

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

Waldwick, New Jersey

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

**Prepared by
Business Office**

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WALDWICK BOARD OF EDUCATION



JOHN GRIFFIN
SCHOOL BUSINESS ADMINISTRATOR/
BOARD SECRETARY

155 SUMMIT AVENUE
WALDWICK, NJ 07463
201-445-3340 EXT. 4109

November 4, 2025

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

Dear Board Members:

The annual comprehensive financial report of the Waldwick School 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 Waldwick 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.

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 financial statements and required supplementary information as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of both the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to the single audits, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, is included in the single audit section of this report.

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

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational and special education. The District completed the 2024-2025 fiscal year with an average daily enrollment of 1,557 students, which is a decrease from the previous year's enrollment. The following details the changes in the average daily student enrollment of the District over the last ten years.

Average Daily Enrollment

Fiscal Year	Student Enrollment	Percent Change
2024-25	1,557	-1.9%
2023-24	1,587	1.7%
2022-23	1,560	-1.4%
2021-22	1,583	-1%
2020-21	1,599	-1%
2019-20	1,613	1%
2018-19	1,597	7%
2017-18	1,586	0%
2016-17	1,585	0%
2015-16	1,584	0.4%

2) ECONOMIC CONDITION AND OUTLOOK: The Waldwick area is experiencing limited development and expansion which is expected to continue. The number of businesses relocating to the area is limited due to the amount of available space in Waldwick. This results in a flat tax base.

3) MAJOR INITIATIVES: All four schools continued the technology initiative with various devices purchased and installed including desktop computers at the High School and Chromebooks for all four schools. The school district continued its maintenance and construction program especially related to electronic door access security items. The district completed multiple projects at the High School/Middle School including media center door replacement, retaining wall replacement and bathroom partition replacements. The district had a construction referendum receive voter approval on April 20, 2021 for upgrades to all four schools, with the majority being for work at the High School and Middle School. The referendum work at the Traphagen and Crescent elementary schools was completed in the prior fiscal years and the work at the High School and Middle School, including outside stair and walkway replacement and outside classroom surfacing, continued on schedule and is expected to be completed by the end of 2025. Also, as part of the referendum, the High School parking lot expansion/resurfacing and the High School/Middle School parking lot resurfacing was started. Additionally, the installation of a Turf Field for High School baseball and Middle School soccer and High School and town recreation sports was started.

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

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

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipalities. 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 the end of the fiscal year are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as assigned of fund balance at June 30.

6) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect accounting principles generally accepted in the United States of America, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements", Note 1.

7) DEBT ADMINISTRATION: At June 30, 2025, the District's long-term debt issue is for \$28,585,000 of general obligation bonds to provide funding for the school referendum.

8) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

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

10) OTHER INFORMATION:

A. Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Bliss, LLP, was selected by the Board's Finance Committee and approved by the full 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 New Jersey OMB Circular 15-08. The auditor's report on the basic financial statements is included in the financial section of this report.

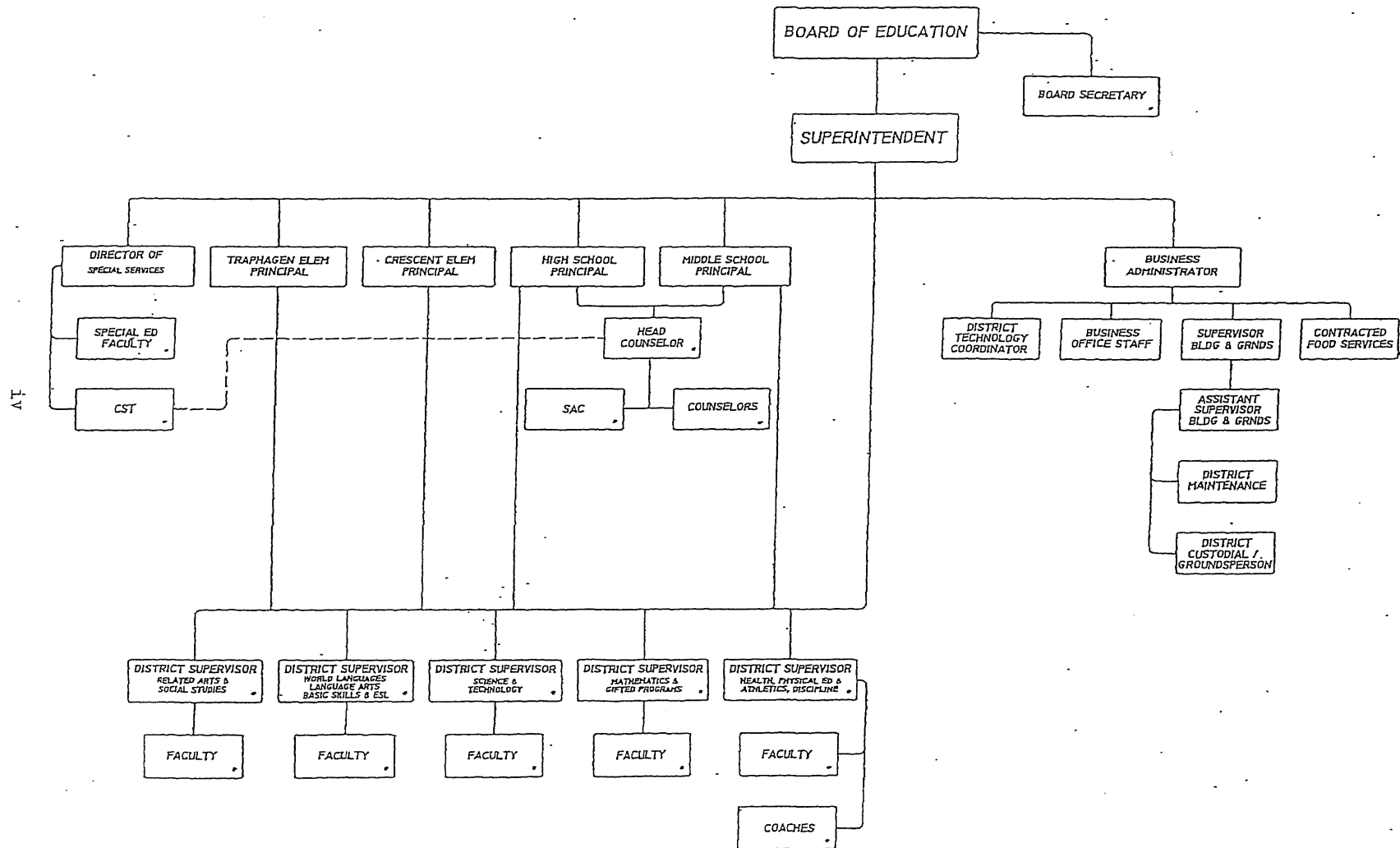
11) ACKNOWLEDGMENTS:

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

Respectfully submitted,

John Griffin
School Business Administrator/Board Secretary

WALDWICK PUBLIC SCHOOL DISTRICT ORGANIZATIONAL CHART



**WALDWICK BOARD OF EDUCATION
WALDWICK, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2025**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Daniel Marro, President	2026
Troy Seifert, Vice President	2028
Christine Figliuolo	2028
Andrew Frey	2027
Julie Mangler	2026
Mary Beth Nappi	2026
Amy Weiner	2027

Other Officials

Paul D. Casarico, Ed. D., Superintendent of Schools

John Griffin, School Business Administrator/Board Secretary

**WALDWICK BOARD OF EDUCATION
WALDWICK, NEW JERSEY**

CONSULTANTS AND ADVISORS

Audit Firm

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

Attorney

Jeffrey Merlino, Esquire
Methfessel and Werbel
2025 Lincoln Highway Suite 200
Edison, NJ 08818

Official Depository

Valley Bank
67 Franklin Turnpike
Waldwick, NJ 07463

Architect

LAN Associates
445 Godwin Ave. Suite 9
Midland Park, NJ 07432

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
Waldwick Board of Education
Waldwick, New Jersey

Report on the Financial Statements

Opinions

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

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

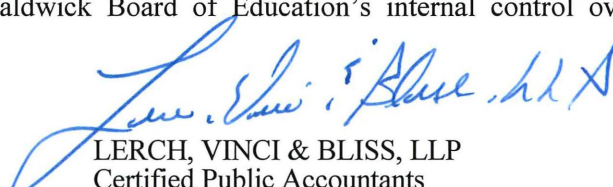
Other Information

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

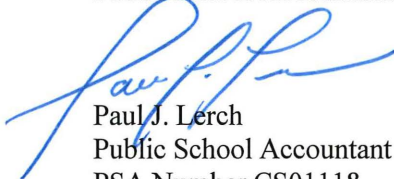
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If,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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 4, 2025 on our consideration of the Waldwick 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 Waldwick 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 Waldwick Board of Education's internal control over financial reporting and compliance.



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



Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
November 4, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

WALDWICK BOARD OF EDUCATION

Management's Discussion and Analysis

This section of Waldwick 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 Waldwick Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$40,358,452 (net position).
- Overall District revenues were \$44,799,086. General revenues accounted for \$37,117,683 or 83% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$7,681,403 or 17% of total revenues.
- The School District had \$41,627,426 in expenses for governmental activities; only \$7,202,887 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$37,111,812 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 \$23,869,008 an increase of \$439,938 when compared to the ending fund balance at June 30, 2024 of \$23,429,070.
- The General Fund unassigned fund balance at June 30, 2025 was \$500,072, an increase of \$196,969 when compared with the ending unassigned fund balance of \$303,103 at June 30, 2024.

WALDWICK BOARD OF EDUCATION

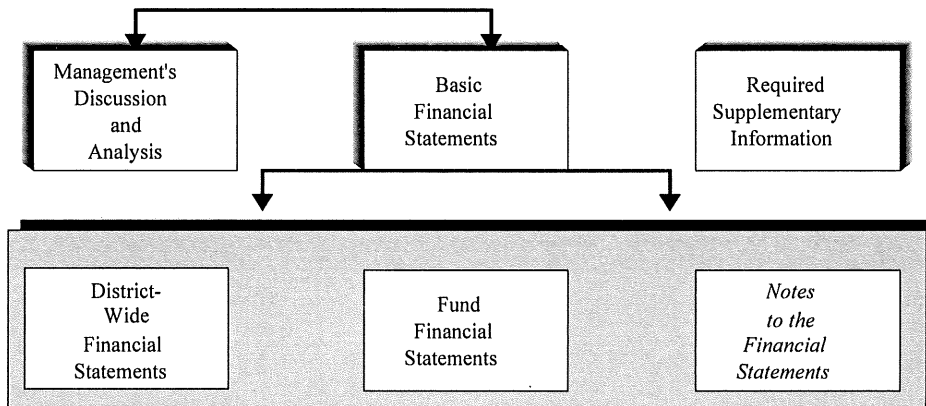
Management's Discussion and Analysis

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.



WALDWICK 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.

WALDWICK 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 is included here.

Fund Financial Statements

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

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

WALDWICK BOARD OF EDUCATION

Management's Discussion and Analysis

Fund Financial Statements (Continued)

The District has two kinds of funds:

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

Notes to the Financial Statements

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

Other Information

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

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

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

WALDWICK 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 \$40,358,452 and \$37,644,562 as of June 30, 2025 and 2024, respectively, as shown below.

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

Net Position as of June 30, 2025 and 2024

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Assets						
Current and Other Assets	\$ 25,330,724	\$ 24,513,276	\$ 86,999	\$ 116,701	\$ 25,417,723	\$ 24,629,977
Capital Assets	<u>50,671,572</u>	<u>49,510,036</u>	<u>128,885</u>	<u>75,481</u>	<u>50,800,457</u>	<u>49,585,517</u>
Total Assets	<u>76,002,296</u>	<u>74,023,312</u>	<u>215,884</u>	<u>192,182</u>	<u>76,218,180</u>	<u>74,215,494</u>
Deferred Outflows of Resources						
Deferred Amounts on Net Pension Liability	<u>402,621</u>	<u>188,143</u>	<u>-</u>	<u>-</u>	<u>402,621</u>	<u>188,143</u>
Total Deferred Outflows	<u>402,621</u>	<u>188,143</u>	<u>-</u>	<u>-</u>	<u>402,621</u>	<u>188,143</u>
Total Assets and Deferred Outflows	<u>76,404,917</u>	<u>74,211,455</u>	<u>215,884</u>	<u>192,182</u>	<u>76,620,801</u>	<u>74,403,637</u>
Liabilities						
Long-Term Liabilities	34,101,169	34,770,997			34,101,169	34,770,997
Other Liabilities	<u>1,486,033</u>	<u>1,108,938</u>	<u>13,193</u>	<u>16,108</u>	<u>1,499,226</u>	<u>1,125,046</u>
Total Liabilities	<u>35,587,202</u>	<u>35,879,935</u>	<u>13,193</u>	<u>16,108</u>	<u>35,600,395</u>	<u>35,896,043</u>
Deferred Inflows of Resources						
Deferred Amounts on Net Pension Liability	<u>661,954</u>	<u>863,032</u>	<u>-</u>	<u>-</u>	<u>661,954</u>	<u>863,032</u>
Total Deferred Inflows	<u>661,954</u>	<u>863,032</u>	<u>-</u>	<u>-</u>	<u>661,954</u>	<u>863,032</u>
Total Liabilities and Deferred Inflows	<u>36,249,156</u>	<u>36,742,967</u>	<u>13,193</u>	<u>16,108</u>	<u>36,262,349</u>	<u>36,759,075</u>
Net Position						
Net Investment in Capital Assets	24,482,855	23,101,276	128,885	75,481	24,611,740	23,176,757
Restricted	17,639,279	16,534,151			17,639,279	16,534,151
Unrestricted	<u>(1,966,373)</u>	<u>(2,166,939)</u>	<u>73,806</u>	<u>100,593</u>	<u>(1,892,567)</u>	<u>(2,066,346)</u>
Total Net Position	<u>\$ 40,155,761</u>	<u>\$ 37,468,488</u>	<u>\$ 202,691</u>	<u>\$ 176,074</u>	<u>\$ 40,358,452</u>	<u>\$ 37,644,562</u>

WALDWICK BOARD OF EDUCATION

Management's Discussion and Analysis

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

	Governmental Activities		Business-Type Activities		Total	
	<u>2025</u>	<u>2025</u>	<u>2025</u>	<u>2025</u>	<u>2025</u>	<u>2024</u>
Revenues						
Program Revenues						
Charges for Services	\$ 219,295	\$ 222,450	\$ 478,516	\$ 440,736	\$ 697,811	\$ 663,186
Operating Grants and Contributions	6,948,810	8,524,088		-	6,948,810	8,524,088
Capital Grants and Contributions	34,782	704,509			34,782	704,509
General Revenues						
Property Taxes	34,606,677	34,193,866			34,606,677	34,193,866
Federal and State Aid	1,151,571	772,250			1,151,571	772,250
Investment Earnings	1,196,602	1,435,346	5,871	7,178	1,202,473	1,442,524
Other	156,962	111,891	-	-	156,962	111,891
Total Revenues	<u>44,314,699</u>	<u>45,964,400</u>	<u>484,387</u>	<u>447,914</u>	<u>44,799,086</u>	<u>46,412,314</u>
Expenses						
Instruction						
Regular	15,870,107	15,930,037			15,870,107	15,930,037
Special Education	8,377,018	8,462,883			8,377,018	8,462,883
Other Instruction	1,708,512	1,424,658			1,708,512	1,424,658
School Sponsored Activities and Athletics	1,091,651	1,329,054			1,091,651	1,329,054
Support Services						
Student and Instruction Related Services	4,708,166	4,547,514			4,708,166	4,547,514
General Administration Services	809,048	1,364,468			809,048	1,364,468
School Administration Services	2,889,893	2,768,603			2,889,893	2,768,603
Plant Operation and Maintenance	1,178,408	1,078,808			1,178,408	1,078,808
Pupil Transportation	3,083,252	2,890,497			3,083,252	2,890,497
Central Services	1,291,083	1,247,275			1,291,083	1,247,275
Interest and Other Chgs on Long-Term Debt	620,288	630,931			620,288	630,931
Food Service	-	-	457,770	465,707	457,770	465,707
Total Expenses	<u>41,627,426</u>	<u>41,674,728</u>	<u>457,770</u>	<u>465,707</u>	<u>42,085,196</u>	<u>42,140,435</u>
Change in Net Position	2,687,273	4,289,672	26,617	(17,793)	2,713,890	4,271,879
Net Position, Beginning of Year	<u>37,468,488</u>	<u>33,178,816</u>	<u>176,074</u>	<u>193,867</u>	<u>37,644,562</u>	<u>33,372,683</u>
Net Position, End of Year	<u>\$ 40,155,761</u>	<u>\$ 37,468,488</u>	<u>\$ 202,691</u>	<u>\$ 176,074</u>	<u>\$ 40,358,452</u>	<u>\$ 37,644,562</u>

WALDWICK BOARD OF EDUCATION

Management's Discussion and Analysis

Governmental Activities

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

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

	<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	15,870,107	\$ 15,930,037	\$ 13,832,297	\$ 12,466,522
Special Education	8,377,018	8,462,883	5,101,400	4,869,025
Other Instruction	1,708,512	1,424,658	1,340,773	989,596
School Sponsored Activities and Athletics	1,091,651	1,329,054	994,087	1,023,504
Support Services				
Student and Instruction Related Services	4,708,166	4,547,514	4,082,528	3,775,460
General Administration	809,048	1,364,468	748,837	1,278,878
School Administration Services	2,889,893	2,768,603	2,583,149	2,350,849
Plant Operation and Maintenance	1,178,408	2,890,497	1,159,447	2,758,965
Pupil Transportation	3,083,252	1,247,275	2,916,442	1,006,309
Central Services	1,291,083	1,078,808	1,045,291	1,073,642
Interest and Other Charges on Long-Term Debt	<u>620,288</u>	<u>630,931</u>	<u>620,288</u>	<u>630,931</u>
Total	<u>\$ 41,627,426</u>	<u>\$ 41,674,728</u>	<u>\$ 34,424,539</u>	<u>\$ 32,223,681</u>

WALDWICK 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 \$23,869,008 an increase of \$439,938 from last year's fund balance of \$23,429,070.

Revenues for the District's governmental funds were \$49,239,240, total expenditures were \$48,799,302.

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 \$46,426,484 for the fiscal year ended June 30, 2025. State sources amounted to \$11,489,806, federal sources amounted to \$10,685 and local sources amounted to \$34,925,993.

Expenditures of the General Fund were \$43,975,313. Instructional expenditures were \$29,069,139, support services were \$14,606,175, and capital expenditures totaled \$240,466. Debt Service expenditures amounted to \$59,533.

