PARAMUS BOARD OF EDUCATION

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Paramus, New Jersey

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

of the

Paramus Board of Education

Paramus, New Jersey

For The Fiscal Year Ended June 30, 2025

Prepared by
Business Department

PARAMUS BOARD OF EDUCATION
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INTRODUCTORY SECTION

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BUSINESS OFFICE

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January 13, 2026

Honorable President and
Members of the Board of Education
Paramus Public Schools
Paramus, New Jersey

Dear Board Members:

State Department of Education statutes require that all School District's prepare a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report (ACFR) of the Paramus Board of Education for the fiscal year ended June 30, 2025.

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

The Paramus Board of Education's financial statements have been audited by Lerch, Vinci & Bliss, LLP, a firm of licensed certified public accountants and public school accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Paramus Board of Education for the fiscal year ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Paramus Board of Education's financial statements for the fiscal year ended June 30, 2025 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

1. REPORTING ENTITY AND ITS SERVICES: The Paramus School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). All funds of the District are included in this report. The Paramus Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels pre-K through 12. These include regular, as well as special education for handicapped youngsters. The District's student enrollment of 3,532 students for the 2024-2025 fiscal year represents a decrease of 43 students from the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Fiscal Year	Student Enrollment	Percent Change
2024-2025	3,532	(1.20%)
2023-2024	3,575	(1.0%)
2022-2023	3,613	(1.37%)
2021-2022	3,663	1.83%
2020-2021	3,597	(4.6%)
2019-2020	3,765	(0.6%)
2018-2019	3,781	0.3%
2017-2018	3,776	(1.2%)
2016-2017	3,823	(1.8%)
2015-2016	3,894	(1.0%)

2. ECONOMIC CONDITION AND OUTLOOK: The Borough of Paramus is primarily suburban residential located in west central Bergen County about 18 miles west of New York City. Surrounding towns include Ridgewood, Washington Township, Fair Lawn, Rochelle Park, Maywood, River Edge, Oradell, Emerson and Hackensack. The Borough was incorporated in 1922. The government for the Borough consists of a mayor and six council members elected for overlapping terms.

Comprising about 10 square miles, the Borough has excellent transportation facilities. The principal route joining Bergen and Passaic Counties to New York City via the George Washington Bridge is NJ Route 4. NJ Route 17 is a major four-lane highway running north-south through Bergen and Hudson Counties, connecting southern New York State with the Lincoln Tunnel to New York City. The limited access Garden State Parkway runs through the Borough into southern New Jersey. Since the completion of Interstate 80, consumers in western New Jersey have access to the Bergen County retail stores. Together with these highways, four bus companies offer transportation to and from the Borough.

Bergen County is the most populated county in the State of New Jersey. The Borough of Paramus has become a major retail trade center. A significant percentage of the Borough tax revenues are generated by its commercial and industrial complexes which are experiencing continual growth. In the 2020 Census, the Borough of Paramus ("Paramus") had 26,698 residents, which is a gain of 356 persons (+1.4%) from 2010. Forecasts prepared by the North Jersey Transportation Planning Authority project the population to be 32,066 in 2050, which would be a 20.1% increase from the 2020 Census and a gain of 5,368 persons.

Paramus is one of the largest shopping areas in the country. Over the course of a year, over five billion dollars in sales are conducted. The Garden State Plaza, Bergen Town Center, the Paramus Fashion Center and Paramus Park, and the Paramus Crossroads are the major shopping complexes located in the Borough. The Borough is also home to many retail establishments including IKEA, BJ's Wholesale Club, Home Depot, Barnes & Noble, multiplex movie theaters, and many other retail businesses, all of which are easily accessible

An increasing trend in the Borough is the development of residential housing. The district has contracted with a demographer for the last three years to obtain and analyze information regarding current and future residential development in the community. In total, there is the potential for 2,776 non-age restricted housing units, all of which will be multi-family units such as apartments or townhouses. An estimate was made of the number of public school children that could potentially come from the approved housing developments in Paramus. In total, 443 public school children (K-4 = 176, 5-8 = 138, and 9-12 = 129) are projected to be generated. However, due to the large number of units anticipated in several of the developments, some projects may be completed outside of the enrollment projection of five years. The district has been working with the demographer and the architect to continue to monitor the impacts the building developments will have on the schools

3. MAJOR INITIATIVES: The Paramus School District has been recognized for educational excellence by several New Jersey Education Commissioners and by the United States Department of Education's Blue Ribbon Panel. Over the past several years, Paramus has been the recipient of eight Best Practice Awards, a Star School Award from the New Jersey Department of Education, a Service-Learning Award from the United States Department of Education, and an award for Outstanding Middle School Technology Program in New Jersey. Paramus has been regularly considered a top community for arts education. For fifteen consecutive years, Paramus has been named as one of the 100 Best Communities for Music Education by The National Association of Music Merchants (NAMM). In addition, Paramus High School has been recognized as a "Model School for the Arts".

Supporting these awards for excellence, the New Jersey School Performance Report favorably compares our schools to schools throughout the state, including the following statistics and notations:

- Standardized test scores in all grades are significantly higher than state average.
- Scholastic Assessment Test (SAT) scores are also higher than the state average.
- A significant number of students are involved in Advanced Placement courses and score at a level meriting potential college credit.
- Our District boasts a 97% high school graduation rate.
- The District offers a wide range of programs that meet the diverse needs of students before, during, and after the school day.

Additionally, a vast majority of our students are involved in extra-curricular, athletic, voluntary, and community activities. Staff development focuses on the implementation of the New Jersey Student Learning standards and instructional practices at all levels. We continue to integrate elements of instructional technology (e.g., online resources, learning platforms, artificial intelligence tools) into all aspects of the curriculum. Furthermore, all students in the district, PK-12, have been issued a Chromebook for their use during instruction. A variety of instructional and productivity software packages, including the Google for Education Enterprise suite with Meet and Classroom, Hapara Teacher Dashboard, LinkIt!, and others, have been provided to teachers along with in-depth, ongoing, embedded professional development delivered both during specified professional development times and at the need of the teacher by instructional coaches. The Information Technology Department continues to invest in improvements to district infrastructure including new wireless networks at the schools, a new security appliance for the district, state of the art virtual servers to replace end of life physical servers, upgraded internet bandwidth, and continues to utilize federal e-Rate funding to support upgrades to switches, access points, and other critical network components, ensuring capacity to deliver seamless instruction in a district-wide 1:1 computing environment.

The 2024-2025 school year included many new and continuing instructional initiatives highlighted by various curriculum projects and the installation of Interactive Flat Panel devices in all K-12 classrooms. The district also expanded its use of diverse and differentiated online instructional tools to support students with engaging and authentic resources within the 1:1 learning environment.

The District has completed several significant construction and maintenance projects alongside routine upkeep to enhance facilities and ensure a safe, functional environment for students and staff. At Paramus High School, a large facade project was successfully completed ensuring engineering integrity and safety, the fire alarm and heat detector systems were completely upgraded, and the district continued the safety initiative of upgrading roof hatch ladder upgrades as well as restoration of a section of roofing and the track was replaced. . East Brook Middle School had a chimney restoration, storage upgrades in the gymnasiums and as part of the district's ROD grant projects received a new rooftop unit over the band room. Stony Lane Elementary School had multipurpose room windows and doors replaced and Midland Elementary School received fire alarm upgrades. West Brook Middle School had a roof replacement, chimney repairs and as part of the ROD Grant the unit ventilators were replaced along with roof top units and all new building automation control system was installed. Parkway Elementary School also benefited from playground upgrades thanks to a state recreation grant. District-wide improvements included the rekeying of district locks and door handles, painting, and renovations of classrooms. The District successfully completed several significant construction and maintenance projects, alongside routine upkeep, to enhance facilities and ensure a safe and functional environment for students and staff. At Paramus High School, a substantial facade project was successfully concluded, guaranteeing engineering integrity and safety. Furthermore, the fire alarm and heat detector systems were completely upgraded. The District also continued its safety initiative of upgrading roof hatch ladders and completed the restoration of a section of roofing, as well as the replacement of the track. East Brook Middle School benefited from chimney restoration, storage upgrades in the gymnasiums, and, as part of the District's ROD grant projects, received a new rooftop unit over the band room. Stony Lane Elementary School had the windows and doors of the multipurpose room replaced, and Midland Elementary School received fire alarm system upgrades.

West Brook Middle School underwent a roof replacement, chimney repairs, and, through the ROD Grant, had the unit ventilators and rooftop units replaced, along with the installation of an entirely new building automation control system. Parkway Elementary School also received playground upgrades, made possible by a state recreation grant. District-wide improvements encompassed the rekeying of district locks and door handles, painting initiatives, and classroom renovations.

To maintain a high level of school security, the District maintains state of the art camera systems at all schools, continued utilizing armed security personnel, and extended hours of armed guards at middle schools. Security drill procedures are continuously reviewed and refined to ensure optimal preparedness. The recently created security position has evolved into assisting with the overseeing of infrastructure needs and acts as a liaison between Security and Facilities to ensure the district is in the best position possible. One-on-one training for all new employees and ongoing professional development for armed guards continues with success. Strobes have been added to large group areas to signal that an announcement is being made. The Visitor's Management System has been upgraded and now utilizes more than 500 different databases to assist the district in identifying any concerns with visitors. The district's door swipe access systems have been upgraded to communicate with the camera system and maintain employee access with our active directory. A robust onboarding and offboarding process has been established between the Human Resources Department and the Security Department. These efforts underscore the District's dedication to fostering a secure and well-maintained educational environment. The District remains dedicated to providing a secure and well-maintained educational environment, as evidenced by several key initiatives and investments that contribute to the sound operational and financial health of the District.

Security Enhancements:

- **Camera and Access Systems:** The District continues to utilize state-of-the-art camera systems across all schools. The door swipe access systems have been upgraded to integrate with the camera system and synchronize employee access with our active directory, representing a strategic investment in physical security infrastructure.
- **Personnel:** The District maintains armed security personnel, extending their hours at middle schools. Ongoing professional development for armed guards, along with one-on-one training for all new employees, ensures a consistently high standard of security readiness.
- **Visitor Management:** The Visitor's Management System has been upgraded, now utilizing over 500 different databases to effectively screen visitors and proactively identify any potential concerns, safeguarding our schools.
- **Drill Procedures:** Security drill procedures are under continuous review and refinement to ensure optimal preparedness and compliance.
- **Communication:** Strobes have been added to large group areas to signal that an announcement is being made, improving emergency communication protocols.

Operational Coordination:

- **Security/Facilities Liaison:** The recently created security position has been expanded to assist in overseeing infrastructure needs, serving as a vital liaison between the Security and Facilities departments to optimize the District's operational readiness and ensure efficient use of resources.
- **HR Onboarding/Offboarding:** A robust and cross-functional process for onboarding and offboarding employees has been established collaboratively between the Human Resources and Security Departments, mitigating access risks and improving administrative efficiency.

It is our goal that every student who receives a diploma from Paramus High School will graduate confidently in his or her ability to learn and with the knowledge, understanding, skills, and attitudes that will enable each graduate to lead productive and fulfilling lives in a complex and rapidly changing society. Specifically, each graduate will have had appropriate and adequate opportunities to learn and be able to: communicate an idea, opinion or perspective in a variety of ways; solve problems analytically and creatively; contribute as citizens in an ever-shrinking global community with an appreciation for the diversity and interdependence of all people; embrace the concepts of emotional and physical wellness; work independently and cooperatively as a member of a group; and to embrace the ideal of lifelong learning.

Our success is the result of team efforts among the Board of Education, faculty, administration, staff, parents and community. We could not have achieved this high level of results without parent involvement and support.

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

As recipient of federal and state financial assistance, the District also is responsible for ensuring compliance with applicable laws and regulations related to federal and state financial assistance programs, as well as determining that the District complied with applicable laws and regulations.

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amounts as amended for the fiscal year are reflected in the financial section.

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

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". The District has adopted a cash management plan which is to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted to protect Governmental units from a loss of funds on deposit with a failed banking institution in New Jersey, where the funds are secured in accordance with the Act. The Board has taken every opportunity to invest cash in high interest accounts to maximize revenue.

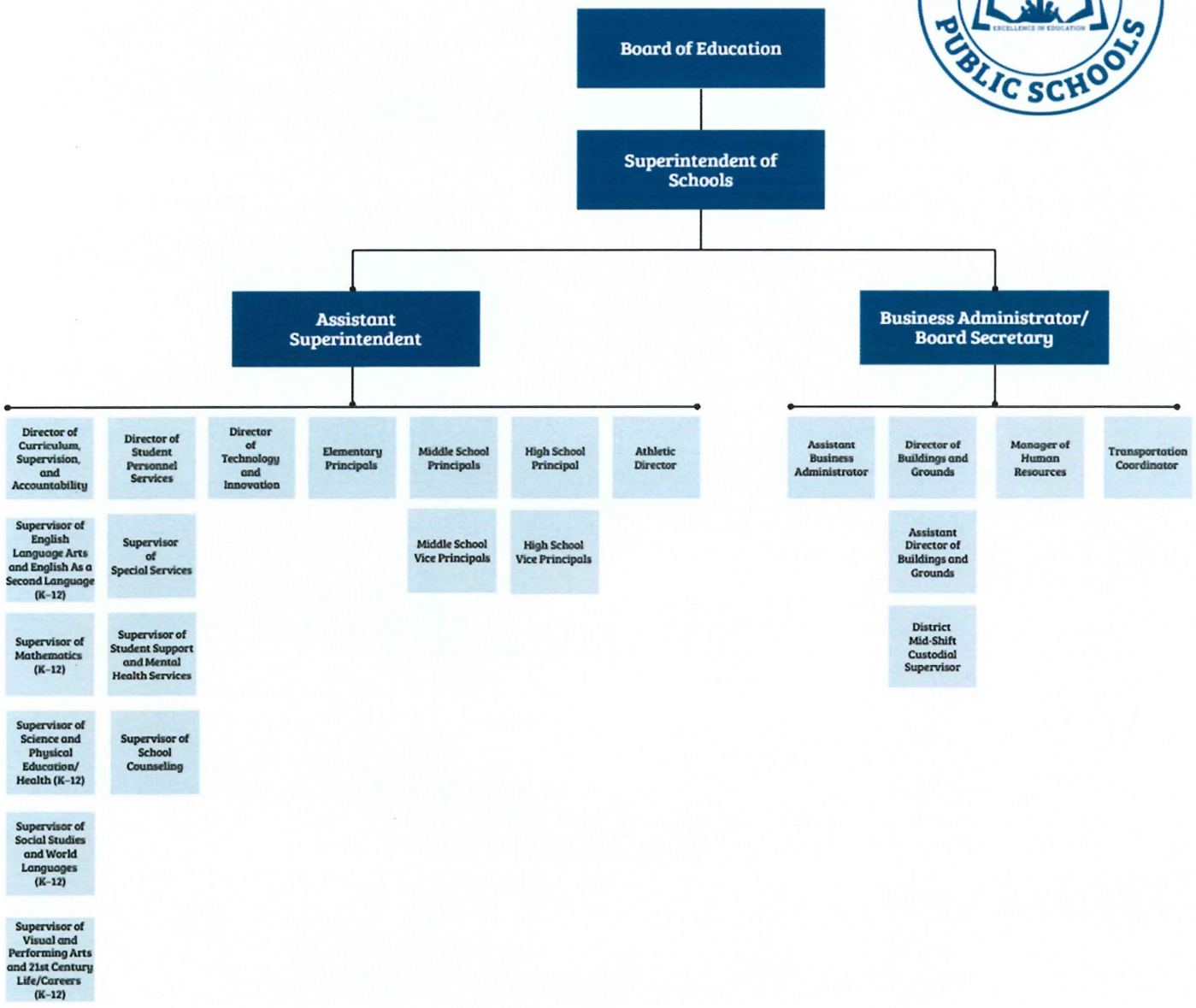
7. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci and Bliss, LLP was selected by the Board's finance committee. In addition to meeting the requirements set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

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

Respectfully submitted,

Sean Adams
Superintendent of Schools

Brooke Bartley
Business Administrator/Board Secretary


Board of Education
Superintendent of Schools
Assistant Superintendent
Business Administrator/ Board Secretary
Director of Curriculum, Supervision, and Accountability
Director of Student Personnel Services
Director of Technology and Innovation
Elementary Principals
Middle School Principals
High School Principal
Athletic Director
Supervisor of English Language Arts and English As a Second Language (K-12)
Supervisor of Special Services
Middle School Vice Principals
High School Vice Principals
Supervisor of Mathematics (K-12)
Supervisor of Student Support and Mental Health Services
Supervisor of Science and Physical Education/ Health (K-12)
Supervisor of School Counseling
Supervisor of Social Studies and World Languages (K-12)
Supervisor of Visual and Performing Arts and 21st Century Life/Careers (K-12)
Assistant Business Administrator
Director of Buildings and Grounds
Manager of Human Resources
Transportation Coordinator
Assistant Director of Buildings and Grounds
District Mid-Shift Custodial Supervisor

PARAMUS BOARD OF EDUCATION

ROSTER OF OFFICIALS
AS OF JUNE 30, 2025

	Term Expires
Lisa Cassesa, President	2025
Keri Greene, Vice President	2025
Joanne Bergmann	2026
William Holzmann	2026
Micheline Attieh	2027
Laura Siclari	2026
Lisa Hochhauser	2027
George Song	2025
Christina Kardasakis	2027

Other Officials

Sean Adams, Superintendent of Schools

Timothy Donohue, Assistant Superintendent of Schools

Brooke Bartley, Business Administrator/Board Secretary

Mattea Field, Assistant Business Administrator

PARAMUS BOARD OF EDUCATION

CONSULTANTS AND ADVISORS
AS OF JUNE 30, 2025

Architect

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Bond Counsel
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Official Depository

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FINANCIAL SECTION

LERCH, VINCI & BLISS, LLP
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Paramus Board of Education
145 Spring Valley Road
Paramus, New Jersey 07652

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Paramus Board of Education, as of and for the fiscal year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Paramus Board of Education's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Paramus Board of Education's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 13, 2026 on our consideration of the Paramus Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Paramus Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Paramus Board of Education's internal control over financial reporting and compliance.

Lerch, Vinci & Bliss, LLP

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

Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
January 13, 2026

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Paramus Board of Education's annual comprehensive financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2025. The intent of this section is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement. Certain comparative information between the current year (2024-2025) and the prior year (2023-2024) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

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

- The assets and deferred outflows of resources of the Paramus Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $85,771,580 (net position).

- Overall District revenues were $118,841,269. General revenues accounted for $94,482,167 or 80% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for $24,359,102 or 20% of total revenues.

- The School District had $114,679,541 in expenses for governmental activities; only $22,774,494 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of $94,482,167 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 $36,908,731 a decrease of $5,315,147 when compared to the ending fund balance at June 30, 2024 of $42,223,878.

- The General Fund unassigned fund balance at June 30, 2025 was $1,995,152 an increase of $317,806 when compared with the ending fund balance of $1,677,346 at June 30, 2024.

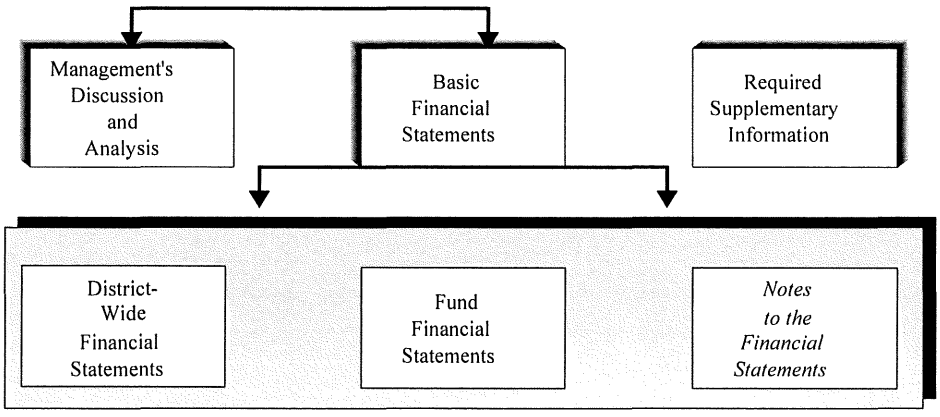
- The General Fund unassigned budgetary fund balance at June 30, 2025 was $3,620,349 which represents an increase of $832,877 when compared to the ending unassigned fund balance at June 30, 2024 of $2,787,472.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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



OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

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

Major Features of the District-Wide and Fund Financial Statements

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

District-Wide Financial Statements

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

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

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.

- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

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

- *Governmental Activities* – Most of the District's basic services are included here, such as regular instruction and special education, transportation, administration, and plant operation and maintenance. State and Federal Aids and tuition charged to other school districts finance most of these activities.

- *Business Type Activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service Fund is included here.

Fund Financial Statements

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

- Some funds are required by State law and bond covenants.

- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

Fund Financial Statements (Continued)

The District has two kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.

- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The District's Enterprise Fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Notes to the Financial Statements

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

Other Information

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

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

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

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $85,771,580 and $83,253,394 as of June 30, 2025 and 2024 (restated), respectively, as shown below.

