762,852	10,951,825	10,616,931	10,732,066	11,067,127	11,343,125	11,752,498
Other Instruction	477,517	480,301	859,341	974,417	1,024,832	753,586	844,838	3,132,816	1,612,591	1,773,437
School Sponsored/Other Instructional	598,011	615,310	558,829	719,556	883,562	701,974	892,123	1,147,910	1,244,967	1,231,090
Support Services:										
Student & Inst. Related Services	4,922,487	5,600,004	5,684,434	6,964,271	6,907,532	7,048,551	7,321,557	9,056,381	9,764,656	10,886,732
General Administration	1,204,673	1,134,287	1,125,445	1,030,356	1,389,431	1,407,681	1,412,926	1,424,764	1,517,471	1,220,848
School Administration	2,419,779	2,695,700	2,832,222	3,076,687	2,992,220	3,289,526	3,602,287	3,724,613	4,002,868	3,815,656
Central Administrative Services	1,227,405	1,194,069	1,183,349	1,220,314	1,363,533	1,334,285	1,382,171	1,434,337	1,553,562	1,737,483
Operations and Maintenance	3,399,914	3,284,256	3,324,884	3,695,230	3,511,625	3,638,309	3,867,688	4,448,631	5,780,589	5,518,724
Student Transportation	1,881,373	2,050,381	2,095,373	2,598,333	2,494,200	1,899,125	2,766,836	3,200,363	3,674,528	3,696,447
Capital Outlay	6,748,440	1,604,646	1,724,284	876,407	870,570	1,281,987	2,292,502	2,512,578	1,780,363	10,922,572
Debt Service										
Principal	1,945,688	1,906,088	1,877,373	2,699,866	1,575,000	1,640,000	1,736,511	1,822,053	1,912,612	2,062,160
Interest and Other Charges	1,231,798	1,198,655	1,167,988	1,128,215	1,072,300	1,008,000	934,070	845,653	752,844	534,861
Payment to Escrow Agent										
Cost of Issuance									141,513	-
Total Governmental Fund Expenditures	<u>48,129,766</u>	<u>44,781,247</u>	<u>46,001,158</u>	<u>50,042,643</u>	<u>50,797,871</u>	<u>51,713,247</u>	<u>56,720,421</u>	<u>63,260,389</u>	<u>66,030,721</u>	<u>78,590,811</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(4,926,735)</u>	<u>(260,203)</u>	<u>1,562,194</u>	<u>1,463,940</u>	<u>3,824,505</u>	<u>6,286,327</u>	<u>(51,848,929)</u>	<u>6,981,776</u>	<u>7,914,727</u>	<u>2,516,640</u>
Other Financing Sources (Uses)										
Transfers in	416,843			250,000	1,325	25,513	188,357	65,000	7,553,001	7,401,498
Transfers out	(35,000)	(25,000)	(25,000)	(260,000)	(1,325)	(25,513)	(208,357)	(85,000)	(7,703,001)	(7,401,498)
Refunding Bond Proceeds									13,335,000	
Leases Issued										192,773
Premium on Bonds									1,040,078	
Payments to Refunding Escrow									(14,230,613)	
Total other financing sources (uses)	<u>381,843</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>(5,535)</u>	<u>192,773</u>
Net change in fund balances	<u>\$ (4,544,892)</u>	<u>\$ (285,203)</u>	<u>\$ 1,537,194</u>	<u>\$ 1,453,940</u>	<u>\$ 3,824,505</u>	<u>\$ 6,286,327</u>	<u>\$ (51,868,929)</u>	<u>\$ 6,961,776</u>	<u>\$ 7,909,192</u>	<u>\$ 2,709,413</u>
Debt service as a percentage of noncapital expenditures	7.68%	7.19%	6.88%	7.79%	5.30%	5.25%	4.91%	4.39%	4.15%	3.84%

* Noncapital expenditures are total expenditures less capital outlay.

Note 1 - Changes in Fund Balances for the year ended June 30, 2020 is restated to reflect the implementation of GASB No. 84 "Fiduciary Activities".

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

	Fiscal Year Ended June 30,	<u>Tuition</u>	<u>Interest on Investments</u>	<u>Transfer from Payroll Trust and Agency</u>	<u>E-Rate</u>	<u>Athletic Gate Receipts</u>	<u>Energy Credits</u>	<u>Rebates/ Refunds</u>	<u>Transportation Fees</u>	<u>Other Misc.</u>	<u>Total</u>
2016	2016	\$ 197,399	\$ 90,730		\$ 76,982					\$ 57,891	\$ 423,002
	2017	124,088	64,241	\$ 5,569	69,826	\$ 3,336		\$ 30,595		70,058	367,713
	2018	228,599	127,589		73,914	4,914	\$ 10,686	44,794		31,800	522,296
	2019	76,976	196,359		61,639	3,525	17,223	20,522		52,582	428,826
	2020	26,350	154,521		84,609	7,975	10,573	15,339		93,262	392,629
	2021	98,992	100,510		145,208		1,509	66,884		33,913	447,016
	2022	203,931	135,248		105,989	5,301	11,677	45,592		16,121	523,859
	2023	152,256	874,513		114,390		12,820	66,799		38,513	1,259,291
	2024	134,892	1,548,461		209,715	6,251	4,564	335,089		32,619	2,271,591
	2025	29,323	1,556,504			6,069		38,243	55,069	132,774	1,817,982