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

Revenues of the Special Revenue Fund were \$1,229,168 for the fiscal year ended June 30, 2025. State sources amounted to \$289,443, federal sources amounted to \$784,426 and local sources amounted to \$155,299.

Expenditures of the Special Revenue Fund were \$1,227,745. Instructional expenditures were \$1,003,178 for support services were \$189,785 and capital expenditures totaled \$34,782 for the fiscal year ended June 30, 2025.

Capital Projects – The District withdrew capital reserve funds in the amount of \$6,000,000 to fund a new project. Total expenditures totaled \$2,012,656 for the fiscal year. This resulted in an increase of fund balance of \$3,331,360 from \$3,909,536 at June 30, 2024 to \$7,240,896 at June 30, 2025.

WALDWICK BOARD OF EDUCATION

Management's Discussion and Analysis

Proprietary Funds

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

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

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 \$50,800,457 and \$49,585,517 (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 \$1,110,154 for governmental activities and \$8,302 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>
Construction in Progress	\$ 29,839,104	\$ 30,444,119			\$ 29,839,104	\$ 30,444,119
Site Improvements	2,994,900	424,171			2,994,900	424,171
Buildings	15,797,594	16,488,489	\$ 39,787	\$ 43,428	15,837,381	16,531,917
Machinery and Equipment	<u>2,039,974</u>	<u>2,153,257</u>	<u>89,098</u>	<u>32,053</u>	<u>2,129,072</u>	<u>2,185,310</u>
Total	<u>\$ 50,671,572</u>	<u>\$ 49,510,036</u>	<u>\$ 128,885</u>	<u>\$ 75,481</u>	<u>\$ 50,800,457</u>	<u>\$ 49,585,517</u>

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

LONG TERM LIABILITIES

At June 30, 2025, the District's long-term liabilities consisted of compensated absences payable of \$1,012,997, serial bonds of \$28,585,000, capital financing agreements of \$54,894 and net pension liability of \$4,448,278 totaling \$34,101,169. This is in comparison to long-term liabilities at June 30, 2024 of \$34,770,997 or a decrease of \$669,828.

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

WALDWICK BOARD OF EDUCATION

Management's Discussion and Analysis

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

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

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

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Waldwick Board of Education, 155 Summit Avenue, Waldwick, NJ 07643.

BASIC FINANCIAL STATEMENTS

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

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	\$ 25,172,248	\$ 78,903	\$ 25,251,151
Accounts Receivables, net	158,476	2,570	161,046
Inventory		5,526	5,526
Capital Assets, net			
Not Being Depreciated	29,839,104		29,839,104
Being Depreciated	<u>20,832,468</u>	<u>128,885</u>	<u>20,961,353</u>
Total Assets	<u>76,002,296</u>	<u>215,884</u>	<u>76,218,180</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Amounts on Net Pension Liability	<u>402,621</u>	<u>-</u>	<u>402,621</u>
Total Deferred Outflows of Resources	<u>402,621</u>	<u>-</u>	<u>402,621</u>
Total Assets and Deferred Outflows of Resources	<u>76,404,917</u>	<u>215,884</u>	<u>76,620,801</u>
LIABILITIES:			
Accounts Payable to Other Governments	98,057		98,057
Accounts Payable and Other Current Liabilities	1,363,659	4,158	1,367,817
Unearned Revenue		9,035	9,035
Accrued Liabilities:			-
Interest Payable	24,317		24,317
Noncurrent Liabilities			-
Due Within One Year	1,043,248		1,043,248
Due Beyond One Year	<u>33,057,921</u>	<u>-</u>	<u>33,057,921</u>
Total Liabilities	<u>35,587,202</u>	<u>13,193</u>	<u>35,600,395</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred Amounts on Net Pension Liability	<u>661,954</u>	<u>-</u>	<u>661,954</u>
Total Liabilities and Deferred Inflows of Resources	<u>36,249,156</u>	<u>13,193</u>	<u>36,262,349</u>
NET POSITION:			
Net Investment in Capital Assets	24,482,855	128,885	24,611,740
Restricted for			
Capital Projects	15,675,330		15,675,330
Other Purposes	1,963,949		1,963,949
Unrestricted (Deficit)	<u>(1,966,373)</u>	<u>73,806</u>	<u>(1,892,567)</u>
Total Net Position	<u>\$ 40,155,761</u>	<u>\$ 202,691</u>	<u>\$ 40,358,452</u>

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	15,870,107	\$ 219,295	\$ 1,783,733	\$ 34,782	\$ (13,832,297)		\$ (13,832,297)
Special Education	8,377,018		3,275,618		(5,101,400)		(5,101,400)
Other Instruction	1,708,512		367,739		(1,340,773)		(1,340,773)
School Sponsored Activities and Athletics	1,091,651		97,564		(994,087)		(994,087)
Support Services:							
Student and Instruction Related Services	4,708,166		625,638		(4,082,528)		(4,082,528)
General Administrative Services	809,048		60,211		(748,837)		(748,837)
School Administrative Services	2,889,893		306,744		(2,583,149)		(2,583,149)
Central Services	1,178,408		18,961		(1,159,447)		(1,159,447)
Plant Operations and Maintenance	3,083,252		166,810		(2,916,442)		(2,916,442)
Pupil Transportation	1,291,083		245,792		(1,045,291)		(1,045,291)
Interest on Long-Term Debt	620,288	-	-	-	(620,288)	-	(620,288)
Total Governmental Activities	41,627,426	219,295	6,948,810	34,782	(34,424,539)	-	(34,424,539)
Business-Type Activities:							
Food Service	457,770	478,516	-	-	-	\$ 20,746	20,746
Total Business-Type Activities	457,770	478,516	-	-	-	20,746	20,746
Total Government	\$ 42,085,196	\$ 697,811	\$ 6,948,810	\$ 34,782	(34,424,539)	20,746	(34,403,793)
General Revenues:							
Property Taxes:							
Levied for General Purpose					33,507,183		33,507,183
Levied for Debt Service					1,099,494		1,099,494
Federal and State Aid - Unrestricted					1,151,571		1,151,571
Interest and Investment Earnings					1,196,602	5,871	1,202,473
Miscellaneous					156,962	-	156,962
Total General Revenues					37,111,812	5,871	37,117,683
Change in Net Position					2,687,273	26,617	2,713,890
Net Position, July 1					37,468,488	176,074	37,644,562
Net Position, June 30					\$ 40,155,761	\$ 202,691	\$ 40,358,452

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

FUND FINANCIAL STATEMENTS

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS:					
Cash and Cash Equivalents	\$ 16,548,319	\$ 139,247	\$ 8,484,682		\$ 25,172,248
Due from Other Funds	704,954				704,954
Intergovernmental Accounts Receivable	100,376	58,100	-	-	158,476
Total Assets	<u>\$ 17,353,649</u>	<u>\$ 197,347</u>	<u>\$ 8,484,682</u>	<u>\$ -</u>	<u>\$ 26,035,678</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Due to Other Funds		\$ 48,970	\$ 655,984		\$ 704,954
Payables to Other Governments	\$ 27,054	71,003			98,057
Payroll Deductions and Withholdings Payable	567,591				567,591
Accounts Payable	140,505	67,761	587,802	-	796,068
Total Liabilities	<u>735,150</u>	<u>187,734</u>	<u>1,243,786</u>	<u>-</u>	<u>2,166,670</u>
Fund Balances:					
Restricted:					
Capital Reserve	10,885,611				10,885,611
Maintenance Reserve	909,261				909,261
Maintenance Reserve - Designated for Subsequent Year's Expenditures	450,000				450,000
Excess Surplus	1,300,000				1,300,000
Excess Surplus - Designated for Subsequent Year's Expenditures	1,300,000				1,300,000
Unemployment Compensation	595,075				595,075
Capital Projects			7,240,896		7,240,896
Scholarships		269			269
Student Activities		9,344			9,344
Assigned:					
Year-End Encumbrances	64,911				64,911
Interest Rate Arbitrage	185,816				185,816
Designated for Subsequent Year's Expenditures	427,753				427,753
Unassigned	500,072	-	-	-	500,072
Total Fund Balances	<u>16,618,499</u>	<u>9,613</u>	<u>7,240,896</u>	<u>-</u>	<u>23,869,008</u>
Total Liabilities and Fund Balances	<u>\$ 17,353,649</u>	<u>\$ 197,347</u>	<u>\$ 8,484,682</u>	<u>\$ -</u>	<u>\$ 26,035,678</u>

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

Total Governmental Fund Balances (Exhibit B-1) \$ 23,869,008

Amounts reported for governmental activities in the statement of net Position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the capital assets is \$71,534,176 and the accumulated depreciation is \$20,862,604.

50,671,572

Deferred outflows and deferred inflows related to pensions represent the consumption and acquisition, respectively, of resources that relate to future periods; therefore, such amounts are not reported in the fund financial statements

Deferred Outflows of Resources
Deferred Inflows of Resources

\$ 402,621
(661,954)

(259,333)

Accrued interest payable on long-term debt is not due and payable in the current period and therefore is not reported in the funds

(24,317)

Long-term liabilities, including bonds payable, capital leases payable, and compensated absences payable are not due and payable in the current period and therefore are not reported in the funds.

Long-term liabilities at year end consist of:

Bonds Payable (28,585,000)
Capital Financing Agreements Payable (54,894)
Compensated Absences (1,012,997)
Net Pension Liability (4,448,278)

(34,101,169)

Net Position of Governmental Activities (Exhibit A-1) \$ 40,155,761

**WALDWICK 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 Property Tax Levy	\$ 33,507,183			\$ 1,099,494	\$ 34,606,677
Tuition Charges	65,246				65,246
Other Restricted Miscellaneous Revenues	212,824				212,824
Unrestricted Miscellaneous Revenues	1,140,740				1,140,740
Federal Sources	10,685	\$ 784,426			795,111
State Sources	11,489,806	289,443		484,094	12,263,343
Local Sources	-	155,299	-	-	155,299
	<u>46,426,484</u>	<u>1,229,168</u>	<u>-</u>	<u>1,583,588</u>	<u>49,239,240</u>
Total Revenues					
EXPENDITURES:					
Current:					
Regular Instruction	17,688,144	177,488			17,865,632
Special Education Instruction	8,670,037	443,828			9,113,865
Other Instruction	1,650,223	229,736			1,879,959
School-Sponsored Activities and Athletics	1,060,735	152,126			1,212,861
Support Services					
Student and Instruction Related Services	5,060,487	189,785			5,250,272
General Administrative Services	883,850				883,850
School Administrative Services	3,270,978				3,270,978
Central Services	1,131,893				1,131,893
Plant Operations and Maintenance	2,975,551				2,975,551
Pupil Transportation	1,283,416				1,283,416
Capital Outlay	240,466	34,782	\$ 2,012,656		2,287,904
Debt Service:					
Principal	27,418			995,000	1,022,418
Interest and Other Charges	32,115	-	-	588,588	620,703
	<u>43,975,313</u>	<u>1,227,745</u>	<u>2,012,656</u>	<u>1,583,588</u>	<u>48,799,302</u>
Total Expenditures					
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,451,171	1,423	(2,012,656)	-	439,938
OTHER FINANCING SOURCES (USES):					
Transfer from Capital Reserve to Capital Projects Fund	(6,000,000)	-	6,000,000	-	-
Transfer from Capital Projects Fund to Capital Reserve	655,984	-	(655,984)	-	-
	<u>(5,344,016)</u>	<u>-</u>	<u>5,344,016</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources and Uses					
Net Change in Fund Balances	(2,892,845)	1,423	3,331,360	-	439,938
Fund Balance, July 1	19,511,344	8,190	3,909,536	-	23,429,070
Fund Balance, June 30	\$ 16,618,499	\$ 9,613	\$ 7,240,896	\$ -	\$ 23,869,008

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

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

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

Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ 439,938**

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the period

Depreciation Expense	\$ (1,110,154)	
Loss on Disposal of Capital Asset	(16,214)	
Capital Outlays	<u>2,287,904</u>	1,161,536

Issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal Repayments		
Bond Principal	995,000	
Capital Financing Agreement Principal	27,418	
Accrued Interest	<u>415</u>	1,022,833

In the statement of activities, certain operating expenses, (e.g., pensions, compensated absence and interest on debt), are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). This amount is the net effect of these differences in the treatment of these items.

Decrease in Net Pension Liability	434,877	
Increase in Compensated Absences	<u>(371,911)</u>	<u>62,966</u>

Change in net position of governmental activities (Exhibit A-2) **\$ 2,687,273**

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

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

	<u>Business-Type Activities - Enterprise Fund</u>
	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 78,903
Other Accounts Receivable	2,570
Inventories	<u>5,526</u>
Total Current Assets	<u>86,999</u>
Noncurrent Assets:	
Capital Assets	222,968
Less: Accumulated Depreciation	<u>(94,083)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>128,885</u>
Total Noncurrent Assets	<u>128,885</u>
Total Assets	<u>215,884</u>
LIABILITIES:	
Current Liabilities	
Accounts Payable	4,158
Unearned Revenue	<u>9,035</u>
Total Current Liabilities	<u>13,193</u>
Total Liabilities	<u>13,193</u>
NET POSITION:	
Net Investment in Capital Assets	128,885
Unrestricted	<u>73,806</u>
Total Net Position	<u>\$ 202,691</u>

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

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

	<u>Business-Type Activities - Enterprise Fund</u>
	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services	
Daily Sales - Non-Reimbursable Programs	\$ 478,516
Total Operating Revenues	<u>478,516</u>
OPERATING EXPENSES:	
Cost of Sales / Goods Sold:	
Non-Reimbursable Program	226,688
Food Service Management Company Salaries & Wages	147,754
Other Purchased Services	2,907
Supplies and Materials	16,831
Insurance	13,412
Management Fee	28,446
Repairs and Maintenance	10,790
Depreciation	8,302
Miscellaneous	<u>2,640</u>
Total Operating Expenses	<u>457,770</u>
Operating Income	<u>20,746</u>
NONOPERATING REVENUES:	
Interest	<u>5,871</u>
Total Nonoperating Revenues	<u>5,871</u>
Change in Net Position	26,617
Net Position, July 1	<u>176,074</u>
Net Position, June 30	<u>\$ 202,691</u>

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

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

	Business-Type Activities - Enterprise Fund
	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers and Other Funds	\$ 478,148
Payments for Employees	(147,754)
Payments to Suppliers	<u>(303,738)</u>
Net Cash Provided by Operating Activities	<u>26,656</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of Capital Assets	<u>(61,706)</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(61,706)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on Deposits	<u>5,871</u>
Net Cash Provided by Investing Activities	<u>5,871</u>
Net Decrease in Cash and Cash Equivalents	(29,179)
Cash and Cash Equivalents, Beginning of Year	<u>108,082</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 78,903</u></u>
Reconciliation of Operating Income to Net Cash Provided by by Operating Activities:	
Operating Income	\$ 20,746
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Depreciation	8,302
(Increase) Decrease in Accounts Receivable, net	
(Increase) Decrease in Inventories	523
Increase (Decrease) in Accounts Payable	(2,547)
Increase (Decrease) in Deferred Revenue	<u>(368)</u>
Total Adjustments	<u>5,910</u>
Net Cash Provided by Operating Activities	<u><u>\$ 26,656</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

**WALDWICK 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 Waldwick 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 seven elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade twelve (12) school district.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent of Schools is the Chief Administrative Officer of the District who is responsible for 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 Waldwick Board of Education this includes general operations, food service and student related activities of the District.

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

B. New Accounting Standards

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

- GASB Statement No. 101, *Compensated Absences*, was effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.
- GASB Statement No. 102, *Certain Risk Disclosures*, was effective beginning with the fiscal year ending June 30, 2025. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a school district vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a school district's financial condition.

**WALDWICK 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. The District does not have any Fiduciary Funds.

District-Wide Financial Statements

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

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

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

**WALDWICK 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. The District considers all of its governmental and enterprise fund to be major funds.

The District reports the following major governmental funds:

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

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

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

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

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

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

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

Reclassifications

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

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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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 (with the exception of the fiduciary funds) are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

Use of Estimates

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

3. *Inventories*

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

Food service 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 an expense when consumed rather than when purchased.

4. *Capital Assets*

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

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings and Building Improvements	20-50
Machinery - Equipment	5-20

5. *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has one item which arises only under the accrual basis of accounting that qualifies for reporting in this category. The 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 which 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.

**WALDWICK 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. *Compensated Absences*

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

7. *Pensions*

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

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

8. *Financing Agreements*

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

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

9. *Long-Term Obligations*

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

**WALDWICK 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. *Long-Term Obligations (Continued)*

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.

10. *Net Position/Fund Balance*

District-Wide Statements

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

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

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 2B).

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 2C).

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

Unemployment Compensation – 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).

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

Scholarships – This restriction was created to represents the accumulation of donor restricted funds specifically earmarked for student scholarship awards.

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

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

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

Interest Rate Arbitrage - Represents fund balance assigned specifically for future amounts due to the Internal Revenue Service for arbitrage relating to investment of bond proceeds.

Designated for Subsequent Year's Expenditures – 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.

11. *Fund Balance Policies*

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

11. *Fund Balance Policies (Continued)*

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

F. Revenues and Expenditures/Expenses

1. *Program Revenues*

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

2. *Property Taxes*

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

3. *Tuition Revenues and Expenditures*

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs.

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

4. *On-Behalf Payments*

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

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

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required. Effective for the 2025/2026 school year budget, voter approval is not required for budgets that meet levy cap requirements regardless of when the school board member elections are held.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2024/2025. Also, during 2024/2025 the Board increased the original budget of the general fund by \$47,544 and the special revenue fund by \$565,946. The increases were funded by the reappropriation of prior year general fund encumbrances, additional grant awards and the inclusion of student activities and scholarships transactions.

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.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve

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

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

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

Balance, July 1, 2024	\$ 13,822,649
Increased by:	
Deposits Approved by Board Resolution	2,406,978
Return of Unencumbered Withdrawals from Capital Projects Fund	<u>655,984</u>
	16,885,611
Decreased by:	
Withdrawals Approved by District Budget	<u>6,000,000</u>
Balance, June 30, 2025	<u>\$ 10,885,611</u>

The June 30, 2025 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be \$16,803,061. The withdrawals from the capital reserve were for use in an approved facilities project consistent with the District’s Long Range Facilities Plan.

C. Maintenance Reserve

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

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

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

Balance, July 1, 2024	<u>\$ 1,359,261</u>
Balance, June 30, 2025	<u>\$ 1,359,261</u>

The June 30, 2025 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$1,359,261. \$450,000 of the reserve balance at June 30, 2025 was designated and appropriated in the 2025/2026 budget certified for taxes.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2025 is \$2,600,000. Of this amount, \$1,300,000 was designated and appropriated in the 2025/2026 original budget certified for taxes and the remaining amount of \$1,300,000 will be appropriated in the 2026/2027 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2025, the book value of the Board's deposits were \$25,251,151 and bank and brokerage firm balances of the Board's deposits amounted to \$25,968,262. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

Depository Account

Insured	\$ 25,966,474
Uninsured and Collateralized	<u>1,788</u>
	<u>\$ 25,968,262</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, \$1,788 of the Board's bank balances were exposed to custodial credit risk.

