

# **FAIR LAWN PUBLIC SCHOOLS**

**Fair Lawn Public Schools  
Fair Lawn, New Jersey**

**Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2024**

# **Annual Comprehensive Financial Report**

**of the**

**Fair Lawn Public Schools**

**Fair Lawn, New Jersey**

**For the Fiscal Year Ended June 30, 2024**

**Prepared by**

**Fair Lawn Public Schools**

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INTRODUCTORY SECTION  
(UNAUDITED)

# Fair Lawn Public Schools

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37-01 Fair Lawn Avenue  
Fair Lawn, New Jersey 07410  
Tel: (201)794-5500

November 25, 2024

Honorable President and Members  
of the Board of Education  
Fair Lawn Public Schools  
County of Bergen, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Fair Lawn Public Schools (the "District") for the fiscal year ended June 30, 2024, 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 Board of Education (the "Board"). 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 basic financial statements and results of operations 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 Independent Auditors' Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

## 1) REPORTING ENTITY AND ITS SERVICES:

The Fair Lawn Public Schools is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The Fair Lawn Public Schools and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational, as well as special education for handicapped youngsters. The District completed the 2023-2024 fiscal year with an average daily enrollment of 5,500 students, the same enrollment as the previous year.

2) ECONOMIC CONDITION AND OUTLOOK:

Fair Lawn Borough is located in Bergen County, New Jersey, in the northeast corner of the State. The 2024 U.S. Census Bureau estimated the population to be 35,564, which is a gain of 699 residents from 2020. The Borough has a total area of 5.201 square miles mostly occupied by residential housing units. Approximately 80% of the Borough's tax base is residential and approximately 17% is industrial and commercial.

Fair Lawn's industrial area adjacent to State Routes 208 and 4 is the site of many well-known companies including: Columbia Bank, Hyatt Hotel, Sandvik, Inc., Thermo Fisher Scientific, Verizon, and A. Zerega's Sons, Inc. (pasta). The Fair Lawn Promenade, a mixed-use retail / residential / business complex, opened on April 1, 2014 in this area. It has shops, restaurants, condominium units, and offices. These companies are major local employers with total employment in the thousands.

Fair Lawn is also home to a large number of commuters to New York City, to which Fair Lawn is connected by train from two railroad stations on NJ Transit's Bergen County Line, the Radburn and Broadway stations. The Economic Development Corporations of Fair Lawn and of Bergen County estimate that there is significant demand for additional housing in Fair Lawn due to the convenient locations of these stations. Expected household growth and the need to replace physically obsolescent residential units are estimated to increase this demand through 2030. Fair Lawn's school enrollment has been increasing and demographic projections expect the increases to continue.

The majority of Fair Lawn residents occupy single family dwellings. Fair Lawn's owner-occupancy rate is 80% compared with Bergen County's overall owner-occupancy rate of 64%. Housing is well maintained in all areas of the Borough.

Fair Lawn is comprised of several diverse neighborhoods. Most of the residential neighborhoods each surround one of the Borough's six elementary schools. The most well-known of the Fair Lawn neighborhoods is Radburn, one of the first planned communities in the United States. Founded in 1929 as a "town for the motor age," Radburn is still considered a model of innovative community planning, combining individual homes, row houses and garden apartments with common areas and recreational facilities maintained by a private cooperative association. Fair Lawn's reputable schools, safe and well-policed neighborhoods, and the Borough's convenient access to commercial centers and hospitals, a complex network of highways, transit lines, New York City, and Newark Liberty International Airport, have all made Fair Lawn a an attractive community for newcomers from various regions around the world.

3) MAJOR INITIATIVES:

The Fair Lawn School District's mission is to promote continuous improvement and high levels of learning, to foster self-confidence and support success for all students, and to engender productive and humane citizens empowered by the critical, technological, and communication tools necessary to function democratically in a global society. The expectation is that all students achieve the New Jersey Student Learning Standards (SLS) at all grade levels. This mission is accomplished through strong academic programs, the establishment of a positive learning climate, a strong partnership with parents and the community, the professionalism and dedication of our staff, and our commitment to ensure high levels of learning for all students. The Fair Lawn School District offers a challenging curriculum fully aligned with the New Jersey Student Learning Standards.

65% of our 2024 graduates aspired to attend 4-year colleges, and 16% aspired to attend 2-year colleges. 2.1% aspired to trade/technical school. 1.2% pursued military opportunities or entered employment and 15.4% of the students reported a gap-year or could not report their post secondary plans.



3) MAJOR INITIATIVES: (Cont'd)

Our 2023 graduates attend Ivy League institutions, military academies, and many other competitive colleges and universities. District provides the PSAT in-school to students in grades 10 and 11 in the fall, as well as the SAT and ACT in the fall and the spring.

*Other District Highlights*

- Fair Lawn was ranked #3 best small city in the county by WalletHub.
- Fair Lawn School District is ranked #31 best school district in NJ on Niche.com with an overall grade of A.
- Fair Lawn District is the #6 best school district in Bergen County.
- Fair Lawn High School offers NJDOE-approved CTE sequences in areas of Architecture and Design, Finance, and Child Care.
- Almost 30 AP courses, numerous academic and elective courses including dual-college enrollment, inclusive of a concurrent Associate's Degree Program, over 70 student activities, 9 honor societies and 27 varsity sports are offered.

Professional development in Fair Lawn is focused on the District's Strategic Plan, its annual goals, Professional Development Plan, and other District/School/Department initiatives. New teachers participate in a comprehensive summer orientation program as well as a supportive four-year induction program. During professional development opportunities, teachers collaborate on curriculum work, enhance their repertoire of instructional strategies, and engage in other tasks to improve their craft. District staff also participate in mental health, differentiation, Orton-Gillingham, and SIOP training to address the diverse needs of our students.

The district has instituted a 1:1 initiative whereby all students have a laptop in district. The district will continue to budget for replacement of these laptops throughout the student's career at Fair Lawn. Different laptops are used depending on grade level.

The district has been utilizing capital reserve funds to handle items listed in its Long Range Facility Plan. These projects include health and safety items such as roof and window replacements, instructional classroom renovations, and the installation of lighting at Sasso Football Field. The district plans to continue this work in successive budget cycles.

District Goals for the 2023-24 school year were:

1. Career and Technical Education (continuation goal) - Explore programs and courses of study to prepare students for the world of work by introducing them to workplace competencies in real-world, applied content.
2. Maintaining Student and Staff Well-Being - Continue to strengthen student and staff safety and well-being by utilizing technology, assessment procedures, and social emotional and behavioral support systems.
3. Tiered Academic Systems of Support - Enhance educational opportunities and outcomes for diverse learners using differentiated instruction.

4) INTERNAL ACCOUNTING CONTROLS:

Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system 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 awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management. As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control system, including that portion related to major federal and state award programs, as well as to determine that the District has complied with applicable laws, regulations, contracts and grants.

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 a vote of the Board of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as restrictions, commitments and/or assignments of fund balance at June 30, 2024.

6) ACCOUNTING SYSTEM AND REPORTS:

The District's accounting records reflect generally accepted accounting principles, as promulgated by the GASB. The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements," Note 1.

7) CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic 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.

8) RISK MANAGEMENT:

The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The Board is a member of the New Jersey Schools Insurance Group ("the Group"). The Group is a risk-sharing public entity risk management pool that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage to their members. A schedule of insurance coverage is found on Exhibit J-20.