ELMWOOD PARK BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

Fiscal Year Ended June 30,	Vacant Land	Residential	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2016	\$ 12,184,900	\$ 1,593,960,300		\$ 259,987,400	\$ 114,105,700	\$ 82,130,300	\$ 2,062,368,600	\$ 99	\$ 2,072,358,499	\$ 2,105,355,467	1.684
2017	11,813,900	1,605,280,300		258,841,400	114,292,500	82,130,300	2,072,358,400	100	2,075,093,400	2,117,435,483	1.724
2018	12,723,200	1,608,122,000		257,549,400	114,568,400	82,130,300	2,075,093,300	90	2,076,266,690	2,309,774,854	1.730
2019	13,299,200	1,612,285,000		255,198,700	114,568,400	80,915,300	2,076,266,600	100	2,079,454,400	2,317,059,270	1.760
2020	13,576,600	1,620,518,200		247,144,200	117,300,000	80,915,300	2,079,454,300	89	2,079,454,389	2,341,089,896	1.781
2021	12,021,700	1,626,447,500		245,653,600	117,300,000	80,915,300	2,082,338,100	100	2,097,212,800	2,436,053,084	1.781
2022	8,259,600	1,633,964,100		249,210,300	117,300,000	88,478,700	2,097,212,700	89	2,097,212,789	2,469,579,292	1.775
2023	20,559,700	1,633,961,000		249,508,200	115,667,100	100,315,300	2,120,011,300	89	2,120,011,389	2,729,147,257	1.738
2024	9,918,300	1,635,946,300		249,866,800	166,937,400	119,900,300	2,182,569,100	89	2,182,569,189	2,947,288,849	1.720
2025	10,725,000	1,637,348,600		248,736,200	181,697,500	123,070,300	2,201,577,600	68	2,201,577,668	3,278,130,849	1.733

Source: County Abstract of Ratables

^a Tax rates are per \$100

EXHIBIT J-7

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

Calendar Year	Total Direct School Tax Rate	Overlapping Rates		Total Direct and Overlapping Tax Rate
	Elmwood Park Local School District	Municipality of Elmwood Park	County of Bergen	
2016	\$ 1.684	\$ 0.861	\$ 0.250	\$ 2.795
2017	1.724	0.908	0.257	2.889
2018	1.730	0.920	0.273	2.923
2019	1.760	0.919	0.272	2.951
2020	1.781	0.941	0.280	3.002
2021	1.781	0.953	0.292	3.026
2022	1.775	0.952	0.285	3.012
2023	1.738	0.946	0.319	3.003
2024	1.720	1.035	0.314	3.069
2025	1.733	1.122	0.347	3.202

Source: County Abstract of Ratables

* Includes Library

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

Taxpayer	2025		2016	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Xchange Market Street LLC	\$ 52,201,500	2.37%		
Chipt Newark Elmwood Park LLC	25,325,900	1.15%		
Riverwalk III, LLC	18,500,000	0.84%		
Riverwalk III, LLC	16,500,000	0.75%		
RD Elmwood Assoc. c/o Ryan PTS Dept. 800	14,486,100	0.66%	\$ 21,503,500	1.05%
Riverfront Residential 1 LLC	14,000,000	0.64%	14,000,000	0.68%
LKD-3, LLC	9,750,000	0.44%	11,003,900	0.54%
Riverfront Residential 2 LLC	9,269,100	0.42%		
East Coast Elmwood Vill. LLC	9,107,900	0.41%	21,580,100	1.05%
RD Elmwood Assoc. c/o Ryan PTS Dept. 80000	8,793,800	0.40%		
Marcal Manufacturing LLC			13,000,000	0.63%
35 Market Street, L.P.			11,700,000	0.57%
LKD-1, LLC			11,496,700	0.56%
PRC-1, LLC			10,954,500	0.53%
Bankers Financial Corp			9,467,000	0.46%
SG National LLC			9,467,000	0.46%
	<u>\$ 177,934,300</u>	<u>8.08%</u>	<u>\$ 134,172,700</u>	<u>6.54%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	\$ 34,076,336	\$ 34,076,336	100.00%	
2017	35,363,955	35,363,955	100.00%	
2018	36,086,782	36,086,782	100.00%	
2019	35,912,336	35,912,336	100.00%	
2020	36,837,699	36,837,699	100.00%	
2021	37,171,512	37,171,512	100.00%	
2022	37,029,882	37,029,882	100.00%	
2023	37,161,093	37,161,093	100.00%	
2024	37,147,412	37,147,412	100.00%	
2025	37,839,357	37,839,357	100.00%	