Uninsured and Collateralized:

Collateral held by Board's Agent not in the name of the Board	<u>\$ 1,788</u>
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**WALDWICK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments

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

As of June 30, 2025, the Board had no outstanding investments.

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

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increase 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. 18A20-37). 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 on issuer.

B. Receivables

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Food Service Fund</u>	<u>Total</u>
Receivables:				
Intergovernmental				
Federal		\$ 58,100		\$ 58,100
State	\$ 100,376			100,376
Other	<u>-</u>	<u>-</u>	\$ 2,570	<u>2,570</u>
Net Total Receivables	<u>\$ 100,376</u>	<u>\$ 58,100</u>	<u>\$ 2,570</u>	<u>\$ 161,046</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets

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

	Balance, July 1, 2024	Increases	Decreases	Balance, June 30, 2025
Governmental activities:				
Capital Assets, Not Being Depreciated				
Construction In Progress	\$ 30,444,119	\$ 2,012,656	\$ (2,617,671)	\$ 29,839,104
Total Capital Assets, Not Being Depreciated	<u>30,444,119</u>	<u>2,012,656</u>	<u>(2,617,671)</u>	<u>29,839,104</u>
Capital Assets, Being Depreciated:				
Land Improvements	1,986,196	2,628,091		4,614,287
Buildings and Building Improvements	31,540,860	80,192		31,621,052
Machinery and Equipment	<u>5,370,161</u>	<u>184,636</u>	<u>(95,064)</u>	<u>5,459,733</u>
Total Capital Assets Being Depreciated	<u>38,897,217</u>	<u>2,892,919</u>	<u>(95,064)</u>	<u>41,695,072</u>
Less Accumulated Depreciation for:				
Land Improvements	(1,562,025)	(57,362)		(1,619,387)
Buildings and Building Improvements	(15,052,371)	(771,087)		(15,823,458)
Machinery and Equipment	<u>(3,216,904)</u>	<u>(281,705)</u>	<u>78,850</u>	<u>(3,419,759)</u>
Total Accumulated Depreciation	<u>(19,831,300)</u>	<u>(1,110,154)</u>	<u>78,850</u>	<u>(20,862,604)</u>
Total Capital Assets, Being Depreciated, Net	<u>19,065,917</u>	<u>1,782,765</u>	<u>(16,214)</u>	<u>20,832,468</u>
Governmental Activities Capital Assets, Net	<u>\$ 49,510,036</u>	<u>\$ 3,795,421</u>	<u>\$ (2,633,885)</u>	<u>\$ 50,671,572</u>
Business-Type activities:				
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	\$ 50,546			\$ 50,546
Machinery and Equipment	<u>110,716</u>	<u>\$ 61,706</u>	<u>-</u>	<u>172,422</u>
Total Capital Assets Being Depreciated	<u>161,262</u>	<u>61,706</u>	<u>-</u>	<u>222,968</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(5,636)	(5,123)		(10,759)
Machinery and Equipment	<u>(80,145)</u>	<u>(3,179)</u>	<u>-</u>	<u>(83,324)</u>
Total Accumulated Depreciation	<u>(85,781)</u>	<u>(8,302)</u>	<u>-</u>	<u>(94,083)</u>
Total Capital Assets, Being Depreciated, Net	<u>75,481</u>	<u>53,404</u>	<u>-</u>	<u>128,885</u>
Business-Type Activities Capital Assets, Net	<u>\$ 75,481</u>	<u>\$ 53,404</u>	<u>\$ -</u>	<u>\$ 128,885</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets (Continued)

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

Governmental Activities:

Instruction	
Regular	\$ 505,291
Special	186,578
Other Instruction	43,412
School-Sponsored/Activities & Athletics	<u>30,691</u>

Total Instruction	<u>765,972</u>
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Support Services	
Student and Instruction Related Services	137,267
School Administration Services	18,941
General Administration Services	96,495
Central Services	29,211
Plant Operations and Maintenance	57,453
Pupil Transportation	<u>4,815</u>

Total Support Services	<u>344,182</u>
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Total Depreciation Expense - Governmental Activities	<u>\$ 1,110,154</u>
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Business-Type Activities:

Food Service Fund	<u>\$ 8,302</u>
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Construction and Other Significant Commitments

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

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Facility Improvements at HS/MS	\$ 28,098,823	2,448,737
Baseball Field Improvements	1,210,281	<u>4,170,086</u>
Total		<u>\$ 6,618,823</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Interfund Receivables, Payables, and Transfers

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

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 48,970
General Fund	Capital Projects Fund	<u>655,984</u>
		<u>\$ 704,954</u>

E. Financing Agreements

Capital Financing Agreements

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

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

\$136,869, fiscal year 2022 Agreement for the acquisition of copiers for a term of 5 years due in monthly principal installments of \$2,118-\$2,459 through May 20, 2027	<u>\$ 54,894</u>
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The maturity schedule of the remaining capital financing agreement payments for principal and interest is as follows:

Governmental Activities:

Fiscal Year Ending <u>June 30,</u>	<u>Capital Agreements</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 28,248	\$ 1,256
2027	<u>26,646</u>	<u>400</u>
Total	<u>\$ 54,894</u>	<u>\$ 1,656</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. 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 is comprised of the following issue:

\$30,550,000, 2021 School Bonds, due in annual installments of \$1,015,000 to \$1,630,000 through July 15, 2046, interest at 1.00% - 2.25%	<u>\$ 28,585,000</u>
	<u><u>\$ 28,585,000</u></u>

General Obligation Bonds

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

Governmental Activities:

Year Ending <u>June 30,</u>	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2026	\$ 1,015,000	\$ 573,463	\$ 1,588,463
2027	1,040,000	552,913	1,592,913
2028	1,060,000	531,913	1,591,913
2029	1,085,000	510,463	1,595,463
2030	1,110,000	488,513	1,598,513
2031-2035	5,950,000	2,094,963	8,044,963
2036-2040	6,650,000	1,465,563	8,115,563
2041-2047	<u>10,675,000</u>	<u>830,288</u>	<u>11,505,288</u>
	<u>\$ 28,585,000</u>	<u>\$ 7,048,077</u>	<u>\$ 35,633,077</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)	\$ 85,032,358
Less: Net Debt Issued and Authorized but Not Issued	<u>28,585,000</u>
Remaining Borrowing Power	<u>\$ 56,447,358</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. 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	Increased	Decreased	Balance, June 30, 2025	Due Within One Year
Governmental activities:					
Bonds Payable	\$ 29,580,000	-	\$ 995,000	\$ 28,585,000	\$ 1,015,000
Total Bonds Payable	29,580,000	-	995,000	28,585,000	1,015,000
Capital Financing Agreements	82,312		27,418	54,894	28,248
Compensated Absences	641,086	\$ 371,911		1,012,997	
Net Pension Liability	4,467,599	-	19,321	4,448,278	-
Governmental Activity Long-Term Liabilities	<u>\$ 34,770,997</u>	<u>\$ 371,911</u>	<u>\$ 1,041,739</u>	<u>\$ 34,101,169</u>	<u>\$ 1,043,248</u>

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

NOTE 4 OTHER INFORMATION

A. Risk Management

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

The District provided health coverage with the State Employee Health Benefit Program.

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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 Group are on file with the School's Business Administrator.

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

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

<u>Fiscal Year Ended</u>	<u>Employee Contributions</u>	<u>Interest Earning</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2025	\$ 102,404	\$ 27,008	\$ 88,917	\$ 595,075
2024	66,294	29,460	46,439	568,067
2023	67,766	20,123	57,091	538,607

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 reserved \$185,816 in estimated arbitrage earnings due to the IRS.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

The following represent the membership tiers for TPAF:

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

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

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

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

Other Pension Funds

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

The authority to amend the provisions of the above plans rests with new 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.state.nj.us/treasury/doinvest.

Collective Net Pension Liability

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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:

<u>Fiscal Year Ended June 30,</u>	<u>PERS</u>	<u>On-Behalf TPAF</u>	<u>DCRP</u>
2025	\$ 445,460	\$ 5,417,505	\$ 45,558
2024	412,243	5,441,754	41,536
2023	433,839	5,257,435	38,188

In addition for fiscal years 2025, 2024 and 2023 the District contributed \$0 for PERS and the State contributed \$2,221, \$1,904 and \$1,728, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,219,423 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 a revenue and expense/expenditure in accordance with GASB No. 85.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2022 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 \$4,448,278 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 0.03274 percent, which was an increase of 0.00190 percent from its proportionate share measured as of June 30, 2023 of 0.03084 percent.

For the fiscal year ended June 30, 2025, the District recognized in the district-wide statement of activities (accrual basis) pension expense/(benefit) of \$10,583 for PERS. The pension contribution made by the District during the current 2024/2025 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2025 with a measurement date of the prior fiscal year end of June 30, 2025. 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	\$ 89,107	\$ 11,843
Changes of Assumptions	5,526	50,611
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	206,254
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>307,988</u>	<u>393,246</u>
Total	<u>\$ 402,621</u>	<u>\$ 661,954</u>

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

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

<u>Year Ending June 30,</u>	<u>Total</u>
2026	\$ (244,701)
2027	120,109
2028	(139,231)
2029	(1,162)
2030	5,652
Thereafter	-
	<u>\$ (259,333)</u>

Actuarial Assumptions

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

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

Mortality Rates

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate

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

Sensitivity of Net Pension Liability

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

	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>\$ 5,910,668</u>	<u>\$ 4,448,278</u>	<u>\$ 3,203,792</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.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The non-employer allocation percentages presented are based on the ratio of the State's actual contributions made as an employer and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 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 expense (benefit) of \$(227,642) 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 \$62,404,520. 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 .12626 percent, which was a decrease of .00058 percent from its proportionate share measured as of June 30, 2023 of .12684 percent.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

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.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

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

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

Discount Rate

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Sensitivity of Net Pension Liability

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	\$ 74,176,606	\$ 62,404,520	\$ 52,490,198

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.

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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

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

Plan Membership

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

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

Measurement Focus and Basis of Accounting

The financial statements of the post-employment health benefit plan 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.

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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.

Actuarial Methods and Assumptions

In the July 1, 2023 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

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

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2025, 2024 and 2023 were \$1,582,999, \$1,481,046 and \$1,381,115, 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.

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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

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

For the fiscal year ended June 30, 2025, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$2,303,605. 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 \$69,736,616. 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 and 2023 the state’s share of the OPEB liability attributable to the District was 0.12 percent.

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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%.

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.

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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	\$ 61,382,504
Changes Recognized for the Fiscal Year:	
Service Cost	2,383,783
Interest on the Total OPEB Liability	2,295,564
Differences Between Expected and Actual Experience	150,669
Changes of Assumptions	5,217,226
Gross Benefit Payments	(1,753,160)
Contributions from the Member	60,030
Net Changes	\$ 8,354,112
Balance, June 30, 2024 Measurement Date	\$ 69,736,616

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.

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

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

	1% Decrease <u>(2.93%)</u>	Current Discount Rate <u>(3.93%)</u>	1% Increase <u>(4.93%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 81,676,513</u>	<u>\$ 69,736,616</u>	<u>\$ 60,134,461</u>

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

	1% Decrease <u></u>	Healthcare Cost Trend Rates	1% Increase <u></u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 58,091,109</u>	<u>\$ 69,736,616</u>	<u>\$ 84,905,658</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.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

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

	Original Budget	Adjustments	Final Budget	Actual	Variance with Final Budget
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 33,507,183		\$ 33,507,183	\$ 33,507,183	
Tuition from Individuals	45,000		45,000	65,246	\$ 20,246
Interest on Unemployment				27,008	27,008
Unrestricted Miscellaneous Revenues	1,049,341	-	1,049,341	1,326,556	277,215
Total - Local Sources	34,601,524	-	34,601,524	34,925,993	324,469
Federal Sources:					
Medicaid Reimbursements	31,424	-	31,424	10,685	(20,739)
Total - Federal Sources	31,424	-	31,424	10,685	(20,739)
State Sources:					
Categorical Special Education Aid	1,350,999		1,350,999	1,350,999	
Equalization Aid	557,162		557,162	557,162	
Categorical Security Aid	125,909		125,909	125,909	
Categorical Transportation Aid	199,527		199,527	199,527	
Extraordinary Aid	251,938		251,938	765,697	513,759
Stabilized School Aid	86,157		86,157	86,157	-
Additional Nonpublic Transportation Aid				40,862	40,862
On-Behalf T.P.A.F. Pension Contribution - Normal Cost (non-budgeted)				5,351,218	5,351,218
On-Behalf T.P.A.F. Pension Contribution - Non-Contributory Group Insurance (non-budgeted)				66,287	66,287
On-Behalf T.P.A.F. Pension Contribution - Post-Retirement Medical (non-budgeted)				1,582,999	1,582,999
On-Behalf T.P.A.F. Pension Contribution - Long-Term Disability Insurance (non-budgeted)				2,221	2,221
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	1,219,423	1,219,423
Total - State Sources	2,571,692	-	2,571,692	11,348,461	8,776,769
Total Revenues	37,204,640	-	37,204,640	46,285,139	9,080,499
EXPENDITURES:					
Current Expense:					
Regular Programs:					
Instruction:					
Salaries of Teachers					
Kindergarten	528,100	-	528,100	494,450	33,650
Grades 1-5	3,447,046	\$ (37,186)	3,409,860	3,311,401	98,459
Grades 6-8	2,554,894	16,416	2,571,310	2,492,720	78,590
Grades 9-12	3,581,168	(54,654)	3,526,514	3,437,298	89,216
Home Instruction:					
Salaries of Teachers	-	7,130	7,130	3,522	3,608
Purchased Professional - Educational Services	20,000	2,650	22,650	20,463	2,187
Undistributed Instruction:					
Other Salaries for Instruction	490,252	(133,406)	356,846	291,680	65,166
Purchased Professional - Educational Services	116,000	(12,523)	103,477	68,793	34,684
Other Purchased Services	45,543	891	46,434	43,107	3,327
General Supplies	404,657	77,550	482,207	470,087	12,120
Other Objects	16,250	(923)	15,327	4,284	11,043
Total Regular Programs	11,203,910	(134,055)	11,069,855	10,637,805	432,050

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

	Original Budget	Adjustments	Final Budget	Actual	Variance with Final Budget
EXPENDITURES					
Current Expense					
Special Education - Instruction:					
Learning and/or Language Disabilities					
Salaries of Teachers	\$ 579,025	\$ (8,863)	\$ 570,162	\$ 556,464	\$ 13,698
Other Salaries for Instruction	400,511	(38,651)	361,860	348,689	13,171
Purchased Professional - Educational Services	2,500	-	2,500	1,712	788
General Supplies	1,160	4,176	5,336	1,925	3,411
Total Learning and/or Language Disabilities	983,196	(43,338)	939,858	908,790	31,068
Behavioral Disabilities					
Salaries		90,265	90,265	90,265	-
Other Salaries for Instruction		48,256	48,256	34,369	13,887
Purchased Professional - Educational Services		34,033	34,033	24,780	9,253
General Supplies	-	1,596	1,596	801	795
Total Behavioral Disabilities	-	174,150	174,150	150,215	23,935
Multiple Disabilities					
General Supplies	-	510	510	510	-
Total Multiple Disabilities	-	510	510	510	-
Resource Room:					
Salaries of Teachers	1,800,215	(149,250)	1,650,965	1,645,471	5,494
Other Salaries for Instruction	100,588	123,801	224,389	205,779	18,610
General Supplies	1,325	865	2,190	1,794	396
Total Resource Room	1,902,128	(24,584)	1,877,544	1,853,044	24,500
Autism:					
Salaries of Teachers	260,375	3,500	263,875	263,875	-
Other Salaries for Instruction	256,624	-	256,624	148,392	108,232
Purchased Professional-Educational Services	600	-	600		600
General Supplies	13,710	580	14,290	8,332	5,958
Other Objects	2,000	-	2,000	-	2,000
Total Autism	533,309	4,080	537,389	420,599	116,790
Preschool Disabilities - Part - Time:					
Salaries of Teachers	191,060	(3,500)	187,560	172,980	14,580
Other Salaries for Instruction	144,722	-	144,722	111,383	33,339
General Supplies	1,900	-	1,900	846	1,054
Total Preschool Disabilities - Part - Time	337,682	(3,500)	334,182	285,209	48,973
Preschool Disabilities - Full - Time:					
Salaries of Teachers	156,780	-	156,780	156,780	-
Other Salaries for Instruction	174,868	-	174,868	169,157	5,711
Purchased	500	33,189	33,689	33,189	500
General Supplies	7,300	-	7,300	6,324	976
Total Preschool Disabilities - Full - Time	339,448	33,189	372,637	365,450	7,187
Home Instruction:					
Salaries of Teachers	10,000	(130)	9,870	6,143	3,727
Total Home Instruction	10,000	(130)	9,870	6,143	3,727
Total Special Education - Instruction	4,105,763	140,377	4,246,140	3,989,960	256,180
Basic Skills/Remedial:					
Salaries of Teachers	541,248	120,656	661,904	633,673	28,231
General Supplies	460	-	460	364	96
Total Basic Skills/Remedial	541,708	120,656	662,364	634,037	28,327
Bilingual Education:					
Salaries of Teachers	245,200	10,991	256,191	228,154	28,037
General Supplies	250	-	250	196	54
Total Bilingual Education	245,450	10,991	256,441	228,350	28,091