9) OTHER INFORMATION:


Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The Auditors' Report on the basic financial statements and specific required supplementary information are included in the financial section of this report. The Auditors' Reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

10) ACKNOWLEDGMENTS:

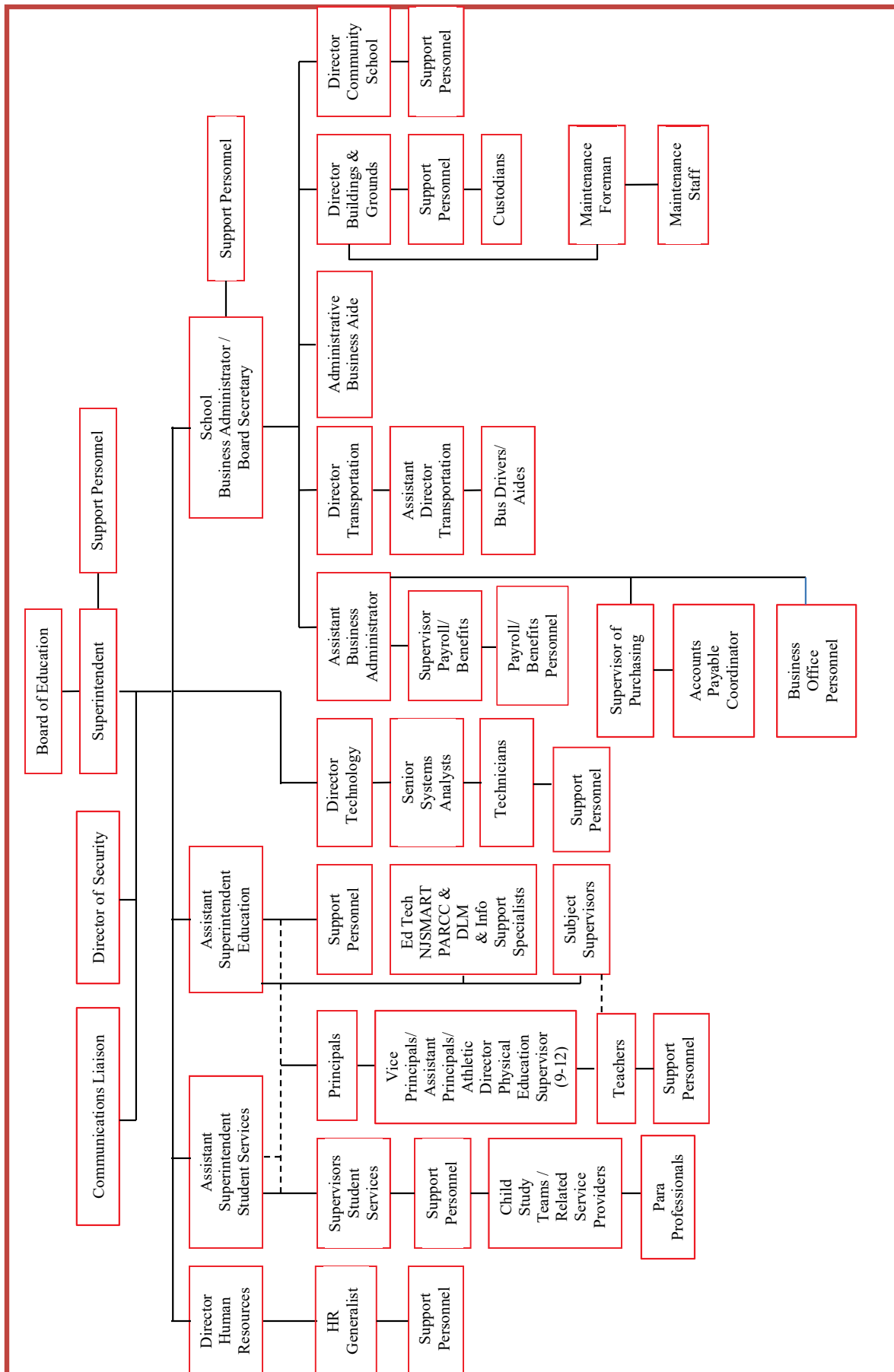
We would like to express our appreciation to the members of the Fair Lawn Public Schools Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation.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

Respectfully submitted,

  
Dr. Rui Dionisio  
Superintendent of Schools

  
Danielle Mancuso  
School Business Administrator/Board Secretary

# FAIR LAWN PUBLIC SCHOOLS ORGANIZATION CHART



**FAIR LAWN PUBLIC SCHOOLS  
ROSTER OF OFFICIALS  
JUNE 30, 2024**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Julie Mahan, President	12/31/2026
Joseph Baldofsky, Vice-President	12/31/2024
Jeanne Browne, Member	12/31/2026
Eugene M. Banta, Member	12/31/2024
Dr. Edward Bertolini, Member	12/31/2025
Rita Fayvelevich, Member	12/31/2026
Michael Rosenberg, Member	12/31/2025
Mark Spindel, Member	12/31/2024
Lisa Yourman, Member	12/31/2025

<u>Other Officers</u>	<u>Title</u>
Nicholas Norcia	Superintendent of Schools (until 7/23/2023)
Camille DeFranco	Acting Superintendent of Schools (7/24/2023-11/10/2023)
Dr. Rui Dionisio	Superintendent of Schools (from 11/13/2023)
Danielle Mancuso	School Business Administrator/Board Secretary
Karen Palermo	Treasurer of School Monies
John Comegno, Esq.	School Board Attorney
Nathanya G. Simon, Esq.	School Board Attorney

# **FAIR LAWN PUBLIC SCHOOLS**

Consultants and Advisors

## **Audit Firm**

Nisivoccia LLP  
Mount Arlington Corporate Center  
200 Valley Road Suite 300  
Mount Arlington, NJ 07856-1320

## **Attorneys**

Comegno Law Group, P.C.  
521 Pleasant Valley Avenue  
Moorestown, NJ 08057

Scarinci & Hollenbeck, LLC  
1100 Valley Brook Avenue  
Lyndhurst, NJ 07071

## **Architects/Engineers**

Solutions Architecture  
96 Pompton Avenue  
2nd Floor, Suite 200  
Verona, NJ 07044

Garden State Environmental  
555 Board Street Suite K  
Glen Rock, NJ 07452

## **Financial Advisors**

Phoenix Advisors, LLC  
625 Farnsworth Ave|  
Bordentown, NJ 08505

## **Official Depositories**

Columbia Savings Bank  
19-01 Route 208 North  
Fair Lawn, NJ 07410

ConnectOne Bank  
301 Sylvan Avenue  
Englewood Cliffs, NJ 07632

Provident Bank  
12-79 River Road  
Fair Lawn, NJ 07410

State of New Jersey Cash Management Fund  
50 West State Street, 9<sup>th</sup> Floor  
Trenton, NJ 08608-0290

FINANCIAL SECTION

## Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Fair Lawn Public Schools  
County of Bergen, New Jersey

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Fair Lawn Public Schools (the "District"), in the County of Bergen, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the 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 District, as of June 30, 2024, 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 (GAAS), audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District 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 misstatement, 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 District'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.



### ***Auditors' Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office 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 GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office, we:

- exercise professional judgment 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 District'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 District'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, which follows this report, the pension and post-retirement schedules in Exhibits L-1 through L-5 and the related notes, and the budgetary comparison information in Exhibits C-1 through C-3 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, are 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 District's basic financial statements. The accompanying supplementary information schedules and the schedules of expenditures of federal and state 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*; and New Jersey's 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. 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 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 accompanying supplementary information schedules and the schedules of expenditures of federal and state awards 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 and statistical sections 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.

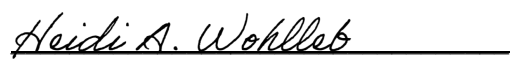
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. 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 25, 2024 on our consideration of the District'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 District'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 District's internal control over financial reporting and compliance.

November 25, 2024  
Mount Arlington, New Jersey

  
NISIVOCCIA LLP

  
Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant

**REQUIRED SUPPLEMENTARY INFORMATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Fair Lawn Public Schools  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2024**

This section of Fair Lawn Public Schools' annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2024. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

**Overview of the Financial Statements**

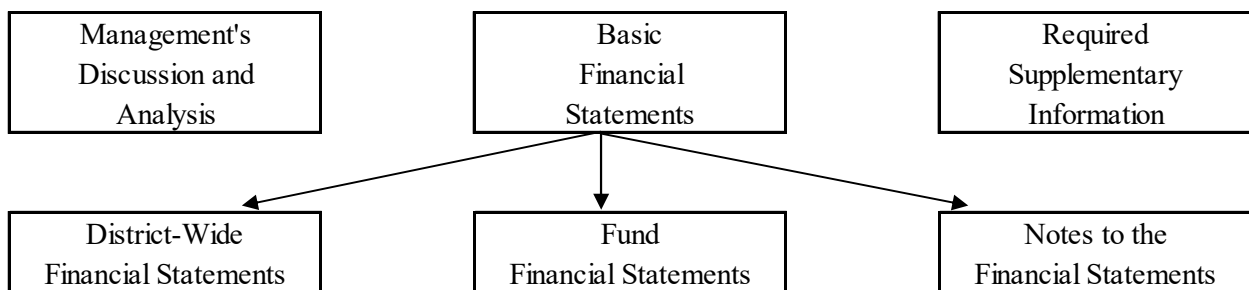
This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- 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 such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food services.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1**

**Organization of the School District's Financial Report**



**Fair Lawn Public Schools**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2024**

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents of each of the statements.