DISTRICT-WIDE FINANCIAL ANALYSIS (Continued)

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

	Governmental Activities		Business-Type Activities		Total	
	2025	2024 (Restated)	2025	2024	2025	2024 (Restated)
Assets						
Current Assets	$ 42,470,244	$ 43,931,086	$ 320,667	$ 391,222	$ 42,790,911	$ 44,322,308
Capital Assets	69,327,804	63,360,815	170,184	189,066	69,497,988	63,549,881
Total Assets	111,798,048	107,291,901	490,851	580,288	112,288,899	107,872,189
Deferred Outflows of Resources						
Deferred Amount on Refunding of Debt	117,548	169,463	-	-	117,548	169,463
Deferred Amount on Net Pension Liability	878,790	684,416	-	-	878,790	684,416
Total Deferred Outflows of Resources	996,338	853,879	-	-	996,338	853,879
Total Assets and Deferred Outflows of Resources	112,794,386	108,145,780	490,851	580,288	113,285,237	108,726,068
Liabilities						
Long-Term Liabilities	20,362,068	21,599,401			20,362,068	21,599,401
Other Liabilities	5,579,283	1,728,713	74,800	105,954	5,654,083	1,834,667
Total Liabilities	25,941,351	23,328,114	74,800	105,954	26,016,151	23,434,068
Deferred Inflows of Resources						
Deferred Amount on Net Pension Liability	1,496,472	2,038,223			1,496,472	2,038,223
Deferred Commodities Revenue	-	-	1,034	383	1,034	383
Total Deferred Inflows of Resources	1,496,472	2,038,223	1,034	383	1,497,506	2,038,606
Total Liabilities and Deferred Inflows of Resources	27,437,823	25,366,337	75,834	106,337	27,513,657	25,472,674
Net Position						
Net Investment in Capital Assets	64,599,121	57,947,881	170,184	189,066	64,769,305	58,136,947
Restricted	28,304,517	31,172,201			28,304,517	31,172,201
Unrestricted	(7,547,075)	(6,340,639)	244,833	284,885	(7,302,242)	(6,055,754)
Total Net Position	$ 85,356,563	$ 82,779,443	$ 415,017	$ 473,951	$ 85,771,580	$ 83,253,394

The changes in net position for the fiscal years ended June 30, 2025 and 2024 are as follows:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024 (Restated)	2025	2024	2025	2024 (Restated)
Revenues						
Program Revenues						
Charges for Services	$ 1,332,107	$ 1,513,463	$ 1,079,046	$ 1,133,074	$ 2,411,153	$ 2,646,537
Operating Grants and Contributions	20,565,680	23,342,942	505,562	552,643	21,071,242	23,895,585
Capital Grants and Contributions	876,707	1,500,000			876,707	1,500,000
General Revenues						
Property Taxes	89,597,284	87,377,956			89,597,284	87,377,956
Other	4,884,883	3,201,271	-	-	4,884,883	3,201,271
Total Revenues	117,256,661	116,935,632	1,584,608	1,685,717	118,841,269	118,621,349
Expenses						
Instruction						
Regular	39,678,494	41,091,414			39,678,494	41,091,414
Special Education	22,577,173	19,165,894			22,577,173	19,165,894
Other Instruction	2,675,216	2,697,118			2,675,216	2,697,118
School Sponsored Activities and Athletics	2,532,515	2,459,653			2,532,515	2,459,653
Support Services						
Student and Instruction Related Services	16,716,539	17,426,339			16,716,539	17,426,339
General Administration Services	1,219,109	1,107,320			1,219,109	1,107,320
School Administration Services	5,688,308	6,044,855			5,688,308	6,044,855
Plant Operations and Maintenance	14,295,520	12,466,048			14,295,520	12,466,048
Pupil Transportation	6,705,828	6,162,081			6,705,828	6,162,081
Central Services	2,454,311	2,322,427			2,454,311	2,322,427
Interest on Debt	136,528	157,558			136,528	157,558
Food Services	-	-	1,643,542	1,797,478	1,643,542	1,797,478
Total Expenses	114,679,541	111,100,707	1,643,542	1,797,478	116,323,083	112,898,185
Change in Net Position	2,577,120	5,834,925	(58,934)	(111,761)	2,518,186	5,723,164
Net Position, Beginning of Year	82,779,443	76,944,518	473,951	585,712	83,253,394	77,530,230
Net Position, End of Year	$ 85,356,563	$ 82,779,443	$ 415,017	$ 473,951	$ 85,771,580	$ 83,253,394

Governmental Activities

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

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

	Total Cost of Services		Net Cost of Services	
	2025	2024	2025	2024
Instruction				
Regular	$ 39,678,494	$ 41,091,414	$ 33,961,150	$ 32,895,061
Special Education	22,577,173	19,165,894	12,845,250	9,448,987
Other Instruction	2,675,216	2,697,118	2,443,631	2,386,483
School Sponsored Activities and Athletics	2,532,515	2,459,653	1,777,328	1,617,077
Support Services				
Student and Instruction Related Services	16,716,539	17,426,339	13,905,804	14,167,666
General Administration Services	1,219,109	1,107,320	1,170,684	1,047,582
School Administration Services	5,688,308	6,044,855	5,128,070	5,254,796
Plant Operations and Maintenance	14,295,520	12,466,048	12,799,061	10,410,306
Pupil Transportation	6,705,828	6,162,081	5,385,077	5,128,181
Central Services	2,454,311	2,322,427	2,352,464	2,230,605
Interest on Debt	136,528	157,558	136,528	157,558
Total	$ 114,679,541	$ 111,100,707	$ 91,905,047	$ 84,744,302

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental Funds

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of $36,908,731, a decrease of $5,315,147 from last year's fund balance of $42,223,878.

Revenues and other financing sources for the District's governmental funds were $141,967,893 total expenditures and other financing uses were $147,283,040.

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

Revenues and other financing sources of the General Fund were $120,984,394 for the fiscal year ended June 30, 2025. State sources amounted to $26,422,174, federal sources were $28,374, local sources totaled $94,077,341 and other financing sources were $456,505.

Expenditures and other financing uses of the General Fund were $137,411,433. Instructional expenditures were $68,080,521, support services expenditures were $48,515,967, capital expenditures totaled $8,489,804 and other financing uses amounts to $12,325,141 for the fiscal year ended June 30, 2025.

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

Revenues of the Special Revenue Fund were $6,574,797 for the fiscal year ended June 30, 2025. State sources amounted to $3,498,687, federal sources totaled $2,607,083 and local sources were $469,027.

Expenditures of the Special Revenue Fund were $6,584,234. Instructional expenditures were $5,050,820, expenditures for support services were $1,459,249 and capital expenditures were $74,165 for the fiscal year ended June 30, 2025.

Capital Projects Fund - The Capital Projects Fund revenues and other financing sources exceeded expenditures by $11,121,329 increasing fund balance from $1,500,000 to $12,621,329 at June 30, 2025.

Proprietary Funds

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

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

GENERAL FUND BUDGETARY HIGHLIGHTS

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

- Implementing budgets for specially funded projects, which include both federal and state grants.
- Reappropriation of June 30, 2024 encumbrances.
- Appropriation of Prior Year Extraordinary Aid and Non Public Transportation Aid.

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2025 and 2024 amounts to $69,497,988 and $63,549,881 (net of accumulated depreciation), respectively. The capital assets consist of land, site improvements, buildings and building improvements, machinery and various other types of equipment. Depreciation charges for the fiscal year 2024-2025 amounted to $4,603,334 for governmental activities and $23,947 for the Business-Type activities.

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

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 400,645	$ 400,645			$ 400,645	$ 400,645
Construction in Progress	8,434,244	2,415,612			8,434,244	2,415,612
Buildings and Building Improvements	108,845,118	105,191,975	$ 145,725	$ 145,725	108,990,843	105,337,700
Machinery and Equipment	13,412,255	12,513,707	504,569	499,504	13,916,824	13,013,211
Site Improvements	6,699,394	6,699,394	-	-	6,699,394	6,699,394
	137,791,656	127,221,333	650,294	645,229	138,441,950	127,866,562
Less Accumulated Depreciation	68,463,852	63,860,518	480,110	456,163	68,943,962	64,316,681
Total	$ 69,327,804	$ 63,360,815	$ 170,184	$ 189,066	$ 69,497,988	$ 63,549,881

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

LONG TERM LIABILITIES

At June 30, 2025, the District's long-term liabilities consisted of compensated absences payable of $2,115,991, serial bonds (including unamortized discount) of $4,389,726, capital financing agreements of $456,505 and net pension liability of $13,399,846 totaling $20,362,068. This is in comparison to long-term liabilities at June 30, 2024 (restated) of $21,599,401 or a decrease of $1,237,333.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2025-2026 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing labor and related employee benefit costs. Other budgetary increases are anticipated with special education, utilities and the required investment to repair the District's aging facilities.

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

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Business Office, Paramus Board of Education, 145 Spring Valley Road, Paramus, NJ 07652.

DISTRICT-WIDE FINANCIAL STATEMENTS

EXHIBIT A-1

PARAMUS BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 40,687,565	$ 195,003	$ 40,882,568
Receivables, net			
Intergovernmental	1,780,227	73,790	1,854,017
Other	2,452	31,442	33,894
Inventory		20,432	20,432
Capital Assets			
Not Being Depreciated	8,834,889		8,834,889
Being Depreciated, Net	60,492,915	170,184	60,663,099
Total Assets	111,798,048	490,851	112,288,899
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Refunding of Debt	117,548		117,548
Deferred Amount on Net Pension Liability	878,790	-	878,790
Total Deferred Outflows of Resources	996,338	-	996,338
Total Assets and Deferred Outflows of Resources	112,794,386	490,851	113,285,237
LIABILITIES			
Accounts Payable and Other Liabilities	5,184,508	48,266	5,232,774
Payable to State Government	326,997		326,997
Payable to Federal Government	2,281		2,281
Accrued Interest Payable	17,770		17,770
Unearned Revenue	47,727	26,534	74,261
Noncurrent Liabilities			
Due Within One Year	1,335,943		1,335,943
Due Beyond One Year	19,026,125	-	19,026,125
Total Liabilities	25,941,351	74,800	26,016,151
DEFERRED INFLOWS OF RESOURCES			
Deferred Commodities Revenue		1,034	1,034
Deferred Amount on Net Pension Liability	1,496,472	-	1,496,472
Total Deferred Inflows of Resources	1,496,472	1,034	1,497,506
Total Liabilities and Deferred Inflows of Resources	27,437,823	75,834	27,513,657
NET POSITION			
Net Investment in Capital Assets	64,599,121	170,184	64,769,305
Restricted for			
Capital Projects	23,645,041		23,645,041
Other Purposes	4,659,476		4,659,476
Unrestricted	(7,547,075)	244,833	(7,302,242)
Total Net Position	$ 85,356,563	$ 415,017	$ 85,771,580

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

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

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental Activities							
Instruction							
Regular	$ 39,678,494	$ 602,553	$ 5,114,791		$ (33,961,150)		$ (33,961,150)
Special Education	22,577,173	273,640	9,458,283		(12,845,250)		(12,845,250)
Other Instruction	2,675,216		231,585		(2,443,631)		(2,443,631)
School Sponsored Activities and Athletics	2,532,515	455,914	299,273		(1,777,328)		(1,777,328)
Support Services							
Student and Instruction Related Services	16,716,539		2,810,735		(13,905,804)		(13,905,804)
School Administration Services	5,688,308		560,238		(5,128,070)		(5,128,070)
General Administration Services	1,219,109		48,425		(1,170,684)		(1,170,684)
Plant Operations and Maintenance	14,295,520		619,752	$ 876,707	(12,799,061)		(12,799,061)
Pupil Transportation	6,705,828		1,320,751		(5,385,077)		(5,385,077)
Central Services	2,454,311		101,847		(2,352,464)		(2,352,464)
Interest on Long-Term Debt	136,528	-	-	-	(136,528)	-	(136,528)
Total Governmental Activities	114,679,541	1,332,107	20,565,680	876,707	(91,905,047)	-	(91,905,047)
Business-Type Activities							
Food Service	1,643,542	1,079,046	505,562	-	-	$ (58,934)	(58,934)
Total Business-Type Activities	1,643,542	1,079,046	505,562	-	-	(58,934)	(58,934)
Total Primary Government	$ 116,323,083	$ 2,411,153	$ 21,071,242	$ 876,707	(91,905,047)	(58,934)	(91,963,981)
General Revenues							
Property Taxes - General Purposes					88,316,265		88,316,265
Property Taxes - Debt Service					1,281,019		1,281,019
Miscellaneous Income					4,884,883	-	4,884,883
Total General Revenues					94,482,167	-	94,482,167
Change in Net Position					2,577,120	(58,934)	2,518,186
Net Position, Beginning of Year (Restated)					82,779,443	473,951	83,253,394
Net Position, End of Year					$ 85,356,563	$ 415,017	$ 85,771,580

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

FUND FINANCIAL STATEMENTS

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	$ 40,289,527	$ 395,144	$ 2,893	$ 1	$ 40,687,565
Receivables, Net					
Other	2,452				2,452
Intergovernmental	439,373	538,312	802,542		1,780,227
Due from Other Funds	276,986	-	13,575,141	-	13,852,127
Total Assets	$ 41,008,338	$ 933,456	$ 14,380,576	$ 1	$ 56,322,371
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	$ 3,196,612	$ 12,396	$ 1,759,247		$ 4,968,255
Due to Other Funds	13,575,141	276,986			13,852,127
Payable to State Government	88,188	238,809			326,997
Payable to Federal Government		2,281			2,281
Payroll Deductions and Withholdings Payable	215,253				215,253
Deposits Payable	1,000				1,000
Unearned Revenue	39,565	8,162	-	-	47,727
Total Liabilities	17,115,759	538,634	1,759,247	-	19,413,640
Fund Balances					
Restricted					
Debt Service				$ 1	1
Capital Projects			$ 12,621,329		12,621,329
Excess Surplus	600,000				600,000
Excess Surplus - Designated for Subsequent Year's Budget	600,000				600,000
Capital Reserve	10,971,899				10,971,899
Capital Reserve - Designated for Subsequent Year's Budget	51,813				51,813
Maintenance Reserve	2,592,312				2,592,312
Maintenance Reserve - Designated for Subsequent Year's Budget	750,000				750,000
Emergency Reserve	455,750				455,750
Emergency Reserve - Designated for Subsequent Year's Budget	200,000				200,000
Student Activities		394,822			394,822
Unemployment Compensation Reserve	266,591				266,591
Committed					
Year End Encumbrances	4,390,160				4,390,160
Assigned					
Year End Encumbrances	1,018,902				1,018,902
Unassigned	1,995,152	-	-	-	1,995,152
Total Fund Balances	23,892,579	394,822	12,621,329	1	36,908,731
Total Liabilities and Fund Balances	$ 41,008,338	$ 933,456	$ 14,380,576	$ 1	$ 56,322,371

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

Continued

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

Total Fund Balance - Governmental Funds (Exhibit B-1)		$ 36,908,731
Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $137,791,656 and the accumulated depreciation is $68,463,852.		69,327,804
The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is:		(17,770)
Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt.		117,548
Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and deferred over future years.		
Deferred Outflows of Resources	$ 878,790	
Deferred Inflows of Resources	(1,496,472)	
		(617,682)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds . These Items are as follows:		
Bonds Payable, Including Unamortized Discount	(4,389,726)	
Net Pension Liability	(13,399,846)	
Capital Financing Agreement	(456,505)	
Compensated Absences Payable	(2,115,991)	(20,362,068)
Net Position of Governmental Activities (Exhibit A-1)		$ 85,356,563

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

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources					
Property Taxes	$ 88,316,265			$ 1,281,019	$ 89,597,284
Tuition	876,193				876,193
Interest Earned on Capital Reserve	608,239				608,239
Miscellaneous	4,276,644	$ 469,027	-	-	4,745,671
Total - Local Sources	94,077,341	469,027	-	1,281,019	95,827,387
State Sources	26,422,174	3,498,687	$ 802,542		30,723,403
Federal Sources	28,374	2,607,083	-	-	2,635,457
Total Revenues	120,527,889	6,574,797	802,542	1,281,019	129,186,247
EXPENDITURES					
Current					
Regular Instruction	41,248,608	1,145,395			42,394,003
Special Education Instruction	21,225,053	3,440,074			24,665,127
Other Instruction	3,052,593				3,052,593
School-Sponsored Activities and Athletics	2,554,267	465,351			3,019,618
Support Services					
Student and Instruction Related Services	17,304,707	1,459,249			18,763,956
School Administration Services	6,568,681				6,568,681
General Administration Services	1,279,068				1,279,068
Plant Operations and Maintenance	14,134,837				14,134,837
Pupil Transportation	6,597,995				6,597,995
Central Services	2,630,679				2,630,679
Debt Service					
Principal				1,195,000	1,195,000
Interest and Other Charges				86,019	86,019
Capital Outlay	8,489,804	74,165	2,006,354	-	10,570,323
Total Expenditures	125,086,292	6,584,234	2,006,354	1,281,019	134,957,899
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,558,403)	(9,437)	(1,203,812)	-	(5,771,652)
Other Financing Sources (Uses)					
Transfers In			12,325,141		12,325,141
Transfers Out	(12,325,141)	-	-	-	(12,325,141)
Capital Financing Proceeds	456,505	-	-	-	456,505
Total Other Financing Sources (Uses)	(11,868,636)	-	12,325,141	-	456,505
Net Change in Fund Balances	(16,427,039)	(9,437)	11,121,329	-	(5,315,147)
Fund Balance, Beginning of Year	40,319,618	404,259	1,500,000	1	42,223,878
Fund Balance, End of Year	$ 23,892,579	$ 394,822	$ 12,621,329	$ 1	$ 36,908,731

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

EXHIBIT B-3

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

Total net change in fund balances - governmental funds (Exhibit B-2)		$ (5,315,147)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which depreciation exceeds capital outlay in the current period.		
Capital Outlay	$ 10,570,323	
Depreciation Expense	(4,603,334)	
		5,966,989
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Debt Issued or Incurred:		
Capital Financing Agreement		(456,505)
Principal Repayments		
Bonds Payable		1,195,000
Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. Certain expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (Note 2)		1,186,783
Change in net position of governmental activities (Exhibit A-2)		$ 2,577,120

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

PARAMUS BOARD OF EDUCATION
PROPRIETARY FUNDS
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2025

ASSETS		
Current Assets		
Cash and Cash Equivalents	$	195,003
Intergovernmental Receivable		
State		5,245
Federal		68,545
Other Accounts Receivable		31,442
Inventory		20,432
Total Current Assets		320,667
Capital Assets		
Buildings and Buildings Improvements		145,725
Equipment		504,569
Less: Accumulated Depreciation		(480,110)
Total Capital Assets, Net of Accumulated Depreciation		170,184
Total Assets		490,851
LIABILITIES		
Current Liabilities		
Accounts Payable		48,266
Unearned Revenue		26,534
Total Current Liabilities		74,800
DEFERRED INFLOWS OF RESOURCES		
Deferred Commodities Revenue		1,034
Total Deferred Inflows of Resources		1,034
Total Liabilities and Deferred Inflows of Resources		75,834
NET POSITION		
Investment in Capital Assets		170,184
Unrestricted		244,833
Total Net Position	$	415,017

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

EXHIBIT B-5

PARAMUS BOARD OF EDUCATION
PROPRIETARY FUND
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

OPERATING REVENUES		
Charges for Services		
Daily Sales		
Reimbursable Programs	$	787,704
Non-Reimbursable Programs		291,342
Total Operating Revenues		1,079,046
OPERATING EXPENSES		
Cost of Sales		
Reimbursable Programs		529,803
Non-Reimbursable Programs		156,970
Salaries and Employee Benefits		720,574
Management Fee		71,001
Other Purchased Services		28,652
Supplies and Materials		93,118
Depreciation		23,947
Miscellaneous		19,477
Total Operating Expenses		1,643,542
Operating (Loss)		(564,496)
NONOPERATING REVENUES		
State Sources		
School Lunch Program		30,055
School Breakfast Program		2,147
Summer-EBT Admin Cost Reimbursement		322
Federal Sources		
National School Lunch Program		355,455
National School Breakfast Program		18,257
Food Distribution Program		96,810
Local Foods for Schools Grant		2,195
Summer-EBT Admin Cost Reimbursement		321
Total Nonoperating Revenues		505,562
Changes in Net Position		(58,934)
Total Net Position, Beginning of Year		473,951
Total Net Position, End of Year	$	415,017

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

EXHIBIT B-6

PARAMUS BOARD OF EDUCATION
PROPRIETARY FUNDS
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	$	1,092,328
Cash Payments for Employees' Salaries and Benefits		(720,574)
Cash Payments to Suppliers for Goods and Services		(834,769)
Net Cash (Used for) Operating Activities		(463,015)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash Received from State and Federal Subsidy Reimbursements		394,893
Net Cash Provided by Noncapital Financing Activities		394,893
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of Capital Assets		(5,065)
Net Cash (Used for) Capital and Related Financing Activities		(5,065)
Net Change in Cash and Cash Equivalents		(73,187)
Cash and Cash Equivalents, Beginning of Year		268,190
Cash and Cash Equivalents, End of Year	$	195,003
RECONCILIATION OF OPERATING (LOSS) TO NET CASH (USED FOR) OPERATING ACTIVITIES		
Operating (Loss)	$	(564,496)
Adjustments to Reconcile Operating (Loss) to Net Cash (Used for) Operating Activities		
Depreciation		23,947
Non-Cash Federal Assistance		
Food Distribution Program- National School Lunch Program		96,810
Change in Assets and Liabilities		
(Increase)/Decrease in Inventory		438
Increase/(Decrease) in Deferred Commodities		651
Increase/(Decrease) in Accounts Payable		(33,647)
Increase/(Decrease) in Unearned Revenue		2,493
(Increase)/Decrease in Other Accounts Receivable		10,789
Total Adjustments		101,481
Net Cash (Used for) Operating Activities	$	(463,015)
Non-Cash Financing Activities		
National School Lunch (Food Distribution)	$	97,461

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Paramus Board of Education (the "Board" or the "District") is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade twelve (12) school district.