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

	Original Budget	Adjustments	Final Budget	Actual	Variance with Final Budget
EXPENDITURES					
Current Expense					
Instruction (Continued)					
School Sponsored Co-Curricular Activities:					
Salaries	\$ 189,900	-	\$ 189,900	\$ 169,675	\$ 20,225
Purchased Services	14,400	(1,501)	12,899	9,050	3,849
Supplies and Materials	10,195	3,838	14,033	10,290	3,743
Other Objects	14,860	-	14,860	9,485	5,375
Total School Sponsored Co-Curricular Activities	229,355	2,337	231,692	198,500	33,192
School Sponsored Athletics - Instruction:					
Salaries	425,765	(33,965)	391,800	387,068	4,732
Purchased Services	72,000	24,846	96,846	92,334	4,512
Supplies and Materials	55,000	2,525	57,525	50,688	6,837
Other Objects	8,250	300	8,550	8,550	-
Total School Sponsored Athletics - Instruction	561,015	(6,294)	554,721	538,640	16,081
Summer School - Instruction:					
Salaries	41,064	(259)	40,805	40,804	1
Other Salaries for Instruction	47,121	6,204	53,325	53,325	-
Total Summer School - Instruction	88,185	5,945	94,130	94,129	1
Summer School - Support Services					
Salaries	15,669	(3,925)	11,744	11,744	-
Total Summer School - Support Services	15,669	(3,925)	11,744	11,744	-
Total - Instruction	16,991,055	136,032	17,127,087	16,333,165	793,922
Undistributed Expenditures:					
Tuition:					
Tuition to Other LEA's Within the State - Regular	40,000	-	40,000	-	40,000
Tuition to Other LEA's Within the State - Special	700,000	-	700,000	147,315	552,685
Tuition to County Vocational School District - Regular	193,752	-	193,752	169,563	24,189
Tuition to County Vocational School District - Special	-	77,058	77,058	77,058	-
Tuition to CSSD and Regional Day Schools	850,000	92,210	942,210	927,791	14,419
Tuition to Private Schools for the Disabled - Within State	1,841,527	(405,037)	1,436,490	933,059	503,431
Tuition to Private Schools for the Disabled & Other LEA's	200,000	-	200,000	62,004	137,996
Tuition - Other	40,000	10,826	50,826	50,826	-
Total Tuition	3,865,279	(224,943)	3,640,336	2,367,616	1,272,720
Attendance and Social Work:					
Salaries	138,311	(26,708)	111,603	106,350	5,253
Total Attendance and Social Work	138,311	(26,708)	111,603	106,350	5,253
Health Services:					
Salaries	265,287	(3,016)	262,271	252,955	9,316
Purchased Professional and Technical Services	16,645	113,750	130,395	91,497	38,898
Supplies and Materials	3,000	2,836	5,836	5,805	31
Other Objects	2,000	-	2,000	-	2,000
Total Health Services	286,932	113,570	400,502	350,257	50,245
Speech, OT, PT and Related Services:					
Salaries	618,585	618	619,203	619,203	-
Purchased Professional -Educational Services	400,000	24,056	424,056	261,809	162,247
Supplies and Materials	10,000	-	10,000	2,723	7,277
Total Speech, OT, PT and Related Services	1,028,585	24,674	1,053,259	883,735	169,524

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

	Original Budget	Adjustments	Final Budget	Actual	Variance with Final Budget
EXPENDITURES					
Current Expense					
Undistributed Expenditures (Continued)					
Guidance:					
Salaries of Other Professional Staff	\$ 583,492	\$ 2,796	\$ 586,288	\$ 586,288	
Salaries of Secretarial and Clerical Assistants	145,123	221	145,344	145,344	
Other Purchased Professional -Technical Services	39,350	(9,967)	29,383	29,383	
Other Purchased Services	250	-	250	250	
Supplies and Materials	6,500	-	6,500	5,906	\$ 594
Other Objects	2,450	-	2,450	1,220	1,230
Total Guidance	777,165	(6,950)	770,215	768,391	1,824
Child Study Teams:					
Salaries of Other Professional Staff	665,232	(8,241)	656,991	638,666	18,325
Salaries of Secretarial and Clerical Assistants	114,622	-	114,622	112,106	2,516
Unused Sick/Vacation Payout		7,622	7,622	7,622	
Purchased Professional-Educational Services	42,000	-	42,000	21,294	20,706
Other Purchased Professional -Technical Services	21,000	-	21,000	19,890	1,110
Miscellaneous Purchased Services	3,700	150	3,850	3,127	723
Supplies and Materials	10,000	(150)	9,850	4,401	5,449
Other Objects	1,400	-	1,400	1,240	160
Total Child Study Teams	857,954	(619)	857,335	808,346	48,989
Improvement of Instruction Services:					
Salaries of Supervisor of Instruction	188,042	(18,000)	170,042	166,891	3,151
Other Objects	2,900	(2,500)	400	-	400
Total Improvement of Instruction Services:	190,942	(20,500)	170,442	166,891	3,551
Educational Media Services / School Library:					
Salaries	17,163	700	17,863	17,863	-
Salaries of Technology Coordinators	78,984	476	79,460	79,381	79
Supplies and Materials	11,700	(200)	11,500	9,919	1,581
Total Educational Media Services / School Library	107,847	976	108,823	107,163	1,660
Instructional Staff Training Services:					
Purchased Professional and Technical Services	5,500	8,400	13,900	4,334	9,566
Other Purchased Services	19,000	(8,400)	10,600	3,475	7,125
Total Instructional Staff Training Services	24,500	-	24,500	7,809	16,691
Support Services - General Administration:					
Salaries	375,002	1,013	376,015	376,015	-
Legal Services	70,000	21,860	91,860	78,582	13,278
Audit Fees	42,000	37,302	79,302	40,090	39,212
Architectural / Engineering Services	20,000	(20,000)	-	-	-
Other Purchased Professional Services	5,540	6,512	12,052	10,753	1,299
Purchased Technical Services	14,000	750	14,750	14,750	-
Communications / Telephone	55,600	(4,172)	51,428	26,338	25,090
BOE Other Purchased Services	4,500	-	4,500	4,280	220
Miscellaneous Purchased Services	57,060	(158)	56,902	55,758	1,144
General Supplies	7,000	(1,289)	5,711	1,747	3,964
Miscellaneous Expenditures	5,000	-	5,000	4,269	731
Judgments Against The School District	150,000	(82,289)	67,711	-	67,711
BOE Membership Dues and Fees	14,403	-	14,403	14,403	-
Total Support Services - General Administration	820,105	(40,471)	779,634	626,985	152,649
Support Services - School Administration:					
Salaries of Principals/Asst. Principals	1,565,240	27,602	1,592,842	1,589,641	3,201
Salaries of Secretarial and Clerical Assistants	347,810	22,397	370,207	325,989	44,218
Unused Vacation Payment to Terminated/Retired Staff	-	1,857	1,857	1,857	-
Purchased Professional and Technical Services	1,500	-	1,500	1,185	315
Other Purchased Services	14,510	-	14,510	11,460	3,050
Supplies and Materials	21,750	4,019	25,769	21,550	4,219
Other Objects	21,600	(4,207)	17,393	10,683	6,710
Total Support Services School Administration	1,972,410	51,668	2,024,078	1,962,365	61,713

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

	Original Budget	Adjustments	Final Budget	Actual	Variance with Final Budget
EXPENDITURES					
Current Expense					
Undistributed Expenditures (Continued)					
Central Services:					
Salaries	\$ 466,636	\$ 64	\$ 466,700	\$ 462,100	\$ 4,600
Purchased Professional Services	2,000	3,000	5,000	4,200	800
Purchased Technical Services	47,184	1,311	48,495	46,600	1,895
Miscellaneous Purchased Services	9,672	-	9,672	9,446	226
Supplies and Materials	9,933	(1,472)	8,461	7,853	608
Other Objects	2,636	(615)	2,021	1,929	92
Total Central Services	538,061	2,288	540,349	532,128	8,221
Administration Information Technology:					
Salaries	117,146	654	117,800	117,800	-
Other Purchased Services	128,500	21,854	150,354	148,756	1,598
Supplies and Materials	18,000	(1,677)	16,323	16,048	275
Total Administration Information Technology	263,646	20,831	284,477	282,604	1,873
Required Maintenance for School Facilities:					
Salaries	171,201	44	171,245	169,975	1,270
Cleaning, Repair and Maintenance	220,000	(12,354)	207,646	198,065	9,581
Lead Testing of Water		5,383	5,383	5,383	-
General Supplies	51,000	(5,411)	45,589	40,646	4,943
Other Objects	-	1,180	1,180	1,180	-
Total Required Maintenance for School Facilities	442,201	(11,158)	431,043	415,249	15,794
Custodial Services:					
Salaries	1,019,265	(44)	1,019,221	968,091	51,130
Unused Vacation Payment to Terminated/Retired Staff		5,084	5,084	5,084	-
Purchased Professional & Technical Services	31,470	6,140	37,610	34,239	3,371
Cleaning, Repair and Maintenance Services	2,000	-	2,000	1,902	98
Other Purchased Property Services	25,000	(4,725)	20,275	10,990	9,285
Insurance	357,194	19,392	376,586	376,586	-
Travel	3,100	-	3,100	2,654	446
General Supplies	51,000	765	51,765	49,766	1,999
Energy (Natural Gas)	150,000	(22,595)	127,405	106,894	20,511
Energy (Electricity)	286,000	10,399	296,399	296,187	212
Energy (Gasoline)	2,000	788	2,788	2,788	-
Other Objects	1,248	-	1,248	995	253
Total Custodial Services	1,928,277	15,204	1,943,481	1,856,176	87,305
Care and Upkeep of Grounds:					
Cleaning, Repair & Maintenance	65,950	(15,510)	50,440	49,600	840
General Supplies	21,000	(6,029)	14,971	9,587	5,384
Total Care and Upkeep of Grounds	86,950	(21,539)	65,411	59,187	6,224
Security					
Salaries		2,500	2,500	2,500	
General Supplies	15,000	3,697	18,697	18,637	60
Total Security	15,000	6,197	21,197	21,137	60
Total Operation and Maintenance of Plant Services	2,472,428	(11,296)	2,461,132	2,351,749	109,383
Student Transportation Services:					
Salaries for Pupil Transportation (Between Home and School) - Regular	14,183	-	14,183	14,183	-
Salaries for Pupil Transportation (Between Home and School) - Special Education	29,183	5,000	34,183	33,903	280
Salaries for Pupil Transportation (Other than Between Home and School)	54,367	(5,000)	49,367	47,504	1,863
Cleaning, Repair and Maintenance Services	17,500	(896)	16,604	14,679	1,925
Contracted	86,746	-	86,746	78,270	8,476
Contracted Services (Other Than Between Home and School) - Vendors	29,400	10,976	40,376	34,089	6,287
Contracted Services (Spl. Ed. Students)- Vendors	10,000	-	10,000	1,000	9,000
Contracted Services (Regular Students) - ESCs & CTSA's	119,027	(10,000)	109,027	106,087	2,940
Contracted Services (Special Education Students) - ESCs & CTSA's	913,412	-	913,412	881,303	32,109
Transportation Supplies	14,400	-	14,400	7,822	6,578
Other Objects	1,400	10,896	12,296	12,296	-
Total Student Transportation Services	1,289,618	10,976	1,300,594	1,231,136	69,458

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

	Original Budget	Adjustments	Final Budget	Actual	Variance with Final Budget
EXPENDITURES					
Current Expense					
Undistributed Expenditures (Continued)					
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	\$ 395,507	\$ 10,372	\$ 405,879	\$ 405,879	
Other Retirement Contributions - PERS	502,293	(56,833)	445,460	445,460	
Other Retirement Contributions - DCRP	43,908	1,800	45,708	45,558	\$ 150
Workmen's Compensation	124,906	(3,366)	121,540	121,540	-
Health Benefits	6,101,416	-	6,101,416	5,415,688	685,728
Tuition Reimbursement	80,000	(27,069)	52,931	10,163	42,768
Other Employee Benefits	121,750	(10,382)	111,368	111,103	265
Unused Sick Payment to Terminated / Retired Staff	42,000	(1,410)	40,590	40,590	-
Total Unallocated Benefits - Employee Benefits	7,411,780	(86,888)	7,324,892	6,595,981	728,911
On-Behalf T.P.A.F. Pension Contribution - Normal Cost (non-budgeted)				5,351,218	(5,351,218)
On-Behalf T.P.A.F. Pension Contribution - Non-Contributory Group Insurance (non-budgeted)				66,287	(66,287)
On-Behalf T.P.A.F. Pension Contribution - Post-Retirement Medical (non-budgeted)				1,582,999	(1,582,999)
On-Behalf T.P.A.F. Pension Contribution - Long-Term Disability Insurance (non-budgeted)				2,221	(2,221)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	1,219,423	(1,219,423)
Total On-Behalf Contributions	-	-	-	8,222,148	(8,222,148)
Total Personal Services - Employee Benefits	7,411,780	(86,888)	7,324,892	14,818,129	(7,493,237)
Total Undistributed Expenditures	22,045,563	(193,392)	21,852,171	27,371,654	(5,519,483)
Total General Current Expense	39,036,618	(57,360)	38,979,258	43,704,819	(4,725,561)
Capital Outlay:					
Equipment:					
Grades 1-5		2,652	2,652	2,652	-
Grades 9-12		25,133	25,133	25,133	-
Undistributed Expenditures:					
Bilingual Education		2,825	2,825	2,825	-
Required Maintenance for School Facilities	110,000	(54,170)	55,830	55,830	-
Athletics		6,295	6,295	6,295	-
Security		72,474	72,474	72,474	-
Custodial Services		4,435	4,435	4,435	-
Care and Upkeep of Grounds	-	70,822	70,822	70,822	-
Total Equipment	110,000	130,466	240,466	240,466	-

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Facilities Acquisition and Construction Services:					
Assessment for Debt Service on SDA Funding	\$ 30,028	-	\$ 30,028	\$ 30,028	-
Total Facilities Acquisition and Construction Services	30,028	-	30,028	30,028	-
Increase in Capital Reserve	110,000	-	110,000	-	\$ 110,000
Total Capital Outlay	250,028	\$ 130,466	380,494	270,494	110,000
Transfer of Funds to Charter Schools	28,714	(25,562)	3,152	-	3,152
Total Expenditures	39,315,360	47,544	39,362,904	43,975,313	(4,612,409)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,110,720)	(47,544)	(2,158,264)	2,309,826	4,468,090
Other Financing Sources/(Uses)					
Transfer from Capital Reserve to Capital Projects Fund	(6,000,000)	-	(6,000,000)	(6,000,000)	-
Transfer from Capital Projects Fund to Capital Reserve (Non-Budget)	-	-	-	655,984	655,984
Total Other Financing Sources/(Uses)	(6,000,000)	-	(6,000,000)	(5,344,016)	655,984
Excess (Deficiency) of Revenues and other Financing Sources Over/(Under) Expenditures and Other					
Net Change in Fund Balance	(8,110,720)	(47,544)	(8,158,264)	(3,034,190)	5,124,074
Fund Balance, July 1	20,542,301	-	20,542,301	20,542,301	-
Fund Balance, June 30	\$ 12,431,581	\$ (47,544)	\$ 12,384,037	\$ 17,508,111	\$ 5,124,074
RECAPITULATION:					
Restricted:					
Capital Reserve				\$ 10,885,611	
Maintenance Reserve				909,261	
Maintenance Reserve - Designated for Subsequent Year's Expenditures				450,000	
Excess Surplus:					
Prior Year - Designated for Subsequent Year's Expenditures				1,300,000	
Current Year				1,300,000	
Unemployment Compensation				595,075	
Assigned:					
Year-End Encumbrances				64,911	
Interest Rate Arbitrage				185,816	
Designated for Subsequent Year's Expenditures				427,753	
Unassigned:				1,389,684	
Reconciliation to Governmental Funds Statements (GAAP):				17,508,111	
Less: Extraordinary Aid Not Recognized on GAAP Basis			\$ 765,697		
State Aid Not Recognized on GAAP Basis			123,915		
				889,612	
Fund Balance Per Governmental Funds (GAAP)				\$ 16,618,499	

**WALDWICK BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Budget Transfers / Modification</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Federal Sources	\$ 515,616	\$ 336,651	\$ 852,267	\$ 784,426	\$ (67,841)
State Sources	283,887	75,419	359,306	289,443	(69,863)
Local Sources	-	153,876	153,876	155,299	1,423
Total Revenues	<u>799,503</u>	<u>565,946</u>	<u>1,365,449</u>	<u>1,229,168</u>	<u>(136,281)</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	36,986	118,263	155,249	130,170	25,079
Purchased Services	187,695	33,863	221,558	177,025	44,533
Tuition	392,925	18,036	410,961	410,961	-
Textbooks	12,278	(1,181)	11,097	9,943	1,154
Instructional Supplies	72,766	54,724	127,490	122,953	4,537
Student Activities	-	152,126	152,126	152,126	-
Total Instruction	<u>702,650</u>	<u>375,831</u>	<u>1,078,481</u>	<u>1,003,178</u>	<u>75,303</u>
Support Services:					
Employee Benefits		5,065	5,065	3,798	1,267
Purchased Professional Technical Service	27,343	114,717	142,060	91,533	50,527
Other Purchased Services		89,929	89,929	88,721	1,208
Supplies and Materials	46,780	(32,148)	14,632	5,233	9,399
Scholarship Awards	-	500	500	500	-
Total Support Services	<u>74,123</u>	<u>178,063</u>	<u>252,186</u>	<u>189,785</u>	<u>62,401</u>
Facilities Acquisition and Constructions Services:					
Non-Instructional Equipment	<u>22,730</u>	<u>12,052</u>	<u>34,782</u>	<u>34,782</u>	<u>-</u>
Total Facilities Acquisition and Construction Services	<u>22,730</u>	<u>12,052</u>	<u>34,782</u>	<u>34,782</u>	<u>-</u>
Total Expenditures	<u>799,503</u>	<u>565,946</u>	<u>1,365,449</u>	<u>1,227,745</u>	<u>137,704</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	1,423	1,423
Fund Balance, July 1	<u>8,190</u>	<u>-</u>	<u>8,190</u>	<u>8,190</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 8,190</u>	<u>\$ -</u>	<u>\$ 8,190</u>	<u>\$ 9,613</u>	<u>\$ 1,423</u>

Recapitulation
Restricted:
Scholarships
Student Activities

\$ 269
9,344

\$ 9,613

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

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

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

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

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

	General Fund	Special Revenue Fund
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-series)	(C-1) \$ 46,285,139	(C-2) \$ 1,229,168
Grant encumbrances recognized for budgetary purposes, not recognized for GAAP purposes, recognized for budgetary statements. Encumbrances, June 30, 2025 Encumbrances, June 30, 2024		
State Aid payments and Extraordinary Aid (2023/2024) recognized for GAAP purposes, not recognized for budgetary statements.	1,030,957	
State Aid payments and Extraordinary Aid (2024/2025) not recognized for GAAP purposes, recognized for budgetary statements.	<u>(889,612)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	(B-2) \$ <u>46,426,484</u>	(B-2) \$ <u>1,229,168</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule (C-series)	(C-1) \$ 43,975,313	(C-2) \$ 1,227,745
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, 2025 Encumbrances, June 30, 2024	<u>-</u>	<u>-</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	(B-2) \$ <u>43,975,313</u>	(B-2) \$ <u>1,227,745</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III
PENSION AND POST-EMPLOYMENT BENEFITS INFORMATION