**Figure A-2**

***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, such as special education and building maintenance	Activities the District operates similar to private businesses: food services
Required Financial Statements	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenue, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of revenue, expenses, and changes in net position</li> <li>• Statement of cash flows</li> </ul>
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, 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, lease assets, subscription assets, or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue 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 revenue and expenses during the year, regardless of when cash is received or paid

**Fair Lawn Public Schools**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2024**

***District-wide Statements***

The District-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred inflows and outflows and liabilities. All of the current year's revenue 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 they have changed. Net position – the difference between the District's assets, deferred inflows and outflows and liabilities – 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 District's overall health, you need to consider additional nonfinancial 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 divided into two categories:

- *Governmental activities:* Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes, tuition and state formula aid finance most of these activities.
- *Business-type activities:* The District charges fees to help it cover the costs of certain services it provides. The District's food service program 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 by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term liabilities) or to show that it is properly using certain revenue (such as federal grants).

The District has two kinds of funds:

- *Governmental funds:* Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial 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 you 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, additional information at the bottom of the governmental funds statements explains the relationship (or difference) 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 funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. *Internal service funds* (the other kind of proprietary fund) report activities that provide supplies and services for other programs and activities. The District currently does not maintain any internal service funds.

**Fair Lawn Public Schools**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2024**

*Notes to Basic Financial Statements:* Provide additional information essential to a full understanding of the District-wide and fund financial statements.

**Financial Analysis of the District as a Whole**

**Net Position.** The District's combined net position increased by \$8,129,027. Net position from governmental activities increased by \$8,264,087 and net position from business activities decreased by \$135,060. Net investment in capital assets increased by \$1,230,836; restricted net position increased by \$2,479,458; and unrestricted net position increased by \$4,418,733. Net investment in capital assets increased primarily due to current year capital assets additions, and the maturity of the serial bonds payable, offset by current year depreciation expense, capital assets deletions, net of accumulated depreciation and the deferred amount on the refunding serial bonds. Restricted net position increased mainly due to increases in the Capital Reserve, Unemployment Compensation, and Student Activities offset by decreases in the Maintenance Reserve, Scholarships, and the Debt Service Fund. The increase in unrestricted net position is due primarily to the increase in committed Capital Projects and changes in deferred outflows and deferred inflows related to pensions and net pension liability and excess revenue and unexpended budget appropriations.

**Figure A-3**

**Condensed Statement of Net Position**

	Government Activities		Business-Type Activities		Total School District		Percentage Change
	(Restated)		(Restated)		(Restated)		
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
Current and							
Other Assets	\$ 60,843,636	\$ 54,663,529	\$ 4,037,148	\$ 4,085,391	\$ 64,880,784	\$ 58,748,920	
Capital Assets, Net	74,566,685	75,823,727	369,381	419,570	74,936,066	76,243,297	
Total Assets	<u>135,410,321</u>	<u>130,487,256</u>	<u>4,406,529</u>	<u>4,504,961</u>	<u>139,816,850</u>	<u>134,992,217</u>	3.57%
Deferred Outflows of Resources	<u>2,628,957</u>	<u>3,224,099</u>			<u>2,628,957</u>	<u>3,224,099</u>	-18.46%
Other Liabilities	5,942,550	4,931,213	475,117	438,489	6,417,667	5,369,702	
Long-Term Liabilities							
Outstanding	54,890,617	57,438,970			54,890,617	57,438,970	
Total Liabilities	<u>60,833,167</u>	<u>62,370,183</u>	<u>475,117</u>	<u>438,489</u>	<u>61,308,284</u>	<u>62,808,672</u>	-2.39%
Deferred Inflows of Resources	<u>2,616,422</u>	<u>5,015,570</u>			<u>2,616,422</u>	<u>5,015,570</u>	-47.83%
Net Position:							
Net Investment in							
Capital Assets	39,239,965	37,958,940	369,381	419,570	39,609,346	38,378,510	
Restricted	47,779,324	45,299,866			47,779,324	45,299,866	
Unrestricted/(Deficit)	<u>(12,429,600)</u>	<u>(16,933,204)</u>	<u>3,562,031</u>	<u>3,646,902</u>	<u>(8,867,569)</u>	<u>(13,286,302)</u>	
Total Net Position	<u>\$ 74,589,689</u>	<u>\$ 66,325,602</u>	<u>\$ 3,931,412</u>	<u>\$ 4,066,472</u>	<u>\$ 78,521,101</u>	<u>\$ 70,392,074</u>	11.55%

*Changes in Net Position.* The Changes in Net Position shows the cost of the program services and the revenues of the District on a comparative schedule (Figure A-4).

**Fair Lawn Public Schools**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2024**

**Figure A-4**

**Changes in Net Position from Operating Results**

	Governmental Activities 2023/24	Business- Type Activities 2023/24	Governmental Activities 2022/23	Business- Type Activities 2022/23	Total School District 2023/24	Total School District 2022/23	Percentage Change 2023/24
Revenue:							
Program Revenue:							
Charges for Services	\$ 3,224,072	\$ 1,415,034	\$ 3,370,719	\$ 1,216,345	\$ 4,639,106	\$ 4,587,064	
Operating Grants and Contributions	26,354,026	632,262	26,240,937	4,364,068	26,986,288	30,605,005	
General Revenue:							
Property Taxes	98,063,263		97,245,363		98,063,263	97,245,363	
Unrestricted State and Federal Aid	14,566,360		12,083,024		14,566,360	12,083,024	
Other	3,348,400	95,095	2,327,359	16,076	3,443,495	2,343,435	
Total Revenue	145,556,121	2,142,391	141,267,402	5,596,489	147,698,512	146,863,891	0.57%
Expenses:							
Instruction	76,831,615		72,009,266		76,831,615	72,009,266	
Pupil and Instruction Services	25,645,520		21,965,074		25,645,520	21,965,074	
Administrative and Business	12,447,707		11,184,631		12,447,707	11,184,631	
Maintenance and Operations	13,856,926		10,644,300		13,856,926	10,644,300	
Transportation	5,527,258		4,921,689		5,527,258	4,921,689	
Other	2,983,008	2,277,451	2,865,885	4,229,349	5,260,459	7,095,234	
Total Expenses	137,292,034	2,277,451	123,590,845	4,229,349	139,569,485	127,820,194	9.19%
Increase/(Decrease) in Net Position	\$ 8,264,087	\$ (135,060)	\$ 17,676,557	\$ 1,367,140	\$ 8,129,027	\$ 19,043,697	-57.31%

**Governmental Activities**

As discussed elsewhere in this commentary, the financial position of the District improved significantly. However, maintaining existing programs and enrollment and the provision of special programs and services for disabled pupils, combined with rising salary and benefit costs, school security, out of district tuitions, state mandates on testing and energy costs place great demands on the District's resources.

Careful management of expenses and increases in revenues remains essential for the District to sustain its financial health.

It is crucial that the District examine its expenses carefully. Staff, parental and student demands for salary increases, activities, small class sizes and programs must be evaluated thoroughly. Figure A-5 presents the cost of six major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation and other. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs).



**Fair Lawn Public Schools**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2024**

The net cost shows the financial burden placed on the District's taxpayers by each of these functions:

**Figure A-5**

	<b>Net Cost of Governmental Activities</b>			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2023/24	2023/24	2022/23	2022/23
Instruction	\$ 76,831,615	\$ 55,066,671	\$ 72,009,266	\$ 49,118,352
Pupil and Instruction Services	25,645,520	22,902,625	21,965,074	20,316,682
Administrative and Business	12,447,707	10,922,095	11,184,631	9,536,981
Maintenance and Operations	13,856,926	13,851,328	10,644,300	10,644,300
Transportation	5,527,258	4,321,697	4,921,689	3,837,751
Other	2,983,008	649,520	2,865,885	525,123
	<u>\$ 137,292,034</u>	<u>\$ 107,713,936</u>	<u>\$ 123,590,845</u>	<u>\$ 93,979,189</u>

**Business-Type Activities**

Net position from the District's business-type activities decreased by \$135,060 (Refer to Figure A-4). The decrease in net position was primarily due to an 86% decrease in federal and state grants offset by a 46% decrease in operating expenses.

**Financial Analysis of the District's Funds**

The District's financial position in the General Fund increased due to unexpended budget appropriations and excess budget revenue.

To maintain a stable financial position, the District must continue to practice sound fiscal management, including efficiency/cost containment practices, evaluation of services and programs, energy conservation, and seeking additional sources of revenues.

**General Fund Budgetary Highlights**

Over the course of the year, the District revised the annual operating budget several times. These budget amendments were due to:

- Changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.