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

Fiscal Year Ended June 30,	Governmental Activities			Capital and Other Financing Agreements	Leases	Total District	Population	Per Capita
	General Obligation Bonds	Loans Payable						
2016	\$ 29,165,000	\$ 1,524,497	\$ 493,830			\$ 31,183,327	20,100	\$ 1,551
2017	27,705,000	1,294,497	277,742			29,277,239	20,081	1,458
2018	26,220,000	1,064,497	115,369			27,399,866	20,116	1,362
2019	24,700,000					24,700,000	20,036	1,233
2020	23,125,000					23,125,000	19,965	1,158
2021	21,485,000				\$ 79,631	21,564,631	19,863	1,086
2022	19,770,000				58,120	19,828,120	21,267	932
2023	17,970,000				36,067	18,006,067	21,233	848
2024	15,305,000				13,455	15,318,455	21,256	721
2025	13,265,000				184,068	13,449,068	21,680	620

Source: District records

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2016	\$ 29,165,000		\$ 29,165,000	1.41%	\$ 1,451
2017	27,705,000		27,705,000	1.34%	1,380
2018	26,220,000		26,220,000	1.26%	1,303
2019	24,700,000	\$ 137,857	24,562,143	1.18%	1,226
2020	23,125,000	137,857	22,987,143	1.11%	1,151
2021	21,485,000	137,857	21,347,143	1.02%	1,075
2022	19,770,000		19,770,000	0.94%	930
2023	17,970,000		17,970,000	0.85%	846
2024	15,305,000	2,952	15,302,048	0.70%	720
2025	13,265,000	55,906	13,209,094	0.60%	609

Source: District records

ELMWOOD PARK BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2024
(Unaudited)

	<u>Total Debt</u>
Municipal Debt: (1)	
Elmwood Park School District	\$ 13,265,000
Borough of Elmwood Park	<u>32,987,495</u>
 Total Direct Debt	 <u>46,252,495</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	21,882,757
Passaic Valley Sewerage Commission (B)	<u>8,045,057</u>
 Total Overlapping Debt	 <u>29,927,814</u>
 Total Direct and Overlapping Debt	 <u>\$ 76,180,309</u>

Source:

(1) Borough's 2024 Annual Debt Statement

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

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

ELMWOOD PARK BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2024

	Equalized valuation basis
2024	\$ 3,231,520,728
2023	2,845,270,836
2022	2,683,573,512
	<u>\$ 8,760,365,076</u>
Average equalized valuation of taxable property	<u>\$ 2,920,121,692</u>
Debt limit (4 % of average equalization value)	\$ 116,804,868
Total Net Debt Applicable to Limit	<u>13,265,000</u>
Legal debt margin	<u>\$ 103,539,868</u>

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	\$ 82,663,201	\$ 83,368,272	\$ 86,164,254	\$ 89,114,276	\$ 114,615,927	\$ 93,657,747	\$ 95,474,694	\$ 100,300,117	\$ 106,198,631	\$ 116,804,868
Total net debt applicable to limit	<u>29,165,000</u>	<u>27,705,000</u>	<u>26,220,000</u>	<u>24,700,000</u>	<u>23,125,000</u>	<u>21,485,000</u>	<u>19,770,000</u>	<u>17,970,000</u>	<u>15,305,000</u>	<u>13,265,000</u>
Legal debt margin	<u>\$ 53,498,201</u>	<u>\$ 55,663,272</u>	<u>\$ 59,944,254</u>	<u>\$ 64,414,276</u>	<u>\$ 91,490,927</u>	<u>\$ 72,172,747</u>	<u>\$ 75,704,694</u>	<u>\$ 82,330,117</u>	<u>\$ 90,893,631</u>	<u>\$ 103,539,868</u>
Total net debt applicable to the limit as a percentage of debt limit	35.28%	33.23%	30.43%	27.72%	20.18%	22.94%	20.71%	17.92%	14.41%	11.36%

Source: Annual Debt Statements

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

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2016	20,100	\$ 76,367	5.50%
2017	20,081	78,611	5.00%
2018	20,116	82,731	4.40%
2019	20,036	86,871	4.10%
2020	19,965	88,256	12.80%
2021	19,863	94,342	8.80%
2022	21,267	96,434	4.70%
2023	21,233	102,229	4.80%
2024	21,256	102,229 *	5.00%
2025	21,680	102,229 *	5.00% *

Source: New Jersey State Department of Education

* Estimated

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

	<u>2025</u>		<u>2016</u>	
		Percentage of Total Municipal Employment		Percentage of Total Municipal Employment
<u>Employer</u>	<u>Employees</u>		<u>Employees</u>	

INFORMATION IS NOT AVAILABLE

ELMWOOD PARK 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	126.0	112.0	117.0	130.0	134.0	138.0	154.0	146.90	135.50	140.50
Special Education	65.0	65.0	70.3	73.2	76.8	72.1	66.5	70.00	61.75	63.50
Other Instruction	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.00	1.50	1.50
Support Services:										
Student & instruction related services	55.3	56.8	59.7	65.9	63.5	65.5	61.7	75.70	81.90	82.00
General administrative Services	3.0	3.0	3.0	3.0	3.0	3.0	4.0	4.50	6.00	6.00
School Administrative Services	19.0	19.0	22.0	22.0	22.0	22.0	20.0	22.90	25.60	25.50
Business Administrative Services	10.6	13.8	12.3	12.3	10.8	11.8	10.8	7.68	8.34	9.00
Plant Operations and Maintenance	23.0	22.0	21.0	22.0	22.0	21.0	23.0	24.00	27.50	28.50
Pupil transportation	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.70	0.66	0.66
Total	<u>304.6</u>	<u>294.3</u>	<u>308.0</u>	<u>331.1</u>	<u>334.8</u>	<u>336.1</u>	<u>342.7</u>	<u>354.38</u>	<u>348.75</u>	<u>357.16</u>