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

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

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

B. New Accounting Standards

During fiscal year 2025, the District adopted the following GASB statements:

- GASB Statement No. 101, *Compensated Absences,* was effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

- GASB Statement No. 102, *Certain Risk Disclosures*, was effective beginning with the fiscal year ending June 30, 2025. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a school district vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a school district's financial condition.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

- GASB Statement No. 103, *Financial Reporting Model Improvements*, will be effective beginning with the fiscal year ending June 30, 2026. The requirements for MD&A will improve the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A. The requirements for the separate presentation of unusual or infrequent items will provide clarity regarding which items should be reported separately from other inflows and outflows of resources. The definitions of operating revenues and expenses and of nonoperating revenues and expenses will replace accounting policies that vary from school district to school district, thereby improving comparability. The addition of a subtotal for operating income (loss) and noncapital subsidies will improve the relevance of information provided in the proprietary fund statement of revenues, expenses, and changes in fund net position. The requirement for presentation of major component unit information will improve comparability. The requirement that budgetary comparison information be presented as RSI will improve comparability, and the inclusion of the specified variances and the explanations of significant variances will provide more useful information for making decisions and assessing accountability.

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

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

District-Wide Financial Statements (Continued)

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.

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

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

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

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

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

Reclassifications

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting

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

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

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

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

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

Use of Estimates

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

3. Inventories

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

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

4. Capital Assets

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

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

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

Assets	Years
Site Improvements	20
Buildings and Building Improvements	40
Machinery Equipment and Vehicles	10-20
Office Equipment and Furniture	10-20
Computer Equipment	5

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

5. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two types which arise only under the accrual basis of accounting that qualifies for reporting in this category. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The first item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other item is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

6. Compensated Absences

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

7. Pensions

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING P OLICIES (Continued)

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

7. *Pensions (Continued)*

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

8. Financing Agreements

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

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

9. Long-Term Obligations

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

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

10. Net Position/Fund Balance

District-Wide Statements

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

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING P OLICIES (Continued)

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

10. Net Position/Fund Balance (Continued)

District-Wide Statements (Continued)

- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

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

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

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

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

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

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

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 3B).

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

Maintenance Reserve – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 3C).

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

Emergency Reserve – This restriction was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education. (See Note 3D).

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING P OLICIES (Continued)

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

10. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

Unemployment Compensation Reserve – This restriction was created in accordance with R.S. 43:21-7.3 to reserve funds for unemployment compensation claims reimbursable to the State under the District's election for payment in lieu of contributions (benefit reimbursement method). (See Note 5).

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

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

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

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

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

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

11. Fund Balance Policies

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses

1. Program Revenues

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

2. Property Taxes

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

3. Tuition Revenues and Expenditures

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

Tuition Expenditures - Tuition charges for the fiscal years 2023-2024 and 2024-2025 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

4. On-Behalf Payments

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

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

5. Proprietary Funds, Operating and Nonoperating Revenues and Expenses

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

NOTE 2 RECONCILIATION OF DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the district-wide statement of activities

An element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds". The details of this difference are as follows:

Compensated Absences	$ (71,555)
Accrued Interest	3,735
Amortization of Deferred Amount on Refunding of Debt	(51,915)
Amortization of Bond Discount	(2,329)
PERS Net Pension Expense	1,308,847
Net Adjustment to Increase Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities	$ 1,186,783

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2024/2025. Also, during 2024/2025 the Board increased the original General Fund budget by $8,988,839 and the original Special Revenues budget by $2,779,962. The increases were funded by additional appropriation of 2023/24 unbudgeted extraordinary aid and nonpublic transportation aid, additional grant awards, student activity revenues and the reappropriation of prior year general fund encumbrances.

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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

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

B. Capital Reserve

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

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

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

Balance, July 1, 2024		$ 24,242,395
Increased by:		
Interest Income	$ 608,239	
Deposits Approved by Board Resolution	3,665,471	
Return of Unencumbered Budget Appropriations Funded from Capital Reserve	1,858,917	
		6,132,627
		30,375,022
Decreased by:		
Approved in District Budget		
General Fund	7,026,169	
Capital Projects	12,325,141	
		19,351,310
Balance, June 30, 2025		$ 11,023,712

The June 30, 2025 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be $73,408,500. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the District's Long Range Facilities Plan and for the payment of long-term debt. The District has designated and appropriated $51,813 of the capital reserve as a withdrawal in the 2025/26 original budget certified for taxes.

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Maintenance Reserve

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

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

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

Balance, July 1, 2024	$ 3,903,206
Increased by:	
Deposits Approved by Board Resolution	200,000
	4,103,206
Decreased by:	
Approved in District Budget	760,894
Balance, June 30, 2025	$ 3,342,312

The June 30, 2025 comprehensive maintenance plan indicated a maximum maintenance reserve amount of $4,353,206. The withdrawals form the maintenance reserve were for use in required maintenance activities for school facilities. $750,000 of the maintenance reserve balance at June 30, 2025 was designated and appropriated for use in the 2025/26 original budget certified for taxes.

D. Emergency Reserve

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

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

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Emergency Reserve

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

Balance, July 1, 2024	$ 855,750
Decreased by:	
Approved in District Budget	200,000
Balance, June 30, 2025	$ 655,750

$200,000 of the emergency reserve balance at June 30, 2025 was designated and appropriated for use in the 2025/26 original budget certified for taxes.

E. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2025 is $1,200,000. Of this amount, $600,000 was designated and appropriated in the 2025/2026 original budget certified for taxes and the remaining amount of $600,000 will be appropriated in the 2026/2027 original budget certified for taxes.

NOTE 4 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

Bank balances are insured up to $250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to $250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of $250,000 for each failed brokerage firm. At June 30, 2025, the book value of the Board's deposits was $4,750,864 and bank and brokerage firm balances of the Board's deposits amounted to $8,086,821. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

Depository Account	Bank Balance
Insured	$ 7,496,999
Uninsured and Collateralized	589,822
	$ 8,086,821

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2025 the Board's bank balances of $589,822 were exposed to custodial credit risk.

Depository Account	
Uninsured and Collateralized	
Collateral held by pledging financial institution's trust department but not in the Board's name.	$ 589,822

Investments

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

As of June 30, 2025, the Board had the following investments:

Investment Type:	Fair Value
N.J. Cash Management Fund	$ 36,131,704

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial credit risk. As of June 30, 2025, $36,131,704 of the Board's investments was exposed to custodial credit risk as follows:

	Fair Value
Uninsured and Collateralized:	
Collateral held by pledging financial institutions' trust department or agent but not in the Board's name	$ 36,131,704

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

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

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

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Board's investment in a single issuer. The Board places no limit in the amount the District may invest in any one issuer. More than five (5) percent of the Board's investments are in NJ Cash Management Fund. These investments are 100% of the District's total investments.

Fair Value of Investments. The Paramus Board of Education measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

* *Level 1:* Quoted prices for identical investments in active markets;
* *Level 2:* Observable inputs other than those in Level 1; and
* *Level 3:* Unobservable inputs.

Investments are valued based on price data obtained from observed transactions and market price quotations provided by N.J. Cash Management Fund. Since the value is not obtained from a quoted price in an active market the investments held by the District at June 30, 2025 are categorized as Level 2.

At June 30, 2025, the Board had the following recurring fair value measurement:

Investments by Fair Value Level	June 30, 2025	Level 1	Level 2	Level 3
New Jersey Cash Management Fund	$ 36,131,704		$ 36,131,704	
Total Investment at Fair Value	$ 36,131,704	$ -	$ 36,131,704	$ -

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

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

	General	Special Revenue	Capital Projects	Food Service	Total
Receivables:					
Accounts	$ 2,452			$ 31,442	$ 33,894
Intergovernmental					
Federal	847	$ 537,225		68,545	606,617
State	315,463	1,087	$ 802,542	5,245	1,124,337
Other	123,063	-	-	-	123,063
Gross Receivables	441,825	538,312	802,542	105,232	1,887,911
Less: Allowance for Uncollectibles	-	-	-	-	-
Net Total Receivables	$ 441,825	$ 538,312	$ 802,542	$ 105,232	$ 1,887,911

C. Unearned Revenue

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

General Fund	
Tuition Charges	$ 39,565
Special Revenue Fund	
Unencumbered Grant Draw Downs	3,932
Grant Draw Downs Year-End Encumbrances	4,230
Total Unearned Revenue for Governmental Funds	$ 47,727

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Balance, July 1, 2024	Increases	Decreases	Transfers	Balance, June 30, 2025
Governmental Activities:					
Capital Assets, not Being Depreciated:					
Land	$ 400,645				$ 400,645
Construction in Progress	2,415,612	$ 8,434,244	-	$ (2,415,612)	8,434,244
Total Capital Assets, not Being Depreciated	2,816,257	8,434,244	-	(2,415,612)	8,834,889
Capital Assets, Being Depreciated:					
Buildings and Building Improvements	105,191,975	1,237,531		2,415,612	108,845,118
Site Improvements	6,699,394				6,699,394
Machinery and Equipment	12,513,707	898,548	-	-	13,412,255
Total Capital Assets Being Depreciated	124,405,076	2,136,079	-	2,415,612	128,956,767
Less Accumulated Depreciation for:					
Buildings and Building Improvements	(52,596,921)	(3,286,489)			(55,883,410)
Site Improvements	(2,674,205)	(332,218)			(3,006,423)
Machinery and Equipment	(8,589,392)	(984,627)	-	-	(9,574,019)
Total Accumulated Depreciation	(63,860,518)	(4,603,334)	-	-	(68,463,852)
Total Capital Assets, Being Depreciated, Net	60,544,558	(2,467,255)	-	2,415,612	60,492,915
Governmental Activities Capital Assets, Net	$ 63,360,815	$ 5,966,989	$ -	$ -	$ 69,327,804

	Balance, July 1, 2024	Increases	Decreases	Balance, June 30, 2025
Business-Type activities:				
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	$ 145,725			$ 145,725
Machinery and Equipment	499,504	$ 5,065	-	504,569
Total Capital Assets Being Depreciated	645,229	5,065	-	650,294
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(63,791)	(3,583)		(67,374)
Machinery and Equipment	(392,372)	(20,364)	-	(412,736)
Total Accumulated Depreciation	(456,163)	(23,947)	-	(480,110)
Total Capital Assets, Being Depreciated, Net	189,066	(18,882)	-	170,184
Business-Type Activities Capital Assets, Net	$ 189,066	$ (18,882)	$ -	$ 170,184

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

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

Governmental Activities:	
Instruction	
Regular	$ 3,665,246
Special Education	10,194
Total Instruction	3,675,440
Support Services	
Student and Instruction Related Services	148,858
General Administrative Services	19,632
School Administrative Services	40,428
Plant Operations and Maintenance	541,277
Pupil Transportation	177,699
Total Support Services	927,894
Total Depreciation Expense - Governmental Funds	$ 4,603,334
Business-Type Activities:	
Food Service Fund	$ 23,947
Total Depreciation Expense-Business-Type Activities	$ 23,947

Construction and Other Significant Commitments

The District has the following active construction and other significant commitments at June 30, 2025 as follows:

Project/Purpose	Spent-to-Date	Remaining Commitment
High School Loading Dock & Courtyard Upgrades	$ 1,386,629	$ 112,371
Rooftop Restoration Project at Stony Lane Elementary School	1,111,885	335,690
Rekeying and Door Replacement Services District Wide	614,707	831,712
High School Facade Repair		2,713,698
HVAC Upgrades at East Brook and West Brook Schools	247,107	4,612,893

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

Due To/From Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Special Revenue Fund	$ 276,986
Capital Projects Fund	General Fund	13,575,141
		$ 13,852,127

Interfund transfers

	Transfer In: Capital Projects Fund	Total
Transfer Out:		
General Fund	$ 12,325,141	$ 12,325,141
Total Transfers	$ 12,325,141	$ 12,325,141

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

F. Financing Agreements

Capital Financing Agreements

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

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

$456,505, fiscal year 2025 Agreement for the acquisition of interactive displays for a term of 5 years due in annual principal installments of $80,943 through $101,189 through November 15, 2029 interest at 5.23%	$ 456,505

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

F. Financing Agreements (Continued)

Capital Financing Agreements (Continued)

Fiscal Year Ending June 30,	Capital Financing Agreements Principal	Interest	Total
2026	$ 80,943	$ 25,539	$ 106,482
2027	86,836	19,646	106,482
2028	91,378	15,104	106,482
2029	96,159	10,323	106,482
2030	101,189	5,293	106,482
Total	$ 456,505	$ 75,905	$ 532,410

G. Long-Term Debt

General Obligation Bonds

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

Bonds payable at June 30, 2025 is comprised of the following issue:

$8,335,000, 2020 Refunding Bonds, due in annual installments of $1,040,000 to $1,155,000 through April 1, 2029, interest at 1.375% to 1.875%	$4,395,000

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

Governmental Activities:

Year Ending June 30,	Serial Bonds Principal	Interest	Total
2026	$ 1,155,000	$ 71,081	$ 1,226,081
2027	1,120,000	55,200	1,175,200
2028	1,080,000	38,400	1,118,400
2029	1,040,000	17,500	1,057,500
Total	$ 4,395,000	$ 182,181	$ 4,577,181

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt (Continued)

Statutory Borrowing Power

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

4% of Equalized Valuation Basis (Municipal)	$ 522,896,246
Less: Net Debt Issued and Authorized But Not Issued	4,395,000
Remaining Borrowing Power	$ 518,501,246

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	Balance, July 1, 2024 (Restated)	Additions	Reductions	Balance, June 30, 2025	Due Within One Year
Governmental Activities:					
Bonds Payable	$ 5,590,000		$ 1,195,000	$ 4,395,000	$ 1,155,000
Less:					
Unamortized Discount	7,603	-	2,329	5,274	-
Bonds Payable, Net	5,582,397	-	1,197,329	4,389,726	1,155,000
Capital Financing Agreement		$ 456,505		456,505	80,943
Net Pension Liability	13,972,568	769,166	1,341,888	13,399,846	
Compensated Absences	2,044,436	131,018	59,463	2,115,991	100,000
Governmental Activity Long-Term Liabilities	$ 21,599,401	$ 1,356,689	$ 2,598,680	$ 20,362,068	$ 1,335,943

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

NOTE 5 OTHER INFORMATION

A. Risk Management

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

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

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

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

The District provides health insurance coverage with the New Jersey State Employees Health Benefits Program.

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

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

Year Ended June 30,	Employee Contributions	Amount Reimbursed	Ending Balance
2025	$ 173,758	$ 148,619	$ 266,591
2024	177,931	169,436	266,591
2023	181,585	113,510	266,591

NOTE 5 OTHER INFORMATION (Continued)

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation except for the school bus accident that occurred on May 17, 2018. There were numerous tort claims and/or complaints that were filed by parents on behalf of their children, school employees, and the employee of the company that owns the truck that collided with the bus. The claims, some of which are material, have been defended by the Board's general liability insurance carrier. The claims have been settled with two (2) lawsuits remaining to be resolved. The pending matters are currently in discovery. The amount of potential losses from the open claims cannot be determined, nor can the potential damage not covered by insurance be estimated. The previously settled complaints have been covered by the Board's insurance carrier with very limited financial exposure to the District.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2025, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2025, the District has not estimated its arbitrage earnings due to the IRS, if any.

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Public Employees' Retirement System (PERS) (Continued)

The following represents the membership tiers for PERS:

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

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

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

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

The following represent the membership tiers for TPAF:

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

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

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

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

Other Pension Funds

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

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

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

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

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

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

Actuarial Methods and Assumptions

In the July 1, 2023 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2025.

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2025 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was more than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2025, 2024 and 2023 were equal to the required contributions.

During the fiscal years ended June 30, 2025, 2024 and 2023 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively, for normal cost pension and unfunded accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Year Ended June 30,	PERS	On-Behalf TPAF	DCRP
2025	$ 1,341,888	$ 13,238,087	$ 152,110
2024	1,289,301	13,261,933	176,703
2023	1,175,439	12,423,123	182,571

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2025, 2024 and 2023 the State contributed $4,758, $4,205 and $3,737, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board $2,831,834 during the fiscal year ended June 30, 2025 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2023 through June 30, 2024. Employer allocation percentages have been rounded for presentation purposes. Contributions from employers are recognized when due based on statutory requirements.

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

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2024 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2024.

At June 30, 2025, the District reported in the statement of net position (accrual basis) a liability of $13,399,846 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2024. At June 30, 2024, the District's proportionate share was .09861 percent, which was an increase of .00214 percent from its proportionate share measured as of June 30, 2023 of .09647 percent.

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2025, the District recognized in the district-wide statement of activities (accrual basis) pension expense of $33,041 for PERS. The pension contribution made by the District during the current 2024/2025 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2025 with a measurement date of the prior fiscal year end of June 30, 2024. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2025 for contributions made subsequent to the measurement date. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 268,424	$ 35,674
Changes of Assumptions	16,647	152,459
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		621,314
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	593,719	687,025
Total	$ 878,790	$ 1,496,472

At June 30, 2025, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense/(benefit) as follows:

Year Ending June 30,	Total
2026	$ (52,070)
2027	(389,568)
2028	(193,279)
2029	17,235
Thereafter	-
	$ (617,682)

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

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

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

Mortality Rates

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

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Sensitivity of Net Pension Liability

The following presents the District's proportionate share of the PERS net pension liability as of the June 30, 2024 measurement date calculated using the discount rate of 7.00 percent, as well as what the District's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
District's Proportionate Share of the PERS Net Pension Liability	$ 17,805,101	$ 13,399,846	$ 9,650,998

The sensitivity analysis was based on the proportionate share of the District's net pension liability as of the measurement date of June 30, 2024. A sensitivity analysis specific to the District's net pension liability at June 30, 2024 was not provided by the pension system.

Pension Plan Fiduciary Net Position

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The non-employer allocation percentages presented are based on the ratio of the State's actual contributions made as an employer and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2023 through June 30, 2024. Non-employer allocation percentages have been rounded for presentation purposes.

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

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

For the fiscal year ended June 30, 2025, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of $554,780 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2025 the State's proportionate share of the net pension liability attributable to the District is $152,084,175. The net pension liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2024. At June 30, 2024, the State's share of the net pension liability attributable to the District was .30771 percent, which was an increase of .00798 percent from its proportionate share measured as of June 30, 2023 of .29973 percent.

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

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

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

Mortality Rates

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

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the TPAF's target asset allocation as of June 30, 2024 are summarized in the following table:

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

Discount Rate

The discount rate used to measure the total pension liability for TPAF was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District as of the June 30, 2024 measurement date calculated using the discount rate of 7.00%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00% percent) or 1-percentage-point higher (8.00% percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	$ 180,773,572	$ 152,084,175	$ 127,922,279

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2024. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2024 was not provided by the pension system.

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans,* the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

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

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.nj.gov/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	153,556
Total	372,741

Measurement Focus and Basis of Accounting

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

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

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2024 is $59.7 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities at June 30, 2024 were determined based on actuarial valuations as of July 1, 2023 which were rolled forward to June 30, 2024.

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the June 30, 2023 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of $1.50 billion to the OPEB plan in fiscal year 2024.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2025, 2024 and 2023 were $3,868,179, $3,609,413 and $3,263,525, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2023 through June 30, 2024. Nonemployer allocation percentages have been rounded for presentation purposes.

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

For the fiscal year ended June 30, 2025, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of $5,731,460. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2025 the State's proportionate share of the OPEB liability attributable to the District is $175,365,624. The State's proportionate share of the OPEB liability attributable to the District was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2024 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2024. At June 30, 2024, the state's share of the OPEB liability attributable to the District was .29401 percent, which was a decrease of .00077 percent from its proportionate share measured as of June 30, 2023 of .29478 percent.

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions

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

	PERS	TPAF
Salary Increases	2.75% to 6.55% Based on Years of Service	2.75% to 5.65% Based on Years of Service

Mortality Rates

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

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

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

Health Care Trend Assumptions

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

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Discount Rate

The discount rate for June 30, 2024 was 3.93%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2025 (measurement date June 30, 2024) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2023 Measurement Date	$ 154,350,593
Changes Recognized for the Fiscal Year:	
Service Cost	6,075,130
Interest on the Total OPEB Liability	5,772,621
Differences Between Expected and Actual Experience	305,287
Changes of Assumptions	13,119,681
Gross Benefit Payments	(4,408,644)
Contributions from the Member	150,956
Net Changes	$ 21,015,031
Balance, June 30, 2024 Measurement Date	$ 175,365,624

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

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2024.