**Fair Lawn Public Schools**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2024**

**Capital Assets and Long-term Liabilities Administration**

**Figure A-6**

	Capital Assets (Net of Depreciation)						
	Government Activities		Business-Type Activities		Total School District		Percentage
	(Restated)		(Restated)		(Restated)		Change
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
Sites and Site							
Improvements	\$ 3,094,252	\$ 3,275,421			\$ 3,094,252	\$ 3,275,421	
Construction in							
Progress	1,026,532	24,835,434			1,026,532	24,835,434	
Buildings and Building							
Improvements	67,611,919	44,450,552			67,611,919	44,450,552	
Machinery and							
Equipment	2,833,982	3,262,320	\$ 369,381	\$ 419,570	3,203,363	3,681,890	
Total	\$ 74,566,685	\$ 75,823,727	\$ 369,381	\$ 419,570	\$ 74,936,066	\$ 76,243,297	-1.71%

***Long-term Liabilities***

The District's long term liabilities decreased by \$2,548,353 or (4.44%) from last year – as shown in Figure A-7. (More detailed information about the District's long-term liabilities is presented in Note 8 to the financial statements.)

**Figure A-7**

	Outstanding Long-Term Liabilities		Percentage
	Total School District		Change
	2023/24	2022/23	2023/24
General Obligation Bonds (Financed with Property Taxes)	\$ 35,885,000	\$ 38,475,000	
Net Pension Liability	17,306,193	18,337,873	
Compensated Absences Payable	1,699,424	626,097	
	\$ 54,890,617	\$ 57,438,970	-4.44%

- The District continued to pay down its bonded debt, retiring \$2,590,000 of outstanding bonds.
- Compensated absences payable increased by a net amount of \$1,073,327.
- Net pension liability decreased by \$1,031,680.

**Fair Lawn Public Schools**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2024**

**Factors Bearing on the District's Future**

At the time these financial statements were prepared and audited, the District was aware of existing circumstances that could significantly affect its financial health in the future:

- The Borough as a whole is experiencing an increase in population. This is resulting in an increase in the District's enrollment. A recent demographic study showed projected increases in enrollment. The District will have to closely monitor this development. Increased enrollment could require additional staff and additions to current buildings.
- The District has several projects within its Long Range Facility Plan that will need to be addressed within the upcoming years. The District must be cognizant of these needs, to ensure money is set aside to handle these renovations.
- The Board faces continued maintenance of the three aging school buildings that are over 50, 70, and 100 years old.

**Contacting the District's Financial Management**

This financial report is designed to provide the District's 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 financial information, contact the Board of Education Office, 37-01 Fair Lawn Avenue, Fair Lawn, New Jersey 07410.

## BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

FAIR LAWN PUBLIC SCHOOLS  
STATEMENT OF NET POSITION  
JUNE 30, 2024

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 21,864,861	\$ 3,963,179	\$ 25,828,040
Internal Balances	(15,738)	15,738	
Receivables from State Government	3,255,965	1,717	3,257,682
Receivables from Federal Government	772,081	23,845	795,926
Other Accounts Receivable	92,919	1,300	94,219
Inventories		31,369	31,369
Restricted Cash and Cash Equivalents	34,873,548		34,873,548
Capital Assets, Net:			
Sites (Land) and Construction in Progress	2,686,155		2,686,155
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	71,880,530	369,381	72,249,911
Total Assets	<u>135,410,321</u>	<u>4,406,529</u>	<u>139,816,850</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Amount on Refunding	558,280		558,280
Deferred Outflows Related to Pensions	2,070,677		2,070,677
Total Deferred Outflows of Resources	<u>2,628,957</u>		<u>2,628,957</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	4,602,569	127,597	4,730,166
Accrued Interest Payable	311,870		311,870
Payable to State Government	49,891		49,891
Payable to Federal Government	120		120
Unearned Revenue	978,100	347,520	1,325,620
Noncurrent Liabilities:			
Due Within One Year	2,632,712		2,632,712
Due Beyond One Year	52,257,905		52,257,905
Total Liabilities	<u>60,833,167</u>	<u>475,117</u>	<u>61,308,284</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows Related to Pensions	2,616,422		2,616,422
Total Deferred Inflows of Resources	<u>2,616,422</u>		<u>2,616,422</u>
<u>NET POSITION/</u>			
Net Investment in Capital Assets	39,239,965	369,381	39,609,346
Restricted for:			
Capital Projects	28,401,298		28,401,298
Debt Service	417,261		417,261
Maintenance Reserve	4,427,875		4,427,875
Emergency Reserve	607,078		607,078
Excess Surplus	12,488,515		12,488,515
Unemployment Compensation	937,516		937,516
Scholarships	20,714		20,714
Student Activities	479,067		479,067
Unrestricted/(Deficit)	<u>(12,429,600)</u>	<u>3,562,031</u>	<u>(8,867,569)</u>
Total Net Position	<u>\$ 74,589,689</u>	<u>\$ 3,931,412</u>	<u>78,521,101</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

FAIR LAWN PUBLIC SCHOOLS  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Governmental Activities:							
Instruction:							
Regular	\$ 53,669,611	\$ 235,537	\$ 10,875,347	\$ (42,558,727)		\$ (42,558,727)	
Special Education	16,934,097		10,208,667	(6,725,430)		(6,725,430)	
Other Special Instruction	5,155,525		445,393	(4,710,132)		(4,710,132)	
School Sponsored/Other Instruction	1,072,382			(1,072,382)		(1,072,382)	
Support Services:							
Tuition	7,181,244		1,468,344	(5,712,900)		(5,712,900)	
Student and Instruction Related Services	18,464,276	564,910	709,641	(17,189,725)		(17,189,725)	
School Administrative Services	7,250,318		1,443,418	(5,806,900)		(5,806,900)	
General Administrative Services	1,330,122		82,194	(1,247,928)		(1,247,928)	
Central Services	1,876,255			(1,876,255)		(1,876,255)	
Administrative Information Technology	1,991,012			(1,991,012)		(1,991,012)	
Plant Operations and Maintenance	13,856,926		5,598	(13,851,328)		(13,851,328)	
Pupil Transportation	5,527,258	90,137	1,115,424	(4,321,697)		(4,321,697)	
Capital Outlay	77,256			(77,256)		(77,256)	
Special Schools	1,846,062	2,333,488		487,426		487,426	
Transfer of Funds to Charter School	59,961			(59,961)		(59,961)	
Interest on Long-Term Debt	999,729			(999,729)		(999,729)	
Total Governmental Activities	137,292,034	3,224,072	26,354,026	(107,713,936)		(107,713,936)	
Business-Type Activities:							
Food Service	2,277,451	1,415,034	632,262		\$ (230,155)	(230,155)	
Total Business-Type Activities	2,277,451	1,415,034	632,262		(230,155)	(230,155)	
Total Primary Government	\$ 139,569,485	\$ 4,639,106	\$ 26,986,288	\$ (107,713,936)	\$ (230,155)	\$ (107,944,091)	

FAIR LAWN PUBLIC SCHOOLS  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenues:			
Taxes:			
Property Taxes, Levied for General Purposes, Net	\$ 95,590,997	\$	\$ 95,590,997
Property Taxes, Levied for Debt Service Principal	2,472,266		2,472,266
Federal, State and Local Aid not Restricted	14,566,360		14,566,360
Investment Earnings	2,914,605	\$ 95,095	3,009,700
Restricted Miscellaneous Income	38,718		38,718
Unrestricted Miscellaneous Income	395,077		395,077
Total General Revenues	115,978,023	95,095	116,073,118
Change in Net Position	8,264,087	(135,060)	8,129,027
Net Position - Beginning (Restated)	66,325,602	4,066,472	70,392,074
Net Position - Ending	\$ 74,589,689	\$ 3,931,412	\$ 78,521,101

