

**SCHOOL DISTRICT OF THE
BOROUGH OF ENGLEWOOD CLIFFS
COUNTY OF BERGEN, NEW JERSEY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2025**

School District
of
Englewood Cliffs

ENGLEWOOD CLIFFS PUBLIC SCHOOLS
Englewood Cliffs, New Jersey

Annual Comprehensive Financial Report
Year Ended June 30, 2025

Annual Comprehensive Financial Report

of the

**ENGLEWOOD CLIFFS PUBLIC SCHOOLS
Englewood Cliffs, New Jersey**

Year Ended June 30, 2025

Prepared by

**Julyana Ortiz
Board Secretary/Business Administrator**

**ENGLEWOOD CLIFFS BOARD OF EDUCATION
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	1
Organizational Chart	4
Roster of Officials	5
Consultants and Advisors	6
FINANCIAL SECTION	
Independent Auditor's Report	7
Required Supplementary Information - Part I	
Management's Discussion and Analysis	12
Basic Financial Statements:	
A. District-Wide Financial Statements:	
A-1 Statement of Net Position	26
A-2 Statement of Activities	27
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	28
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance	30
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	31
Proprietary Funds:	
B-4 Statement of Net Position	32
B-5 Statement of Revenues, Expenses and Changes in Fund Net Position	33
B-6 Statement of Cash Flows	34
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	N/A
B-8 Statement of Changes in Fiduciary Net Position	N/A
Notes to the Basic Financial Statements	35
Required Supplementary Information - Part II	
C. Budgetary Comparison Schedules:	
C-1 Budgetary Comparison Schedule (Budgetary Basis) - General Fund	76
C-2 Budgetary Comparison Schedule (Budgetary Basis) - Special Revenue Fund	81
Note to Required Supplementary Information - Part II	
C-3 Budgetary Comparison Schedule - Note to the Required Supplementary Information - Budget to GAAP Reconciliation	82

**ENGLEWOOD CLIFFS BOARD OF EDUCATION
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Page</u>
FINANCIAL SECTION (Continued)	
Required Supplementary Information - Part III	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the District's Share of the Net Pension Liability - Public Employees Retirement System	83
L-2 Schedule of District's Contributions - Public Employees Retirement System	84
L-3 Schedule of District's Share of the Net Pension Liability - Teacher's Pension and Annuity Fund	85
L-4 Schedule of District's Contributions - Teacher's Pension and Annuity Fund	86
L-5 Note to Required Schedules of Supplementary Information	87
M. Schedules Related to Accounting and Reporting for OPEB (GASB 75)	
M-1 Schedule of Changes in the District's Proportionate Share of the State OPEB Liability	88
Other Supplementary Schedules	
D. School Level Schedules:	
Not Applicable	
E. Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis	89
E-1a Combining Schedule of Program Revenues and Expenditures - Budgetary Basis	90
E-1b Combining Schedule of Program Revenues and Expenditures - Budgetary Basis	91
E-1c Combining Schedule of Program Revenues and Expenditures - Budgetary Basis	92
E-2 Not Applicable	
F. Capital Projects Fund:	
Not Applicable	
Other Supplementary Schedules, (continued)	
G. Proprietary Funds:	
G-1 Combining Statement of Net Position	93
G-2 Combining Statement of Revenues Expenses, and Changes in Fund Net Position	94
G-3 Combining Statement of Cash Flows	95
Internal Service Fund:	
Not Applicable	
H. Fiduciary Fund:	
Not Applicable	
I. Long Term Debt:	
I-1 Schedule of Obligations Under Lease-Purchase Agreements and Leases Payable	96
I-2 Budgetary Comparison Schedule	97

**ENGLEWOOD CLIFFS BOARD OF EDUCATION
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Page</u>
STATISTICAL SECTION (Unaudited)	
<u>Financial Trends</u>	
J-1 Net Position by Component	98
J-2 Changes in Net Position	99
J-3 Fund Balances - Governmental Funds	101
J-4 Changes in Fund Balances - Governmental Funds	102
J-5 General Fund Other Local Revenue by Source	104
<u>Revenue Capacity</u>	
J-6 Assessed Value and Actual Value of Taxable Property	105
J-7 Direct and Overlapping Property Tax Rates	106
J-8 Principal Property Taxpayers, Current Year and Nine Years Ago	107
J-9 Property Tax Levies and Collections	108
<u>Debt Capacity</u>	
J-10 Ratios of Outstanding Debt by Type	109
J-11 Ratios of Net General Bonded Debt Outstanding	110
J-12 Ratios of Overlapping Governmental Activities Debt	111
J-13 Legal Debt Margin Information	112
<u>Demographic and Economic Information</u>	
J-14 Demographic and Economic Statistics	113
J-15 Principal Employers, Current Year and Nine Years Ago	114
<u>Operating Information</u>	
J-16 Full-time Equivalent District Employees by Function/Program	115
J-17 Operating Statistics	116
J-18 School Building Information	117
J-19 Schedule of Required Maintenance for School Facilities	118
J-20 Insurance Schedule	119
SINGLE AUDIT SECTION	
K-1 Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	124
K-2 Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with the Uniform Guidance and N.J. OMB Circular 15-08	126
K-3 Schedule of Expenditure of Federal Awards	130
K-4 Schedule of Expenditure of State Awards and Local Awards	131
K-5 Notes to the Schedules of Expenditures of Federal and State Awards	133
K-6 Schedule of Findings and Questioned Costs	136
K-7 Summary Schedule of Prior Audit Findings	138

INTRODUCTORY SECTION

ENGLEWOOD CLIFFS PUBLIC SCHOOLS

143 Charlotte Place
Englewood Cliffs, NJ 07632-2681
Telephone (201) 567-7292 FAX: (201) 567-2738



Jennifer Brower, Ed.D.
Superintendent of Schools

Julyana Ortiz
Business Administrator/Board Secretary

October 24, 2025

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

Dear Board Members:

The comprehensive annual financial report of the Englewood Cliffs School District (District) for the fiscal year ending June 30, 2025 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentations, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the district's organizational chart and a list of principal officials. The financial section includes the basic financial statements, management's discussion and analysis and the independent auditor's report. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08

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

1) Reporting Entity and Its Services: The Englewood Cliffs School District is an independent reporting entity with the criteria adopted by GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Englewood Cliffs Board of Education and all its schools constitute the District's reporting entity. The District provides a full range of services appropriate to grade level Pre-K through 8. These programs include regular and inclusive special education services for handicapped children. The district completed the 2024-2025 fiscal year 435 students on roll as submitted for our Application for State School Aid, which represents 2 students above the previous year's enrollment. The following details the changes in the student enrollment of the District over the last five years.

AVERAGE DAILY ENROLLMENT

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2024-2025	435	+0.01
2023-2024	433	+3.84
2022-2023	417	-2.34
2021-2022	427	-11.59
2020-2021	483	-0.01

2) Economic Conditions and Outlook: The tax revenue producing areas of Englewood Cliffs have limited growth. Given the current economic climate, it can be expected that this will continue to have an impact on the district's revenues for the foreseeable future.

3) Major Initiatives: We continue to increase the use of technology in our everyday curriculum and the use of Reading, Writing and Math Workshop in Grades K-8 is ongoing. We continue to have professional development in responsive classrooms with the goal to build the capacity of teachers to utilize language to convey subtle and important messages to their students and to motivate them to complete all tasks even when the task is challenging.

With all of the initiatives, we continue to track the progress of these programs and to refine our current programs to ensure the success of each child in our school district. With all new and existing programs in place, the Englewood Cliffs School district continues to be positioned to be a leader in the educational reform movement.

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

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

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

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. Annual appropriated budgets are adopted for the general fund and the special revenue fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

6) Cash Management: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The district has adopted a cash management plan which requires it to deposit public funds 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 failing banking institutions 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.

7) Risk Management: The Board carries various forms of insurance, including but not limited to general liability, hazards and theft insurance on property and contents, fidelity bonds, and student accident. The Board participates in a self-insurance pool (43 school districts) for workers' compensation as a member of the Northeast Bergen County School Board Insurance Group.

8) Other Information - Independent Audit: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Wielkotz & Company LLC. was selected by the Board. In addition to meeting requirements set forth in state statutes, the audit also was designed to meet the requirements of the Title 2 U.S. Code of Federal Regulations, Part 2, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08. The auditor's report on the general-purpose financial statements and combined and individual fund statement and schedules is included in the financial section of this report. The auditor's report relates specifically to the single audits are included in the single audit section of this report.

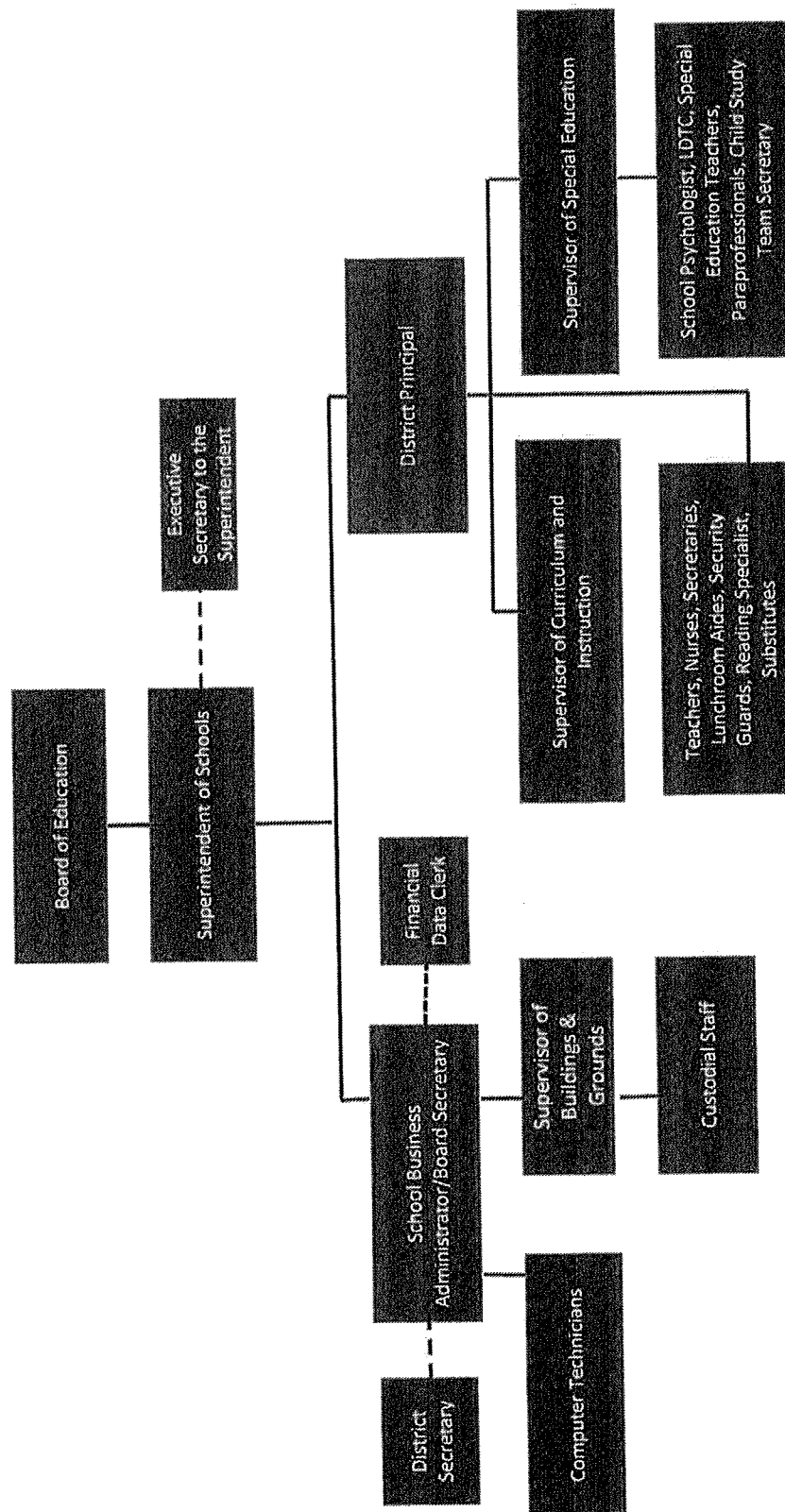
9) Acknowledgements: We would like to express our appreciation to the members of the Englewood Cliffs School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of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

Respectfully submitted,



Jennifer Brower
Superintendent of Schools

Englewood Cliffs School District Organizational Chart



BOROUGH OF ENGLEWOOD CLIFFS SCHOOL DISTRICT

ROSTER OF OFFICIALS

JUNE 30, 2025

<u>Members of the Board of Education</u>	<u>Term Expires</u>
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Philip K. Choi, President	2026
Kevin Liao, Vice-President	2025
George Drimones	2027
Andrew Keum	2025
Dr. Athena M. Lolis	2027
Susan Pak	2025
Kimara Patton	2026
Jennifer Drimones	2026
Christine Ragasa	2027

Other Officials

Jennifer Brower, Ed. D., Superintendent of Schools
Colin Winch, Principal
Julyana Ortiz, Business Administrator/Board Secretary
Charles A. Hangley, Treasurer of School Monies

**ENGLEWOOD CLIFFS BOARD OF EDUCATION
ENGLEWOOD CLIFFS, NEW JERSEY**

CONSULTANTS AND ADVISORS

AUDIT FIRM

Wielkottz & Co., LLC
401 Wanaque Avenue
Pompton Lakes, NJ 07442

ATTORNEY

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Attorneys at Law
21-00 Route 208 South
Fair Lawn, New Jersey 07410

ARCHITECT

Michael Bieri
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Oakland, NJ 07436

OFFICIAL DEPOSITORY

Connect One Bank
180 Sylvan Avenue
Englewood Cliffs, New Jersey 07632

FINANCIAL SECTION



WIELKOTZ & COMPANY ^{L.L.C.}

CERTIFIED PUBLIC ACCOUNTANTS

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MATTHEW B. WIELKOTZ, CPA, PSA
DAVID BOTTGE, CPA, RMA, PSA
PAUL J. CUVA, CPA, RMA, PSA
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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Board of Education of the Borough of Englewood Cliffs School District, in the County of Bergen, State of New Jersey, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities and each major fund of the Borough of Englewood Cliffs Board of Education, in the County of Bergen, State of New Jersey, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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



Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Englewood Cliffs Board of Education's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Englewood Cliffs Board of Education's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedules Related to Accounting and Reporting for Pensions, and Other Post Employment Benefits identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Honorable President and
Members of the Board of Education
Page 4.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Englewood Cliffs Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

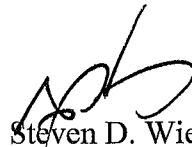
The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2025, on our consideration of the Borough of Englewood Cliffs Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Englewood Cliffs Board of Education's internal control over financial reporting and compliance.



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



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

October 24, 2025

**REQUIRED SUPPLEMENTARY
INFORMATION - PART I**

**BOROUGH OF ENGLEWOOD CLIFFS BOARD OF EDUCATION
ENGLEWOOD CLIFFS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The discussion and analysis of the Borough of Englewood Cliffs Board of Education's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the District's financial performance as a whole and should not be interpreted as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the District's revenues and expenditures by program for the General Fund, Special Revenue Fund, Capital Projects Fund, Enterprise Fund.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Englewood Cliffs Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$10,610,359. (Net Position)
- In total, net position increased by \$1,526,322. Net position of governmental activities increased by \$1,499,868 and net position of business-type activity increased by \$26,454.
- General revenues accounted for \$15,775,194 in revenue or 84 percent of all governmental and business-type activities revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$2,952,408 or 16 percent of total revenues of \$18,727,602.
- The School District had \$17,090,824 in expenses related to governmental activities; only \$2,815,498 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily grants, entitlements and property taxes) of \$15,775,194 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 \$5,452,787.
- The General Fund fund balance at June 30, 2025 was \$5,403,543 an increase of \$286,233 compared to the ending fund balance at June 30, 2024 of \$5,117,310.
- The General Fund unassigned budgetary fund balance at June 30, 2025 was \$379,211 which represents a decrease of \$313,088 compared to the ending unassigned budgetary fund balance at June 30, 2024 of \$692,299. The decrease is primarily the result of increases in reservations of fund balance for outstanding encumbrances and the amount of fund balance reallocated to capital and maintenance reserves.

**BOROUGH OF ENGLEWOOD CLIFFS BOARD OF EDUCATION
ENGLEWOOD CLIFFS, NJ**

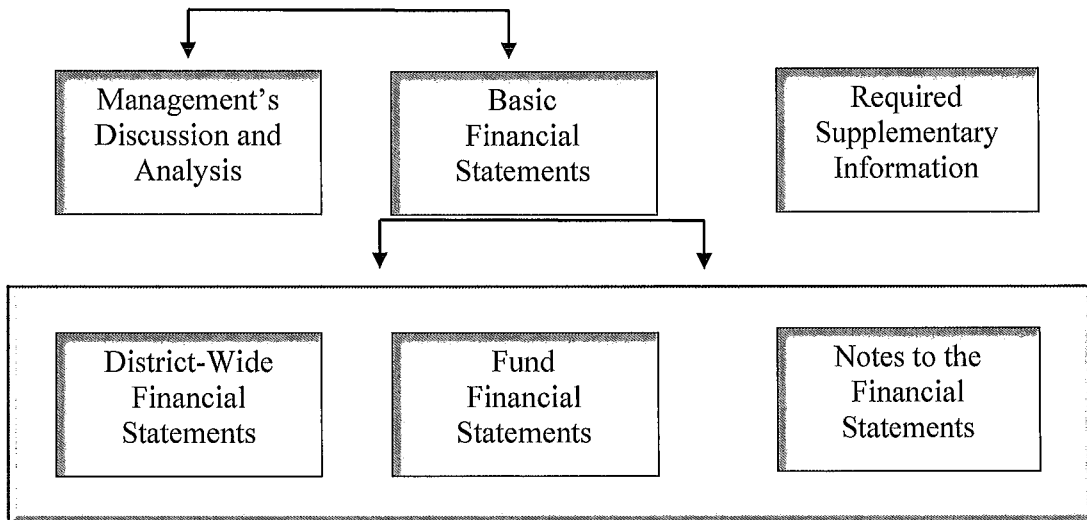
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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



**BOROUGH OF ENGLEWOOD CLIFFS BOARD OF EDUCATION
ENGLEWOOD CLIFFS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

OVERVIEW OF THE FINANCIAL STATEMENTS, (continued)

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

Major Features of the District-Wide and Fund Financial Statements

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

**BOROUGH OF ENGLEWOOD CLIFFS BOARD OF EDUCATION
ENGLEWOOD CLIFFS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

USING THIS ANNUAL REPORT

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

District-Wide Financial Statements

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

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

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

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

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

**BOROUGH OF ENGLEWOOD CLIFFS BOARD OF EDUCATION
ENGLEWOOD CLIFFS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

USING THIS ANNUAL REPORT, (continued)

Fund Financial Statements

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

Governmental Funds

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

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

The Borough of Englewood Cliffs Board of Education maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the general, special revenue, capital projects funds, and debt service funds, which are considered to be major funds. There was no activity in the capital projects fund in the current year ended June 30, 2025.