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District as of the June 30, 2024 measurement date calculated using the discount rate of 3.93%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
State's Proportionate Share of the OPEB Liability Attributable to the District	$ 205,390,703	$ 175,365,624	$ 151,219,228

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the State's proportionate share of the OPEB liability attributable to the District as of the June 30, 2024 measurement date calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State's Proportionate Share of the OPEB Liability Attributable to the District	$ 146,080,842	$ 175,365,624	$ 213,510,986

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

F. Tax Abatements

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

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

NOTE 6 RESTATEMENT

During fiscal year 2025, the Paramus Board of Education implemented GASB Statement No. 101, Compensated Absences. The Paramus Board of Education has determined that the effect of the implementation of the new GASB statement on the financial statements previously reported as of and for the fiscal year ended June 30, 2024 is as follows:

Governmental Activities

The financial statements of the governmental activities as of June 30, 2024, have been restated to reflect certain activities related to compensated absences. The effect of this restatement is to decrease net position of governmental activities by $1,574,575 from $84,354,018 as previously reported to $82,779,443 as of June 30, 2024. In addition, the liability for compensated absences payable is increased by $1,574,575 from $469,861 as previously reported to $2,044,436 as of June 30, 2024.

	District-Wide Net Position Governmental Activities	District-Wide Long Term Liabilities-Compensated Absences Governmental Activities
Balance July 1, 2024 - As Reported	$ 84,354,018	$ 469,861
Change in Accounting Principle (Adoption of GASB No. 101)	(1,574,575)	1,574,575
Balance, July 1, 2024 - Restated	$ 82,779,443	$ 2,044,436

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

PARAMUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
REVENUES					
Local Sources					
Property Taxes	$ 88,316,265		$ 88,316,265	$ 88,316,265	
Tuition from Individuals	637,071		637,071	584,802	$ (52,269)
Tuition from Other LEAs Within State	101,641		101,641	287,676	186,035
Tuition from Summer School	40,000		40,000	3,715	(36,285)
Interest Earned on Capital Reserve Funds	7,000		7,000	608,239	601,239
Rents and Royalties	296,098		296,098	439,730	143,632
Unrestricted Miscellaneous Revenues	536,500	-	536,500	3,836,914	3,300,414
Total Local Sources	89,934,575	-	89,934,575	94,077,341	4,142,766
State Sources					
Special Education Aid	4,051,559		4,051,559	4,051,559	-
Security Aid	413,063		413,063	413,063	-
Transportation Aid	1,179,183		1,179,183	1,179,183	-
NonPublic Transportation Aid				133,562	133,562
Extraordinary Aid				1,146,546	1,146,546
Homeless Reimbursement				49,646	49,646
Menstrual Reimbursement				10,670	10,670
Lead Testing Reimbursement				10,158	10,158
On-Behalf TPAF (Non-Budget).					
Social Security Contribution				2,831,834	2,831,834
Pension Contribution				13,076,109	13,076,109
NCGI Premium				161,978	161,978
Long Term Disability Insurance				4,758	4,758
Post Retirement Medical Contribution	-	-	-	3,868,179	3,868,179
Total State Sources	5,643,805	-	5,643,805	26,937,245	21,293,440
Federal Sources					
Medicaid Reimbursement	63,445	-	63,445	28,374	(35,071)
Total Federal Sources	63,445	-	63,445	28,374	(35,071)
Total Revenues	95,641,825	-	95,641,825	121,042,960	25,401,135
EXPENDITURES					
CURRENT					
Instruction - Regular Programs					
Salaries of Teachers					
Preschool	625,356	$ (428,359)	196,997	196,997	-
Kindergarten	1,028,377	16,997	1,045,374	1,045,324	50
Grades 1-5	6,876,210	207,950	7,084,160	7,083,207	953
Grades 6-8	5,992,227	(52,039)	5,940,188	5,940,188	-
Grades 9-12	7,816,316	(60,414)	7,755,902	7,755,902	-
Regular Programs - Home Instruction					
Salaries of Teachers	15,000	824	15,824	15,824	-
Purchased Professional-Educational Services	5,000	27,600	32,600	26,970	5,630
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	657,178	(105,919)	551,259	551,213	46
Purchased Professional-Educational Services	10,300	(3,996)	6,304	5,290	1,014
Purchased Technical Services	196,050	(96,017)	100,033	100,032	1
Other Purchased Services	69,000	389,812	458,812	2,121	456,691
General Supplies	1,809,960	284,480	2,094,440	1,708,025	386,415
Textbooks	270,715	(153,460)	117,255	113,279	3,976
Other Objects	24,100	50,133	74,233	71,615	2,618
Total Regular Programs	25,395,789	77,592	25,473,381	24,615,987	857,394
Special Education					
Learning and/or Language Disabilities					
Salaries of Teachers	556,369	105,904	662,273	662,033	240
Other Salaries for Instruction	362,613	(45,057)	317,556	317,109	447
Purchased Professional-Educational Services	43,921	(22,070)	21,851	20,589	1,262
General Supplies	5,000	3,591	8,591	8,550	41
Total Learning and/or Language Disabilities	967,903	42,368	1,010,271	1,008,281	1,990

Continued

PARAMUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT					
Special Education (Continued)					
Multiple Disabilities					
Salaries of Teachers	$ 237,282	$ 72,907	$ 310,189	$ 310,189	-
Other Salaries for Instruction	479,343	110,338	589,681	589,187	$ 494
Purchased Professional-Educational Services	1,069,116	-	1,069,116	1,069,116	-
General Supplies	5,000	(137)	4,863	3,028	1,835
Total Multiple Disabilities	1,790,741	183,108	1,973,849	1,971,520	2,329
Resource Room/Resource Center					
Salaries of Teachers	4,693,698	147,819	4,841,517	4,841,517	-
Other Salaries for Instruction	711,124	52,035	763,159	763,159	-
General Supplies	20,000	(825)	19,175	17,533	1,642
Total Resource Room	5,424,822	199,029	5,623,851	5,622,209	1,642
Autism					
Salaries of Teachers	231,722	63,962	295,684	288,458	7,226
Other Salaries for Instruction	268,754	129,876	398,630	398,630	-
Purchased Professional-Educational Services	201,483	(53,248)	148,235	146,540	1,695
General Supplies	25,000	334	25,334	25,330	4
Other Objects	500	(500)	-	-	-
Total Autism	727,459	140,424	867,883	858,958	8,925
Preschool Disabilities - Full - Time					
Salaries of Teachers	387,088	353,228	740,316	739,835	481
Other Salaries for Instruction	491,077	(1,492)	489,585	489,531	54
Purchased Professional-Educational Services	28,800	86,371	115,171	115,171	-
General Supplies	8,000	(4,678)	3,322	3,322	-
Total Preschool Disabilities - Full - Time	914,965	433,429	1,348,394	1,347,859	535
Home Instruction					
Salaries of Teachers	50,000	(25,020)	24,980	24,952	28
Purchased Professional-Educational Services	24,000	20,520	44,520	41,864	2,656
Total Home Instruction	74,000	(4,500)	69,500	66,816	2,684
Total Special Education	9,899,890	993,858	10,893,748	10,875,643	18,105
Basic Skills/Remedial					
Salaries of Teachers	494,015	(437)	493,578	493,232	346
General Supplies	500	-	500	486	14
Total Basic Skills/Remedial	494,515	(437)	494,078	493,718	360
Bilingual Education					
Salaries of Teachers	825,792	6,200	831,992	831,992	-
Other Salaries for Instruction	66,645	(17,376)	49,269	49,269	-
Purchased Professional-Educational Services	3,000	1,000	4,000	3,103	897
General Supplies	9,000	-	9,000	7,238	1,762
Total Bilingual Education	904,437	(10,176)	894,261	891,602	2,659
School Sponsored Co-Curricular Activities					
Salaries	270,000	28,937	298,937	298,937	-
Supplies and Materials	19,800	5,726	25,526	25,526	-
Other Objects	33,600	(4,910)	28,690	28,690	-
Total School Sponsored Co-Curricular Activities	323,400	29,753	353,153	353,153	-
School Sponsored Athletics - Instruction					
Salaries	642,195	44,974	687,169	687,169	-
Purchased Services	179,275	16,166	195,441	195,441	-
Other Purchased Services		-			-
Supplies and Materials	81,500	51,311	132,811	103,961	28,850
Other Objects	42,000	(1,806)	40,194	40,194	-
Total School Sponsored Athletics - Instruction	944,970	110,645	1,055,615	1,026,765	28,850

Continued

PARAMUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT (Continued)					
Other Supplemental/At-Risk Programs - Instruction					
Salaries of Reading Specialists	$ 732,390	$ 6,000	$ 738,390	$ 738,390	-
General Supplies	3,500	(2,002)	1,498	1,498	-
Total Other Supplemental/At-Risk Programs - Instruction	735,890	3,998	739,888	739,888	-
Total - Instruction	38,698,891	1,205,233	39,904,124	38,996,756	$ 907,368
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State - Regular	70,234	(29,644)	40,590	40,590	-
Tuition to Other LEAs Within the State - Special	465,219	755,001	1,220,220	1,220,220	-
Tuition to County Voc. School Dist.-Regular	1,067,598	(12,726)	1,054,872	1,034,980	19,892
Tuition to County Voc. School Dist.-Special	160,002	104,687	264,689	250,164	14,525
Tuition to CSSD & Reg. Day Schools	1,054,848	266,160	1,321,008	1,321,008	-
Tuition to Private Schools - Disabled W/I State	1,051,307	689,262	1,740,569	1,739,527	1,042
Total Undistributed Expenditures - Instruction (Tuition)	3,869,208	1,772,740	5,641,948	5,606,489	35,459
Attendance and Social Work Services					
Salaries	42,929	-	42,929	42,929	-
Total Attendance and Social Work Services	42,929	-	42,929	42,929	-
Health Services					
Salaries	948,973	93,898	1,042,871	1,039,946	2,925
Purchased Professional and Technical Services	222,500	(21,037)	201,463	168,512	32,951
Supplies and Materials	41,637	(7,855)	33,782	27,548	6,234
Supplies and Materials - Menstrual		10,700	10,700	10,670	30
Other Objects	500	-	500	-	500
Total Health Services	1,213,610	75,706	1,289,316	1,246,676	42,640
Speech, OT, PT and Related Services					
Salaries	1,820,002	(26,399)	1,793,603	1,793,603	-
Purchased Professional - Educational Services	1,367,000	(650,465)	716,535	714,960	1,575
Supplies and Materials	10,000	5,822	15,822	15,822	-
Total Speech, OT, PT and Related Services	3,197,002	(671,042)	2,525,960	2,524,385	1,575
Other Supp. Serv. Students - Extra Services					
Purchased Professional - Educational Services	661,215	(661,215)	-	-	-
Total Other Supp. Serv. Students - Extra Services	661,215	(661,215)	-	-	-
Other Support Services - Students - Guidance					
Salaries of Other Professional Staff	1,586,537	52,071	1,638,608	1,638,608	-
Salaries of Secretarial and Clerical Assistants	320,453	884	321,337	321,337	-
Other Purchased Professional and Technical Services	9,000	3,305	12,305	12,290	15
Supplies and Materials	9,620	(4,509)	5,111	3,836	1,275
Other Objects	2,100	-	2,100	1,865	235
Total Other Support Services - Students - Guidance	1,927,710	51,751	1,979,461	1,977,936	1,525
Other Support Services - Students - Child Study Teams					
Salaries of Other Professional Staff	1,831,605	96,085	1,927,690	1,927,684	6
Salaries of Secretarial and Clerical Assistants	198,927	-	198,927	198,927	-
Purchased Professional/Educational Services	949,989	(101,497)	848,492	838,835	9,657
Supplies and Materials	8,000	4,225	12,225	12,015	210
Other Objects	-	500	500	-	500
Total Other Support Services - Students - Child Study Teams	2,988,521	(687)	2,987,834	2,977,461	10,373

Continued

PARAMUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT (Continued)					
Improvement of Instruction Services/					
Other Support Services-Instructional Staff					
Salaries of Supervisors of Instruction	$ 1,091,515	$ (42,328)	$ 1,049,187	$ 1,049,187	
Salaries of Other Professional Staff	4,500	(4,500)			
Salaries of Secretarial and Clerical	202,427	16,701	219,128	219,128	
Other Salaries	85,000	(85,000)			
Salaries of Facilitators, Math/Literacy Coaches and Masters	74,050	-	74,050	74,050	
Purchased Professional - Educational Services		90,752	90,752	90,752	
Other Purchased Professional and Technical Services	34,250	(1,952)	32,298	31,634	$ 664
Other Purchased Services	500	(23)	477		477
Supplies and Materials	1,600	7,701	9,301	9,300	1
Other Objects	2,600	2,619	5,219	2,830	2,389
Total Improvement of Instruction Services/ Other Support Services-Instructional Staff	1,496,442	(16,030)	1,480,412	1,476,881	3,531
Educational Media Services/School Library					
Salaries	621,534	(63,610)	557,924	557,924	
Other Salaries		105,600	105,600	105,600	
Salaries of Technology Coordinators	511,850	(29,644)	482,206	482,206	
Unused Vacation Payments to Terminated/Retired Staff		4,574	4,574	4,574	
Travel		2,905	2,905	1,936	969
Supplies and Materials	82,225	(2,359)	79,866	72,597	7,269
Total Educational Media Services/School Library	1,215,609	17,466	1,233,075	1,224,837	8,238
Instructional Staff Training Services					
Salaries of Other Professional Staff	8,000	4,266	12,266	11,434	832
Purchased Professional- Educational Services	29,000	27,791	56,791	56,740	51
Other Purchased Services	47,800	(15,031)	32,769	19,706	13,063
Supplies and Materials	7,000	-	7,000	4,817	2,183
Total Instructional Staff Training Services	91,800	17,026	108,826	92,697	16,129
Support Services General Administration					
Salaries	347,980	637	348,617	348,580	37
Legal Services	140,000	26,381	166,381	161,068	5,313
Audit Fees	47,000	(920)	46,080	46,080	-
Architectural/Engineering Services	20,000	2,115	22,115	18,780	3,335
Other Purchased Professional Services	25,150	2,892	28,042	27,198	844
Communications/Telephone	249,736	16,250	265,986	245,655	20,331
BOE Other Purchased Services	7,600	(3,430)	4,170	550	3,620
Miscellaneous Purchased Services	181,500	(62,282)	119,218	119,218	-
General Supplies	7,750	2,074	9,824	4,931	4,893
Judgements Against the School District	5,000	(5,000)	-	-	-
Miscellaneous Expenditures	13,278	(895)	12,383	10,337	2,046
BOE Membership Dues and Fees	31,240	-	31,240	28,315	2,925
Total Support Services General Administration	1,076,234	(22,178)	1,054,056	1,010,712	43,344
Support Services School Administration					
Salaries of Principals/Asst. Principals	2,081,264	83,876	2,165,140	2,165,098	42
Salaries of Other Professional Staff	892,817	(15,340)	877,477	877,477	-
Salaries of Secretarial and Clerical Assistants	980,384	10,304	990,688	990,688	-
Unused Vacation Payments to Terminated/Retired Staff	35,000	(35,000)	-	-	-
Other Purchased Services	14,500	-	14,500	7,331	7,169
Supplies and Materials	31,450	(5,426)	26,024	21,951	4,073
Other Objects	-	800	800	734	66
Total Support Services School Administration	4,035,415	39,214	4,074,629	4,063,279	11,350
Undistributed Expenditures - Central Services					
Salaries	1,239,815	(28,782)	1,211,033	1,211,033	-
Unused Vacation Payments to Terminated/Retired Staff		42,343	42,343	39,678	2,665
Purchased Professional Services	8,400	41,149	49,549	49,549	-
Purchased Professional Services- Public Relation Costs	53,000	53,200	106,200	106,200	-
Purchased Technical Services	56,085	(1,764)	54,321	53,252	1,069
Travel — All Other		4,170	4,170	4,169	1
Misc. Purchased Services	50,151	(3,966)	46,185	44,070	2,115
Supplies and Materials	8,880	2,918	11,798	11,798	-
Miscellaneous Expenditures	5,140	(784)	4,356	4,128	228
Total Undistributed Expenditures - Central Services	1,421,471	108,484	1,529,955	1,523,877	6,078

Continued

PARAMUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures - Admin. Info. Tech.					
Salaries	$ 321,774	$ 8,466	$ 330,240	$ 330,240	
Unused Vacation Payments to Terminated/Retired Staff		-			
Purchased Technical Services	5,000	18,707	23,707	9,576	$ 14,131
Travel	5,000	-	5,000	3,341	1,659
Total Undistributed Expenditures - Admin. Info. Tech.	331,774	27,173	358,947	343,157	15,790
Required Maintenance For School Facilities					
Salaries	794,260	46,082	840,342	840,342	-
Cleaning, Repair, and Maintenance Services	997,422	323,597	1,321,019	973,801	347,218
Lead Testing of Drinking Water	10,808	-	10,808	10,158	650
General Supplies	348,750	49,450	398,200	325,738	72,462
Total Required Maintenance For School Facilities	2,151,240	419,129	2,570,369	2,150,039	420,330
Custodial Services					
Salaries	3,692,471	(84,701)	3,607,770	3,607,770	-
Salaries of Non-Instructional Aides	263,901	199,738	463,639	463,639	-
Unused Vacation Payments to Terminated/Retired Staff	25,000	(16,179)	8,821	8,821	-
Purchased Professional and Technical Services	552,338	(169,448)	382,890	345,879	37,011
Cleaning, Repair, and Maintenance Services	504,250	(632)	503,618	432,048	71,570
Other Purchased Property Services	100,000	18,417	118,417	118,016	401
Insurance	700,000	119,935	819,935	819,523	412
Miscellaneous Purchased Services	1,500	335	1,835	1,802	33
General Supplies	222,579	26,994	249,573	243,028	6,545
Energy (Natural Gas)	620,000	(85,516)	534,484	490,145	44,339
Energy (Electricity)	1,110,000	119,000	1,229,000	1,221,815	7,185
Energy (Gasoline)	75,000	(44,716)	30,284	3,761	26,523
Other Objects	7,050	(3,234)	3,816	3,816	-
Total Custodial Services	7,874,089	79,993	7,954,082	7,760,063	194,019
Care & Upkeep of Grounds					
Salaries	431,936	(36,173)	395,763	395,763	-
Cleaning, Repair, and Maintenance Services	92,400	47,846	140,246	128,819	11,427
General Supplies	58,000	25,647	83,647	54,288	29,359
Total Care & Upkeep of Grounds	582,336	37,320	619,656	578,870	40,786
Security					
Salaries	818,696	17,911	836,607	834,236	2,371
Purchased Professional and Technical Services	45,000	(44,997)	3	-	3
Cleaning, Repair, and Maintenance Services	52,846	(3,552)	49,294	48,412	882
General Supplies	15,248	21,982	37,230	36,438	792
Other Objects	339	(189)	150	150	-
Total Security	932,129	(8,845)	923,284	919,236	4,048
Student Transportation Services					
Salaries for Pupil Transportation					
(Non-Instructional Aides)	81,408	(6,822)	74,586	74,576	10
(Between Home and School) - Regular	650,147	(20,359)	629,788	629,787	1
(Between Home and School) - Spec Ed	220,194	32,582	252,776	252,594	182
(Other than Between Home and School)	95,000	75,468	170,468	170,468	-
Management Fee - ESC & CTSA Trans Program	55,629	4,015	59,644	59,643	1
Other Purchased Professional and Technical Services	46,850	(29,721)	17,129	16,664	465
Cleaning, Repair and Maintenance Services	37,300	(14,954)	22,346	18,028	4,318
Contracted Services - Aid in Lieu of Payments	366,158	25,683	391,841	389,450	2,391
Contracted Services (Between Home and School)-Vendors	1,513,084	40,741	1,553,825	1,550,943	2,882
Contracted Services (Other Than Between Home and School)-Vendors	55,000	(30,600)	24,400	18,642	5,758
Contracted Services (Between Home and School) - Joint Agreements	1,000	(1,000)	-	-	-
Contracted Services (Special Ed Students)	1,003,072	(35,920)	967,152	931,735	35,417
Contracted Services (Regular Ed Students)-ESCs & CTSAs	275,108	7,495	282,603	282,603	-
Contracted Services (Special Ed Students)-ESCs & CTSAs	1,931,742	(137,942)	1,793,800	1,559,493	234,307
Miscellaneous Purchased Services - Transportation	19,500	(7,035)	12,465	12,082	383
General Supplies	3,000	2,121	5,121	4,993	128
Transportation Supplies	83,796	51,452	135,248	132,524	2,724
Other Objects	2,600	(2,125)	475	475	-
Total Student Transportation Services	6,440,588	(46,921)	6,393,667	6,104,700	288,967

