



**TENAFLY BOARD OF
EDUCATION
TENAFLY, NJ 07670**



**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

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

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

of the

Tenafly Board of Education

Tenafly, New Jersey

For The Fiscal Year Ended June 30, 2025

Prepared by

Business Office

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INTRODUCTORY SECTION



Tenafly Board of Education/
www.tenafly.k12.nj.us

500 Tenafly Road, Tenafly, NJ 07670
Tel: 201-816-4502 - Fax: 201-816-4521

November 4, 2025

Honorable President and
Members of the Board of Education
Tenafly Board of Education
500 Tenafly Road
Tenafly, NJ 07670

Dear Board Members:

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

Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A that should be read in conjunction with it. Tenafly Board of Education’s MD&A can be found immediately following the “Independent Auditor’s Report”.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District’s organizational chart, and a list of principal officials. The financial section includes the Independent Auditors’ Report, Management’s Discussion and Analysis and basic financial statements including the District-Wide financial statements presented in accordance with the provisions of the Governmental Accounting Standards Board (GASB) Statements. The basic financial statements also include individual fund financial statements, Notes to Financial Statements and Required Supplementary Information (RSI). The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the requirements of 2 CFR 200-Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (U.S. Uniform Guidance), and the State OMB Circular 15-08, “Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.” Information related to this single audit, including the auditor’s report on the internal control structure and compliance with applicable laws and regulations and findings and questioned costs, are included in the single audit section of this report.

REPORTING ENTITY AND ITS SERVICES

The Tenaflly Board of Education is an independent reporting entity within the criteria adopted by the GASB. All funds of the District are included in this report. The Tenaflly Board of Education constitutes the District's reporting entity. The District has no component units included in this report which meet the criteria of legally separate entities for which the District is financially accountable. In addition, the District is not includable in any other reporting entity as a component unit.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, advanced placement courses, bilingual instruction in Spanish, English as a second language, vocational as well as special education for handicapped youngsters. The District completed the 2024/2025 fiscal year with an enrollment of 3,425 which is 9 students more than the previous year's enrollment. The following details the changes in the average daily enrollment of the District over the last ten years.

<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2024/2025	3,425	0.26%
2023/2024	3,416	-
2022/2023	3,415	(4.26)
2021/2022	3,567	1.12
2020/2021	3,525	(0.06)
2019/2020	3,759	0.03
2018/2019	3,687	0.05
2017/2018	3,685	1.43
2016/2017	3,633	0.72
2015/2016	3,607	(0.01)

ECONOMIC CONDITION AND OUTLOOK

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

The District continues to find itself in a strong economic position as indicated by its AA+ Stable long-term credit rating from Standard & Poor's, Inc. Global ("S&P"), Ratings Services. The S&P report dated November 21, 2024, noted that the Tenaflly Board of Education is characterized by stable and positive operating financial results, which has allowed the district to maintain its fund balance other reserves over the last several years. The District's proposed debt burden is affordable because of the Borough's stable residential tax base.

RELEVANT FINANCIAL POLICES

The operations of the Tenafly Board of Education are financed primarily through the local property tax levy; however, the District receives additional revenue from state and federal aid along with other miscellaneous local revenues. The school portion of the property tax levy, the largest revenue source for the district, has been held relatively stable over the past five years (under 2%) despite increases and decreases in contractual salaries and benefits, special educational placements and related transportation.

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

INTERNAL ACCOUNTING CONTROLS

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

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

BUDGETARY CONTROLS

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general 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 amount as amended for the fiscal year is reflected in the financial section.

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

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. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the U.S. Uniform Guidance and the State OMB Circular 15-08. The auditor's report on the basic financial statements is included in the financial section of this report. The auditor's report related specifically to the single audit and Government Auditing Services is included in the single audit section of this report.

ACKNOWLEDGEMENTS

We would like to express our appreciation to the members of the Tenafly Board of Education for the 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,



Michael Ben-David
Superintendent of Schools

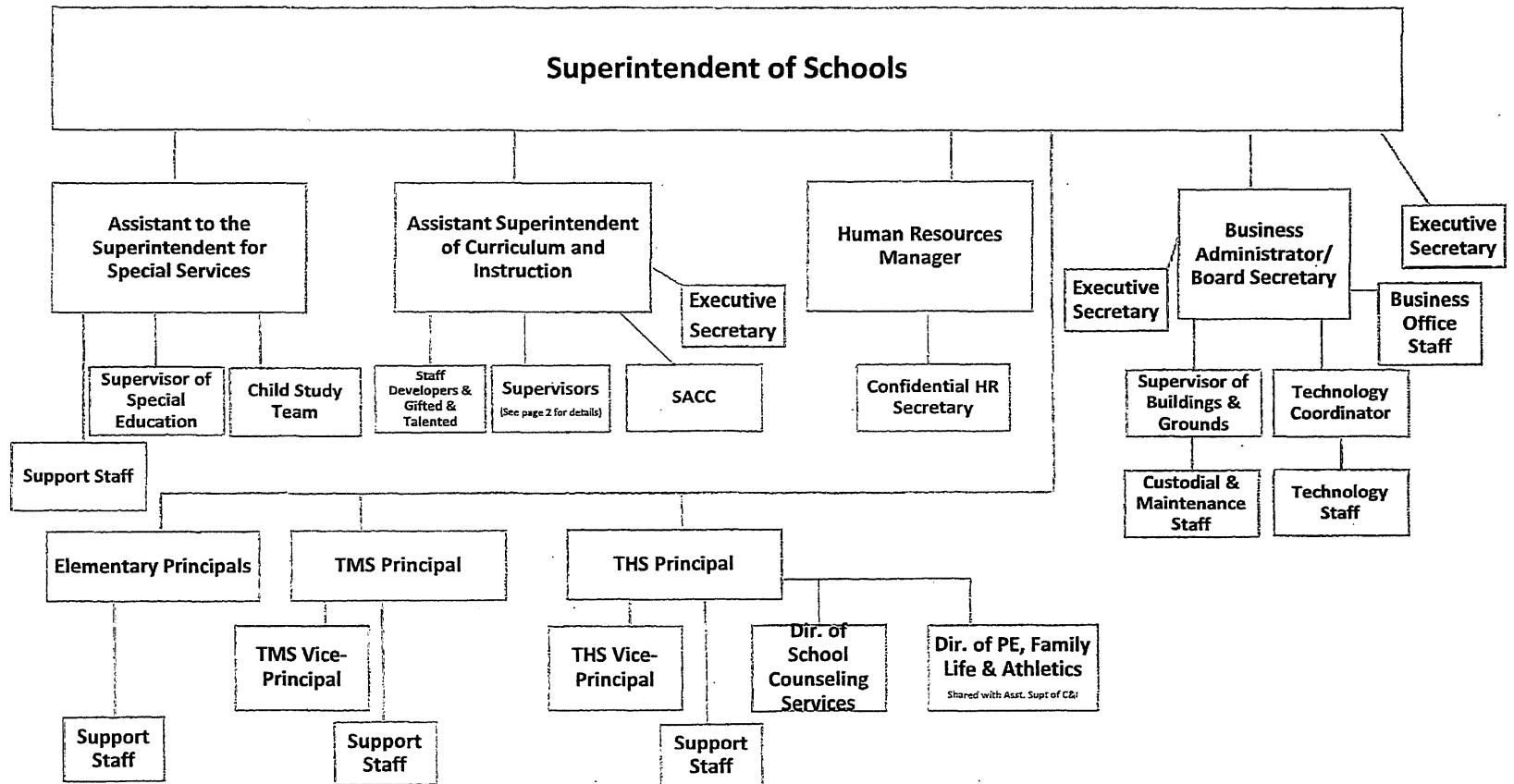


Stephen Frost
School Business Administrator/Board Secretary

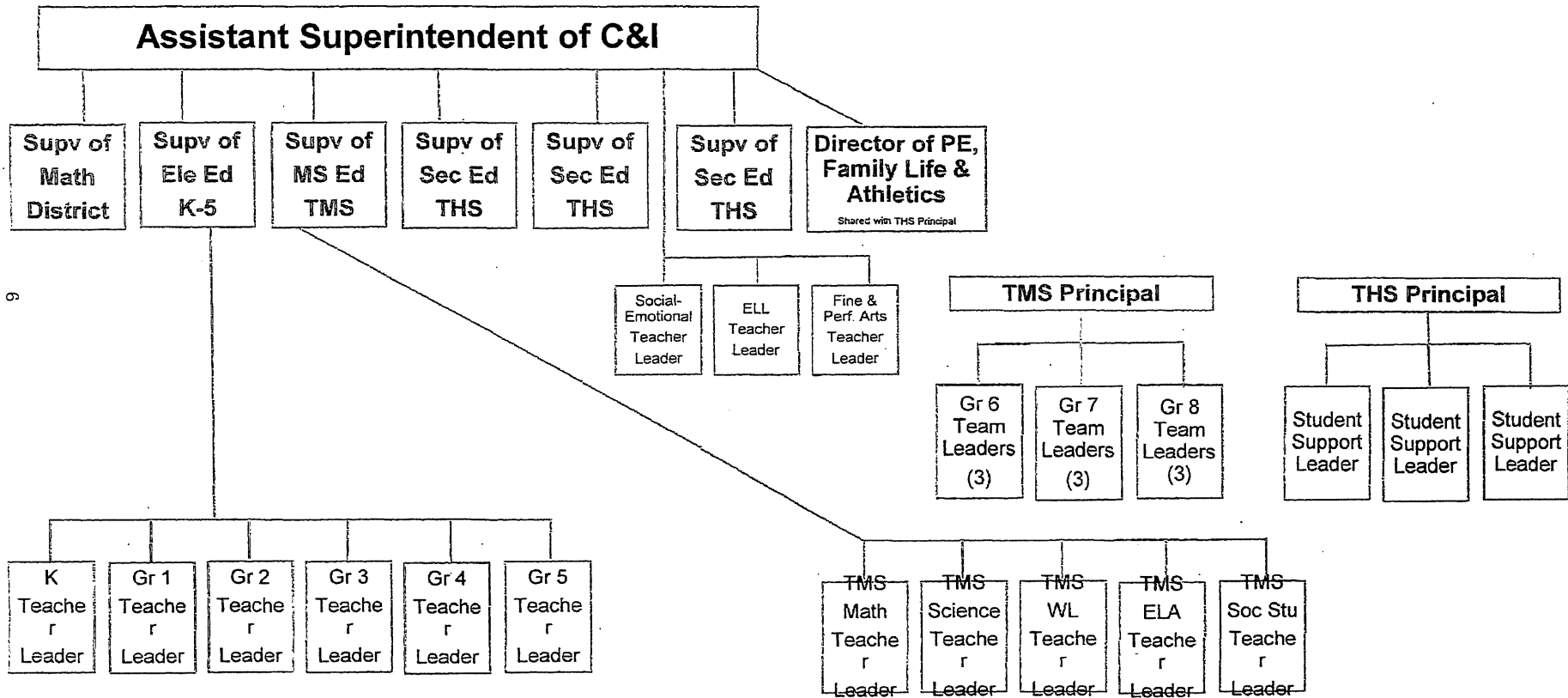
TENAFLY BOARD OF EDUCATION

ORGANIZATIONAL CHART

(Policy 1110)



ORGANIZATIONAL CHART CONTINUED



**TENAFLY BOARD OF EDUCATION
TENAFLY, NEW JERSEY 07670**

**ROSTER OF OFFICIALS
JULY 1, 2024 TO JUNE 30, 2025**

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

Jocelyn Schwarz, President	Dec. 2025
Angela Leone, Vice President	Dec. 2026
Adam Enbar	Dec. 2025
Igor Frid	Dec. 2025
Michelle Harris	Dec. 2027
Inbal Israeli Miller	Dec. 2027
Lawrence V. Lewitinn	Dec. 2027
Edward J. Salaski	Dec. 2026
Daniel Shin	Dec. 2026

OTHER OFFICIALS

Michael Ben-David, Superintendent
Brenda Yoo, Assistant Superintendent
Stephen Frost, Business Administrator/Board Secretary

**TENAFLY BOARD OF EDUCATION
CONSULTANTS AND ADVISORS
2024-2025**

ARCHITECTS

DMR Architects
777 Terrace Ave
Hasbrouck Heights, New Jersey

AUDIT FIRM

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

ATTORNEY

Fogarty & Hara, Esqs.
21-00 Route 208 South
Fair Lawn, NJ 07410

OFFICIAL DEPOSITORY

Citizens Bank
108 Engle Street
Englewood, NJ 07631

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Tenafly Board of Education
500 Tenafly Road
Tenafly, New Jersey 07670

Report on the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Tenafly 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 Tenafly 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 Tenafly 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 Tenafly 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 Tenafly 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 Tenafly Board of Education's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, 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 Tenafly 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 combining and individual nonmajor fund financial statements, 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 November 4, 2025 on our consideration of the Tenafly 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 Tenafly 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 Tenafly Board of Education's internal control over financial reporting and compliance.



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



Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
November 4, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

TENAFLY BOARD OF EDUCATION

Management's Discussion and Analysis

This section of Tenafly 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 Tenafly Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$21,630,744 (net position).
- Overall District revenues were \$100,175,462. General revenues accounted for \$78,786,724 or 79% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$21,388,738 of total revenues.
- The School District had \$92,704,966 in expenses for governmental activities; only \$19,569,422 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$78,783,487 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 \$87,332,909 an increase of \$76,384,472 when compared to the ending fund balance at June 30, 2024 of \$10,948,437. This increase is primarily due to the District's sale of school bonds totaling \$76,097,000.
- The General Fund unassigned fund balance (deficit) at June 30, 2025 was \$(248,566) a decrease of \$1,179,565 when compared with the ending fund balance of \$930,999 at June 30, 2024.
- The General Fund unassigned budgetary fund balance at June 30, 2025 was \$2,170,673 which represents a decrease of \$1,463,340 when compared to the ending unassigned fund balance at June 30, 2024 of \$3,634,013.

TENAFLY BOARD OF EDUCATION

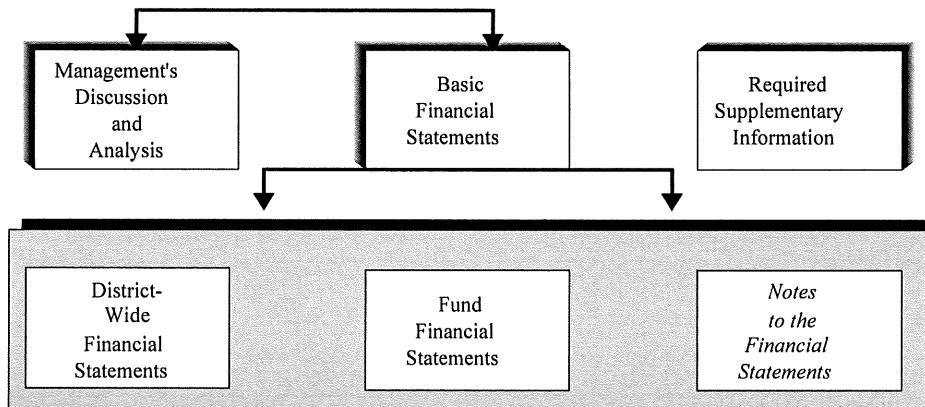
Management's Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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



TENAFLY BOARD OF EDUCATION

Management's Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

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

Major Features of the District-Wide and Fund Financial Statements

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

TENAFLY BOARD OF EDUCATION

Management's Discussion and Analysis

District-Wide Financial Statements

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

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

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

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

- *Governmental Activities* – Most of the District's basic services are included here, such as regular instruction and special education, transportation, administration, and plant operation and maintenance. State and Federal Aids and tuition charged to other school districts finance most of these activities.
- *Business Type Activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service Fund, School Age Child Care Program, Summer Enrichment Program and Tiger Tots Program are included here.

Fund Financial Statements

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

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

TENAFLY BOARD OF EDUCATION

Management's Discussion and Analysis

Fund Financial Statements (Continued)

The District has two kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The District's Enterprise Fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Notes to the Financial Statements

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

Other Information

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

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

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

TENAFLY BOARD OF EDUCATION

Management's Discussion and Analysis

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$21,630,744 and \$16,000,739 (as restated) as of June 30, 2025 and 2024, respectively, as shown below. The June 30, 2024 financial statements were restated to reflect the implementation of GASB No. 101 "Compensated Absences".

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.

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

	Governmental Activities		Business-Type Activities		Total	
	2025	2024 (Restated)	2025	2024	2025	2024 (Restated)
Assets						
Current and Other Assets	\$ 88,604,458	\$ 12,473,896	\$ 542,841	\$ 414,990	\$ 89,147,299	\$ 12,888,886
Capital Assets	<u>52,256,459</u>	<u>48,239,186</u>	<u>49,167</u>	<u>52,614</u>	<u>52,305,626</u>	<u>48,291,800</u>
Total Assets	<u>140,860,917</u>	<u>60,713,082</u>	<u>592,008</u>	<u>467,604</u>	<u>141,452,925</u>	<u>61,180,686</u>
Deferred Outflows of Resources						
Deferred Amounts of Refunding of Debt	323,176	421,671			323,176	421,671
Deferred Amount of Net Pension Liability	<u>627,414</u>	<u>688,806</u>	<u>-</u>	<u>-</u>	<u>627,414</u>	<u>688,806</u>
Total Deferred Outflows of Resources	<u>950,590</u>	<u>1,110,477</u>	<u>-</u>	<u>-</u>	<u>950,590</u>	<u>1,110,477</u>
Total Assets and Deferred Outflows of Resources	<u>141,811,507</u>	<u>61,823,559</u>	<u>592,008</u>	<u>467,604</u>	<u>142,403,515</u>	<u>62,291,163</u>
Liabilities						
Long-Term Liabilities	116,767,419	43,214,189			116,767,419	43,214,189
Other Liabilities	<u>3,009,787</u>	<u>2,005,815</u>	<u>187,927</u>	<u>45,585</u>	<u>3,197,714</u>	<u>2,051,400</u>
Total Liabilities	<u>119,777,206</u>	<u>45,220,004</u>	<u>187,927</u>	<u>45,585</u>	<u>119,965,133</u>	<u>45,265,589</u>
Deferred Inflows of Resources						
Deferred Amount of Net Pension Liability	<u>807,638</u>	<u>1,024,835</u>	<u>-</u>	<u>-</u>	<u>807,638</u>	<u>1,024,835</u>
Total Deferred Inflows of Resources	<u>807,638</u>	<u>1,024,835</u>	<u>-</u>	<u>-</u>	<u>807,638</u>	<u>1,024,835</u>
Total Liabilities and Deferred Inflows of Resources	<u>120,584,844</u>	<u>46,244,839</u>	<u>187,927</u>	<u>45,585</u>	<u>120,772,771</u>	<u>46,290,424</u>
Net Position:						
Net Investment in Capital Assets	26,292,576	25,430,365	49,167	52,614	26,341,743	25,482,979
Restricted	9,300,527	4,517,884			9,300,527	4,517,884
Unrestricted	<u>(14,366,440)</u>	<u>(14,369,529)</u>	<u>354,914</u>	<u>369,405</u>	<u>(14,011,526)</u>	<u>(14,000,124)</u>
Total Net Position	<u>\$ 21,226,663</u>	<u>\$ 15,578,720</u>	<u>\$ 404,081</u>	<u>\$ 422,019</u>	<u>\$ 21,630,744</u>	<u>\$ 16,000,739</u>

TENAFLY BOARD OF EDUCATION

Management's Discussion and Analysis

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenues						
Program Revenues						
Charges for Services	\$ 1,847,831	\$ 1,866,379	\$ 1,819,316	\$ 1,480,860	\$ 3,667,147	\$ 3,347,239
Operating Grants and Contributions	16,656,711	19,409,983			16,656,711	19,409,983
Capital Grants and Contributions	1,064,880	884,271			1,064,880	884,271
General Revenues						
Property Taxes	76,488,392	74,721,017			76,488,392	74,721,017
Investment Earnings	2,058,041	269,290	3,237	2,791	2,061,278	272,081
Other	237,054	323,029	-	-	237,054	323,029
Total Revenues	<u>98,352,909</u>	<u>97,473,969</u>	<u>1,822,553</u>	<u>1,483,651</u>	<u>100,175,462</u>	<u>98,957,620</u>
Expenses						
Instruction						
Regular	36,487,978	40,133,537			36,487,978	40,133,537
Special Education	11,281,565	14,553,079			11,281,565	14,553,079
Other Instruction	3,106,704	3,469,692			3,106,704	3,469,692
School Sponsored Activities and Athletics	2,709,334	2,551,125			2,709,334	2,551,125
Support Services						
Student and Instruction Related Services	16,552,747	13,227,014			16,552,747	13,227,014
General Administrative Services	1,756,261	1,289,329			1,756,261	1,289,329
School Administrative Services	4,486,754	5,107,724			4,486,754	5,107,724
Plant Operations and Maintenance	8,577,815	8,106,815			8,577,815	8,106,815
Pupil Transportation	2,645,533	2,689,745			2,645,533	2,689,745
Business and Other Support Services	2,931,463	2,514,765			2,931,463	2,514,765
Food Services Program			1,102,703	1,014,194	1,102,703	1,014,194
Child Care Program			395,473	390,198	395,473	390,198
Summer Enrichment			138,405		138,405	-
Tiger Tots Program			203,910	169,462	203,910	169,462
Interest and Other Charges on Long-Term Debt	2,168,812	794,841	-	-	2,168,812	794,841
Total Expenses	<u>92,704,966</u>	<u>94,437,666</u>	<u>1,840,491</u>	<u>1,573,854</u>	<u>94,545,457</u>	<u>96,011,520</u>
Increase/(Decrease) in Net Position						
Before Transfers	5,647,943	3,036,303	(17,938)	(90,203)	5,630,005	2,946,100
Transfers	<u>-</u>	<u>(41,587)</u>	<u>-</u>	<u>41,587</u>	<u>-</u>	<u>-</u>
Change in Net Position	5,647,943	2,994,716	(17,938)	(48,616)	5,630,005	2,946,100
Net Position, Beginning of Year	15,578,720	15,173,854	422,019	470,635	16,000,739	15,644,489
Prior Period Adjustments	-	(2,589,850)	-	-	-	(2,589,850)
Net Position, End of Year	<u>\$ 21,226,663</u>	<u>\$ 15,578,720</u>	<u>\$ 404,081</u>	<u>\$ 422,019</u>	<u>\$ 21,630,744</u>	<u>\$ 16,000,739</u>

TENAFLY BOARD OF EDUCATION

Management's Discussion and Analysis

Governmental Activities

The financial position of the District improved in 2024-2025. However, maintaining existing programs with enrollment changes, the provision of a multitude of special programs/services for disabled pupils, and increases in District health benefits costs places a great demand on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

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

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Instruction				
Regular	\$ 36,487,978	\$ 40,133,537	\$ 30,579,260	\$ 32,418,424
Special Education	11,281,565	14,553,079	3,413,030	6,244,760
Other Instruction	3,106,704	3,469,692	2,593,790	2,603,168
School Sponsored Activities and Athletics	2,709,334	2,551,125	1,784,304	1,772,552
Support Services				
Student and Instruction Related Services	16,552,747	13,227,014	15,247,917	12,403,455
General Administration	1,756,261	1,289,329	1,657,342	1,215,938
School Administration Services	4,486,754	5,107,724	4,025,698	4,386,004
Plant Operation and Maintenance	8,577,815	8,106,815	7,039,487	5,950,544
Pupil Transportation	2,645,533	2,689,745	2,078,397	2,239,714
Business Services	2,931,463	2,514,765	2,787,306	2,470,423
Interest and Other Charges on Long-Term Debt	<u>2,168,812</u>	<u>794,841</u>	<u>1,929,013</u>	<u>572,051</u>
Total	<u>\$ 92,704,966</u>	<u>\$ 94,437,666</u>	<u>\$ 73,135,544</u>	<u>\$ 72,277,033</u>

TENAFLY BOARD OF EDUCATION

Management's Discussion and Analysis

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental Funds

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$87,332,909, an increase of \$76,384,472 from last year's fund balance of \$10,948,437. This increase is primarily due to the District's sale of school bonds totaling \$76,097,000.