The Borough of Englewood Cliffs Board of Education adopts annual appropriated budgets for its governmental funds. A budgetary comparison statement has been provided for the general, special revenue, and debt service funds to demonstrate compliance with their budgets.

**BOROUGH OF ENGLEWOOD CLIFFS BOARD OF EDUCATION
ENGLEWOOD CLIFFS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

USING THIS ANNUAL REPORT, (continued)

Proprietary Funds

Proprietary funds use the accrual basis of accounting, the same as on the district-wide statements, therefore the statements will essentially match the business-type activities portion of the district-wide statements. The Borough of Englewood Cliffs Board of Education uses proprietary funds to account for its and Enrichment and Invengineering programs.

Notes to the Financial Statements

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

Other Information

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

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

Combining statements and schedules are presented immediately following the required supplementary information.

DISTRICT-WIDE FINANCIAL ANALYSIS

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

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

**BOROUGH OF ENGLEWOOD CLIFFS BOARD OF EDUCATION
ENGLEWOOD CLIFFS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

The School District's net position was \$10,610,359 on June 30, 2025, and \$9,084,037 at June 30, 2024. Restricted net position is reported separately to show legal constraints that limit the School District's ability to use the net position for day-to-day operations. Our analysis below focuses on the net position (Table 1) and change in net position (Table 2) of the School District.

Table 1

**Net Position
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Assets						
Current and Other Assets	\$ 5,938,600	\$ 5,746,673	\$ 83,610	\$ 56,750	\$ 6,022,210	\$ 5,803,423
Capital Assets	7,821,913	6,827,544			7,821,913	6,827,544
Total Assets	<u>13,760,513</u>	<u>12,574,217</u>	<u>83,610</u>	<u>56,750</u>	<u>13,844,123</u>	<u>12,630,967</u>
Deferred Outflows:						
Deferred Outflows of Resources related to PERS	457,086	290,942			457,086	290,942
Total Deferred Outflows	<u>457,086</u>	<u>290,942</u>	<u>-</u>	<u>-</u>	<u>457,086</u>	<u>290,942</u>
Liabilities						
Other Liabilities	703,984	805,001	406		704,390	805,001
Noncurrent Liabilities	2,785,873	2,695,271			2,785,873	2,695,271
Total Liabilities	<u>3,489,857</u>	<u>3,500,272</u>	<u>406</u>	<u>-</u>	<u>3,490,263</u>	<u>3,500,272</u>
Deferred Inflows:						
Deferred Inflows of Resources related to PERS	200,587	337,600			200,587	337,600
Total Deferred Inflows	<u>200,587</u>	<u>337,600</u>	<u>-</u>	<u>-</u>	<u>200,587</u>	<u>337,600</u>
Net Position						
Invested in Capital Assets, Net of Related Debt	7,821,913	6,805,465			7,821,913	6,805,465
Restricted	5,143,731	4,533,039			5,143,731	4,533,039
Unrestricted	(2,438,489)	(2,311,217)	83,204	56,750	(2,355,285)	(2,254,467)
Total Net Position	<u>\$ 10,527,155</u>	<u>\$ 9,027,287</u>	<u>\$ 83,204</u>	<u>\$ 56,750</u>	<u>\$ 10,610,359</u>	<u>\$ 9,084,037</u>

**BOROUGH OF ENGLEWOOD CLIFFS BOARD OF EDUCATION
ENGLEWOOD CLIFFS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Changes in Net Position

The District's total net position increased \$1,526,322 over the course of the 2024-2025 fiscal year. Net position invested in capital assets increased \$1,016,448, restricted net position increased \$610,692 and unrestricted net position decreased \$100,818. (See Table 1)

Net position invested in capital assets increased primarily due to the capitalization of various building and building improvements and construction in progress related to renovations to the cafeteria at the Upper School.

Restricted net position increased primarily due to a significant increase in year-end encumbrances, and the reallocation of excess surplus to the capital reserve.

Unrestricted net position decreased mainly due to changes in deferred outflows and inflows related to pensions and decreases in the net position liability.

Table 2 below shows the changes in net position for fiscal year 2025 compared to 2024.

Table 2

**Changes in Net Position
June 30, 2025**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenues						
Program Revenues						
Charges for Services and Sales	\$ 331,234	\$ 62,000	\$ 136,910	\$ 81,185	\$ 468,144	\$ 143,185
Operating Grants and Contributions	2,484,264	2,928,802			2,484,264	2,928,802
General Revenues:						
Taxes:						
Property taxes, levied						
for general purposes	15,366,545	14,714,200			15,366,545	14,714,200
Federal and State aid - Capital Outlay	348,727	55,333			348,727	55,333
Tuition Received		244,850			-	244,850
Miscellaneous Income	59,922	158,762			59,922	158,762
Total Revenue and Transfers	<u>18,590,692</u>	<u>18,163,947</u>	<u>136,910</u>	<u>81,185</u>	<u>18,727,602</u>	<u>18,245,132</u>

**BOROUGH OF ENGLEWOOD CLIFFS BOARD OF EDUCATION
ENGLEWOOD CLIFFS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Function/Program Expenses

Instruction						
Regular	\$ 4,141,448	\$ 4,427,147		\$ 4,141,448	\$ 4,427,147	
Special education	1,203,221	1,019,736		1,203,221	1,019,736	
Other special education	333,898	311,871		333,898	311,871	
Other instruction	222,362	251,408		222,362	251,408	
Support Services:				-	-	
Tuition	1,630,873	2,122,798		1,630,873	2,122,798	
Student & instruction related service	2,634,070	2,722,544		2,634,070	2,722,544	
School administrative services	222,520	236,570		222,520	236,570	
General administrative services	368,410	381,965		368,410	381,965	
Central Administration	349,665	333,023		349,665	333,023	
Administrative Information Technolo	46,316	28,865		46,316	28,865	
Plant operations and maintenance	1,350,072	1,271,621		1,350,072	1,271,621	
Pupil transportation	871,932	977,421		871,932	977,421	
Unallocated Benefits	3,121,374	2,749,324		3,121,374	2,749,324	
Capital Outlay - nondepreciable		176,589		-	176,589	
Special Milk Fund				1,002	-	1,002
Invengineering Program			1,700	850	1,700	850
Enrichment Program:			108,756	63,444	108,756	63,444
Unallocated Depreciation	594,663	547,923			594,663	547,923
Total Expenses	<u>17,090,824</u>	<u>17,558,805</u>	<u>110,456</u>	<u>65,296</u>	<u>17,201,280</u>	<u>17,624,101</u>
Increase/(Decrease) in Net Position	<u>\$ 1,499,868</u>	<u>\$ 605,142</u>	<u>\$ 26,454</u>	<u>\$ 15,889</u>	<u>\$ 1,526,322</u>	<u>\$ 621,031</u>

The District's net position increased \$1,526,322 - an increase of \$1,499,868 from its governmental activities and an increase of \$26,454 from its business-type activities (See Table 2).

Changes in Results of Operations:

Revenues from governmental activities increased by \$426,745 mainly due to increases in the tax levy, and federal and state aid – capital outlay.

Expenses from governmental activities decreased by \$467,981, mainly due to across the board decreases in instruction, pupil transportation, tuition and student instruction-related services expenditures offset by increases in unallocated benefits and plant operation and maintenance costs.

**BOROUGH OF ENGLEWOOD CLIFFS BOARD OF EDUCATION
ENGLEWOOD CLIFFS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental Activities

Net position from the District's governmental activities increased by \$1,499,868 during the fiscal year. However, maintaining existing programs, the increases in special programs and services for students with special needs and the cost of employee benefits has placed great demand on the District's financial resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

Table 3 below presents the cost of seven major District activities: Instruction, student and instruction related services, administration and business, maintenance and plant operations, transportation, benefits and other. The table also reflects each activity's net cost (total cost less fees generated by the activities and other governmental aid provided for specific programs). The net cost reflects the remaining costs covered by the District's taxpayers.

TABLE 3

Net Cost of Governmental Activities

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2024-2025</u>	<u>2023-2024</u>	<u>2024-2025</u>	<u>2023-2024</u>
Instruction	\$ 5,900,929	\$ 6,010,162	\$ 5,012,022	\$ 5,270,269
Student and Instruction Related Services	4,264,943	4,845,342	3,789,272	4,294,362
Administrative and Business	986,911	980,423	986,911	980,423
Plant Maintenance and Operations	1,350,072	1,271,621	1,310,686	1,234,923
Transportation	871,932	977,421	583,761	774,675
Benefits	3,121,374	2,749,324	1,998,011	1,288,839
Other	594,663	724,512	594,663	724,512
	<u>\$ 17,090,824</u>	<u>\$ 17,558,805</u>	<u>\$ 14,275,326</u>	<u>\$ 14,568,003</u>

**BOROUGH OF ENGLEWOOD CLIFFS BOARD OF EDUCATION
ENGLEWOOD CLIFFS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

As reported in the Statement of Activities the cost of our governmental activities was \$17,090,824. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was \$15,366,545 because some of the cost was paid by those who benefitted from the programs \$331,234, by other governments and organizations who subsidized certain programs with grants and contributions of \$2,484,264, restricted federal and state aid for capital outlay of \$348,727, and miscellaneous sources of \$59,922.

Business-Type Activities

The net position of the District's business-type activities increased by \$26,454. This increase is directly related to the District's Enrichment and Invengineering program activity. Significant financial results include the following:

- Enrichment and Invengineering program revenue exceeded expenses by \$26,454.
- Program fees totaled \$136,910.

Financial Analysis of the District's Funds

Total fund balance in the District's governmental funds increased by \$290,738. The fund balance in the General Fund increased by \$286,233 on the GAAP basis during the fiscal year mainly due to an increase in the general tax levy and decreased expenditures in capital outlay. The fund balance in the Special Revenue Fund increased slightly by \$4,505 due to increased balances in student activity accounts.

The State of New Jersey imposes spending and tax levy limits on school district's during the budget process. Current legislation allows the maximum allowable General Fund unassigned fund balance to be 2% of adjusted expenditures at June 30, 2025. At year end, the District's 2% limit is \$327,081 plus adjustments for certain additional unbudgeted state aid of \$52,130 for a total of \$379,211 as the maximum General Fund unassigned fund balance.

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS

All government funds (general fund, special revenue fund, capital projects fund and debt service fund) are accounted for using the modified accrual basis of accounting which is based on cash receipts, disbursements and encumbrances. The District's budgets are prepared according to New Jersey Law. The most significant budgeted funds are the general and special fund.

**BOROUGH OF ENGLEWOOD CLIFFS BOARD OF EDUCATION
ENGLEWOOD CLIFFS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS,
(continued)

During the fiscal year ended June 30, 2025, the School District amended the budgets of these major governmental funds several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line-item accounts. Several of these revisions bear notation:

- TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditure item to the district but is required to be reflected in the financial statements.
- The special revenue fund was increased by \$659,788 for increases in federal and state grant awards.
- Additional appropriations of \$100,000 were made from the maintenance reserve to fund unanticipated expenses related to repairs and/or replacement of equipment.

General Fund

The general fund actual revenue was \$19,381,892. That amount is \$2,842,990 above the final amended budget of \$16,538,902. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$2,734,735 for TPAF social security reimbursements and on-behalf pension payments, \$38,294 of excess other unrestricted state aid, \$13,836 in excess extraordinary aid, \$2,979 in menstrual product reimbursement aid, and an excess in miscellaneous revenues of \$53,146.

The actual expenditures of the general fund were \$19,088,793, which is \$580,611 above the final amended budget of \$18,508,182. The variance between the actual expenditures and final budget was due to non-budget on-behalf TPAF social security and pension payments of \$2,734,735 and \$2,154,124 of unexpended budgeted funds.

Special Revenue Fund

The special revenue fund actual revenue was \$798,828. That amount is above the original budget estimate of \$227,039 and below the final amended budget. The \$659,788 variance between the original and final budget was due to additional federal and state grant monies awarded to the District after the original budget was approved. The \$87,999 variance between the final amended budget and the June 30, 2025, actual results was due to the deferral of Federal grants received in the current fiscal year to be spent in the next fiscal year and the inclusion of student activity and student fee revenue.

**BOROUGH OF ENGLEWOOD CLIFFS BOARD OF EDUCATION
ENGLEWOOD CLIFFS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS,
(continued)

The actual expenditures of the special revenue fund were \$794,323, which is above the original budget of \$227,039 and below the final amended budget. The \$659,788 variance between the original and final budget was due to additional expenditures related to the additional grants awarded to the District after the original budget was approved. The \$92,504 variance between the final amended budget and the June 30, 2025, actual results was due to the anticipation of fully expending federal grant programs and the inclusion of student activity and student fee expenses. Expenditures will be incurred in the next fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2025 the School District had \$17,775,173 invested in sites, construction in progress, buildings and building improvements, and equipment. Of this amount, \$9,953,260 in depreciation has been taken over the years. We currently have a net book value of \$7,821,913. Total depreciable additions for the year were \$611,629 for site improvements, building improvements, and machinery and equipment. Table 4 shows fiscal year 2025 balances compared to 2024.

Additional information about the District's Capital Assets can be found in the notes to the basic financial statements.

Table 4

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

	<u>Governmental Activities</u>	
	<u>2025</u>	<u>2024</u>
Site Improvements	\$ 552,185	\$ 452,474
Buildings and Building Improvements	5,679,537	5,439,132
Machinery and Equipment	478,289	537,771
Construction in Progress	1,111,902	398,167
	<u>\$ 7,821,913</u>	<u>\$ 6,827,544</u>

**BOROUGH OF ENGLEWOOD CLIFFS BOARD OF EDUCATION
ENGLEWOOD CLIFFS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(CONTINUED)**

Debt Administration

At June 30, 2025 the district had \$2,785,873 of outstanding long-term debt. Of this amount, \$585,226 is for compensated absences and \$2,200,647 represents the net pension liability.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

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

The following factors were considered in preparing the 2025-2026 fiscal year budget:

- Estimated Student Enrollment
- Sources of revenue
- Cost of negotiated salaries and benefits
- Cost of fixed charges
- Mandated Programs
- Requirements for health and safety issues
- Continuation of programs initiated during the COVID-19 Pandemic

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

REQUESTS FOR INFORMATION

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

Julyana Oritz
School Business Administrator/Board Secretary
Borough of Englewood Cliffs Board of Education
143 Charlotte Place
Englewood Cliffs, New Jersey 07632

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

ENGLEWOOD CLIFFS BOARD OF EDUCATION

Statement of Net Position

June 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	1,011,292	83,610	1,094,902
Receivables, net	386,137	-	386,137
Restricted assets:			
Cash and cash equivalents	4,541,171		4,541,171
Capital assets, net:			
Other capital assets, net	7,821,913	-	7,821,913
Total Assets	13,760,513	83,610	13,844,123
Deferred Outflow of Resources:			
Deferred outflows of resources related to PERS	457,086		457,086
Total Deferred Outflows	457,086	-	457,086
LIABILITIES			
Accounts payable and accrued liabilities	263,933	406	264,339
Payable to state government	41,782		41,782
Unearned revenue	31,142		31,142
Payroll deductions and withholdings payable	367,127		367,127
Noncurrent liabilities:			
Due within one year	218,171		218,171
Due beyond one year	2,567,702		2,567,702
Total liabilities	3,489,857	406	3,490,263
Deferred Inflow of Resources:			
Deferred inflows of resources related to PERS	200,587		200,587
Total Deferred Inflows	200,587	-	200,587
NET POSITION			
Net Investment in Capital Assets	7,821,913		7,821,913
Restricted for:			
Special Revenue	49,227		49,227
Debt Service	17		17
Other Purposes	5,094,487		5,094,487
Unrestricted (Deficit)	(2,438,489)	83,204	(2,355,285)
Total net position	10,527,155	83,204	10,610,359

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

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Statement of Activities
Fiscal Year Ended June 30, 2025

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:							
Regular	3,738,735	402,713	208,477	77,111	(3,855,860)	-	(3,855,860)
Special education	1,097,155	106,066		603,319	(599,902)	-	(599,902)
Other special instruction	281,270	52,628			(333,898)	-	(333,898)
Other instruction	219,911	2,451			(222,362)	-	(222,362)
Support services:							
Tuition	1,630,873			213,836	(1,417,037)	-	(1,417,037)
Student & instruction related services	2,411,736	222,334	61,388	200,447	(2,372,235)	-	(2,372,235)
School administrative services	188,604	33,916			(222,520)	-	(222,520)
General administrative services	342,463	25,947			(368,410)	-	(368,410)
Central services	319,671	29,994			(349,665)	-	(349,665)
Administrative info. tech. services	46,316				(46,316)	-	(46,316)
Plant operations and maintenance	1,261,007	89,065		39,386	(1,310,686)	-	(1,310,686)
Pupil transportation	865,266	6,666	61,369	226,802	(583,761)	-	(583,761)
Unallocated benefits	3,121,374			1,123,363	(1,998,011)	-	(1,998,011)
Unallocated depreciation		594,663 (D)			(594,663)	-	(594,663)
Total governmental activities	15,524,381	1,566,443	331,234	2,484,264	(14,275,326)	-	(14,275,326)
Business-type activities:							
Invengineering Program	1,700		1,700		-	26,454	26,454
Enrichment Program	108,756		135,210		-	26,454	26,454
Total business-type activities	110,456		136,910		-	26,454	26,454
Total primary government	15,634,837		468,144	2,484,264	(14,275,326)		(14,248,872)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					15,366,545		15,366,545
Federal and State aid - Capital Outlay					348,727		348,727
Miscellaneous income					59,922		59,922
Total general revenues					15,775,194		15,775,194
Change in Net Position					1,499,868	26,454	1,526,322
Net Position - beginning					9,027,287	56,750	9,084,037
Net Position—ending					10,527,155	83,204	10,610,359

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

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

FUND FINANCIAL STATEMENTS

ENGLEWOOD CLIFFS BOARD OF EDUCATION

Balance Sheet
Governmental Funds
June 30, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	1,011,275		17	1,011,292
Receivables, interfund	62,919			62,919
Receivables, state	275,634			275,634
Receivables, federal		110,503		110,503
Restricted cash and cash equivalents				
Capital reserve	3,594,081			3,594,081
Emergency reserve	250,000			250,000
Maintenance reserve	280,516			280,516
Payroll deductions and withholdings	200,683	*		200,683
Flexible spending	4,614	*		4,614
Summer Pay	162,050	*		162,050
Student Activity Accounts		49,227	*	49,227
Total assets	5,841,772	159,730	17	6,001,519
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	45,762	-		45,762
Interfund payable		62,919		62,919
Intergovernmental payable:				
State		41,782		41,782
Unearned revenue	25,340	5,802		31,142
Payroll deductions and withholdings payable	367,127	***		367,127
Total liabilities	438,229	110,503	-	548,732
Fund Balances:				
Restricted for:				
Maintenance reserve	210,516			210,516
Maintenance reserve - designated for subsequent years' budget	70,000			70,000
Emergency reserve	250,000			250,000
Capital reserve account	1,773,081			1,773,081
Capital reserve - designated for subsequent years' budget	1,821,000			1,821,000
Student Groups		49,227		49,227
Debt service			17	17
Assigned to:				
Year End Encumbrances	879,890			879,890
Designated by the Board of Education for subsequent years' expenditures	90,000			90,000
Unassigned:				
General fund	309,056			309,056
Total Fund balances	5,403,543	49,227	17	5,452,787
Total liabilities and fund balances	5,841,772	159,730	17	