Continued

PARAMUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT (Continued)					
Unallocated Benefits					
Social Security Contributions	$ 1,437,000	$ (12,905)	$ 1,424,095	$ 1,423,717	$ 378
Other Retirement Contributions - PERS	1,278,300	68,601	1,346,901	1,346,901	-
Other Retirement Contributions - Regular	186,000	(33,890)	152,110	152,110	-
Workmen's Compensation	409,167	(69,786)	339,381	338,966	415
Health Benefits	12,571,570	(75,397)	12,496,173	12,389,172	107,001
Tuition Reimbursement	90,150	(2,150)	88,000	81,993	6,007
Other Employee Benefits	324,663	(290,478)	34,185	29,635	4,550
Unused Sick Payment to Terminated/Retired Staff	75,000	26,180	101,180	59,463	41,717
Total Employee Benefits	16,371,850	(389,825)	15,982,025	15,821,957	160,068
On Behalf TPAF (Non-Budget)					
Pension Contribution				13,076,109	(13,076,109)
NCGI Premium				161,978	(161,978)
Post Retirement Medical Contribution				3,868,179	(3,868,179)
Long Term Disability Insurance(Non Budgeted)				4,758	(4,758)
Social Security Contribution	-	-	-	2,831,834	(2,831,834)
Total On Behalf	-	-	-	19,942,858	(19,942,858)
Total Undistributed Expenditures	57,921,172	829,259	58,750,431	77,389,039	(18,638,608)
Total Current Expenditures	96,620,063	2,034,492	98,654,555	116,385,795	(17,731,240)
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction					
Grades 9-12	35,814	40,106	75,920	37,534	38,386
Learning and/or Language Disabilities		3,060	3,060	3,060	-
Auditory Impairments		4,405	4,405	4,405	-
School Sponsored Athletics		44,374	44,374	18,819	25,555
Undistributed Expenditures					
Instruction	45,500	24,240	69,740	54,323	15,417
Non-Instructional		27,596	27,596	12,272	15,324
Support Services - Health Services - Non-Instructional		13,180	13,180	13,180	-
Central Services		8,758	8,758	8,758	-
Admin. Info. Tech.	32,185	(22,034)	10,151	-	10,151
Required Maint for School Facilities	147,137	27,522	174,659	174,659	-
Custodial Services	11,340	(11,340)	-	-	-
Care and Upkeep of Grounds	62,416	(6,227)	56,189	56,189	-
Security	100,000	118,950	218,950	161,905	57,045
Student Transportation - Non-Instructional	-	198,514	198,514	3,917	194,597
Capital Financing Agreement (Non-Budget)	-	-	-	456,505	(456,505)
Total Equipment	434,392	471,104	905,496	1,005,526	(100,030)
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	529,476	671,249	1,200,725	686,534	514,191
Construction Services	6,444,880	5,774,439	12,219,319	6,837,105	5,382,214
Assessment for Debt Service on SDA Funding	51,813	-	51,813	51,813	-
Total Facilities Acquis. and Const. Services	7,026,169	6,445,688	13,471,857	7,575,452	5,896,405
Interest Deposit to Capital Reserve	7,000	-	7,000	-	7,000
Total Capital Outlay	7,467,561	6,916,792	14,384,353	8,580,978	5,803,375

Continued

PARAMUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
SPECIAL SCHOOLS					
Summer School - Support Services					
Salaries	-	$ 1,260	$ 1,260	$ 1,200	$ 60
Total Summer School - Support Services	-	1,260	1,260	1,200	60
Total Summer School	-	1,260	1,260	1,200	60
Adult Education In-Local - Support Services					
Salaries	$ 7,500	(1,260)	6,240		6,240
Other Purchased Services	49,500	-	49,500		49,500
Supplies and Materials	3,500	-	3,500	-	3,500
Total Adult Education-In-Local - Support Services	60,500	(1,260)	59,240	-	59,240
Total Adult Education	60,500	(1,260)	59,240	-	59,240
Total Special Schools	60,500	-	60,500	1,200	59,300
Transfer of Funds to Charter Schools	80,764	37,555	118,319	118,319	-
Total Expenditures	104,228,888	8,988,839	113,217,727	125,086,292	(11,868,565)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,587,063)	(8,988,839)	(17,575,902)	(4,043,332)	13,532,570
Other Financing Sources (Uses)					
Capital Reserve Transfer to Capital Projects	(12,325,141)	-	(12,325,141)	(12,325,141)	-
Capital Financing Proceeds	-	-	-	456,505	456,505
Total Other Financing Sources/(Uses)	(12,325,141)	-	(12,325,141)	(11,868,636)	456,505
Excess (Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources (Uses)	(20,912,204)	(8,988,839)	(29,901,043)	(15,911,968)	13,989,075
Fund Balances, Beginning of Year	41,429,744	-	41,429,744	41,429,744	-
Fund Balances, End of Year	$ 20,517,540	$ (8,988,839)	$ 11,528,701	$ 25,517,776	$ 13,989,075

Reconciliation of Fund Balance	
Restricted Fund Balance:	
Excess Surplus - Designated for Subsequent Year's Budget	$ 600,000
Excess Surplus	600,000
Capital Reserve	10,971,899
Capital Reserve - Designated for Subsequent Year's Budget	51,813
Maintenance Reserve	2,592,312
Maintenance Reserve - Designated for Subsequent Year's Budget	750,000
Emergency Reserve	455,750
Emergency Reserve - Designated for Subsequent Year's Budget	200,000
Unemployment Compensation Reserve	266,591
Committed Fund Balance	
Year End Encumbrances	4,390,160
Assigned Fund Balance	
Year End Encumbrances	1,018,902
Unassigned Fund Balance	3,620,349
	25,517,776
Less: State Aid Payments not Recognized on GAAP Basis	(1,625,197)
Fund Balance, GAAP Basis	$ 23,892,579

PARAMUS BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Adjustment	Final Budget	Actual	Variance Final Budget to Actual
REVENUES					
Intergovernmental					
State	$ 3,068,400	$ 745,416	$ 3,813,816	$ 3,496,929	$ (316,887)
Federal	1,596,400	1,555,671	3,152,071	2,590,696	(561,375)
Local Sources					
Miscellaneous	5,200	478,875	484,075	469,027	(15,048)
Total Revenues	4,670,000	2,779,962	7,449,962	6,556,652	(893,310)
EXPENDITURES					
Instruction					
Salaries of Teachers	155,000	563,761	718,761	619,128	99,633
Purchased Prof. and Technical Services	11,000	(7,330)	3,670	1,514	2,156
Tuition	783,000	(15,651)	767,349	767,349	-
General Supplies	165,200	171,904	337,104	196,849	140,255
Co-Curricular - Student Activities		465,351	465,351	465,351	-
Textbooks	166,000	16,723	182,723	175,092	7,631
Total Instruction	1,280,200	1,194,758	2,474,958	2,225,283	249,675
Support Services					
Salaries of Teachers	30,716	3,116	33,832	24,660	9,172
Personal Services-Employee Benefits	75,000	(21,529)	53,471	53,471	-
Purchased Prof. and Technical Services	1,138,000	958,102	2,096,102	1,728,627	367,475
Other Purchased Professional Services	2,112,400	398,511	2,510,911	2,337,473	173,438
Other Purchased Services		2,400	2,400	1,805	595
General Supplies	28,684	55,446	84,130	79,812	4,318
Other Objects	5,000	38,993	43,993	40,793	3,200
Total Support Services	3,389,800	1,435,039	4,824,839	4,266,641	558,198
Facilities Acquisition and Construction					
Instructional Equipment		3,165	3,165	3,165	-
Non-Instructional Equipment	-	147,000	147,000	71,000	76,000
Total Facilities Acq. & Construction	-	150,165	150,165	74,165	76,000
Total Expenditures	4,670,000	2,779,962	7,449,962	6,566,089	883,873
Net Changes in Fund Balances	-	-	-	(9,437)	(9,437)
Fund Balances, Beginning of Year	404,259	-	404,259	404,259	-
Fund Balances, End of Year	$ 404,259	$ -	$ 404,259	$ 394,822	$ (9,437)
Restricted Fund Balances					
Student Activities				$ 394,822	

PARAMUS BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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

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

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual Revenues (budgetary basis)	$ 121,042,960	$ 6,556,652
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
June 30, 2025 Encumbrances		(4,230)
June 30, 2024 Encumbrances		22,375
State Aid payments recognized for GAAP purposes, not recognized for budgetary statements - Prior year	1,110,126	
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements. Current Year	(1,625,197)	-
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	$ 120,527,889	$ 6,574,797
Uses/outflows of resources		
Actual Expenditures (budgetary basis)	$ 125,086,292	$ 6,566,089
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
June 30, 2025 Encumbrances		(4,230)
June 30, 2024 Encumbrances	-	22,375
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	$ 125,086,292	$ 6,584,234

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION AND OTHER-POST EMPLOYMENT BENEFITS INFORMATION

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

PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Ten Fiscal Years *

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's Proportion of the Net Position Liability (Asset)	0.09861%	0.09647%	0.09321%	0.09902%	0.10401%	0.10362%	0.10536%	0.11067%	0.10572%	0.11196%
District's Proportionate Share of the Net Pension Liability (Asset)	$ 13,399,846	$ 13,972,568	$ 14,066,865	$ 11,730,603	$ 16,961,461	$ 18,669,856	$ 20,743,897	$ 25,761,293	$ 31,309,752	$ 25,132,522
District's Covered Employee Payroll	$ 8,017,697	$ 7,513,964	$ 7,270,072	$ 6,820,467	$ 7,246,038	$ 7,366,080	$ 7,275,488	$ 7,327,343	$ 7,497,718	$ 7,318,066
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	167%	186%	193%	172%	234%	253%	285%	352%	418%	343%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.92%

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

PARAMUS BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS

PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contribution	$ 1,341,888	$ 1,289,301	$ 1,175,439	$ 1,159,659	$ 1,137,827	$ 1,007,873	$ 1,047,943	$ 1,025,203	$ 939,157	$ 962,546
Contributions in Relation to the Contractually Required Contributions	1,341,888	1,289,301	1,175,439	1,159,659	1,137,827	1,007,873	1,047,943	1,025,203	939,157	962,546
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's Covered Employee Payroll	$ 8,614,300	$ 8,017,697	$ 7,513,964	$ 7,270,072	$ 6,820,467	$ 7,246,038	$ 7,366,080	$ 7,275,488	$ 7,327,343	$ 7,497,718
Contributions as a Percentage of Covered Employee Payroll	15.58%	16.08%	15.64%	15.95%	16.68%	13.91%	14.23%	14.09%	12.82%	12.84%

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

TEACHERS PENSION AND ANNUITY FUND
Last Ten Fiscal Years *

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	152,084,175	152,959,987	157,355,714	145,913,725	201,849,480	185,885,867	187,876,418	197,068,702	233,807,483	183,628,826
Total	$ 152,084,175	$ 152,959,987	$ 157,355,714	$ 145,913,725	$ 201,849,480	$ 185,885,867	$ 187,876,418	$ 197,068,702	$ 233,807,483	$ 183,628,826
District's Covered Employee Payroll	$ 39,623,412	$ 38,122,698	$ 37,453,942	$ 35,906,841	$ 33,279,960	$ 33,094,769	$ 32,768,289	$ 31,539,543	$ 30,515,234	$ 29,997,401
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

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

PARAMUS BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Change of Benefit Terms: None.

Change of Assumptions: Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 5D.

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

POSTEMPLOYMENT HEALTH BENEFIT PLAN

Last Eight Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018
Service Cost	$ 6,075,130	$ 6,001,068	$ 7,964,738	$ 9,231,033	$ 5,140,153	$ 4,999,101	$ 5,565,352	$ 6,694,348
Interest on the Total OPEB Liability	5,772,621	5,436,039	3,905,882	4,601,438	4,422,963	5,401,789	5,743,009	4,966,771
Changes of Benefit Terms			-	(188,800)				
Differences Between Expected and Actual Experience	305,287	(685,073)	1,416,774	(31,129,903)	32,888,666	(22,078,785)	(12,339,339)	
Changes of Assumptions	13,119,681	311,107	(39,537,517)	174,999	36,204,104	1,832,282	(15,651,995)	(20,688,988)
Gross Benefit Payments	(4,408,644)	(4,237,481)	(3,868,891)	(3,624,644)	(3,450,477)	(3,772,319)	(3,647,151)	(3,521,424)
Contribution from the Member	150,956	139,306	124,116	117,636	104,584	111,822	126,051	129,668
Net Change in Total OPEB Liability	21,015,031	6,964,966	(29,994,898)	(20,818,241)	75,309,993	(13,506,110)	(20,204,073)	(12,419,625)
Total OPEB Liability - Beginning	154,350,593	147,385,627	177,380,525	198,198,766	122,888,773	136,394,883	156,598,956	169,018,581
Total OPEB Liability - End of Year	$ 175,365,624	$ 154,350,593	$ 147,385,627	$ 177,380,525	$ 198,198,766	$ 122,888,773	$ 136,394,883	$ 156,598,956
District's Proportionate Share	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's Proportionate Share	175,365,624	154,350,593	147,385,627	177,380,525	198,198,766	122,888,773	136,394,883	156,598,956
Total OPEB Liability - Ending	$ 175,365,624	$ 154,350,593	$ 147,385,627	$ 177,380,525	$ 198,198,766	$ 122,888,773	$ 136,394,883	$ 156,598,956
Covered Employee Payroll	$ 47,641,109	$ 45,636,662	$ 44,724,014	$ 42,727,308	$ 40,525,998	$ 40,460,849	$ 40,043,777	$ 38,866,886
District's Proportionate Share of the OPEB Liability as a Percentage of Covered Employee Payroll:	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

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

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

PARAMUS BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Changes in Benefit Terms:	None.
Changes of Assumptions	Assumptions used in calculating the OPEB liability are presented in Note 5E.

SCHOOL LEVEL SCHEDULES

NOT APPLICABLE

SPECIAL REVENUE FUND

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

	Nonpublic Textbooks	Nonpublic Nursing Services	Nonpublic Technology	Nonpublic Security	Nonpublic Compensatory Education	Nonpublic ESL	Nonpublic Suppl. Inst.	Nonpublic Exam. and Class.	Nonpublic Home Instruction	Nonpublic Corrective Speech	Student Activities	Other Local Grants	Total Exhibit E-1A	Total Exhibit E-1B	Total
REVENUES															
Intergovernmental															
State	$ 175,092	$ 505,497	$ 152,120	$ 764,196	$ 304,908	$ 30,707	$ 535,173	$ 598,113	$ 1,087	$ 359,036			-	$ 71,000	$ 3,496,929
Federal													$ 2,026,578	564,118	2,590,696
Other	-	-	-	-	-	-	-	-	-	-	$ 455,914	$ 13,113	-	-	469,027
Total Revenues	175,092	505,497	152,120	764,196	304,908	30,707	535,173	598,113	1,087	359,036	455,914	13,113	2,026,578	635,118	6,556,652
EXPENDITURES															
Instruction															
Salaries of Teachers													257,048	362,080	619,128
Purchased Prof. and Tech. Services													1,514	-	1,514
Tuition													767,349		767,349
Other Purchased Services													-		-
General Supplies			152,120									13,113	26,115	5,501	196,849
Co-Curricular - Student Activities/Athletics											465,351				465,351
Textbooks	175,092	-	-	-	-	-	-	-	-	-	-	-	-	-	175,092
Total Instruction	175,092	-	152,120	-	-	-	-	-	-	-	465,351	13,113	1,052,026	367,581	2,225,283
Support Services															
Salaries of Teachers													24,660	-	24,660
Personal Services Employee-Benefits													36,843	16,628	53,471
Purchased Prof. & Tech. Services				681,032									867,686	179,909	1,728,627
Purchased Prof. Ed. Services													-	-	-
Other Purchased Professional Services		495,599		12,850	304,908	30,707	535,173	598,113	1,087	359,036				-	2,337,473
Other Purchased Services												-	1,805	-	1,805
General Supplies		9,898		67,149									2,765	-	79,812
Other Objects	-	-	-	-	-	-	-	-	-	-	-	-	40,793	-	40,793
Total Support Services	-	505,497	-	761,031	304,908	30,707	535,173	598,113	1,087	359,036	-	-	974,552	196,537	4,266,641
Facilities Acquisition & Construction															
Instructional Equipment				3,165									-	-	3,165
Non-Instructional Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	71,000	71,000
Total Facilities Acquisition & Construction	-	-	-	3,165	-	-	-	-	-	-	-	-	-	71,000	74,165
Total Expenditures	175,092	505,497	152,120	764,196	304,908	30,707	535,173	598,113	1,087	359,036	465,351	13,113	2,026,578	635,118	6,566,089
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-	-	-	-	-	-	-	(9,437)	-	-	-	(9,437)
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-	-	404,259	-	-	-	404,259
Fund Balance, End of Year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 394,822	$ -	$ -	$ -	$ 394,822

EXHIBIT E-1A

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

	ESEA							
REVENUES	**Title I**	**Title II Part - A**	**Title III**	**Title III Immigrant**	**Title IV**	**IDEA Basic**	**IDEA Preschool**	**Total Exhibit E-1A**
Intergovernmental								
Federal	$ 283,312	$ 56,422	$ 32,445	$ 24,795	$ 19,225	$ 1,562,845	$ 47,534	$ 2,026,578
Total Revenues	283,312	56,422	32,445	24,795	19,225	1,562,845	47,534	2,026,578
EXPENDITURES								
Instruction								
Salaries of Teachers	231,949		25,099					257,048
Purchased Prof. & Tech. Services	1,080				434			1,514
Tuition						767,349		767,349
General Supplies	7,636	-	5,756	12,135	588	-	-	26,115
Total Instruction	240,665	-	30,855	12,135	1,022	767,349	-	1,052,026
Support Services								
Salaries of Teachers				12,660	12,000			24,660
Personal Services-Employee Benefits	36,131		712					36,843
Purchased Prof. & Tech. Services		53,656	590		6,203	759,703	47,534	867,686
Other Purchased Services		1,805						1,805
General Supplies	1,516	961	288					2,765
Other Objects	5,000	-	-	-	-	35,793	-	40,793
Total Support Services	42,647	56,422	1,590	12,660	18,203	795,496	47,534	974,552
Total Expenditures	283,312	56,422	32,445	24,795	19,225	1,562,845	47,534	2,026,578
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-
Fund Balance, End of Year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

EXHIBIT E-1B

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

			AMERICAN RESCUE PLAN			
REVENUES	**Recreation Grant**	**High Impact Tutoring Grant**	**ESSER**	**Accelerated Learning Coach and Educator Support**	**Evidence Based Summer Learning and Enrichment**	**Total Exhibit E-1B**
Intergovernmental						
State	$ 71,000					$ 71,000
Federal	-	$ 239,819	$ 271,190	$ 13,109	$ 40,000	564,118
Total Revenues	71,000	239,819	271,190	13,109	40,000	635,118
EXPENDITURES						
Instruction						
Salaries of Teachers		215,490	106,590		40,000	362,080
General Supplies	-	5,501	-	-	-	5,501
Total Instruction	-	220,991	106,590	-	40,000	367,581
Support Services						
Salaries of Teachers						-
Personal Services-Employee Benefits		16,628				16,628
Purchased Prof. & Tech. Services		2,200	164,600	13,109		179,909
Other Objects	-	-	-	-	-	-
Total Support Services	-	18,828	164,600	13,109	-	196,537
Facilities Acquisition & Construction						
Non-Instructional Equipment	71,000	-	-	-	-	71,000
Total Expenditures	71,000	239,819	271,190	13,109	40,000	635,118
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-
Fund Balance, End of Year	$ -	$ -	$ -	$ -	$ -	$ -

CAPITAL PROJECTS FUND

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

Issue/Project Title	Appropriation	Expenditures to Date Prior Years	Expenditures to Date Current Year	Balance, June 30, 2025
Athletic Field Improvements	$ 1,500,000	-	-	$ 1,500,000
Ridge Ranch HVAC System Upgrades - Unit Vent, Media	6,615,615	-	-	6,615,615
West Brook HVAC System Upgrades - Unit Vent	4,036,000	-	$ 1,786,246	2,249,754
East Brook HVAC System Upgrades - Music Room	417,000	-	127,988	289,012
Midland HVAC System Upgrades - Unit Vent	1,669,768	-	-	1,669,768
Parkway HVAC System Upgrades - Unit Vent	3,096,006	-	-	3,096,006
Paramus High School HVAC System Upgrades	1,601,867	-	-	1,601,867
West Brook HVAC System Upgrades - Music Room	410,905	-	92,120	318,785
HVAC & Building Management Upgrades	1,361,406	-	-	1,361,406
	$ 20,708,567	$ -	$ 2,006,354	$ 18,702,213

Reconciliation to Fund Balance - GAAP

Project Balances	$ 18,702,213
Less-	
Unearned Revenue - ROD Grants	(6,080,884)
Fund Balance, GAAP Basis	$ 12,621,329

Recapitulation of Fund Balance - GAAP

Year End Encumbrances	$ 3,550,291
Available for Capital Projects	9,071,038
Total Fund Balance Restricted for Capital Projects	$ 12,621,329

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

Revenues and Other Financing Sources	
Transfer from Capital Reserve - General Fund	$ 12,325,141
State Sources - ROD Grants	6,883,426
Total Revenues and Other Financing Sources	19,208,567
Expenditures and Other Financing Uses	
Construction Services	2,006,354
Total Expenditures and Other Financing Uses	2,006,354
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	17,202,213
Fund Balance, Beginning of Year	1,500,000
Fund Balance, End of Year	$ 18,702,213
Reconciliation to GAAP:	
Fund Balance, End of Year - Budgetary Basis	$ 18,702,213
Less: Unearned Revenue - ROD Grants	(6,080,884)
Fund Balance, End of Year - GAAP Basis	$ 12,621,329

EXHIBIT F-2a

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
ATHLETIC FIELD IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Project Authorization
Revenues and Other Financing Sources				
Transfer From Capital Reserve	$ 1,500,000	-	$ 1,500,000	$ 1,500,000
Total Revenues and Other Financing Sources	1,500,000	-	1,500,000	1,500,000
Expenditures and Other Financing Uses				
Construction Services	-	-	-	1,500,000
Total Expenditures and Other Financing Uses	-	-	-	1,500,000
Excess (Deficiency) of Revenues over (under) Expenditures	$ 1,500,000	$ -	$ 1,500,000	$ -

Additional Project Information

Original Authorized Cost	$ 1,500,000
Additional Authorized Cost	-
Revised Authorized Cost	1,500,000