Revenues and other financing sources for the District's governmental funds were \$188,433,251. total expenditures and other financing uses were \$112,048,779.

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

Revenues of the General Fund were \$101,618,641 for the fiscal year ended June 30, 2025. State sources amounted to \$25,483,299, federal sources totaled \$11,616 and local sources were \$76,123,726.

Expenditures of the General Fund were \$99,213,020. Instructional expenditures were \$61,031,694, expenditures for support services were \$36,623,811, capital expenditures totaled \$13,632 and debt service expenditures totaled \$1,543,883 for the fiscal year ended June 30, 2025.

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

Revenues of the Special Revenue Fund were \$2,538,322 for the fiscal year ended June 30, 2025. State sources amounted to \$392,740, federal sources totaled \$1,156,815 and local sources were \$988,767.

Expenditures of the Special Revenue Fund were \$2,547,129. Instructional expenditures were \$1,840,117 and expenditures for support services were \$707,012.

Capital Projects - The capital projects revenues and other financing sources exceeded expenditures and other financing uses by \$72,544,546 increasing the fund balance from \$2,313,091 at June 30, 2024 to \$74,857,637 at June 30, 2025. The increase is due to the sale of school bonds to finance the District's 2024 voter approved referendum projects and an equipment lease purchase.

TENAFLY BOARD OF EDUCATION

Management's Discussion and Analysis

Proprietary Funds

The District maintains four Enterprise Funds 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, School Age Child Care Program, Summer Enrichment Program and Tiger Tots 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.

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 \$52,305,626, and \$48,291,800 (net of accumulated depreciation), respectively. The capital assets consist of land, site improvements, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for the fiscal year 2024-2025 amounted to \$2,000,592 for governmental activities and \$8,376 for the Business-Type activities.

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

	Governmental		Business- Type		Total	
	<u>Activities</u>		<u>Activities</u>			
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Land	\$ 222,500	\$ 222,500			\$ 222,500	\$ 222,500
Construction in Progress	11,025,831	5,021,598			11,025,831	5,021,598
Buildings	37,099,581	38,500,520			37,099,581	38,500,520
Improvements Other Than Bldgs	2,313,182	2,514,808			2,313,182	2,514,808
Machinery and Equipment	<u>1,595,365</u>	<u>1,979,760</u>	<u>\$ 49,167</u>	<u>\$ 52,614</u>	<u>1,644,532</u>	<u>2,032,374</u>
Total	<u>\$ 52,256,459</u>	<u>\$ 48,239,186</u>	<u>\$ 49,167</u>	<u>\$ 52,614</u>	<u>\$ 52,305,626</u>	<u>\$ 48,291,800</u>

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

TENAFLY BOARD OF EDUCATION

Management's Discussion and Analysis

LONG TERM LIABILITIES

At June 30, 2025, the District's long-term liabilities consisted of compensated absences payable of \$4,083,366 serial bonds of \$93,119,896 (including unamortized premium), financing agreements of \$8,106,133 and net pension liability of \$11,458,024 totaling \$116,767,419. This is in comparison to long-term liabilities at June 30, 2024 of \$43,214,189 or an increase of \$73,553,230.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2024-2025 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing labor and related employee benefit costs. Other budgetary increases are anticipated with special education costs.

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, Tenafly Board of Education, 500 Tenafly Road, Tenafly, NJ 07670.

BASIC FINANCIAL STATEMENTS

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

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 85,872,154	\$ 521,208	\$ 86,393,362
Restricted Assets:			
Cash with Fiscal Agents	1,875,454		1,875,454
Receivables, net	850,346		850,346
Inventory		13,909	13,909
Prepaid Items	6,504	7,724	14,228
Capital Assets			
Not Being Depreciated	11,248,331		11,248,331
Being Depreciated, Net	41,008,128	49,167	41,057,295
Total Assets	<u>140,860,917</u>	<u>592,008</u>	<u>141,452,925</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	323,176		323,176
Deferred Amount of Net Pension Liability	627,414		627,414
Total Deferred Outflows of Resources	<u>950,590</u>		<u>950,590</u>
Total Assets and Deferred Outflows of Resources	<u>141,811,507</u>	<u>592,008</u>	<u>142,403,515</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	863,610	8,687	872,297
Payable to State/Federal Government	205,857		205,857
Unearned Revenue	202,082	179,240	381,322
Accrued Interest Payable	1,738,238		1,738,238
Noncurrent Liabilities			
Due Within One Year	3,581,262		3,581,262
Due Beyond One Year	113,186,157		113,186,157
Total Liabilities	<u>119,777,206</u>	<u>187,927</u>	<u>119,965,133</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount of Net Pension Liability	807,638		807,638
Total Deferred Inflows of Resources	<u>807,638</u>	<u>-</u>	<u>807,638</u>
Total Liabilities and Deferred Inflows of Resources	<u>120,584,844</u>	<u>187,927</u>	<u>120,772,771</u>
NET POSITION			
Net Investment in Capital Assets	26,292,576	49,167	26,341,743
Restricted for:			
Capital Projects	6,584,018		6,584,018
Other Purposes	2,716,509		2,716,509
Unrestricted	(14,366,440)	354,914	(14,011,526)
Total Net Position	<u>\$ 21,226,663</u>	<u>\$ 404,081</u>	<u>\$ 21,630,744</u>

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

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

Functions/Programs:	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 36,487,978	\$ 1,030,519	\$ 4,878,199		\$ (30,579,260)		\$ (30,579,260)
Special Education	11,281,565		7,868,535		(3,413,030)		(3,413,030)
Other Instruction	3,106,704		512,914		(2,593,790)		(2,593,790)
School Sponsored Activities and Athletics	2,709,334	694,573	230,457		(1,784,304)		(1,784,304)
Support Services							
Student and Instruction Related Svcs.	16,552,747	24,821	1,280,009		(15,247,917)		(15,247,917)
General Administrative Services	1,756,261		98,919		(1,657,342)		(1,657,342)
School Administrative Services	4,486,754		461,056		(4,025,698)		(4,025,698)
Plant Operations and Maintenance	8,577,815	97,918	615,329	\$ 825,081	(7,039,487)		(7,039,487)
Pupil Transportation	2,645,533		567,136		(2,078,397)		(2,078,397)
Business/Admin Info Technology Services	2,931,463		144,157		(2,787,306)		(2,787,306)
Interest and Other Charges on Long-Term Debt	2,168,812			239,799	(1,929,013)	-	(1,929,013)
Total Governmental Activities	92,704,966	1,847,831	16,656,711	1,064,880	(73,135,544)	-	(73,135,544)
Business-Type Activities							
Food Service	1,102,703	1,042,031				\$ (60,672)	(60,672)
Child Care	395,473	383,971				(11,502)	(11,502)
Summer Enrichment	-	-				-	-
Tiger Tots	342,315	393,314				50,999	50,999
Total Business-Type Activities	1,840,491	1,819,316	-	-	-	(21,175)	(21,175)
Total Primary Government	\$ 94,545,457	\$ 3,667,147	\$ 16,656,711	\$ 1,064,880	(73,135,544)	(21,175)	(73,156,719)
General Revenues:							
Property Taxes - General Purposes					74,243,236		74,243,236
Property Taxes - Debt Service					2,245,156		2,245,156
Investment Earnings					2,058,041	3,237	2,061,278
Miscellaneous Income					237,054	-	237,054
Total General Revenues and Transfers					78,783,487	3,237	78,786,724
Change in Net Position					5,647,943	(17,938)	5,630,005
Net Position, July 1, 2024 (Restated)					15,578,720	422,019	16,000,739
Net Position, June 30, 2025					\$ 21,226,663	\$ 404,081	\$ 21,630,744

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

FUND FINANCIAL STATEMENTS

**TENAFLY 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	\$ 11,013,958	\$ 538,389	\$ 74,319,807		\$ 85,872,154
Restricted Assets:					
Cash with Fiscal Agents			1,875,454		1,875,454
Due From Other Funds	1,547,713				1,547,713
Receivables, Net					
Receivables From Other Governments	428,425	206,215	215,014		849,654
Accounts Receivable	692				692
Prepaid Items	-	-	-	\$ 6,504	6,504
	<u>12,990,788</u>	<u>744,604</u>	<u>76,410,275</u>	<u>6,504</u>	<u>90,152,171</u>
Total Assets	<u>\$ 12,990,788</u>	<u>\$ 744,604</u>	<u>\$ 76,410,275</u>	<u>\$ 6,504</u>	<u>\$ 90,152,171</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 144,678	\$ 2,489	\$ 11,294		\$ 158,461
Payroll and Payroll Deductions Payable	705,149				705,149
Payable to State Government		66,941			66,941
Payable to Federal Government		138,916			138,916
Due to Other Funds			1,541,344	\$ 6,369	1,547,713
Unearned Revenue	1,250	200,832	-	-	202,082
	<u>851,077</u>	<u>409,178</u>	<u>1,552,638</u>	<u>6,369</u>	<u>2,819,262</u>
Total Liabilities	<u>851,077</u>	<u>409,178</u>	<u>1,552,638</u>	<u>6,369</u>	<u>2,819,262</u>
Fund Balances					
Restricted Fund Balance					
Capital Reserve	3,479,482				3,479,482
Capital Reserve Designated for Subsequent Year's Budget	2,000,000				2,000,000
Maintenance Reserve	1,617,850				1,617,850
Emergency Reserve	1,000				1,000
Emergency Reserve Designated for Subsequent Year's Budget	258,900				258,900
Excess Surplus	2,100,000				2,100,000
Excess Surplus Designated for Subsequent Year's Budget	1,380,214				1,380,214
Unemployment Compensation Reserve	492,421				492,421
Student Activities		233,561			233,561
Scholarship Awards		101,865			101,865
Capital Projects			74,846,860		74,846,860
Debt Service			10,777	135	10,912
Assigned Fund Balance					
Encumbrances	138,624				138,624
Designated for Subsequent Year's Budget	919,786				919,786
Unassigned Fund Balance	(248,566)	-	-	-	(248,566)
	<u>12,139,711</u>	<u>335,426</u>	<u>74,857,637</u>	<u>135</u>	<u>87,332,909</u>
Total Fund Balances	<u>12,139,711</u>	<u>335,426</u>	<u>74,857,637</u>	<u>135</u>	<u>87,332,909</u>
Total Liabilities and Fund Balances	<u>\$ 12,990,788</u>	<u>\$ 744,604</u>	<u>\$ 76,410,275</u>	<u>\$ 6,504</u>	<u>\$ 90,152,171</u>

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

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

**Amounts Reported for Governmental Activities in the Statement of
Net Position (A-1) are Different Because:**

Total Fund Balance (Exhibit B-1)	\$ 87,332,909
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$87,222,055 and the accumulated depreciation is \$34,965,596.	52,256,459
Long-term liabilities, including bonds payable, financing agreements, compensated absences and net pension liability are not due and payable in the current period and therefore are not reported as liabilities in the funds. (See Note 2)	(116,767,419)
The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is:	(1,738,238)
Deferred Inflows and Outflows related to the debt refundings and net pension liability are not reported in the funds (See Note 2)	<u>142,952</u>
Net Position of Governmental Activities	<u>\$ 21,226,663</u>

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Property Taxes	\$ 74,243,236			\$ 2,245,156	\$ 76,488,392
Tuition	1,030,519				1,030,519
Interest	514,999		\$ 1,543,042		2,058,041
Rentals	97,918				97,918
Miscellaneous	237,054	\$ 988,767	660,952		1,886,773
Total - Local Sources	76,123,726	988,767	2,203,994	2,245,156	81,561,643
State Sources	25,483,299	392,740	164,129	399,665	26,439,833
Federal Sources	11,616	1,156,815	-		1,168,431
Total Revenues	<u>101,618,641</u>	<u>2,538,322</u>	<u>2,368,123</u>	<u>2,644,821</u>	<u>109,169,907</u>
EXPENDITURES					
Current					
Instruction					
Regular Instruction	43,189,793	233,612			43,423,405
Special Education Instruction	11,849,167	781,995			12,631,162
Other Instruction	3,647,144	108,851			3,755,995
School Sponsored Activities and Athletics	2,345,590	715,659			3,061,249
Support Services					
Student and Instruction Related Services	16,503,146	674,692			17,177,838
General Administrative Services	1,887,461				1,887,461
School Administrative Services	5,187,419				5,187,419
Plant Operations and Maintenance	7,312,794	32,320			7,345,114
Pupil Transportation	2,625,682				2,625,682
Business/Admin Info Technology Services	3,107,309				3,107,309
Debt Service					
Principal	1,140,751			2,005,000	3,145,751
Interest	403,132			738,053	1,141,185
Capital Outlay	13,632	-	6,004,233		6,017,865
Total Expenditures	<u>99,213,020</u>	<u>2,547,129</u>	<u>6,004,233</u>	<u>2,743,053</u>	<u>110,507,435</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>2,405,621</u>	<u>(8,807)</u>	<u>(3,636,110)</u>	<u>(98,232)</u>	<u>(1,337,528)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from Capital and Other Financing Agreements			1,625,000		1,625,000
Proceeds from Sale of Bonds			76,097,000		76,097,000
Transfers In	1,541,344				1,541,344
Transfers Out	-		(1,541,344)	-	(1,541,344)
Total Other Financing Sources and Uses	<u>1,541,344</u>	<u>-</u>	<u>76,180,656</u>	<u>-</u>	<u>77,722,000</u>
Net Change in Fund Balance	3,946,965	(8,807)	72,544,546	(98,232)	76,384,472
Fund Balance, July 1, 2024	<u>8,192,746</u>	<u>344,233</u>	<u>2,313,091</u>	<u>98,367</u>	<u>10,948,437</u>
Fund Balance, June 30, 2025	<u>\$ 12,139,711</u>	<u>\$ 335,426</u>	<u>\$ 74,857,637</u>	<u>\$ 135</u>	<u>\$ 87,332,909</u>

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

**TENAFLY 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) \$ 76,384,472

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.

Capital Outlay	\$ 6,017,865	
Depreciation Expense	<u>(2,000,592)</u>	4,017,273

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

Repayment of Debt Principal		
Serial Bonds	2,005,000	
Capital Financing Agreements	226,632	
Other Financing Agreements	914,119	
Debt Issued		
Serial Bonds	(76,097,000)	
Capital Financing Agreements	<u>(1,625,000)</u>	(74,576,249)

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. Governmental funds report the effect of 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.

Amortization of Bond Premium	328,750	
Amortization of Deferred Charge on Refunding	<u>(98,495)</u>	230,255

In the statement of activities, certain operating expenses are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Net Increase in Compensated Absences	(41,101)	
Net Decrease in Pension Expense	<u>891,175</u>	850,074

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

Increase in Accrued Interest		<u>(1,257,882)</u>
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Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 5,647,943**

**TENAFLY BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2025**

	Business-Type Activities - Enterprise Funds			Totals
	Food Service	School Age Child Care	Other Non-Major	
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 92,324	\$ 227,850	\$ 201,034	\$ 521,208
Prepaid Items			7,724	7,724
Inventory	13,909			13,909
Total Current Assets	<u>106,233</u>	<u>227,850</u>	<u>208,758</u>	<u>542,841</u>
Noncurrent Assets				
Furniture, Machinery and Equipment	333,774			333,774
Less Accumulated Depreciation	<u>(284,607)</u>			<u>(284,607)</u>
Total Capital Assets, Net	<u>49,167</u>	<u>-</u>	<u>-</u>	<u>49,167</u>
Total Assets	<u>155,400</u>	<u>227,850</u>	<u>208,758</u>	<u>592,008</u>
LIABILITIES				
Accounts Payable	8,687			8,687
Unearned Revenue	<u>31,925</u>	<u>-</u>	<u>147,315</u>	<u>179,240</u>
Total Liabilities	<u>40,612</u>	<u>-</u>	<u>147,315</u>	<u>187,927</u>
NET POSITION				
Investment in Capital Assets	49,167			49,167
Unrestricted	<u>65,621</u>	<u>227,850</u>	<u>61,443</u>	<u>354,914</u>
Total Net Position	<u>\$ 114,788</u>	<u>\$ 227,850</u>	<u>\$ 61,443</u>	<u>\$ 404,081</u>

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

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

	Business-Type Activities - Enterprise Fund			Totals
	Food Service	School Age Child Care	Other Non-Major	
OPERATING REVENUES				
Charges for Services				
Daily Sales	\$ 1,042,031			\$ 1,042,031
Program Fees		\$ 383,971	\$ 393,314	777,285
	<u>1,042,031</u>	<u>383,971</u>	<u>393,314</u>	<u>1,819,316</u>
OPERATING EXPENSES				
Cost of Sales	481,386			481,386
Salaries and Benefits	400,603	387,972	332,905	1,121,480
Management Fee	79,133			79,133
Other Purchased Services	23,259			23,259
Other Expenses	2,995	4,961		7,956
Repairs	34,485			34,485
Supplies and Materials	72,466	2,540	9,410	84,416
Depreciation	8,376			8,376
	<u>1,102,703</u>	<u>395,473</u>	<u>342,315</u>	<u>1,840,491</u>
Operating Income/(Loss)	<u>(60,672)</u>	<u>(11,502)</u>	<u>50,999</u>	<u>(21,175)</u>
NONOPERATING REVENUES				
Interest Income	<u>3,237</u>			<u>3,237</u>
	<u>3,237</u>	<u>-</u>		<u>3,237</u>
Change in Net Position	(57,435)	(11,502)	50,999	(17,938)
Net Position, Beginning of Year	<u>172,223</u>	<u>239,352</u>	<u>10,444</u>	<u>422,019</u>
Net Position, End of Year	<u>\$ 114,788</u>	<u>\$ 227,850</u>	<u>\$ 61,443</u>	<u>\$ 404,081</u>

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

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

	Business-Type Activities - Enterprise Funds			Total
	Food Service	School Age Child Care	Other Non-Major	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	\$ 1,044,047	\$ 373,410	\$ 337,017	\$ 1,754,474
Payments for Employees Salaries and Benefits	(400,603)	(387,972)	(332,905)	(1,121,480)
Payments to Suppliers	(678,850)	(7,518)	(17,134)	(703,502)
Net Cash Provided by (Used for) Operating Activities	<u>(35,406)</u>	<u>(22,080)</u>	<u>(13,022)</u>	<u>(70,508)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Payments from General Fund	-		201,893	201,893
Net Cash Provided by Noncapital Financing Activities	-		<u>201,893</u>	<u>201,893</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of Capital Assets	(4,929)			(4,929)
Net Cash (Used By) Capital and Related Financing Activities	<u>(4,929)</u>	-	-	<u>(4,929)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Income	3,237	-	-	3,237
Net Cash Provided By Investing Activities	<u>3,237</u>	-	-	<u>3,237</u>
Net Change in Cash and Cash Equivalents	(37,098)	(22,080)	188,871	129,693
Cash and Cash Equivalents, Beginning of Year	129,422	249,930	12,163	391,515
Cash and Cash Equivalents, End of Year	<u>\$ 92,324</u>	<u>\$ 227,850</u>	<u>\$ 201,034</u>	<u>\$ 521,208</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Operating Income/(Loss)	\$ (60,672)	\$ (11,502)	\$ 50,999	\$ (21,175)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Depreciation	8,376			8,376
Changes in Assets and Liabilities				
(Increase) Decrease in Accounts Receivable		3,379		3,379
(Increase) Decrease in Prepaid Items			(7,724)	(7,724)
(Increase) Decrease in Inventories	6,187			6,187
Increase (Decrease) in Accounts Payable	8,687	(17)		8,670
Increase (Decrease) in Unearned Revenue	2,016	(13,940)	(56,297)	(68,221)
Total Adjustments	<u>25,266</u>	<u>(10,578)</u>	<u>(64,021)</u>	<u>(49,333)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (35,406)</u>	<u>\$ (22,080)</u>	<u>\$ (13,022)</u>	<u>\$ (70,508)</u>

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

NOTES TO THE FINANCIAL STATEMENTS

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Tenafly 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 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 Tenafly Board of Education this includes general operations, food service, before and after school child care 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

- GASB Statement No. 103, *Financial Reporting Model Improvements*, will be effective beginning with the fiscal year ending June 30, 2026. The requirements for MD&A will improve the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A. The requirements for the separate presentation of unusual or infrequent items will provide clarity regarding which items should be reported separately from other inflows and outflows of resources. The definitions of operating revenues and expenses and of nonoperating revenues and expenses will replace accounting policies that vary from school district to school district, thereby improving comparability. The addition of a subtotal for operating income (loss) and noncapital subsidies will improve the relevance of information provided in the proprietary fund statement of revenues, expenses, and changes in fund net position. The requirement for presentation of major component unit information will improve comparability. The requirement that budgetary comparison information be presented as RSI will improve comparability, and the inclusion of the specified variances and the explanations of significant variances will provide more useful information for making decisions and assessing accountability.
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*, will be effective beginning with the fiscal year ending June 30, 2026. The objective of this Statement is to provide user of governmental financial statements with essential information about certain types of capital assets. The requirements of this Statement will improve financial reporting by provided users of the financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments.

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid, and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

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

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

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

The *school age child care (SACC) fund* accounts for the activities of the District's before and after school childcare program.

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

The *summer enrichment fund* accounts for the activities of the District's summer enrichment program.