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

Public Employees Retirement System

Last Ten Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2015
District's Proportion of the Net Position Liability (Asset)	0.03274%	0.03274%	0.03440%	0.03340%	0.03400%	0.03472%	0.03551%	0.03702%	0.03736%	0.04300% %
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 4,448,278</u>	<u>\$ 4,467,599</u>	<u>\$ 5,191,894</u>	<u>\$ 3,956,773</u>	<u>\$ 5,543,768</u>	<u>\$ 6,255,567</u>	<u>\$ 6,991,073</u>	<u>\$ 8,617,972</u>	<u>\$ 11,064,930</u>	<u>\$ 8,050,372</u>
District's Covered-Employee Payroll	<u>\$ 2,644,289</u>	<u>\$ 2,566,720</u>	<u>\$ 2,473,647</u>	<u>\$ 2,473,647</u>	<u>\$ 2,473,153</u>	<u>\$ 2,457,873</u>	<u>\$ 2,468,372</u>	<u>\$ 2,434,435</u>	<u>\$ 2,489,123</u>	<u>\$ 2,588,920</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	168.22%	174.06%	209.89%	159.96%	224.16%	254.51%	283.23%	354.00%	444.53%	310.95% %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.59%	48.10%	40.14%	52.08%

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

**WALDWICK 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	\$ 445,460	\$ 412,243	\$ 433,839	\$ 391,157	\$ 371,893	\$ 337,699	\$ 353,176	\$ 353,844	\$ 340,437	\$ 310,153
Contributions in Relation to the Contractually Required Contribution	<u>445,460</u>	<u>412,243</u>	<u>433,839</u>	<u>391,157</u>	<u>371,893</u>	<u>337,699</u>	<u>353,176</u>	<u>353,844</u>	<u>340,437</u>	<u>310,153</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	<u>\$ 2,613,158</u>	<u>\$ 2,644,289</u>	<u>\$ 2,566,720</u>	<u>\$ 2,473,647</u>	<u>\$ 2,429,436</u>	<u>\$ 2,473,153</u>	<u>\$ 2,457,873</u>	<u>\$ 2,468,372</u>	<u>\$ 2,434,435</u>	<u>\$ 2,489,123</u>
Contributions as a Percentage of Covered-Employee Payroll	17.05%	15.59%	16.90%	15.81%	15.31%	13.65%	14.37%	14.34%	13.98%	12.46%

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

Teachers Pension and Annuity Fund

Last Nine Fiscal Years*

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 62,404,520</u>	<u>\$ 64,732,286</u>	<u>\$ 63,663,101</u>	<u>\$ 61,342,746</u>	<u>\$ 82,180,949</u>	<u>\$ 77,046,469</u>	<u>\$ 80,196,264</u>	<u>\$ 86,143,185</u>	<u>\$ 95,878,948</u>	<u>\$ 77,909,246</u>
Total	<u>\$ 62,404,520</u>	<u>\$ 64,732,286</u>	<u>\$ 63,663,101</u>	<u>\$ 61,342,746</u>	<u>\$ 82,180,949</u>	<u>\$ 77,046,469</u>	<u>\$ 80,196,264</u>	<u>\$ 86,143,185</u>	<u>\$ 95,878,948</u>	<u>\$ 77,909,246</u>
District's Covered-Employee Payroll	<u>\$ 16,369,261</u>	<u>\$ 15,773,490</u>	<u>\$ 14,655,814</u>	<u>\$ 14,583,113</u>	<u>\$ 13,872,087</u>	<u>\$ 13,844,809</u>	<u>\$ 13,526,956</u>	<u>\$ 12,982,675</u>	<u>\$ 13,078,937</u>	<u>\$ 12,992,364</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.48%	25.41%	22.33%	28.74%

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

**WALDWICK 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 statutory required employer contribution are presented in Note 4D.

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

POSTEMPLOYMENT HEALTH BENEFIT PLAN

Last Eight Fiscal Years*

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability								
Service Cost	\$ 2,383,783	\$ 2,448,763	\$ 3,107,301	\$ 3,632,204	\$ 2,060,598	\$ 1,965,009	\$ 2,217,096	\$ 2,676,238
Interest on Total OPEB Liability	2,295,564	2,161,817	1,592,188	1,830,807	1,783,085	2,155,076	2,267,074	1,955,616
Changes of Benefit Terms	-	-	-	(75,119)				
Differences Between Expected and Actual Experience	150,669	(1,802,102)	2,448,453	(14,282,103)	13,996,485	(8,274,788)	(4,182,552)	
Changes of Assumptions	5,217,226	123,722	(16,117,019)	69,628	14,758,581	738,956	(6,248,735)	(8,073,783)
Gross Benefit Payments	(1,753,160)	(1,685,171)	(1,577,110)	(1,442,163)	(1,406,585)	(1,521,369)	(1,456,049)	(1,431,551)
Contributions from the Member	60,030	55,400	50,594	46,805	42,634	45,098	50,323	52,713
Net Change in Total OPEB Liability	8,354,112	1,302,429	(10,495,593)	(10,219,941)	31,234,798	(4,892,018)	(7,352,843)	(4,820,767)
Total OPEB Liability - Beginning	61,382,504	60,080,075	70,575,668	80,795,609	49,560,811	54,452,829	61,805,672	66,626,439
Total OPEB Liability - Ending	\$ 69,736,616	\$ 61,382,504	\$ 60,080,075	\$ 70,575,668	\$ 80,795,609	\$ 49,560,811	\$ 54,452,829	\$ 61,805,672
District's Proportionate Share of OPEB Liability					\$0	\$0	\$0	\$0
State's Proportionate Share of OPEB Liability	\$ 69,736,616	\$ 61,382,504	\$ 60,080,075	\$ 70,575,668	\$ 80,795,609	\$ 49,560,811	\$ 54,452,829	\$ 61,805,672
Total OPEB Liability - Ending	\$ 69,736,616	\$ 61,382,504	\$ 60,080,075	\$ 70,575,668	\$ 80,795,609	\$ 49,560,811	\$ 54,452,829	\$ 61,805,672
District's Covered-Employee Payroll	\$ 19,013,550	\$ 18,340,210	\$ 17,129,461	\$ 17,056,768	\$ 16,345,240	\$ 16,302,682	\$ 15,995,328	\$ 15,417,110
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Employee 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.

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

Changes in Benefit Terms:	None.
Changes of Assumptions	Assumptions used in calculating the OPEB liability are presented in Note 4E.

SCHOOL LEVEL SCHEDULES

(General Fund)

NOT APPLICABLE

SPECIAL REVENUE FUND

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

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	Elementary and Secondary Education Act (E. S. E. A.)				I. D. E. A. Consolidated		NJ High Impact Tutoring	Total Exhibit E-1a	Total Exhibit E-1b	Total
	Title I Part A	Title II Part A	Title III	Title IV	Part B Basic	Part B Preschool				
REVENUES:										
Federal Sources	\$ 68,659	\$ 31,038	\$ 3,839	\$ 11,772	\$ 486,194	\$ 16,517	\$ 19,064	\$ 147,343		\$ 784,426
State Sources								37,308	\$ 252,135	289,443
Local Sources	-	-	-	-	-	-	-	155,299	-	155,299
Total Revenues	68,659	31,038	3,839	11,772	486,194	16,517	19,064	339,950	252,135	1,229,168
EXPENDITURES:										
Instruction:										
Salaries of Teachers	12,878						15,266	102,026		130,170
Purchased Services	9,044			15				-	167,966	177,025
Tuition					410,961			-		410,961
Textbooks									9,943	9,943
Instructional Supplies	24,237		3,839	11,757	16,350	16,517		39,750	10,503	122,953
Student Activities	-	-	-	-	-	-	-	152,126	-	152,126
Total Instruction	46,159	-	3,839	11,772	427,311	16,517	15,266	293,902	188,412	1,003,178
Support Services:										
Employee Benefits							3,798	-	-	3,798
Purchased Professional Technical Service					58,883			6,817	25,833	91,533
Other Purchased Services	22,500	28,913						37,308	-	88,721
Supplies and Materials		2,125						-	3,108	5,233
Scholarship Awarded	-	-	-	-	-	-	-	500	-	500
Total Support Services	22,500	31,038	-	-	58,883	-	3,798	44,625	28,941	189,785
Facilities Acquisition and Constructions Services:										
Non-Instructional Equipment	-	-	-	-	-	-	-	-	34,782	34,782
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	-	-	34,782	34,782
Total Expenditures	68,659	31,038	3,839	11,772	486,194	16,517	19,064	338,527	252,135	1,227,745
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	1,423	-	1,423
Fund Balance, July 1	-	-	-	-	-	-	-	8,190	-	8,190
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,613	\$ -	\$ 9,613

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

	I.D.E.A. ARP Basic	Learning Acceleration	ARP ESSER Comp BEY	Mental Health	SDA Emergent Capital and Maintenance	Local Grants	Student Activities / Athletics	Scholarship	Total Exhibit E-1a
REVENUES:									
Federal Sources	\$ 5,467	\$ 106,531	\$ 33,995	\$ 1,350					\$ 147,343
State Sources					\$ 37,308				37,308
Local Sources	-	-	-	-	-	\$ 1,250	\$ 153,537	\$ 512	155,299
Total Revenues	5,467	106,531	33,995	1,350	37,308	1,250	153,537	512	339,950
EXPENDITURES:									
Instruction:									
Salaries of Teachers		68,031	33,995						102,026
Purchased Services									-
Tuition									-
Instructional Supplies		38,500				1,250			39,750
Student Activities	-	-	-	-	-	-	152,126	-	152,126
Total Instruction	-	106,531	33,995	-	-	1,250	152,126	-	293,902
Support Services:									
Employee Benefits									
Purchased Professional Technical Service	5,467			1,350					6,817
Other Purchased Services					37,308				37,308
Supplies and Materials	-	-	-	-	-	-	-	500	-
Scholarship Awarded	-	-	-	-	-	-	-	500	500
Total Support Services	5,467	-	-	1,350	37,308	-	-	500	44,625
Facilities Acquisition and Constructions Services:									
Non-Instructional Equipment	-	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	-	-	-
Total Expenditures	5,467	106,531	33,995	1,350	37,308	1,250	152,126	500	338,527
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	1,411	12	1,423
Fund Balance, July 1	-	-	-	-	-	-	7,933	257	8,190
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,344	\$ 269	\$ 9,613

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EXHIBIT E-2

WALDWICK BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL AID EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOT APPLICABLE

EXHIBIT E-3

WALDWICK BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Balance, July 1, <u>2024</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2025</u>
High School	\$ 3,499	\$ 50,197	\$ 50,716	\$ 2,980
Middle School	4,434	26,593	24,463	6,564
Athletics	<u>-</u>	<u>76,747</u>	<u>76,947</u>	<u>(200)</u>
 Total All Schools	 <u>\$ 7,933</u>	 <u>\$ 153,537</u>	 <u>\$ 152,126</u>	 <u>\$ 9,344</u>

CAPITAL PROJECTS FUND

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

<u>Project</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Transfer Out</u>	<u>Unexpended Balance, June 30, 2025</u>
		<u>Prior Periods</u>	<u>Current Year</u>		
2020-21 School Improvement Project	\$ 30,550,000	\$ 27,296,448	\$ 802,375		\$ 2,451,177
Hopper Field Area Upgrades	3,273,655	2,617,671		\$ 655,984	-
Baseball Field Improvements	<u>6,000,000</u>	<u>-</u>	<u>1,210,281</u>	<u>-</u>	<u>4,789,719</u>
	<u>\$ 39,823,655</u>	<u>\$ 29,914,119</u>	<u>\$ 2,012,656</u>	<u>\$ 655,984</u>	<u>\$ 7,240,896</u>

Reconciliation of Fund Balance - GAAP

Project Balance	\$ 7,240,896
Less: Authorized But Not Issued	<u>-</u>
Fund Balance - GAAP Basis, June 30, 2025	<u>\$ 7,240,896</u>

Recapitulation of Fund Balance - GAAP

Restricted for Capital Projects:	
Reserve for Encumbrances	\$ 6,618,823
Available for Capital Projects	<u>622,073</u>
Total Fund Balance - Restricted for Capital Projects - GAAP Basis - June 30, 2025	<u>\$ 7,240,896</u>

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

Revenues and Other Financing Sources

Transfer from Capital Reserve	\$ 6,000,000
Total Revenues and Other Financing Sources	<u>6,000,000</u>

Expenditures and Other Financing Uses

Facilities Acquisition and Construction Services	
Construction Services	1,629,470
General Supplies	7,102
Other Purchased Professional and Technical Services	78,760
Architectural/Engineering Services	297,324
Other Financing Uses	
Transfer to Capital Reserve	<u>655,984</u>
Total Expenditures and Other Financing Uses	<u>2,668,640</u>

Excess (Deficit) of Revenues over (under) Expenditures	3,331,360
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Fund Balance - Beginning	<u>3,909,536</u>
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Fund Balance- Ending	<u><u>\$ 7,240,896</u></u>
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Reconciliation to GAAP:

Restricted for Capital Projects:	
Reserve for Encumbrances	\$ 6,618,823
Available for Capital Projects	<u>622,073</u>
GAAP Fund Balance- Ending	<u><u>\$ 7,240,896</u></u>

**WALDWICK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
HIGH SCHOOL, MIDDLE SCHOOL, TRAPHAGEN AND CRESCENT ELEMENTARY SCHOOL IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Serial Bond Proceeds	\$ 30,550,000	-	\$ 30,550,000	\$ 30,550,000
Total Revenues and Other Financing Sources	30,550,000	-	30,550,000	30,550,000
Expenditures and Other Financing Uses				
Legal Services	61,756		61,756	284,900
Architectural / Engineering Services	2,301,504	\$ 47,762	2,349,266	3,063,965
Other Purchased Professional and Technical Services	1,029,133	78,760	1,107,893	766,135
Construction Services	23,810,645	671,051	24,481,696	26,312,000
General Supplies	93,410	4,802	98,212	123,000
Total Expenditures and Other Financing Uses	27,296,448	802,375	28,098,823	30,550,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 3,253,552	\$ (802,375)	\$ 2,451,177	\$ -
Additional Project Information:				
Project Number	5410-030-20-1000			
Grant Date	Not Applicable			
Bond Authorization Date	August 3, 2021			
Bonds Authorized	\$ 30,550,000			
Bonds Issued	August 18, 2021			
Authorized Cost	\$ 30,550,000			
Percentage Completion	92%			
Target Completion Date	June 30, 2026			

**WALDWICK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
HOPPER FIELD AREA UPGRADES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	\$ 2,000,000		\$ 2,000,000	\$ 2,000,000
Transfer from Capital Outlay	<u>1,273,655</u>	<u>-</u>	<u>1,273,655</u>	<u>1,273,655</u>
Total Revenues and Other Financing Sources	<u>3,273,655</u>	<u>-</u>	<u>3,273,655</u>	<u>3,273,655</u>
Expenditures and Other Financing Uses				
Architectural / Engineering Services	86,504		86,504	86,504
Construction Services	2,531,167	-	2,531,167	2,531,167
Transfer to Capital Reserve	<u>-</u>	<u>\$ 655,984</u>	<u>655,984</u>	<u>655,984</u>
Total Expenditures and Other Financing Uses	<u>2,617,671</u>	<u>655,984</u>	<u>3,273,655</u>	<u>3,273,655</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 655,984</u>	<u>\$ (655,984)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	Not Applicable			
Grant Date	Not Applicable			
Bond Authorization Date	Not Applicable			
Bonds Authorized	Not Applicable			
Bonds Issued	Not Applicable			
Authorized Cost	Not Applicable			
Percentage Completion	100%			
Target Completion Date	6/30/2025			

**WALDWICK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BASEBALL FIELD IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	\$ -	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000
Total Revenues and Other Financing Sources	-	6,000,000	6,000,000	6,000,000
Expenditures and Other Financing Uses				
Architectural / Engineering Services		249,562	249,562	397,700
Construction Services		958,419	958,419	5,600,000
General Supplies	-	2,300	2,300	2,300
Total Expenditures and Other Financing Uses	-	1,210,281	1,210,281	6,000,000
Excess (Deficiency) of Revenues and Other Financing Sources				
Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 4,789,719	\$ 4,789,719	\$ -
Additional Project Information:				
Project Number	Not Applicable			
Grant Date	Not Applicable			
Bond Authorization Date	Not Applicable			
Bonds Authorized	Not Applicable			
Bonds Issued	Not Applicable			
Authorized Cost	Not Applicable			
Percentage Completion	20%			
Target Completion Date	6/30/2026			

PROPRIETARY FUNDS

EXHIBIT G-1

**WALDWICK BOARD OF EDUCATION
PROPRIETARY FUND
COMBINING SCHEDULE OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

EXHIBIT G-2

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

EXHIBIT G-3

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

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

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>		<u>Balance, June 30, 2024</u>	<u>Matured</u>	<u>Balance, June 30, 2025</u>
Series 2021 School Bonds	8/3/2021	\$ 30,550,000	7/15/2025	\$ 1,015,000	2.000	%			
			7/15/2026	1,040,000	2.000				
			7/15/2027	1,060,000	2.000				
			7/15/2028	1,085,000	2.000				
			7/15/2029	1,110,000	2.000				
			7/15/2030	1,135,000	2.000				
			7/15/2031	1,165,000	2.000				
			7/15/2032	1,190,000	2.000				
			7/15/2033	1,215,000	2.000				
			7/15/2034	1,245,000	2.000				
			7/15/2035	1,270,000	2.000				
			7/15/2036	1,300,000	2.000				
			7/15/2037	1,330,000	2.000				
			7/15/2038	1,360,000	2.000				
			7/15/2039	1,390,000	2.000				
			7/15/2040	1,425,000	2.000				
			7/15/2041	1,455,000	2.000				
			7/15/2042	1,490,000	2.000				
			7/15/2043	1,525,000	2.125				
			7/15/2044	1,555,000	2.125				
			7/15/2045	1,595,000	2.250				
			7/15/2046	1,630,000	2.250				
							\$ 29,580,000	\$ 995,000	\$ 28,585,000
							<u>\$ 29,580,000</u>	<u>\$ 995,000</u>	<u>\$ 28,585,000</u>
						Paid By Budget Appropriation		<u>\$ 995,000</u>	

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

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<u>Purpose</u>	<u>Original Issue</u>	<u>Balance July 1, 2024</u>	<u>Issued</u>	<u>Matured</u>	<u>Balance, June 30, 2025</u>
<u>Capital Financing Agreements</u>					
Copiers	\$ 136,869	\$ 82,312	\$ -	\$ 27,418	\$ 54,894
Total		\$ 82,312	\$ -	\$ 27,418	\$ 54,894

**WALDWICK 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 With Final Budget</u>
REVENUES:					
Local Sources					
Local Property Tax Levy	\$ 1,099,494	-	\$ 1,099,494	\$ 1,099,494	-
State Sources					
Debt Service State Aid	<u>484,094</u>	<u>-</u>	<u>484,094</u>	<u>484,094</u>	<u>-</u>
∞ Total Revenues	<u>1,583,588</u>	<u>-</u>	<u>1,583,588</u>	<u>1,583,588</u>	<u>-</u>
EXPENDITURES:					
Debt Service:					
Principal	995,000		995,000	995,000	
Interest	<u>588,588</u>	<u>-</u>	<u>588,588</u>	<u>588,588</u>	<u>-</u>
Total Expenditures	<u>1,583,588</u>	<u>-</u>	<u>1,583,588</u>	<u>1,583,588</u>	<u>-</u>
Excess /(Deficit) of Revenue Over Expenditures	-	-	-	-	
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

This part of the Waldwick 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.