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT



FUND FINANCIAL STATEMENTS

FAIR LAWN PUBLIC SCHOOLS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 16,856,467		\$ 4,591,133	\$ 417,261	\$ 21,864,861
Interfund Receivable	662,258				662,258
Receivables From State Government	3,237,910	\$ 18,055			3,255,965
Receivables From Federal Government		772,081			772,081
Other Accounts Receivables	81,842	11,077			92,919
Restricted Cash and Cash Equivalents	34,373,767	499,781			34,873,548
Total Assets	<u>\$ 55,212,244</u>	<u>\$ 1,300,994</u>	<u>\$ 4,591,133</u>	<u>\$ 417,261</u>	<u>\$ 61,521,632</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 2,804,545	\$ 57,363			\$ 2,861,908
Interfund Payable	15,738	662,258			677,996
Payable to Federal Government		120			120
Payable to State Government		49,891			49,891
Unearned Revenue	946,519	31,581			978,100
Total Liabilities	<u>3,766,802</u>	<u>801,213</u>			<u>4,568,015</u>
Fund Balances:					
Restricted:					
Excess Surplus - 2024-2025	8,655,588				8,655,588
Excess Surplus - 2025-2026	3,832,927				3,832,927
Capital Reserve	28,401,298				28,401,298
Maintenance Reserve	4,427,875				4,427,875
Emergency Reserve	607,078				607,078
Debt Service				\$ 417,261	417,261
Unemployment Compensation	937,516				937,516
Scholarships		20,714			20,714
Student Activities		479,067			479,067
Committed:					
Capital Projects			\$ 4,591,133		4,591,133
Assigned:					
Encumbrances	1,957,848				1,957,848
Unassigned	2,625,312				2,625,312
Total Fund Balances	<u>51,445,442</u>	<u>499,781</u>	<u>4,591,133</u>	<u>417,261</u>	<u>56,953,617</u>
Total Liabilities and Fund Balances	<u>\$ 55,212,244</u>	<u>\$ 1,300,994</u>	<u>\$ 4,591,133</u>	<u>\$ 417,261</u>	<u>\$ 61,521,632</u>

FAIR LAWN PUBLIC SCHOOLS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2024

Total  
Governmental  
Funds

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

Total Fund Balances from previous page	\$ 56,953,617
Capital Assets Used in Governmental Activities are not Financial Resources and Therefore are not Reported in the Funds.	74,566,685
Interest on Long-Term Debt is not Accrued in Governmental Funds, but Rather is Recognized as an Expenditure When Due.	(311,870)
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.	(17,306,193)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:	
Deferred Outflows	330,016
Deferred Inflows	(2,616,422)
The deferred amount on bond refunding is not reported as an expenditure in the Governmental Funds in the year of expenditure.	558,280
Long-Term Liabilities, Including Bonds Payable are not Due and Payable in the Current Period and Therefore are not Reported as Liabilities in the Funds.	(37,584,424)
Net Position of Governmental Activities	<u>\$ 74,589,689</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL  
STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

FAIR LAWN PUBLIC SCHOOLS  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 95,590,997			\$ 2,472,266	\$ 98,063,263
Tuition Charges	235,537				235,537
Transportation Fees from Individuals	90,137				90,137
Rents and Royalties	26,938				26,938
Interest Earned on Capital Reserve Funds	266,744				266,744
Interest Earned on Maintenance Reserve Funds	50				50
Interest Earned on Emergency Reserve Funds	50				50
Other Restricted Miscellaneous Revenues	2,372,206	\$ 592,507			2,964,713
Unrestricted Miscellaneous Revenue	3,008,091		\$ 7,809		3,015,900
Total - Local Sources	101,590,750	592,507	7,809	2,472,266	104,663,332
State Sources	48,684,517	320,070		266,934	49,271,521
Federal Sources	46,422	3,244,902			3,291,324
Total Revenues	150,321,689	4,157,479	7,809	2,739,200	157,226,177
EXPENDITURES:					
Current:					
Regular Instruction	34,457,415	1,401,262			35,858,677
Special Education Instruction	12,267,813	7,724			12,275,537
Other Instruction	4,381,657				4,381,657
Support Services and Undistributed Costs:					
Tuition	5,712,900	1,468,344			7,181,244
Student and Other Instruction Related Services	14,338,321	1,258,980			15,597,301
General Administrative Services	1,201,062				1,201,062
School Administrative Services	4,826,074				4,826,074
Central Services	1,490,089				1,490,089
Administrative Information Technology	1,782,609				1,782,609
Plant Operations and Maintenance	11,047,272				11,047,272
Student Transportation	4,623,552				4,623,552
Unallocated Benefits	41,513,109				41,513,109
Capital Outlay	3,690,963	5,598	1,026,532		4,723,093
Special Schools	1,814,621				1,814,621
Transfer of Funds to Charter School	59,961				59,961
Debt Service:					
Principal				2,590,000	2,590,000
Interest and Other Charges				959,748	959,748
Total Expenditures	143,207,418	4,141,908	1,026,532.00	3,549,748	151,925,606
Excess/(Deficit) of Revenue Over/(Under) Expenditures	7,114,271	15,571	(1,018,723)	(810,548)	5,300,571
Other Financing Sources/(Uses):					
Transfers in			5,617,665	732,375	6,350,040
Transfers out	(6,177,665)		(172,375)		(6,350,040)
Total Other Financing Sources/(Uses)	(6,177,665)		5,445,290	732,375	
Net Change in Fund Balances	936,606	15,571	4,426,567	(78,173)	5,300,571
Fund Balance - July 1	50,508,836	484,210	164,566	495,434	51,653,046
Fund Balance - June 30	\$ 51,445,442	\$ 499,781	\$ 4,591,133	\$ 417,261	\$ 56,953,617

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

FAIR LAWN PUBLIC SCHOOLS  
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Total Net Change in Fund Balances - Governmental Funds (from B-2)	\$ 5,300,571
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays differ from depreciation and deletions in the period.	
Depreciation Expense	\$ (4,108,574)
Capital Outlays	2,952,910
Deletions, Net of Accumulated Depreciation	<u>(101,378)</u>
	(1,257,042)
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. When accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+).	11,952
Repayment of serial bonds is an expenditure in the Governmental Funds, but the repayment reduces Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities.	2,590,000
The governmental funds report the effect the deferred amount on the refunding relative to advance refunding when debt is first issued whereas these amounts are deferred and amortized in the statement	(51,933)
The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:	
Change in Net Pension Liability	1,031,680
Change in Deferred Outflows	(686,961)
Change in Deferred Inflows	2,399,147
In the statement of activities, certain operating expenses, e.g., compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).	<u>(1,073,327)</u>
Change in Net Position of Governmental Activities	<u>\$ 8,264,087</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

FAIR LAWN PUBLIC SCHOOLS  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2024

	Business-Type Activities - Enterprise Funds
	Food Service
<u>ASSETS:</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 3,963,179
Interfund Receivable - General Fund	15,738
Intergovernmental Accounts Receivable:	
State	1,717
Federal	23,845
Other Accounts Receivable	1,300
Inventories	31,369
Total Current Assets	<u>4,037,148</u>
Non-Current Assets:	
Capital Assets	1,038,527
Less: Accumulated Depreciation	<u>(669,146)</u>
Total Non-Current Assets	<u>369,381</u>
Total Assets	<u>4,406,529</u>
<u>LIABILITIES:</u>	
Current Liabilities:	
Accounts Payable - Vendors	127,597
Unearned Revenue - Prepaid Sales	97,812
Unearned Revenue - Supply Chain Assistance	<u>249,708</u>
Total Current Liabilities	<u>475,117</u>
<u>NET POSITION:</u>	
Investment in Capital Assets	369,381
Unrestricted	<u>3,562,031</u>
Total Net Position	<u>\$ 3,931,412</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

FAIR LAWN PUBLIC SCHOOLS  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Business-Type Activities - Enterprise Funds Food Service
Operating Revenue:	
Local Sources:	
Daily Sales:	
Reimbursable Programs	\$ 878,793
Non-Reimbursable Programs	483,465
Other Income	52,776
Total Operating Revenue	1,415,034
Operating Expenses:	
Cost of Sales - Reimbursable Programs	567,877
Cost of Sales - Non-Reimbursable Programs	312,416
Salaries, Benefits & Payroll Tax	924,017
Other Purchased Services	23,830
Supplies, Insurance and Other Costs	206,283
Management Fee	96,815
Miscellaneous Expenses	39,832
Depreciation Expense	106,381
Total Operating Expenses	2,277,451
Operating Loss	(862,417)
Non-Operating Revenue:	
Local Sources:	
Interest Income	95,095
State Sources:	
State School Breakfast Program	462
State School Lunch Program	24,766
State Extended Income Eligibility - Breakfast	298
State Extended Income Eligibility - Lunch	5,132
Federal Sources:	
School Breakfast Program	13,000
National School Lunch Program	403,868
COVID-19 Pandemic Electronic Benefit Transfer Grant	653
COVID-19 Supply Chain Assistance Award	129,342
Food Distribution Program	54,741
Total Non-Operating Revenue	727,357
Change in Net Position	(135,060)
Net Position - Beginning of Year (Restated)	4,066,472
Net Position - End of Year	\$ 3,931,412