The *tiger tots fund* accounts for the activities of the District's preschool program which provides preschool services to residents and non-residents of the Borough.

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".

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

4. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both district-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

5. Restricted Assets

Certain assets are classified as restricted on the balance sheet because they are maintained in separate bank accounts and/or their use is limited by state or county regulations for capital projects and/or capital financing agreements for projects.

6. 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. Capital Assets (Continued)

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	20-50
Building Improvements	20
Heavy Equipment	10-20
Office Equipment and Furniture	7-10
Computer Equipment	5

7. 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 one type of item that arises only under the accrual basis of accounting that qualifies for reporting in this category. The 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.

8. Compensated Absences

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. Pensions

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

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

10. 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.

11. Long-Term Obligations

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Differences resulting from debt refundings are classified as deferred inflows of resources or 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 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

12. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

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

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

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 3E).

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 3F).

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.

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.

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 5A).

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

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.

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

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

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

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

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

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

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.

13. Fund Balance Policies

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses

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

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

5. Proprietary Funds, Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues 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 nonoperating revenues and expenses.

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

NOTE 2 RECONCILIATION OF DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the district-wide statement of net position

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position– governmental activities as reported in the district-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows:

Bonds Payable Including (Unamortized Premium)	\$ 93,119,896
Capital Financing Agreements	6,909,487
Other Financing Agreements	1,196,646
Compensated Absences	4,083,366
Net Pension Liability	<u>11,458,024</u>
Net Adjustment to Reduce Fund Balance - Total Governmental Funds to Arrive at Net Position - Governmental Activities	<u>\$ 116,767,419</u>

Another element of that reconciliation states that “deferred inflows and outflows related to debt refundings and net pension liability are not reported in the funds”. The details are as follows:

Deferred Inflows of Resources	
Deferred Amount on Net Pension Liability	\$ 807,638
Deferred Outflows of Resources	
Deferred Amount on Net Pension Liability	(627,414)
Deferred Amount on Refunding (to be amortized as interest expense)	<u>(323,176)</u>
	<u>\$ (142,952)</u>

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.

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

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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 do not have to submit 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. Effective for the 2025/2026 school year budget, voter approval is not required for budgets that meet levy cap requirements regardless of when the school board member elections are held.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2024/2025. Also, during 2024/2025 the Board increased the original budget of the General Fund by \$147,731 and increased the original budget of the Special Revenue Fund by \$1,361,934. The increases were funded by the appropriation of grant awards, student activity revenues, scholarship donations and the reappropriation of prior year general fund encumbrances.

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

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

B. Excess Expenditures Over Appropriations

The following is a summary of expenditures in excess of available appropriations. The overexpended appropriations resulted in unfavorable variances.

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
Current Fund			
Undistributed Expenditures			
Custodial Services			
Energy (Electricity)	\$ 485,836	\$ 498,173	\$ 12,337
Special Revenue Fund			
Instruction			
Purchased Prof. and Educ. Svcs	63,964	78,054	14,090

The above variances were offset with other available resources.

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

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Deficit Fund Equity

The District has an accumulated deficit in fund balance of \$1,276 in the Tiger Tots Enterprise Fund as of June 30, 2025. The District expects to eliminate this deficit through normal operations in the 2025/2026 fiscal year.

The District has an unassigned fund deficit of \$248,566 in the General Fund as of June 30, 2025 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2024/2025 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General Fund deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) general fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District's deficit in the GAAP (fund) financial statements of \$248,566 in the General Fund is less than the delayed state aid payments at June 30, 2025.

D. 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.

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

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Capital Reserve (Continued)

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

Balance, July 1, 2024		\$ 2,040,559
Increased by:		
Interest Earnings	\$ 9,000	
Deposit Approved by Board Resolution	<u>3,429,923</u>	
		<u>3,438,923</u>
Balance, June 30, 2025		<u>\$ 5,479,482</u>

The June 30, 2025 LRF balance of the total costs of uncompleted capital projects is estimated by management to be \$104,474,914. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the District's Long Range Facilities Plan. \$2,000,000 of the capital reserve balance at June 30, 2025 was designated and appropriated for use in the 2025/2026 original budget certified for taxes.

E. 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		\$ 614,850
Increased by:		
Interest Earnings	\$ 3,000	
Deposit Approved by Board Resolution	<u>1,000,000</u>	
		<u>1,003,000</u>
Balance, June 30, 2025		<u>\$ 1,617,850</u>

The June 30, 2025 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$3,483,205.

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

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

F. Emergency Reserve

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

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

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

Balance, July 1, 2024	\$ 258,900
Increased by:	
Interest Earnings	<u>1,000</u>
Balance, June 30, 2025	<u>\$ 259,900</u>

\$258,900 of the emergency reserve balance at June 30, 2025 was designated and appropriated for use in the 2025/2026 original budget certified for taxes.

G. 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 \$3,480,214. Of this amount \$1,380,214 was designated and appropriated in the 2025/2026 original budget certified for taxes and the remaining amount of \$2,100,000 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.

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2025, the book value of the Board's deposits were \$12,106,986 and bank and brokerage firm balances of the Board's deposits amounted to \$16,850,753. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 14,268,550
Uninsured and Collateralized	<u>2,582,203</u>
	<u>\$ 16,850,753</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2025 the Board's bank balance of \$2,582,203 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized:	
Collateral held by pledging financial institution's trust department but not in the Board's name	<u>\$ 2,582,203</u>

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.

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

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

Investment Type:

N.J. Asset and Rebate Management Program (NJ ARM)	\$ <u>76,161,830</u>
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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, \$76,161,830 of the Board’s investments was exposed to custodial credit risk as follows:

	<u>Fair Value</u>
Uninsured and Uncollateralized	\$ <u>76,161,830</u>

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 ARM. These investments are 100% of the District’s total investments.

Fair Value of Investments. The Whatever 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 NJ ARM. 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.

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

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

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:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
Receivables:				
Accounts	\$ 692			\$ 692
Intergovernmental				
Federal		\$ 206,215		206,215
State	242,506	-	\$ 215,014	457,520
Other	185,919	-	-	185,919
	<u>429,117</u>	<u>206,215</u>	<u>215,014</u>	<u>850,346</u>
Gross Receivables				
Less: Allowance for Uncollectibles	-	-	-	-
Net Total Receivables	<u>\$ 429,117</u>	<u>\$ 206,215</u>	<u>\$ 215,014</u>	<u>\$ 850,346</u>

C. Unearned Revenue

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

General Fund	
Integrated Pre-K Program	\$ 1,250
Special Revenue Fund	
Unencumbered Grant Draw Downs	187,151
Grant Drawdowns Year-End Encumbrances	<u>13,682</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 202,083</u>

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

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, <u>July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2025</u>
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 222,500			\$ 222,500
Construction in Progress	<u>5,021,598</u>	<u>\$ 6,004,233</u>	<u>-</u>	<u>11,025,831</u>
 Total Capital Assets, Not Being Depreciated	 <u>5,244,098</u>	 <u>6,004,233</u>	 <u>-</u>	 <u>11,248,331</u>
 Capital Assets, Being Depreciated:				
Buildings	60,217,737			60,217,737
Improvements Other Than Buildings	5,996,008			5,996,008
Machinery and Equipment	<u>9,746,347</u>	<u>13,632</u>	<u>-</u>	<u>9,759,979</u>
Total Capital Assets Being Depreciated	<u>75,960,092</u>	<u>13,632</u>	<u>-</u>	<u>75,973,724</u>
 Less Accumulated Depreciation For:				
Buildings	(21,717,217)	(1,400,939)		(23,118,156)
Improvements Other Than Buildings	(3,481,200)	(201,626)		(3,682,826)
Machinery and Equipment	<u>(7,766,587)</u>	<u>(398,027)</u>	<u>-</u>	<u>(8,164,614)</u>
Total Accumulated Depreciation	<u>(32,965,004)</u>	<u>(2,000,592)</u>	<u>-</u>	<u>(34,965,596)</u>
 Total Capital Assets, Being Depreciated, net	 <u>42,995,088</u>	 <u>(1,986,960)</u>	 <u>-</u>	 <u>41,008,128</u>
 Governmental Activities Capital Assets, net	 <u>\$ 48,239,186</u>	 <u>\$ 4,017,273</u>	 <u>\$ -</u>	 <u>\$ 52,256,459</u>

	Balance, <u>July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2025</u>
Business-Type Activities				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 328,845	\$ 4,929	-	\$ 333,774
Total Capital Assets Being Depreciated	<u>328,845</u>	<u>4,929</u>	<u>-</u>	<u>333,774</u>
 Less Accumulated Depreciation For:				
Machinery and Equipment	<u>(276,231)</u>	<u>(8,376)</u>	<u>-</u>	<u>(284,607)</u>
Total Accumulated Depreciation	<u>(276,231)</u>	<u>(8,376)</u>	<u>-</u>	<u>(284,607)</u>
 Total Capital Assets, Being Depreciated, net	 <u>52,614</u>	 <u>(3,447)</u>	 <u>-</u>	 <u>49,167</u>
 Business-Type Activities Capital Assets, net	 <u>\$ 52,614</u>	 <u>\$ (3,447)</u>	 <u>\$ -</u>	 <u>\$ 49,167</u>

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

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	\$ 560,166
Special Education	60,018
School-Sponsored Activities and Athletics	20,006
Total Instruction	<u>640,190</u>

Support Services

Student and Instruction Related Services	20,006
General Administrative Services	20,006
Plant Operations and Maintenance	1,300,384
Pupil Transportation	20,006
Total Support Services	<u>1,360,402</u>

Total Depreciation Expense - Governmental Activities	<u>\$ 2,000,592</u>
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Business-Type Activities:

Food Service Fund	<u>\$ 8,376</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 8,376</u>

Construction and Other Significant Commitments

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

<u>Project</u>	<u>Remaining Commitment</u>
Referendum Projects	
Improvements to Tenafly High School	\$ 4,316,928
Improvements to Tenafly Middle School	1,097,758
Improvements to Stillman Elementary School	1,824,041
Improvements to Smith Elementary School	358,907
Improvements to Mackay Elementary School	236,148
Improvements to Maugham Elementary School	542,986
Smith Roof Repairs	<u>414,328</u>
	<u>\$ 8,791,096</u>

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

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

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects Fund	\$ 1,541,344
General Fund	Debt Service Fund	<u>6,369</u>
		<u>\$ 1,547,713</u>

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

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

Interfund Transfers

	<u>Transfer In:</u>
	General <u>Fund</u>
Transfer Out	
Capital Projects Fund	<u>\$ 1,541,344</u>

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

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

F. Financing Agreements (Continued)

Capital Financing Agreements (Continued)

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

\$5,511,119, fiscal year 2024 agreement for Energy Savings Improvement Program for a term of nineteen years due in annual principal installments of \$182,205 to \$424,129 through August 2042 interest at 3.9%	\$ 5,284,487
\$1,625,000 fiscal year 2025 agreement for Equipment for a term of five years due in annual principal installments of \$303,988 to \$341,032 through August 2029 interest at 3.64%	<u>1,625,000</u>
	<u>\$ 6,909,487</u>

The unexpended proceeds from the capital financing agreements, including interest earned on balances which remain on deposit are held with the respective fiscal agents. As of June 30, 2025, there was \$1,875,454 held with the fiscal agent.

Other Financing Agreements

The District entered into the following agreements to finance the purchase of certain equipment that does not meet the threshold of a capital asset and therefore are classified as expendable supplies. The repayments under these financing agreements are subject to the annual appropriation of funds in the District’s approved budget.

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

\$465,229 Fiscal Year 2025 Agreement for the purchase of IT Hardware for a term of five years due in annual principal installments of \$88,812 to \$102,575 through July 1, 2027	\$ 286,833
\$344,798 Fiscal Year 2024 Agreement for the purchase of network upgrades for a term of five years due in annual principal installments of \$66,300 to \$75,008 through July 1, 2027	211,827
\$1,514,197, Fiscal year 2024 Agreement for the purchase of Dell Chromebooks for a term of four years due in annual principal installments of \$386,161 through October 1, 2025	386,161
\$762,098, Fiscal year 2024 Agreement for the purchase of Interactive Display Equipment for a term of four years due in annual principal installments of \$152,377 to \$159,448 through July 15, 2026	<u>311,825</u>
	<u>\$ 1,196,646</u>

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

F. Financing Agreements (Continued)

Other Financing Agreements (Continued)

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

Governmental Activities:

Fiscal Year Ending June 30,	<u>Capital Agreements</u>		<u>Other Agreements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2026	\$ 627,612	\$ 210,201	\$ 693,650	\$ 65,946	\$ 1,597,409
2027	486,193	238,101	325,413	31,451	1,081,158
2028	512,253	219,638	177,583	12,435	921,909
2029	539,484	200,172			739,656
2030	535,920	180,283			716,203
2031-2035	1,246,612	706,151			1,952,763
2036-2040	1,764,898	414,494			2,179,392
2041-2043	<u>1,196,515</u>	<u>71,952</u>	<u>-</u>	<u>-</u>	<u>1,268,467</u>
Total	<u>\$ 6,909,487</u>	<u>\$ 2,240,992</u>	<u>\$ 1,196,646</u>	<u>\$ 109,832</u>	<u>\$ 10,456,957</u>

G. Long-Term Debt

General Obligation Bonds

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

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

\$5,715,000, 2015 Refunding Bonds, due in annual installments of \$350,000 to \$690,000 through April 1, 2031, interest at 3.0%	\$3,480,000
\$7,090,000, 2016 Refunding Bonds, due in an annual installment of \$610,000 on April 1, 2026 interest at 1.79%	610,000
\$13,515,000, 2022 Refunding Bonds, due in annual installments of \$1,130,000 to \$2,260,000 through July 15, 2030, interest at 5.0%	11,510,000
\$76,097,000, 2024 Bonds, due in annual installments of \$2,967,000 to \$5,375,000 through August 1, 2024, interest at 2.5% to 4.0%	<u>76,097,000</u>
Total	<u>\$91,697,000</u>

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt (Continued)

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

Governmental Activities:

Fiscal Year Ending June 30,	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2026	\$ 2,090,000	\$ 3,511,674	\$ 5,601,674
2027	5,432,000	3,073,294	8,505,294
2028	5,640,000	2,876,307	8,516,307
2029	5,850,000	2,664,157	8,514,157
2030	6,075,000	2,443,157	8,518,157
2031-2035	20,765,000	9,707,635	30,472,635
2036-2040	20,895,000	6,711,931	27,606,931
2041-2044	<u>24,950,000</u>	<u>2,569,800</u>	<u>27,519,800</u>
Total	<u>\$ 91,697,000</u>	<u>\$ 33,557,955</u>	<u>\$ 125,254,955</u>

Statutory Borrowing Power

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

4% of Equalized Valuation Basis (Municipal)	\$ 215,684,722
Less: Net Debt Issued	<u>91,697,000</u>
Remaining Borrowing Power	<u>\$ 123,987,722</u>

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	Balance July 1, 2024 (Restated)	<u>Additions</u>	<u>Reductions</u>	Balance, June 30, 2025	Due Within <u>One Year</u>
Governmental Activities:					
Bonds Payable	\$ 17,605,000	\$ 76,097,000	\$ 2,005,000	\$ 91,697,000	\$ 2,090,000
Unamortized Premium	<u>1,751,646</u>	<u>-</u>	<u>328,750</u>	<u>1,422,896</u>	<u>-</u>
Total Bonds Payable	19,356,646	76,097,000	2,333,750	93,119,896	2,090,000
Compensated Absences	4,042,265	212,751	171,650	4,083,366	170,000
Capital Financing Agreements	5,511,119	1,625,000	226,632	6,909,487	627,612
Other Financing Agreements	2,110,765		914,119	1,196,646	693,650
Net Pension Liability	<u>12,193,394</u>	<u>-</u>	<u>735,370</u>	<u>11,458,024</u>	<u>-</u>
Governmental Activities Long-Term Liabilities	<u>\$ 43,214,189</u>	<u>\$ 77,934,751</u>	<u>\$ 4,381,521</u>	<u>\$ 116,767,419</u>	<u>\$ 3,581,262</u>

For the governmental activities, the liabilities for compensated absences, financing agreements 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 or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims. NESBIG also provides insured coverage (multi-peril) to its member school districts.

The relationship between the Board and NESBIG 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.

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.

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

NOTE 5 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

Fiscal Year Ended June 30,	Employee Contributions	Amount Reimbursed	Ending Balance
2025	\$ 77,530	\$ 124,402	\$ 492,422
2024	78,132		485,157
2023	76,459		399,994

B. Contingent Liabilities

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

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

C. Federal Arbitrage Regulations

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

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

The following represents the membership tiers for PERS:

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

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.

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

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.

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Other Pension Funds

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

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

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

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

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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.

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

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:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-Behalf <u>TPAF</u>	<u>DCRP</u>
2025	\$ 1,147,431	\$ 12,246,445	\$ 107,355
2024	1,125,131	12,378,916	125,639
2023	1,017,630	12,127,385	120,721

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

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 \$5,334, \$4,525 and \$4,090, 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 \$2,606,641 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 \$11,458,024 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 .08432 percent, which was an increase of .00014 percent from its proportionate share measured as of June 30, 2023 of .08418 percent.

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

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 \$256,256 for PERS. The pension contribution made by the District during the current 2023/2024 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2025 with a measurement date of the prior fiscal year end of June 30, 2024. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2025 for contributions made subsequent to the measurement date. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 229,525	\$ 30,504
Changes of Assumptions	14,234	130,366
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		531,277
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>383,655</u>	<u>115,491</u>
Total	<u>\$ 627,414</u>	<u>\$ 807,638</u>

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

<u>Year Ending June 30,</u>	<u>Total</u>
2026	\$ (440,468)
2027	459,558
2028	(96,724)
2029	(106,519)
2030	3,929
Thereafter	<u>-</u>
	<u>\$ (180,224)</u>

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

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.

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

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:

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

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

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 <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
District’s Proportionate Share of the PERS Net Pension Liability	<u>\$ 15,224,897</u>	<u>\$ 11,458,024</u>	<u>\$ 8,252,436</u>

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

Pension Plan Fiduciary Net Position

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

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

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 \$517,841 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 \$141,957,991. 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 .28721 percent, which was a decrease of .00538 percent from its proportionate share measured as of June 30, 2023 of .29259 percent.

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

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.

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

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:

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

Discount Rate

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

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

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	<u>\$ 168,737,169</u>	<u>\$ 141,957,991</u>	<u>\$ 119,404,861</u>

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

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

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

Plan Description and Benefits Provided

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

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

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.state.nj.us/treasury/pensions.

Plan Membership

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

Active Plan Members	219,185
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>153,556</u>
Total	<u>372,741</u>

Measurement Focus and Basis of Accounting

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

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

Collective Net OPEB Liability

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

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

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

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 \$3,578,421, \$3,369,088 and \$3,185,835, 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 \$5,525,709. 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 \$135,439,401. 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 .22705 percent, which was an increase of .00432 percent from its proportionate share measured as of June 30, 2023 of .22273 percent.

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

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.

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

Mortality Rates

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

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

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

Health Care Trend Assumptions

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

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

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	\$ <u>116,624,352</u>
Changes Recognized for the Fiscal Year:	
Service Cost	5,019,699
Interest on the Total OPEB Liability	4,458,344
Differences Between Expected and Actual Experience	2,492,661
Changes of Assumptions	10,132,668
Gross Benefit Payments	(3,404,910)
Contributions from the Member	<u>116,587</u>
Net Changes	<u>18,815,049</u>
Balance, June 30, 2024 Measurement Date	\$ <u><u>135,439,401</u></u>

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

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

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

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	<u>\$ 158,628,545</u>	<u>\$ 135,439,401</u>	<u>\$ 116,790,516</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 112,822,007</u>	<u>\$ 135,439,401</u>	<u>\$ 164,900,049</u>

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

F. Tax Abatements

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

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

NOTE 6 SUBSEQUENT EVENTS

Appropriation of Fund Balance

On July 21, 2025, the Board approved the withdrawal of \$30,908 from the Maintenance Reserve to fund the re-painting of the gym ceiling at Maugham School.

On October 13, 2025, the Board approved the withdrawal of \$39,170 from the Maintenance Reserve to fund a boiler repair at Tenafly Middle School.

NOTE 7 RESTATEMENT

During fiscal year 2025, the Tenafly Board of Education determined that a restatement was required as a result of the implementation of GASB Statement No. 101 “Compensated Absences”. The effect of implementing this change in reporting 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 the change in accounting for compensated absences. The effect of this restatement is to decrease net position of governmental activities by \$2,589,850 from \$18,168,570 as previously reported to \$15,578,720 as of June 30, 2024. In addition, the liability for compensated absences payable is increased by \$2,589,850 from \$1,452,415 as previously reported to \$4,042,265 as of June 30, 2024.