ENGLEWOOD CLIFFS BOARD OF EDUCATION

Balance Sheet
Governmental Funds
June 30, 2025

Amounts reported for *governmental activities* in the statement of net assets (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 \$17,775,173 and the accumulated depreciation is \$9,953,260	7,821,913
Accounts payable for subsequent Pension payment is not a payable in the funds	(218,171)
Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred outflows of resources related to PERS Pension Liability	457,086
Deferred inflows of resources related to PERS Pension Liability	(200,587)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 3)	<u>(2,785,873)</u>
Net assets of governmental activities	<u><u>10,527,155</u></u>

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

* Include former fiduciary fund cash and cash equivalents

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

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
REVENUES				
Local sources:				
Local tax levy	15,366,545			15,366,545
Tuition	197,030			197,030
Transportation Fees	61,369			61,369
Miscellaneous	59,922			59,922
Student Fees		11,447	**	11,447
Student Group Receipts		61,388	**	61,388
Total - Local Sources	15,684,866	72,835	-	15,757,701
State sources	3,690,160	64,260	-	3,754,420
Federal sources		689,945		689,945
Total revenues	19,375,026	827,040	-	20,202,066
EXPENDITURES				
Current:				
Regular instruction	3,672,256	88,558		3,760,814
Special education instruction	966,256	130,899		1,097,155
Other special instruction	281,270			281,270
Other instruction	219,911			219,911
Support services and undistributed costs:				
Tuition	1,630,873			1,630,873
Student & instruction related services	2,157,385	254,351	***	2,411,736
School administrative services	188,604			188,604
General administrative services	342,463			342,463
Central Services	319,671			319,671
Administrative information tech. services	46,316			46,316
Plant operations and maintenance	1,314,286			1,314,286
Pupil transportation	865,266			865,266
Unallocated benefits	3,045,188			3,045,188
On-behalf contributions	2,734,735			2,734,735
Capital Outlay	1,304,313	348,727		1,653,040
Total expenditures	19,088,793	822,535	-	19,911,328
Excess (Deficiency) of revenues over expenditures	286,233	4,505	-	290,738
Net change in fund balances	286,233	4,505	-	290,738
Fund Balance - July 1	5,117,310	44,722	17	5,162,049
Fund balance—June 30	5,403,543	49,227	17	5,452,787

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

** Special revenue fund now includes revenues from student activities

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

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Fiscal Year Ended June 30, 2025

Total net change in fund balances - governmental funds (from B-2) 290,738

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

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

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

Depreciation Expense	(711,950)	
Construction in Progress	1,094,690	
Depreciable Capital Outlays	<u>611,629</u>	
		994,369

Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. In the current year, these amounts consist of:

Principal payment on lease obligation	22,079
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In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

Increase in compensated absences payable	(50,411)
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District pension contributions are reported as expenditures in the governmental funds when made. However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

District Pension Contributions	220,375	
Less: Pension Expense	<u>22,718</u>	
(Increase)/Decrease in Pension Expense		243,093

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

Increase/(Decrease) in On-behalf State Aid TPAF Pension	(1,866,138)
Increase/(Decrease) in On-behalf TPAF Pension Expense	1,866,138

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

Increase/(Decrease) in On-behalf State Aid TPAF Post Employment Medical Revenue	254,764
Increase/(Decrease) in On-behalf State Aid TPAF Post Employment Medical Expense	(254,764)

	<u><u>1,499,868</u></u>
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The accompanying Notes to Financial Statements are an integral part of this statement.

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Statement of Net Position
Proprietary Funds
June 30, 2025

	<u>Enrichment Program</u>	<u>Invengineering Program</u>	<u>Totals</u>
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	83,610	-	83,610
Total current assets	<u>83,610</u>	<u>-</u>	<u>83,610</u>
Total assets	<u><u>83,610</u></u>	<u><u>-</u></u>	<u><u>83,610</u></u>
<u>LIABILITIES</u>			
Current liabilities:			
Accounts Payable	406	-	406
Total current liabilities	<u>406</u>	<u>-</u>	<u>406</u>
<u>NET POSITION</u>			
Unrestricted	83,204	-	83,204
Total net position	<u><u>83,204</u></u>	<u><u>-</u></u>	<u><u>83,204</u></u>

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

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Fiscal Year Ended June 30, 2025

	<u>Enrichment Program</u>	<u>Invengineering Program</u>	<u>Totals</u>
Operating revenues:			
Charges for services:			
Tuition Charges	135,210	1,700	136,910
Total operating revenues	<u>135,210</u>	<u>1,700</u>	<u>136,910</u>
Operating expenses:			
Salaries and wages	76,418	1,700	78,118
Supplies and materials	4,058	-	4,058
Total Operating Expenses	<u>108,756</u>	<u>1,700</u>	<u>110,456</u>
Operating income (loss)	<u>26,454</u>	<u>-</u>	<u>26,454</u>
Change in net position	26,454	-	26,454
Total net position-beginning	<u>56,750</u>	<u>-</u>	<u>56,750</u>
Total net position—ending	<u><u>83,204</u></u>	<u><u>-</u></u>	<u><u>83,204</u></u>

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

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Statement of Cash Flows
Proprietary Funds
Fiscal Year Ended June 30, 2025

	Enrichment Program	Invengineering Program	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	135,210	1,700	136,910
Payments for salaries and wagers	(76,012)	(1,700)	(77,712)
Payments for purchased services	(28,280)	-	(28,280)
Payments for supplies	(4,058)	-	(4,058)
Net cash provided by (used for) operating activities	<u>26,860</u>	<u>-</u>	<u>26,860</u>
Balances—beginning of year	<u>56,750</u>	<u>-</u>	<u>56,750</u>
Balances—end of year	<u><u>83,610</u></u>	<u><u>-</u></u>	<u><u>83,610</u></u>
Reconciliation of operating income (loss) to net cash provided			
(used) by operating activities:			
Operating income (loss)	26,454	-	26,454
Adjustments to reconcile operating income (loss) to net cash provided by			-
(used for) operating activities			-
Increase (decrease) in accounts payable	406	-	406
Total adjustments	<u>406</u>	<u>-</u>	<u>406</u>
Net cash provided by (used for) operating activities	<u><u>26,860</u></u>	<u><u>-</u></u>	<u><u>26,860</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Description of the School District and Reporting Entity:

The Board of Education ("Board") of the Borough of Englewood Cliffs School District ("District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Borough of Englewood Cliffs School District is a Type II district located in the County of Bergen, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-8. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

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

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

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

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

B. Basis of Presentation:

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

District-wide Financial Statements

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

**Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

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

Fund Financial Statements

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

GOVERNMENTAL FUNDS

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

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

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

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

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

**Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

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

GOVERNMENTAL FUNDS, (continued)

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

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

PROPRIETARY FUNDS

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

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

The Board's Enterprise Fund is comprised of the Enrichment and Invengineering Programs.

FIDUCIARY FUNDS

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

**Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

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

C. Measurement Focus:

District-wide Financial Statements

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

Fund Financial Statements

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

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

Basis of Accounting

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

**Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

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

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

Revenues - Exchange and Non-exchange Transactions

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

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

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

Expenses/Expenditures

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

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

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

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

Budgets/Budgetary Control

Annual appropriated budgets are adopted in the spring of the preceding year for the general, and special revenue funds. The budgets are submitted to the county superintendent's office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line-item accounts within each fund.

Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year.

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

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

Encumbrances

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

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

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

**Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

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

Cash, Cash Equivalents and Investments

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

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

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

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

Tuition Revenues/Receivable

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

Inventories

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

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

**Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

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

Lease Receivable

Lease receivables recorded on the government-wide financial statement, in the governmental funds, and in the proprietary fund types represents a contract that conveys control of the right to use the School District's (lessor) nonfinancial asset. At the commencement of the lease term, the lessor recognizes a lease receivable and a deferred inflow of resources. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The School District was not a lessor during the fiscal year ended June 30, 2025.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2025, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

Short-Term Interfund Receivables/Payables

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

Capital Assets

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

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

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

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

Capital Assets, (continued)

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

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

Compensated Absences

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

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

Unearned Revenue

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

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

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

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

Accrued Liabilities and Long-term Obligations

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

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

Interfund Activity

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

Accounting and Financial Reporting for Pensions

In fiscal year 2015, the District implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirement of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

**Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

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

Accounting and Financial Reporting for Pensions, (continued)

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

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

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

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

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

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

Bond Discounts/Premiums

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

Deferred Outflows/Inflows of Resources

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

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

Financing Agreements

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

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

Right to Use Assets

Under GASB 87, the right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related issue. The District did not have any right to use leased assets that rose to an amount that required disclosure.

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

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

Subscription Assets

Intangible right-to-use subscription assets are subscription-based information technology arrangements (SBITA's) with subscription terms of more than one year. The value of subscription assets is determined by the sum of the subscription liability and payments made to the SBITA vendor, including capitalizable initial implementation costs, before the commencement date of the subscription term. The district does not have any subscription-based information technology arrangements that qualify for presentation under GASB 96.

Fund Balances

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

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

**Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

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

Fund Balances, (continued)

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.

Net Position

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

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

Operating Revenues and Expenses

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

Extraordinary and Special Items

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

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

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

Allocation of Indirect Expenses

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

Use of Estimates

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

Recently Issued Accounting Pronouncements

The GASB has issued the following Statement that will become effective for the School District for fiscal years ending June 30, 2025, or 2026:

GASB Statement No. 101, Compensated Absences, became 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.

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

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

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

Recently Issued Accounting Pronouncements, (continued)

In April 2024, the Government Accounting Standards Board issued GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its' effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter, though, earlier application is encouraged. Management is currently reviewing the provisions of this Statement and plans to implement, as needed, before the effective date.

In September 2024, the Government Accounting Standards Board issued GASB Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement will provide users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. The requirements of this Statement are effective for periods beginning after June 15, 2025. Management is currently reviewing the provisions of this Statement and its effect on the financial statements of the District.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2025, \$-0- of the District's bank balance of \$6,563,471 was exposed to custodial credit.

Investments

Investment Rate Risk

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

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

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

Credit Risk

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

Concentration of Credit Risk

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

NOTE 3. RECEIVABLES

Receivables at June 30, 2025, consisted of accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of receivables follows:

	Governmental Fund Financial Statements	Business- Type Fund	District Wide Financial Statements
State Aid	\$ 275,634	\$ -	\$ 275,634
Federal Aid	110,503	-	110,503
Interfund Receivables	<u>62,919</u>	<u>-</u>	<u>-</u>
Gross Receivables	<u>449,056</u>	<u>-</u>	<u>386,137</u>
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>
Total Receivables, Net	<u>\$ 449,056</u>	<u>\$ -</u>	<u>\$ 386,137</u>

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 4. INTERFUND BALANCES AND ACTIVITY

Interfund balances for the year end June 30, 2025, consisted of the following:

\$62,919 Due to the general fund from the special revenue fund to reimburse for short term loans.

NOTE 5. CAPITAL ASSETS

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

	<u>Balance</u> <u>6/30/2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2025</u>
Governmental Activities				
Capital Assets that are not being Depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in Progress	398,167	1,094,690	(380,955)	1,111,902
Total Capital Assets not being Depreciated	<u>398,167</u>	<u>1,094,690</u>	<u>(380,955)</u>	<u>1,111,902</u>
Capital Assets Being Depreciated				
Site Improvements	1,088,460	145,255	-	1,233,715
Buildings and Building Improvements	13,125,298	408,569	380,955	13,914,822
Machinery and Equipment	1,456,929	57,805	-	1,514,734
Total Historical Cost	<u>15,670,687</u>	<u>611,629</u>	<u>380,955</u>	<u>16,663,271</u>
Less Accumulated Depreciation:				
Site Improvements	(635,986)	(45,544)	-	(681,530)
Buildings and Improvements	(7,686,166)	(549,119)	-	(8,235,285)
Machinery and Equipment	(919,158)	(117,287)	-	(1,036,445)
Total Accumulated Depreciation	<u>(9,241,310)</u>	<u>(711,950)</u>	<u>-</u>	<u>(9,953,260)</u>
Total Capital Assets, Being Depreciated, Net of Accumulated Depreciation	<u>6,429,377</u>	<u>(100,321)</u>	<u>380,955</u>	<u>6,710,011</u>
Governmental Activities Capital Assets, Net	<u>\$ 6,827,544</u>	<u>\$ 994,369</u>	<u>\$ -</u>	<u>\$ 7,821,913</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 36,735
Support Services:	
Instruction	48,716
School Administration	14,100
Operations & Maintenance	17,736
Building Improvements	549,119
Land Improvements	45,544
Total Depreciation Expense	<u>\$ 711,950</u>

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 6. LONG-TERM OBLIGATION ACTIVITY

Changes in long-term obligations for the year ended June 30, 2025, were as follows:

	Balance June 30, 2024	Issued	Retired	Balance June 30, 2025	Amount Due Within One Year	Long-Term Portion
Other Liabilities:						
Compensated Absences Payable	\$ 534,815	\$ 50,645	\$ (234)	\$ 585,226	\$ -	\$ 585,226
Lease Purchase Obligation	22,079	-	(22,079)	-	-	-
Net Pension Liability - PERS	2,138,377	-	62,270	2,200,647	218,171	1,982,476
Total Other Liabilities	<u>\$ 2,695,271</u>	<u>\$ 50,645</u>	<u>\$ 39,957</u>	<u>\$ 2,785,873</u>	<u>\$ 218,171</u>	<u>\$ 2,567,702</u>

Bonds payable are generally liquidated by the debt service fund, while compensated absences, lease purchase obligations, leases and net position liability are liquidated by the general fund.

Bonds and Loans Payable

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

The District has no outstanding serial bonds payable at June 30, 2025.

Bonds Authorized But Not Issued

As of June 30, 2025, the Board has no authorized but not issued bonds.

Lease Purchase Agreements

The District has entered into a lease purchase obligation for various MacBooks and related instructional computer equipment in the amount of \$81,635. The lease is for 4 years at a rate of 1.59%. The lease was paid in full during the fiscal year 2025.

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

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

Compensated Absences

District employees are entitled to sick, vacation, and personal leave in accordance with Board policy and negotiated agreements. Unused leave may accumulate and, in certain cases, is payable upon retirement, resignation or termination.

Effective for the year ended June 30, 2025, the District implemented GASB Statement No. 101, Compensated Absences, which requires recognition of a liability for leave that (a) has not been used and (b) has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. The calculated compensated absences balance is reported as a liability in the district-wide financial statements.

For purposes of measuring its liability, the District has determined that only employees age 55 and older are included, as this represents the group reasonably expected to meet retirement eligibility requirements.

At June 30, 2025, the District's compensated absences liability was \$585,226.

Net Pension Liability

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

Leases

The District has no right to use leased assets that qualify under GASB 87.

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are 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.

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Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

The following represents the membership tiers for TPAF:

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

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

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

Benefits Provided

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

The following represents the membership tiers for PERS:

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

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

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

Defined Contribution Retirement Program

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

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

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

Contributions Requirements Fund Based Statements

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

<u>Year</u>	<u>PERS</u>	<u>DCRP</u>
6/30/2025	\$ 220,375	\$ 1,075
6/30/2024	197,316	1,014
6/30/2023	192,306	753

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

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

Year	Pension	Post-Retirement		Long-Term
<u>Ending</u>	<u>Contributions</u>	<u>Medical</u>	<u>NCGI</u>	<u>Disability</u>
		<u>Contributions</u>	<u>Premium</u>	<u>Insurance</u>
6/30/2025	\$ 1,765,720	\$ 522,336	\$ 21,873	\$ 938
6/30/2024	4,856,428	516,014	21,172	747
6/30/2023	1,792,711	477,475	24,872	642

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$423,868 during the 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 included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

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

Public Employees Retirement System (PERS)

At June 30, 2025, the District had a liability of \$2,200,647 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2024, the District's proportion was .0161954644 percent, which was an increase of .001432129 percent from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized pension expense of \$(22,718). At June 30, 2025, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 44,083	\$ 5,859
Changes of assumptions	2,734	25,038
Net difference between projected and actual earnings on pension plan investments	-	102,038
Changes in proportion and differences between the District's contributions and proportionate share of contributions	192,098	67,652
District contributions subsequent to the measurement date	<u>218,171</u>	<u>-</u>
	<u>\$ 457,086</u>	<u>\$ 200,587</u>

The \$218,171 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2025, the plan measurement date is June 30, 2024) will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:

2025	\$ (93,434)
2026	72,297
2027	(41,594)
2028	(24,012)
2029	625

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.08, 5.08, 5.04, 5.13, 5.16 and 5.21 years for 2024, 2023, 2022, 2021, 2020 and 2019, respectively.

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2024 and June 30, 2023 are as follows:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Collective deferred outflows of resources	\$ 1,079,580,780	\$ 1,080,204,730
Collective deferred inflows of resources	1,611,322,898	1,780,216,457
Collective net pension liability	13,588,045,796	14,606,489,066
District's Proportion	0.0161954644%	0.0147633353%

Actuarial Assumptions

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

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

Mortality Rates

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

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

Mortality Rates, (continued)

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.

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2024, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Markets Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Markets Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

Discount Rate

The discount rate used to measure the total pension liability 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 to determine the total pension liability.

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

The following presents the collective net pension liability of the participating employers as of June 30, 2024, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2024		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's proportionate share of the pension liability	\$ 2,930,209	\$ 2,200,647	\$ 1,579,794

Pension Plan Fiduciary Net Position

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

Teachers Pensions and Annuity Fund (TPAF)

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

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

Teachers Pensions and Annuity Fund (TPAF), (continued)

Employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2025 was as follows:

Net Pension Liability	
District's proportionate share	\$ -
State's proportionate share	
associated with the District	<u>\$ 21,531,801</u>
	<u>\$ 21,531,801</u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, rolled forward to June 30, 2024. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2024, the proportion of the TPAF net pension liability associated with the District was .0435645000%.

For the year ended June 30, 2025, the District recognized on-behalf pension expense and revenue of \$(78,545) for contributions provided by the State in the District-Wide Financial Statements.

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%

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 7. PENSION PLANS, (continued)

Mortality Rates

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

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

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2024, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Markets Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Markets Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%

**Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 7. PENSION PLANS, (continued)

Discount Rate

The discount rate used to measure the total pension liability 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 to determine the total pension liability.