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

	2016	2017	2018	2019	2020 (Restated)	2021	2022	2023	2024	2025
Governmental Activities										
Net Investment in Capital Assets	\$ 13,514,313	\$13,888,639	\$16,853,079	\$ 17,868,898	\$ 18,406,134	\$ 19,350,115	\$ 19,731,929	\$ 21,950,846	\$ 23,101,276	\$ 24,482,855
Restricted	2,100,160	2,830,160	2,740,639	2,561,224	4,845,755	8,455,575	11,638,787	13,688,023	16,534,151	17,639,279
Unrestricted	(6,042,517)	(6,646,260)	(8,629,162)	(6,719,457)	(5,810,714)	(6,069,169)	(3,801,181)	(2,460,053)	(2,166,939)	(1,966,373)
Total Governmental Activities Net Position	<u>\$ 9,571,956</u>	<u>\$10,072,539</u>	<u>\$10,964,556</u>	<u>\$ 13,710,665</u>	<u>\$ 17,441,175</u>	<u>\$ 21,736,521</u>	<u>\$ 27,569,535</u>	<u>\$ 33,178,816</u>	<u>\$ 37,468,488</u>	<u>\$ 40,155,761</u>
Business-Type Activities										
Net Investment in Capital Assets	\$ 19,924	\$ 33,703	\$ 35,137	\$ 39,130	\$ 40,172	\$ 73,638	\$ 72,673	\$ 80,413	\$ 75,481	\$ 128,885
Unrestricted	72,227	50,954	89,771	112,413	127,687	73,207	94,918	113,454	100,593	73,806
Total Business-Type Activities Net Position	<u>\$ 92,151</u>	<u>\$ 84,657</u>	<u>\$ 124,908</u>	<u>\$ 151,543</u>	<u>\$ 167,859</u>	<u>\$ 146,845</u>	<u>\$ 167,591</u>	<u>\$ 193,867</u>	<u>\$ 176,074</u>	<u>\$ 202,691</u>
District-Wide										
Investment in Capital Assets	\$ 13,534,237	\$13,922,342	\$16,888,216	\$ 17,908,028	\$ 18,446,306	\$ 19,423,753	\$ 19,804,602	\$ 22,031,259	\$ 23,176,757	\$ 24,611,740
Restricted	2,100,160	2,830,160	2,740,639	2,561,224	4,845,755	8,455,575	11,638,787	13,688,023	16,534,151	17,639,279
Unrestricted	(5,970,290)	(6,595,306)	(8,539,391)	(6,607,044)	(5,683,027)	(5,995,962)	(3,706,263)	(2,346,599)	(2,066,346)	(1,892,567)
Total District Net Position	<u>\$ 9,664,107</u>	<u>\$10,157,196</u>	<u>\$11,089,464</u>	<u>\$ 13,862,208</u>	<u>\$ 17,609,034</u>	<u>\$ 21,883,366</u>	<u>\$ 27,737,126</u>	<u>\$ 33,372,683</u>	<u>\$ 37,644,562</u>	<u>\$ 40,358,452</u>

Source: District's Financial Records

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

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities:										
Instruction:										
Regular	\$ 14,895,765	\$ 16,752,442	\$ 17,096,355	\$ 15,969,264	\$ 15,203,662	\$ 17,448,115	\$ 15,236,760	\$ 15,482,514	\$ 15,930,037	\$ 15,870,107
Special Education	7,120,068	7,751,562	8,650,460	8,658,956	8,542,619	8,445,836	7,739,900	7,910,077	8,462,883	8,377,018
Other Instruction	1,327,565	1,390,437	1,495,761	1,376,681	1,278,528	1,383,582	1,432,277	1,413,339	1,424,658	1,708,512
School Sponsored Activities and Athletics	961,012	1,100,894	1,131,571	1,097,167	1,072,484	1,217,539	1,084,566	1,090,233	1,329,054	1,091,651
Support Services:										
Student and Instruction Related Services	4,613,436	5,123,674	5,505,003	4,653,046	4,318,366	4,570,837	3,877,079	4,313,397	4,547,514	4,708,166
General Administration Services	724,919	817,703	767,480	758,818	770,712	850,654	769,527	747,532	1,364,468	809,048
School Administrative Services	2,089,066	2,359,692	2,636,863	2,746,545	2,583,780	2,919,422	2,626,833	2,585,923	2,768,603	2,889,893
Central Services	507,806	564,502	1,048,027	750,827	948,010	1,137,739	1,185,263	725,649	1,078,808	1,178,408
Plant Operations and Maintenance	2,153,455	2,449,697	2,268,926	2,346,799	2,247,044	2,417,173	2,525,206	2,946,869	2,890,497	3,083,252
Pupil Transportation	974,052	1,032,221	739,605	954,389	678,017	525,203	931,905	1,071,102	1,247,275	1,291,083
Interest on Long-Term Debt	188,767	168,553	176,810	150,866	120,890	90,348	105,470	865,274	630,931	620,288
Total Governmental Activities Expenses	<u>35,555,911</u>	<u>39,511,377</u>	<u>41,516,861</u>	<u>39,463,358</u>	<u>37,764,112</u>	<u>41,006,448</u>	<u>37,514,786</u>	<u>39,151,909</u>	<u>41,674,728</u>	<u>41,627,426</u>
Business-Type Activities:										
Food Service	234,946	273,127	288,188	324,237	245,926	21,421	319,417	405,296	465,707	457,770
Total Business-Type Activities Expense	<u>234,946</u>	<u>273,127</u>	<u>288,188</u>	<u>324,237</u>	<u>245,926</u>	<u>21,421</u>	<u>319,417</u>	<u>405,296</u>	<u>465,707</u>	<u>457,770</u>
Total District Expenses	<u>\$ 35,790,857</u>	<u>\$ 39,784,504</u>	<u>\$ 41,805,049</u>	<u>\$ 39,787,595</u>	<u>\$ 38,010,038</u>	<u>\$ 41,027,869</u>	<u>\$ 37,834,203</u>	<u>\$ 39,557,205</u>	<u>\$ 42,140,435</u>	<u>\$ 42,085,196</u>
Program Revenues										
Governmental Activities:										
Charges for Services	\$ 35,814	\$ 91,180	\$ 61,934	\$ 88,310	\$ 78,156	\$ 58,025	\$ 175,768	\$ 195,045	\$ 222,450	\$ 219,295
Operating Grants and Contributions	8,680,425	11,018,331	12,595,207	10,767,724	9,484,316	13,205,907	9,669,726	8,343,238	8,524,088	6,948,810
Capital Grants and Contributions	-	34,721	16,580	86,736	85,348	-	-	46,895	704,509	34,782
Total Governmental Activities Program Revenues	<u>8,716,239</u>	<u>11,144,232</u>	<u>12,673,721</u>	<u>10,942,770</u>	<u>9,647,820</u>	<u>13,263,932</u>	<u>9,845,494</u>	<u>8,585,178</u>	<u>9,451,047</u>	<u>7,202,887</u>
Business-Type Activities:										
Charges for Services										
Food Service	\$ 250,898	\$ 265,403	\$ 328,439	\$ 350,872	\$ 260,197	\$ 195	\$ 339,713	\$ 425,962	\$ 440,736	\$ 478,516
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Total Business Type Activities Program Revenues	<u>250,898</u>	<u>265,403</u>	<u>328,439</u>	<u>350,872</u>	<u>260,197</u>	<u>195</u>	<u>339,713</u>	<u>425,962</u>	<u>440,736</u>	<u>478,516</u>
Total District Program Revenues	<u>\$ 8,967,137</u>	<u>\$ 11,409,635</u>	<u>\$ 13,002,160</u>	<u>\$ 11,293,642</u>	<u>\$ 9,908,017</u>	<u>\$ 13,264,127</u>	<u>\$ 10,185,207</u>	<u>\$ 9,011,140</u>	<u>\$ 9,891,783</u>	<u>\$ 7,681,403</u>
Net (Expense) / Revenue										
Governmental Activities	\$ (26,839,672)	\$ (28,367,145)	\$ (28,843,140)	\$ (28,520,588)	\$ (28,116,292)	\$ (27,742,516)	\$ (27,669,292)	\$ (30,566,731)	\$ (32,223,681)	\$ (34,424,539)
Business-Type Activities	<u>15,952</u>	<u>(7,724)</u>	<u>40,251</u>	<u>26,635</u>	<u>14,271</u>	<u>(21,226)</u>	<u>20,296</u>	<u>20,666</u>	<u>(24,971)</u>	<u>20,746</u>
Total District-Wide Net Expense	<u>\$ (26,823,720)</u>	<u>\$ (28,374,869)</u>	<u>\$ (28,802,889)</u>	<u>\$ (28,493,953)</u>	<u>\$ (28,102,021)</u>	<u>\$ (27,763,742)</u>	<u>\$ (27,648,996)</u>	<u>\$ (30,546,065)</u>	<u>\$ (32,248,652)</u>	<u>\$ (34,403,793)</u>

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes:										
Levied for General Purpose	\$ 27,307,195	\$ 27,994,354	\$ 28,773,818	\$ 30,285,211	\$ 30,271,296	\$ 30,967,007	\$ 31,586,347	\$ 31,873,783	\$ 32,625,453	\$ 33,507,183
Levied for Debt Service	691,900	695,800	693,800	695,900	697,000	682,400	662,500	1,227,379	1,568,413	1,099,494
Federal and State Aid - Unrestricted	37,244	53,778	135,145	91,417	190,282	257,458	907,138	1,357,763	772,250	1,151,571
Interest and Investment Earnings						1,021	21,217	1,411,877	1,435,346	1,196,602
Miscellaneous	148,062	123,796	132,394	194,169	207,711	129,976	325,104	305,210	111,891	156,962
Total Governmental Activities	28,184,401	28,867,728	29,735,157	31,266,697	31,366,289	32,037,862	33,502,306	36,176,012	36,513,353	37,111,812
Business-Type Activities:										
Interest and Investment Earnings	294	230			2,045	212	450	5,610	7,178	5,871
Total Business-Type Activities	294	230	-	-	2,045	212	450	5,610	7,178	5,871
Total District-Wide	\$ 28,184,695	\$ 28,867,958	\$ 29,735,157	\$ 31,266,697	\$ 31,368,334	\$ 32,038,074	\$ 33,502,756	\$ 36,181,622	\$ 36,520,531	\$ 37,117,683
Change in Net Position										
Governmental Activities	\$ 1,344,729	\$ 500,583	\$ 892,017	\$ 2,746,109	\$ 3,249,997	\$ 4,295,346	\$ 5,833,014	\$ 5,609,281	\$ 4,289,672	\$ 2,687,273
Business-Type Activities	16,246	(7,494)	40,251	26,635	16,316	(21,014)	20,746	26,276	(17,793)	26,617
Total District	\$ 1,360,975	\$ 493,089	\$ 932,268	\$ 2,772,744	\$ 3,266,313	\$ 4,274,332	\$ 5,853,760	\$ 5,635,557	\$ 4,271,879	\$ 2,713,890

Source: District's Financial Records

**WALDWICK BOARD OF EDUCATION
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)**

(modified accrual basis of accounting)

	2016	2017	2018	2019	2020 (Restated)	2021	2022	2023	2024	2025
General Fund:										
Restricted	\$ 3,817,767	\$ 4,639,759	\$ 3,167,789	\$ 4,333,340	\$ 7,223,393	\$ 9,983,151	\$ 14,215,171	\$ 15,387,481	\$ 18,349,977	\$ 15,439,947
Assigned	196,430	148,641	89,196	146,695	379,311	310,666	146,142	980,516	858,264	678,480
Unassigned	<u>254,394</u>	<u>288,458</u>	<u>357,672</u>	<u>306,229</u>	<u>261,852</u>	<u>857,774</u>	<u>831,430</u>	<u>406,887</u>	<u>303,103</u>	<u>500,072</u>
Total General Fund	<u>\$ 4,268,591</u>	<u>\$ 5,076,858</u>	<u>\$ 3,614,657</u>	<u>\$ 4,786,264</u>	<u>\$ 7,864,556</u>	<u>\$ 11,151,591</u>	<u>\$ 15,192,743</u>	<u>\$ 16,774,884</u>	<u>\$ 19,511,344</u>	<u>\$ 16,618,499</u>
All Other Governmental Funds:										
Assigned										
Restricted			\$ 1,213,279	\$ 96,345	39,361	\$ (288,505)	\$ 26,088,079	\$ 9,505,890	\$ 3,917,726	\$ 7,250,509
Total All Other Governmental Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,213,279</u>	<u>\$ 96,345</u>	<u>\$ 39,361</u>	<u>\$ (288,505)</u>	<u>\$ 26,088,079</u>	<u>\$ 9,505,890</u>	<u>\$ 3,917,726</u>	<u>\$ 7,250,509</u>

Source: District's Financial Records

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

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
REVENUES:										
Local Property Tax levy	\$ 27,999,095	\$ 28,690,154	\$ 29,467,618	\$ 30,981,111	\$ 30,968,296	\$ 31,649,407	\$ 32,248,847	\$ 33,101,162	\$ 33,714,412	\$ 34,606,677
Miscellaneous	183,876	214,976	219,098	313,698	304,934	167,663	408,663	1,754,420	1,609,637	1,418,810
Federal Sources	486,632	431,496	549,898	567,218	531,936	754,887	923,093	935,291	1,828,004	795,111
State Sources	4,449,799	4,873,739	5,567,530	6,703,398	7,103,769	8,333,976	10,565,166	11,801,187	12,314,985	12,263,343
Local Sources						94,988	113,426	143,994	160,050	155,299
Total Revenues	33,119,402	34,210,365	35,804,144	38,565,425	38,908,935	41,000,921	44,259,195	47,736,054	49,627,088	49,239,240
EXPENDITURES:										
Current:										
Regular Instruction	12,475,446	13,052,352	13,351,377	13,810,530	13,819,261	15,217,552	15,854,353	16,922,409	17,549,506	17,865,632
Special Education Instruction	6,257,011	6,493,856	7,354,435	7,864,579	8,008,632	7,527,768	7,971,356	8,482,442	9,053,689	9,113,865
Other Instruction	1,117,307	1,084,211	1,198,973	1,230,329	1,183,054	1,223,092	1,479,558	1,527,923	1,556,406	1,879,959
School Sponsored Activities and Athletics	813,284	870,288	898,665	953,268	975,491	1,077,891	1,122,236	1,174,036	1,436,338	1,212,861
Support Services:										
Student and Instruction Related Services	3,879,849	3,997,061	4,290,783	4,055,458	3,946,739	3,967,607	4,032,368	4,684,171	4,988,065	5,250,272
General Administration Services	1,734,799	690,382	645,429	680,989	721,423	766,791	793,148	800,796	1,427,577	883,850
School Administrative Services	640,250	1,818,715	2,045,912	2,363,603	2,343,607	2,512,848	2,742,585	2,848,379	3,076,631	3,270,978
Central Services	2,087,945	2,358,016	919,706	881,402	912,680	1,029,079	1,096,305	710,866	1,061,202	1,131,893
Plant Operations and Maintenance	499,940	554,307	2,072,455	2,225,274	2,190,572	2,234,860	2,383,609	2,905,166	2,856,596	2,975,551
Pupil Transportation	932,133	969,191	717,574	734,668	671,196	510,067	920,068	1,068,506	1,245,901	1,283,416
Capital outlay	722,860	787,891	3,416,576	2,567,371	451,105	844,416	5,020,402	20,064,781	6,598,935	2,287,904
Debt Service										
Principal	515,000	540,000	956,575	975,088	1,007,180	1,024,402	1,038,873	650,828	996,611	1,022,418
Interest and Other Charges	206,928	185,828	184,606	168,193	137,200	105,379	73,467	895,799	631,335	620,703
Total Expenditures	31,882,752	33,402,098	38,053,066	38,510,752	36,368,140	38,041,752	44,528,328	62,736,102	52,478,792	48,799,302
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	1,236,650	808,267	(2,248,922)	54,673	2,540,795	2,959,169	(269,133)	(15,000,048)	(2,851,704)	439,938
OTHER FINANCING SOURCES (USES):										
Proceeds from Borrowing							30,550,000			
Capital Leases (Non-Budget)			2,000,000				136,869			
Transfers In			2,018,180	350,000	64,123			3,273,655		
Transfers Out			(2,018,180)	(350,000)	(64,123)			(3,273,655)	-	
Total Other Financing Sources (Uses)	-	-	2,000,000	-	-	-	30,686,869	-	-	-
Net Change in Fund Balances	\$ 1,236,650	\$ 808,267	\$ (248,922)	\$ 54,673	\$ 2,540,795	\$ 2,959,169	\$ 30,417,736	\$ (15,000,048)	\$ (2,851,704)	\$ 439,938
Debt Service as a Percentage of										
Noncapital Expenditures	2.32%	2.23%	3.29%	3.18%	3.19%	3.04%	2.82%	3.62%	3.55%	3.53%

* Noncapital expenditures are total expenditures less capital outlay.