	<u>District-Wide Net Position</u>	<u>District-Wide Long Term Liabilities - Compensated Absences</u>
	<u>Governmental Activities</u>	<u>Governmental Activities</u>
Balance July 1, 2024 - As Previously Reported	\$ 18,168,570	\$ 1,452,415
Change in Accounting Principle (Adoption of GASB No. 101)	<u>(2,589,850)</u>	<u>2,589,850</u>
Balance July 1, 2024 - Restated	<u>\$ 15,578,720</u>	<u>\$ 4,042,265</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

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

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Property Taxes	\$ 74,243,236		\$ 74,243,236	\$ 74,243,236	
Other Local Sources					
Tuition - Other LEA's	900,650		900,650	1,030,519	\$ 129,869
Tuition - Summer Enrichment	185,000		185,000		(185,000)
Rents and Royalties	72,555		72,555	97,918	25,363
Interest Earned on Emergency Reserve	17,000		17,000	1,000	(16,000)
Interest Earned on Capital Reserve Funds	10,000		10,000	9,000	(1,000)
Interest Earned on Maintenance Reserve	3,000		3,000	3,000	-
Interest on Unemployment				7,264	7,264
Interest	-		-	494,735	494,735
Miscellaneous	473,802	-	473,802	237,054	(236,748)
Total Local Sources	<u>75,905,243</u>	<u>-</u>	<u>75,905,243</u>	<u>76,123,726</u>	<u>218,483</u>
State Sources					
Special Education Aid	3,905,029		3,905,029	3,905,029	-
Security Aid	329,405		329,405	329,405	-
Transportation Aid	427,118		427,118	427,118	-
Extraordinary Aid	1,545,982		1,545,982	1,987,650	441,668
Non Public Transportation Reimbursement				113,481	113,481
Other State Aids	25,000		25,000		(25,000)
TPAF Pension Contribution - (Non-Budget)					
Normal Costs				12,096,600	12,096,600
NCGI				149,845	149,845
Long Term Disability Insurance				5,334	5,334
Post Retirement				3,578,421	3,578,421
TPAF Social Security Reimbursements (Non-Budget)	-	-	-	2,606,641	2,606,641
Total State Sources	<u>6,232,534</u>	<u>-</u>	<u>6,232,534</u>	<u>25,199,524</u>	<u>18,966,990</u>
Federal Sources					
Medicaid Reimbursement	27,445	-	27,445	11,616	(15,829)
Total Federal Sources	<u>27,445</u>	<u>-</u>	<u>27,445</u>	<u>11,616</u>	<u>(15,829)</u>
Total Revenues	<u>82,165,222</u>	<u>-</u>	<u>82,165,222</u>	<u>101,334,866</u>	<u>19,169,644</u>
EXPENDITURES					
CURRENT					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	1,099,178	\$ (26,675)	1,072,503	1,059,369	13,134
Grades 1-5	7,613,055	(502,878)	7,110,177	7,038,435	71,742
Grades 6-8	6,088,520	(164,753)	5,923,767	5,879,165	44,602
Grades 9-12	9,195,054	118,406	9,313,460	9,184,653	128,807
Regular Programs - Home Instruction					
Salaries of Teachers	7,500	63,700	71,200	18,558	52,642
Purchased Professional/Educational Services	15,000	4,285	19,285	17,249	2,036
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	160,735	(146,552)	14,183	14,183	-
Purchased Professional/Educational Services	167,000	64,653	231,653	223,745	7,908
Other Purchased Services	1,069,931	(111,795)	958,136	821,664	136,472
General Supplies	1,551,466	(64,734)	1,486,732	1,348,600	138,132
Textbooks	162,352	(35,583)	126,769	104,070	22,699
Other Objects	27,582	-	27,582	23,469	4,113
Total Regular Programs	<u>27,157,373</u>	<u>(801,926)</u>	<u>26,355,447</u>	<u>25,733,160</u>	<u>622,287</u>

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

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT (Continued)					
Learning and / or Language Disabled					
Salaries of Teachers	\$ 237,198	\$ 63,939	\$ 301,137	\$ 296,548	\$ 4,589
Other Salaries for Instruction	86,088	(65,482)	20,606	20,606	-
General Supplies	3,250	51,120	54,370	52,571	1,799
Textbooks	1,500	-	1,500	-	1,500
Total Learning and/or Language Disabled	328,036	49,577	377,613	369,725	7,888
Multiple Disabled					
Salaries of Teachers	351,575	(64,774)	286,801	281,701	5,100
Other Salaries for Instruction	343,960	(211,279)	132,681	132,681	-
General Supplies	1,700	397	2,097	559	1,538
Total Multiple Disabled	697,235	(275,656)	421,579	414,941	6,638
Resource Room/Resource Center					
Salaries of Teachers	3,574,620	(23,089)	3,551,531	3,477,803	73,728
Other Salaries for Instruction	1,638,942	(1,269,522)	369,420	369,420	-
General Supplies	17,900	(420)	17,480	14,080	3,400
Textbooks	5,500	-	5,500	1,363	4,137
Total Resource Room/Resource Center	5,236,962	(1,293,031)	3,943,931	3,862,666	81,265
Autism					
Other Salaries for Instruction	30,720	(30,676)	44	44	-
Total Autism	30,720	(30,676)	44	44	-
Preschool Disabilities - Part-Time					
Salaries of Teachers	180,057	(101,931)	78,126	78,126	-
Other Salaries for Instruction	81,413	(60,240)	21,173	21,173	-
General Supplies	1,700	-	1,700	956	744
Total Preschool Disabilities - Part-Time	263,170	(162,171)	100,999	100,255	744
Preschool Disabilities - Full-Time					
Salaries of Teachers	182,339	10,366	192,705	188,977	3,728
Other Salaries for Instruction	740,223	(127,029)	613,194	42,558	570,636
General Supplies	2,500	4,275	6,775	5,468	1,307
Total Preschool Disabilities - Part-Time	925,062	(112,388)	812,674	237,003	575,671
Home Instruction					
Salaries of Teachers	36,225	(34,400)	1,825	1,825	-
Purchased Professional-Educational Services	20,700	(1,605)	19,095	11,560	7,535
Total Home Instruction	56,925	(36,005)	20,920	13,385	7,535
Total Special Education	7,538,110	(1,860,350)	5,677,760	4,998,019	679,741
Basic Skills/Remedial					
Salaries of Teachers	838,839	2,896	841,735	841,399	336
General Supplies	2,419	(268)	2,151	1,180	971
Total Basic Skills/Remedial	841,258	2,628	843,886	842,579	1,307

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

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Bilingual Education					
Salaries of Teachers	\$ 1,236,790	\$ (90,357)	\$ 1,146,433	\$ 1,113,615	\$ 32,818
Purchased Professional-Educational Services	11,000	-	11,000	7,489	3,511
General Supplies	4,175	94	4,269	3,010	1,259
Textbooks	12,100	-	12,100	-	12,100
Other Objects	1,000	-	1,000	-	1,000
Total Bilingual Education	<u>1,265,065</u>	<u>(90,263)</u>	<u>1,174,802</u>	<u>1,124,114</u>	<u>50,688</u>
School Sponsored Co/Extra Curricular Activities					
Salaries	394,945	43,728	438,673	438,673	-
Purchased Services	29,500	(2,596)	26,904	-	26,904
Supplies and Materials	1,000	-	1,000	-	1,000
Other Objects	7,200	2,570	9,770	7,127	2,643
Total School Sponsored Co/Extra Curricular Activities	<u>432,645</u>	<u>43,702</u>	<u>476,347</u>	<u>445,800</u>	<u>30,547</u>
School Sponsored Athletics					
Salaries	739,526	12,701	752,227	712,198	40,029
Purchased Services	280,694	(33,702)	246,992	195,792	51,200
Supplies and Materials	75,600	(1,563)	74,037	67,364	6,673
Other Objects	55,500	(12,450)	43,050	43,050	-
Total School Sponsored Athletics	<u>1,151,320</u>	<u>(35,014)</u>	<u>1,116,306</u>	<u>1,018,404</u>	<u>97,902</u>
Other Instructional Programs - Instruction					
Salaries	91,348	(72,972)	18,376	18,376	-
Purchased Services	17,000	(13,945)	3,055	3,055	-
Supplies and Materials	4,500	(3,508)	992	660	332
Total Other Instructional Programs	<u>112,848</u>	<u>(90,425)</u>	<u>22,423</u>	<u>22,091</u>	<u>332</u>
Before/After School Programs					
Salaries of Teachers	-	31,625	31,625	31,625	-
Other Salaries for Instruction	-	65,887	65,887	65,887	-
Supplies and Materials	1,190	-	1,190	-	1,190
Total Before/After School Programs	<u>1,190</u>	<u>97,512</u>	<u>98,702</u>	<u>97,512</u>	<u>1,190</u>
Total Instruction	<u>38,499,809</u>	<u>(2,734,136)</u>	<u>35,765,673</u>	<u>34,281,679</u>	<u>1,483,994</u>
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs w/i State - Special	561,255	26,650	587,905	587,905	-
Tuition to County Voc. School District-Regular	517,713	173,000	690,713	690,130	583
Tuition to CSSD and Regional Day Schools	387,033	(77,762)	309,271	309,271	-
Tuition to Private School for the Disabled -Within State	1,692,378	(32,955)	1,659,423	1,631,669	27,754
Tuition - Other	933,303	(116,335)	816,968	784,646	32,322
Total Undistributed Expenditures - Instruction	<u>4,091,682</u>	<u>(27,402)</u>	<u>4,064,280</u>	<u>4,003,621</u>	<u>60,659</u>
Attendance and Social Work					
Salaries	151,871	(123,434)	28,437	28,437	-
Total Attendance and Social Work	<u>151,871</u>	<u>(123,434)</u>	<u>28,437</u>	<u>28,437</u>	<u>-</u>

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

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Health Services					
Salaries	\$ 676,290	\$ (12,069)	\$ 664,221	\$ 650,595	\$ 13,626
Purchased Professional and Technical Services	1,500	(1,500)			
Supplies and Materials	<u>16,011</u>	<u>410</u>	<u>16,421</u>	<u>13,940</u>	<u>2,481</u>
Total Health Services	<u>693,801</u>	<u>(13,159)</u>	<u>680,642</u>	<u>664,535</u>	<u>16,107</u>
Speech, OT, PT & Related Services					
Salaries	797,517	(72,342)	725,175	717,372	7,803
Purchased Professional-Educational Services	775,656	(6,300)	769,356	597,302	172,054
Supplies and Materials	<u>500</u>	<u>-</u>	<u>500</u>	<u>99</u>	<u>401</u>
Total Speech, OT, PT & Related Services	<u>1,573,673</u>	<u>(78,642)</u>	<u>1,495,031</u>	<u>1,314,773</u>	<u>180,258</u>
Other Support Services - Students - Extra Services					
Salaries	1,105,360	1,785,596	2,890,956	2,872,345	18,611
Purchased Professional- Educational Services	1,371,000	100,306	1,471,306	1,346,474	124,832
Supplies and Materials	6,000	-	6,000	2,167	3,833
Other Objects	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total Other Supp.Serv. Student - Extra Services	<u>2,484,360</u>	<u>1,885,902</u>	<u>4,370,262</u>	<u>4,220,986</u>	<u>149,276</u>
Guidance					
Salaries of Other Professional Staff	1,396,924	20,874	1,417,798	1,415,959	1,839
Salaries of Secretarial & Clerical Assistants	216,462	(155,107)	61,355	61,355	-
Other Salaries	8,670	(8,670)			-
Unused Vacation Payment to Terminated/Retired Staff	4,000	(4,000)			-
Other Purchased Professional and Technical Svc	78,280	-	78,280	78,280	-
Other Purchased Services	22,510	1,072	23,582	23,207	375
Supplies and Materials	9,539	2,434	11,973	9,969	2,004
Other Objects	<u>1,000</u>	<u>7,986</u>	<u>8,986</u>	<u>8,986</u>	<u>-</u>
Total Guidance	<u>1,737,385</u>	<u>(135,411)</u>	<u>1,601,974</u>	<u>1,597,756</u>	<u>4,218</u>
Child Study Teams					
Salaries of Other Professional Staff	1,684,131	36,312	1,720,443	1,710,172	10,271
Salaries of Secretarial & Clerical Assistants		77,197	77,197	77,197	-
Purchased Professional- Educational Services	122,803	-	122,803	122,803	-
Other Purchased Services	2,600	-	2,600	1,031	1,569
Supplies and Materials	83,035	(6,671)	76,364	69,905	6,459
Other Objects	<u>6,600</u>	<u>447</u>	<u>7,047</u>	<u>7,047</u>	<u>-</u>
Total Child Study Teams	<u>1,899,169</u>	<u>107,285</u>	<u>2,006,454</u>	<u>1,988,155</u>	<u>18,299</u>
Other Support Services - Improvement of Instructional Services					
Salaries of Supervisor of Instruction	653,556	742,318	1,395,874	1,395,874	-
Salaries of Other Professional Staff		16,016	16,016	11,178	4,838
Salaries of Secretarial & Clerical Assistants	85,905	(7,377)	78,528	78,528	-
Salaries of Facilitators, Math & Literacy Coaches	218,714	(139,881)	78,833	78,833	-
Purchased Professional- Educational Services	12,600	29,795	42,395	42,395	-
Supplies and Materials	7,000	(6,917)	83	83	-
Other Objects	<u>3,750</u>	<u>(190)</u>	<u>3,560</u>	<u>3,560</u>	<u>-</u>
Total Other Support Services - Improvement of Inst. Svcs.	<u>981,525</u>	<u>633,764</u>	<u>1,615,289</u>	<u>1,610,451</u>	<u>4,838</u>
Educational Media/School Library					
Salaries	752,134	(103,126)	649,008	649,008	-
Unused Vacation Payment to Terminated/Retired Staff	6,000	(6,000)			-
Other Purchased Services	1,500	44,547	46,047	39,487	6,560
Supplies and Materials	<u>63,725</u>	<u>(63,725)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Educational Media/School Library	<u>823,359</u>	<u>(128,304)</u>	<u>695,055</u>	<u>688,495</u>	<u>6,560</u>

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

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Instructional Staff Training Services					
Other Salaries	\$ 30,000	\$ (21,564)	\$ 8,436	\$ 8,436	
Purchased Professional/Educational Services	80,509	(22,161)	58,348	58,348	-
Other Purchased Services	23,829	(12,940)	10,889	10,868	\$ 21
Supplies and Materials	750	(750)	-	-	-
Total Instructional Staff Training Services	<u>135,088</u>	<u>(57,415)</u>	<u>77,673</u>	<u>77,652</u>	<u>21</u>
Support Services General Administration					
Salaries	455,715	198,043	653,758	653,758	-
Unused Vacation Payment to Terminated/Retired Staff	5,000	(3,460)	1,540	1,540	-
Legal Services	162,174	35,910	198,084	192,899	5,185
Audit Fees	50,000	-	50,000	43,741	6,259
Architectural/Engineering Services		114,500	114,500	52,400	62,100
Other Purchased Professional Service	21,000	2,198	23,198	23,197	1
Communications/Telephone	118,000	7,300	125,300	100,270	25,030
BOE Other Purchased Services	9,900	(5,500)	4,400	4,190	210
Miscellaneous Purchased Services	295,488	16,715	312,203	306,157	6,046
General Supplies	4,100	-	4,100	3,591	509
Miscellaneous Expenditures	25,400	-	25,400	12,897	12,503
BOE Membership Dues and Fees	28,555	-	28,555	27,739	816
Total Support Services General Administration	<u>1,175,332</u>	<u>365,706</u>	<u>1,541,038</u>	<u>1,422,379</u>	<u>118,659</u>
Support Services School Administration					
Salaries of Principals/Asst. Principals/Program Directors	1,638,848	236,533	1,875,381	1,875,381	-
Salaries of Other Professional Staff	1,462,686	(897,678)	565,008	228,461	336,547
Salaries of Secretarial and Clerical Assistants	781,966	244,803	1,026,769	1,020,961	5,808
Unused Vacation Payment to Terminated/Retired Staff	17,357	47,501	64,858	42,358	22,500
Supplies and Materials	3,975	-	3,975	3,975	-
Other Objects	16,698	159	16,857	16,657	200
Total Support Services School Administration	<u>3,921,530</u>	<u>(368,682)</u>	<u>3,552,848</u>	<u>3,183,818</u>	<u>369,030</u>
Central Services					
Salaries	888,996	102,785	991,781	958,627	33,154
Unused Vacation Payment to Terminated/Retired Staff	20,000	1,694	21,694	21,694	-
Purchased Professional Services	500	11,420	11,920	11,210	710
Purchased Professional Services - Public Relations Costs		15,000	15,000		15,000
Purchased Technical Services	91,428	31,551	122,979	97,845	25,134
Misc. Purchased Services	24,100	2,900	27,000	24,441	2,559
Supplies and Materials	8,550	12,950	21,500	9,219	12,281
Miscellaneous Expenditures	59,750	29,696	89,446	17,279	72,167
Total Central Services	<u>1,093,324</u>	<u>207,996</u>	<u>1,301,320</u>	<u>1,140,315</u>	<u>161,005</u>
Admin. Info. Technology					
Salaries	857,104	(14,402)	842,702	837,435	5,267
Purchased Technical Services	228,500	41,481	269,981	257,139	12,842
Other Purchased Services	3,750	399	4,149	4,149	-
Supplies and Materials	1,750	-	1,750	949	801
Other Objects	1,550	-	1,550	1,540	10
Total Admin. Info. Technology	<u>1,092,654</u>	<u>27,478</u>	<u>1,120,132</u>	<u>1,101,212</u>	<u>18,920</u>
Required Maintenance for School Facilities					
Salaries	552,420	56,367	608,787	608,787	-
Unused Vacation Payment to Terminated/Retired Staff	6,500	261	6,761	6,761	-
Cleaning, Repair and Maintenance	359,109	110,734	469,843	413,605	56,238
General Supplies	134,000	(31,538)	102,462	85,492	16,970
Other Objects	4,500	-	4,500	3,608	892
Total Required Maintenance for School Facilities	<u>1,056,529</u>	<u>135,824</u>	<u>1,192,353</u>	<u>1,118,253</u>	<u>74,100</u>

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

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Custodial Services					
Salaries	\$ 2,352,849	\$ 12,023	\$ 2,364,872	\$ 2,350,837	\$ 14,035
Salaries of Non-Instructional Aides	73,299	(62,350)	10,949	10,949	-
Unused Vacation Payment to Terminated/Retired Staff	10,000	(10,000)	-	-	-
Cleaning, Repair and Maintenance	42,500	(25,928)	16,572	15,572	1,000
Rental of Land & Bldg. Oth. Than Lease Pur Agrmt	18,500	(1,162)	17,338	17,338	-
Other Purchased Property Services	484,964	(247,962)	237,002	203,721	33,281
Insurance	504,623	70,137	574,760	574,760	-
Travel	1,303	1,303	1,303	1,207	96
Miscellaneous Purchased Services	2,000	4,000	6,000	5,998	2
General Supplies	177,500	22,884	200,384	184,855	15,529
Energy (Natural Gas)	196,886	70,000	266,886	251,549	15,337
Energy (Electricity)	228,386	257,450	485,836	498,173	(12,337)
ESIP Interest	314,399	-	314,399	314,399	-
ESIP Principal	226,632	-	226,632	226,632	-
Total Custodial Services	<u>4,632,538</u>	<u>90,395</u>	<u>4,722,933</u>	<u>4,655,990</u>	<u>66,943</u>
Care and Upkeep of Grounds					
Salaries	291,046	(89,608)	201,438	201,438	-
Cleaning, Repair and Maintenance	87,050	1,400	88,450	86,566	1,884
General Supplies	29,400	363	29,763	29,238	525
Total Care and Upkeep of Grounds	<u>407,496</u>	<u>(87,845)</u>	<u>319,651</u>	<u>317,242</u>	<u>2,409</u>
Security					
Other Salaries	-	156,241	156,241	153,596	2,645
Purchased Professional and Technical Services	93,500	225,541	319,041	317,695	1,346
General Supplies	14,782	(1,850)	12,932	12,904	28
Total Security	<u>108,282</u>	<u>379,932</u>	<u>488,214</u>	<u>484,195</u>	<u>4,019</u>
Student Transportation Services					
Sal. For Pupil Trans (Bet. Home & School)- NonPub Sch	-	15,000	15,000	7,595	7,405
Other Purchased Professional and Technical Services	500	-	500	500	500
Cleaning, Repair and Maintenance Services	5,000	(4,750)	250	250	-
Contracted Services (Between Home and School) - Vendors	214,483	16,740	231,223	229,705	1,518
Contracted Services (Other Than Between Home and School) - Vendors	248,400	16,783	265,183	248,781	16,402
Contracted Services (Special Ed. Students) - Joint Agreements	1,866,681	18,922	1,885,603	1,853,552	32,051
Contracted Services-Aid In Lieu of Payments- Non-Public Schools	263,027	22,515	285,542	282,880	2,662
Transportation Supplies	5,000	-	5,000	-	5,000
Total Student Transportation Services	<u>2,603,091</u>	<u>85,210</u>	<u>2,688,301</u>	<u>2,622,763</u>	<u>65,538</u>
Unallocated Benefits- Employee Benefits					
Social Security Contributions	1,200,455	-	1,200,455	1,036,781	163,674
Other Retirement Contributions - PERS	1,094,737	54,343	1,149,080	1,149,080	-
Other Retirement Contributions - Regular (DCRP)	132,793	-	132,793	107,355	25,438
Workmen's Compensation	411,570	(61,130)	350,440	322,187	28,253
Health Benefits	11,559,343	(139,669)	11,419,674	11,156,310	263,364
Tuition Reimbursement	53,000	1	53,001	6,133	46,868
Unused Sick Payment to Terminated/Retired Staff	16,000	94,879	110,879	-	110,879
Other Employee Benefits	471,700	28,599	500,299	421,912	78,387
Total Unallocated Benefits	<u>14,939,598</u>	<u>(22,977)</u>	<u>14,916,621</u>	<u>14,199,758</u>	<u>716,863</u>

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

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
TPAF Pension Contribution - Non-Budgeted					
Normal Costs and Accrued Liability (Non-Budget)				\$ 12,096,600	\$ (12,096,600)
NCGI				149,845	(149,845)
Long Term Disability Insurance				5,334	(5,334)
Post Retirement				3,578,421	(3,578,421)
TPAF Social Security Reimbursements (Non-Budgeted)	-	-	-	2,606,641	(2,606,641)
Total On-Behalf TPAF Contributions and Reimbursements	-	-	-	18,436,841	(18,436,841)
Transfers to Cover Deficit (Enterprise Fund)	\$ 50,000	-	\$ 50,000	-	50,000
Total Undistributed Expenditures	45,652,287	\$ 2,876,221	48,528,508	64,877,627	(16,349,119)
Interest Earned on Maintenance Reserve	3,000	-	3,000	-	3,000
Interest Earned on Emergency Reserve	17,000	-	17,000	-	17,000
Total Current Expenditures	84,172,096	142,085	84,314,181	99,159,306	(14,845,125)
CAPITAL OUTLAY					
Equipment					
Instruction		3,505	3,505	3,505	
Admin. Info. Technology	100,000	-	100,000	4,196	95,804
Required Maintenance for School Facilities	50,000	-	50,000	3,790	46,210
Custodial Services	-	2,141	2,141	2,141	-
Total Equipment	150,000	5,646	155,646	13,632	142,014
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	10,000	-	10,000		10,000
Assessment for Debt Service on SDA Funding	40,082	-	40,082	40,082	-
Total Facilities Acquisition and Construction Services	50,082	-	50,082	40,082	10,000
Interest Deposit on Capital Reserve	10,000	-	10,000	-	10,000
Total Capital Outlay	210,082	5,646	215,728	53,714	162,014
SPECIAL SCHOOLS					
Summer School					
Salaries of Teachers	171,800	-	171,800		171,800
General Supplies	10,000	-	10,000		10,000
Other Objects	3,200	-	3,200	-	3,200
Total Summer School - Instruction	185,000	-	185,000	-	185,000
Total General Fund Expenditures	84,567,178	147,731	84,714,909	99,213,020	(14,498,111)
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(2,401,956)	(147,731)	(2,549,687)	2,121,846	4,671,533
Other Financing Sources					
Transfers In - Capital Projects Fund	-	-	-	1,541,344	1,541,344
Total Other Financing Sources (Uses)	-	-	-	1,541,344	1,541,344