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

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

NOTE 8. POST-RETIREMENT BENEFITS

State Health Benefit Local Education Retired Employees Plan

General Information about the OPEB Plan

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

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of new Jersey in accordance with N.J.S.A. 52:14-17.32f. According to N.J.S.A. 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: The Teachers' Pension and Annuity

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS

State Health Benefit Local Education Retired Employees Plan, (continued)

Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP. 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 total non-employer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits is the responsibility of the individual local education employers.

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 postemployment 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 the plan.

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS

State Health Benefit Local Education Retired Employees Plan, (continued)

Measurement Focus and Basis of Accounting, (continued)

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.

Total Non-employer OPEB Liability

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP pension participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is 0.00%. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the statement of net position.

The State's proportionate share of the net OPEB liability associated with the District as of June 30, 2025 is \$25,818,878. Since the OPEB liability associated with the District is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability.

The total non-employer OPEB liability was measured as of June 30, 2024, and was determined by an actuarial valuation as of June 30, 2023, which was rolled forward to June 30, 2024. For the June 30, 2024, measurement date, the State's proportionate share of the non-employer OPEB liability associated with the District was .0432834955%, which was an increase/(decrease) of (.00323711)% from its proportion measured as of June 30, 2023.

The actuarial assumptions and other inputs vary for each plan member depending on the pension plan the member is enrolled in. The actuarial valuation at June 30, 2023, which was rolled forward to June 30, 2024, used the following actuarial assumptions, applied to all period in the measurement:

Salary increases -

	<u>TPAF/ABP*</u>	<u>PERS*</u>	<u>PFRS*</u>
Salary Increases:	2.75 – 5.65%	2.75 – 6.55%	3.25 – 16.25%

* Based on service years

**Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 8. POST-RETIREMENT BENEFITS

State Health Benefit Local Education Retired Employees Plan, (continued)

Total Non-employer OPEB Liability, (continued)

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

Experience Studies – The actuarial assumptions used in the July 1, 2023, valuation were based on the results of the TPAF, PERS and PFRS experience studies prepared for 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 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%

Discount Rate – The discount rate used to measure the total OPEB liability 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.

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS

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:

Balance, June 30, 2024	<u>\$ 22,833,461</u>
Changes for the Year:	
Service Cost	876,354
Interest Cost	849,896
Changes in Benefit Terms	-
Difference between Expected and Actual Experience	(45,573)
Changes in Assumptions	1,931,595
Member Contributions	22,225
Gross Benefit Payments	<u>(649,080)</u>
Net Changes	<u>2,985,417</u>
Balance, June 30, 2025	<u>\$ 25,818,878</u>

Differences between expected and actual experience reflect a decrease in liability for the measurement period from June 30, 2023, to June 30, 2024, due to the combined effect of updates in census information and premium and claims experience.

Changes in assumptions reflect an increase in the liability for the measurement period from June 30, 2023, to June 30, 2024, due to the combined effect of the discount rate change and changes in the trend update.

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate

The State's proportionate share of the total non-employer OPEB liability as of June 30, 2024, associated with the District, using a discounted rate of 3.93%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

	1% Decrease	At Current Discount Rate	1% Increase
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the Employer	<u>2.93%</u> \$ 30,239,436	<u>3.93%</u> \$ 25,818,878	<u>4.93%</u> \$ 22,263,832

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates

The State's proportionate share of the total non-employer OPEB liability as of June 30, 2024, associated with the District, using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	1% <u>Decrease</u>	Healthcare Cost <u>Trend Rate</u>	1% <u>Increase</u>
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the Employer	\$ 21,507,313	\$ 25,818,878	\$ 31,434,975

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability

OPEB Expense – For the fiscal year ended June 30, 2025, the District recognized \$777,100 in OPEB revenue and expense in the government-wide financial statements for the State's proportionate share of the OPEB Plan's OEPB expense associated with the District. This revenue and expense was based on the OPEB Plan's June 30, 2024 measurement date.

Deferred Outflows and Inflows of Resources – In accordance with GASB No. 75, the District's proportionate share of the OPEB liability is \$ -0-. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the District, however, at June 30, 2025, the State's proportionate share of the total non-employer OPEB liability's deferred outflows of resources and deferred inflows of resources associated with the District from the following sources are:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between Expected and Actual Experience	\$ 2,761,025	\$ 4,821,655
Changes of Assumptions	<u>4,330,504</u>	<u>5,047,984</u>
	<u>\$ 7,091,529</u>	<u>\$ 9,869,639</u>

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 8. POST-RETIREMENT BENEFITS

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total non-employer OPEB liability associated with the District will be recognized in OPEB expense as follows:

Year ended June 30:		
2025	\$	(915,826)
2026		(767,925)
2027		(364,740)
2028		95,860
2029		(665,581)
Thereafter		(159,898)

NOTE 9. DEFERRED COMPENSATION

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

AXA Equitable	Invesco
AIG Valic	Security Financial Resources

NOTE 10. RISK MANAGEMENT

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

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

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

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method". Under this plan, the District remits contributions directly to the New Jersey Unemployment Trust Fund.

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 11. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Borough of Englewood Cliffs Board of Education by inclusion of \$1.00 on October 2, 2000, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long-Range Facilities Plan (LRFP). 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. 6A:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the Capital Reserve Account for July 1, 2024, to June 30, 2025, fiscal year is as follows:

Beginning Balance, July 1, 2024	\$ 3,738,559
Increased by:	
Interest Earnings	340
Board Transfer - June 26, 2025	1,405,182
	<u>1,405,522</u>
	5,144,081
Decreased by:	
Budgeted Withdrawal	<u>(1,550,000)</u>
Ending Balance, June 30, 2025	<u>\$ 3,594,081</u>

The Board designated and appropriated a withdrawal of \$1,821,000 in capital reserve funds in the 2025/2026 original budget certified for taxes.

NOTE 12. MAINTENANCE RESERVE ACCOUNT

The maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCRA (*N.J.A.A. 18A:7G-9*). EFCFA requires that upon district completion of a school facilities project, the district must submit a plan for the maintenance of that facility. All such plans must include a provision for a maintenance reserve fund.

Section 6 of *N.J.S.A. 18A:7F-41(a)* and *41(b)* provides that a district may supplement a maintenance reserve account by board resolution at year end for any unanticipated revenue and/or unexpended line-item appropriations.

Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025

NOTE 12. MAINTENANCE RESERVE ACCOUNT, (continued)

The activity of the Maintenance Reserve Account for July 1, 2024, to June 30, 2025, fiscal year is as follows:

Beginning Balance, July 1, 2024	\$ 185,386
Increased by:	
Interest Earnings	130
Board Transfer - June 26, 2025	<u>200,000</u>
	<u>200,130</u>
	385,516
Decreased by:	
Board Resolution - 8/22/24	(65,000)
Board Resolution - 3/13/25	(35,000)
Budgeted Withdrawal	<u>(5,000)</u>
	<u>(105,000)</u>
Ending Balance, June 30, 2025	<u>\$ 280,516</u>

The Board designated and appropriated a withdraw of \$70,000 in maintenance reserve funds in the 2025-2026 original budget certified for taxes.

NOTE 13. EMERGENCY RESERVE ACCOUNT

The emergency reserve is used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1% of the general fund budget not to exceed one million dollars. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation 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.

The activity of the Emergency Reserve Account for the July 1, 2024, to June 30, 2025, fiscal year is as follows:

Beginning Balance, July 1, 2024	<u>\$ 250,000</u>
Ending Balance, June 30, 2025	<u>\$ 250,000</u>

**Borough of Englewood Cliffs School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2025**

NOTE 14. FUND BALANCE APPROPRIATED

General Fund [Exhibit B-1] - Of the \$5,403,543 General Fund fund balance at June 30, 2025, \$879,890 is assigned for encumbrances; \$90,000 has been appropriated and included as anticipated revenue for the year ended June 30, 2026; \$3,594,081 has been restricted in the Capital Reserve Account; \$280,516 has been restricted in the Maintenance Reserve Account; \$250,000 has been restricted in the Emergency Reserve Account; and \$309,056 is unassigned and undesignated.

Special Revenue Fund - Of the \$49,227 Special Revenue Fund Balance at June 30, 2025, \$49,227 is restricted for student groups.

Debt Service Fund - Of the \$17 Debt Service Fund balance at June 30, 2025, \$17 is restricted for Debt Service.

NOTE 15. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7 as amended, the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance for the year ended June 30, 2025, is \$-0- of which \$-0- is the result of current year's operations and \$-0- is prior year excess surplus.

NOTE 16. CONTINGENT LIABILITIES

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

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

NOTE 17. SUBSEQUENT EVENTS

The District has evaluated subsequent events through October 24, 2025, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

**REQUIRED SUPPLEMENTARY
INFORMATION - PART III**

BUDGETARY COMPARISON SCHEDULES

Exhibit C-1

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
General Fund:					
Revenues from Local Sources:					
Local Tax Levy	\$ 15,366,545		15,366,545	15,366,545	
Tuition	180,100		180,100	197,030	16,930
Transportation Fees	40,000		40,000	61,369	21,369
Unrestricted Miscellaneous Revenues	45,000		45,000	59,452	14,452
Interest Earned on Maintenance Reserve	25		25	130	105
Interest Earned on Capital Reserve Funds	50		50	340	290
Total - Local Sources	<u>15,631,720</u>		<u>15,631,720</u>	<u>15,684,866</u>	<u>53,146</u>
Revenues from State Sources:					
Categorical Special Education Aid	476,223		476,223	476,223	
Categorical Security Aid	39,687		39,687	39,687	
Categorical Transportation Aid	191,272		191,272	191,272	
Extraordinary Aid	200,000		200,000	213,836	13,836
Menstrual Product Reimbursement				2,979	2,979
Other Unrestricted State Aid - NonPublic Transportation Aid				38,294	38,294
On-behalf TPAF Post-Retirement Medical (non-budgeted)				522,336	522,336
On-behalf TPAF Pension (non-budgeted)				1,765,720	1,765,720
On-behalf TPAF NCGI Premium (non-budgeted)				21,873	21,873
On-behalf TPAF - LTDI				938	938
Reimbursed TPAF Social Security Contributions (non-budgeted)				423,868	423,868
Total - State Sources	<u>907,182</u>		<u>907,182</u>	<u>3,697,026</u>	<u>2,789,844</u>
TOTAL REVENUES	<u>16,538,902</u>		<u>16,538,902</u>	<u>19,381,892</u>	<u>2,842,990</u>
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Preschool - Salaries of Teachers	144,065		144,065	143,745	320
Kindergarten - Salaries of Teachers	336,096	26,406	362,502	362,364	138
Grades 1-5 - Salaries of Teachers	1,566,840	46,326	1,613,166	1,613,165	1
Grades 6-8 - Salaries of Teachers	1,218,589	(46,325)	1,172,264	1,141,752	30,512
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	61,979	2,200	64,179	64,087	92
Purchased Professional-Educational Services	88,299	(3,668)	84,631	74,272	10,359
Purchased Technical Services	10,599	2,424	13,023	12,786	237
Other Purchased Services (400-500 series)	72,674	48,803	121,477	120,167	1,310
General Supplies	243,241	(21,633)	221,608	117,473	104,135
Textbooks	10,000	700	10,700	10,139	561
Other Objects	18,836		18,836	12,306	6,530
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>3,771,218</u>	<u>55,233</u>	<u>3,826,451</u>	<u>3,672,256</u>	<u>154,195</u>
SPECIAL EDUCATION - INSTRUCTION					
Resource Room/Resource Center:					
Salaries of Teachers	805,701	79,583	885,284	882,877	2,407
General Supplies	2,000	700	2,700	2,589	111
Total Resource Room/Resource Center	<u>807,701</u>	<u>80,283</u>	<u>887,984</u>	<u>885,466</u>	<u>2,518</u>
Preschool Disabilities- Full-Time:					
Salaries of Teachers	55,368		55,368	55,368	
Other Salaries for Instruction	24,848	574	25,422	25,422	
General Supplies	2,000	(2,000)			
Total Preschool Disabilities - Full-Time	<u>82,216</u>	<u>(1,426)</u>	<u>80,790</u>	<u>80,790</u>	
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>889,917</u>	<u>78,857</u>	<u>968,774</u>	<u>966,256</u>	<u>2,518</u>
Basic Skills/Remedial - Instruction					
Salaries of Teachers	118,327	3,020	121,347	121,150	197
Total Basic Skills/Remedial - Instruction	<u>118,327</u>	<u>3,020</u>	<u>121,347</u>	<u>121,150</u>	<u>197</u>

Exhibit C-1

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Bilingual Education - Instruction					
Salaries of Teachers	161,330	2,056	163,386	160,120	3,266
Total Bilingual Education - Instruction	161,330	2,056	163,386	160,120	3,266
School-Sponsored Cocurricular Activities - Instruction					
Salaries	29,024	2,980	32,004	22,276	9,728
Purchased Services (300-500 series)	1,200	(900)	300		300
Supplies and Materials	2,400		2,400	752	1,648
Total School-Sponsored Cocurricular Activities - Instruction	32,624	2,080	34,704	23,028	11,676
Other Supplemental/At Risk Prog-Inst					
Salaries of Reading Specialist	189,903	7,405	197,308	196,883	425
Total Other Supplemental/At Risk Prog-Inst	189,903	7,405	197,308	196,883	425
TOTAL INSTRUCTION	5,163,319	148,651	5,311,970	5,139,693	172,277
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Regular	749,700	(35,828)	713,872		713,872
Tuition to Other LEAs Within the State - Special	281,963	137,621	419,584	419,583	1
Tuition to County Voc. School Dist. - Regular	818,064	(115,091)	702,973	686,820	16,153
Tuition to County Voc. School Dist. - Special	137,016	(19,821)	117,195	9,865	107,330
Tuition to Private Schools for the Disabled - Within State	671,906	(144,600)	527,306	514,605	12,701
Total Undistributed Expenditures - Instruction:	2,658,649	(177,719)	2,480,930	1,630,873	850,057
Undistributed Expend. - Attend. & Social Work					
Salaries	37,100		37,100	36,572	528
Total Undistributed Expend. - Attend. & Social Work	37,100		37,100	36,572	528
Undist. Expend. - Health Services					
Salaries	198,265	(127,141)	71,124	64,462	6,662
Purchased Professional and Technical Services	12,400	142,410	154,810	138,666	16,144
Other Purchased Services (400-500 series)	1,670	(1,670)			
Supplies and Materials	10,752	7,846	18,598	16,779	1,819
Other Objects	500		500	198	302
Total Undistributed Expenditures - Health Services	223,587	21,445	245,032	220,105	24,927
Undist. Expend. - Speech, OT, PT & Related Services					
Salaries	62,638	2,930	65,568	65,517	51
Purchased Prof. Services-Educational Services	324,689	(31,165)	293,524	256,201	37,323
Supplies and Materials	6,000	(700)	5,300	1,108	4,192
Total Undist. Expend. - Speech, OT, PT & Related Serv.	393,327	(28,935)	364,392	322,826	41,566
Undist. Expend. - Other Supp. Serv. Students-Extra. Serv.					
Salaries	406,441	36,627	443,068	442,134	934
Purchased Prof. Services-Educational Services	53,685	(3,728)	49,957	32,544	17,413
Supplies and Materials		640	640	640	
Other Objects	7,000	(640)	6,360		6,360
Total Undist. Expend. -Other Supp. Serv. Students-Extra. Serv.	467,126	32,899	500,025	475,318	24,707
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	82,746		82,746	80,744	2,002
Salaries of Secretarial and Clerical Assistants	29,645	1,071	30,716	28,567	2,149
Other Purchased Services (400-500 series)	400	(40)	360	15	345
Supplies and Materials	2,300	(1,431)	869	162	707
Other Objects	205	400	605	604	1
Total Undist. Expend. - Guidance	115,296		115,296	110,092	5,204
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	411,530	8,169	419,699	416,373	3,326
Salaries of Secretarial and Clerical Assistants	71,562		71,562	71,408	154
Purchased Prof. Services-Educational Services	7,975		7,975	5,590	2,385
Other Purchased Prof. and Tech Services	37,958	(5,616)	32,342	15,407	16,935
Misc. Pur Services (400-500 Series Other than Resid Costs)	65,580	(299)	65,281	16,115	49,166
Supplies and Materials	12,386		12,386	6,469	5,917
Other Objects	1,300	299	1,599	1,539	60
Total Undist. Expend. - Child Study Teams	608,291	2,553	610,844	532,901	77,943

Exhibit C-1

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Improvement of Instructional Services					
Salaries of Supervisors of Instruction	65,512		65,512	65,509	3
Salaries of Other Professional Staff	16,650		16,650	12,274	4,376
Other Purch Services (400-500)	3,500		3,500	590	2,910
Supplies and Materials	1,700		1,700		1,700
Other Objects	500		500	250	250
Total Undist. Expend. - Improvement of Inst. Services	87,862		87,862	78,623	9,239
Undist. Expend. - Educational Media Serv./Sch. Library					
Salaries	87,742		87,742	83,419	4,323
Salaries of Technology Coordinators	173,521		173,521	144,923	28,598
Purchased Professional and Technical Services	143,056	(10,473)	132,583	52,917	79,666
Other Purch Services (400-500)	5,500		5,500	867	4,633
Supplies and Materials	10,800		10,800	2,335	8,465
Other Objects	205		205		205
Total Undist. Expend. - Educational Media Serv./Sch. Library	420,824	(10,473)	410,351	284,461	125,890
Undist. Expend. - Instructional Staff Training Serv.					
Salaries Supervisor of Instruction	65,512		65,512	65,510	2
Salaries of Secretarial and Clerical Assistants	30,471		30,471	30,257	214
Purchased Professional - Educational Services	7,500		7,500	588	6,912
Other Purchased Services (400-500 series)	4,000		4,000	132	3,868
Total Undist. Expend. - Instructional Staff Training Serv.	107,483		107,483	96,487	10,996
Undist. Expend. - Supp. Serv. - General Administration					
Salaries	236,243		236,243	235,744	499
Legal Services	15,000	5,360	20,360	20,360	
Audit Fees	46,750	1,500	48,250	23,750	24,500
Architectural/Engineering Services	7,000	(7,000)			
Other Purchased Professional Services	2,016	(306)	1,710	1,015	695
Purchased Technical Services	300	6,500	6,800	6,500	300
Communications/Telephone	3,800	9,946	13,746	13,746	
Travel - All Other		2,039	2,039		2,039
BOE Other Purchased Services	500		500	185	315
Misc. Purch Services (400-500 Series)	27,146	(2,108)	25,038	24,604	434
General Supplies	1,230	333	1,563	1,562	1
BOE In House Training/Meeting Supplies	500	452	952	951	1
Judgements Against School District	18,525	(18,111)	414		414
Misc. Expenditures	3,000		3,000	2,518	482
BOE Membership Dues and Fees	3,560	7,969	11,529	11,528	1
Total Undist. Expend. - Supp. Serv. - General Administration	365,570	6,574	372,144	342,463	29,681
Undist. Expend. - Support Serv. - School Administration					
Salaries of Principals/Assistant Principals	110,746	2,500	113,246	113,244	2
Salaries of Secretarial and Clerical Assistants	73,957	(2,500)	71,457	66,796	4,661
Purchased Prof & Technical Services	7,839	(3,288)	4,551	2,512	2,039
Other Purchased Services (400-500 series)	4,600	(1,800)	2,800	453	2,347
Supplies and Materials	8,704		8,704	4,450	4,254
Other Objects	1,375		1,375	1,149	226
Total Undist. Expend. - Support Serv. - School Administration	207,221	(5,088)	202,133	188,604	13,529
Undist. Expend. - Support Serv. - Central Services					
Salaries	264,206	8,313	272,519	272,518	1
Purchased Professional Services	6,210	12,470	18,680	18,350	330
Purchased Technical Services	11,257	3,288	14,545	14,544	1
Misc. Pur Services (400-500 Series)	6,722	257	6,979	6,978	1
Supplies and Materials	5,000	(338)	4,662	4,443	219
Miscellaneous Expenditures	4,600	(1,762)	2,838	2,838	
Total Undist. Expend. - Support Serv. - Central Services	297,995	22,228	320,223	319,671	552
Undist. Expend. - Admin. Info. Tech					
Purchased Professional Services	5,320	1,040	6,360	5,485	875
Purchased Technical Services	29,000	11,576	40,576	39,807	769
Supplies and Materials	5,731	(1,040)	4,691	1,024	3,667
Total Undist. Expend. - Admin. Info. Tech	40,051	11,576	51,627	46,316	5,311
Undist. Expend. - Required Maint. for School Facilities (261)					
Salaries	238,717	(5,000)	233,717	204,491	29,226
Cleaning, Repair and Maintenance Services	142,537	62,293	204,830	181,462	23,368
Lead Testing of Drinking Water		2,980	2,980	2,980	
General Supplies	30,500	(11,980)	18,520	18,519	1
Other Objects	1,825	107	1,932	1,710	222
Total Undist. Expend. - Required Maint. for School Facilities	413,579	48,400	461,979	409,162	52,817