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

FAIR LAWN PUBLIC SCHOOLS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Business-Type Activities - Enterprise Funds Food Service
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 3,342,689
Payments to Food Service Contractor	(1,901,790)
Payments for Suppliers	(2,123,589)
Net Cash Used for Operating Activities	(682,690)
Cash Flows from Capital and Related Financing Activities:	
Purchases of Capital Assets	(56,192)
Net Cash Used for Capital and Related Financing Activities	(56,192)
Cash Flows from Investing Activities:	
Interest Income	95,095
Net Cash Provided by Investing Activities	95,095
Cash Flows from Noncapital Financing Activities:	
State Sources Collected in Food Service Fund	30,727
Federal Sources Collected in Food Service Fund	558,228
Net Cash Provided by Noncapital Financing Activities	588,955
Net Decrease in Cash and Cash Equivalents	(54,832)
Cash and Cash Equivalents, July 1	4,018,011
Cash and Cash Equivalents, June 30	\$ 3,963,179
Reconciliation of Operating Loss to Net Cash Used for Operating Activities	
Operating Loss	\$ (862,417)
Adjustment to Reconcile Operating Loss to Net Cash Used for Operating Activities	
Depreciation	106,381
Food Distribution Program	54,741
Changes in Assets and Liabilities:	
Increase in Unearned Revenue - Prepaid Sales	13,110
Increase in Accounts Payable	24,109
Decrease in Other Accounts Receivable	28,493
(Increase) in Inventory	(31,369)
(Increase) in Interfund Receivable - General Fund	(15,738)
Net Cash Used for Operating Activities	\$ (682,690)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$54,741 and utilized U.S.D.A. Commodities valued at \$54,741.

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN  
INTEGRAL PART OF THIS STATEMENT



FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (the “Board”) of Fair Lawn Public Schools (the “District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board’s accounting policies are described below.

A. Reporting Entity

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation

District-Wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District’s governmental and business type activities. These statements include the financial activities of the overall government in its entirety. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other on exchange transactions. Business type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District’s governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer’s share of payroll taxes, compensated absences and tuition reimbursements.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation (Cont'd)

District-Wide Financial Statements: (Cont'd)

Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

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

The District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for and reported in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay subfund. These resources can be transferred from and to current expenses by board resolution.

As required by NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

Special Revenue Fund: The Special Revenue Fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus, the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted or committed to expenditures for specified purposes.

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets or lease assets, or subscription assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation (Cont'd)

Debt Service Fund: The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The District reports the following proprietary fund:

Enterprise Funds: The Enterprise Fund accounts for all revenue and expenses pertaining to the Board's cafeteria operations. The Food Service Fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

C. Measurement Focus and Basis of Accounting

The district-wide financial statements and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset, lease asset, or subscription asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under financed purchases are reported as other financing sources.

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2024 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be made by School Board resolution. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The general fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenue and Expenditures:

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" and Other Financing Sources		
from the Budgetary Comparison Schedule	\$ 150,700,156	\$ 4,157,479
Differences - Budgetary to GAAP:		
Prior Year State Aid Payments Recognized for GAAP Purposes, not		
Recognized for Budgetary Statements	1,588,003	
Current Year State Aid Payments Recognized for Budgetary Purposes,		
not Recognized for GAAP Statements	(1,966,470)	
Total Revenues and Other Financing Sources as Reported on the Statement of		
Revenues, Expenditures and Changes in Fund Balances - Governmental Fund	<u>\$ 150,321,689</u>	<u>\$ 4,157,479</u>

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control (Cont'd)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenue and Expenditures:

	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 143,207,418	\$ 4,141,908
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 143,207,418</u>	<u>\$ 4,141,908</u>
	<u>Capital Projects Fund</u>	
	Revenue and Other Financing Sources	Fund Balance
Revenue and Other Financing Sources (Budgetary Basis)	\$ 7,144,540	
Committed Fund Balance (Budgetary Basis)	<u>7,144,540</u>	\$ 6,110,199
		6,110,199
Reconciliation to Governmental Funds Statements (GAAP):		
SDA Grant Receivable Recognized on GAAP Basis	<u>(1,519,066)</u>	<u>(1,519,066)</u>
Revenue and Other Financing Sources /Fund Balance/(Deficit) per Governmental Funds (GAAP)	<u>\$ 5,625,474</u>	<u>\$ 4,591,133</u>

E. Cash and Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

The District generally records investments at fair value and records the unrealized gains and losses as part of investment income. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

New Jersey school districts are limited as to the type of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

F. Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers.

Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net position, except for amounts due between governmental and business-type activities or governmental and agency funds, which are presented as internal balances.

G. Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

H. Encumbrances:

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as restricted, 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.

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

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

I. Short-term Interfund Receivables/Payables:

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

J. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund, are recorded as an expenditure during the year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2024.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at acquisition value.

The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment. The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the District-wide statements and proprietary funds are as follows:

	<u>Estimated Useful Life</u>
Buildings and Building Improvements	50 years
Site Improvements	20 years
Machinery and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental fund upon acquisition. Capital assets are not capitalized and the related depreciation is not reported in the fund financial statements.

L. Lease Assets

Intangible right-to-use lease assets are assets which the District leases for a term of more than one year. The value of leases are determined by the net present value of the leases at the District's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

M. Subscription Assets

Intangible right-to-use subscription assets are subscription-based information technology arrangements (SBITAs) with subscription terms of more than one year. The value of subscription assets is determined by the sum of the subscription liability and payments made to the SBITA vendor, including capitalizable initial implementation costs, before the commencement date of the subscription term.

N. Long Term Liabilities:

In the district-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise funds. Bond premium and discounts are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, 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.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

O. Accrued Salaries and Wages

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year, therefore, there are no accrued salaries and wages as of June 30, 2024.

P. Compensated Absences

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by GASB. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's various employee contracts/agreements. Upon termination, employees are paid for accrued vacation. The District's various employee contracts/agreements permit employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee contracts/agreements.

In the district-wide Statement of Net Position, the liabilities, whose average maturities are greater than one year, should be reported in two components – the amount due within one year and the amount due in more than one year.

Q. Lease Payable

In the district-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

R. Subscription Payable

In the district-wide financial statements, subscription payables are reported as liabilities in the Statement of Net Position. In the governmental Fund financial statements, the present value of subscription payments at the District's incremental borrowing rate over the subscription term is reported as other financing sources.

S. Unearned Revenue

Unearned revenue in the special revenue and the enterprise funds represent cash which has been received but not yet earned.

T. Fund Balance Appropriated

General Fund: Of the \$51,445,442 General Fund fund balance at June 30, 2024; \$1,957,848 is assigned for encumbrances; \$8,655,588 is prior fiscal year excess surplus and is included as anticipated revenue for the fiscal year ending June 30, 2025; \$3,832,927 is current year excess surplus and will be anticipated and included as anticipated revenue for the fiscal year ending June 30, 2026; \$28,401,298 is restricted in the capital reserve account; \$4,427,875 is restricted in the maintenance reserve account; \$607,078 is restricted in the emergency reserve account; \$937,516 is restricted for unemployment compensation; and \$2,625,312 is unassigned, which is \$1,966,470 less on the GAAP basis than the calculated maximum unassigned fund balance, due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2025.



FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

T. Fund Balance Appropriated (Cont'd)

Special Revenue Fund: Of the fund balance of \$499,781 in Special Revenue Fund at June 30, 2024, \$20,714 is restricted for scholarships; \$479,067 is restricted for student activities.

Capital Projects Fund: The Capital Projects Fund fund balance at June 30, 2024 of \$4,591,133 is committed.

Debt Service Fund: The \$417,261 of fund balance in the Debt Service Fund at June 30, 2024 is restricted, of which \$244,885 has been appropriated and included as anticipated revenue in the budget for the fiscal year ended June 30, 2025.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, C.73 (s1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District has excess surplus at June 30, 2024 as noted on the prior page.

P.L. 2003, C.97 provides that in the event state school aid payments are not made until the following school budget year, districts must record the last state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize these last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments noted above.

U. Deficit Net Position

The District has a deficit in unrestricted net position of \$12,429,600 in governmental activities, which is primarily due to accrued interest payable, compensated absences payable, deferred inflows related to pensions and net pension liability; net of fund balance assigned for encumbrances, committed and unassigned fund balance and deferred outflows related to pensions. This deficit does not indicate that the District is in financial difficulties, and is a permitted practice under generally accepted accounting principles.

V. Net Position:

Net position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred inflows and outflows of resources at June 30, 2024 for pensions as well as a deferred outflow for the deferred amount on the refunding of debt.