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

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Excess /(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures	\$ (2,401,956)	\$ (147,731)	\$ (2,549,687)	\$ 3,663,190	\$ 6,212,877
Fund Balance, July 1, 2024	10,895,760	-	10,895,760	10,895,760	-
Fund Balance, June 30, 2025	\$ 8,493,804	\$ (147,731)	\$ 8,346,073	\$ 14,558,950	\$ 6,212,877
Recapitulation of Fund Balance					
Restricted Fund Balance					
Capital Reserve				\$ 3,479,482	
Capital Reserve Designated for Subsequent Year's Budget				2,000,000	
Maintenance Reserve				1,617,850	
Emergency Reserve				1,000	
Emergency Reserve Designated for Subsequent Year's Budget				258,900	
Excess Surplus				2,100,000	
Excess Surplus Designated for Subsequent Year's Budget				1,380,214	
Unemployment Compensation Reserve				492,421	
Assigned Fund Balance					
Encumbrances				138,624	
Designated for Subsequent Year's Budget				919,786	
Unassigned Fund Balance				2,170,673	
Fund Balance - Budgetary Basis				14,558,950	
Reconciliation to Governmental Fund Statements (GAAP)					
2024/25 State Aid Payments Not Recognized on a GAAP Basis				(2,419,239)	
Fund Balance per Governmental Funds (GAAP)				\$ 12,139,711	

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

EXHIBIT C-2

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
State Sources	\$ 261,734	\$ 166,705	\$ 428,439	\$ 365,851	\$ (62,588)
Federal Sources	1,128,484	177,035	1,305,519	1,157,111	(148,408)
Local Sources	<u>112,330</u>	<u>1,018,194</u>	<u>1,130,524</u>	<u>993,996</u>	<u>(136,528)</u>
Total Revenues	<u>1,502,548</u>	<u>1,361,934</u>	<u>2,864,482</u>	<u>2,516,958</u>	<u>(347,524)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	59,500	73,003	132,503	128,001	4,502
Purchased Prof. and Tech. Svcs.	85,781	(83,456)	2,325	2,325	-
Purchased Prof. and Educ. Svcs.		63,964	63,964	78,054	(14,090)
Tuition	656,640	122,415	779,055	779,055	-
Other Purchased Services		5,100	5,100	5,100	-
Purchased Property Services	3,834	(3,834)		-	-
Supplies and Materials	247,270	18,656	265,926	102,921	163,005
Textbooks	22,456	1,119	23,575	22,840	735
Other Objects		800	800	800	-
Cocurricular Student Activities and Athletics	<u>-</u>	<u>715,659</u>	<u>715,659</u>	<u>715,659</u>	<u>-</u>
Total Instruction	<u>1,075,481</u>	<u>913,426</u>	<u>1,988,907</u>	<u>1,834,755</u>	<u>154,152</u>
Support Services					
Salaries	1,775	15,914	17,689	8,135	9,554
Personnel Services - Employee Benefits		11,489	11,489	10,416	1,073
Purchased Professional and Tech. Svc.	42,500	206,379	248,879	183,292	65,587
Purchased Prof./Educ. Svcs.	151,107	387,036	538,143	466,228	71,915
Purchased Property Services	70,104	(70,104)		-	-
Other Purchased Services	98,681	(82,127)	16,554	982	15,572
Supplies and Materials	47,943	(33,943)	14,000	9,415	4,585
Other Objects	<u>-</u>	<u>24,821</u>	<u>24,821</u>	<u>12,542</u>	<u>12,279</u>
Total Support Services	<u>412,110</u>	<u>459,465</u>	<u>871,575</u>	<u>691,010</u>	<u>180,565</u>
Facilities Acquisition and Construction					
Buildings	14,957	(14,957)		-	-
Non-Instructional Equipment	<u>-</u>	<u>4,000</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>
Total Facilities Acquisition and Construction	<u>14,957</u>	<u>(10,957)</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>
Total Expenditures	<u>1,502,548</u>	<u>1,361,934</u>	<u>2,864,482</u>	<u>2,525,765</u>	<u>338,717</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	(8,807)	(8,807)
Fund Balances, July 1, 2024	<u>344,233</u>	<u>-</u>	<u>344,233</u>	<u>344,233</u>	<u>-</u>
Fund Balances, June 30, 2025	<u>\$ 344,233</u>	<u>\$ -</u>	<u>\$ 344,233</u>	<u>\$ 335,426</u>	<u>\$ (8,807)</u>
Restricted Fund Balance					
Scholarship Awards				\$ 101,865	
Student Activities				<u>233,561</u>	
				<u>\$ 335,426</u>	

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

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

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

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual Revenues - Budgetary Basis	(C-1) \$ 101,334,866	(C-2) \$ 2,516,958
Difference - Budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized		
Encumbrances, June 30, 2024		35,341
Encumbrances, June 30, 2025		(13,977)
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements.	(2,419,239)	
State Aid payments recognized for GAAP purposes, not recognized for budgetary statements.	<u>2,703,014</u>	<u>-</u>
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	(B-2) \$ <u>101,618,641</u>	\$ <u>2,538,322</u>
Uses/Outflows of Resources		
Actual Expenditures - Budgetary Basis	(C-1) \$ 99,213,020	(C-2) \$ 2,525,765
Difference - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances, June 30, 2024	-	35,341
Encumbrances, June 30, 2025	<u>-</u>	<u>(13,977)</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	(B-2) \$ <u>99,213,020</u>	(B-2) \$ <u>2,547,129</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

POST-EMPLOYMENT BENEFITS INFORMATION

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

Public Employees Retirement System

Last Ten Fiscal Years*

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's Proportion of the Net Position Liability (Asset)	0.08432 %	0.08418 %	0.08070 %	0.08051 %	0.08285 %	0.08333 %	0.08317 %	0.08413 %	0.08256 %	0.08580 %
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 11,458,024	\$ 12,193,394	\$ 12,178,313	\$ 9,537,974	\$ 13,509,994	\$ 15,015,738	\$ 16,375,307	\$ 19,583,200	\$ 24,453,063	\$ 19,260,384
District's Covered Payroll	\$ 6,509,926	\$ 6,487,918	\$ 6,070,280	\$ 5,953,916	\$ 5,884,162	\$ 5,868,180	\$ 6,024,699	\$ 5,778,509	\$ 5,690,672	\$ 5,797,000
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	176%	188%	201%	160%	230%	256%	272%	339%	430%	332%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%

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

TENAFLY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees Retirement System
Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ 1,147,431	\$ 1,125,131	\$ 1,017,630	\$ 942,901	\$ 906,293	\$ 810,610	\$ 827,250	\$ 779,338	\$ 733,486	\$ 737,650
Contributions in Relation to the Contractually Required Contribution	<u>1,147,431</u>	<u>1,125,131</u>	<u>1,017,630</u>	<u>942,901</u>	<u>906,293</u>	<u>810,610</u>	<u>827,250</u>	<u>779,338</u>	<u>733,486</u>	<u>737,650</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 7,096,161	\$ 6,509,926	\$ 6,487,918	\$ 6,070,280	\$ 5,953,916	\$ 5,884,162	\$ 5,868,180	\$ 6,024,699	\$ 5,778,509	\$ 5,690,672
Contributions as a Percentage of Covered Payroll	16%	17%	16%	16%	15%	14%	14%	13%	13%	13%

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

Teachers Pension and Annuity Fund

Last Ten Fiscal Years*

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 141,957,991</u>	<u>\$ 149,318,712</u>	<u>\$ 148,105,202</u>	<u>\$ 135,736,233</u>	<u>\$ 183,367,234</u>	<u>\$ 176,132,894</u>	<u>\$ 178,760,784</u>	<u>\$ 186,163,953</u>	<u>\$ 220,171,116</u>	<u>\$ 176,706,054</u>
Total	<u>\$ 141,957,991</u>	<u>\$ 149,318,712</u>	<u>\$ 148,105,202</u>	<u>\$ 135,736,233</u>	<u>\$ 183,367,234</u>	<u>\$ 176,132,894</u>	<u>\$ 178,760,784</u>	<u>\$ 186,163,953</u>	<u>\$ 220,171,116</u>	<u>\$ 176,706,054</u>
District's Covered Payroll	\$ 35,729,118	\$ 34,359,593	\$ 33,512,501	\$ 32,765,667	\$ 32,035,603	\$ 30,926,220	\$ 30,427,030	\$ 30,259,373	\$ 28,550,820	\$ 28,386,187
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

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

**TENAFLY 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.

TENAFLY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY

Postemployment Health Benefit Plan

Last Eight Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018
Service Cost	\$ 5,019,699	\$ 5,069,981	\$ 6,417,669	\$ 7,471,900	\$ 4,196,206	\$ 4,040,713	\$ 4,503,077	\$ 5,464,446
Interest on Total OPEB Liability	4,458,344	4,107,367	2,948,942	3,420,507	3,322,485	3,981,243	4,243,760	3,643,389
Changes of Benefit Terms				(140,346)				
Differences Between Expected and Actual Experiences	2,492,661	(967,760)	2,730,836	(25,598,215)	24,949,261	(14,863,961)	(9,791,839)	
Changes of Assumptions	10,132,668	235,066	(29,850,839)	130,087	27,250,045	1,371,434	(11,497,384)	(15,235,382)
Gross Benefit Payments	(3,404,910)	(3,201,760)	(2,921,014)	(2,694,401)	(2,597,100)	(2,823,521)	(2,679,064)	(2,633,940)
Contribution from the Member	116,587	105,257	93,708	87,446	78,718	83,697	92,593	96,988
Net Change in Total OPEB Liability	18,815,049	5,348,151	(20,580,698)	(17,323,022)	57,199,615	(8,210,395)	(15,128,857)	(8,664,499)
Total OPEB Liability - Beginning	<u>116,624,352</u>	<u>111,276,201</u>	<u>131,856,899</u>	<u>149,179,921</u>	<u>91,980,306</u>	<u>100,190,701</u>	<u>115,319,558</u>	<u>123,984,057</u>
Total OPEB Liability - Ending	<u>\$ 135,439,401</u>	<u>\$ 116,624,352</u>	<u>\$ 111,276,201</u>	<u>\$ 131,856,899</u>	<u>\$ 149,179,921</u>	<u>\$ 91,980,306</u>	<u>\$ 100,190,701</u>	<u>\$ 115,319,558</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>135,439,401</u>	<u>116,624,352</u>	<u>111,276,201</u>	<u>131,856,899</u>	<u>149,179,921</u>	<u>91,980,306</u>	<u>100,190,701</u>	<u>115,319,558</u>
Total OPEB Liability - Ending	<u>\$ 135,439,401</u>	<u>\$ 116,624,352</u>	<u>\$ 111,276,201</u>	<u>\$ 131,856,899</u>	<u>\$ 149,179,921</u>	<u>\$ 91,980,306</u>	<u>\$ 100,190,701</u>	<u>\$ 115,319,558</u>
District's Covered Payroll	<u>\$ 42,239,044</u>	<u>\$ 40,847,511</u>	<u>\$ 39,582,781</u>	<u>\$ 40,000,419</u>	<u>\$ 38,835,947</u>	<u>\$ 37,989,519</u>	<u>\$ 36,810,382</u>	<u>\$ 36,295,210</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%

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

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

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

**TENAFLY 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

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

REVENUES	Scholarships	Student Activities	Title I	Title II	Title III	Title III Immigrant	Other Local Projects	Subtotal Page 3	Subtotal Page 2	Total
Intergovernmental										
State			\$ 101,632	\$ 98,500	\$ 45,519	\$ 16,998		\$ 894,462	\$ 365,851	\$ 365,851
Federal										1,157,111
Local	\$ 24,821	\$ 694,573	-	-	-	-	\$ 274,602	-	-	993,996
Total Revenues	24,821	694,573	101,632	98,500	45,519	16,998	274,602	894,462	365,851	2,516,958
EXPENDITURES										
Instruction										
Salaries of Teachers			85,140		11,680			31,181		128,001
Purchased Prof. and Tech. Svcs.								2,325		2,325
Purchased Prof. and Educ. Svcs.							75,114	2,940	-	78,054
Tuition								779,055		779,055
Other Purchased Services							5,100	-		5,100
Supplies and Materials			8,872		8,433	9,323	70,371	5,922	-	102,921
Textbooks									22,840	22,840
Other Objects							800			800
Cocurricular Student Activities and Athletics	-	715,659	-	-	-	-	-	-	-	715,659
Total Instruction	-	715,659	94,012	-	20,113	9,323	151,385	821,423	22,840	1,834,755
Support Services										
Salaries			1,028		6,187			920	-	8,135
Personnel Services - Employee Benefits			6,592		1,367			2,457		10,416
Purchased Prof. and Tech. Svcs.				98,500	15,130			69,662		183,292
Purchased Prof./ Educ. Svcs.							123,217	-	343,011	466,228
Other Purchased Services					982			-	-	982
Supplies and Materials					1,740	7,675		-	-	9,415
Other Miscellaneous - Scholarships	12,542	-	-	-	-	-	-	-	-	12,542
Total Support Services	12,542	-	7,620	98,500	25,406	7,675	123,217	73,039	343,011	691,010
Facilities Acquisition and Construction										
Buildings								-	-	-
Non-Instructional Equipment	-	-	-	-	-	-	-	-	-	-
Total Facilities Acquisition	-	-	-	-	-	-	-	-	-	-
Total Expenditures	12,542	715,659	101,632	98,500	45,519	16,998	274,602	894,462	365,851	2,525,765
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,279	(21,086)	-	-	-	-	-	-	-	(8,807)
Fund Balances, Beginning of Year	89,586	254,647	-	-	-	-	-	-	-	344,233
Fund Balances, End of Year	\$ 101,865	\$ 233,561	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 335,426

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

	Non Public Aid									
	Auxiliary Services		Handicapped Services							Subtotal Page 2
	ESL	Comp. Education	Exam. and Class.	Corrective Speech	Supp. Instruction	Security	Textbooks	Nursing	Technology	
REVENUES										
Intergovernmental										
State	\$ 15,186	\$ 71,866	\$ 32,781	\$ 37,014	\$ 24,533	\$ 77,034	\$ 22,840	\$ 63,118	\$ 21,479	\$ 365,851
Federal	-	-	-	-	-	-	-	-	-	-
Local	-	-	-	-	-	-	-	-	-	-
Total Revenues	15,186	71,866	32,781	37,014	24,533	77,034	22,840	63,118	21,479	365,851
EXPENDITURES										
Instruction										
Purchased Prof. and Tech. Svcs.										-
Purchased Prof. and Educ. Svcs.										-
Supplies and Materials										-
Textbooks	-	-	-	-	-	-	22,840	-	-	22,840
Total Instruction	-	-	-	-	-	-	22,840	-	-	22,840
Support Services										
Salaries										-
Personnel Services - Employee Benefits										-
Purchased Prof. & Tech. Svcs.										-
Purchased Prof. & Educ. Svcs.	15,186	71,866	32,781	37,014	24,533	77,034	-	63,118	21,479	343,011
Other Purchased Services										-
Supplies and Materials	-	-	-	-	-	-	-	-	-	-
Total Support Services	15,186	71,866	32,781	37,014	24,533	77,034	-	63,118	21,479	343,011
Facilities Acquisition and Construction										
Buildings										-
Non-Instructional Equipment	-	-	-	-	-	-	-	-	-	-
Total Facilities Acquisition	-	-	-	-	-	-	-	-	-	-
Total Expenditures	15,186	71,866	32,781	37,014	24,533	77,034	22,840	63,118	21,479	365,851
Excess (Deficiency) of Revenues Over (Under) Expenditures										
Fund Balances, Beginning of Year	-	-	-	-	-	-	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

REVENUES	IDEA Part B- Basic	IDEA Part B- Preschool	Perkins Secondary	High Impact Tutoring	Subtotal Page 3
Intergovernmental					
State					
Federal	\$ 810,466	\$ 41,041	\$ 9,388	\$ 33,567	\$ 894,462
Local	-	-	-	-	-
	<u>810,466</u>	<u>41,041</u>	<u>9,388</u>	<u>33,567</u>	<u>894,462</u>
Total Revenues					
	<u>810,466</u>	<u>41,041</u>	<u>9,388</u>	<u>33,567</u>	<u>894,462</u>
EXPENDITURES					
Instruction					
Salaries of Teachers				31,181	31,181
Purchased Prof. and Tech. Svcs.			2,325		2,325
Purchased Prof. and Educ. Svcs.		2,940			2,940
Tuition	740,954	38,101			779,055
General Supplies			5,922		5,922
Textbooks	-	-	-	-	-
	<u>740,954</u>	<u>41,041</u>	<u>8,247</u>	<u>31,181</u>	<u>821,423</u>
Total Instruction					
	<u>740,954</u>	<u>41,041</u>	<u>8,247</u>	<u>31,181</u>	<u>821,423</u>
Support Services					
Salaries			920		920
Personnel Services - Employee Benefits			71	2,386	2,457
Purchased Prof. and Tech. Svcs.	69,512		150		69,662
Purchased Prof./ Educ. Svcs.					-
Other Purchased Services					-
Supplies and Materials	-	-	-	-	-
	<u>69,512</u>	<u>-</u>	<u>1,141</u>	<u>2,386</u>	<u>73,039</u>
Total Support Services					
	<u>69,512</u>	<u>-</u>	<u>1,141</u>	<u>2,386</u>	<u>73,039</u>
Facilities Acquisition and Construction					
Buildings					-
Non-Instructional Equipment	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Facilities Acquisition					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures					
	<u>810,466</u>	<u>41,041</u>	<u>9,388</u>	<u>33,567</u>	<u>894,462</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures					
Fund Balances, Beginning of Year	-	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -

CAPITAL PROJECTS FUND

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

<u>Project Description</u>	<u>Appropriation</u>	<u>Expenditures to Date</u>		<u>Balance June 30, 2025</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Maugham Elem. Concrete and Paving	\$ 181,722	\$ 170,443		\$ 11,279
Maugham Elem. Fire Alarm Replacement	210,000	208,900		1,100
Capital Improvements at Smith, Maugham and Middle School	272,252	21,937		250,315
Preliminary Architectural Costs - ESIP	90,000	1,365		88,635
Preliminary Architectural Costs - Referendum	73,000	69,350	\$ 3,650	-
Energy Savings Improvement Project	5,511,119	3,873,846	1,408,891	228,382
Smith Emergency Roof Repairs	810,952	84,433	22,856	703,663
High School Boilers and Hot Water Heaters	537,534	127,212	360,778	49,544
Equipment Lease Purchase	1,625,000			1,625,000
Additions, Renovations, Improvements, Alterations and Upgrades at Tenafly Schools, Central Office Building and Athletic Facilities	76,097,000	-	4,208,058	71,888,942
	<u>\$ 85,408,579</u>	<u>\$ 4,557,486</u>	<u>\$ 6,004,233</u>	<u>\$ 74,846,860</u>
		Project Appropriation Balances		\$ 74,846,860
		Interest on Energy Savings Proceeds		10,777
		Fund Balance, Budgetary Basis		<u>\$ 74,857,637</u>
		Fund Balance, GAAP Basis		<u>\$ 74,857,637</u>

Recapitulation of Fund Balance:

Restricted for Capital Projects:	
Designated for Capital Projects	\$ 65,991,141
Lease Purchase Debt Service	10,777
Year End Encumbrances	<u>8,855,719</u>
Total Restricted for Capital Projects	<u>\$ 74,857,637</u>

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

Revenues and Other Financing Sources

Insurance Proceeds	\$ 660,952
Bond Proceeds	76,097,000
Proceeds from Lease Purchase	1,625,000
Interest Earnings	1,541,344
Interest on Energy Savings Improvement Program	1,375
Interest on Lease Purchase	<u>323</u>
 Total Revenues and Other Financing sources	 <u>79,925,994</u>

Expenditures and Other Financing Uses

Legal Services	105,144
Architectural / Engineering Services	1,635,911
Other Purchased Professional and Technical Services	435,026
Construction Services	3,828,152
Transfers to General Fund	<u>1,541,344</u>
 Total Expenditures and Other Financing Uses	 <u>7,545,577</u>

Excess (Deficiency) of Revenues and Other Financing Sources

Over (Under) Expenditures and Other Financing Uses	72,380,417
--	------------

Fund Balance, Beginning of Year

<u>2,477,220</u>

Fund Balance, End of Year

<u>\$ 74,857,637</u>

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
MAUGHAM ELEMENTARY SCHOOL CONCRETE AND PAVING
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 181,722	\$ -	\$ 181,722	\$ 181,722
Total Revenues and Other Financing Sources	<u>181,722</u>	<u>-</u>	<u>181,722</u>	<u>181,722</u>
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	28,208	-	28,208	28,208
Construction Services	142,235	-	142,235	153,514
Total Expenditures and Other Financing Uses	<u>170,443</u>	<u>-</u>	<u>170,443</u>	<u>181,722</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ 11,279</u>	<u>\$ -</u>	<u>\$ 11,279</u>	<u>\$ -</u>

Additional Project Information:

Project Number	
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 212,568
Revised Authorized Cost	\$ 181,722

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
MAUGHAM ELEMENTARY SCHOOL FIRE ALARM REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 210,000	\$ -	\$ 210,000	\$ 210,000
Total Revenues and Other Financing Sources	<u>210,000</u>	<u>-</u>	<u>210,000</u>	<u>210,000</u>
EXPENDITURES AND OTHER FINANCING USES				
Construction Services	<u>208,900</u>	<u>-</u>	<u>208,900</u>	<u>210,000</u>
Total Expenditures and Other Financing Uses	<u>208,900</u>	<u>-</u>	<u>208,900</u>	<u>210,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ 1,100</u>	<u>\$ -</u>	<u>\$ 1,100</u>	<u>\$ -</u>

Additional Project Information:

Project Number	
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 300,000
Revised Authorized Cost	\$ 210,000

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
CAPITAL IMPROVEMENTS AT SMITH AND MAUGHAM ELEMENTARY SCHOOLS
AND TENAFLY MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 272,252	\$ -	\$ 272,252	\$ 272,252
Total Revenues and Other Financing Sources	<u>272,252</u>	<u>-</u>	<u>272,252</u>	<u>272,252</u>
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	<u>21,937</u>	<u>-</u>	<u>21,937</u>	<u>272,252</u>
Total Expenditures and Other Financing Uses	<u>21,937</u>	<u>-</u>	<u>21,937</u>	<u>272,252</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ 250,315</u>	<u>\$ -</u>	<u>\$ 250,315</u>	<u>\$ -</u>

Additional Project Information:

Project Number	
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 247,615
Revised Authorized Cost	\$ 272,252