Exhibit C-1

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Custodial Services (262)					
Salaries	254,341	5,255	259,596	259,585	11
Salaries of Non-Instructional Aides	15,303	(20)	15,283	10,862	4,421
Cleaning, Repair and Maintenance Services	16,000	(10,789)	5,211	2,088	3,123
Other Purchased Property Services	33,000	(3,387)	29,613	23,902	5,711
Insurance	120,297	2,557	122,854	122,854	
Travel		810	810	804	6
General Supplies	26,300	4,970	31,270	30,490	780
Energy (Natural Gas)	60,000	8,000	68,000	58,569	9,431
Energy (Electricity)	92,000	51,968	143,968	134,296	9,672
Total Undist. Expend. - Custodial Services (262)	617,241	59,364	676,605	643,450	33,155
Undist. Expend. - Care & Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	31,200	4,625	35,825	34,938	887
General Supplies	5,800	(4,625)	1,175	799	376
Other Objects		2,349	2,349	2,349	
Total Undist. Expend. - Care & Upkeep of Grounds	37,000	2,349	39,349	38,086	1,263
Undist. Expend. - Security					
Salaries	145,476	27,656	173,132	173,131	1
Purchased Professional and Technical Services	35,000	14,157	49,157	47,972	1,185
General Supplies	10,000	(7,684)	2,316	2,315	1
Other Objects	3,000	(2,700)	300	170	130
Total Undist. Expend. - Security	193,476	31,429	224,905	223,588	1,317
Undist. Expend. - Student Transportation Services (270)					
Salaries of Non-Instructional Aides	38,765		38,765	29,510	9,255
Sal. For Pupil Trans (Bet Home & Sch)-Reg	31,050		31,050	31,050	
Contract Serv.-Aid in Lieu Pymts-NonPub Sch	110,000		110,000	70,620	39,380
Contr Serv. (Oth than Bet. Home and Sch)-Vendors	23,900	(9,465)	14,435	10,038	4,397
Contr Serv. (Bet. Home & Sch) Joint Agrmnts	497,000	9,465	506,465	502,246	4,219
Contract Serv. (Sp Ed Stds)-Joint Agrmnts	366,135	(42,763)	323,372	221,802	101,570
Total Undist. Expend. - Student Transportation Services	1,066,850	(42,763)	1,024,087	865,266	158,821
UNALLOCATED BENEFITS					
Social Security Contributions	150,000		150,000	149,074	926
Other Retirement Contributions-PERS	232,745	(1,381)	231,364	220,377	10,987
Other Retirement Contributions-Regular	3,500		3,500	1,075	2,425
Unemployment Compensation	30,000		30,000	25,973	4,027
Workmen's Compensation	57,899	(13,165)	44,734	44,478	256
Health Benefits	2,660,000	(80,276)	2,579,724	2,501,106	78,618
Tuition Reimbursement	20,000		20,000	20,000	
Other Employee Benefits	45,000	13,165	58,165	58,105	60
Unused Sick Payment to Term/Retired Staff	25,000		25,000	25,000	
TOTAL UNALLOCATED BENEFITS	3,224,144	(81,657)	3,142,487	3,045,188	97,299
On-behalf TPAF Post-Retirement Medical (non-budgeted)				522,336	522,336
On-behalf TPAF Pension (non-budgeted)				1,765,720	1,765,720
On-behalf TPAF NCGI Premium (non-budgeted)				21,873	21,873
On-behalf TPAF - LTDI				938	938
Reimbursed TPAF Social Security Contributions (non-budgeted)				423,868	423,868
TOTAL ON-BEHALF CONTRIBUTIONS				2,734,735	(2,734,735)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	3,224,144	(81,657)	3,142,487	5,779,923	(2,637,436)
TOTAL UNDISTRIBUTED EXPENDITURES	11,582,672	(107,818)	11,474,854	12,644,787	(1,169,933)
TOTAL GENERAL CURRENT EXPENSE	16,745,991	40,833	16,786,824	17,784,480	(997,656)

Exhibit C-1

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Equipment					
Undist. Expenditures:					
Instruction		2,667	2,667		2,667
Total Undist. Expend.		2,667	2,667		2,667
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	100,493	42,262	142,755	54,609	88,146
Construction Services	1,436,073	66,218	1,502,291	1,211,269	291,022
Supplies & Materials	120,000	(51,980)	68,020	32,810	35,210
Assessment for Debt Service on SDA Funding	5,625		5,625	5,625	
Total Facilities Acquisition and Construction Services	1,662,191	56,500	1,718,691	1,304,313	414,378
TOTAL CAPITAL OUTLAY	1,662,191	59,167	1,721,358	1,304,313	417,045
TOTAL EXPENDITURES	18,408,182	100,000	18,508,182	19,088,793	(580,611)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,869,280)	(100,000)	(1,969,280)	293,099	2,262,379
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(1,869,280)	(100,000)	(1,969,280)	293,099	2,262,379
Fund Balance, July 1	5,180,599		5,180,599	5,180,599	
Fund Balance, June 30	3,311,319	(100,000)	3,211,319	5,473,698	2,262,379
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Adjustment for Prior Year Encumbrances	(220,932)		(220,932)	(220,932)	
Increase:					
Capital Reserve - Principal				1,405,182	1,405,182
Capital Reserve - Interest	50		50	340	290
Maintenance Reserve - Interest	25		25	130	105
Maintenance Reserve - Principal				200,000	200,000
Withdrawal from Maintenance Reserve	(5,000)	(100,000)	(105,000)	(105,000)	
Withdrawal from Capital Reserve	(1,550,000)		(1,550,000)	(1,550,000)	
Budgeted Fund Balance	(93,423)		(93,423)	563,379	656,802
	(1,869,280)	(100,000)	(1,969,280)	293,099	2,262,379
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve designated for Subsequent Years' Expenditures				1,821,000	
Capital Reserve				1,773,081	
Maintenance Reserve designated for Subsequent Years' Expenditures				70,000	
Maintenance Reserve				210,516	
Emergency Reserve				250,000	
Assigned Fund Balance:					
Designated for Subsequent Years' Expenditures				90,000	
Year-End Encumbrances				879,890	
Unassigned Fund Balance:				379,211	
				5,473,698	
Recapitulation to Governmental Fund Statement (GAAP):					
Less: Last State Aid Payment not Recognized GAAP Basis				(70,155)	
Total Fund Balance per Governmental Funds (GAAP)				5,403,543	

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		1,300	1,300	72,835	71,535 (1)
State Sources		106,042	106,042	64,260	(41,782)
Federal Sources	227,039	552,446	779,485	661,733	(117,752)
Total Revenues	227,039	659,788	886,827	798,828	(87,999)
EXPENDITURES:					
Instruction:					
Salaries		10,505	10,505	10,505	-
Other Purchased Services (400-500 Series)	92,380	56,175	148,555	130,899	17,656
General Supplies	117,298	(15,159)	102,139	61,297	40,842
Textbooks		3,324	3,324	3,265	59
Total instruction	209,678	54,845	264,523	205,966	58,557
Support services:					
Purchased Professional and Technical Services	17,361	223,599	240,960	145,325	95,635
Other Purchased Services (400-500 Series)		23,350	23,350	21,900	1,450
Supplies and Materials		20,968	20,968	15,777	5,191
Student Activities				68,330	(68,330)
Total support services	17,361	267,917	285,278	251,332	33,946
Facilities acquisition and construction services:					
Building/Renovation		322,464	322,464	322,464	-
Instructional Equipment		2,667	2,667	2,667	-
Non - Instructional Equipment		11,895	11,895	11,894	1
Total facilities acquisition and construction services	-	337,026	337,026	337,025	1
Total Expenditures	227,039	659,788	886,827	794,323	92,504
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources (Uses)	-	-	-	4,505	4,505
Fund Balance, July 1				44,722	
Fund Balance, June 30				49,227	
Recapitulation:					
Restricted					
Student Activities				49,227	
Total Fund Balance				49,227	

(1) - Not required to budget for these funds

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Required Supplementary Information
Budgetary Comparison Schedule
Note to Required Supplementary Information - Part II
Fiscal Year Ended June 30, 2025

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

		General Fund	Special Revenue Fund
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue"			
from the budgetary comparison schedule	[C-1],[C-2]	19,381,892	798,828
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
Prior Year			41,506
Current Year			(13,294)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		63,289	
The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)		(70,155)	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	<u>19,375,026</u>	<u>827,040</u>
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1],[C-2]	19,088,793	794,323
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.			
Prior Year			41,506
Current Year			(13,294)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	<u>19,088,793</u>	<u>822,535</u>

**REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of District's Proportionate Share of the Net Pension Liability - Public Employees Retirement System
Last 10 Fiscal Years

Fiscal Year Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Covered Payroll - PERS Employee's	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2016	0.0142095476%	\$ 3,189,759	\$ 1,080,524	295.20%	47.93%
2017	0.0171520092%	3,847,422	1,180,020	326.05%	59.86%
2018	0.0171392665%	3,963,132	1,182,605	335.12%	48.10%
2019	0.0170249300%	3,462,475	1,213,811	285.26%	53.60%
2020	0.0175853854%	2,691,005	1,062,985	253.16%	56.27%
2021	0.0149346922%	2,473,798	1,119,093	221.05%	58.32%
2022	0.0151698009%	1,797,090	1,043,745	172.18%	70.33%
2023	0.0152496968%	2,301,389	1,115,659	206.28%	62.91%
2024	0.0147633353%	2,138,377	1,163,547	183.78%	65.23%
2025	0.0161954644%	2,200,647	1,253,705	175.53%	68.22%

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of District's Contributions - Public Employees Retirement System
Last 10 Fiscal Years

<u>Fiscal Year Ending June 30,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relations to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>District's PERS Covered- Employee Payroll</u>	<u>Contributions as a Percentage of PERS Covered- Employee Payroll</u>
2016	\$ 122,164	\$ 122,164	\$ -	\$ 1,080,524	11.31%
2017	152,376	152,376	-	1,180,020	12.91%
2018	158,777	158,777	-	1,182,605	13.43%
2019	169,343	169,343	-	1,213,811	13.95%
2020	171,054	171,054	-	1,062,985	16.09%
2021	163,378	163,378	-	1,119,093	14.60%
2022	177,656	177,656	-	1,043,745	17.02%
2023	192,306	192,306	-	1,163,547	16.53%
2024	197,316	197,316	-	1,253,705	15.74%
2025	220,375	220,375	-	1,289,774	17.09%

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of the District's Share of the Net Pension Liability - Teacher's Pension and Annuity Fund
Last 10 Fiscal Years

Fiscal Year Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	State's		District's Proportionate Share of the Net Pension Liability (Asset)	District's Covered Payroll - TPAF Employee's	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
		District's Proportionate Share of the Net Pension Liability (Asset)	Share of the Net Pension Liability Associated with the District (Asset)				
2016	0.0380913907%	\$	\$ 24,075,386	-	\$ 4,335,126	0.00%	28.71%
2017	0.0419659794%	-	33,013,111	-	4,393,888	0.00%	22.33%
2018	0.0448742572%	-	30,255,842	-	4,507,810	0.00%	25.41%
2019	0.0452932148%	-	28,814,570	-	4,680,802	0.00%	26.49%
2020	0.0434329796%	-	26,655,230	-	5,036,691	0.00%	26.95%
2021	0.0430927241%	-	28,376,040	-	5,022,930	0.00%	24.60%
2022	0.0465227221%	-	22,365,886	-	4,867,908	0.00%	35.52%
2023	0.0450440459%	-	23,240,212	-	5,089,160	0.00%	32.29%
2024	0.0438523867%	-	22,379,044	-	5,111,546	0.00%	34.68%
2025	0.0435645000%	-	21,531,801	-	5,408,514	0.00%	37.99%

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

This schedule is not applicable.

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

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

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Note to Required Schedules of Supplementary Information - Part III
Fiscal Year Ended June 30, 2025

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms: None

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

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms: None

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

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Schedule of Required Supplementary Information
Schedule of Changes in the District's Proportionate Share of the State OPEB Liability
*Last 8 Fiscal Years**

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service Costs	\$ 876,354	\$ 856,508	\$ 1,281,980	\$ 1,430,356	\$ 775,568	\$ 797,503	\$ 879,761	\$ 1,063,587
Interest on Total OPEB Liability	849,896	804,167	588,053	717,107	640,427	818,080	859,013	740,889
Changes of Benefit Terms	(45,573)	(456,722)	(807,596)	(4,090,899)	5,949,272	(4,180,365)	(1,617,406)	(3,093,742)
Difference between Expected and Actual Experience	1,931,595	46,023	(5,952,596)	27,273	5,504,780	265,020	(2,364,381)	(541,499)
Changes in Assumptions	(649,080)	(626,861)	(582,483)	(564,879)	(524,640)	(545,625)	(550,936)	(541,499)
Gross Benefit Payments	22,225	20,608	18,686	18,333	15,902	16,174	19,041	19,939
Contribution from the Member	2,985,417	643,723	(5,453,956)	(2,492,132)	12,361,309	(2,829,213)	(2,774,908)	(1,812,826)
Net Changes in total Share of OPEB Liability	22,833,461	22,189,738	27,643,694	30,135,826	17,774,517	20,603,730	23,378,638	25,191,464
Total OPEB Liability - Beginning	\$ 25,818,878	\$ 22,833,461	\$ 22,189,738	\$ 27,643,694	\$ 30,135,826	\$ 17,774,517	\$ 20,603,730	\$ 23,378,638
Total OPEB Liability - Ending	\$ 25,818,878	\$ 22,833,461	\$ 22,189,738	\$ 27,643,694	\$ 30,135,826	\$ 17,774,517	\$ 20,603,730	\$ 23,378,638
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	25,818,878	22,833,461	22,189,738	27,643,694	30,135,826	17,774,517	20,603,730	23,378,638
Total OPEB Liability - Ending	\$ 25,818,878	\$ 22,833,461	\$ 22,189,738	\$ 27,643,694	\$ 30,135,826	\$ 17,774,517	\$ 20,603,730	\$ 23,378,638
District's Covered Employee Payroll	\$ 6,662,219	\$ 6,275,093	\$ 6,204,819	\$ 5,987,001	\$ 6,085,915	\$ 6,250,502	\$ 5,894,613	\$ 5,690,415
Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%

Notes to Schedule:

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

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

Change in assumptions Assumptions used in calculating the OPEB liability are presented in Note 8.