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, lease assets, net of accumulated amortization, and subscription assets, net of accumulated amortization

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

V. Net Position: (Cont'd)

reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

W. Fund Balance Restrictions, Commitments and Assignments

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts has been restricted, committed or assigned.

Fund balance restrictions have been established for excess surplus, a capital reserve, a maintenance reserve, an emergency reserve, unemployment compensation, student activities, scholarships, and the debt service fund.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has committed resources in the capital projects fund at June 30, 2024.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for encumbrances in the General Fund at June 30, 2024.

X. Revenue - Exchange and Nonexchange Transactions:

Revenue, resulting from exchange transactions in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

X. Revenue - Exchange and Nonexchange Transactions: (Cont'd)

Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Y. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the respective Enterprise Fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Enterprise Fund.

Z. Management Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

AA. Pensions

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 State of New Jersey Public Employees' Retirement System (PERS) and the State of New Jersey Teachers' Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's net position have been determined on the same basis as they are reported by the PERS and the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Pension Plan investments are reported at fair value.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB requires disclosure of the level of custodial credit risk assumed by the District in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk - In accordance with its cash management plan, the District ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk - The District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed in the section of this note on Investments.

Custodial Credit Risk – The District's policy with respect to custodial credit risk requires that the District ensures that District funds are only deposited in financial institutions in which New Jersey school districts are permitted to invest their funds.

Deposits:

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit, and

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments:

New Jersey statutes permit the Board to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) 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 obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) 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;
- (5) Bonds or other obligations, having a maturity date 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", P.L. 1983, c.313 (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 local units;
- (6) Local government investment pools;
- (7) 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); or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are 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 requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.);
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments: (Cont'd)

- (9) Deposit of funds in accordance with the following conditions:
- (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
  - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
  - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
  - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
  - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

As of June 30, 2024, cash and cash equivalents and investments of the District consisted of the following:

		Restricted Cash and Cash Equivalents					Cash and	
		Capital	Maintenance	Emergency	Unemployment	Student	Cash	
		Reserve	Reserve	Reserve	Compensation	Activities	Equivalents	Total
		Account	Account	Account		Scholarship		
Checking Accounts		\$ 28,401,298	\$ 4,427,875	\$ 607,078	\$ 937,516	\$ 479,067	\$ 20,714	\$ 25,828,040
		\$ 28,401,298	\$ 4,427,875	\$ 607,078	\$ 937,516	\$ 479,067	\$ 20,714	\$ 25,828,040
								\$ 60,701,588

During the period ended June 30, 2024, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2024, was \$60,701,588. The bank balance was \$62,552,424.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the District by inclusion of \$100 in 1992 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, 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.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT (Cont'd)

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-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Beginning Balance, July 1, 2023	\$ 26,600,130
Increased by:	
Transfer from Unassigned Fund Balance as per Board Resolution - June 2024	6,500,000
Interest Earnings	266,744
Budgeted Increase in Capital Reserve	1,212,089
Decreased by:	
Budgeted Withdrawal - Capital Projects Fund	(5,617,665)
Budgeted Withdrawal - Debt Service Fund	<u>(560,000)</u>
Ending Balance, June 30, 2024	<u><u>\$ 28,401,298</u></u>

The balance in the capital reserve account at June 30, 2024 does not exceed the LRFP balance of local support costs of uncompleted capital projects. The budgeted withdrawal – capital projects fund - was for use in DOE approved facilities projects, consistent with the District's LRFP.

NOTE 5. EMERGENCY RESERVE ACCOUNT

An emergency reserve account was established by Board resolution in July 2020. The account is maintained in the general fund and its activity is included in the general fund annual budget.

The emergency reserve is restricted to be used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1 % of the general fund budget not to exceed one million dollars. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. The department has defined year end for the purpose of depositing surplus into reserve accounts as an amount approved by the district board of education between June 1st and June 30th. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent or for a withdrawal that was included in the original budget certified for taxes to finance school security improvements pursuant to N.J.S.A. 18A:7G-6(c)1.

The activity of the emergency reserve for the July 1, 2023 to June 30, 2024 fiscal year is as follows:

Beginning Balance, July 1, 2023	\$ 607,028
Increased by:	
Interest Earnings	<u>50</u>
Ending Balance, June 30, 2024	<u><u>\$ 607,078</u></u>

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 6. MAINTENANCE RESERVE ACCOUNT

These funds are restricted to be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the district by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year's budget that is certified for taxes.

Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the district's school facilities.

If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Beginning Balance, July 1, 2023	\$ 5,418,182
Increased by:	
Transfer from Unassigned Fund Balance as per Board Resolution - June 2024	659,668
Interest Earnings	50
Unexpended Balance	74,975
Decreased by:	
Withdrawal as per Board Resolution	<u>(1,725,000)</u>
Ending Balance, June 30, 2024	<u><u>\$ 4,427,875</u></u>



FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 7. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2024 were as follows:

	(Restated) Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 1,659,623			\$ 1,659,623
Construction in Progress	24,835,434	\$ 1,026,532	\$ (24,835,434)	1,026,532
Total Capital Assets Not Being Depreciated	26,495,057	1,026,532	(24,835,434)	2,686,155
Capital Assets Being Depreciated:				
Site Improvements	5,759,582	40,000		5,799,582
Buildings and Building Improvements	70,431,254	1,535,889	24,835,434	96,802,577
Machinery and Equipment	12,356,017	350,489	(1,112,573)	11,593,933
Total Capital Assets Being Depreciated	88,546,853	1,926,378	23,722,861	114,196,092
Governmental Activities Capital Assets	115,041,910	2,952,910	(1,112,573)	116,882,247
Less: Accumulated Depreciation for:				
Site Improvements	(4,143,784)	(221,169)		(4,364,953)
Buildings and Building Improvements	(25,980,702)	(3,209,956)		(29,190,658)
Machinery and Equipment	(9,093,697)	(677,449)	1,011,195	(8,759,951)
	(39,218,183)	(4,108,574)	1,011,195	(42,315,562)
Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 75,823,727	\$ (1,155,664)	\$ (101,378)	\$ 74,566,685
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 982,335	\$ 56,192		\$ 1,038,527
Less: Accumulated Depreciation	(562,765)	(106,381)		(669,146)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	\$ 419,570	\$ (50,189)	\$ -0-	\$ 369,381

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 2,473,328
School Sponsored/Other Instruction	488,136
Student and Instruction Related Services	152,947
General Administration Services	111,578
School Administration Services	64,442
Plant Operation and Maintenance	281,277
Student Transportation	536,866
	<u>\$ 4,108,574</u>

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 8. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2024, the following changes occurred in liabilities reported in the district-wide financial statements:

	Balance 6/30/2023	Accrued	Retired	Balance 6/30/2024
Serial Bonds Payable	\$ 38,475,000		\$ 2,590,000	\$ 35,885,000
Net Pension Liability	18,337,873		1,031,680	17,306,193
Compensated Absences Payable	626,097	\$ 1,205,462	132,135	1,699,424
	<u>\$ 57,438,970</u>	<u>\$ 1,205,462</u>	<u>\$ 3,753,815</u>	<u>\$ 54,890,617</u>

A. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2024 is \$0 and the long-term portion is \$17,306,193. See Note 9 for further information on the PERS.

B. Bonds Authorized But Not Issued:

As of June 30, 2024, the Board had \$-0- of bonds authorized but not issued.

C. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds. The bond payments will be paid from the Debt Service Fund.

The District had bonds outstanding as of June 30, 2024 as follows:

<u>Serial Bonds</u>			
Purpose	Final Maturity Date	Interest Rate	Amount
Refunding Bonds of 2022	03/01/35	0.959-2.288%	\$ 13,710,000
Various Improvements	09/01/43	3.125-3.50%	22,175,000
			<u>\$ 35,885,000</u>

The District issued \$16,360,000 of refunding bonds on September 9, 2021 to refund \$3,355,000 of its 2012 refunding bonds, \$4,885,000 of its 2014 refunding bonds, and \$7,282,000 of its 2016 serial bonds which had been issued with respective interest rates ranging between 3.00% and 4.00%. The 2022 refunding bonds were issued with interest rates of 0.316-2.288%. The net present value savings over the life of the new refunding bonds will be \$997,885.