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
PRELIMINARY ENERGY SAVINGS IMPROVEMENT PROGRAM COSTS - ARCHITECT COSTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 90,000	\$ -	\$ 90,000	\$ 90,000
Total Revenues and Other Financing Sources	<u>90,000</u>	<u>-</u>	<u>90,000</u>	<u>90,000</u>
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	<u>1,365</u>	<u>-</u>	<u>1,365</u>	<u>90,000</u>
Total Expenditures and Other Financing Uses	<u>1,365</u>	<u>-</u>	<u>1,365</u>	<u>90,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ 88,635</u>	<u>\$ -</u>	<u>\$ 88,635</u>	<u>\$ -</u>

Additional Project Information:

Project Number	
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 90,000
Revised Authorized Cost	\$ 90,000

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
PRELIMINARY REFERENDUM COSTS - ARCHITECT COSTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 73,000	-	\$ 73,000	\$ 73,000
Total Revenues and Other Financing Sources	<u>73,000</u>	<u>-</u>	<u>73,000</u>	<u>73,000</u>
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	<u>69,350</u>	<u>\$ 3,650</u>	<u>73,000</u>	<u>73,000</u>
Total Expenditures and Other Financing Uses	<u>69,350</u>	<u>3,650</u>	<u>73,000</u>	<u>73,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ 3,650</u>	<u>\$ (3,650)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 73,000
Revised Authorized Cost	\$ 73,000

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
ENERGY SAVINGS IMPROVEMENT PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Proceeds From Energy Savings Improvement Program	\$ 5,511,119	-	\$ 5,511,119	\$ 5,511,119
Total Revenues and Other Financing Sources	<u>5,511,119</u>	<u>-</u>	<u>5,511,119</u>	<u>5,511,119</u>
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	185,819	\$ 26,312	212,131	211,095
Other Purchased Professional and Technical Services	889,633	187,978	1,077,611	1,108,332
Construction Services	<u>2,798,394</u>	<u>1,194,601</u>	<u>3,992,995</u>	<u>4,191,692</u>
Total Expenditures and Other Financing Uses	<u>3,873,846</u>	<u>1,408,891</u>	<u>5,282,737</u>	<u>5,511,119</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ 1,637,273</u>	<u>\$ (1,408,891)</u>	<u>\$ 228,382</u>	<u>\$ -</u>

Additional Project Information:

Project Number	
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 5,511,119
Revised Authorized Cost	\$ 5,511,119

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
SMITH SCHOOL EMERGENCY ROOF REPAIRS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Insurance Proceeds	\$ 100,000	\$ 660,952	\$ 760,952	\$ 100,000
Transfer From Emergency Reserve	50,000	-	50,000	50,000
	<u>150,000</u>	<u>660,952</u>	<u>810,952</u>	<u>150,000</u>
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	33,000	21,656	54,656	95,931
Other Purchased Professional and Technical Services	10,615		10,615	10,615
Construction Services	23,867	1,200	25,067	23,867
Equipment Over \$2,000	14,587		14,587	14,587
Equipment Under \$2,000	2,364	-	2,364	5,000
	<u>84,433</u>	<u>22,856</u>	<u>107,289</u>	<u>150,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ 65,567</u>	<u>\$ 638,096</u>	<u>\$ 703,663</u>	<u>\$ -</u>

Additional Project Information:

Project Number	
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 150,000
Revised Authorized Cost	\$ 150,000

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
TENAFLY HIGH SCHOOL BOILERS AND HOT WATER HEATERS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Schools Development Authority "SDA" Grant	\$ 215,014		\$ 215,014	\$ 215,014
Transfers from Capital Reserve	<u>322,520</u>	<u>-</u>	<u>322,520</u>	<u>322,520</u>
Total Revenues and Other Financing Sources	<u>537,534</u>	<u>-</u>	<u>537,534</u>	<u>537,534</u>
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	8,550	-	8,550	25,000
Other Purchased Professional and Technical Services	2,558	-	2,558	15,000
Construction Services	<u>116,104</u>	<u>\$ 360,778</u>	<u>476,882</u>	<u>497,534</u>
Total Expenditures and Other Financing Uses	<u>127,212</u>	<u>360,778</u>	<u>487,990</u>	<u>537,534</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ 410,322</u>	<u>\$ (360,778)</u>	<u>\$ 49,544</u>	<u>\$ -</u>

Additional Project Information:

Project Number	
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 537,534
Revised Authorized Cost	\$ 537,534

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
EQUIPMENT LEASE PURCHASE
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Lease Proceeds	\$ -	\$ 1,625,000	\$ 1,625,000	\$ 1,625,000
Total Revenues and Other Financing Sources	<u>-</u>	<u>1,625,000</u>	<u>1,625,000</u>	<u>1,625,000</u>
EXPENDITURES AND OTHER FINANCING USES				
Equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,625,000</u>
Total Expenditures and Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,625,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ -</u>	<u>\$ 1,625,000</u>	<u>\$ 1,625,000</u>	<u>\$ -</u>

Additional Project Information:

Project Number	
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 1,625,000
Revised Authorized Cost	\$ 1,625,000

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
ADDITIONS, RENOVATIONS, ALTERATIONS AND UPGRADES AT TENAFLY SCHOOLS,
CENTRAL OFFICE BUILDING AND ATHLETIC FACILITIES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Bond Proceeds	\$ -	\$ 76,097,000	\$ 76,097,000	\$ 76,097,000
Total Revenues and Other Financing Sources	<u>-</u>	<u>76,097,000</u>	<u>76,097,000</u>	<u>76,097,000</u>
EXPENDITURES AND OTHER FINANCING USES				
Legal Services		105,144	105,144	105,144
Architectural/Engineering Services		1,584,293	1,584,293	14,967,206
Other Purchased Professional and Technical Services		247,048	247,048	276,097
Construction Services	<u>-</u>	<u>2,271,573</u>	<u>2,271,573</u>	<u>60,748,553</u>
Total Expenditures and Other Financing Uses	<u>-</u>	<u>4,208,058</u>	<u>4,208,058</u>	<u>76,097,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ -</u>	<u>\$ 71,888,942</u>	<u>\$ 71,888,942</u>	<u>\$ -</u>

Additional Project Information:

Project Numbers	5160-050-24-1000-P
	5160-070-24-1000-P
	5160-070-24-2000-P
	5160-080-24-1000-P
	5160-080-24-2000-P
	5160-090-24-1000-P
	5160-090-24-2000-P
	5160-095-24-1000-P
	5160-095-24-2000-P
	5160-100-24-1000-P
	5160-100-24-2000-P
	5160-X01-24-1000-P
Bond Authorization Date	September 17, 2024
Bonds Authorized	\$76,097,000
Original Authorized Cost	\$76,097,000
Revised Authorized Cost	\$76,097,000

ENTERPRISE FUNDS

**TENAFLY BOARD OF EDUCATION
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2025**

	<u>Summer Enrichment</u>	<u>Tiger Tots</u>	<u>Total Non-Major Enterprise Funds</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 200,460	\$ 574	\$ 201,034
Prepaid Items	<u>7,724</u>	<u>-</u>	<u>7,724</u>
Total Assets	<u>208,184</u>	<u>574</u>	<u>208,758</u>
LIABILITIES			
Unearned Revenue	<u>145,465</u>	<u>1,850</u>	<u>147,315</u>
			-
NET POSITION			
Unrestricted	<u>\$ 62,719</u>	<u>\$ (1,276)</u>	<u>\$ 61,443</u>

**TENAFLY BOARD OF EDUCATION
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Summer Enrichment</u>	<u>Tiger Tots</u>	<u>Total Nonmajor Enterprise Funds</u>
OPERATING REVENUES			
Charges for Services			
Program Fees	\$ 201,124	\$ 192,190	\$ 393,314
Total Operating Revenues	<u>201,124</u>	<u>192,190</u>	<u>393,314</u>
OPERATING EXPENSES			
Salaries and Wages	131,971	200,934	332,905
Supplies and Materials	<u>6,434</u>	<u>2,976</u>	<u>9,410</u>
Total Operating Expenses	<u>138,405</u>	<u>203,910</u>	<u>342,315</u>
Operating Income (Loss)	<u>62,719</u>	<u>(11,720)</u>	<u>50,999</u>
Change in Net Position	62,719	(11,720)	50,999
Net Position, Beginning of Year	<u>-</u>	<u>10,444</u>	<u>10,444</u>
Net Position, End of Year	<u>\$ 62,719</u>	<u>\$ (1,276)</u>	<u>\$ 61,443</u>

**TENAFLY BOARD OF EDUCATION
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Summer Enrichment</u>	<u>Tiger Tots</u>	<u>Total Nonmajor Enterprise Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Received from Customers	\$ 144,696	\$ 192,321	\$ 337,017
Payments for Employees Salaries	(131,971)	(200,934)	(332,905)
Payments to Suppliers for Goods and Services	<u>(14,158)</u>	<u>(2,976)</u>	<u>(17,134)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(1,433)</u>	<u>(11,589)</u>	<u>(13,022)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Receipts from Other Funds	<u>201,893</u>	<u>-</u>	<u>201,893</u>
Net Cash Provided by Noncapital Financing Activities	<u>201,893</u>	<u>-</u>	<u>201,893</u>
Net Change in Cash and Cash Equivalents	200,460	(11,589)	188,871
Cash and Cash Equivalents, Beginning of Year	<u>-</u>	<u>12,163</u>	<u>12,163</u>
Cash and Cash Equivalents, End of Year	<u>\$ 200,460</u>	<u>\$ 574</u>	<u>\$ 201,034</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating Income (Loss)	<u>\$ 62,719</u>	<u>\$ (11,720)</u>	<u>\$ 50,999</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities			
Changes in Assets and Liabilities			
(Increase) Decrease in Prepaid Items	(7,724)		(7,724)
Increase (Decrease) in Unearned Revenue	<u>(56,428)</u>	<u>131</u>	<u>(56,297)</u>
Total Adjustments	<u>(64,152)</u>	<u>131</u>	<u>(64,021)</u>
Net Cash Provided by (Used For) Operating Activities	<u>\$ (1,433)</u>	<u>\$ (11,589)</u>	<u>\$ (13,022)</u>

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

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

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<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2024</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2025</u>
Refunding School Bonds	6/11/2015	\$ 5,715,000	4/1/2026	\$ 350,000	3.000 %				
			4/1/2027	560,000	3.000				
			4/1/2028	595,000	3.000				
			4/1/2029	635,000	3.000				
			4/1/2030	650,000	3.000				
			4/1/2031	690,000	3.000	\$ 3,810,000		\$ 330,000	\$ 3,480,000
Refunding School Bonds	1/29/2016	7,090,000	4/1/2026	610,000	1.790 %	1,240,000		630,000	610,000
Refunding School Bonds	4/19/2022	13,515,000	7/15/2025	1,130,000	5.000 %				
			7/15/2026	1,905,000	5.000				
			7/15/2027	1,980,000	5.000				
			7/15/2028	2,060,000	5.000				
			7/15/2029	2,175,000	5.000				
			7/15/2030	2,260,000	5.000	12,555,000	-	1,045,000	11,510,000
2024 School Bonds	12/18/2024	76,097,000	8/1/2026	2,967,000	2.500 %				
			8/1/2027	3,065,000	3.000				
			8/1/2028	3,155,000	3.000				
			8/1/2029	3,250,000	3.000				
			8/1/2030	3,350,000	3.000				
			8/1/2031	3,455,000	3.000				
			8/1/2032	3,560,000	3.000				
			8/1/2033	3,665,000	3.000				
			8/1/2034	3,785,000	3.000				
			8/1/2035	3,910,000	3.000				
			8/1/2036	4,035,000	3.000				
			8/1/2037	4,170,000	3.000				
			8/1/2038	4,315,000	3.250				
			8/1/2039	4,465,000	3.375				
			8/1/2040	4,625,000	4.000				
			8/1/2041	4,800,000	4.000				
			8/1/2042	4,980,000	4.000				
			8/1/2043	5,170,000	4.000				
8/1/2044	5,375,000	4.000							
						-	\$ 76,097,000	-	76,097,000
						\$ 17,605,000	\$ 76,097,000	\$ 2,005,000	\$ 91,697,000

**TENAFLY BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCING AGREEMENTS
FOR THE FISCAL YEAR JUNE 30, 2025**

	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Balance, July 1, 2024</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2025</u>
Energy Savings Improvement Program	8/21/23	\$ 5,511,119	\$ 5,511,119		\$ 226,632	\$ 5,284,487
Various Equipment	6/2/25	1,625,000	-	\$ 1,625,000	-	1,625,000
			<u>\$ 5,511,119</u>	<u>\$ 1,625,000</u>	<u>\$ 226,632</u>	<u>\$ 6,909,487</u>

EXHIBIT I-2a

**LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER OTHER FINANCING AGREEMENTS
FOR THE FISCAL YEAR JUNE 30, 2025**

	<u>Amount of Original Issue</u>	<u>Balance, July 1, 2024</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2025</u>
Digital Desktop - Licensed Software and Services	\$ 1,266,281	\$ 253,257		\$ 253,257	
IT Hardware	465,229	369,472		82,639	\$ 286,833
Network Upgrade	344,798	274,160		62,333	211,827
Chromebooks	1,514,197	756,431		370,270	386,161
Interactive Display Equipment	762,098	457,445	-	145,620	311,825
		<u>\$ 2,110,765</u>	<u>\$ -</u>	<u>\$ 914,119</u>	<u>\$ 1,196,646</u>

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Property Taxes	\$ 2,245,156		\$ 2,245,156	\$ 2,245,156	
State Source					
State Aid	399,665		399,665	399,665	
	<u>2,644,821</u>		<u>2,644,821</u>	<u>2,644,821</u>	
Total Revenues	2,644,821	-	2,644,821	2,644,821	-
EXPENDITURES					
Debt Service					
Principal	2,005,000		2,005,000	2,005,000	
Interest	738,121	-	738,121	738,053	\$ 68
	<u>2,743,121</u>		<u>2,743,121</u>	<u>2,743,053</u>	<u>68</u>
Total Expenditures	2,743,121	-	2,743,121	2,743,053	68
Net Change in Fund Balance	(98,300)	-	(98,300)	(98,232)	68
Fund Balance, July 1, 2024	98,367	-	98,367	98,367	-
Fund Balance, June 30, 2025	<u>\$ 67</u>	<u>\$ -</u>	<u>\$ 67</u>	<u>\$ 135</u>	<u>\$ 68</u>
				Designated for Subsequent Years Budget	\$ 67
				Available for Debt Service	<u>68</u>
					<u>\$ 135</u>

STATISTICAL SECTION

This part of the Tenafly 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.

TENAFLY 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	2021	2022	2023	2024	2025
Governmental Activities										
Investment in Capital Assets	\$ 10,584,155	\$ 15,807,868	\$ 15,349,943	\$ 17,214,953	\$ 18,493,143	\$ 20,140,074	\$ 22,387,659	\$ 24,327,454	\$ 25,430,365	\$ 26,292,576
Restricted	4,675,373	4,102,698	4,771,369	5,036,700	7,500,633	6,761,871	5,053,043	4,606,327	4,517,884	9,300,527
Unrestricted	<u>(15,618,732)</u>	<u>(16,836,620)</u>	<u>(17,311,720)</u>	<u>(17,211,977)</u>	<u>(18,240,671)</u>	<u>(17,993,499)</u>	<u>(13,815,519)</u>	<u>(13,759,927)</u>	<u>(14,369,529)</u>	<u>(14,366,440)</u>
Total Governmental Activities Net Position	<u>\$ (359,204)</u>	<u>\$ 3,073,946</u>	<u>\$ 2,809,592</u>	<u>\$ 5,039,676</u>	<u>\$ 7,753,105</u>	<u>\$ 8,908,446</u>	<u>\$ 13,625,183</u>	<u>\$ 15,173,854</u>	<u>\$ 15,578,720</u>	<u>\$ 21,226,663</u>
Business-Type Activities										
Investment in Capital Assets	\$ 38,602	\$ 55,670	\$ 93,190	\$ 87,670	\$ 97,025	\$ 85,485	\$ 74,598	\$ 64,585	\$ 52,614	\$ 49,167
Unrestricted	<u>400,476</u>	<u>351,472</u>	<u>285,182</u>	<u>348,899</u>	<u>212,497</u>	<u>124,754</u>	<u>197,767</u>	<u>406,050</u>	<u>369,405</u>	<u>354,914</u>
Total Business-Type Activities Net Position	<u>\$ 439,078</u>	<u>\$ 407,142</u>	<u>\$ 378,372</u>	<u>\$ 436,569</u>	<u>\$ 309,522</u>	<u>\$ 210,239</u>	<u>\$ 272,365</u>	<u>\$ 470,635</u>	<u>\$ 422,019</u>	<u>\$ 404,081</u>
District-Wide										
Investment in Capital Assets	\$ 10,622,757	\$ 15,863,538	\$ 15,443,133	\$ 17,302,623	\$ 18,590,168	\$ 20,225,559	\$ 22,462,257	\$ 24,392,039	\$ 25,482,979	\$ 26,341,743
Restricted	4,675,373	4,102,698	4,771,369	5,036,700	7,500,633	6,761,871	5,053,043	4,606,327	4,517,884	9,300,527
Unrestricted	<u>(15,218,256)</u>	<u>(16,485,148)</u>	<u>(17,026,538)</u>	<u>(16,863,078)</u>	<u>(18,028,174)</u>	<u>(17,868,745)</u>	<u>(13,617,752)</u>	<u>(13,353,877)</u>	<u>(14,000,124)</u>	<u>(14,011,526)</u>
Total District Net Position	<u>\$ 79,874</u>	<u>\$ 3,481,088</u>	<u>\$ 3,187,964</u>	<u>\$ 5,476,245</u>	<u>\$ 8,062,627</u>	<u>\$ 9,118,685</u>	<u>\$ 13,897,548</u>	<u>\$ 15,644,489</u>	<u>\$ 16,000,739</u>	<u>\$ 21,630,744</u>

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

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

Note 3 - Net position at June 30, 2024 was restated to reflect the implementation of GASB Statement No. 101, "Compensated Absences".

Source: District's financial statements

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

	For the Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 37,467,586	\$ 41,889,707	\$ 42,091,248	\$ 38,834,411	\$ 38,435,042	\$ 43,762,006	\$ 39,006,655	\$ 40,286,554	\$ 40,133,537	\$ 36,487,978
Special Education	11,145,085	12,141,526	12,590,425	14,133,496	13,929,669	15,385,373	14,075,839	13,927,588	14,553,079	11,281,565
Other Instruction	2,704,397	3,132,132	3,365,526	3,248,026	3,305,239	3,550,615	3,254,900	3,520,578	3,469,692	3,106,704
School Sponsored Activities And Athletics	1,800,560	2,015,311	2,087,955	1,936,665	1,890,832	2,093,869	2,266,015	2,450,020	2,551,125	2,709,334
Support Services:										
Student & Instruction Related Services	12,814,119	12,910,400	14,088,044	11,773,011	11,550,106	12,383,616	12,699,783	12,928,923	13,227,014	16,552,747
General Administration	977,527	979,519	1,097,035	1,066,259	1,099,881	1,231,107	1,285,823	1,297,614	1,289,329	1,756,261
School Administrative Services	5,228,684	5,792,404	6,069,970	5,440,821	4,894,104	5,153,904	4,507,632	5,133,722	5,107,724	4,486,754
Plant Operations And Maintenance	6,833,786	7,035,256	7,723,842	7,523,497	7,514,642	7,811,648	7,772,110	8,165,685	8,106,815	8,577,815
Pupil Transportation	1,282,758	1,304,784	1,379,792	1,486,506	1,518,070	1,452,829	1,796,860	2,390,214	2,689,745	2,645,533
Other Support Services	1,963,307	2,341,269	2,182,543	2,204,265	3,236,651	2,194,609	2,147,355	2,236,091	2,514,765	2,931,463
Interest and Other Charges On Long-Term Debt	1,289,116	1,231,175	1,174,565	1,116,301	1,052,591	985,019	945,642	741,422	794,841	2,168,812
Total Governmental Activities Expenses	83,506,925	90,773,483	93,850,945	88,763,258	88,426,827	96,004,595	89,758,614	93,078,411	94,437,666	92,704,966
Business-Type Activities:										
Food Service	692,228	700,170	630,638	793,266	567,651	76,679	740,150	920,227	1,014,194	1,102,703
Child Care	357,217	438,450	433,708	390,287	453,317	56,316	211,319	225,651	390,198	395,473
Summer Enrichment										138,405
Tiger Tots	-	134,258	140,376	142,355	172,266	-	139,785	159,792	169,462	203,910
Total Business-Type Activities Expense	1,049,445	1,272,878	1,204,722	1,325,908	1,193,234	132,995	1,091,254	1,305,670	1,573,854	1,840,491
Total District Expenses	\$ 84,556,370	\$ 92,046,361	\$ 95,055,667	\$ 90,089,166	\$ 89,620,061	\$ 96,137,590	\$ 90,849,868	\$ 94,384,081	\$ 96,011,520	\$ 94,545,457
Program Revenues										
Governmental Activities:										
Charges For Services	\$ 1,458,902	\$ 1,154,999	\$ 1,202,529	\$ 1,282,394	\$ 1,044,881	\$ 933,665	\$ 1,361,134	\$ 1,719,757	\$ 1,866,379	\$ 1,847,831
Operating Grants And Contributions	19,418,155	25,455,999	26,847,935	22,353,568	20,764,881	27,432,059	21,655,101	20,428,341	19,409,983	16,656,711
Capital Grants And Contributions	584,147	1,155,461	246,762	290,675	250,488	243,342	603,984	471,342	884,271	1,064,880
Total Governmental Activities Program Revenues	21,461,204	27,766,459	28,297,226	23,926,637	22,060,250	28,609,066	23,620,219	22,619,440	22,160,633	19,569,422
Business-Type Activities:										
Charges For Services										
Food Service	669,219	677,739	584,056	773,680	505,489	6,465	714,268	914,898	1,005,648	1,042,031
Child Care	354,835	372,286	416,002	460,997	301,186	2,209	250,880	361,924	309,163	383,971
Summer Enrichment										201,124
Tiger Tots	-	137,900	143,775	148,390	118,407	-	138,049	175,385	166,049	192,190
Total Business Type Activities Program Revenues	1,024,054	1,187,925	1,143,833	1,383,067	925,082	8,674	1,103,197	1,452,207	1,480,860	1,819,316
Total District Program Revenues	\$ 22,485,258	\$ 28,954,384	\$ 29,441,059	\$ 25,309,704	\$ 22,985,332	\$ 28,617,740	\$ 24,723,416	\$ 24,071,647	\$ 23,641,493	\$ 21,388,738
Net (Expense)/Revenue										
Governmental Activities	\$ (62,045,721)	\$ (63,007,024)	\$ (65,553,719)	\$ (64,836,621)	\$ (66,366,577)	\$ (67,395,529)	\$ (66,138,395)	\$ (70,458,971)	\$ (72,277,033)	\$ (73,135,544)
Business-Type Activities	(25,391)	(84,953)	(60,889)	57,159	(268,152)	(124,321)	11,943	146,537	(92,994)	(21,175)
Total District-Wide Net Expense	\$ (62,071,112)	\$ (63,091,977)	\$ (65,614,608)	\$ (64,779,462)	\$ (66,634,729)	\$ (67,519,850)	\$ (66,126,452)	\$ (70,312,434)	\$ (72,370,027)	\$ (73,156,719)