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

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1a)	Title I, Improving Basic Programs	Title IIA, Teacher/Principal Training & Recruiting	Title III, English Language Acquisition & Enhancement	Title III, Immigrant	Totals 2025
REVENUES						
Local Sources	72,835					72,835
State Sources	64,260					64,260
Federal Sources	553,650	85,341	17,180	4,641	921	661,733
Total Revenues	690,745	85,341	17,180	4,641	921	798,828
EXPENDITURES:						
Instruction:						
Salaries of Teachers	10,505					10,505
Other Purchased Services (400-500 series)	130,899					130,899
General Supplies	44,532	16,044			721	61,297
Textbooks	3,265					3,265
Total instruction	189,201	16,044	-	-	721	205,966
Support Services:						
Purchased Professional and Technical Services	81,867	49,347	9,270	4,641	200	145,325
Other Purchased Services (400-500 series)	1,400	19,950	550			21,900
Supplies and Materials	8,417		7,360			15,777
Student Activities	68,330					68,330
Total support services	160,014	69,297	17,180	4,641	200	251,332
Facilities acquisition and const. serv.:						
Building/Renovation	322,464					322,464
Instructional Equipment	2,667					2,667
Non-Instructional Equipment	11,894					11,894
Total facilities acquisition and const. serv.	337,025	-	-	-	-	337,025
Total Expenditures	686,240	85,341	17,180	4,641	921	794,323
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	4,505	-	-	-	-	4,505
Fund Balance, July 1	44,722					44,722
Fund Balance, June 30	49,227	-	-	-	-	49,227

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	Total Brought Forward (Ex. E-1b)	Title IV, Student Support & Academic Enrichment	IDEA Part B, Basic	IDEA Part B Preschool	ARP ESSER III	Totals 2025
REVENUES						
Local Sources	72,835					72,835
State Sources	64,260					64,260
Federal Sources	32,176	8,802	126,073	4,826	381,773	553,650
Total Revenues	169,271	8,802	126,073	4,826	381,773	690,745
EXPENDITURES:						
Instruction:						
Salaries of Teachers	10,505					10,505
Other Purchased Services (400-500 series)	-		126,073	4,826		130,899
General Supplies	6,221	1,547			36,764	44,532
Textbooks	3,265					3,265
Total instruction	19,991	1,547	126,073	4,826	36,764	189,201
Support Services:						
Purchased Professional and Technical Services	54,734	7,255			19,878	81,867
Other Purchased Services (400-500 series)	1,400					1,400
Supplies and Materials	8,417					8,417
Student Fees/Activities	68,330					68,330
Total support services	132,881	7,255	-	-	19,878	160,014
Facilities acquisition and const. serv.:						
Building/Renovation	-				322,464	322,464
Instructional Equipment	-				2,667	2,667
Non-Instructional Equipment	11,894					11,894
Total facilities acquisition and const. serv.	11,894	-	-	-	325,131	337,025
Total Expenditures	164,766	8,802	126,073	4,826	381,773	686,240
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	4,505	-	-	-	-	4,505
Fund Balance, July 1	44,722					44,722
Fund Balance, June 30	49,227	-	-	-	-	49,227

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	ARP ESSER Accelerated Learning Coach & Educator Support	ARP ESSER Evidence Based Learning & Enrichment	ARP ESSER Evidence Based Comprehension Beyond the School Day	ARP ESSER NJTSS Mental Health Support Staffing	N.J. Nonpublic Nursing Services Aid	Totals 2025
REVENUES						
Local Sources	72,835					72,835
State Sources	53,730				10,530	64,260
Federal Sources	-	3,164	10,505	86		32,176
Total Revenues	126,565	3,164	10,505	86	10,530	169,271
EXPENDITURES:						
Instruction:						
Salaries of Teachers	-	10,505				10,505
Other Purchased Services (400-500 series)	-					-
General Supplies	2,971	3,164	86			6,221
Textbooks	3,265					3,265
Total instruction	6,236	3,164	86	-	-	19,991
Support Services:						
Purchased Professional and Technical Services	34,200			10,004	10,530	54,734
Other Purchased Services (400-500 series)	1,400					1,400
Supplies and Materials	-			8,417		8,417
Student Fees/Activities	68,330					68,330
Total support services	103,930	-	-	18,421	10,530	132,881
Facilities acquisition and const. serv.:						
Building/Renovation	-					-
Instructional Equipment	-					-
Non-Instructional Equipment	11,894					11,894
Total facilities acquisition and const. serv.	11,894	-	-	-	-	11,894
Total Expenditures	122,060	3,164	10,505	86	10,530	164,766
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	4,505	-	-	-	-	4,505
Fund Balance, July 1	44,722	-	-	-	-	44,722
Fund Balance, June 30	49,227	-	-	-	-	49,227

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2025

	N.J. Nonpublic Textbook Aid	N.J. Nonpublic Technology Aid	N.J. Nonpublic Security Aid	Chapter 192: Handicapped Svcs ESL	Student Activity Account	Student Fee Account	Totals 2025
REVENUES							
Local Sources	3,265	2,971	15,137	32,357	61,388	11,447	72,835
State Sources							53,730
Federal Sources							-
Total Revenues	3,265	2,971	15,137	32,357	61,388	11,447	126,565
EXPENDITURES:							
Instruction:							
Salaries of Teachers							-
Other Purchased Services (400-500 series)							-
General Supplies	3,265	2,971					2,971
Textbooks							3,265
Total instruction	3,265	2,971	-	-	-	-	6,236
Support Services:							
Purchased Professional and Technical Services			1,843	32,357			34,200
Other Purchased Services (400-500 series)			1,400				1,400
Supplies and Materials					60,940	7,390	68,330
Student Fees/Activities							-
Total support services	-	-	3,243	32,357	60,940	7,390	103,930
Facilities acquisition and const. serv.:							
Building/Renovation							-
Instructional Equipment			11,894				11,894
Non-Instructional Equipment							-
Total facilities acquisition and const. serv.	-	-	11,894	-	-	-	11,894
Total Expenditures	3,265	2,971	15,137	32,357	60,940	7,390	122,060
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	448	4,057	4,505
Fund Balance, July 1	-	-	-	-	16,037	28,685	44,722
Fund Balance, June 30	-	-	-	-	16,485	32,742	49,227

PROPRIETARY FUNDS

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Combining Statement of Net Position
Enterprise Funds
June 30, 2025

	<u>Enrichment Program</u>	<u>Invengineering Program</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 83,610		83,610
Total current assets	<u>83,610</u>		<u>83,610</u>
Total assets	<u>\$ 83,610</u>		<u>83,610</u>
LIABILITIES			
Current liabilities:			
Account payable	<u>406</u>		<u>406</u>
Total current liabilities	<u>406</u>		<u>406</u>
NET POSITION			
Unrestricted	<u>83,204</u>		<u>83,204</u>
Total net position	<u>\$ 83,204</u>		<u>83,204</u>

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Funds
Fiscal Year Ended June 30, 2025

	<u>Enrichment Program</u>	<u>Invengineering Program</u>	<u>Totals</u>
Operating revenues:			
Charges for services:			
Tuition Charges	\$ 135,210	1,700	136,910
Total operating revenues	<u>135,210</u>	<u>1,700</u>	<u>136,910</u>
Operating expenses:			
Salaries and wages	76,418	1,700	78,118
Purchased services	28,280		28,280
Supplies and materials	4,058		4,058
Total Operating Expenses	<u>108,756</u>	<u>1,700</u>	<u>110,456</u>
Operating income (loss)	<u>26,454</u>	<u>-</u>	<u>26,454</u>
Change in net position	26,454	-	26,454
Total net position—beginning	<u>56,750</u>		<u>56,750</u>
Total net position—ending	<u>\$ 83,204</u>	<u>-</u>	<u>83,204</u>

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Combining Statement of Cash Flows
Enterprise Funds
Fiscal Year Ended June 30, 2025

	<u>Enrichment Program</u>	<u>Invengineering Program</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 135,210	1,700	136,910
Payments for salaries and wages	(76,012)	(1,700)	(77,712)
Payments for purchased services	(28,280)	-	(28,280)
Payments for supplies	(4,058)	-	(4,058)
Net cash provided by (used for) operating activities	<u>26,860</u>	<u>-</u>	<u>26,860</u>
Net increase (decrease) in cash and cash equivalents	26,860	-	26,860
Balances—beginning of year	<u>56,750</u>	<u>-</u>	<u>56,750</u>
Balances—end of year	<u><u>83,610</u></u>	<u><u>-</u></u>	<u><u>83,610</u></u>
Reconciliation of operating income (loss) to net cash provided			
(used) by operating activities:			
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	<u>26,454</u>	<u>-</u>	<u>26,454</u>
Increase (decrease) in accounts payable	<u>406</u>	<u>-</u>	<u>406</u>
Net cash provided by (used for) operating activities	<u><u>\$ 26,860</u></u>	<u><u>-</u></u>	<u><u>26,860</u></u>

LONG-TERM DEBT

ENGLEWOOD CLIFFS BOARD OF EDUCATION
General Long Term Debt Account Group
Schedule of Obligations Under Lease-Purchase Agreements
June 30, 2025

Description	Issued	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2024	Decreased
			Date	Amount			
Macbook Computers & Related Equipment	7/9/2021	87,635			1.59%	\$ 22,079	22,079
						\$ 22,079	22,079

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Budgetary Comparison Schedule
Debt Service Fund
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy			-		-
State Sources:					
Debt Service Aid Type II			-		-
Total - State Sources	-	-	-	-	-
Total Revenues	-	-	-	-	-
EXPENDITURES:					
Regular Debt Service:					
Interest			-		-
Redemption of Principal			-		-
Total Regular Debt Service	-	-	-	-	-
Total expenditures	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	17	17
Fund Balance, June 30	-	-	-	17	17
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	-	-	-	-	-

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

Introduction to the Statistical Section

Financial Trends

- J-1 Net Position by Component
- J-2 Changes in Net Position
- J-3 Fund Balances - Governmental Funds
- J-4 Changes in Fund Balances - Governmental Funds
- J-5 General Fund Other Local Revenue by Source

Revenue Capacity

- J-6 Assessed Value and Estimated Actual Value of Taxable Property
- J-7 Direct and Overlapping Property Tax Rates
- J-8 Principal Property Taxpayers
- J-9 Property Tax Levies and Collections

Debt Capacity

- J-10 Ratios of Outstanding Debt by Type
- J-11 Ratios of General Bonded Debt Outstanding
- J-12 Direct and Overlapping Governmental Activities Debt
- J-13 Legal Debt Margin Information

Demographic and Economic Information

- J-14 Demographic and Economic Statistics
- J-15 Principal Employers

Operating Information

- J-16 Full-time Equivalent District Employees by Function/Program
- J-17 Operating Statistics
- J-18 School Building Information*
- J-19 Schedule of Allowable Maintenance Expenditures by School Facility
- J-20 Insurance Schedule

STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

J SERIES

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

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Invested in capital assets, net of related debt	\$ 1,794,548	\$ 1,766,991	\$ 2,697,226	\$ 3,457,521	\$ 4,276,537	\$ 4,940,129	\$ 5,047,346	\$ 5,075,391	\$ 6,805,465	\$ 7,821,913
Restricted	2,670,011	3,506,024	3,058,563	2,901,400	2,900,783	3,893,644	5,014,513	6,323,418	4,533,039	5,143,731
Unrestricted	(2,609,582)	(3,348,512)	(3,639,213)	(3,671,393)	(3,799,832)	(3,355,733)	(2,778,524)	(2,976,664)	(2,311,217)	(2,438,489)
Total governmental activities net position	\$ 1,854,977	\$ 1,924,503	\$ 2,116,576	\$ 2,687,528	\$ 3,377,488	\$ 5,478,040	\$ 7,283,335	\$ 8,422,145	\$ 9,027,287	\$ 10,527,155
Business-type activities										
Invested in capital assets, net of related debt	1,648	20,577	26,092	36,479	38,343	36,344	40,589	40,861	56,750	83,204
Restricted	1,648	20,577	26,092	36,479	38,343	36,344	40,589	40,861	56,750	83,204
Total business-type activities net position	\$ 1,648	\$ 20,577	\$ 26,092	\$ 36,479	\$ 38,343	\$ 36,344	\$ 40,589	\$ 40,861	\$ 56,750	\$ 83,204
District-wide										
Invested in capital assets	\$ 1,794,548	\$ 1,766,991	\$ 2,697,226	\$ 3,457,521	\$ 4,276,537	\$ 4,940,129	\$ 5,047,346	\$ 5,075,391	\$ 6,805,465	\$ 7,821,913
Restricted	2,670,011	3,506,024	3,058,563	2,901,400	2,900,783	3,893,644	5,014,513	6,323,418	4,533,039	5,143,731
Unrestricted	(2,607,934)	(3,327,935)	(3,613,121)	(3,634,914)	(3,761,489)	(3,319,389)	(2,737,935)	(2,935,803)	(2,254,467)	(2,355,285)
Total district net position	\$ 1,856,625	\$ 1,945,080	\$ 2,142,668	\$ 2,724,007	\$ 3,415,831	\$ 5,514,384	\$ 7,323,924	\$ 8,463,006	\$ 9,084,037	\$ 10,610,359

Source: ACFR Schedule A-1

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
Instruction										
Regular	\$ 4,799,343	\$ 4,543,476	\$ 4,750,188	\$ 4,547,331	\$ 4,807,167	\$ 4,249,864	\$ 3,703,201	\$ 4,137,921	\$ 4,427,147	\$ 4,141,448
Special education	1,463,516	1,468,599	1,118,449	968,844	1,179,033	1,140,300	998,123	816,482	1,019,736	1,203,221
Other special education	261,988	182,652	170,065	235,177	275,555	509,154	428,757	372,111	311,871	333,898
Other instruction		24,292	14,891	107,589	207,633	-	-	228,351	251,408	222,362
Support Services:										
Tuition	977,564	1,973,131	2,021,273	2,034,033	2,132,895	1,990,856	1,806,905	1,994,980	2,122,798	1,630,873
Student & instruction related services	2,349,989	2,225,026	2,211,348	2,259,228	2,428,109	2,670,587	2,471,742	2,514,283	2,722,544	2,634,070
School Administrative Services	156,652	207,811	230,683	244,410	258,999	306,922	270,233	281,459	236,570	222,520
General Administration	412,375	456,753	471,737	491,682	565,231	510,078	479,420	434,714	381,965	368,410
Central Services	271,986	347,766	264,369	292,529	276,884	274,617	230,218	230,376	333,023	349,665
Administrative information technology	225,784	157,717	172,582	87,731	137,500	51,730	42,663	45,592	28,865	46,316
Plant Operations and Maintenance	1,155,542	1,038,254	1,051,907	1,075,936	1,114,295	941,212	1,052,553	1,181,292	1,271,621	1,350,072
Pupil transportation	798,155	906,858	928,621	869,830	844,437	660,720	815,456	1,004,463	977,421	871,932
Unallocated benefits	311,338	1,205,340	2,998,814	2,010,545	2,097,985	2,454,316	3,828,338	2,919,999	2,749,324	3,121,374
On-behalf Contributions										
Capital Outlay - non-depreciable	195,212	5,993	202,379	21,025	32,919	8,918	222,487	75,147	176,589	-
Debt Services:										
Interest and other charges	78,190	66,864	4,771	18,042	12,357	6,497	722			-
Bond Issuance Costs										
Unallocated depreciation		302,877		367,788	404,031	404,024	426,694	426,694	547,923	594,663
Total governmental activities expenses	13,457,634	15,162,209	16,932,471	15,731,720	16,775,028	16,179,795	16,777,512	16,663,864	17,558,805	17,090,824
Business-type activities:										
Special Milk Fund	5,090	6,141	3,815	3,916	2,956	1,403	449		1,002	1,700
Invoicing Program			3,150	3,150	2,554	1,446	1,700	2,250	850	108,756
Enrichment Program		26,842	37,392	34,298	15,334	-	25,021	47,118	63,444	110,456
Total business-type activities expense	5,090	32,983	44,357	41,364	20,844	2,849	27,170	49,368	65,296	110,456
Total district expenses	\$ 13,462,724	\$ 15,195,192	\$ 16,976,828	\$ 15,773,084	\$ 16,795,872	\$ 16,182,644	\$ 16,804,683	\$ 16,713,232	\$ 17,624,101	\$ 17,201,280
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	\$ -	\$ -	\$ -	\$ -		43,401	40,872	\$ 13,150	\$ 9,685	\$ 208,477
Student & instruction related services								46,811	52,315	61,388
Pupil Transportation										61,369
Operating grants and contributions	294,852	269,287	315,064	223,490	233,593	350,436	298,283	361,667	2,928,802	2,484,264
Capital grants and contributions										
Total governmental activities program revenues	294,852	269,287	315,064	223,490	233,593	393,837	339,155	421,628	2,990,802	2,815,498
Business-type activities:										
Charges for services:										
Special Milk Fund	2,658	2,094	2,158	2,393	2,251	-	1,700	2,250	850	1,700
Invoicing Program			3,150	3,150	3,150	850	29,715	47,390	80,335	135,210
Enrichment Program		46,935	42,095	43,829	15,900	-				
Operating grants and contributions	3,262	2,883	2,379	1,407	1,407	-	31,415	49,640	81,185	136,910
Total business type activities program revenues	5,920	51,912	49,872	51,751	22,708	850	31,415	49,640	31,185	136,910
Total district program revenues	\$ 300,772	\$ 321,199	\$ 364,936	\$ 275,241	\$ 256,301	\$ 394,687	\$ 370,570	\$ 471,268	\$ 3,071,987	\$ 2,952,408

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expense)/Revenue										
Governmental activities	\$ (13,162,782)	\$ (14,892,922)	\$ (16,617,407)	\$ (15,508,230)	\$ (16,541,435)	\$ (15,785,958)	\$ (16,438,357)	\$ (16,242,236)	\$ (14,568,003)	\$ (14,275,326)
Business-type activities	830	18,929	5,515	10,387	1,864	(1,999)	4,245	272	15,889	26,454
Total district-wide net expense	<u>\$ (13,161,952)</u>	<u>\$ (14,873,993)</u>	<u>\$ (16,611,892)</u>	<u>\$ (15,497,843)</u>	<u>\$ (16,539,571)</u>	<u>\$ (15,787,957)</u>	<u>\$ (16,434,112)</u>	<u>\$ (16,241,964)</u>	<u>\$ (14,552,114)</u>	<u>\$ (14,248,872)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 10,963,918	\$ 12,421,223	\$ 12,963,634	\$ 13,222,907	\$ 13,487,365	\$ 13,865,519	\$ 14,142,829	\$ 14,425,686	\$ 14,714,200	\$ 15,366,545
Taxes levied for debt service	262,463	265,370	267,829	72,961	252,337	263,561	255,496			
Federal and state aid not restricted	1,598,074	1,877,119	3,120,148	2,409,518	3,132,391	3,603,926	3,698,206	2,625,444		
Federal and state aid - Capital Outlay				16,900	10,785	15,380	15,380	38,362	55,333	348,727
Tuition Received	397,699	300,427	230,500	281,823	277,000	126,750	83,839	180,524	244,850	
Investment earnings				6,112	4,859	1,816				
Miscellaneous income	79,651	98,309	227,369	68,961	66,658	12,607	47,902	111,030	158,762	59,922
Transfers										
Total governmental activities	<u>13,301,805</u>	<u>14,962,448</u>	<u>16,809,480</u>	<u>16,079,182</u>	<u>17,231,395</u>	<u>17,874,179</u>	<u>18,243,652</u>	<u>17,381,046</u>	<u>15,173,145</u>	<u>15,775,194</u>
Business-type activities:										
Liabilities canceled										
Total business-type activities	<u>-</u>	<u>14,962,448</u>	<u>16,809,480</u>	<u>16,079,182</u>	<u>17,231,395</u>	<u>17,874,179</u>	<u>18,243,652</u>	<u>17,381,046</u>	<u>15,173,145</u>	<u>15,775,194</u>
Total district-wide	<u>\$ 13,301,805</u>	<u>\$ 14,962,448</u>	<u>\$ 16,809,480</u>	<u>\$ 16,079,182</u>	<u>\$ 17,231,395</u>	<u>\$ 17,874,179</u>	<u>\$ 18,243,652</u>	<u>\$ 17,381,046</u>	<u>\$ 15,173,145</u>	<u>\$ 15,775,194</u>
Change in Net Position										
Governmental activities	\$ 139,023	\$ 69,526	\$ 192,073	\$ 570,952	\$ 689,960	\$ 2,088,221	\$ 1,805,295	\$ 1,138,810	\$ 605,142	\$ 1,499,868
Business-type activities	830	18,929	5,515	10,387	1,864	(1,999)	4,245	272	15,889	26,454
Total district	<u>\$ 139,853</u>	<u>\$ 88,455</u>	<u>\$ 197,588</u>	<u>\$ 581,339</u>	<u>\$ 691,824</u>	<u>\$ 2,086,222</u>	<u>\$ 1,809,540</u>	<u>\$ 1,139,082</u>	<u>\$ 621,031</u>	<u>\$ 1,526,322</u>