EXHIBIT F-2b

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
RIDGE RANCH HVAC SYSTEM UPGRADES - UNIT VENT, MEDIA
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Project Authorization
Revenues and Other Financing Sources				
Transfer From Capital Reserve	-	$ 3,969,369	$ 3,969,369	$ 3,969,369
State Sources - ROD Grants	-	2,646,246	2,646,246	2,646,246
Total Revenues and Other Financing Sources	-	6,615,615	6,615,615	6,615,615
Expenditures and Other Financing Uses				
Construction Services	-	-	-	6,615,615
Total Expenditures and Other Financing Uses	-	-	-	6,615,615
Excess (Deficiency) of Revenues over (under) Expenditures	$ -	$ 6,615,615	$ 6,615,615	$ -

Additional Project Information

Project Number	#02-03-3930-110-23-R503
Grant Date	12/1/2023
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	6,615,615
Additional Authorized Cost	-
Revised Authorized Cost	6,615,615

EXHIBIT F-2c

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
WEST BROOK HVAC SYSTEM UPGRADES - UNIT VENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Project Authorization
Revenues and Other Financing Sources				
Transfer From Capital Reserve	-	$ 2,637,911	$ 2,637,911	$ 2,637,911
State Sources - ROD Grants	-	1,398,089	1,398,089	1,398,089
Total Revenues and Other Financing Sources	-	4,036,000	4,036,000	4,036,000
Expenditures and Other Financing Uses				
Construction Services	-	1,786,246	1,786,246	4,036,000
Total Expenditures and Other Financing Uses	-	1,786,246	1,786,246	4,036,000
Excess (Deficiency) of Revenues over (under) Expenditures	$ -	$ 2,249,754	$ 2,249,754	$ -

Additional Project Information

Project Number	#02-03-3930-060-23-R501
Grant Date	12/1/2023
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	4,036,000
Additional Authorized Cost	-
Revised Authorized Cost	4,036,000

EXHIBIT F-2d

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
EAST BROOK HVAC SYSTEM UPGRADES - MUSIC ROOM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Project Authorization
Revenues and Other Financing Sources				
Transfer From Capital Reserve	-	$ 289,327	$ 289,327	$ 289,327
State Sources - ROD Grants	-	127,673	127,673	127,673
Total Revenues and Other Financing Sources	-	417,000	417,000	417,000
Expenditures and Other Financing Uses				
Construction Services	-	127,988	127,988	417,000
Total Expenditures and Other Financing Uses	-	127,988	127,988	417,000
Excess (Deficiency) of Revenues over (under) Expenditures	$ -	$ 289,012	$ 289,012	$ -

Additional Project Information

Project Number	#02-03-3930-065-23-R501
Grant Date	12/1/2023
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	417,000
Additional Authorized Cost	-
Revised Authorized Cost	417,000

EXHIBIT F-2e

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
MIDLAND HVAC SYSTEM UPGRADES - UNIT VENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Project Authorization
Revenues and Other Financing Sources				
Transfer From Capital Reserve	-	$ 1,001,861	$ 1,001,861	$ 1,001,861
State Sources - ROD Grants	-	667,907	667,907	667,907
Total Revenues and Other Financing Sources	-	1,669,768	1,669,768	1,669,768
Expenditures and Other Financing Uses				
Construction Services	-	-	-	1,669,768
Total Expenditures and Other Financing Uses	-	-	-	1,669,768
Excess (Deficiency) of Revenues over (under) Expenditures	$ -	$ 1,669,768	$ 1,669,768	$ -

Additional Project Information

Project Number	#02-03-3930-090-23-R501
Grant Date	12/1/2023
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,669,768
Additional Authorized Cost	-
Revised Authorized Cost	1,669,768

EXHIBIT F-2f

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
PARKWAY HVAC SYSTEM UPGRADES - UNIT VENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Project Authorization
Revenues and Other Financing Sources				
Transfer From Capital Reserve	-	$ 1,857,604	$ 1,857,604	$ 1,857,604
State Sources - ROD Grants	-	1,238,402	1,238,402	1,238,402
Total Revenues and Other Financing Sources	-	3,096,006	3,096,006	3,096,006
Expenditures and Other Financing Uses				
Construction Services	-	-	-	3,096,006
Total Expenditures and Other Financing Uses	-	-	-	3,096,006
Excess (Deficiency) of Revenues over (under) Expenditures	$ -	$ 3,096,006	$ 3,096,006	$ -

Additional Project Information

Project Number	#02-03-3930-100-23-R501
Grant Date	12/1/2023
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	3,096,006
Additional Authorized Cost	-
Revised Authorized Cost	3,096,006

EXHIBIT F-2g

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
PARAMUS HIGH SCHOOL HVAC SYSTEM UPGRADES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Project Authorization
Revenues and Other Financing Sources				
Transfer From Capital Reserve	-	$ 961,120	$ 961,120	$ 961,120
State Sources - ROD Grants	-	640,747	640,747	640,747
Total Revenues and Other Financing Sources	-	1,601,867	1,601,867	1,601,867
Expenditures and Other Financing Uses				
Construction Services	-	-	-	1,601,867
Total Expenditures and Other Financing Uses	-	-	-	1,601,867
Excess (Deficiency) of Revenues over (under) Expenditures	$ -	$ 1,601,867	$ 1,601,867	$ -

Additional Project Information

Project Number	#02-03-3930-050-23-R502
Grant Date	12/1/2023
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,601,867
Additional Authorized Cost	-
Revised Authorized Cost	1,601,867

EXHIBIT F-2h

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
WEST BROOK HVAC SYSTEM UPGRADES - MUSIC ROOM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Project Authorization
Revenues and Other Financing Sources				
Transfer From Capital Reserve		$ 246,543	$ 246,543	$ 246,543
State Sources - ROD Grants	-	164,362	164,362	164,362
Total Revenues and Other Financing Sources	-	410,905	410,905	410,905
Expenditures and Other Financing Uses				
Construction Services	-	92,120	92,120	410,905
Total Expenditures and Other Financing Uses	-	92,120	92,120	410,905
Excess (Deficiency) of Revenues over (under) Expenditures	$ -	$ 318,785	$ 318,785	$ -

Additional Project Information

Project Number	#02-03-3930-060-23-R502
Grant Date	12/1/2023
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	410,905
Additional Authorized Cost	-
Revised Authorized Cost	410,905

EXHIBIT F-2i

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
HVAC & BUILDING MANAGEMENT UPGRADES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Prior Periods	Current Year	Totals	Project Authorization
Revenues and Other Financing Sources				
Transfer From Capital Reserve	-	$ 1,361,406	$ 1,361,406	$ 1,361,406
Total Revenues and Other Financing Sources	-	1,361,406	1,361,406	1,361,406
Expenditures and Other Financing Uses				
Construction Services	-	-	-	1,361,406
Total Expenditures and Other Financing Uses	-	-	-	1,361,406
Excess (Deficiency) of Revenues over (under) Expenditures	$ -	$ 1,361,406	$ 1,361,406	$ -

Additional Project Information

Original Authorized Cost	$ 1,361,406
Additional Authorized Cost	-
Revised Authorized Cost	1,361,406

ENTERPRISE FUNDS

NOT APPLICABLE

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

EXHIBIT I-1

PARAMUS BOARD OF EDUCATION
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance, July 1, 2024	Issued	Retired	Balance, June 30, 2025
Refunding Bonds	11/5/2020	$ 8,335,000	4/1/2026	$ 1,155,000	1.375%				
			4/1/2027	1,120,000	1.500%				
			4/1/2028	1,080,000	1.750%				
			4/1/2029	1,040,000	1.875%	$ 5,590,000	-	$ 1,195,000	$ 4,395,000
						$ 5,590,000	$ -	$ 1,195,000	$ 4,395,000

EXHIBIT I-2

SCHEDULE OF CAPITAL FINANCING AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Purpose	Amount of Issue	Interest Rate	Balance, July 1, 2024	Issued	Retired	Balance, June 30, 2025
Interactive Displays	$ 456,505	5.23%	$ -	$ 456,505	$ -	$ 456,505
			$ -	$ 456,505	$ -	$ 456,505

PARAMUS BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources					
Property Taxes	$ 1,281,019	-	$ 1,281,019	$ 1,281,019	-
Total Revenues	1,281,019	-	1,281,019	1,281,019	-
EXPENDITURES					
Debt Service					
Principal	1,195,000	-	1,195,000	1,195,000	-
Interest	86,019	-	86,019	86,019	-
Total Expenditures	1,281,019	-	1,281,019	1,281,019	-
Excess (Deficiency) of Revenues Over/ (Under) Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	1	$ 1
Fund Balance, End of Year	$ -	$ -	$ -	$ 1	$ 1
Restricted for Debt Service:					
Designated for Subsequent Year's Budget				$ 1	
				$ 1	

STATISTICAL SECTION

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

Contents	Exhibits
Financial Trends	
These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changed over time.	J-1 to J-5
Revenue Capacity	
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	J-6 to J-9
Debt Capacity	
These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 and J-15
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20

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

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

	As of June 30									
	2016	2017	2018	2019	2020 (Restated)	2021	2022	2023	2024 (Restated)	2025
Governmental Activities										
Net Investment in Capital Assets	$ 41,735,254	$ 43,973,893	$ 46,480,657	$ 48,743,148	$ 49,755,257	$ 50,001,559	$ 50,866,999	$ 54,932,766	$ 57,947,881	$ 64,599,121
Restricted	17,097,317	19,585,301	19,871,637	20,848,890	26,261,714	29,744,455	32,539,189	34,963,354	31,172,201	28,304,517
Unrestricted	(20,324,594)	(21,758,843)	(21,857,653)	(21,252,867)	(20,833,101)	(16,815,753)	(10,661,302)	(11,377,027)	(6,340,639)	(7,547,075)
Total governmental activities net position	$ 38,507,977	$ 41,800,351	$ 44,494,641	$ 48,339,171	$ 55,183,870	$ 62,930,261	$ 72,744,886	$ 78,519,093	$ 82,779,443	$ 85,356,563
Business-Type Activities										
Investment in Capital Assets	$ 170,386	$ 168,991	$ 169,056	$ 163,885	$ 185,463	$ 169,289	$ 174,321	$ 182,200	$ 189,066	$ 170,184
Unrestricted	175,679	118,939	123,501	135,699	111,406	120,879	534,126	403,512	284,885	244,833
Total Business-Type Activities Net Position	$ 346,065	$ 287,930	$ 292,557	$ 299,584	$ 296,869	$ 290,168	$ 708,447	$ 585,712	$ 473,951	$ 415,017
District-Wide										
Net Investment in Capital Assets	$ 41,905,640	$ 44,142,884	$ 46,649,713	$ 48,907,033	$ 49,940,720	$ 50,170,848	$ 51,041,320	$ 55,114,966	$ 58,136,947	$ 64,769,305
Restricted	17,097,317	19,585,301	19,871,637	20,848,890	26,261,714	29,744,455	32,539,189	34,963,354	31,172,201	28,304,517
Unrestricted	(20,148,915)	(21,639,904)	(21,734,152)	(21,117,168)	(20,721,695)	(16,694,874)	(10,127,176)	(10,973,515)	(6,055,754)	(7,302,242)
Total District Net Position	$ 38,854,042	$ 42,088,281	$ 44,787,198	$ 48,638,755	$ 55,480,739	$ 63,220,429	$ 73,453,333	$ 79,104,805	$ 83,253,394	$ 85,771,580

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

Note 1 - Net Position at June 30, 2024 is restated to reflect the implementation of GASB Statement No. 101, "Compensated Absences".

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

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities										
Instruction										
Regular	$ 37,580,253	$ 41,188,789	$ 43,695,052	$ 39,759,002	$ 39,336,658	$ 44,132,065	$ 41,072,919	$ 40,105,208	$ 41,091,414	$ 39,678,494
Special Education	17,011,501	18,113,912	19,168,385	19,037,559	17,830,513	19,097,391	17,415,264	18,171,538	19,165,894	22,577,173
Other Instruction	3,026,442	3,530,919	2,976,844	2,794,724	2,685,417	2,895,590	2,717,193	2,708,330	2,697,118	2,675,216
School Sponsored Activities and Athletics	2,175,830	2,392,640	2,518,879	2,318,185	2,189,465	2,543,446	2,464,529	2,375,340	2,459,653	2,532,515
Support Services:										
Student and Instruction Related Services	12,918,305	14,318,550	15,254,439	15,576,419	15,399,675	16,805,183	16,975,885	17,135,838	17,426,339	16,716,539
School Administration Services	6,073,147	6,696,125	6,706,583	6,238,192	6,039,070	6,776,335	5,784,392	5,844,926	6,044,855	5,688,308
General Administration Services	919,677	1,149,132	1,168,841	1,196,287	1,285,274	1,060,527	1,003,182	1,182,678	1,107,320	1,219,109
Plant Operations and Maintenance	11,631,973	12,263,703	12,058,625	12,150,036	10,591,090	10,732,116	11,289,292	11,436,962	12,466,046	14,295,520
Pupil Transportation	3,426,661	3,546,666	3,716,755	4,127,509	3,666,992	4,063,281	4,412,435	5,827,981	6,162,081	6,705,828
Central Services	2,195,762	2,427,720	2,778,712	2,627,995	2,507,800	2,812,672	1,916,892	1,965,059	2,322,427	2,454,311
Interest on Long-Term Debt	599,248	563,082	524,055	479,631	434,095	272,742	223,311	176,095	157,558	136,528
Total Governmental Activities Expenses	97,558,799	106,191,238	110,567,170	106,305,539	101,966,049	111,191,348	105,275,294	106,929,955	111,100,705	114,679,541
Business-Type Activities:										
Food Service	1,317,291	1,333,494	1,236,660	1,261,418	896,609	365,742	1,650,999	1,622,692	1,797,478	1,643,542
Total Business-Type Activities Expense	1,317,291	1,333,494	1,236,660	1,261,418	896,609	365,742	1,650,999	1,622,692	1,797,478	1,643,542
Total District Expenses	$ 98,876,090	$ 107,524,732	$ 111,803,830	$ 107,566,957	$ 102,862,658	$ 111,557,090	$ 106,926,293	$ 108,552,647	$ 112,898,183	$ 116,323,083
Program Revenues										
Governmental Activities:										
Charges for Services	$ 1,029,368	$ 998,543	$ 1,516,205	$ 1,177,634	$ 1,057,391	$ 1,103,719	$ 1,572,538	$ 1,246,964	$ 1,513,463	$ 1,332,107
Operating Grants and Contributions	22,884,855	29,558,192	32,730,075	27,572,398	25,106,044	34,090,678	27,799,073	23,116,579	23,342,942	20,565,680
Capital Grants and Contributions	4,080	-	-	-	-	-	-	-	1,500,000	876,707
Total Governmental Activities Program Revenues	23,918,303	30,556,735	34,246,280	28,750,032	26,163,435	35,194,397	29,371,611	24,363,543	26,356,405	22,774,494
Business-Type Activities:										
Food Service										
Charges for Services	$ 1,101,865	$ 1,123,628	$ 1,088,699	$ 1,105,686	$ 778,094	$ 7,164	$ 238,870	$ 994,279	$ 1,133,074	$ 1,079,046
Operating Grants and Contributions	158,502	151,731	152,588	162,759	115,800	351,877	1,830,408	505,678	552,643	505,562
Total business Type Activities Program Revenues	1,260,367	1,275,359	1,241,287	1,268,445	893,894	359,041	2,069,278	1,499,957	1,685,717	1,584,608
Total District Program Revenues	$ 25,178,670	$ 31,832,094	$ 35,487,567	$ 30,018,477	$ 27,057,329	$ 35,553,438	$ 31,440,889	$ 25,863,500	$ 28,042,122	$ 24,359,102
Net (Expense)/Revenue										
Governmental Activities	$ (73,640,496)	$ (75,634,503)	$ (76,320,890)	$ (77,555,507)	$ (75,802,614)	$ (75,996,951)	$ (75,903,683)	$ (82,566,412)	$ (84,744,300)	$ (91,905,047)
Business-Type Activities	(56,924)	(58,135)	4,627	7,027	(2,715)	(6,701)	418,279	(122,735)	(111,761)	(58,934)
Total District-Wide Net Expense	$ (73,697,420)	$ (75,692,638)	$ (76,316,263)	$ (77,548,480)	$ (75,805,329)	$ (76,003,652)	$ (75,485,404)	$ (82,689,147)	$ (84,856,061)	$ (91,963,981)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Property Taxes General Purposes	$ 74,230,284	$ 75,704,884	$ 77,040,097	$ 78,406,873	$ 79,975,010	$ 81,574,510	$ 83,206,000	$ 84,786,914	$ 86,593,063	$ 88,316,265
Property Taxes Debt Service	1,664,672	1,186,267	950,492	987,682	934,081	905,080	838,079	777,566	784,893	1,281,019
Unrestricted Grants and Contributions	77,127	110,143	114,530	8,094					-	-
Debt Service Aid	234,467	248,000							-	-
Investment Earnings	62,181								-	-
Miscellaneous Income	1,576,914	1,677,583	910,061	1,997,388	1,085,152	1,263,752	1,674,229	2,776,139	3,201,271	4,884,883
Total Governmental Activities	77,845,645	78,926,877	79,015,180	81,400,037	81,994,243	83,743,342	85,718,308	88,340,619	90,579,227	94,482,167
Business-Type Activities:										
Investment Earnings	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	-	-	-	-	-	-	-	-	-	-
Total District-Wide	$ 77,845,645	$ 78,926,877	$ 79,015,180	$ 81,400,037	$ 81,994,243	$ 83,743,342	$ 85,718,308	$ 88,340,619	$ 90,579,227	$ 94,482,167
Change in Net Position										
Governmental Activities	$ 4,205,149	$ 3,292,374	$ 2,694,290	$ 3,844,530	$ 6,191,629	$ 7,746,391	$ 9,814,625	$ 5,774,207	$ 5,834,927	$ 2,577,120
Business-Type Activities	(56,924)	(58,135)	4,627	7,027	(2,715)	(6,701)	418,279	(122,735)	(111,761)	(58,934)
Total District	$ 4,148,225	$ 3,234,239	$ 2,698,917	$ 3,851,557	$ 6,188,914	$ 7,739,690	$ 10,232,904	$ 5,651,472	$ 5,723,166	$ 2,518,186

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

	As of June 30,									
	2016	2017	2018	2019	2020 (Restated)	2021	2022	2023	2024	2025
General Fund										
Restricted	$ 18,866,176	$ 20,985,876	$ 21,853,343	$ 22,904,640	$ 27,930,985	$ 31,445,593	$ 34,225,510	$ 35,775,371	$ 30,467,942	$ 16,488,365
Committed			536,676	296,927	283,889	759,315	3,681,709	2,744,224	6,906,007	4,390,160
Assigned	450,098	681,114	404,826	773,862	437,611	1,087,700	1,098,587	976,793	1,268,323	1,018,902
Unassigned	1,449,856	1,462,799	1,529,274	1,521,456	1,431,107	3,066,465	3,158,860	1,584,971	1,677,346	1,995,152
Total General Fund	$ 20,766,130	$ 23,129,789	$ 24,324,119	$ 25,496,885	$ 30,083,592	$ 36,359,073	$ 42,164,666	$ 41,081,359	$ 40,319,618	$ 23,892,579
All Other Governmental Funds										
Restricted	$ 425,141	$ 593,425	$ 74,044	$ 1	$ 386,480	$ 354,612	$ 369,429	$ 338,004	$ 1,904,260	$ 13,016,152
Total all Other Governmental Funds	$ 425,141	$ 593,425	$ 74,044	$ 1	$ 386,480	$ 354,612	$ 369,429	$ 338,004	$ 1,904,260	$ 13,016,152

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

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

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Property Taxes	$ 75,894,956	$ 76,891,151	$ 77,990,589	$ 79,394,555	$ 80,909,091	$ 82,479,590	$ 84,044,079	$ 85,564,480	$ 87,377,956	$ 89,597,284
Tuition Charges	1,029,368	998,543	1,516,205	1,177,634	1,057,391	886,648	1,197,901	839,048	1,021,900	876,193
Transportation Fees from Other LEAs									47,191	
Interest Earnings	62,181	41,027	79,800	186,324	52,553	28,250	36,790	507,850	704,095	608,239
Miscellaneous	1,644,345	1,739,805	954,272	1,901,382	1,077,079	1,492,200	2,036,365	2,689,531	3,015,456	4,745,671
State Sources	12,367,663	13,498,297	15,059,320	17,087,294	18,553,309	21,032,772	25,989,586	26,768,189	30,874,018	30,723,403
Federal Sources	1,932,853	2,035,034	1,848,564	2,070,297	1,904,159	2,616,903	4,053,615	3,347,351	3,109,181	2,635,457
Total Revenue	92,931,366	95,203,857	97,448,750	101,817,486	103,553,582	108,536,363	117,358,336	119,716,449	126,149,797	129,186,247
Expenditures										
Instruction										
Regular Instruction	30,729,149	31,369,479	33,520,028	33,065,439	34,262,199	36,500,297	40,208,652	40,797,556	42,745,230	42,394,003
Special Education Instruction	15,625,057	15,728,815	16,712,908	17,950,710	17,362,610	17,726,427	18,262,376	19,773,866	20,882,939	24,665,127
Other Instruction	2,710,245	2,979,333	2,552,759	2,572,177	2,558,782	2,627,921	2,837,385	2,933,495	2,985,907	3,052,593
School Sponsored Activities and Athletics	1,804,093	1,792,302	1,915,177	2,007,825	1,996,581	2,185,900	2,624,948	2,670,620	2,821,391	3,019,618
Support Services:										
Student and Inst. Related Services	11,471,646	11,936,892	12,727,655	14,235,992	14,543,877	15,216,281	17,570,284	18,405,802	18,922,285	18,763,956
General Administration	872,675	1,062,754	1,061,911	1,154,733	1,273,493	898,153	1,013,434	1,225,861	1,156,558	1,279,068
School Administration Services	5,320,345	5,435,025	5,469,498	5,628,909	5,759,463	6,050,912	6,112,715	6,538,260	6,858,516	6,568,681
Plant Operations and Maintenance	11,250,614	11,341,176	10,937,350	11,728,980	10,552,677	10,263,520	11,583,712	11,966,756	12,736,920	14,134,837
Pupil Transportation	3,312,186	3,394,786	3,533,245	3,901,318	3,516,745	3,879,863	4,290,931	5,837,695	6,136,023	6,597,995
Central Services	2,095,043	2,182,442	2,411,548	2,538,398	2,539,542	2,694,653	2,098,737	2,235,436	2,571,609	2,630,679
Capital Outlay	3,284,295	3,871,428	4,399,240	4,346,601	3,333,416	2,746,263	3,494,190	7,008,172	6,242,991	10,570,323
Debt Service:										
Principal	1,010,000	1,000,000	995,000	1,090,000	1,080,000	1,200,000	1,270,000	1,275,000	1,235,000	1,195,000
Bond Issuance Costs						119,980				
Interest and Other Charges	607,781	577,482	537,482	497,681	454,081	302,560	170,562	112,662	99,913	86,019
Total Expenditures	90,093,129	92,671,914	96,773,801	100,718,763	99,233,466	102,412,730	111,537,926	120,781,181	125,395,282	134,957,899
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,838,237	2,531,943	674,949	1,098,723	4,320,116	6,123,633	5,820,410	(1,064,732)	754,515	(5,771,652)
Other Financing Sources (Uses)										
Capital Financing Agreements										456,505
Original Issue Discount						(17,157)				
Refunding Bonds Issued						8,335,000				
Payment to Refunded Bond Escrow Agent						(8,197,863)				
Transfers In	2,000,000	387,998	770,142	636,691	600,000	600,000	600,000	600,000	2,050,000	12,325,141
Transfers Out	(2,000,000)	(387,998)	(770,142)	(636,691)	(600,000)	(600,000)	(600,000)	(600,000)	(2,050,000)	(12,325,141)
Total Other Financing Sources (Uses)	-	-	-	-	-	119,980	-	-	-	456,505
Net Change in Fund Balances	$ 2,838,237	$ 2,531,943	$ 674,949	$ 1,098,723	$ 4,320,116	$ 6,243,613	$ 5,820,410	$ (1,064,732)	$ 754,515	$ (5,315,147)
Debt Service as a Percentage of Noncapital Expenditures	1.86%	1.78%	1.66%	1.65%	1.60%	1.63%	1.33%	1.22%	1.12%	1.03%

* Noncapital expenditures are total expenditures less capital outlay.