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

	For the Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	\$ 61,707,367	\$ 63,737,435	\$ 64,871,921	\$ 66,570,472	\$ 67,859,661	\$ 68,736,695	\$ 70,541,699	\$ 71,741,972	\$ 74,721,017	\$ 76,488,392
Investment Earnings	33,236	33,079	165,454	225,549	189,791	26,852	27,041	140,845	269,290	2,058,041
Miscellaneous Income	638,766	332,224	283,428	270,684	188,480	376,980	336,392	174,825	323,029	237,054
Transfers	-	(40,092)	(31,438)	-	(140,783)	(25,000)	(50,000)	(50,000)	(41,587)	-
Total Governmental Activities	<u>62,379,369</u>	<u>64,062,646</u>	<u>65,289,365</u>	<u>67,066,705</u>	<u>68,097,149</u>	<u>69,115,527</u>	<u>70,855,132</u>	<u>72,007,642</u>	<u>75,271,749</u>	<u>78,783,487</u>
Business-Type Activities:										
Investment Earnings	319	285	681	1,038	322	38	183	1,733	2,791	3,237
Transfers	-	40,092	31,438	-	140,783	25,000	50,000	50,000	41,587	-
Total Business-Type Activities	<u>319</u>	<u>40,377</u>	<u>32,119</u>	<u>1,038</u>	<u>141,105</u>	<u>25,038</u>	<u>50,183</u>	<u>51,733</u>	<u>44,378</u>	<u>3,237</u>
Total District-Wide	<u>\$ 62,379,688</u>	<u>\$ 64,103,023</u>	<u>\$ 65,321,484</u>	<u>\$ 67,067,743</u>	<u>\$ 68,238,254</u>	<u>\$ 69,140,565</u>	<u>\$ 70,905,315</u>	<u>\$ 72,059,375</u>	<u>\$ 75,316,127</u>	<u>\$ 78,786,724</u>
Change in Net Position										
Governmental Activities	\$ 333,648	\$ 1,055,622	\$ (264,354)	\$ 2,230,084	\$ 1,730,572	\$ 1,719,998	\$ 4,716,737	\$ 1,548,671	\$ 2,994,716	\$ 5,647,943
Business-Type Activities	(25,072)	(44,576)	(28,770)	58,197	(127,047)	(99,283)	62,126	198,270	(48,616)	(17,938)
Total District Wide	<u>\$ 308,576</u>	<u>\$ 1,011,046</u>	<u>\$ (293,124)</u>	<u>\$ 2,288,281</u>	<u>\$ 1,603,525</u>	<u>\$ 1,620,715</u>	<u>\$ 4,778,863</u>	<u>\$ 1,746,941</u>	<u>\$ 2,946,100</u>	<u>\$ 5,630,005</u>

Sources: District's financial statements

TENAFLY 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	2021	2022	2023	2024	2025
General Fund										
Restricted	\$ 4,255,257	\$ 6,376,707	\$ 6,736,790	\$ 6,833,410	\$ 8,687,184	\$ 6,407,954	\$ 4,453,304	\$ 3,389,344	\$ 4,779,680	\$ 11,329,867
Committed								258,837		
Assigned	1,556,814	1,245,526	1,167,435	1,305,715	972,141	1,296,691	3,095,667	2,580,920	2,482,067	1,058,410
Unassigned	<u>1,208,586</u>	<u>1,181,815</u>	<u>1,221,046</u>	<u>1,239,877</u>	<u>1,189,817</u>	<u>1,244,998</u>	<u>1,557,077</u>	<u>1,300,819</u>	<u>930,999</u>	<u>(248,566)</u>
Total General Fund	<u>\$ 7,020,657</u>	<u>\$ 8,804,048</u>	<u>\$ 9,125,271</u>	<u>\$ 9,379,002</u>	<u>\$ 10,849,142</u>	<u>\$ 8,949,643</u>	<u>\$ 9,106,048</u>	<u>\$ 7,529,920</u>	<u>\$ 8,192,746</u>	<u>\$ 12,139,711</u>
All Other Governmental Funds										
Restricted	<u>\$ 2,598,479</u>	<u>\$ 246,861</u>	<u>\$ 222,699</u>	<u>\$ 72,529</u>	<u>\$ 684,511</u>	<u>\$ 1,254,586</u>	<u>\$ 599,739</u>	<u>\$ 1,216,983</u>	<u>\$ 2,755,691</u>	<u>\$ 75,193,198</u>
Total All Other Governmental Funds	<u>\$ 2,598,479</u>	<u>\$ 246,861</u>	<u>\$ 222,699</u>	<u>\$ 72,529</u>	<u>\$ 684,511</u>	<u>\$ 1,254,586</u>	<u>\$ 599,739</u>	<u>\$ 1,216,983</u>	<u>\$ 2,755,691</u>	<u>\$ 75,193,198</u>

Note 1 -Fund Balances in the General and Special Revenue Funds at June 30, 2020 are restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities".

Source: District's financial statements

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

	For the Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Property Taxes	\$ 61,707,367	\$ 63,737,435	\$ 64,871,921	\$ 66,570,472	\$ 67,859,661	\$ 68,736,695	\$ 70,541,699	\$ 71,741,972	\$ 74,721,017	\$ 76,488,392
Tuition Charges	1,050,511	994,660	979,918	779,296	723,362	725,104	936,864	1,118,243	1,206,248	1,030,519
Interest Earnings	33,236	33,079	165,454	225,549	189,791	26,852	27,041	140,845	269,290	2,058,041
Miscellaneous	695,865	522,820	515,354	808,768	545,116	610,092	1,135,406	998,988	1,119,520	1,984,691
State Sources	10,530,252	11,983,296	12,387,774	14,474,751	15,131,207	17,856,415	23,283,928	23,769,349	25,719,048	26,439,833
Federal Sources	1,027,981	1,157,601	1,236,773	1,035,289	1,035,393	1,422,289	1,996,903	4,063,363	2,609,037	1,168,431
Total Revenue	75,045,212	78,428,891	80,157,194	83,894,125	85,484,530	89,377,447	97,921,841	101,832,760	105,644,160	109,169,907
Expenditures										
Instruction										
Regular Instruction	30,908,379	32,285,717	33,432,534	33,748,213	34,669,799	38,765,010	41,610,845	44,282,522	44,717,738	43,423,405
Special Education Instruction	9,892,994	10,221,343	10,855,643	12,932,230	13,079,900	14,235,842	14,851,050	15,178,439	15,934,735	12,631,162
Other Instruction	2,239,027	2,416,557	2,645,045	2,875,835	3,017,217	3,181,646	3,554,172	3,971,569	3,958,549	3,755,995
School Sponsored Activities and Athletics	1,522,592	1,599,890	1,704,161	1,721,361	1,730,618	1,894,474	2,385,791	2,630,858	2,761,331	3,061,249
Support Services										
Student and Inst. Related Services	12,354,942	11,387,820	12,260,783	11,240,210	11,424,242	11,936,930	13,220,963	14,027,675	13,989,283	17,177,838
General Administration	941,810	916,355	1,020,947	988,558	1,048,740	1,162,060	1,307,297	1,343,538	1,342,213	1,887,461
School Administrative Services	4,749,411	4,911,583	5,182,515	5,025,532	4,699,168	4,803,132	4,829,551	5,804,655	5,762,816	5,187,419
Plant Operations And Maintenance	5,539,325	5,510,818	5,695,282	5,758,169	6,173,484	6,310,899	6,587,851	7,229,130	7,003,761	7,345,114
Pupil Transportation	1,263,571	1,284,271	1,352,454	1,460,833	1,497,429	1,431,535	1,775,433	2,369,118	2,668,649	2,625,682
Other Support Services	1,859,646	1,955,867	1,959,463	2,095,761	3,214,780	2,104,044	2,258,173	2,475,047	2,675,437	3,107,309
Capital Outlay	957,268	3,109,171	351,777	2,565,405	1,565,890	1,753,449	2,612,863	1,854,207	4,904,910	6,017,865
Debt Service										
Cost of Issuance of Refunding of Bonds	33,000						141,226			
Principal	2,150,268	2,193,004	2,256,180	2,319,396	2,387,652	2,163,256	2,468,890	3,128,184	3,087,170	3,145,751
Interest and Other Charges	1,214,961	1,164,630	1,112,624	1,059,061	1,001,844	939,594	907,404	722,997	915,593	1,141,185
Total Expenditures	75,627,194	78,957,026	79,829,408	83,790,564	85,510,763	90,681,871	98,511,509	105,017,939	109,722,185	110,507,435
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	(581,982)	(528,135)	327,786	103,561	(26,233)	(1,304,424)	(589,668)	(3,185,179)	(4,078,025)	(1,337,528)
Other Financing Sources (Uses)										
Leases/Capital Financing/Other Financing Agmts					1,266,281			2,276,295	6,321,146	1,625,000
Proceeds From Sale of Bonds/Refundings	7,090,000						13,515,000			76,097,000
Payments To Escrow Agent	(7,057,000)						(15,676,114)			
Premium on Refunding Bonds							2,302,340			
Transfers In		1,388,348	629,641	3,186,660	1,535,062	2,119,754	3,003,568	3,731,637	862,864	1,541,344
Transfers Out	-	(1,428,440)	(660,366)	(3,186,660)	(1,675,845)	(2,144,754)	(3,053,568)	(3,781,637)	(904,451)	(1,541,344)
Total Other Financing Sources (Uses)	33,000	(40,092)	(30,725)	-	1,125,498	(25,000)	91,226	2,226,295	6,279,559	77,722,000
Net Change in Fund Balances	\$ (548,982)	\$ (568,227)	\$ 297,061	\$ 103,561	\$ 1,099,265	\$ (1,329,424)	\$ (498,442)	\$ (958,884)	\$ 2,201,534	\$ 76,384,472
Debt Service as a Percentage of										
Noncapital Expenditures	4.51%	4.43%	4.24%	4.16%	4.04%	3.49%	3.52%	3.73%	3.82%	4.10%

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

Fiscal Year Ended June 30	Tuition	Summer School Fees/Tuition	Interest on Deposits	Extracurricular Activities Fees	Miscellaneous	Total
2016	\$ 1,050,511	\$ 161,701	\$ 33,236	\$ 43,437	\$ 446,517	\$ 1,735,402
2017	994,660	157,125	33,079	7,172	325,052	1,517,088
2018	979,918	175,830	165,454	7,615	318,443	1,647,260
2019	779,296	197,638	225,549	148,290	427,854	1,778,627
2020	723,362	109,710	189,791	126,264	274,025	1,423,152
2021	725,104		26,852		376,980	1,128,936
2022	768,136	168,728	27,041	10,075	715,643	1,689,623
2023	888,419	229,824	140,845		456,194	1,715,282
2024	1,005,578	200,670	260,211		485,349	1,951,808
2025	1,030,519		514,999		334,972	1,880,490

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Valuation	Net Valuation Taxable	Estimated Actual (County Equalized) Valuation	Total Direct School Tax Rate ^a
2016	\$ 43,105,700	\$ 3,588,686,800	\$ 241,749,500	\$ 10,462,000	\$ 36,741,000	\$ 3,920,745,000	\$ 3,920,745,000	\$ 4,435,733,680	\$ 1.600
2017	44,750,300	3,617,030,300	240,984,300	10,462,000	36,741,000	3,949,967,900	3,949,967,900	4,516,313,629	1.628
2018	45,288,300	3,658,491,300	240,386,300	10,462,000	36,741,000	3,991,368,900	3,991,368,900	4,570,330,078	1.647
2019	48,584,100	3,675,015,500	237,100,200	10,462,000	36,660,500	4,007,822,300	4,007,822,300	4,694,527,300	1.678
2020	49,306,000	3,676,744,800	236,376,700	10,462,000	36,660,500	4,009,550,000	4,009,550,000	4,748,365,079	1.704
2021	35,761,800	3,713,630,100	234,031,600	10,462,000	36,660,500	4,030,546,000	4,030,546,000	4,688,125,246	1.728
2022	41,998,800	3,715,851,900	234,659,000	10,462,000	33,400,200	4,036,371,900	4,036,371,900	4,778,532,424	1.763
2023	26,760,100	3,752,105,100	234,178,100	10,462,000	33,400,200	4,056,905,500	4,056,905,500	5,053,917,890	1.806
2024	29,359,800	3,783,177,800	228,970,700	10,462,000	33,400,200	4,085,370,500	4,085,370,500	5,386,562,841	1.851
2025	32,470,800	3,804,208,600	228,573,000	10,462,000	33,400,200	4,109,114,600	4,109,114,600	5,855,336,979	1.923

Source: County Abstract of Ratables

^a Tax rates are per \$100

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

Calendar Year	<u>Total</u>	<u>Local School District</u>	<u>Municipality</u> (1)	<u>County</u>	<u>County Open Space</u>
2016	\$ 2.473	\$ 1.600	\$ 0.595	\$ 0.275	\$ 0.003
2017	2.523	1.628	0.605	0.279	0.011
2018	2.532	1.647	0.605	0.269	0.011
2019	2.572	1.678	0.609	0.274	0.011
2020	2.618	1.704	0.621	0.281	0.012
2021	2.657	1.728	0.638	0.279	0.012
2022	2.705	1.763	0.658	0.272	0.012
2023	2.772	1.806	0.669	0.284	0.013
2024	2.841	1.851	0.683	0.293	0.014
2025	2.973	1.923	0.716	0.319	0.015

(1) Includes Municipal Open Space Tax and Library Tax

Source: Tax Duplicate, Borough of Tenafly

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

Taxpayer	2025		2016	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Marlborough Co-Op Corporation	\$ 19,250,000	0.47%	\$ 22,510,300	0.57%
A.S.D.D.J LLC	11,830,100	0.29%	11,830,100	0.30%
Knickerbocker Country Club	8,227,200	0.20%	8,227,200	0.21%
145 Dean Drive LLC	7,500,000	0.18%	9,747,700	0.25%
Tenafly Shopping Center LP	7,209,400	0.18%	7,209,400	0.18%
Quirk Properties Tenafly, LLC	6,696,400	0.16%	6,696,400	0.17%
30 Engle Street-Tenafly Realty	6,524,200	0.16%	6,524,200	0.17%
Individual Taxpayer	4,653,100	0.11%	4,653,100	0.12%
TRC Property LLC	4,485,600	0.11%	4,485,600	0.11%
Individual Taxpayer	4,238,600	0.10%	4,506,800	0.11%
	<u>\$ 80,614,600</u>	<u>1.96%</u>	<u>\$ 86,390,800</u>	<u>2.20%</u>

Source: Municipal Tax Assessor

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

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2016	\$ 61,707,367	\$ 61,707,367	100.00%	N/A
2017	63,737,435	63,737,435	100.00%	N/A
2018	64,871,921	64,871,921	100.00%	N/A
2019	66,570,472	66,570,472	100.00%	N/A
2020	67,859,661	67,859,661	100.00%	N/A
2021	68,736,695	68,736,695	100.00%	N/A
2022	70,541,699	70,541,699	100.00%	N/A
2023	71,741,972	71,741,972	100.00%	N/A
2024	74,721,017	74,721,017	100.00%	N/A
2025	76,488,392	76,488,392	100.00%	N/A

N/A = Not Applicable

Source: District records.

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

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income	Population	Per Capita
	General Obligation Bonds	Lease and Capital Financing Agreements				
2016	\$ 34,360,000	\$ 2,171,232	\$ 36,531,232	0.20%	14,714	\$ 2,483
2017	32,705,000	1,633,228	34,338,228	0.21%	14,688	2,338
2018	30,990,000	1,092,048	32,082,048	0.23%	14,662	2,188
2019	29,215,000	547,652	29,762,652	0.25%	14,585	2,041
2020	27,375,000	1,266,281	28,641,281	0.26%	14,454	1,982
2021	25,465,000	1,723,687	27,188,687	0.27%	14,304	1,901
2022	21,600,000	1,244,797	22,844,797	0.32%	15,232	1,500
2023	19,530,000	2,462,908	21,992,908	0.33%	15,219	1,445
2024	17,605,000	7,621,884	25,226,884	0.29%	15,178	1,662
2025	91,697,000	8,106,133	99,803,133	0.07%	15,455	6,458

Source: District records

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Valuation of Property	Per Capita
	General Obligation Bonds	Deductions			
2016	\$ 34,360,000		\$ 34,360,000	0.88 %	\$ 2,335
2017	32,705,000		32,705,000	0.83	2,227
2018	30,990,000		30,990,000	0.78	2,114
2019	29,215,000		29,215,000	0.73	2,003
2020	27,375,000		27,375,000	0.68	1,894
2021	25,465,000		25,465,000	0.63	1,780
2022	21,600,000		21,600,000	0.54	1,418
2023	19,530,000		19,530,000	0.48	1,283
2024	17,605,000		17,605,000	0.43	1,160
2025	91,697,000		91,697,000	2.23	5,933

Source: District records

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

	<u>Net Debt</u>
Tenafly Board of Education (June 30, 2025)	\$ 91,697,000
Municipal Debt: (1)	
Borough of Tenafly	32,815,640
	124,512,640
Overlapping Debt Apportioned to the Municipality:	
Bergen County: (2) and (3)	
County of Bergen (A)	39,993,639
Bergen County Utilities Authority - Water Pollution (B)	4,896,647
	44,890,286
Total Direct and Overlapping Debt	\$ 169,402,926

- (A) The debt for this entity was apportioned to the Borough of Tenafly by dividing the Municipality's 2024 equalized value by the total 2024 equalized value for Bergen County.
- (B) Overlapping debt was computed based upon municipal flow to the Authority.

Sources:

- (1) Borough of Tenafly Annual Debt Statement
- (2) BCUA 2024 audit
- (3) Bergen County Annual Debt Statement

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

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit	\$ 170,655,054	\$ 175,071,218	\$ 178,946,581	\$ 181,432,587	\$ 184,442,075	\$ 186,308,716	\$ 188,794,795	\$ 192,553,840	\$ 201,690,321	\$ 215,684,722
Total Net Debt Applicable to Limit	<u>34,360,000</u>	<u>32,705,000</u>	<u>30,990,000</u>	<u>29,215,000</u>	<u>27,375,000</u>	<u>25,465,000</u>	<u>21,600,000</u>	<u>19,530,000</u>	<u>17,605,000</u>	<u>91,697,000</u>
Legal Debt Margin	<u>\$ 136,295,054</u>	<u>\$ 142,366,218</u>	<u>\$ 147,956,581</u>	<u>\$ 152,217,587</u>	<u>\$ 157,067,075</u>	<u>\$ 160,843,716</u>	<u>\$ 167,194,795</u>	<u>\$ 173,023,840</u>	<u>\$ 184,085,321</u>	<u>\$ 123,987,722</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	20.13%	18.68%	17.32%	16.10%	14.84%	13.67%	11.44%	10.14%	8.73%	42.51%

Legal Debt Margin Calculation for Fiscal Year 2023

		Equalized Valuation Basis
		2022 5,020,987,561
		2023 5,341,547,729
		2024 <u>5,813,818,842</u>
		<u>\$ 16,176,354,132</u>
Average Equalized Valuation of Taxable Property		<u>\$ 5,392,118,044</u>
Debt Limit (4 % of Average Equalization Value)		\$ 215,684,722
Total Net Debt Applicable to Limit		<u>91,697,000</u>
Legal Debt Margin		<u>\$ 123,987,722</u>

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

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

<u>Year Ended December 31,</u>	<u>Unemployment Rate</u>	<u>Per Capita Income (1)</u>	<u>Population (2)</u>
2015	3.5 %	\$ 75,016	14,714
2016	2.9	76,367	14,688
2017	2.7	78,611	14,662
2018	2.2	82,731	14,585
2019	2.2	86,871	14,454
2020	6.2	88,256	14,304
2021	4.3	94,342	15,232
2022	2.5	96,434	15,219
2023	2.7	102,229	15,178
2024	2.8	102,229 (E)	15,455

Source: New Jersey Department of Labor
United States Bureau of Census
School District Records

- (E) Estimated
- (1) County of Bergen
- (2) Estimated

**TENAFLY BOARD OF EDUCATION
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND TEN YEARS AGO
(Unaudited)**

INFORMATION NOT AVAILABLE

**TENAFLY 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	179.30	186.20	212.70	260.20	264.00	266.00	284.00	279.00	275.00	275.00
Special Education	43.70	47.20	43.40	42.00	48.00	57.00	45.00	49.00	51.00	46.00
Other Special Education	20.30	25.40								
Other Instruction	105.00	91.70	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00
Support Services:										
Student and Instruction Related Services	106.40	103.80	206.60	183.00	183.00	181.00	216.00	208.00	177.00	128.00
General Administration	41.00	34.00	25.00	22.00	20.00	23.00	25.00	26.00	26.00	26.00
School Administrative Services	25.40	29.00	23.00	22.50	19.00	19.00	23.00	22.00	22.00	22.00
Other Administrative Services			15.50	15.00	15.00	15.50	18.50	31.00	32.00	19.00
Plant Operations And Maintenance	36.00	36.00	38.00	39.00	39.00	37.50	39.00	40.00	46.00	39.00
Total	<u>557.10</u>	<u>553.30</u>	<u>567.20</u>	<u>586.70</u>	<u>591.00</u>	<u>602.00</u>	<u>653.50</u>	<u>659.00</u>	<u>633.00</u>	<u>559.00</u>

Source: District Personnel Records

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

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil	Percentage Change	Pupil/Teacher Ratio				Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Middle School	Senior High School				
2016	3,598	\$ 71,271,697	\$ 19,809	2.75%	284.30	22.00	17	17.8	3,607	3,479.94	-0.08%	96.48%
2017	3,567	72,490,221	20,322	2.59%	277.90	21.75	17.8	19.5	3,633	3,491.38	0.72%	96.10%
2018	3,677	76,113,960	20,700	1.86%	288.00	14.80	10.1	13.3	3,685	3,548.74	1.43%	96.30%
2019	3,648	77,846,702	21,340	3.09%	302.00	11.00	10	10.6	3,687	3,550.00	0.05%	96.28%
2020	3,652	80,555,377	22,058	3.37%	312.00	11.21	10.86	11.4	3,759	3,667.00	1.95%	97.55%
2021	3,673	85,825,572	23,367	5.93%	323.00	10.69	9.86	9.5	3,525	3,459.00	-6.23%	98.13%
2022	3,564	92,381,126	25,921	10.93%	332.00	9.97	9.43	9.8	3,567	3,453.00	1.19%	96.80%
2023	3,419	99,312,551	29,047	12.06%	371.00	8.94	9.83	8.7	3,415	3,302.32	-4.26%	96.70%
2024	3,441	100,814,512	29,298	0.86%	374.00	8.84	9.8	9.0	3,416	3,278.00	0.03%	95.96%
2025	3,396	100,202,634	29,506	0.71%	329.00	9.82	10.56	11.7	3,426	3,276.83	0.29%	95.65%