Source: ACFR Schedule A-2

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Restricted	\$ 2,481,121	\$ 2,978,861	\$ 1,932,667	\$ 2,665,633	\$ 2,529,159	\$ 3,669,225	\$ 4,429,611	\$ 4,021,225	\$ 4,173,945	\$ 4,124,597
Assigned	205,733	338,269	928,922	227,687	371,624	180,501	546,704	2,262,861	314,355	969,890
Unassigned	357,131	235,877	187,802	278,697	257,210	653,774	769,262	266,997	629,010	309,056
Total general fund	<u>\$ 3,043,985</u>	<u>\$ 3,553,007</u>	<u>\$ 3,049,391</u>	<u>\$ 3,172,017</u>	<u>\$ 3,157,993</u>	<u>\$ 4,503,500</u>	<u>\$ 5,745,577</u>	<u>\$ 6,551,083</u>	<u>\$ 5,117,310</u>	<u>\$ 5,403,543</u>
All Other Governmental Funds										
Restricted, reported in:										
Special revenue fund						43,918	35,913	39,315	44,722	49,227
Capital projects fund	188,894									
Debt service fund		188,894	196,974	8,080		17	17	17	17	17
Total all other governmental funds	<u>\$ 188,894</u>	<u>\$ 188,894</u>	<u>\$ 196,974</u>	<u>\$ 8,080</u>	<u>\$ -</u>	<u>\$ 43,935</u>	<u>\$ 35,930</u>	<u>\$ 39,332</u>	<u>\$ 44,739</u>	<u>\$ 49,244</u>

Source: ACFR B-1

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax levy	\$ 11,226,381	\$ 12,686,593	\$ 13,231,463	\$ 13,295,868	\$ 13,739,702	\$ 14,129,080	\$ 14,398,325	\$ 14,425,686	\$ 14,714,200	\$ 15,366,545
Tuition charges	397,699	300,427	230,500	281,823	277,000	126,750	83,839	180,524	244,850	197,030
Transportation Fees										61,369
Miscellaneous	79,651	98,309	227,369	75,073	71,517	67,958	67,788	111,030	157,760	59,922
Donations									4,104	
Student Fees						41,700	10,838	13,150	9,685	11,447
Student Group Receipts						1,701	30,034	43,409	52,315	61,388
State sources	1,704,858	1,982,996	2,183,344	2,436,832	2,485,118	3,162,021	3,839,434	3,538,025	3,797,081	3,754,420
Federal sources	188,068	163,410	211,294	213,076	213,484	284,253	264,360	369,346	510,377	689,945
Total revenue	13,596,657	15,231,735	16,083,970	16,302,672	16,786,821	17,813,463	18,694,618	18,701,170	19,490,372	20,202,066
Expenditures										
Instruction										
Regular Instruction	3,465,168	3,454,283	3,864,884	3,623,370	3,608,466	3,164,920	3,374,289	3,583,534	3,745,836	3,760,814
Special education instruction	1,003,994	1,055,704	867,661	748,234	847,986	820,578	892,260	697,807	998,898	1,097,155
Other special instruction	178,451	131,222	129,158	181,856	197,916	366,447	383,096	318,616	266,823	281,270
Other Instruction	-	18,769	14,891	83,740	149,086			195,056	215,094	219,911
Support Services:										
Tuition	977,564	1,973,131	2,021,273	2,034,033	2,132,895	1,990,856	1,806,905	1,994,980	2,122,798	1,630,873
Student & inst. related services	1,705,509	1,678,622	1,793,804	1,825,205	1,829,374	2,031,856	2,212,751	2,202,088	2,401,781	2,411,736
School administrative services	106,622	149,606	179,587	190,974	189,075	214,245	229,986	229,882	193,515	188,604
General administration	329,097	381,901	400,529	424,898	474,494	415,409	447,830	391,725	344,008	342,463
Central services	200,595	260,806	211,287	233,045	212,163	209,210	209,888	202,648	289,047	319,671
Admin. information technology	169,503	129,484	152,526	86,241	121,326	50,129	42,663	45,592	28,865	46,316
Plant operations and maintenance	699,856	909,505	914,308	930,044	914,431	790,161	986,740	1,077,697	1,151,280	1,314,286
Pupil transportation	765,909	879,621	908,488	950,484	825,060	645,728	808,479	994,093	968,265	865,266
Employee benefits	2,112,378	2,059,585	2,170,566	2,275,727	2,308,440	2,412,599	2,547,468	2,664,683	2,853,724	3,045,188
On behalf contributions	1,056,737	1,245,974	1,458,172	1,613,450	1,679,755	2,159,933	2,688,748	2,670,673	2,787,914	2,734,735

ENGLEWOOD CLIFFS BOARD OF EDUCATION
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Special Schools										
Charter Schools										
Capital outlay	208,667	38,361	1,136,667	817,494	968,965	810,585	574,188	623,188	2,551,892	1,653,040
Debt service:										
Principal	270,000	285,000	335,000	330,000	335,000	345,000	340,000			
Interest and other charges	82,240	71,140	20,705	20,145	14,493	8,696	2,890			
Total expenditures	13,332,290	14,722,714	16,579,506	16,368,940	16,808,925	16,436,352	17,548,181	17,892,262	20,919,740	19,911,328
Excess (Deficiency) of revenues over (under) expenditures	264,367	509,021	(495,536)	(66,268)	(22,104)	1,377,111	1,146,437	808,908	(1,429,368)	290,738
Other Financing sources (uses)										
Proceeds from borrowing										
Lease-Purchase							87,635			
Obligations (non-budgeted)									1,002	
Transfers in	472	474	189,043							
Transfers out	(472)	(474)	(189,043)							
Capital Reserve - Capital Outlay										
Total other financing sources (uses)	-	-	-	-	-	-	87,635	-	1,002	-
Net change in fund balances	\$ 264,367	\$ 509,021	\$ (495,536)	\$ (66,268)	\$ (22,104)	\$ 1,377,111	\$ 1,234,072	\$ 808,908	\$ (1,428,366)	\$ 290,738
Debt service as a percentage of noncapital expenditures	2.68%	2.43%	2.30%	2.25%	2.21%	2.26%	2.02%	0.00%	0.00%	0.00%

Source: District records

Note: Capital Projects Fund is not included as these expenditures vary substantially from year to year. The financial data presented would not be meaningful for comparative purposes if these were included.

Source: ACFR, Schedule B-2

Englewood Cliffs Board of Education
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ending June 30,	PTA		Interest	Refunds	Settlements	Prior Year Voided Checks	Balance of Unemployment		Technology Fees	Subscription Busing Fees	Proceeds from Sale of Technology	Miscellaneous	Annual Totals
	Tuition	Donations					General Fund	Closed to					
2016	\$ 397,699	\$ -	\$ 3,065	\$ -	\$ 62,160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,952	\$ 476,876
2017	300,427		10,546				21,611					66,003	398,587
2018	230,500	43,420	17,551			1,326		16,125			101,467	43,135	453,524
2019	281,823	21,000	8,177	21,599		500		17,445				6,352	356,896
2020	277,000		6,347	26,232		2,500		25,887				10,551	348,517
2021	126,750		5,914									8,509	141,173
2022	83,839		2,979	3,418		967				39,173		1,365	131,741
2023	173,868		3,306	57,227		377				37,800		18,976	291,554
2024	244,850		2,151	22,182		28,076				51,100	11,964	42,287	402,610
2025	197,030		2,917	3,272		8,857				61,369		44,876	318,321

Source: District records

Englewood Cliffs Board of Education
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Year Ended December 31,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Less : Tax Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized) Value	% of Net Assessed to Estimated Full Cash Valuations
2016	\$ 37,470,700	\$ 2,459,596,200	\$ 871,371,200	\$ -	\$ 1,750,000	\$ 3,370,188,100	\$ 917,566,200	\$ 1,344,390	\$ 2,453,966,290	0.376	\$ 3,254,751,471	75.40%
2017	38,144,100	2,485,809,000	838,910,300	-	1,750,000	3,364,613,400	917,566,200	1,334,262	2,448,381,462	0.393	3,287,713,364	74.47%
2018	93,718,400	2,520,047,800	783,649,800	-	1,750,000	3,399,166,000	917,566,200	-	2,481,599,800	0.391	3,523,223,281	70.44%
2019	89,466,900	2,528,668,000	776,952,800	-	1,750,000	3,396,837,700	917,566,200	1,296,492	2,480,567,992	0.405	3,770,912,189	65.78%
2020	105,814,100	2,520,641,200	773,795,200	-	1,750,000	3,402,000,500	920,081,200	1,273,132	2,483,192,432	0.423	3,473,555,748	71.49%
2021	53,533,400	2,521,655,900	944,312,300	-	1,750,000	3,521,251,600	919,026,100	1,621,675	2,603,847,175	0.401	3,465,798,819	75.13%
2022	57,828,900	2,529,953,500	944,895,400	-	1,750,000	3,534,427,800	919,026,100	1,745,565	2,617,147,265	0.407	3,895,115,495	67.19%
2023	65,534,400	2,528,769,800	945,304,100	-	1,750,000	3,541,358,300	919,026,100	1,626,359	2,623,958,559	0.415	3,896,861,060	67.34%
2024	65,364,600	2,562,362,600	927,636,600	-	1,750,000	3,557,113,800	919,026,100	166,861	2,638,254,561	0.431	3,991,889,232	66.09%
2025	68,783,100	2,592,590,100	916,062,800	-	1,750,000	3,579,186,000	913,888,500	1,598,004	2,666,895,504	0.447	4,162,328,178	64.07%

Source: Municipal Tax Assessor

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

Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment

^a - Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies^b - Tax rates are per \$100

Englewood Cliffs Board of Education
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Year Ended Dec. 31,	Englewood Cliffs Board of Education			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	(From J-6) Total Direct School Tax Rate	Borough of Englewood Cliffs	Bergen County	
2016	\$ 0.368	\$ 0.008	\$ 0.376	\$ 0.368	\$ 0.235	\$ 0.979
2017	0.385	0.008	0.393	0.373	0.232	0.998
2018	0.386	0.005	0.391	0.401	0.251	1.043
2019	0.398	0.007	0.405	0.418	0.258	1.081
2020	0.415	0.008	0.423	0.894	0.257	1.574
2021	0.381	0.020	0.401	0.464	0.259	1.124
2022	0.387	0.020	0.407	0.476	0.240	1.123
2023	0.415	-	0.415	0.461	0.265	1.141
2024	0.431	-	0.431	0.459	0.265	1.155
2025	0.447	-	0.447	0.456	0.262	1.165

Source: Municipal Tax Collector

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

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

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

**Englewood Cliffs Board of Education
Principal Property Taxpayers,
Current Year and Nine Years Ago**

	2025			2016		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Taxpayer 1	\$ 185,870,200	1	6.97%	\$ 109,310,000	1	4.47%
Taxpayer 2	85,500,000	2	3.21%	89,145,700	2	3.64%
Taxpayer 3	61,831,600	3	2.32%	82,500,000	3	3.37%
Taxpayer 4	47,223,300	4	1.77%	72,100,000	4	2.95%
Taxpayer 5	41,000,000	5	1.54%	37,194,600	5	1.52%
Taxpayer 6	35,544,300	6	1.33%	35,719,500	6	1.46%
Taxpayer 7	32,700,000	7	1.23%	35,500,000	7	1.45%
Taxpayer 8	21,300,000	8	0.80%	25,125,000	8	1.03%
Taxpayer 9	20,588,300	9	0.77%	17,780,600	9	0.73%
Taxpayer 10	18,173,200	10	0.68%	14,624,800	10	0.60%
Total	\$ 549,730,900		20.61%	\$ 519,000,200		21.21%
Total Net Assessed Value	2,666,895,504			2,446,932,444		

Source: Municipal Tax Assessor

**Englewood Cliffs Board of Education
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	\$ 11,226,381	\$ 11,226,381	100.00%	-
2017	12,686,593	12,686,593	100.00%	-
2018	13,231,463	13,231,463	100.00%	-
2019	13,295,868	13,295,868	100.00%	-
2020	13,739,702	13,739,702	100.00%	-
2021	14,129,080	14,129,080	100.00%	-
2022	14,398,325	14,398,325	100.00%	-
2023	14,425,686	14,425,686	100.00%	-
2024	14,714,200	14,714,200	100.00%	-
2025	15,366,545	15,366,545	100.00%	-

Source: District records including the Certificate and Report of School Taxes (A4F form)

- a** - School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance in the amount voted upon or certified prior to the end of the school year.

**Englewood Cliffs Board of Education
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Governmental Activities				Bond		Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Lease Purchase Obligations	Anticipation Notes (BANs)	Lease Purchase Obligations						
2016	\$ 2,191,000	\$ -	\$ -	\$ -	\$ -	\$ -			\$ 2,191,000	3.49%	\$ 76,367
2017	1,921,000	-	-	-	-	-			1,921,000	4.09%	78,611
2018	1,685,000	-	-	-	-	-			1,685,000	4.91%	82,731
2019	685,000	-	-	-	-	-			685,000	12.68%	86,871
2020	685,000	-	-	-	-	-			685,000	12.88%	88,256
2021	340,000	-	-	-	-	-			340,000	27.75%	94,342
2022	-	-	-	-	65,205	-			65,205	147.89%	96,434
2023	-	-	-	-	43,812	-			43,812	233.34%	102,229
2024	-	-	-	-	22,079	-			22,079	Not Available	Not Available
2025	-	-	-	-	-	-			-	Not Available	Not Available

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

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

- a** See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- b** Includes Early Retirement Incentive Plan (ERIP) refunding

Englewood Cliffs Board of Education
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2016	\$ 1,921,000	\$ -	\$ 1,921,000	0.08%	\$ 76,367
2017	1,685,000	-	1,685,000	0.07%	78,611
2018	1,350,000	-	1,350,000	0.05%	82,731
2019	1,020,000	-	1,020,000	0.04%	86,871
2020	685,000	-	685,000	0.03%	88,256
2021	340,000	-	340,000	0.01%	94,342
2022	-	-	-	0.00%	96,434
2023	-	-	-	0.00%	102,229
2024	-	-	-	0.00%	Not Available
2025	-	-	-	0.00%	Not Available

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

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

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

Englewood Cliffs Board of Education
Direct and Overlapping Governmental Activities Debt
As of June 30, 2025

<u>Governmental Unit</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Debt Outstanding</u>	<u>Estimated Share of Overlapping Debt</u>
Direct Debt of School District as of June 30, 2024			\$ -
Debt repaid with property taxes			
Borough of Englewood Cliffs	100.00%	\$ 32,165,174	
County of Bergen - Borough's Share	3.615%	37,690,258	
Bergen County Utilities Authority - Borough's Share	1.365%	1,005,289	
Subtotal, overlapping debt			70,860,721
Total direct and overlapping debt			\$ 70,860,721

Sources: Assessed value data used to estimate applicable percentages provided by the Bergen County Board of Taxation.
Debt outstanding data provided by each governmental unit.

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

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

Englewood Cliffs Board of Education
Legal Debt Margin Information,
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2024

	Equalized valuation basis									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	\$ 94,786,098	\$ 95,967,744	\$ 99,403,549	\$ 100,656,881	\$ 105,831,453	\$ 107,702,608	\$ 73,609,143	\$ 112,577,754	\$ 117,838,658	\$ 120,510,785
Total net debt applicable to limit	1,921,000	1,685,000	1,350,000	1,020,000	685,000	340,000	-	-	-	-
Legal debt margin	\$ 93,430,040	\$ 92,865,098	\$ 94,282,744	\$ 98,053,549	\$ 99,636,881	\$ 105,146,453	\$ 107,362,608	\$ 73,609,143	\$ 117,838,658	\$ 120,510,785
Total net debt applicable to the limit as a percentage of debt limit	2.03%	1.76%	1.36%	1.01%	0.65%	0.32%	0.00%	0.00%	0.00%	0.00%

Average equalized valuation of taxable property		2023		2024	
		[A]		[A/3]	
		\$ 4,162,328,178		\$ 4,017,026,157	
Debt limit (3% of average equalization value)		[B]		[B]	
		120,510,785		120,510,785	
Total Net Debt Applicable to Limit		[C]		[C]	
		-		-	
Legal debt margin		[B-C]		[B-C]	
		\$ 120,510,785		\$ 120,510,785	

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

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

**Englewood Cliffs Board of Education
Demographic and Economic Statistics
Last Ten Fiscal Years**

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^a
2016	5,347	\$ 408,334,349	\$ 76,367	2.90%
2017	5,364	421,669,404	78,611	2.50%
2018	5,366	443,934,546	82,731	2.00%
2019	5,354	465,107,334	86,871	1.70%
2020	5,320	469,521,920	88,256	6.50%
2021	5,342	503,974,964	94,342	4.70%
2022	5,313	512,353,842	96,434	2.40%
2023	5,321	543,960,509	102,229	2.80%
2024	5,443	Not Available	Not Available	2.90%
2025	Not Available	Not Available	Not Available	Not Available

Source:

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

^b Personal income has been estimated based upon the municipal population and per capita personal income presented.

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

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

Englewood Cliffs Board of Education
Principal Employers,
Current Year and Ten Years Ago

Employer	2025			2016		
	Employees	Rank [Optional]	Percentage of Total Municipal Employment	Employees	Rank [Optional]	Percentage of Total Municipal Employment

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

Englewood Cliffs Board of Education
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Instruction										
Regular	40.5	38.5	42.7	49.8	46.0	42.3	40.3	38.4	42.9	42.9
Special education	12.0	11.5	11.0	13.0	16.0	14.3	16.7	16.6	14.2	15.2
Other special education	3.0	3.5	1.9	-						
Vocational										
Other instruction	2.0									
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Student & instruction related services	25.5	24.5	23.0	11.2	23.0	22.5	19.6	22.2	22.3	22.3
General administration	1.9	2.1	2.1	2.1	2.1	2.1	2.1	2.1	1.6	1.6
School administrative services	2.0	2.7	3.0	2.5	3.0	3.0	3.0	2.7	1.8	1.8
Other administrative services				7.0						
Central services	2.3	2.3	2.3	1.8	1.3	1.3	1.3	1.2	1.6	1.6
Administrative Information Technology	1.5	1.0	1.0	2.5	1.0			-	-	-
Plant operations and maintenance	7.6	7.5	7.6	6.0	5.5	5.5	7.0	8.5	8.9	8.9
Pupil transportation	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.45	0.50	0.50
Other support services				2.0			2.3	2.3	2.3	2.3
Special Schools										
Food Service										
Child Care										
Total	98.4	93.8	94.9	98.2	98.1	91.3	92.6	94.4	95.9	96.9

Source: District Personnel Records

Englewood Cliffs Board of Education
Operating Statistics,
Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2016	584	12,771,383	21,869	3.25%	54.60	1:10.7	1:10.7	546.25	528.65	1.16%	96.78%	
2017	547	14,328,213	26,194	19.78%	53.50	1:10.23	1:10.23	524.76	506.53	-3.93%	96.53%	
2018	495	15,087,134	30,479	16.36%	55.60	1:8.91	1:8.91	494.36	486.29	-5.79%	98.37%	
2019	489	15,201,301	31,087	1.99%	54.50	1:8.98	1:8.98	489.48	478.78	-0.99%	97.81%	
2020	489	15,490,467	31,678	1.90%	55.65	1:8.61	1:9.17	486.44	474.21	-0.62%	97.49%	
2021	483	15,272,071	31,721	0.14%	56.60	1:10.47	1:6.62	432.78	425.46	-11.03%	98.31%	
2022	427	16,631,103	38,949	0.36%	57.00	1:6.73	1:9.70	392.39	392.39	-5.34%	95.78%	
2023	417	17,269,074	41,413	7.81%	55.00	1:9.24	1:6.48	389.29	370.72	-4.98%	95.23%	
2024	433	18,367,848	42,420	2.43%	56.00	1:10.34	1:8.55	418.55	399.55	7.52%	95.46%	
2025	435	18,258,288	41,973	-1.05%	58.00	1:8	1:6	409.64	391.23	-2.13%	95.51%	

Sources: District records

Note: Enrollment based on annual October district count.