Source: District Personnel Records

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

Teacher/Pupil Ratio										Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Elementary	Junior High School	High School	Average Daily Enrollment (ADE)			
2016	2,508	\$ 38,203,840	\$ 15,233	1.97%	305	1:15	1:15	1:13	2,532.5	2,429.0	0.07%	95.91%
2017	2,542	40,071,858	15,764	3.49%	294	1:16	1:18	1:16	2,571.2	2,455.5	1.53%	95.50%
2018	2,601	41,231,513	15,852	0.56%	308	1:15	1:15	1:17	2,601.3	2,476.2	1.17%	95.19%
2019	2,548	45,338,155	17,794	12.25%	331	1:13	1:14	1:17	2,548.1	2,430.7	-2.05%	95.39%
2020	2,563	47,280,001	18,447	3.67%	335	1:12	1:13	1:14	2,562.8	2,466.3	0.58%	96.23%
2021	2,495	47,783,260	19,152	3.82%	336	1:13	1:14	1:16	2,495.0	2,385.3	-2.65%	95.60%
2022	2,564 ^d	51,757,338	20,186	5.40%	342	1:11	1:13	1:16	2,500.4	2,337.8	0.22%	93.50%
2023	2,620 ^d	58,080,105	22,168	9.82%	354	1:12	1:13	1:16	2,605.2	2,450.7	4.19%	94.07%
2024	2,672 ^d	61,443,389	22,995	3.73%	349	1:12	1:13	1:16	2,570.0	2,368.0	-1.35%	92.14%
2025	2,395 ^d	65,071,218	27,170	18.15%	35	1:12	1:13	1:16	2,547.0	2,395.0	-0.89%	94.03%

Sources: District records

- Note:
- a Enrollment based on annual October district count
 - b Operating expenditures equal total expenditures less debt service and capital outlay
 - c Cost per pupil represents operating expenditures divided by enrollment
 - d Enrollment includes resident Charter School students and Sent students

ELMWOOD PARK BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>District Building</u>										
Gantner Elementary School										
Square Feet	38,453	38,453	38,453	38,453	38,453	38,453	38,453	38,453	38,453	38,453
Enrollment	375	359	352	317	310	332	323	342	342	333
Gilbert Elementary School										
Square Feet	54,767	54,767	54,767	54,767	54,767	54,767	54,767	54,767	54,767	54,767
Enrollment	406	414	449	412	411	386	404	413	441	451
16th Avenue School										
Square Feet	53,525	53,525	53,525	53,525	53,525	53,525	53,525	53,525	53,525	53,525
Enrollment	467	466	485	470	470	422	400	423	418	412
High School/Middle School										
Square Feet	210,822	210,822	210,822	210,822	210,822	212,460	212,460	212,460	212,460	212,460
Enrollment	1,260	1,303	1,315	1,349	1,372	1,355	1,374	1,383	1,369	1,379

Number of Schools at June 30, 2025
 Elementary = 3
 High/Middle School = 1

Source: District Records

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

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

	<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>
School Facilities										
Memorial/Middle/High School	\$ 317,224	\$ 265,472	\$ 385,596	\$ 332,452	\$ 306,447	\$ 414,603	\$ 426,887	\$ 361,259	\$ 752,175	\$ 353,227
Gantner Avenue Elementary School	57,860	48,420	70,331	60,638	54,982	75,039	77,261	206,439	353,965	360,957
Gilbert Avenue Elementary School	82,414	68,964	100,170	86,364	73,309	106,874	110,041	186,201	298,967	149,408
Sixteenth Avenue Elementary School	<u>95,586</u>	<u>79,993</u>	<u>116,189</u>	<u>100,175</u>	<u>90,832</u>	<u>123,965</u>	<u>127,637</u>	<u>189,456</u>	<u>673,631</u>	<u>241,795</u>
Grand Total	<u>\$ 553,084</u>	<u>\$ 462,849</u>	<u>\$ 672,286</u>	<u>\$ 579,629</u>	<u>\$ 525,570</u>	<u>\$ 720,481</u>	<u>\$ 741,826</u>	<u>\$ 943,355</u>	<u>\$ 2,078,738</u>	<u>\$ 1,105,387</u>

Source: District Records

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

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - (1)		
Building and Contents (All Locations)	\$ 500,000,000	\$ 5,000
Boiler and Machinery	100,000,000	25,000
Automobile Liability Coverage	16,000,000	1,000
Comprehensive General Liability	16,000,000	100
School Leaders Errors & Omissions Liability	16,000,000	10,000
Workers Compensation and Employer's Liability	21,987,041	
Public Employee Dishonest with Faithful Performance	50,000	500
Electronic Data Processing	500,000,000	1,000
School Violent Act Coverage (2)	1,000,000	
Cyber Liability (3)	2,000,000	25,000
Surety Bonds (4)		
Board Secretary/Business Administrator	350,000	
Treasurer of School Monies	350,000	