Sources: District records

- Note: a Enrollment based on annual October district count.
 b Operating expenditures equal total expenditures less debt service and capital outlay.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District Building										
Elementary										
Mackay										
Square Feet	36,344	36,344	36,344	36,344	36,344	36,344	36,344	36,344	36,344	36,344
Capacity (students)	351	351	351	351	351	351	351	351	351	351
Enrollment	400	394	392	396	378	348	346	331	352	349
Maugham										
Square Feet	41,450	41,450	41,450	41,450	41,450	41,450	41,450	41,450	41,450	41,450
Capacity (students)	319	319	319	319	319	319	319	319	319	319
Enrollment	403	397	412	410	376	363	365	353	359	357
Smith										
Square Feet	38,125	38,125	38,125	38,125	38,125	38,125	38,125	38,125	38,125	38,125
Capacity (students)	312	312	312	312	312	312	312	312	312	312
Enrollment	380	375	374	376	384	349	355	346	317	327
Stillman										
Square Feet	40,780	40,780	40,780	40,780	40,780	40,780	40,780	40,780	40,780	40,780
Capacity (students)	338	338	338	338	338	338	338	338	338	338
Enrollment	392	356	372	376	373	341	340	347	329	315
Middle School										
Square Feet	182,258	182,258	182,258	182,258	182,258	182,258	182,258	182,258	182,258	182,258
Capacity (students)	950	950	950	950	950	950	950	950	950	950
Enrollment	891	917	904	907	899	889	849	900	925	915
High School										
Square Feet	260,715	260,715	260,715	260,715	260,715	260,715	260,715	260,715	260,715	260,715
Capacity (students)	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170
Enrollment	1,142	1,164	1,223	1,222	1,242	1,236	1,230	1,197	1,159	1,139
Administration Building										
Square Feet	9,280	9,280	9,280	9,280	9,280	9,280	9,280	9,280	9,280	9,280

Number of Schools at June 30, 2025
 Elementary = 4
 Middle School = 1
 Senior High School = 1
 Administration = 1

Source: District Records

**TENAFLY BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
School Facilities										
Mackay Elementary School	\$ 48,508	\$ 51,969	\$ 51,609	\$ 49,068	\$ 51,460	\$ 76,913	\$ 60,663	\$ 49,521	\$ 60,736	\$ 66,741
Maugham Elementary School	54,976	56,745	58,860	55,972	58,702	88,339	68,437	56,478	69,269	76,117
Smith Elementary School	50,933	52,243	54,138	51,451	53,960	80,898	62,751	51,947	63,713	70,011
Stillman Elementary School	54,167	55,645	57,909	55,068	57,753	86,840	66,067	55,565	68,150	74,887
Middle School	241,731	244,990	258,811	245,996	257,990	398,417	293,326	248,337	304,581	334,691
High School	<u>346,022</u>	<u>350,432</u>	<u>370,221</u>	<u>351,858</u>	<u>369,013</u>	<u>570,198</u>	<u>428,728</u>	<u>355,239</u>	<u>435,695</u>	<u>478,766</u>
Total School Facilities	796,337	812,024	851,548	809,413	848,878	1,301,605	979,972	817,087	1,002,144	1,101,213
Other Facilities										
Administration Building	<u>2,702</u>	<u>12,442</u>	<u>13,178</u>	<u>12,493</u>	<u>13,101</u>	<u>18,142</u>	<u>13,221</u>	<u>12,645</u>	<u>15,508</u>	<u>17,040</u>
Grand Total	<u>\$ 799,039</u>	<u>\$ 824,466</u>	<u>\$ 864,726</u>	<u>\$ 821,906</u>	<u>\$ 861,979</u>	<u>\$ 1,319,747</u>	<u>\$ 993,193</u>	<u>\$ 829,732</u>	<u>\$ 1,017,652</u>	<u>\$ 1,118,253</u>

Source: School District's records

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

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy		
Property-Blanket Building/Contents	\$ 195,627,420	\$ 5,000
Comprehensive General Liability	1,000,000	2,500
Auto Liability	1,000,000	2,500
Public Employee Dishonesty	\$100,000 / employee	5,000
Public Employee Dishonesty (per loss)	500,000	5,000
Forgery Alteration	250,000	5,000
Employee Benefit Liability	\$1M/\$2M	10,000
Boiler and Machinery/Equipment	Blanket Limit Up to \$150,000,000	
Umbrella Liability - National Union Fire Insurance Company	9,000,000	
Excess Umbrella Liability - Hudson/Allied World/GA	40,000,000	
Workplace Violence - Indian Harbor Insurance Company	3,000,000	
Educator's Professional Liability - Greenwich Ins. Co	1,000,000	20,000
Pollution Coverage - Evanston (Markel)	2,000,000	25,000
Aggregate Sublimit per Named Insured Mold	4,000,000	50,000
Public Officials Bonds		
Treasurer of School Monies	400,000	
School Business Administrator/Board Secretary	50,000	
Assistant School Business Administrator	400,000	
Accident Policy - Zurich American Insurance Company	100,000	
Cyber Liability - Cowbell	2,000,000	25,000
Excess Cyber Liability - Great American Fidelity Insurance	5,000,000	
Workers Compensation - Safety National Casualty Company	1,000,000	
Student Accident - Base Policy - Mutual of Omaha Insurance	25,000	
Student Accident - CAT Policy - Mutual of Omaha Insurance	5,000,000	25,000

Source: School Insurance Records

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Tenafly Board of Education
500 Tenafly Road
Tenafly, New Jersey 07670

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Tenafly 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 Tenafly Board of Education's basic financial statements and have issued our report thereon dated November 4, 2025.

Report on Internal Control Over Financial Reporting

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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Tenafly Board of Education in a separate report entitled, “Auditor’s Management Report on Administrative Findings – Financial, Compliance and Performance” dated November 4, 2025.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tenafly 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 Tenafly Board of Education’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
November 4, 2025



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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Tenafly Board of Education
500 Tenafly Road
Tenafly, New Jersey 07670

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Tenafly 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 Tenafly Board of Education's major federal and state programs for the fiscal year ended June 30, 2025. The Tenafly 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 Tenafly 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 Tenafly 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 Tenafly 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 Tenafly 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 Tenafly 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 Tenafly 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 Tenafly 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 Tenafly 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 Tenafly Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

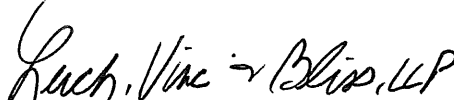
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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


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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information 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 November 4, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
November 4, 2025

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

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance July 1, 2024		Carryover Amount	Cash Received	Budgetary Expenditures	Adjustment	Refund of Prior Years' Balances	Balance, June 30, 2025			Memo		
					Unearned Revenue/ (Account Receivable)	Due to Grantor						Receivable	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditure	
General Fund:																	
U.S. Department of Health and Human Services																	
Passed-through State Department of Health and Human Services																	
Medical Assistance Program	93.778	2005NJ5MAP	7/1/24-6/30/25	\$ 11,616	-	-	-	\$ 11,616	\$ 11,616	-	-	-	-	-	-	-	\$ 11,616
Total General Fund					-	-	-	11,616	11,616	-	-	-	-	-	-	-	11,616
Special Revenue Fund:																	
U.S. Department of Education																	
Passed-through State Department of Education																	
I.D.E.A. Part B, Basic	84.027	H027A240100	7/1/24-9/30/25	806,740			\$ 49,686	754,764	810,466	\$ (49,686)		\$ (101,662)	\$ 45,960		\$ (55,702)	810,466	
I.D.E.A. Part B, Basic	84.027	H027A230100	7/1/23-9/30/24	843,817	\$ (106,400)		(49,686)	106,400		49,686							
I.D.E.A. Part B, Preschool	84.173	H173A240114	7/1/24-9/30/25	41,041			4,755	37,686	41,041	(4,755)		(8,110)	4,755		(3,355)	41,041	
I.D.E.A. Part B, Preschool	84.173	H173A230114	7/1/23-9/30/24	42,796	(38,041)		(4,755)	38,041		4,755							
Total Special Education Cluster (IDEA)					(144,441)		-	936,891	851,507	-		(109,772)	50,715		(59,057)	851,507	
Title I, Part A	84.010A	S010A240030	7/1/24-9/30/25	146,858				76,905	101,632			(69,953)	45,226		(24,727)	101,632	
Title I, Part A	84.010A	S010A230030	7/1/23-9/30/24	300,450	(3,492)			5,508						\$ 2,016	-	-	
Title I, Part A	84.010A	S010A220030	7/1/22-9/30/23	130,874		\$ 277					\$ 277				-	-	
Title II, Part A	84.367	S367A240029	7/1/24-9/30/25	77,547			40,954	42,548	98,500	(40,954)		(75,953)	20,001		(55,899)	98,500	
Title II, Part A	84.367	S367A230029	7/1/23-9/30/24	60,353	17,100		(40,954)			40,954				17,100		-	
Title II, Part A	84.367	S367A220029	7/1/22-9/30/23	56,592		12,526					12,526				-	-	
Title III	84.365	S365A240030	7/1/24-9/30/25	65,717			1,361	40,784	45,519	(1,361)		(26,294)	21,559		(4,492)	45,519	
Title III	84.365	S365A230030	7/1/23-9/30/24	56,633	(5,165)		(1,361)	4,718		1,361		(447)			(447)	-	
Title III	84.365	S365A220030	7/1/22-9/30/23	52,126		10,579					10,579						
Title III-Immigrant	84.365	S365A240030	7/1/24-9/30/25	20,739				9,292	16,998			(11,447)	3,741		(7,706)	16,998	
Total Title III Cluster					(5,165)	10,579		54,794	62,517		10,579	(38,188)	25,300		(12,645)	62,517	
Title IV	84.424	S424A230031	7/1/23-9/30/23	10,000	2,123			120									
Title IV	84.424	S424A220031	7/1/22-9/30/23	12,610		780					780						
Perkins	84.048	V048A240030	7/1/24-6/30/25	12,793				9,388	9,388							9,388	
Education Stabilization Fund (ESF)																	
ESSER I	84.425D	S425D200027	3/13/20-9/30/20	165,180	(188)							(188)			(188)	164,307	
ARP ESSER	84.425U	S425U210027	3/13/2020-9/30/2024	1,319,593	(509,357)			496,396		3,195		(9,766)			(9,766)	1,316,393	
Accelerated Learning Coach and Educator	84.425U	S425U210027	3/13/2020-9/30/2024	290,808	1,080			2,115		(3,195)						287,613	
High Impact Tutoring Grant	84.425V	S425V240027	7/1/24-6/30/25	37,328				29,820	33,567			(7,508)	3,761		(3,747)	33,567	
High Impact Tutoring Grant	84.425V	S425V230027	10/11/23-8/31/2024	154,000	(19,920)							(19,920)			(19,920)	149,105	
Total ESF Cluster					(528,385)			528,331	33,567			(37,382)	3,761		(33,621)	1,950,985	
Total U.S. Department of Education					(662,260)	24,162		1,654,485	1,157,111		24,162	(331,248)	145,003	21,359	(185,949)	3,074,529	

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

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance July 1, 2024		Carryover Amount	Cash Received	Budgetary Expenditures	Adjustment	Refund of Prior Years' Balances	Balance, June 30, 2025			Memo	
					Unearned Revenue/ (Account Receivable)	Due to Grantor						Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditure	
ACSERS	21.027	SLFRFDOE1SES	7/1/23-6/30/24	\$ 164,676	\$ (51,183)			\$ 123,882						\$ 72,699		\$ 91,977
ACSERS	21.027	SLFRFDOE1SES	7/1/22-6/30/23	517,016		\$ 16,353					\$ 16,353					
NonPublic Digital Divide Grant	21.019	C8220COVID19	7/16/20-10/31/20	21,925	(20,266)	-	-	-	-	-	-	\$ (20,266)	-	-	\$ (20,266)	-
Total Coronavirus Relief Cluster					(20,266)	-	-	-	-	-	-	(20,266)	-	-	(20,266)	-
Total U.S. Department of Treasury					(71,449)	16,353	-	123,882	-	-	16,353	(20,266)	-	72,699	(20,266)	91,977
U.S. Department of Health and Human Services																
The TEACH Coalition (SAMSHA)	93.276	SP021565	9/30/17-9/30/18	125,000	-	44,858	-	-	-	-	-	-	-	44,858	-	-
Total U.S. Department of Health and Human Services					-	44,858	-	-	-	-	-	-	-	44,858	-	-
Total Special Revenue Fund					(733,709)	85,373	-	1,778,367	1,157,111	-	40,515	(351,514)	\$ 145,003	138,916	(206,215)	3,166,506
Total Federal Financial Awards					\$ (733,709)	\$ 85,373	\$ -	\$ 1,789,983	\$ 1,168,727	\$ -	\$ 40,515	\$ (351,514)	\$ 145,003	\$ 138,916	\$ (206,215)	\$ 3,178,122

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2024		Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Balance June 30, 2025			MEMO		
				Unearned Revenue/ (Accts Rec)	Due to Grantor				(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
State Department of Education														
General Fund:														
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	\$ 3,688,325	\$ (348,805)		\$ 348,805								
Special Education Aid	25-495-034-5120-089	7/1/24-6/30/25	3,905,029			3,543,483	\$ 3,905,029		\$ (361,546)				\$ 3,905,029	
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	285,644	(27,014)		27,014								
Security Aid	25-495-034-5120-084	7/1/24-6/30/25	329,405	-		298,907	329,405		(30,498)				329,405	
Total State Aid- Public Cluster				(375,819)		4,218,209	4,234,434		(392,044)				4,234,434	
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	353,878	(33,466)		33,466								
Transportation Aid	25-495-034-5120-014	7/1/24-6/30/25	427,118			387,573	427,118		(39,545)				427,118	
Non Public Transportation	24-495-034-5120-014	7/1/23-6/30/24	97,825	(97,825)		97,825								
Non Public Transportation	25-495-034-5120-014	7/1/24-6/30/25	113,481	-		113,481			(113,481)				\$ (113,481)	113,481
Total Transportation Aid				(131,291)		518,864	540,599		(153,026)				(113,481)	540,599
Extraordinary Aid	24-100-034-5120-044	7/1/23-6/30/24	2,293,729	(2,293,729)		2,293,729								
Extraordinary Aid	25-100-034-5120-044	7/1/24-6/30/25	1,987,650				1,987,650		(1,987,650)					1,987,650
TPAF On-Behalf Contributions														
Pension Contribution-Normal Costs	25-495-034-5094-002	7/1/24-6/30/25	12,096,600			12,096,600	12,096,600							12,096,600
Pension Contribution-NCCI	25-495-034-5094-004	7/1/24-6/30/25	149,845			149,845	149,845							149,845
Pension Contribution- Long Term Disability Insurance	25-495-034-5094-004	7/1/24-6/30/25	5,334			5,334	5,334							5,334
Pension Contribution - Post Retirement Cost	25-495-034-5094-001	7/1/24-6/30/25	3,578,421	-		3,578,421	3,578,421		-					3,578,421
Total On-Behalf TPAF Contribution Cluster				-		15,830,200	15,830,200		-					15,830,200
Social Security Reimbursements	25-495-034-5094-003	7/1/24-6/30/25	2,606,641			2,477,616	2,606,641		(129,025)				(129,025)	2,606,641
Social Security Reimbursements	24-495-034-5094-003	7/1/23-6/30/24	2,591,610	(129,302)		129,302								
Total General Fund				(2,930,141)		25,467,920	25,199,524		(2,661,745)				(242,506)	25,199,524
Special Revenue Fund:														
New Jersey Nonpublic Aid														
Textbook Aid	24-100-034-5120-064	7/1/23-6/30/24	26,419		\$ 1,112			\$ 1,112			\$ -			
Textbook Aid	25-100-034-5120-064	7/1/24-6/30/25	23,575			23,575	22,840				735			22,840
Textbook Aid	22-100-034-5120-064	7/1/21-6/30/22	36,732		1,378						1,378			
Auxiliary Services														
Compensatory Education	24-100-034-5120-067	7/1/23-6/30/24	104,653		10,427			10,427						
Compensatory Education	25-100-034-5120-067	7/1/24-6/30/25	90,165			90,165	71,866				18,299			71,866
Compensatory Education	23-100-034-5120-067	7/1/22-6/30/23	107,923		1,643						1,643			
English as a Second Language	24-100-034-5120-067	7/1/23-6/30/24	28,658		8,332			8,332						
English as a Second Language	25-100-034-5120-067	7/1/24-6/30/25	19,336			19,336	15,186				4,150			15,186
Total Nonpublic Auxiliary Services Aid (Chap. 192) Cluster					20,402		109,501	87,052				24,092		87,052
Handicapped Services														
Examination and Classification	24-100-034-5120-066	7/1/23-6/30/24	77,728		36,400			36,400						
Examination and Classification	25-100-034-5120-066	7/1/24-6/30/25	38,490			38,490	32,781				5,709			32,781
Corrective Speech	24-100-034-5120-066	7/1/23-6/30/24	53,010		11,625			11,625						
Corrective Speech	25-100-034-5120-066	7/1/24-6/30/25	51,150			51,150	37,014				14,136			37,014
Supplemental Instruction	24-100-034-5120-066	7/1/23-6/30/24	42,952		9,247			9,247						
Supplemental Instruction	25-100-034-5120-066	7/1/24-6/30/25	32,214			32,214	24,533				7,681			24,533
Total Nonpublic Handicapped Services Aid (Chap. 193) Cluster					57,272		121,854	94,328				27,526		94,328
Technology	24-100-034-5120-373	7/1/23-6/30/24	22,393		4,013			4,013						
Technology	25-100-034-5120-373	7/1/24-6/30/25	22,589			22,589	21,479				1,110			21,479
Technology	22-100-034-5120-373	7/1/21-6/30/22	25,704		241						241			
Nursing	24-100-034-5120-070	7/1/23-6/30/24	60,600		3,461			3,461						
Nursing	25-100-034-5120-070	7/1/24-6/30/25	68,510			68,510	63,118				5,392			63,118
Security Aid	24-100-034-5120-509	7/1/23-6/30/24	76,465		3,711			3,711						
Security Aid	25-100-034-5120-509	7/1/24-6/30/25	82,410			82,410	77,034				5,376			77,034
Security Aid	21-100-034-5120-509	7/1/20-6/30/21	73,150		1,091						1,091			
SDA Emergent Capital Needs	N/A	N/A	86,297	2,500							\$ 2,500			
SDA Emergent Capital Needs	N/A	N/A	85,178	40,178							40,178			
Total Special Revenue Fund				42,678	92,681		428,439	365,851				66,941		365,851

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2024		Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Balance June 30, 2025			MEMO	
				Unearned Revenue/ (Accts Rec)	Due to Grantor				(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
Debt Service Fund:													
Debt Service State Aid	25-495-034-5120-075	7/1/24-6/30/25	\$ 399,665	-	-	\$ 399,665	\$ 399,665	-	-	-	-	-	\$ 399,665
Total State Department of Education				\$ (2,887,463)	\$ 92,681	26,296,024	25,965,040	\$ 88,328	\$ (2,661,745)	\$ 42,678	\$ 66,941	\$ (242,506)	25,965,040
Capital Projects Fund:													
Schools Development Authority (SDA) Regular Operating District ("ROD") Grant Tenafly High School Boilers and Domestic HW Heater	N/A	N/A	215,014	(50,885)	-	-	164,129	-	(215,014)	-	-	(215,014)	215,014
Total State Financial Assistance Subject to Single Audit Determination				(2,938,348)	92,681	26,296,024	26,129,169	88,328	(2,876,759)	42,678	66,941	(457,520)	26,180,054
State Financial Assistance Not Subject to Major Program Determination													
General Fund													
TPAF On-Behalf Pension Contributions													
Normal Costs	25-495-034-5094-002	7/1/24-6/30/25	12,096,600			(12,096,600)	(12,096,600)						(12,096,600)
NCGI	25-495-034-5094-004	7/1/24-6/30/25	149,845			(149,845)	(149,845)						(149,845)
Long Term Disability Insurance	25-495-034-5094-004	7/1/24-6/30/25	5,334			(5,334)	(5,334)						(5,334)
Post Retirement Cost	25-495-034-5094-001	7/1/24-6/30/25	3,578,421			(3,578,421)	(3,578,421)						(3,578,421)
Total State Financial Assistance for Major Program Determination				\$ (2,938,348)	\$ 92,681	\$ 10,465,824	\$ 10,298,969	\$ 88,328	\$ (2,876,759)	\$ 42,678	\$ 66,941	\$ (457,520)	\$ 10,349,854

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

NOTE 2 BASIS OF PRESENTATION

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

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$283,775 for the general fund and an increase of \$21,364 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board’s financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 11,616	\$ 25,483,299	\$ 25,494,915
Special Revenue Fund	1,156,815	392,740	1,549,555
Capital Projects Fund		164,129	164,129
Debt Service Fund	<u>-</u>	<u>399,665</u>	<u>399,665</u>
Total Financial Assistance	<u>\$ 1,168,431</u>	<u>\$ 26,439,833</u>	<u>\$ 27,608,264</u>

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

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6 OTHER INFORMATION

TPAF Social Security contributions in the amount of \$2,606,641 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 \$12,246,445, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$3,578,421 and TPAF Long-Term Disability Insurance in the amount of \$5,334 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2025.

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

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

NOTE 8 DE MINIMIS INDIRECT COST RATE

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

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

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor's report issued on financial statements Unmodified

Internal control over financial reporting:

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

2) Significant deficiency(ies) identified? yes X none reported

Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

Internal control over compliance:

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

2) Significant deficiency(ies) identified? yes X none reported

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

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

Identification of major federal programs:

<u>AL Number(s)</u>	<u>FAIN Number (s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027</u>	<u>H027A240100</u>	<u>IDEA Basic</u>
<u>84.173</u>	<u>H173A240114</u>	<u>IDEA Preschool</u>

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

Auditee qualified as low-risk auditee? X yes no

**TENAFLY 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.

**TENAFLY BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
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.