^a Operating expenditures equal total expenditures less debt service and capital outlay (J-4)^b Teaching staff includes only full-time equivalents of certificated staff^c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**Englewood Cliffs Board of Education
School Building Information
Last Ten Fiscal Years**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>District Building</u>										
<u>Elementary</u>										
Northcliff School										
Square Feet GSF	24,971	24,971	24,971	24,971	24,971	24,971	24,971	24,971	24,971	24,971
Square Feet NSF	16,036	16,036	16,036	16,036	16,036	16,036	16,036	16,036	16,036	16,036
Capacity (students)	230	230	230	230	230	230	230	230	230	230
Enrollment	230	230	166	163		184	142	128	154	150
<u>Upper School</u>										
Square Feet GSF	76,050	76,050	76,050	76,050	76,050	76,050	76,050	76,050	76,050	76,050
Square Feet NSF	51,531	51,531	51,531	51,531	51,531	51,531	51,531	51,531	51,531	51,531
Capacity (students)	349	349	349	349	349	349	349	349	349	349
Enrollment	354	354	329	326	315	307	285	262	264	264

Number of Schools at June 30, 2025
Elementary = 2

Source: District Facilities Office

Englewood Cliffs Board of Education
Schedule of Required Maintenance
Last Ten Fiscal Years

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

School Facilities	Project No.'s	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Northcliff School	N/A	160,207	112,527	74,335	78,169	39,162	26,960	39,786	59,964	59,738	15,324
Upper School	N/A	248,955	200,440	187,256	178,681	102,201	69,944	98,221	104,981	79,787	61,793
Grand Total		<u>\$ 409,162</u>	<u>\$ 312,967</u>	<u>\$ 261,591</u>	<u>\$ 256,850</u>	<u>\$ 141,363</u>	<u>\$ 96,904</u>	<u>\$ 138,007</u>	<u>\$ 164,945</u>	<u>\$ 139,525</u>	<u>\$ 77,117</u>

Source: District records

**Englewood Cliffs Board of Education
Insurance Schedule
June 30, 2025**

Company	Type of Coverage	Coverage	Deductible
National Union Fire	Flood & Earthquake	5,000,000/occurrence	\$50k/\$100k
		5,000,000 aggregate	
	Flood: Within Special Flood "A"	2,000,000/occurrence	500,000
		2,000,000 aggregate	Loss of Income Limit \$250,000
	Extra Expense	5,000,000	
	Building Ord Demolition Cost	1,000,000	
	Building Ord Increased Cost of Construction	1,000,000	
	Pollution - Clean Up & Removal	250,000	
	Broadened Water - Loss of Income Planned Events and Tuition Fees	100,000	
	Claim Data Expenses	25,000	
	Fire Dept Service Charge	50,000	
	Fire Extinguisher Recharge Expense	5,000	
	Food Contamination Shutdown	10,000	
	Newly Acquired or Constructed Property - Building	1,000,000	
	Newly Acquired Personnel Property	500,000	
	Non-Owned Detached Trailers per occurrence	50,000	
	Outdoor Property	150,000	
	Outdoor Signs	100,000	
	Pollutant Cleanup and Removal - Planned Events	10,000	
	Property Off Premises	100,000	
	Refrigerated Property	50,000	
	Roof Protection	1,000	
	Transportation	100,000	
	Tuition and Fees	20,000	
	Utility Services Direct Damage	50,000	
	Utility Services Planned Events	25,000	

**Englewood Cliffs Board of Education
Insurance Schedule
June 30, 2025**

Company	Type of Coverage	Coverage	Deductible
National Union Fire	Valuable Papers & Records	5,000,000	
	Accts Receivable	250,000	
	Fine Arts	50,000	
	Musical Instruments	250,000	
	Cameras, Audio/Video Equip	250,000	
	Misc School Property	100,000	
	Contractors Equipment	250,000	
	Reward - Arson, Theft or Vandalism	250,000	
	Underground Fiber Optic Cable	100,000	
	Violent Event Extra Expense	50,000	
	Expediting Expenses	250,000	
	Hazardous Substances	250,000	
	Theft of Money & Securities-Inside Premises	50,000	1,000
	Theft of Money & Securities-Outside Premises	50,000	1,000
	Computer Fraud	50,000	1,000
	General Liability		
	General Aggregate	1,000,000	
	Products & Completed Operations	1,000,000	
	Each Occurrence	1,000,000	
	Personal & Advertising Injury	1,000,000	
	Fire Damage Legal Liability	1,000,000	
	Medical Expense Limit	10,000	
	Pesticide or Herbicide Applicator	1,000,000	1,000
	Employee Benefits Liability: Claims Made	1,000,000/2,000,000 aggregate	1,000
	Sexual Abuse & Molestation	1,000,000 occ/ 2,000,000 agg	

-121-

**Englewood Cliffs Board of Education
Insurance Schedule
June 30, 2025**

Company	Type of Coverage	Coverage	Deductible
Nathional Union Fire	Crime		<u>Deductible</u>
	Employee Theft - Incl. Faithful Performance	500,000	5,000
	Forgery or Alteration	250,000	5,000
	Inside the Premises – Theft of Money & Securities	250,000	5,000
	Inside the Premises – Robbery/Safe Burglary	100,000	5,000
	Outside the Premises	250,000	5,000
	Computer and Funds Transfer Fraud	250,000	5,000
	Money Orders	250,000	5,000
	Fraudulent Impersonation	250,000	5,000
Evanston Insurance	Pollution Liability/ Environmental Impairment		
	Aggregate Limit per Name Insured		25,000
	Fund Aggregate Limit	4,000,000 20,000,000	100,000 Mold
Greenwich Insurance Co.	School Board E & O		
	Educator's Legal Liability/ Employment Practices Liability	1,000,000	
	Acts of School Violence Crisis Management	250,000	
	Amendment of Exclusion B Endorsement: defense of non-monetary claims	1,000,000	
	Harassment/ Bullying, Defense Only	100,000	
	Prevailing Party Fees for IEP Claims	250,000	
	Accident Coverage		
Zurich American	Accidental Death, Dismemberment & Paralysis	100,000	
	Total Limit of Liability per Accident	500,000	
	Total Limit of Liability per All Other Accidents	500,000	

**Englewood Cliffs Board of Education
Insurance Schedule
June 30, 2025**

Company	Type of Coverage	Coverage	Deductible
Safety National	Excess Worker's Comp		
	Each Accident- Bodily Injury by Accident	1,000,000	
	Policy Limit- Bodily Injury by Disease	1,000,000	
	Each Employee - Bodily Injury by Disease	1,000,000	
Cowbell	Cyber Liability		<u>Retention</u>
	Primary Cyber Liability per Claim	2,000,000	25,000
	Aggregate	5,000,000	25,000
	Excess Cyber Liability	5,000,000	25,000

Source: District Records

SINGLE AUDIT SECTION



WIELKOTZ & COMPANY^{LLC}

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K-1
Page 1 of 2

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

Honorable President and
Members of the Board of Education
Borough of Englewood Cliffs School District
County of Bergen New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Englewood Cliffs School District, in the County of Bergen, New Jersey, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 24, 2025.

Internal Control Over Financial Reporting

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



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

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

Compliance and Other Matters

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

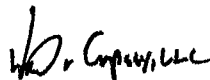
We noted certain matters that were required to be reported to the Board of Education of the Englewood Cliffs Borough School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated October 24, 2025.

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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



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

October 24, 2025



WIELKOTZ & COMPANY ^{LLC}

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K-2

Page 1 of 4

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE AS REQUIRED BY STATE OF
NEW JERSEY OMB CIRCULAR 15-08**

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

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Board of Education of the Borough of Englewood Cliffs School District in the County of Bergen, New Jersey, compliance with the types of compliance requirements described in the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Borough of Englewood Cliffs Board of Education's major state programs for the year ended June 30, 2025. The Borough of Englewood Cliffs Board of Education's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Borough of Englewood Cliffs Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2025.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of prescribed by the Office of School Finance, Department of Education, State of New Jersey; audit requirements of NJ OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.



Basis for Opinion on Each Major State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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



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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Borough of Englewood Cliffs Board of Education's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Borough of Englewood Cliffs 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 N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Borough of Englewood Cliffs Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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



Honorable President and
Members of the Board of Education

K-2
Page 4 of 4

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

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



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



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

October 24, 2025



ENGLEWOOD CLIFFS BOARD OF EDUCATION

Schedule of Expenditures of Federal Awards

Year ended June 30, 2025

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Federal FAIN Number	Grant Period	Award Amount	Balance at June 30, 2024	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustment	(Accounts Receivable) at June 30, 2025
Special Revenue Fund:										
U.S. Department of Education										
Passed-through State Department of Education										
Special Revenue Fund:										
Title I, Part A	84.010	S010A230030	7/1/23-9/30/24	110,258	(27,097)	27,097				
Title I, Part A	84.010	S010A240030	7/1/24-9/30/25	101,060		(27,097)	72,446	85,341		(39,992)
Title I, Part A	84.367A	S367A230029	7/1/23-9/30/24	18,594	(14,043)	14,043				
Title II, Part A	84.367A	S367A240029	7/1/24-9/30/25	15,657		(14,043)	17,633	17,180		(13,590)
Title III, English and Language Acquisition and Language Enhancement	84.365A	S365A240030	7/1/24-9/30/25			(18,891)	18,132	4,641		(5,400)
Title III, English and Language Acquisition and Language Enhancement	84.365A	S365A230030	7/1/23-6/30/24	23,892	(18,891)	18,891				
Title III, Immigrant	84.365A	S365A220030	7/1/22-9/30/23	17,115			921	921		
Title IV	84.424	S424A230030	7/1/23-9/30/24	10,000	(1,505)	1,505				
Title IV	84.424	S424A240030	7/1/24-9/30/25	10,000		(1,505)	10,307	8,802		
ID.E.A. Part B, Basic	84.027A	H027A230100	7/1/23-9/30/24	121,055	(15,606)	15,606				
ID.E.A. Part B, Basic	84.027A	H027A240100	7/1/24-9/30/25	120,459		(15,606)	81,690	126,073		(59,989)
ID.E.A. Part B, Preschool	84.173A	H173A230114	7/1/23-9/30/24	4,980	(657)	657				
ID.E.A. Part B, Preschool	84.173A	H173A240114	7/1/24-9/30/25	4,826		(657)	657	4,826		(4,826)
ARP - ESSER III	84.425D	S425U210027	3/13/20-09/30/24	453,285	(45,474)	(657)	427,247	381,773		
ARP - Accelerated Learning Coach & Educator Support	84.425U	S425U210027	3/13/20-09/30/24	50,000	(30,903)		34,067	3,164		
ARP - Evidence Based Summer Learning & Enrichment	84.425U	S425U210027	3/13/20-09/30/24	40,000	(4,210)		10,505	10,505	4,210	
ARP - Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	3/13/20-09/30/24	40,000	(2,438)		2,524	86		
ARP - NUTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-09/30/24	45,000	(7,018)		25,439	18,421		
Total U.S. Department of Education					(167,842)		701,568	661,733	4,210	(123,797)
Total Federal Financial Assistance				\$	(167,842)		701,568	661,733	4,210	(123,797)

Note: This schedule was not subject to an audit in accordance with the Uniform Guidance.

ENGLEWOOD CLIFFS BOARD OF EDUCATION

Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2025

State Grantor/Program Title	Grant or State Project Numbers	Grant Period	Program or Award Amount	Balance at June 30, 2024		Balance at June 30, 2025				MEMO			
				Deferred Revenue (Accounts Receivable)	Program Amount	Cash Received	Budgetary Expenditures Past through Funds	Repayment of Prior Years' Balances	(Accounts Receivable)	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:													
General Fund:													
Special Education Aid	495-034-5120-089	7/1/24-6/30/25	\$ 476,223		428,980	476,223			*	47,243	476,223		
Transportation Aid	495-034-5120-014	7/1/24-6/30/25	191,272		172,297	191,272			*	18,975	191,272		
Security Aid	495-034-5120-084	7/1/24-6/30/25	39,687		35,750	39,687			*	3,937	39,687		
Reimbursed Non-Public Transportation Aid	495-034-5120-014	7/1/23-6/30/24	41,405	(41,405)	41,405				*	*	41,405		
Reimbursed Non-Public Transportation Aid	495-034-5120-014	7/1/24-6/30/25	38,294			38,294		(38,294)	*	*	38,294		
Extraordinary Aid	495-034-5120-044	7/1/23-6/30/24	300,302	(300,302)	300,302				*	*	300,302		
Extraordinary Aid	495-034-5120-044	7/1/24-6/30/25	213,836			213,836		(213,836)	*	*	213,836		
Menstrual Product Reimbursement			2,979			2,979		(2,979)	*	*	2,979		
TPAF Social Security	495-034-5094-003	7/1/23-6/30/24	398,553	(19,730)	19,730				*	*	398,553		
TPAF Social Security	495-034-5094-003	7/1/24-6/30/25	423,868		403,343	423,868		(20,525)	*	*	423,868		
On-behalf TPAF Postretirement Medical Cont.	495-034-5094-001	7/1/24-6/30/25	522,336		522,336	522,336			*	*	522,336		
On-behalf TPAF Pension	495-034-5094-002	7/1/24-6/30/25	1,765,720		1,765,720	1,765,720			*	*	1,765,720		
On-behalf TPAF NCGI Premium	495-034-5094-004	7/1/24-6/30/25	21,873		21,873	21,873			*	*	21,873		
On-behalf TPAF - LTDI			938		938	938			*	*	938		
Total General Fund				(361,437)	3,712,674	3,697,026		(275,634)	*	70,155	4,437,286		
Special Revenue Fund:													
N.J. Nonpublic Aid:									*	*			
Security Aid	100-034-5120-509	7/1/23-6/30/24	22,550	22,550				22,550	*	*			
Security Aid	100-034-5120-509	7/1/24-6/30/25	16,605		16,605	15,137			*	1,468	15,137		
Textbook Aid	100-034-5120-064	7/1/23-6/30/24	5,319	5,319				5,319	*	*			
Textbook Aid	100-034-5120-064	7/1/24-6/30/25	3,324		3,324	3,265			*	59	3,265		
Nursing Services	100-034-5120-070	7/1/23-6/30/24	13,200						*	*			
Nursing Services	100-034-5120-070	7/1/24-6/30/25	10,530		10,530	10,530			*	*	10,530		
Technology Aid	100-034-5120-373	7/1/23-6/30/24	4,508	228				228	*	*	4,280		
Technology Aid	100-034-5120-373	7/1/24-6/30/25	3,185		3,185	2,971			*	214	2,971		
Chapter 192 Handicapped Services:									*	*			
ESL	100-034-5120-067	7/1/24-6/30/25	72,398		72,398	32,357			*	40,041	32,357		
Total Special Revenue Fund				28,097	106,042	64,260		28,097	*	41,782	81,740		
Total State Financial Assistance				(333,340)	3,818,716	3,761,286		28,097	*	70,155	4,519,026		

ENGLEWOOD CLIFFS BOARD OF EDUCATION

Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2025

State Grantor/Program Title	Grant or State Project Numbers	Grant Period	Program or Award Amount	Balance at June 30, 2024		Repayment of Prior Years' Balances	Balance at June 30, 2025			MEMO	
				Deferred Revenue (Accounts Receivable)	Cash Received		(Accounts Receivable)	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
Other Financial Assistance											
Special Revenue Fund:											
Donation - PTA - COVID 19 Supplies			16,000	335				335			15,665
ECEF Music Play Donation			1,341	1,341				1,341			
Read-a-thon Proceeds			5,962	1,741				1,741			4,221
Change Family Donation			5,000	896				896			4,104
American Online Giving Proceeds			70	70				70			
American Online Giving Proceeds			119	119				119			
Dongbu, Tour & Travel Donation			300		300			300			
Society4Science			1,000	1,000				1,000			
				4,502	1,300			5,802			23,990
Total State and Other Financial Assistance				(328,838)	3,820,016	28,097	(275,634)	5,802	41,782	70,155	4,543,016
Less: On-Behalf TPAF Pension System Contributions											
On-Behalf TPAF Pension - Contribution	495-034-5094-002	7/1/24-6/30/25	1,765,720					1,765,720			
On-Behalf TPAF Pension - Post Retirement	495-034-5094-001	7/1/24-6/30/25	522,336					522,336			
On-Behalf TPAF NCGI Premium	495-034-5094-004	7/1/24-6/30/25	21,873					21,873			
On-Behalf TPAF LTDI	495-034-5094-004	7/1/24-6/30/25	938					938			
								2,310,867			
Total for State Financial Assistance-Major Program Determination								1,450,419			

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

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

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

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(6,866) for the General Fund and \$28,212 for the Special Revenue Fund. See Notes to Required Supplemental 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 follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ -	\$ 3,690,160	\$ 3,690,160
Special Revenue Fund	689,945	64,260	754,205
Total Awards	<u>\$ 689,945</u>	<u>\$ 3,754,420</u>	<u>\$ 4,444,365</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2025. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2025.

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

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, the amount of \$2,310,867 of on-behalf payments is excluded from major program determination.

NOTE 7. INDIRECT COST RATE

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

NOTE 8. SCHOOLWIDE PROGRAM FUNDS

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

<u>Program</u>	<u>Total</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	\$ 85,341
Title II, Part A: <i>Improving Teacher Quality State Grants</i>	17,180
Title III: <i>English Language Acquisition State Grants</i>	4,641
Title III: <i>Immigrant Grants</i>	921
Title IV: <i>Student Support and Academic Enrichment Grants</i>	8,802
Total	<u>\$ 116,885</u>

**BOROUGH OF ENGLEWOOD CLIFFS SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: 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 none reported

Noncompliance material to basic financial
statements noted? yes X no

Federal Awards

Not Applicable

State Awards

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

Auditee qualified as low-risk auditee? X yes no

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

Internal Control over major programs:

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

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

**BOROUGH OF ENGLEWOOD CLIFFS SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Section I - Summary of Auditor's Results

Identification of major programs:

<u>GMIS Number(s)</u>		<u>Name of State Program</u>
		<u>State Aid Public Cluster</u>
<u>495-034-5120-089</u>	(B)	<u>Special Education Aid</u>
<u>495-034-5120-084</u>	(B)	<u>Security Aid</u>

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

Section II - Financial Statement Findings

None

Section III - State Financial Assistance Findings and Questioned Costs

None

**BOROUGH OF ENGLEWOOD CLIFFS SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Status of Prior Year Findings

There were no prior year findings.