- (1) New Jersey School Insurance Group
(2) AIG/National Union Fire Insurance Company
(3) Great American Insurance Group
(4) Hartford Fire Insurance Company

Source: District records

Source: School District's records

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
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**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
Elmwood Park Board of Education
Elmwood Park, 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 Elmwood Park 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 Elmwood Park Board of Education's basic financial statements and have issued our report thereon dated October 23, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

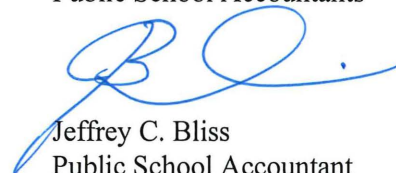
However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Elmwood Park Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated October 23, 2025.

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

LERCH, VINCI & BLISS, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
October 23, 2025



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Elmwood Park Board of Education
Elmwood Park, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Elmwood Park 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 Elmwood Park Board of Education's major federal and state programs for the fiscal year ended June 30, 2025. The Elmwood Park Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Elmwood Park Board of Education's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, 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 Elmwood Park Board of Education's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, 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 Elmwood Park Board of Education's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Elmwood Park Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the 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 Elmwood Park Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal 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 Elmwood Park 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 October 23, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of 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

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
October 23, 2025

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

Federal/Grantor/Pass-Through Grantor/ Program Title	AL Number	FAIN Number	Grant Period	Award Amount	Balance, July 1, 2024		Carryover/ (Walkover) Amount Def. Rev.	Carryover/ (Walkover) Amount A/R	Cash Received	Budgetary Expenditures	Adjustments/ Funds Released		Balance, June 30, 2025		Memo GAAP Receivable
					(Account Receivable)	Deferred Revenue					Def. Rev.	A/R	(Account Receivable)	Deferred Revenue	
U.S. Department of Agriculture															
Passed-through State Department of Agriculture															
Enterprise Fund															
School Breakfast Program	10.553	241NJ304N1099	7/1/23-6/30/24	\$ 94,455	\$ (5,564)				\$ 5,564						-
School Breakfast Program	10.553	251NJ304N1099	7/1/24-6/30/25	101,113					91,153	\$ 101,113			\$ (9,960)		\$ (9,960)
National School Lunch Program	10.555	251NJ304N1099													
Cash Assistance			7/1/23-6/30/24	506,377	(24,168)				24,168						-
Cash Assistance			7/1/24-6/30/25	673,507					614,455	673,507			(59,052)		(59,052)
Non-Cash Assistance (Food Distribution)			7/1/24-6/30/25	138,177					138,177	133,230	-		\$ 4,947		-
Summer EBT Administrative Cost	10.646	202424N180341	7/1/24-6/30/25	1,556	-	-	-	-	1,556	1,556	-	-	-	-	-
Total Child Nutrition Program Cluster/Enterprise Fund					(29,732)	-	-	-	875,073	909,406	-	-	(69,012)	4,947	(69,012)
U.S. Department of Education															
Passed-through State Department of Education															
Special Revenue Fund															
ESEA															
Title I	84.010	S010A230030	7/1/23-9/30/24	571,835	(205,422)	30,167	\$ (15,310)	\$ 15,310	190,112		(14,857)	-	-	-	-
Title I	84.010	S010A240030	7/1/24-9/30/25	577,822			15,310	(15,310)	314,261	463,021			(278,871)	130,111	(148,760)
Title I SIA	84.010	S010A240030	7/1/23-9/30/24		(3,936)	3,936	-	-	-	-	(3,936)	3,936	-	-	-
Total ESEA Title I					(209,358)	34,103	-	-	504,373	463,021	(18,793)	3,936	(278,871)	130,111	(148,760)
Title II, Part A	84.367A	S367A230029	7/1/23-9/30/24	88,121	(17,108)	4,004	(4,004)	4,004	13,104				-	-	-
Title II, Part A	84.367A	S367A240029	7/1/24-9/30/25	83,133	-	-	4,004	(4,004)	79,535	79,560	-	-	(7,602)	7,577	(25)
Total ESEA Title II, Part A					(17,108)	4,004	-	-	92,639	79,560	-	-	(7,602)	7,577	(25)
Title III	84.365	S365A230030	7/1/23-9/30/24	38,418	(48,828)	37,648	(37,564)	37,564	11,264		(84)		-	-	-
Title III	84.365	S365A240030	7/1/24-9/30/25	37,186			37,564	(37,564)	7,200	16,684			(67,550)	58,066	(9,484)
Title III, Immigrant	84.365	S365A230030	7/1/23-9/30/24	21,651	(16,151)	16,151	(16,151)	16,151					-	-	-
Title III, Immigrant	84.365	S365A240030	7/1/24-9/30/25	14,601	-	-	16,151	(16,151)	11,220	14,916	-	-	(19,532)	15,836	(3,696)
Total ESEA Title III					(64,979)	53,799	-	-	29,684	31,600	(84)	-	(87,082)	73,902	(13,180)
Title IV	84.424	S424A230031	7/1/23-9/30/24	37,571	(48,358)	48,358	(37,571)	37,571			(10,787)	10,787	-	-	-
Title IV	84.424	S424A240031	7/1/24-9/30/25	40,756	-	-	37,571	(37,571)	36,565	64,715	-	-	(41,762)	13,612	(28,150)
Total ESEA Title IV					(48,358)	48,358	-	-	36,565	64,715	(10,787)	10,787	(41,762)	13,612	(28,150)
I.D.E.A. Part B, Basic Regular	84.027	H027A230100	7/1/23-9/30/24	715,981	(26,685)	24,185	(24,185)	24,185	2,500				-	-	-
I.D.E.A. Part B, Basic Regular	84.027	H027A240100	7/1/24-9/30/25	728,256			24,185	(24,185)	734,154	737,264			(18,287)	15,177	(3,110)
I.D.E.A. Part B, Preschool	84.173	H173A230114	7/1/23-9/30/24	26,553	(26,553)				26,553				-	-	-
I.D.E.A. Part B, Preschool	84.173	H173A240114	7/1/24-9/30/25	25,885	-	-	-	-	-	15,707	-	-	(25,885)	10,178	(15,707)
Total Special Education Cluster IDEA					(53,238)	24,185	-	-	763,207	752,971	-	-	(44,172)	25,355	(18,817)
Elementary and Secondary School Emergency Relief (ESSER)															
American Rescue Plan Consolidated															
ARP ESSER III	84.425U	S425U240027	3/13/20-9/30/24	4,463,617	(1,643,756)	1,500			1,643,756	1,500					
Accelerated Learning Coach and Educator Support	84.425U	S425U240027	3/13/20-9/30/24	256,877	(166,762)	2,885			166,762	2,885					
NJTSS Mental Health Support Staffing	84.425U	S425U240027	3/13/20-9/30/24	45,000	(4,801)	-	-	-	4,801	-	-	-	-	-	-
Total ESSER Cluster					(1,815,319)	4,385	-	-	1,815,319	4,385	-	-	-	-	-
Total Special Revenue Fund					\$ (2,208,360)	\$ 168,834	-	-	3,241,787	1,396,252	(29,664)	14,723	\$ (459,489)	\$ 250,557	\$ (208,932)