PARAMUS BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS ENDED JUNE 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Tuition	$ 1,029,368	$ 998,543	$ 1,516,205	$ 1,177,634	$ 1,057,391	$ 886,648	$ 1,197,951	$ 839,048	$ 1,021,900	$ 876,193
Interest Income	62,181	85,057	145,580	351,225	347,598	77,202	66,891	1,256,067	2,243,837	2,081,481
Bldg. Rental	37,553	152,471	187,463	164,999	249,846	109,291	267,499	313,860	434,064	439,730
Borough of Paramus - Shared Services						497,818				
Refunds/Settlements	1,428	11,242	13,443	45,410	16,273	53,150			180,099	2,174,306
Transportation Fees									47,191	776
Miscellaneous	170,287	310,960	195,411	606,197	88,656	12,686	518,393	1,086,360	279,657	150,025
Special Schools Fees	1,031,179	1,117,853	368,164	307,729	382,779	513,605	811,317	119,852	62,950	38,565
Cancellation of Prior Year Accounts Payable	25,528								664	
Cancellation of Accrued Liability of Claims				521,828						
Health Claim Reimbursements	310,939	-	-	-	-	-	-	-	-	-
	$ 2,668,463	$ 2,676,126	$ 2,426,266	$ 3,175,022	$ 2,142,543	$ 2,150,400	$ 2,862,051	$ 3,615,187	$ 4,270,362	$ 5,761,076

Source: School District's Financial Statements

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

Fiscal Year Ended June 30,		Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Valuation	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Valuation	Total Direct School Tax Rate [a]
2016		$ 137,301,800	$ 4,225,646,147	$ 1,479,800	$ 22,400	$ 3,513,162,400	$ 108,289,700	$ 16,964,600	$ 8,002,866,847	$ 5,153,630	$ 8,008,020,477	$ 8,810,817,359	0.954
2017		137,252,400	4,265,444,247	1,479,800	22,400	3,500,165,000	101,312,100	16,964,600	8,022,640,547	4,687,668	8,027,328,215	9,669,326,922	0.965
2018		142,303,300	4,274,723,247	1,479,800	22,400	3,492,492,700	99,013,200	16,964,600	8,026,999,247	4,357,977	8,031,357,224	10,511,862,247	0.980
2019		144,594,500	4,333,905,447	1,421,900	22,400	3,443,882,320	99,158,800	16,964,600	8,039,949,967	4,628,293	8,044,578,260	10,018,186,246	0.997
2020	(A)	162,521,500	5,071,690,600	2,162,700	11,200	4,592,844,620	139,530,000	63,885,300	10,032,645,920	5,729,604	10,038,375,524	10,344,291,557	0.814
2021		161,665,500	5,188,308,600	2,187,600	10,900	4,424,639,220	139,140,900	65,881,700	9,981,834,420	5,845,246	9,987,679,666	9,988,770,574	0.834
2022		155,924,000	5,710,269,200	2,398,800	10,900	4,887,951,420	157,219,800	67,226,600	10,981,000,720	6,007,091	10,987,007,811	10,995,760,089	0.772
2023		164,567,100	6,141,790,400	2,563,700	10,900	5,256,851,220	167,395,500	70,035,500	11,803,214,320	-	11,803,214,320	12,388,393,406	0.733
2024		45,819,800	6,486,946,000	2,691,500	10,900	5,550,655,920	173,808,400	71,724,900	12,331,657,420	-	12,331,657,420	12,599,781,332	0.717
2025		53,839,400	7,090,926,600	2,893,000	10,900	5,446,423,120	182,841,600	109,307,000	12,886,241,620	-	12,886,241,620	13,469,883,397	0.710

Source: County Abstract of Ratables

a Tax rates are per $100

(A) The Borough completed a reassessment of real property which was effective 2020.

PARAMUS BOARD OF EDUCATION
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
PER $100 OF ASSESSED VALUATION
LAST TEN YEARS
(Unaudited)

Year Ended December 31,	Total	Local School District	Municipality	County
2016	$ 1.752	$ 0.954	$ 0.529	$ 0.269
2017	1.801	0.965	0.533	0.303
2018	1.833	0.980	0.534	0.319
2019	1.856	0.997	0.558	0.301
2020	1.595	0.814	0.526	0.255
2021	1.654	0.834	0.567	0.253
2022	1.552	0.772	0.539	0.241
2023	1.534	0.733	0.550	0.251
2024	1.514	0.717	0.558	0.239
2025	1.499	0.710	0.547	0.242

Source: Tax Duplicates, Borough of Paramus

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

	2025			2016	
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Westland GSP L.P.	$ 951,175,200	7.38%	Westland GSP L.P.	$ 739,346,600	9.23%
The Valley Hospital Inc	375,000,000	2.91%	Vornado, Bergen Mall LLC	247,730,300	3.09%
VNO Bergen Mall, LLC	350,022,700	2.72%	ALX of Paramus LLC	143,601,800	1.79%
Westland GSP L.P.	340,770,000	2.64%	Westland GSP L.P.	97,069,400	1.21%
Ikea Property Inc	185,000,000	1.44%	Paramus Park	91,024,000	1.14%
UE Bergen East	95,333,100	0.74%	Faber Bros Inc NJ	70,000,000	0.87%
Faber Bros Inc NJ	93,808,100	0.73%	Paramus Park - Macy's Inc.	49,362,500	0.62%
650 From Road LLC	85,709,300	0.67%	Farber, William A	48,956,500	0.61%
Paramus Park	71,997,500	0.56%	Mack Paramus Affiliates	46,351,800	0.58%
Gabriel, J. & Temple Ridge	62,283,800	0.48%	Country Club Office Plaza	44,700,000	0.56%
	$ 2,611,099,700	20.26%		$ 1,578,142,900	19.71%

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Local School District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	$ 75,894,956	$ 75,894,956	100.00%	N/A
2017	76,891,151	76,891,151	100.00%	N/A
2018	77,990,589	77,990,589	100.00%	N/A
2019	79,394,555	74,860,648	94.29%	$ 4,533,907
2020	80,909,091	80,909,091	100.00%	N/A
2021	82,479,590	82,479,590	100.00%	N/A
2022	84,044,079	80,577,161	95.87%	4,533,907
2023	85,564,480	85,564,480	100.00%	N/A
2024	87,377,956	87,377,956	100.00%	N/A
2025	89,597,284	89,597,284	100.00%	N/A

N/A = Not Applicable

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

Fiscal Year Ended June 30,	Governmental Activities: General Obligation Bonds	Governmental Activities: Capital Financing Agreements	Total District	Population	Per Capita
2016	$ 14,180,000		$ 14,180,000	26,648	$ 532
2017	13,180,000		13,180,000	26,591	496
2018	12,185,000		12,185,000	26,596	458
2019	11,095,000		11,095,000	26,456	419
2020	10,015,000		10,015,000	26,261	381
2021	9,370,000		9,370,000	26,063	360
2022	8,100,000		8,100,000	26,416	307
2023	6,825,000		6,825,000	26,359	259
2024	5,590,000		5,590,000	26,282	213
2025	4,395,000	$ 456,505	4,851,505	26,786	181

Source: District records

EXHIBIT J-11

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Valuation of Property	Per Capita
2016	$ 14,180,000		$ 14,180,000	0.18%	$ 532
2017	13,180,000		13,180,000	0.16%	496
2018	12,185,000		12,185,000	0.15%	458
2019	11,095,000		11,095,000	0.14%	419
2020	11,095,000		11,095,000	0.14%	422
2021	10,015,000		10,015,000	0.10%	384
2022	9,370,000		9,370,000	0.09%	355
2023	8,100,000		8,100,000	0.07%	307
2024	5,590,000		5,590,000	0.05%	213
2025	4,395,000		4,395,000	0.04%	164

Source: District records

PARAMUS BOARD OF EDUCATION
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
FOR THE YEAR ENDED DECEMBER 31, 2024
(Unaudited)

	Gross Debt	Deductions	Net Debt
MUNICIPAL DEBT:			
Borough of Paramus (1)	$ 54,032,858	$ 5,429,735	$ 48,603,123
Paramus Board of Education	5,590,000	5,590,000	-
	$ 59,622,858	$ 11,019,735	48,603,123
OVERLAPPING DEBT APPORTIONED TO THE MUNICIPALITY			
Bergen County:			
County of Bergen (A)			93,549,656
Bergen County Utilities Authority - Water Pollution Control (B)			10,249,907
			103,799,563
Total Direct and Overlapping Outstanding Debt			$ 152,402,686

SOURCE:
(1) Borough of Paramus 2024 Annual Debt Statement
(A) The debt for this entity was apportioned to Borough of Paramus by dividing the municipality's 2024 equalized value by the total 2024 equalized value for the County of Bergen.
(B) Overlapping debt was computed based upon municipal flow to the Authority.

PARAMUS BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	$ 347,117,624	$ 360,415,977	$ 383,721,993	$ 399,658,452	$ 410,037,120	$ 401,737,592	$ 414,175,899	$ 445,597,228	$ 483,672,244	$ 522,896,246
Total net debt applicable to limit	14,180,000	13,180,000	12,185,000	11,095,000	10,015,000	9,370,000	8,100,000	6,825,000	5,590,000	4,395,000
Legal debt margin	$ 332,937,624	$ 347,235,977	$ 371,536,993	$ 388,563,452	$ 400,022,120	$ 392,367,592	$ 406,075,899	$ 438,772,228	$ 478,082,244	$ 518,501,246
Total net debt applicable to the limit as a percentage of debt limit	4.09%	3.66%	3.18%	2.78%	2.44%	2.33%	1.96%	1.53%	1.16%	0.84%

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

Legal Debt Margin Calculation for Fiscal Year 2025

	Equalized valuation basis	
	2024	$ 13,784,548,871
	2023	12,652,175,281
	2022	12,780,494,320
		$ 39,217,218,472
Average Equalized Valuation of Taxable Property		$ 13,072,406,157
Debt Limit (4 % of Average Equalization Value)		$ 522,896,246
Total Net Debt Applicable to Limit		4,395,000
Legal debt margin		$ 518,501,246

EXHIBIT J-14

PARAMUS BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Year	Population	County Per Capita Personal Income	Unemployment Rate
2016	26,648	$ 76,367	4.30%
2017	26,591	78,611	4.10%
2018	26,596	82,731	3.50%
2019	26,456	86,871	3.00%
2020	26,261	88,256	9.80%
2021	26,063	94,342	6.60%
2022	26,416	96,434	3.60%
2023	26,359	102,229	3.80%
2024	26,282	N/A	3.90%
2025	26,786	N/A	N/A

Source: New Jersey State Department of Education

N/A - Not Available

EXHIBIT J-15

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

	2025		2016	
Employer	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment

INFORMATION NOT AVAILABLE

EXHIBIT J-16

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

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Instruction										
Regular	258	263	263	263	265	264	268	278	267	251
Special Education	193	193	191	194	201	190	174	183	187	174
Support Services:										
Student & Instruction Related Services	91	90	90	95	96	92	102	102	101	107
General Administration	2	2	2	2	2	2	2	2	2	2
School Administrative Services	38	36	36	36	36	39	37	37	37	38
Central Services	14	14	14	14	14	14	13	11	13	13
Administrative Information Technology	7	7	8	9	9	8	3	4	3	3
Plant Operations and Maintenance	87	92	92	90	90	86	90	93	96	94
Pupil Transportation	21	20	20	18	17	14	12	16	19	18
Special Schools	22	16	1	1	1	1				
Total	733	733	717	722	731	710	701	726	725	700

Source: District Personnel Records

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

Fiscal Year	Enrollment [a]	Operating Expenditures [b]	Cost Per Pupil	Percentage Change	Teaching Staff	Teacher/Pupil Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2016	3,894	$ 85,191,053	$ 21,878	5.01%	418	1:09.20	1:09.22	1:10.11	3,894	3,742	-1.02%	96.10%
2017	3,823	87,223,004	22,815	4.29%	420	1:09.20	1:08.94	1:10.41	3,823	3,663	-1.82%	95.81%
2018	3,776	90,842,079	24,058	5.45%	422	1:08.83	1:09.23	1:10.24	3,776	3,624	-1.23%	95.97%
2019	3,781	94,784,481	25,069	4.20%	402	1:09.76	1:09.22	1:09.96	3,781	3,615	0.13%	95.61%
2020	3,765	94,365,969	25,064	-0.02%	438	1:09.38	1:08.37	1:09.64	3,765	3,660	-0.42%	97.21%
2021	3,597	98,043,907	27,257	8.75%	408	1:08.56	1.09.22	1.09.69	3,597	3,541	-4.46%	98.44%
2022	3,663	106,603,174	29,103	6.77%	401	1:09.27	1.09.15	1.09.90	3,663	3,485	1.83%	95.14%
2023	3,613	112,385,347	31,106	14.12%	402	1:09.43	1.08.95	1.09.47	3,613	3,403	-1.37%	94.19%
2024	3,575	117,817,378	32,956	13.24%	411	1:08.59	1:08.62	1:08.91	3,575	3,374	-1.05%	94.38%
2025	3,532	123,106,557	34,855	12.05%	417	1:08.27	1.08.42	1:09.19	3,532	3,344	-1.20%	94.68%

Sources: District records

Note: a Enrollment based on annual school register report.
b Operating expenditures equal total expenditures less debt service and capital outlay.

EXHIBIT J-18

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

District Building	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Elementary										
Memorial										
Square Feet	49,250	49,250	49,250	49,250	49,250	49,250	49,250	49,250	49,250	49,250
Capacity (students)	365	365	365	365	365	365	365	365	365	365
Enrollment	307	295	307	310	312	277	291	298	296	288
Midland										
Square Feet	38,750	38,750	38,750	38,750	38,750	38,750	38,750	38,750	38,750	38,750
Capacity (students)	321	321	321	321	321	321	321	321	321	321
Enrollment [a]	229	236	212	192	180	155	154	187	194	200
Stony Lane										
Square Feet	30,700	30,700	30,700	30,700	30,700	30,700	30,700	30,700	30,700	30,700
Capacity (students)	270	270	270	270	270	270	270	270	270	270
Enrollment	201	192	184	177	187	172	198	216	204	223
Ridge Ranch										
Square Feet	46,430	46,430	46,430	46,430	46,430	46,430	46,430	46,430	46,430	46,430
Capacity (students)	476	476	476	476	476	476	476	476	476	476
Enrollment	327	330	344	347	340	344	370	355	344	340
Parkway										
Square Feet	52,000	52,000	52,000	52,000	52,000	52,000	52,000	52,000	52,000	52,000
Capacity (students)	476	476	476	476	476	476	476	476	476	476
Enrollment	289	288	291	314	316	259	293	305	299	296
Middle School										
East Brook										
Square Feet	115,971	115,971	115,971	115,971	115,971	115,971	115,971	115,971	115,971	115,971
Capacity (students)	876	876	876	876	876	876	876	876	876	876
Enrollment	618	619	608	589	587	604	598	597	591	559
West Brook										
Square Feet	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Capacity (students)	876	876	876	876	876	876	876	876	876	876
Enrollment	620	585	509	584	577	585	551	507	514	495
High School										
Square Feet	297,950	297,950	297,950	297,950	297,950	297,950	297,950	297,950	297,950	297,950
Capacity (students)	1,944	1,944	1,944	1,944	1,944	1,944	1,944	1,944	1,944	1,944
Enrollment	1,303	1,278	1,240	1,268	1,266	1,201	1,208	1,148	1,133	1,131

Number of Schools at June 30, 2025
Elementary = 5
Middle School = 2
Senior High School = 1

Source: District Records

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

School Facilities	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Memorial School	$ 132,273	$ 130,594	$ 107,136	$ 151,728	$ 86,349	$ 98,771	$ 88,407	$ 100,867	$ 93,858	$ 127,963
Midland School	44,074	43,515	35,699	50,557	28,772	32,911	29,458	33,610	31,275	42,638
Parkway School	30,344	29,959	24,578	34,808	19,809	22,659	20,281	23,140	21,532	29,355
Ridge Ranch School	97,136	95,903	78,677	111,423	63,411	72,534	64,922	74,073	68,925	93,970
Stony Lane School	39,648	39,145	32,114	45,480	25,883	29,607	26,500	30,236	28,134	38,357
Paramus High School	1,579,351	1,559,307	1,279,223	1,811,653	1,031,020	1,179,348	1,055,590	1,204,379	1,120,680	1,527,890
East Brook Middle School	109,243	107,856	88,483	125,311	71,315	81,575	73,014	83,306	77,516	105,682
West Brook Middle School	190,386	187,970	154,207	218,390	124,287	142,167	127,249	145,184	135,096	184,184
Total School Facilities	$ 2,222,455	$ 2,194,249	$ 1,800,117	$ 2,549,350	$ 1,450,846	$ 1,659,572	$ 1,485,421	$ 1,694,795	$ 1,577,016	$ 2,150,039

Source: District Records

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

	Coverage	Deductible
School Package Policy-National Union Fire/AIG		
Property- Blanket Building & Contents	$ 253,893,734	$ 5,000
Commercial General Liability - per occ.	1,000,000	2,500
Commercial Automobile Liability - per occ.	1,000,000	2,500
Electronic Data Processing - per occ.	5,000,000	5,000
Flood Insurance - X Flood Zone per occ.	20,000,000	50,000
Inland Marine Blanket Tools & Equipment	350,000	1,000
Commercial Environmental Impairment Liability- Evanston		
Each Pollution Incident	2,000,000	25,000
Fund Aggregate	20,000,000	
School Board Legal Liability-Greenwich XL		
Educators Legal Liability - each claim	1,000,000	25,000
Employment Practices Liability - each claim	1,000,000	30,000
IEP/Due Process Defense Expenses - each claim	500,000	25,000
Excess Liability- National Union Fire/AIG		
Per Occurrence	9,000,000	
Aggregate	9,000,000	
Cyber Liability- Houston Casualty Co.		
Per Claim	2,000,000	100,000
Aggregate	2,000,000	
Additional Excess Liability- NJUEP		
Per Occurrence	30,000,000	
Aggregate	30,000,000	
Additional Excess Liability- Firemen's Fund		
Per Occurrence	25,000,000	
Aggregate	25,000,000	
Workers Compensation	Statutory	
Employer's Liability -Safety National	1,000,000	
Public Employees Faithful Performance- National Union/AIG		
Employee Theft incl. Faithful Performance	500,000	5,000
Forgery or Alteration	250,000	5,000
Computer & Funds Transfer Fraud	250,000	5,000
Public Official Surety Bonds - Western Surety (CNA)		
Board Secretary/Business Administrator Bond- Brooke Bartley	500,000	
Assistant Business Administrator - Mattea Field	475,000	