Source: District Financial Records

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

<u>Fiscal Year Ended June 30,</u>	<u>Tuition</u>	<u>Interest on Investments</u>	<u>Health Benefits/ Insurance Rebate</u>	<u>Prior Year Tuition Refunds</u>	<u>Cancel Prior Year Accounts Payable</u>	<u>NJ Clean Energy Audit</u>	<u>E-Rate</u>	<u>Technology Fees</u>	<u>Facility Rental</u>	<u>Gate Receipts</u>	<u>Misc.</u>	<u>Total</u>
2016	\$ 35,814	\$ 12,903			\$ 12,480		\$ 17,125		\$ 17,440	\$ 11,006	\$ 77,108	\$ 183,876
2017	91,180	17,936			6,781		13,316	\$ 14,395	11,782	4,923	54,663	214,976
2018	14,000	28,907		\$ 21,235	26,023	\$ 7,750	10,210	21,487	47,934	3,981	24,029	205,556
2019	39,900	62,107	\$ 3,172	12,348	6,548	5,320	15,237	37,785	48,410	4,166	49,471	284,464
2020	39,441	141,554	-	8,875	500	4,500	24,003	18,640	38,715	14,201	14,505	304,934
2021	36,666	27,165	-	8,842	7,265	1,750	9,122	13,900	32,705	-	30,248	167,663
2022	62,342	160,118	-	-	-	-	-	14,050	33,290	5,900	132,963	408,663
2023	56,298	1,411,877	-	-	-	-	-	15,975	64,133	8,392	197,745	1,754,420
2024	62,400	1,435,346	-	-	-	-	-	14,075	56,093	16,708	25,015	1,609,637
2025	65,246	1,196,602	-	-	-	-	-	15,255	58,401	18,616	64,690	1,418,810

Source: District records (GAAP Basis)

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Q farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2016	\$ 8,428,600	\$ 1,408,833,800	N/A	N/A	\$ 128,126,700	\$ 28,570,600	N/A	\$ 1,573,959,700	\$ 100,000	\$ 1,573,959,700	\$ 1,543,242,913	\$ 1.801
2017	11,496,900	1,410,802,300	N/A	N/A	125,968,400	28,720,600	N/A	1,576,988,200	100,000	1,577,088,200	1,579,923,809	1.845
2018	8,547,400	1,414,823,500	N/A	N/A	125,912,300	28,720,600	\$ 19,600,000	1,597,603,800	100,000	1,597,703,800	1,631,626,486	1.873
2019	8,741,400	1,416,214,300	N/A	N/A	127,880,600	28,493,100	19,600,000	1,600,929,400	100,000	1,601,029,400	1,668,827,336	1.955
2020	9,523,000	1,421,148,400	N/A	N/A	128,905,600	28,493,100	19,600,000	1,607,670,100	100,000	1,607,770,100	1,703,927,975	1.948
2021	9,593,300	1,424,512,900	N/A	N/A	142,157,700	28,493,100	19,600,000	1,624,357,000	100,000	1,624,457,000	1,748,583,267	1.967
2022	8,943,300	1,431,060,700	N/A	N/A	142,157,700	28,493,100	19,600,000	1,630,254,800	100,000	1,630,354,800	1,838,736,267	2.007
2023	9,432,300	1,435,737,200	N/A	N/A	143,692,200	27,918,600	19,600,000	1,636,380,300	100,000	1,636,480,300	1,952,810,471	2.040
2024	10,053,800	1,905,504,100	N/A	N/A	211,255,500	45,166,000	37,024,000	2,209,003,400	100,000	2,209,103,400	2,162,410,247	1.547
2025	10,650,700	1,910,498,400	N/A	N/A	208,758,300	45,166,000	36,907,800	2,211,981,200	100,000	2,212,081,200	2,341,736,476	1.590

Source: County Abstract of Ratables

^a Tax rates are per \$100

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

<u>Calendar Year</u>	<u>Total</u>	<u>Local School District</u>	<u>Municipality (1)</u>	<u>County (2)</u>
2016	\$ 2.602	\$ 1.801	\$ 0.559	\$ 0.242
2017	2.656	1.845	0.554	0.257
2018	2.679	1.873	0.556	0.250
2019	2.766	1.955	0.556	0.255
2020	2.767	1.948	0.556	0.263
2021	2.794	1.967	0.556	0.271
2022	2.848	2.007	0.568	0.273
2023	2.908	2.040	0.583	0.285
2024	2.214	1.547	0.439	0.228
2025	2.295	1.590	0.457	0.248

(1) Includes Open Space Tax and Library

(2) Includes County Open Space Tax

Source: Tax Duplicate, Borough of Waldwick

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

Taxpayer	2025	
	Taxable Assessed Value	% of Total District Net Assessed Value
D&R Waldwick LLC	\$ 32,457,800	1.98%
HSRE-EV Waldwick LLC	25,000,000	1.53%
Waldwick Sports Complex LLC	16,705,400	1.02%
LKD Realty Inc.	12,138,600	0.74%
Granatell Group 41N LLC	6,448,300	0.39%
Lesterick Corp. Inc.	6,131,400	0.37%
UB Waldwick LLC	5,848,200	0.36%
Wyckoff Ave Assoc. LLC	5,666,200	0.35%
Waldwick North LLC	5,553,600	0.34%
Med-Tech PTNRS LLC	5,109,900	0.31%
	<u>\$ 121,059,400</u>	<u>7.40%</u>

2016		
	Taxable Assessed Value	% of Total District Net Assessed Value
HFZ Waldwick, LLC	\$ 10,900,000	0.70%
LKD Realty Inc.	7,367,800	0.47%
Public Service Electric & Gas	5,214,700	0.33%
Hamilton Properties	5,177,300	0.33%
Franklin Assets Inc	4,102,100	0.26%
Med Tech Partners LLC	3,766,600	0.24%
Waldwick North LLC	3,600,000	0.23%
Waldwick Shopping Center	3,473,400	0.22%
D&R Waldwick LLC	3,043,300	0.20%
Wyckoff Ave Assoc. LLC	3,341,700	0.21%
	<u>\$ 49,986,900</u>	<u>3.21%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	\$ 27,999,095	\$ 27,999,095	100.00%	-
2017	28,690,154	28,690,154	100.00%	-
2018	29,467,618	29,467,618	100.00%	-
2019	30,981,111	30,981,111	100.00%	-
2020	30,968,296	30,968,296	100.00%	-
2021	31,649,407	31,649,407	100.00%	-
2022	32,248,847	32,248,847	100.00%	-
2023	33,101,162	33,101,162	100.00%	-
2024	33,714,412	33,714,412	100.00%	-
2025	34,606,677	34,606,677	100.00%	-

Source: District Records

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

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Capital Financing			
2016	\$ 4,165,000		\$ 4,165,000	9,885	\$ 421
2017	3,625,000		3,625,000	9,895	366
2018	3,065,000	\$ 1,603,425	4,668,425	10,158	460
2019	2,480,000	1,213,337	3,693,337	10,109	365
2020	1,870,000	816,157	2,686,157	10,261	262
2021	1,250,000	411,755	1,661,755	10,076	165
2022	31,175,000	134,751	31,309,751	10,048	3,116
2023	30,550,000	108,923	30,658,923	10,105	3,034
2024	29,580,000	82,312	29,662,312	10,308	2,878
2025	28,585,000	54,894	28,639,894	10,308 *	2,778

Source: District records

* - Estimated

WALDWICK 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 Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions			
2016	\$ 4,165,000		\$ 4,165,000	0.26%	\$ 421
2017	3,625,000		3,625,000	0.23%	366
2018	3,065,000		3,065,000	0.19%	302
2019	2,480,000		2,480,000	0.15%	245
2020	1,870,000		1,870,000	0.12%	182
2021	1,250,000		1,250,000	0.08%	124
2022	31,175,000		31,175,000	1.91%	3,103
2023	30,550,000		30,550,000	1.87%	3,023
2024	29,580,000		29,580,000	1.34%	2,870
2025	28,585,000		28,585,000	1.29%	2,773

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.

WALDWICK BOARD OF EDUCATION
COMPUTATION OF DIRECT AND OVERLAPPING OUTSTANDING BONDED DEBT
FOR YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)

	<u>Total Debt</u>
Debt:	
School District	\$ 28,585,000
Borough of Waldwick	<u>22,375,578</u>
Total Direct Debt	<u>50,960,578</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	16,055,258
Northwest Bergen Regional Sewerage Authority (B)	<u>2,807,692</u>
	<u>18,862,950</u>
Total Direct and Overlapping Debt	<u>\$ 69,823,528</u>

- (A) The debt for this entity was apportioned to the Borough of Waldwick by dividing the Municipality's 2025 equalized value by the total 2025 equalized value for Bergen County.
- (B) Overlapping debt was computed based upon municipal flow to the Authority.

Sources:

- (a) Borough of Waldwick 2024 Annual Debt Statement

Source: School District Financial Statements

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

Legal Debt Margin Calculation for Fiscal Year 2025

	Equalized valuation basis	
	2024	2,334,605,157
	2023	2,100,886,250
	2022	<u>1,941,935,438</u>
		<u>\$ 6,377,426,845</u>
Average equalized valuation of taxable property	\$	2,125,808,948
Debt limit (4 % of average equalization value)		85,032,358 ^a
Total Net Debt Applicable to Limit		<u>28,585,000</u>
Legal debt margin	\$	<u>56,447,358</u>

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	\$ 60,785,634	\$ 61,788,334	\$ 62,779,981	\$ 64,568,152	\$ 66,166,829	\$ 67,766,670	\$ 69,989,243	\$ 73,303,204	\$ 78,285,797	\$ 85,032,358
Total net debt applicable to limit	<u>4,165,000</u>	<u>3,625,000</u>	<u>3,065,000</u>	<u>2,480,000</u>	<u>1,870,000</u>	<u>1,250,000</u>	<u>31,175,000</u>	<u>30,550,000</u>	<u>29,580,000</u>	<u>28,585,000</u>
Legal debt margin	<u>\$ 56,620,634</u>	<u>\$ 58,163,334</u>	<u>\$ 59,714,981</u>	<u>\$ 62,088,152</u>	<u>\$ 64,296,829</u>	<u>\$ 66,516,670</u>	<u>\$ 38,814,243</u>	<u>\$ 42,753,204</u>	<u>\$ 48,705,797</u>	<u>\$ 56,447,358</u>
Total net debt applicable to the limit as a percentage of debt limit	6.85%	5.87%	4.88%	3.84%	2.83%	1.84%	44.54%	41.68%	37.78%	33.62%

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

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

**WALDWICK 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</u>
2016	4.0%	\$ 76,367	9,885
2017	3.6%	78,611	9,895
2018	3.2%	82,731	10,158
2019	2.6%	86,871	10,109
2020	8.3%	88,256	10,261
2021	5.9%	94,342	10,067
2022	3.1%	96,434	10,048
2023	3.1%	102,229	10,105
2024	3.3%	102,229 *	10,308
2025	N/A	N/A	10,308 *

* - Estimated

(1) County of Bergen

Source: United States Bureau of Census
U.S. Dept. of Commerce

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

NOT AVAILABLE

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

<u>Function/Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Instruction										
Regular	109	113	112	112	119	118	116	119	119	126
Special education	36	34	36	36	31	31	33	34	34	36
Other regular education								11	18	7
Other special education	31	29	28	29	32	31	35	35	29	41
Support Services:										
Student & Instruction related services	32	34	32	31	30	31	31	32	32	32
General administration	3	3	2	2	2	2	2	2	2	2
School administrative services	12	11	13	14	14	14	14	14	14	14
Central services	8	7	7	6	6	6	5	5	5	5
Plant operations and maintenance	18	17	17	16	15	15	15	15	15	15
Pupil transportation	2	2	2	3	3	2	1	1	1	1
Total	<u>251</u>	<u>250</u>	<u>249</u>	<u>249</u>	<u>252</u>	<u>250</u>	<u>252</u>	<u>268</u>	<u>269</u>	<u>279</u>

Source: District Personnel Records

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

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Pupil/Teacher Ratio				Senior High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Middle School						
2016	1,576	\$ 30,437,964	\$ 19,313	3.99%	145	1:11	1:12		1:11	1,584	1,517	0.44%	95.77%
2017	1,592	31,888,379	20,030	3.71%	147	1:10	1:12		1:09	1,585	1,509	0.06%	95.21%
2018	1,614	33,495,309	20,753	3.61%	148	1:10	1:10		1:09	1,586	1,514	0.06%	95.46%
2019	1,619	34,800,100	21,495	3.57%	148	1:11	1:09		1:09	1,597	1,521	0.69%	95.24%
2020	1,635	34,772,655	21,268	-1.06%	150	1:11	1:08		1:09	1,613	1,546	1.00%	95.85%
2021	1,622	36,067,555	22,236	4.56%	149	1:11	1:09		1:09	1,599	1,548	-0.87%	96.81%
2022	1,594	38,395,586	24,088	8.32%	149	1:11	1:09		1:10	1,583	1,494	-1.00%	94.38%
2023	1,575	41,124,694	26,111	8.40%	153	1:11	1:09		1:09	1,560	1,467	-1.45%	94.04%
2024	1,596	44,251,911	27,727	6.19%	153	1:11	1:09		1:09	1,587	1,504	1.73%	94.77%
2025	1,573	44,868,277	28,524	2.88%	162	1:11	1:09		1:09	1,557	1,471	-1.89%	94.48%

Sources: District records

Note: a Enrollment based on annual October district count.
b Operating expenditures equal total expenditures (modified accrual) less debt service and capital outlay.
c Cost per pupil represents operating expenditures divided by enrollment.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>District Building</u>										
<u>Elementary</u>										
Crescent										
Square Feet	34,500	34,500	34,500	34,500	34,500	34,500	34,500	34,500	34,500	34,500
Capacity (students)										
Enrollment	340	346	353	349	366	344	337	333	338	314
Traphagen										
Square Feet	36,400	36,400	36,400	48,304	45,244	45,244	45,244	45,244	45,244	45,244
Capacity (students)										
Enrollment	408	417	419	442	424	425	428	425	429	414
<u>Middle School</u>										
Square Feet										
Capacity (students)										
Enrollment	364	362	367	364	376	267	369	379	368	401
<u>High School</u>										
Square Feet	157,889	157,889	157,889	157,889	157,889	157,889	157,889	157,889	157,889	157,889
Capacity (students)										
Enrollment	456	449	440	441	452	460	444	422	429	434

Number of Schools at June 30, 2025

Elementary = 2

Middle School = 1

Senior High School = 1

Source: District Records

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

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

		<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
School Facilities	Project #(s)										
Crescent E.S.	N/A	\$ 48,661	\$ 91,560	\$ 51,686	\$ 54,559	\$ 64,332	\$ 47,064	\$ 42,902	\$ 37,401	\$ 57,418	\$ 60,287
Traphagen E.S.	N/A	51,341	96,803	54,532	76,388	84,366	61,721	56,261	49,049	75,299	79,061
Waldwick Jr/Sr High School	N/A	<u>222,695</u>	<u>419,428</u>	<u>236,541</u>	<u>274,776</u>	<u>294,415</u>	<u>215,387</u>	<u>196,337</u>	<u>171,167</u>	<u>262,772</u>	<u>275,901</u>
Grand Total		<u>\$ 322,697</u>	<u>\$ 607,791</u>	<u>\$ 342,759</u>	<u>\$ 405,723</u>	<u>\$ 443,113</u>	<u>\$ 324,172</u>	<u>\$ 295,500</u>	<u>\$ 257,617</u>	<u>\$ 395,489</u>	<u>\$ 415,249</u>

Source: School District's Financial Statements

WALDWICK BOARD OF EDUCATION
SCHEDULE OF INSURANCE
June 30, 2025
(Unaudited)

		<u>Coverage</u>	<u>Deductible</u>
Northeast Bergen County School	Board Insurance Group (NESBIG):		
Package Policy - National Union Fire Ins. Co.			
Property		\$ 108,792,539	\$ 5,000
	Earthquake/Flood (Outside Zones A & V)	5,000,000	50,000
	Flood Zones A, V & N	7,500,000/15,000,000 agg	500,000
	Flood Zones C or X	20,000,000/200,000,000 agg	50,000
Liability			
	Automobile (Comprehensive & Collision)	1,000,000	1,000
	Automobile Liability	1,000,000	2,500
	Comprehensive General Liability	1,000,000	2,500
Worker's Compensation & Employer's Liability		Statutory	
		1,000,000	
Crime (Non-statutory Bonds)	National Union		
	Per Employee	500,000	5,000
	Forgery and Alterations	250,000	5,000
Boiler & Machinery		150,000,000	5,000
Environmental - Chubb		2,000,000/4,000,000agg	25,000
	Fund Aggregate	20,000,000	
	Mold	50,000	
Educator's Legal Liability/		1,000,000	25,000
	Employment Practices - XL	incl.	35,000
Commercial Umbrella -National Union Fire Ins. Co.		9,000,000	10,000
Excess Umbrella - Fireman's Fund		25,000,000	
	Fund Aggregate (Shared 1/4 Fund)	25,000,000	
Excess Umbrella - Unshared		30,000,000	
Great American/Allied World/Hudson Ins.			
	Cyber Liability - CFC	1,000,000	10,000
Accident Policy Bollinger/Zurich			
70% coinsurance/\$1,000 deductible (All Students & Athletes)		5,000,000	1,000
Student/Athletic Disability		1,500,000	
Surety Bond Coverage:			
	Business Administrator	275,000	

Source: School District's records

* Pool coverage for the Northeast Bergen County School Board Insurance Group

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
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DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities and each major fund of the Waldwick 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 Waldwick 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 Waldwick 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 Waldwick Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Waldwick 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

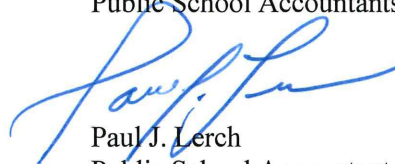
As part of obtaining reasonable assurance about whether the Waldwick Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Waldwick 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 Waldwick 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



Paul J. Lerch
Public School Accountant
PSA Number CS0118

Fair Lawn, New Jersey
November 4, 2025



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
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JOHN CUIFFO, CPA, PSA

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

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

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

Report on Internal Control Over Compliance

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

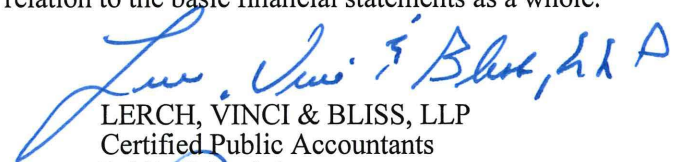
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

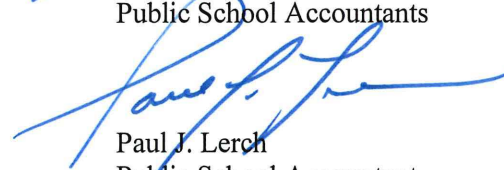
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Waldwick Board of Education as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated 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


Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
November 4, 2025

WALDWICK 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 A.I. Number	Federal FAIN Number	Program or Award Amount	Grant Period From To		Balance at July 1, 2024		Carryover Amount		Cash Received	Total Budgetary Expenditures	Acc Rec Adjustments	Def Rev Adjustments	Balance at June 30, 2025			Memo GAAP Receivable
						Accounts Receivable	Deferred Revenue	Accounts Receivable	Deferred Revenue					Accounts Receivable	Deferred Revenue	Due to Grantor	
U.S. Department of Health and Human Services																	
General Fund:																	
Medical Assistance Program (SEMI)	93.778	2105NJ5MAP	\$ 10,685	7/1/24	6/30/25	-	-	-	-	\$ 10,685	\$ 10,685	-	-	-	-	-	-
Total General Fund						-	-	-	-	10,685	10,685	-	-	-	-	-	-
U.S. Department of Education																	
Passed-through State Department of Education																	
Special Revenue Fund:																	
Title I, Part A	84.010	S010A240030	\$ 57,138	7/1/24	9/30/25			\$ (14,221)	\$ 14,221		48,682		\$ 19,379	\$ (71,359)	\$ 42,056		\$ (29,303)
Title I, Part A, Carryover	84.010	S010A230030	61,822	7/1/23	9/30/24	\$ (21,114)	\$ 32,863	14,221	(14,221)	6,893	18,642			-	-		
Title I, Part A, Carryover	84.010	S010A220030	64,801	7/1/22	9/30/23	-	2,072				1,335		(737)	-	-		
Title I, Part A, Carryover	84.010	S010A200030	139,201	7/1/20	9/30/21	-	-	-	-	-	-	-	-	-	-	-	-
Total Title I, Part A Cluster						(21,114)	34,935	-	-	6,893	68,659	-	18,642	(71,359)	42,056	-	(29,303)
Title II, Part A	84.367A	S367A240029	22,453	7/1/24	9/30/25			(4,669)	4,669	15,457	20,525			(11,665)	6,597		(5,068)
Title II, Part A, Carryover	84.367A	S367A230029	25,064	7/1/23	9/30/24	(4,549)	2,912	4,549	(2,912)					-	-		
Title II, Part A, Carryover	84.367A	S367A220029	27,260	7/1/22	9/30/23	(13,784)	13,784	120	(1,757)	9,728	8,091	\$ 3,936	(3,936)	-	-		
Title II, Part A, Carryover	84.367A	S367A200029	29,149	7/1/20	9/30/21	-	2,422	-	-	-	2,422	-	-	-	-	-	-
Total Title II, Part A Cluster						(18,333)	19,118	-	-	25,185	31,038	3,936	(3,936)	(11,665)	6,597	-	(5,068)
Title III	84.365A	S365A230030	13,603	7/1/23	9/30/24	(3,234)	3,234			1,995	1,995			(1,239)	1,239		-
Title III, Immigrant	84.365A	S365A240030		7/1/24	9/30/25			(3,489)	3,489		1,168			(3,489)	2,321		(1,168)
Title III, Immigrant, Carryover	84.365A	S365A230030	3,489	7/1/23	9/30/24	(3,489)	3,489	3,489	(3,489)					-	-		
Title III, Immigrant, Carryover	84.365A	S365A200030	2,753	7/1/20	9/30/21	-	676	-	-	-	676	-	-	-	-	-	-
Total Title III Cluster						(6,723)	7,399	-	-	1,995	3,839	-	-	(4,728)	3,560	-	(1,168)
Title IV, Part A	84.424A	S424A240030	10,000	7/1/24	9/30/25			(192)	192	9,016	9,016			(1,176)	1,176		
Title IV, Part A, Carryover	84.424A	S424A230030	10,000	7/1/23	9/30/24	(162)	1,803	162	(162)		1,641			-	-		
Title IV, Part A, Carryover	84.424A	S424A220030	10,000	7/1/22	9/30/23	(30)	229	30	(30)		199			-	-		
Title IV, Part A, Carryover	84.424A	S424A200031	10,000	7/1/20	9/30/21	-	916	-	-	-	916	-	-	-	-	-	-
Total Title IV, Part A Cluster						(192)	2,948	-	-	9,016	11,772	-	-	(1,176)	1,176	-	-
I.D.E.A. Part B, Basic Regular	83.027	H027A240100	423,117	7/1/24	9/30/25			(41,969)	41,969	425,111	432,406			(39,975)	32,680		(7,295)
I.D.E.A. Part B, Basic Regular, Carryover	84.027	H027A230100	436,583	7/1/23	9/30/24	(45,953)	41,970	41,969	(41,969)	3,984	1			-	-		-
I.D.E.A. Part B, Basic Regular, Carryover	84.027	H027A220100	400,426	7/1/22	9/30/23	(20,217)	19,349			20,217	19,349			-	-		
I.D.E.A. Part B, Basic Regular, Carryover	84.027	H027A200100	406,341	7/1/20	9/30/21		34,438				34,438			-	-		
I.D.E.A. Part B, Preschool	84.173	H173A240114	16,517	7/1/24	9/30/25	-	-			16,517	16,517			-	-		
ARP IDEA - Basic	84.027X	H027X210100	78,414	7/1/21	9/30/22	-	5,467	-	-	-	5,467	-	-	-	-	-	-
Total Special Education Cluster (IDEA)						(66,170)	101,224	-	-	465,829	508,178	-	-	(39,975)	32,680	-	(7,295)

WALDWICK 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 A.L. Number	Federal FAIN Number	Program or Award Amount	Grant Period From To		Balance at July 1, 2024		Carryover Amount			Total Budgetary Expenditures	Acc Rec Adjustments	Def Rev Adjustments	Balance at June 30, 2025			Memo GAAP Receivable
						Accounts Receivable	Deferred Revenue	Accounts Receivable	Deferred Revenue	Cash Received				Accounts Receivable	Deferred Revenue	Due to Grantor	
ACSERS	21.027	SLFRFDOEISES	165,102	7/1/23	6/30/24	\$ (92,418)	-	-	-	\$ 92,418	-	-	-	-	-	-	\$ -
Total ACSERS Cluster						(92,418)	-	-	-	92,418	-	-	-	-	-	-	-
CRRSA, ESSER II	84.425D	S425D200027	438,069	3/13/20	9/30/23	(2,626)	\$ 275				-	\$ 2,626	\$ (275)	-	-		-
CRRSA, Learning Acceleration	84.425D	S425D200027	28,113	3/13/20	9/30/23	(459)	459				-	459	(459)	-	-		-
CRRSA, Mental Health	84.425D	S425D200027	45,000	3/13/20	9/30/23	(13,951)	13,951				-	13,951	(13,951)	-	-		-
ARP, ESSER	84.425U	S425U210027	984,532	3/13/20	9/30/24	-	-							-	-		-
ARP, Accelerated Learning Coach and Educator Support	84.425U	S425U210027	134,081	3/13/20	9/30/24	(106,531)	106,531			106,531	\$ 106,531			-	-		-
ARP, Evidence Based Summer Learning and Enrichment	84.425U	S425U210027	40,000	3/13/20	9/30/24	(7,111)	-			7,111				-	-		-
ARP, Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	40,000	3/13/20	9/30/24	(35,000)	33,995			35,000	33,995			-	-		-
ARP, NJTSS Mental Health Support Staffing	84.425U	S425U210027	45,000	3/13/20	9/30/24	(22,346)	9,238	-	-	13,281	1,350	9,065	(7,888)	-	-	-	-
Total ESSER Fund Cluster						(188,024)	164,449	-	-	161,923	141,876	26,101	(22,573)	-	-	-	-
NJ High Impact Tutoring	84.425V	S425U240031	3,610	7/1/24	6/30/25			\$ (188)	\$ 188	3,798	3,798			-	-		
NJ High Impact Tutoring	84.425V	S425U240031	76,000	10/11/23	8/31/24	(15,454)	15,454	188	(188)	60,546	15,266	(60,546)	-	\$ (15,266)	-	-	\$ (15,266)
Total NJ High Impact Tutoring Cluster						(15,454)	15,454	-	-	64,344	19,064	(60,546)	-	(15,266)	-	-	(15,266)
Total Special Revenue Fund						\$ (408,428)	\$ 345,527	\$ -	\$ -	\$ 827,603	\$ 784,426	\$ (30,509)	\$ (7,867)	\$ (144,169)	\$ 86,069	\$ -	\$ (58,100)
Total Federal Financial Awards						\$ (408,428)	\$ 345,527	\$ -	\$ -	\$ 838,288	\$ 795,111	\$ (30,509)	\$ (7,867)	\$ (144,169)	\$ 86,069	\$ -	\$ (58,100)

WALDWICK 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	Program or Award Amount	Grant Period From To		Balance at July 1, 2024				Balance at June 30, 2025				MEMO	
					Deferred Revenue (Accts Receivable)	Due to Grantor	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	(Accounts Receivable)	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education														
General Fund:														
Equalization Aid	24-495-034-5120-078	\$748,622	7/1/23	6/30/24	\$ (55,068)		\$ 55,068							*
Equalization Aid	25-495-034-5120-078	557,162	7/1/24	6/30/25			526,252	\$ 557,162		\$ (30,910)				*
Stabilization Aid	25-495-034-5210-078	86,157	7/1/24	6/30/25			86,157	86,157					\$ 557,162	*
Special Education Categorical Aid	24-495-034-5120-089	1,350,999	7/1/23	6/30/24	(99,378)		99,378						-	*
Special Education Categorical Aid	25-495-034-5120-089	1,350,999	7/1/24	6/30/25			1,276,048	1,350,999		(74,951)			1,350,999	*
Security Aid	24-495-034-5120-084	125,909	7/1/23	6/30/24	(9,262)		9,262						-	*
Security Aid	25-495-034-5120-084	125,909	7/1/24	6/30/25	-	-	118,924	125,909	-	(6,985)	-	-	-	125,909
Total State Aid Public Cluster					(163,708)	-	2,171,089	2,120,227	-	(112,846)	-	-	-	2,120,227
Transportation Aid	24-495-034-5120-014	199,527	7/1/23	6/30/24	(14,677)		14,677						-	*
Transportation Aid	25-495-034-5120-014	199,527	7/1/24	6/30/25			188,457	199,527		(11,070)			199,527	*
Additional Nonpublic Transportation Aid	24-495-034-5120-014	33,893	7/1/23	6/30/24	(33,893)		33,893			-			-	*
Additional Nonpublic Transportation Aid	25-495-034-5120-014	40,862	7/1/24	6/30/25	-	-	-	40,862	-	(40,862)	-	-	\$ (40,862)	40,862
Total Transportation Aid Cluster					(48,570)	-	237,027	240,389	-	(51,932)	-	-	(40,862)	240,389
Extraordinary Aid	24-495-034-5120-044	852,572	7/1/23	6/30/24	(852,572)		852,572			-			-	*
Extraordinary Aid	25-495-034-5120-044	765,697	7/1/24	6/30/25	-	-	-	765,697	-	(765,697)	-	-	-	765,697
Total Extraordinary Aid Cluster					(852,572)	-	852,572	765,697	-	(765,697)	-	-	-	765,697
Reimbursed Social Security Tax	24-495-034-5094-003	1,176,124	7/1/23	6/30/24	(58,131)		58,131			-			-	*
Reimbursed Social Security Tax	25-495-034-5094-003	1,219,423	7/1/24	6/30/25	-		1,159,909	1,219,423		(59,514)	-		(59,514)	1,219,423
On-Behalf Teachers' Pension and Annuity Fund	25-495-034-5094-002	5,351,218	7/1/24	6/30/25			5,351,218	5,351,218					5,351,218	*
On-Behalf- Teachers' Pension & Annuity Fund – Non-contributory Insurance	25-495-034-5094-004	66,287	7/1/24	6/30/25			66,287	66,287					66,287	*
On Behalf-Teachers' Pension and Annuity Fund – Post Retirement Medical	25-495-034-5094-001	1,582,999	7/1/24	6/30/25			1,582,999	1,582,999					1,582,999	*
On-Behalf- Teachers' Pension & Annuity Fund – Long Term Disability	25-495-034-5094-004	2,221	7/1/24	6/30/25	-	-	2,221	2,221	-	-	-	-	-	2,221
Total On-Behalf					(58,131)	-	8,220,765	8,222,148	-	(59,514)	-	-	(59,514)	8,222,148
Total General Fund					\$ (1,122,981)	\$ -	\$ 11,481,453	\$ 11,348,461	\$ -	\$ (989,989)	\$ -	\$ -	\$ (100,376)	\$ 11,348,461

WALDWICK BOARD OF EDUCATION
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2025

Balance at July 1, 2024										Balance at June 30, 2025				MEMO	
State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Deferred Revenue (Accts Receivable)	Due to Grantor	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	(Accounts Receivable)	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
			From	To											
Special Revenue Fund:															
N.J. Nonpublic Aid:															
Textbook Aid	24-100-034-5120-064	\$ 13,643	7/1/23	6/30/24		\$ 49			\$ 49						
Textbook Aid	25-100-034-5120-064	11,097	7/1/24	6/30/25	-	-	\$ 11,097	\$ 9,943	-	-	-	\$ 1,154	-	\$ 9,943	
Textbook Aid Cluster					-	49	11,097	9,943	49	-	-	1,154	-	9,943	
Nursing Services Aid	24-100-034-5120-070	30,480	7/1/23	6/30/24		2,729			2,729			-		-	
Nursing Services Aid	25-100-034-5120-070	30,550	7/1/24	6/30/25	-	-	30,550	25,833	-	-	-	4,717	-	25,833	
Nursing Services Aid Cluster					-	2,729	30,550	25,833	2,729	-	-	4,717	-	25,833	
School Security Aid	24-100-034-5120-509	52,070	7/1/23	6/30/24		562			562			-		-	
School Security Aid	25-100-034-5120-509	48,175	7/1/24	6/30/25	-	-	48,175	37,890	-	-	-	10,285	-	37,890	
School Security Aid Cluster					-	562	48,175	37,890	562	-	-	10,285	-	37,890	
Technology Initiative Aid	24-100-034-5120-509	11,564	7/1/23	6/30/24		3,951			3,951			-		-	
Technology Initiative Aid	25-100-034-5120-509	10,633	7/1/24	6/30/25	-	-	10,633	10,503	-	-	-	130	-	10,503	
School Technology Initiative Aid Cluster					-	3,951	10,633	10,503	3,951	-	-	130	-	10,503	
Auxiliary Services:															
Compensatory Education	24-100-034-5120-067	104,293	7/1/23	6/30/24		18,159			18,159			-		-	
Compensatory Education	25-100-034-5120-067	100,569	7/1/24	6/30/25	-	-	100,569	76,461	-	-	-	24,108	-	76,461	
English Language Learner	24-100-034-5120-067	26,370	7/1/23	6/30/24		5,861			5,861			-		-	
English Language Learner	25-100-034-5120-067	22,955	7/1/24	6/30/25	-	-	22,955	16,687	-	-	-	6,268	-	16,687	
Home Instruction	24-100-034-5120-067	1,229	7/1/23	6/30/24	\$ (1,229)	-	1,229	-	-	-	-	-	-	-	
Auxiliary Services Cluster:					(1,229)	24,020	124,753	93,148	24,020	-	-	30,376	-	93,148	
Nonpublic Handicapped Aid (Chapter 193):															
Examination and Classification	24-100-034-5120-066	59,717	7/1/23	6/30/24		30,332			30,332			-		-	
Examination and Classification	25-100-034-5120-066	34,123	7/1/24	6/30/25	-	-	34,123	28,439	-	-	-	5,684	-	28,439	
Speech Correction	24-100-034-5120-066	34,689	7/1/23	6/30/24		7,812			7,812			-		-	
Speech Correction	25-100-034-5120-066	37,200	7/1/24	6/30/25	-	-	37,200	24,738	-	-	-	12,462	-	24,738	
Supplemental Instruction	24-100-034-5120-066	24,119	7/1/23	6/30/24		3,552			3,552			-		-	
Supplemental Instruction	25-100-034-5120-066	27,836	7/1/24	6/30/25	-	-	27,836	21,641	-	-	-	6,195	-	21,641	
Nonpublic Handicapped Aid (Chapter 193) Cluster:					-	41,696	99,159	74,818	41,696	-	-	24,341	-	74,818	
SDA - Emergent Capital and Maintenance Needs Grant	N/A	37,308	7/1/23	6/30/24	37,308	-	-	37,308	-	-	-	-	-	37,308	
Total Special Revenue Fund					36,079	73,007	324,367	289,443	73,007	-	-	71,003	-	289,443	
Debt Service Fund:															
Debt Service State Aid	25-495-034-5120-075	484,094	7/1/24	6/30/25	-	-	484,094	484,094	-	-	-	-	-	484,094	
Total Debt Service Fund					-	-	484,094	484,094	-	-	-	-	-	484,094	
Total State Financial Assistance					\$ (1,086,902)	\$ 73,007	\$ 12,289,914	\$ 12,121,998	\$ 73,007	\$ (989,989)	\$ -	\$ 71,003	\$ (100,376)	\$ 12,121,998	
Less: On-Behalf TPAF Pension System Contributions															
On-Behalf Teachers' Pension and Annuity Fund	25-495-034-5094-002	5,351,218	7/1/24	6/30/25				(5,351,218)							
On-Behalf Teachers' Pension & Annuity Fund - Non-contributory Insurance	25-495-034-5094-004	66,287	7/1/24	6/30/25				(66,287)							
On-Behalf-Teachers' Pension and Annuity Fund - Post Retirement Medical	25-495-034-5094-001	1,582,999	7/1/24	6/30/25				(1,582,999)							
On-Behalf Teachers' Pension & Annuity Fund - Long Term Disability	25-495-034-5094-004	2,321	7/1/24	6/30/25				(2,221)							
Total for State Financial Assistance-Major Program Determination								\$ 5,119,273							

The Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an Integral Part of this Statement.

**WALDWICK 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 Waldwick 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 Principles, 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 \$141,345 for the general 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	\$ 10,685	\$ 11,489,806	\$ 11,500,491
Special Revenue Fund	784,426	289,443	1,073,869
Debt Service Fund	-	484,094	484,094
Total Financial Assistance	<u>\$ 795,111</u>	<u>\$ 12,263,343</u>	<u>\$ 13,058,454</u>

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

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6 OTHER INFORMATION

TPAF Social Security contributions in the amount of \$1,219,423 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2025. The amount reported as TPAF Pension System Contributions in the amount of \$5,417,505, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,582,999 and TPAF Long-Term Disability Insurance in the amount of \$2,221 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.

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

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

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

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

Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance (section.510(a))? yes X none

Identification of major programs:

CFDA Number(s)	FAIN Numbers	Name of Federal Program or Cluster
84.027	H027A240100	I.D.E.A. Part B, Basic Regular
84.173	H173A240114	I.D.E.A. Part B, Preschool

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

Auditee qualified as low-risk auditee? X yes no

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

Part I – Summary of Auditor's Results

State Awards Section

Internal Control over compliance:

- 1) Material weakness(es) identified? _____ yes X no
- 2) Were significant deficiencies identified that were
not considered to be material weaknesses? _____ yes X none reported

Type of auditors' report on compliance for major programs: Unmodified

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

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
<u>495-034-5120-078</u>	<u>Equalization/Stabilization Aid</u>
<u>495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>495-034-5120-084</u>	<u>Security Aid</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

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

Auditee qualified as low-risk auditee? X yes _____ no

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

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, 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.

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

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

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

CURRENT YEAR FEDERAL AWARDS

There are none.

CURRENT YEAR STATE AWARDS

There are none.