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

Federal/Grantor/Pass-Through Grantor/ Program Title	AL Number	FAIN Number	Grant Period	Award Amount	Balance, July 1, 2024		Carryover/ (Walkover) Amount Def. Rev.	Carryover/ (Walkover) Amount A/R	Cash Received	Budgetary Expenditures	Adjustments/ Funds Released		Balance, June 30, 2025		Memo GAAP Receivable
					(Account Receivable)	Deferred Revenue					Def. Rev.	A/R	(Account Receivable)	Deferred Revenue	
U.S. Department of Education															
Passed-through State Department of Education (Continued)															
Capital Projects Fund:															
Preschool Facilities Expansion	21.027	23E00472	2/24/23-8/31/24	\$ 6,105,082	\$ (6,105,082)	\$ 6,105,082	-	-	\$ 4,340,283	\$ 2,883,430	-	-	\$ (1,764,799)	\$ 3,221,652	-
Total Capital Projects Fund					\$ (6,105,082)	\$ 6,105,082	-	-	\$ 4,340,283	\$ 2,883,430	-	-	\$ (1,764,799)	\$ 3,221,652	-
U.S. Department of Health and Human Services															
General Fund															
Medical Assistance Program	93.778	2005NJ5MAP	7/1/24-6/30/25	33,128	-	-	-	-	33,128	33,128	-	-	-	-	-
Total General Fund					\$ -	\$ -	\$ -	\$ -	\$ 33,128	\$ 33,128	\$ -	\$ -	\$ -	\$ -	\$ -
Total Federal Awards					\$ (8,343,174)	\$ 6,273,916	\$ -	\$ -	\$ 8,490,271	\$ 5,222,216	\$ (29,664)	\$ 14,723	\$ (2,293,300)	\$ 3,477,156	\$ (277,944)