Source: School Risk Manager

SINGLE AUDIT SECTION

LERCH, VINCI & BLISS, LLP
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Paramus Board of Education
145 Spring Valley Road
Paramus, New Jersey 07652

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities and each major fund of the Paramus Board of Education as of and for the fiscal year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the Paramus Board of Education's basic financial statements and have issued our report thereon dated January 13, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Lerch, Vinci & Bliss, LLP
LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants

Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
January 13, 2026

LERCH, VINCI & BLISS, LLP
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
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CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Paramus Board of Education
145 Spring Valley Road
Paramus, New Jersey 07652

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Paramus Board of Education's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Paramus Board of Education's major federal and state programs for the fiscal year ended June 30, 2025. The Paramus Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Paramus Board of Education, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated January 13, 2026, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
January 13, 2026

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

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	Federal FAIN Number	Award Amount	Grant Period	July 1, 2024 Accounts Receivable	July 1, 2024 Unearned Revenue	Accounts Receivable Carryover	Unearned Revenue Carryover	Cash Received	Budgetary Expenditures	Accounts Receivable Adjustments	Unearned Revenue Adjustments	June 30, 2025 Accounts Receivable	June 30, 2025 Unearned Revenue	June 30, 2025 Due to Grantor	MEMO GAAP Receivable
U.S. Department of Health and Human Services																
Passed-through State Department of Human Services																
General Fund																
Medicaid Reimbursement	93.778	2005NJ5MAP	$ 28,374	7/1/24-6/30/25					$ 27,527	$ 28,374			$ (847)			$ (847)
Medicaid Reimbursement	93.778	2005NJ5MAP	23,131	7/1/23-6/30/24	$ (17,872)	-	-	-	17,872	-	-	-	-	-	-	-
Total General Fund					(17,872)	-	-	-	45,399	28,374	-	-	(847)	-	-	(847)
U.S. Department of Education																
Passed-through State Department of Education																
Special Revenue Fund																
I.D.E.A. Part B																
Basic Regular	84.027A	H027A240100	1,584,413	7/1/24-9/30/25			$ (339,140)	$ 339,140	1,153,805	1,562,845			(769,748)	$ 360,708		(409,040)
Basic Regular, Carryover	84.027A	H027A230100	1,628,037	7/1/23-9/30/24	(467,177)	$ 339,140	339,140	(339,140)	128,037				-	-		
Preschool	84.173A	H173A240114	40,977	7/1/24-9/30/25			(8,838)	8,838	49,815	47,534	$ 2,281	$ (2,281)	-	-	$ 2,281	-
Preschool, Carryover	84.173A	H173A230114	43,913	7/1/23-9/30/24	(8,838)	8,838	8,838	(8,838)	-	-	-	-	-	-	-	-
Total I.D.E.A. Cluster					(476,015)	347,978	-	-	1,331,657	1,610,379	2,281	(2,281)	(769,748)	360,708	2,281	(409,040)
ESEA																
Title I	84.010	S010A240030	366,238	7/1/24-9/30/25			(19,556)	19,556	188,353	281,812			(197,441)	103,982		(93,459)
Title I c/o	84.010	S010A230030	198,611	7/1/23-9/30/24	(206,813)	21,056	19,556	(19,556)	187,257	1,500			-	-		
Title II Part A	84.367A	S367A240029	69,784	7/1/24-9/30/25			(22,615)	22,615	47,679	53,645			(44,720)	38,754		(5,966)
Title II Part A c/o	84.367A	S367A230029	70,514	7/1/23-9/30/24	(36,318)	25,392	22,615	(22,615)	13,703	2,777			-	-		
Title III	84.365	S365A240030	31,100	7/1/24-9/30/25			(1,547)	1,547	29,194	32,445			(3,453)	202		(3,251)
Title III c/o	84.365	S365A230030	32,348	7/1/23-9/30/24	(12,168)	1,547	1,547	(1,547)	10,621				-	-		
Title III - Immigrant	84.365	S365A240030	10,906	7/1/24-9/30/25			(17,957)	17,957	17,624	24,795			(11,239)	4,068		(7,171)
Title III - Immigrant c/o	84.365	S365A230030	17,957	7/1/23-9/30/24	(17,957)	17,957	17,957	(17,957)					-	-		
Title III - Immigrant c/o	84.365	S365A180030	9,738	7/1/18-6/30/19	(559)	559							(559)	559		-
Title IV	84.424	S424A240031	25,799	7/1/24-9/30/25			(13,908)	13,908	14,618	11,760			(25,089)	27,947		
Title IV c/o	84.424	S424A230031	16,140	7/1/23-9/30/24	(19,903)	21,373	13,908	(13,908)	5,995	7,465			-	-		
ARP - High Impact Tutoring	21.027	N/A	18,688	7/1/24-6/30/25			(230,000)	230,000	221,481	239,819	8,869	(8,869)	(18,338)	-		(18,338)
ARP - High Impact Tutoring	84.425V	24E00690	230,000	3/20/24-12/31/24	(230,000)	230,000	230,000	(230,000)					-	-		-
ARP - ESSER	84.425U	S425U210027	2,190,521	3/13/20-9/30/24	(345,417)	271,190			345,417	271,190			-	-		-
ARP - Accelerated Learning Coach and Educator	84.425U	S425U210027	300,001	3/13/20-9/30/24	(13,109)	13,109			13,109	13,109			-	-		-
ARP - Evidence Based Summer Learning	84.425U	S425U210027	40,000	3/13/20-9/30/24	(40,000)	40,000			40,000	40,000			-	-		-
ARP - Evidence Based Comprehensive Beyond	84.425U	S425U210027	40,000	3/13/20-9/30/24	(11,980)				11,980				-	-		-
ARP - NJTSS Mental Health Support Staffing	84.425U	S425U210027	45,000	3/13/20-9/30/24	(18,324)	-	-	-	18,324	-	-	-	-	-	-	-
Total Education Stabilization Relief Cluster					(658,830)	554,299	-	-	650,311	564,118	8,869	(8,869)	(18,338)	-	-	(18,338)
ACSERS Aid	21.027	SLFRFDOE1SES	68,286	7/1/23-6/30/24	(34,143)	-	-	-	34,143	-	-	-	-	-	-	-
Total Special Revenue Fund					(1,462,706)	990,161	-	-	2,531,155	2,590,696	11,150	(11,150)	(1,070,587)	536,220	2,281	(537,225)

Continued

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

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	Federal FAIN Number	Award Amount	Grant Period	July 1, 2024 Accounts Receivable	July 1, 2024 Unearned Revenue	Accounts Receivable Carryover	Unearned Revenue Carryover	Cash Received	Budgetary Expenditures	Accounts Receivable Adjustments	Unearned Revenue Adjustments	June 30, 2025 Accounts Receivable	June 30, 2025 Unearned Revenue	June 30, 2025 Due to Grantor	*	MEMO GAAP Receivable
U.S. Department of Agriculture																*	
Passed-through State Department of Agriculture																*	
Enterprise Fund																*	
National School Lunch Program	10.555															*	
Non-Cash Assistance (Food Distribution)		251NJ304N1099	$ 97,461	7/1/24-6/30/25					$ 97,461	$ 96,427				$ 1,034		*	
Non-Cash Assistance (Food Distribution)		241NJ304N1099	120,243	7/1/23-6/30/24		$ 383				383						*	
Cash Assistance		251NJ304N1099	355,455	7/1/24-6/30/25					290,423	355,455			$ (65,032)			*	$ (65,032)
Cash Assistance		241NJ304N1099	287,545	7/1/23-6/30/24	$ (54,713)				54,713							*	
National School Breakfast Program	10.553															*	
Cash Assistance		251NJ304N1099	18,257	7/1/24-6/30/25					14,744	18,257			(3,513)			*	(3,513)
Local Foods for Schools Grant	10.555	251NJ304N1099	2,195	7/1/24-6/30/25					2,195	2,195			-			*	
Local Foods for Schools Grant	10.555	241NJ304N1099	6,536	7/1/23-6/30/24	(1,230)				1,230				-			*	-
Summer - EBT Admin Cost Reimbursement	10.649	202424N180341	321	7/1/23-6/30/24	-	-	-	-	321	321	-	-	-	-	-	*	-
Total Child Nutrition Cluster					(55,943)	383	-	-	461,087	473,038	-	-	(68,545)	1,034	-	*	(68,545)
Total Federal Financial Awards					$ (1,536,521)	$ 990,544	$ -	$ -	$ 3,037,641	$ 3,092,108	$ 11,150	$ (11,150)	$ (1,139,979)	$ 537,254	$ 2,281	*	$ (606,617)

See Accompanying Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance

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

State Grantor/Program Title	Project Number	Amount	Period	Balance July 1, 2024	Cash Received	Budgetary Expenditures	Refund of Prior Balance	June 30, 2025 (Accounts Receivable)	June 30, 2025 Unearned Revenue	June 30, 2025 Due to Grantor	Memo GAAP Receivable	Memo Cumulative Total Expenditures
State Department of Education												
General Fund												
Special Education Aid	25-495-034-5120-089	$ 4,051,559	7/1/24-6/30/25		$ 3,707,946	$ 4,051,559		$ (343,613)				$ 4,051,559
Special Education Aid	24-495-034-5120-089	3,870,778	7/1/23-6/30/24	$ (319,878)	319,878							
Security Aid	25-495-034-5120-084	413,063	7/1/24-6/30/25		378,031	413,063		(35,032)				413,063
Security Aid	24-495-034-5120-084	384,774	7/1/23-6/30/24	(31,797)	31,797	-	-	-	-	-	-	-
Total State Aid Public Cluster				(351,675)	4,437,652	4,464,622	-	(378,645)	-	-	-	4,464,622
Transportation Aid	25-495-034-5120-014	1,179,183	7/1/24-6/30/25		1,079,177	1,179,183		(100,006)				1,179,183
Transportation Aid	24-495-034-5120-014	863,292	7/1/23-6/30/24	(71,342)	71,342							
NonPublic Transportation Aid	25-495-034-5120-014	133,562	7/1/24-6/30/25			133,562		(133,562)			$ (133,562)	133,562
NonPublic Transportation Aid	24-495-034-5120-014	127,400	7/1/23-6/30/24	(127,400)	127,400	-	-	-	-	-	-	-
Total Transportation Aid Cluster				(198,742)	1,277,919	1,312,745	-	(233,568)	-	-	(133,562)	1,312,745
Extraordinary Aid	25-100-034-5120-044	1,146,546	7/1/24-6/30/25			1,146,546		(1,146,546)				1,146,546
Extraordinary Aid	24-100-034-5120-044	687,109	7/1/23-6/30/24	(687,109)	687,109							-
Lead Testing for Schools Aid	25-495-034-5120-104	10,158	7/1/24-6/30/25			10,158		(10,158)			(10,158)	10,158
Payment for Institutionalized Children-												-
Unknown District of Residence	25-495-034-5120-105	49,646	7/1/24-6/30/25		28,842	49,646		(20,804)			(20,804)	49,646
Menstrual Reimbursement Aid	25-495-034-5120-168	10,670	7/1/24-6/30/25			10,670		(10,670)			(10,670)	10,670
On-Behalf TPAF												-
Pension Contribution	25-495-034-5094-002	13,076,109	7/1/24-6/30/25		13,076,109	13,076,109						13,076,109
Long Term Disability Insurance	25-495-034-5094-004	4,758	7/1/24-6/30/25		4,758	4,758						4,758
NCGI	25-495-034-5094-004	161,978	7/1/24-6/30/25		161,978	161,978						161,978
Post Retirement Medical Contributions	25-495-034-5094-001	3,868,179	7/1/24-6/30/25		3,868,179	3,868,179						3,868,179
Social Security Contributions	25-495-034-5094-003	2,831,834	7/1/24-6/30/25		2,691,565	2,831,834		(140,269)			(140,269)	2,831,834
Social Security Contributions	24-495-034-5094-003	2,720,312	7/1/23-6/30/24	(134,446)	134,446	-	-	-	-	-	-	-
Total General Fund				(1,371,972)	26,368,557	26,937,245	-	(1,940,660)	-	-	(315,463)	26,937,245
Special Revenue Fund												
DCA Local Recreation Playground Grant	N/A	76,000	7/1/24-6/30/25					(76,000)	$ 76,000			
DCA Local Recreation Playground Grant	N/A	71,000	7/1/23-6/30/24		71,000	71,000						71,000
NJ Nonpublic Aid												-
Textbooks	25-100-034-5120-064	175,092	7/1/24-6/30/25		182,723	175,092				$ 7,631		175,092
Textbooks	24-100-034-5120-064	207,306	7/1/23-6/30/24	25,696			$ 25,696					-
Nursing	25-100-034-5120-070	507,130	7/1/24-6/30/25		507,130	505,497				1,633		505,497
Security	25-100-034-5120-509	799,705	7/1/24-6/30/25		799,705	764,196				35,509		764,196
Security	24-100-034-5120-509	802,575	7/1/23-6/30/24	7,003			7,003					-
Technology	25-100-034-5120-373	175,077	7/1/24-6/30/25		175,077	152,120				22,957		152,120
Auxiliary												-
Compensatory Education	25-100-034-5120-067	322,513	7/1/24-6/30/25		322,513	304,908				17,605		304,908
Compensatory Education	24-100-034-5120-067	341,651	7/1/23-6/30/24	22,381			22,381					-
ESL	25-100-034-5120-067	34,256	7/1/24-6/30/25		34,256	30,707				3,549		30,707
ESL	24-100-034-5120-067	29,299	7/1/23-6/30/24	4,505			4,505					-
Home Instruction	25-100-034-5120-067	1,087	7/1/24-6/30/25			1,087		(1,087)			(1,087)	1,087
Home Instruction	24-100-034-5120-067	10,570	7/1/23-6/30/24	(10,570)	10,570	-	-	-	-	-	-	-
Total Auxiliary Cluster				16,316	367,339	336,702	26,886	(1,087)	-	21,154	(1,087)	336,702
Handicapped												
Supplementary Instruction	25-100-034-5120-066	651,714	7/1/24-6/30/25		651,714	535,173				116,541		535,173
Supplementary Instruction	24-100-034-5120-066	520,380	7/1/23-6/30/24	20,650			20,650					
Examination and Classification	25-100-034-5120-066	631,181	7/1/24-6/30/25		631,181	598,113				33,068		598,113
Examination and Classification	24-100-034-5120-066	918,008	7/1/23-6/30/24	271,693			271,693					
Corrective Speech	25-100-034-5120-066	359,352	7/1/24-6/30/25		359,352	359,036				316		359,036
Corrective Speech	24-100-034-5120-066	389,670	7/1/23-6/30/24	31,880	-	-	31,880	-	-	-	-	-
Total Handicapped Cluster				324,223	1,642,247	1,492,322	324,223	-	-	149,925	-	1,492,322
Total Special Revenue Fund				373,238	3,745,221	3,496,929	383,808	(77,087)	76,000	238,809	(1,087)	3,496,929

See Accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance

Continued

EXHIBIT K-4

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

State Grantor/Program Title	Project Number	Amount	Period	Balance July 1, 2024	Cash Received	Budgetary Expenditures	Refund of Prior Balance	June 30, 2025 (Accounts Receivable)	June 30, 2025 Unearned Revenue	June 30, 2025 Due to Grantor	Memo GAAP Receivable	Memo Cumulative Total Expenditures
State Department of Education												
State Department of Education												
Schools Development Authority												
Capital Projects Fund												
Other State Aid - Athletic Field Improvements	24-495-034-5120-146	$ 1,500,000	7/1/23-6/30/24	$ 1,500,000					$ 1,500,000			
Ridge Ranch HVAC System Upgrades	3930-110-23-R503	2,646,246	7/1/24-6/30/25					$ (2,646,246)	2,646,246			
West Brook HVAC System Upgrades	3930-060-23-R501	1,398,089	7/1/24-6/30/25			$ 714,499		(1,398,089)	683,590		$ (714,499)	$ 714,499
East Brook HVAC System Upgrades	3930-065-23-R501	127,673	7/1/24-6/30/25			51,195		(127,673)	76,478		(51,195)	51,195
Midland HVAC System Upgrades	3930-090-23-R501	667,907	7/1/24-6/30/25					(667,907)	667,907			
Parkway HVAC System Upgrades	3930-100-23-R501	1,238,402	7/1/24-6/30/25					(1,238,402)	1,238,402			
PHS HVAC System Upgrades	3930-050-23-R502	640,747	7/1/24-6/30/25					(640,747)	640,747			
West Brook HVAC System Upgrades	3930-060-23-R502	164,362	7/1/24-6/30/25	-	-	36,848	-	(164,362)	127,514	-	(36,848)	36,848
Total Capital Projects Fund				1,500,000	-	802,542	-	(6,883,426)	7,580,884	-	(802,542)	802,542
State Department of Agriculture												
Enterprise Fund												
State School Lunch Program	25-100-010-3350-023	30,055	7/1/24-6/30/25		25,106	$ 30,055		$ (4,949)			$ (4,949)	$ 30,055
State School Lunch Program	24-100-010-3350-023	20,887	7/1/23-6/30/24	$ (3,988)	3,988							
State School Breakfast Program	25-100-034-3350-023	2,147	7/1/24-6/30/25		1,851	2,147		(296)			(296)	2,147
Summer - EBT Admin Cost Reimbursement	N/A	322	7/1/24-6/30/25	-	322	322	-	-	-	-	-	322
Total Enterprise Fund				(3,988)	31,267	32,524	-	(5,245)	-	-	(5,245)	32,524
Total State Financial Assistance Subject to Single Audit Determination				$ 497,278	$ 30,145,045	$ 31,269,240	$ 383,808	$ (8,906,418)	7,656,884	$ 238,809	$ (1,124,337)	$ 31,269,240
Less On-Behalf TPAF Pension and Annuity Aid												
Pension Contribution	25-495-034-5094-002	13,076,109	7/1/24-6/30/25		13,076,109	13,076,109						13,076,109
Long Term Disability Insurance	25-495-034-5094-004	4,758	7/1/24-6/30/25		4,758	4,758						4,758
NCGI	25-495-034-5094-004	161,978	7/1/24-6/30/25		161,978	161,978						161,978
Post Retirement Medical Contributions	25-495-034-5094-001	3,868,179	7/1/24-6/30/25	-	3,868,179	3,868,179	-	-	-	-	-	3,868,179
				-	17,111,024	17,111,024	-	-	-	-	-	17,111,024
Total for State Financial Assistance Subject to Major Program Determination				$ 497,278	$ 13,034,021	$ 14,158,216	$ 383,808	$ (8,906,418)	$ 7,656,884	$ 238,809	$ (1,124,337)	$ 14,158,216

See Accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance

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

NOTE 1 REPORTING ENTITY

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

NOTE 2 BASIS OF PRESENTATION

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

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of $515,071 for the general fund and an increase of $18,145 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	Federal	State	Total
General Fund	$ 28,374	$ 26,422,174	$ 26,450,548
Special Revenue Fund	2,607,083	3,498,687	6,105,770
Capital Projects Fund		802,542	802,542
Food Service Fund	473,038	32,524	505,562
Total Awards Financial Assistance	$ 3,108,495	$ 30,755,927	$ 33,864,422

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

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of $2,831,834 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2025. The amount reported as TPAF Pension System Contributions in the amount of $13,238,087, TPAF Post-Retirement Medical Benefits Contributions in the amount of $3,868,179 and TPAF Long-Term Disability Insurance in the amount of $4,758 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2025.

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

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

NOTE 8 DE MINIMIS INDIRECT COST RATE

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

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

Part I – Summary of Auditor's Results

Financial Statement Section

Type of auditors' report issued:	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 the basic financial statements noted?	____ yes	X no	

Federal Awards Section

Internal Control over major programs:			
1) Material weakness(es) identified?	____ yes	X no	
2) Significant deficiencies identified that are not considered to be material weaknesses?	____ yes	X	none reported
Type of auditor's report issued on compliance for major programs	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance	____ yes	X no	

Identification of major federal programs:

AL Number(s)	Name of Federal Program or Cluster
84.027A	IDEA Cluster - Basic
84.173A	IDEA Cluster - Preschool

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000	
Auditee qualified as low-risk auditee?	X yes	____ no

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

Part I – Summary of Auditor's Results

State Awards Section

Internal control over major programs:

1) Material weakness(es) identified:	____ yes __X__ no
2) Significant deficiencies identified that are not considered to be material weakness(es)?	____ yes __X__ none reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with N.J. Circular Letter 15-08?	____ yes __X__ no

Identification of major state programs:

GMIS Number(s)	Name of State Program or Cluster
25-495-034-5120-089	Special Education Aid
25-495-034-5120-084	Security Aid
25-495-034-5120-014	Transportation Aid
25-495-034-5120-014	Nonpublic Transportation Aid
25-100-034-5120-070	Nonpublic Nursing
25-100-034-5120-066	Nonpublic Handicapped Aid

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000
Auditee qualified as low-risk auditee?	__X__ yes ____ no

EXHIBIT K-6

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

Part 2 – Schedule of Financial Statement Findings

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

There are none.

EXHIBIT K-6

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

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

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

CURRENT YEAR FEDERAL AWARDS

There are none.

CURRENT YEAR STATE AWARDS

There are none.