ELMWOOD PARK 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	Refund of Prior Years' Balances	Balance, June 30, 2025			Memo		
								(Accounts Receivable)	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
State Department of Education													
General Fund:													
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	\$ 16,347,421	\$ (1,529,694)	\$ 1,529,694								
Equalization Aid	25-495-034-5120-078	7/1/24-6/30/25	21,322,467		19,297,325	\$ 21,322,467		\$ (2,025,142)				\$	21,322,467
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	2,318,383	(216,941)	216,941								-
Special Education Aid	25-495-034-5120-089	7/1/24-6/30/25	3,084,460		2,791,507	3,084,460		(292,953)					3,084,460
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	760,674	(71,179)	71,179								-
Security Aid	25-495-034-5120-084	7/1/24-6/30/25	981,384	-	888,175	981,384	-	(93,209)	-	-	-	-	981,384
Total State Aid Public Cluster			44,814,789	(1,817,814)	24,794,821	25,388,311	-	(2,411,304)	-	-	-	-	25,388,311
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	547,120	(51,196)	51,196								-
Transportation Aid	25-495-034-5120-014	7/1/24-6/30/25	646,983		585,535	646,983		(61,448)					646,983
Nonpublic Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	82,810	(82,810)	82,810								-
Nonpublic Transportation Aid	25-495-034-5120-014	7/1/24-6/30/25	83,593			83,593		(83,593)				\$	(83,593)
Extraordinary Aid	24-495-034-5120-044	7/1/23-6/30/24	850,300	(850,300)	850,300								-
Extraordinary Aid	25-495-034-5120-044	7/1/24-6/30/25	878,248			878,248		(878,248)					878,248
Payment for Institutionalized Children - Unknown District of Residence	24-495-034-5120-005	7/1/23-6/30/24	253,833	(253,833)	253,833								-
Payment for Institutionalized Children - Unknown District of Residence	25-495-034-5120-005	7/1/24-6/30/25	102,065			102,065		(102,065)				(102,065)	102,065
On Behalf Payments													
TPAF Social Security	24-495-034-5094-003	7/1/23-6/30/24	1,367,746	(67,194)	67,194								-
TPAF Social Security	25-495-034-5094-003	7/1/24-6/30/25	1,418,599		1,347,730	1,418,599		(70,869)				(70,869)	1,418,599
TPAF Pension and OPEB													
Pension - NCGI Premium	25-495-034-5094-004	7/1/24-6/30/25	75,868		75,868	75,868							75,868
Pension Benefit Contribution	25-495-034-5094-002	7/1/24-6/30/25	6,124,680		6,124,680	6,124,680							6,124,680
Post-Retirement Medical Benefit Contribution	25-495-034-5094-001	7/1/24-6/30/25	1,811,805		1,811,805	1,811,805							1,811,805
Long-Term Disability Insurance	25-495-034-5094-004	7/1/24-6/30/25	3,873	-	3,873	3,873	-	-	-	-	-	-	3,873
Total General Fund			\$ (3,123,147)	\$	36,049,645	\$ 36,534,025	\$ -	\$ (3,607,527)	-	-	-	\$ (256,527)	\$ 36,534,025
Special Revenue Fund:													
Auxiliary Services Ch. 192:													
Compensatory Education	24-100-034-5120-067	7/1/23-6/30/24	69,229	4,587			\$ 4,587						-
Compensatory Education	25-100-034-5120-067	7/1/24-6/30/25	66,757		66,757	59,296				\$ 7,461			59,296
English as a Second Language	24-100-034-5120-067	7/1/23-6/30/24	9,156	1,007			1,007						-
English as a Second Language	25-100-034-5120-067	7/1/24-6/30/25	12,714	-	12,714	11,571	-	-	-	1,143	-		11,571
Total Auxiliary Services (Ch. 192) Cluster			5,594	79,471	70,867	5,594	-	-	-	8,604	-		70,867
Handicapped Services Ch. 193:													
Examination and Classification	24-100-034-5120-066	7/1/23-6/30/24	34,976	23,882			23,882						-
Examination and Classification	25-100-034-5120-066	7/1/24-6/30/25	19,528		19,528	11,571				7,957			11,571
Corrective Speech	25-100-034-5120-066	7/1/24-6/30/25	28,272		28,272	24,645				3,627			24,645
Supplemental Instruction	24-100-034-5120-066	7/1/23-6/30/24	19,824	9,995			9,995					-	-
Supplemental Instruction	25-100-034-5120-066	7/1/24-6/30/25	14,207	-	14,207	11,894	-	-	-	2,313	-		11,894
Total Handicapped Services (Ch. 193) Cluster			33,877	62,007	48,110	33,877	-	-	-	13,897	-		48,110
New Jersey Nonpublic Aid:													
Textbook Aid	24-100-034-5120-064	7/1/23-6/30/24	11,215	201			201						-
Textbook Aid	25-100-034-5120-064	7/1/24-6/30/25	10,279		10,279	8,571				1,708			8,571
Nursing Services	24-100-034-5120-070	7/1/23-6/30/24	23,280	3,165			3,165						-
Nursing Services	25-100-034-5120-070	7/1/24-6/30/25	26,130		26,130	19,262				6,868			19,262
Nonpublic Technology	24-100-034-5120-373	7/1/23-6/30/24	9,506										-
Nonpublic Technology	25-100-034-5120-373	7/1/24-6/30/25	9,849		9,849	8,735				1,114			8,735
Nonpublic Security	24-100-034-5120-084	7/1/23-6/30/24	39,770	34,834			34,834						-
Nonpublic Security	25-100-034-5120-084	7/1/24-6/30/25	41,205	-	41,205	19,112	-	-	-	22,093	-		19,112
Total New Jersey Nonpublic Aid			38,200	87,463	55,680	55,680	38,200	-	-	31,783	-		55,680

ELMWOOD PARK 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	Refund of Prior Years' Balances	Balance, June 30, 2025			Memo		
								(Accounts Receivable)	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
State Department of Education (Continued)													
New Jersey Department of Community Affairs Local Recreation Improvement Grant	N/A	4/17/25-10/17/27	\$ 87,000	-	-	-	-	\$ (87,000)	\$ 87,000	-	-	-	
Total Special Revenue Fund				\$ 77,671	\$ 228,941	\$ 174,657	\$ 77,671	\$ (87,000)	\$ 87,000	\$ 54,284	\$ -	\$ 174,657	
Debt Service Fund:													
Type II Debt Service Aid	25-495-034-5120-075	7/1/24-6/30/25	256,051	-	256,051	256,051	-	-	-	-	-	256,051	
State Department of Agriculture													
Food Service Fund:													
National School Lunch Program													
State School Lunch Program	24-100-010-3350-023	7/1/23-6/30/24	27,836	\$ (1,417)	1,417								
State School Lunch Program	25-100-010-3350-023	7/1/24-6/30/25	54,957		50,171	54,957		\$ (4,786)			\$ (4,786)	54,957	
State School Breakfast Program	24-100-010-3350-023	7/1/23-6/30/24	2,362	(150)	150								
State School Breakfast Program	25-100-010-3350-023	7/1/24-6/30/25	6,154		5,661	6,154		(493)			(493)	6,154	
SSO State Supplement	N/A	7/1/24-6/30/25	53		-	53		(53)			(53)	53	
Summer EBT Administrative Cost	N/A	7/1/24-6/30/25	1,556	-	1,556	1,556	-	-	-	-	-	1,556	
Total Food Service Fund				(1,567)	58,955	62,720	-	(5,332)	-	-	(5,332)	62,720	
Total State Financial Assistance Subject to Single Audit Determination				\$ (3,047,043)	\$ 36,593,592	\$ 37,027,453	\$ 77,671	\$ (3,699,859)	\$ 87,000	\$ 54,284	\$ (261,859)	\$ 37,027,453	
State Financial Assistance													
Not Subject to Major Program Determination													
General Fund													
On-Behalf TPAF Pension System													
Contributions - NCGI	25-495-034-5094-004	7/1/24-6/30/25	75,868		(75,868)	(75,868)						(75,868)	
On-Behalf TPAF Pension System													
Contributions - Normal	25-495-034-5094-002	7/1/24-6/30/25	6,124,680		(6,124,680)	(6,124,680)						(6,124,680)	
On-Behalf TPAF Post-Retirement Medical													
Contribution	25-495-034-5094-001	7/1/24-6/30/25	1,811,805		(1,811,805)	(1,811,805)						(1,811,805)	
On-Behalf TPAF Long-Term													
Disability Insurance	25-495-034-5094-004	7/1/24-6/30/25	3,873	-	(3,873)	(3,873)	-	-	-	-	-	(3,873)	
Total State Financial Assistance Subject to Major Program Determination				\$ (3,047,043)	\$ 28,577,366	\$ 29,011,227	\$ 77,671	\$ (3,699,859)	\$ 87,000	\$ 54,284	\$ (261,859)	\$ 29,011,227	

**ELMWOOD PARK 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 Elmwood Park 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.

**ELMWOOD PARK 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 4 RELATIONSHIP TO FINANCIAL STATEMENTS (Continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$631,690 for the general fund an increase of \$581,439 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	\$ 33,128	\$ 35,902,335	\$ 35,935,463
Special Revenue Fund	1,916,339	236,009	2,152,348
Capital Projects Fund	2,883,430		2,883,430
Debt Service Fund		256,051	256,051
Food Service Fund	<u>909,406</u>	<u>62,720</u>	<u>972,126</u>
Total Financial Assistance	<u>\$ 5,742,303</u>	<u>\$ 36,457,115</u>	<u>\$ 42,199,418</u>

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,418,599 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 \$6,200,548, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,811,805 and TPAF Long-Term Disability Insurance in the amount of \$3,873 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 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.

**ELMWOOD PARK 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 auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

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

2) Significant deficiencies identified that are not considered to be material weaknesses? yes X no

Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

Internal Control over major programs:

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

(2) Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

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

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

Identification of major federal programs:

AL Number(s):

10.555

10.553

10.646

21.027

Name of Federal Program or Cluster:

National School Lunch Program - CNP Cluster

National School Breakfast Program - CNP Cluster

Summer-EBT Administrative Cost Program - CNP Cluster

American Rescue Plan - State and Local
Fiscal Recovery Fund for Universal Preschool
Facilities Expansion

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee? X yes no

State Awards Section

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

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

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

<u>GMIS Number(s):</u>	<u>Name of State Program:</u>
<u>25-495-034-5120-078</u>	<u>Equalization Aid - State Aid Public Cluster</u>
<u>25-495-034-5120-089</u>	<u>Special Education Aid - State Aid Public Cluster</u>
<u>25-495-034-5120-084</u>	<u>Security Aid - State Aid Public Cluster</u>
25-495-034-5120-044	Extraordinary Special Education Aid

Dollar threshold used to distinguish between Type A and Type B programs:	\$870,337
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Auditee qualified as low-risk auditee?	X	yes	no
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**ELMWOOD PARK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Part II – Schedule of Financial Statement Findings

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

There are none.

**ELMWOOD PARK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Part III – 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.

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

Part III – 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.