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NOTE 8. LONG-TERM LIABILITIES (Cont'd)

C. Bonds Payable: (Cont'd)

Principal and interest due on serial bonds outstanding are as follows:

<u>Year Ending June 30,</u>	<u>Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 2,585,000	\$ 923,422	\$ 3,508,422
2026	2,575,000	881,268	3,456,268
2027	2,585,000	835,305	3,420,305
2028	2,590,000	785,323	3,375,323
2029	2,600,000	732,085	3,332,085
2030-2034	9,455,000	2,877,995	12,332,995
2035-2039	6,895,000	1,699,750	8,594,750
2040-2044	6,600,000	577,500	7,177,500
	<u>\$ 35,885,000</u>	<u>\$ 9,312,648</u>	<u>\$ 45,197,648</u>

D. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is \$47,712 and is separated from the long-term portion of compensated absences of \$1,651,712. The General Fund will be used to liquidate the governmental funds Compensated Absences Payable.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2024, \$-0- is recorded for compensated absences in the Enterprise Funds.

NOTE 9. PENSION PLANS

Substantially all of the Board's employees participate in one of the two contributory, defined benefit public employee retirement systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey; or the Defined Contribution Retirement Program (DCRP), a tax qualified contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

A. Public Employees' Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the PERS, please refer to the Division's annual financial statements which can be found at [www.state.nj.us/treasury/pensions/annual-reports.shtml](http://www.state.nj.us/treasury/pensions/annual-reports.shtml).

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NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service. The following represents the membership tiers for PERS:

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

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. 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. Funding for noncontributory group insurance benefits is based on actual claims paid.

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

District contributions to PERS amounted to \$1,592,351 for fiscal year 2024. During the fiscal year ended June 30, 2023, the State of New Jersey contributed \$53,972 to the PERS for normal pension benefits on behalf of the District.

The employee contribution rate was 7.50% effective July 1, 2018.

FAIR LAWN PUBLIC SCHOOLS  
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(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Special Funding Situation

Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under the legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statement of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entity's total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must disclose pension expense as well as revenue associated with the employers in an amount equal to the nonemployer contributing entity's total proportionate share of the collective pension expense associated with the local participating employer.

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

At June 30, 2024, the District's liability was \$17,306,193 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2023, the District's proportion was 0.1195%, which was a decrease of 0.002% from its proportion measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the District recognized an actual pension benefit of \$1,124,649 related to the District's proportionate share of the net pension liability. Additionally, for the fiscal year ended June 30, 2023, the State of New Jersey recognized pension expense on behalf of the District in the amount of \$53,972 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2024 financial statements.

There was no state proportionate share of net pension liability attributable to the District as of June 30, 2023.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Cont'd)

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2019	5.21		\$ (94,006)
	2020	5.16		(855,371)
	2021	5.13	\$ 38,018	
	2022	5.04		(99,452)
			<u>38,018</u>	<u>(1,048,829)</u>
Difference Between Expected and Actual Experience	2019	5.21	7,185	
	2020	5.16	47,656	
	2021	5.13		(30,234)
	2022	5.04		(40,508)
	2023	5.08	<u>110,628</u>	<u>(70,742)</u>
			<u>165,469</u>	<u>(70,742)</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2020	5.00	268,008	
	2021	5.00	(2,228,891)	
	2022	5.00	2,651,840	
	2023	5.00	<u>(611,260)</u>	<u>(79,697)</u>
			<u>79,697</u>	
Changes in Proportion	2019	5.21		(27,348)
	2020	5.16		(141,412)
	2021	5.13	46,832	
	2022	5.04		(1,056,293)
	2023	5.08		(271,798)
			<u>46,832</u>	<u>(1,496,851)</u>
District Contribution Subsequent to the Measurement Date	2023	1.00	<u>1,740,661</u>	
			<u>\$ 2,070,677</u>	<u>\$ (2,616,422)</u>

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions  
(Cont'd)

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding the District contribution subsequent to measurement date) related to pensions will be recognized in the pension benefit as follows:

Fiscal Year Ending June 30,	Total
2024	\$ (1,455,054)
2025	(921,596)
2026	301,459
2027	(208,054)
2028	(3,161)
	<u>\$ (2,286,406)</u>

Actuarial Assumptions

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions:

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%

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 a 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

FAIR LAWN PUBLIC SCHOOLS  
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(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. 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 upon 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.



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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2023 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2023		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 22,528,981	\$ 17,306,193	\$ 12,860,910

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the TPAF, please refer to the Division's annual financial statements which can be found at [www.state.nj.us/treasury/pensions/annual-reports.shtml](http://www.state.nj.us/treasury/pensions/annual-reports.shtml).

Benefits Provided

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

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(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Benefits Provided (Cont'd)

Service retirement benefits of  $1/55^{\text{th}}$  of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of  $1/60^{\text{th}}$  of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a members retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. 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 included the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2023, the State's pension contribution was more than the actuarial determined amount.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2024, the State of New Jersey contributed \$16,915,693 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$5,059,605.

The employee contribution rate was 7.50% effective July 1, 2018.

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

At June 30, 2024, the State's proportionate share of the net pension liability associated with the District was \$205,950,505. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2023, the District's proportion was 0.404%, which was an increase of 0.0133% from its proportion measured as of June 30, 2022.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Cont'd)

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>205,950,505</u>
Total	<u>\$ 205,950,505</u>

For the fiscal year ended June 30, 2023, the State recognized pension expense on behalf of the District in the amount of \$5,059,605 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2024 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2016	8.30	\$ 391,340,712	
	2017	8.30		\$ 2,080,865,206
	2018	8.29		1,883,063,885
	2019	8.04		1,514,535,609
	2020	7.99	805,517,879	
	2021	7.93		9,179,534,541
	2022	7.83	82,066,487	
			<u>1,278,925,078</u>	<u>14,657,999,241</u>
Difference Between Expected and Actual Experience	2016	8.30		4,866,656
	2017	8.30	37,022,988	
	2018	8.29	330,339,649	
	2019	8.04		58,842,090
	2020	7.99		4,293,040
	2021	7.93	121,815,868	
	2022	7.83		15,372,285
	2023	7.93	169,161,907	
			<u>658,340,412</u>	<u>83,374,071</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2020	5.00	241,395,539	
	2021	5.00	(1,777,316,905)	
	2022	5.00	2,489,500,994	
	2023	6.00	(477,296,442)	
			<u>476,283,186</u>	
			<u>\$ 2,413,548,676</u>	<u>\$ 14,741,373,312</u>

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Cont'd)

Amounts reported by the State as collective deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expense excluding that attributable to employer-paid members contributions as follows:

Fiscal Year Ending June 30,	Total
2024	\$ (3,918,676,894)
2025	(3,446,016,070)
2026	(1,604,289,401)
2027	(1,742,641,843)
2028	(1,672,806,952)
Thereafter	56,606,524
	<u>\$ (12,327,824,636)</u>

Actuarial Assumptions

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. 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% – 4.25% based on years of service
Investment Rate of Return	7.00%

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 a 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, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

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(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. 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 made based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the pension 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 pension plan investments was applied to all projected benefit payments in determining the total pension liability.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Sensitivity of the State's Proportionate Share of the Net Pension Liability Associated with the District to Changes in the Discount Rate

The following presents the State's proportionate share of net pension liability associated with the District as of June 30, 2023 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2023		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 242,853,018	\$ 205,950,505	\$ 174,869,818

Pension Plan Fiduciary Net Position

Detailed information about the TPAF's fiduciary net position is available in the separately issued TPAF financial statements.

C. Defined Contribution Retirement Program (DCRP)

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

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

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the District recognized pension expense of \$241,084 for the fiscal year ended June 30, 2024. Employee contributions to DCRP amounted to \$410,224 for the fiscal year ended June 30, 2024.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

The District is in a “special funding situation”, as described in GASB Codification Section P50, in that OPEB contributions and expenses are legally required to be made by and are the sole responsibility of the State of New Jersey, not the District.

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

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A. 52:14-17.32f. According to N.J.S.A. 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers’ Pension and Annuity Fund (TPAF), the Public Employees’ Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 years or more of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree’s annual retirement benefit and level of coverage.

The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits, if any, is the responsibility of the individual education employers.

For additional information about the State Health Benefit Local Education Retired Education Plan, please refer to the Division’s annual financial statements which can be found at <https://www.state.nj.us/treasury/pensions/gasb-notice-oheb.shtml>.

Employees Covered by Benefit Terms

At June 30, 2022, the plan membership consisted of the following:

Retirees Plan Members and Spouses of Retirees Currently Receiving Benefit Payments	152,383
Active Plan Members	<u>217,212</u>
Total	<u><u>369,595</u></u>

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023.

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:	2.75 - 4.25%	2.75 - 6.55%	3.25 - 16.25%
	based on years of service	based on years of service	based on years of service

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the TPAF, PERS and PFRS experience studies prepared for July 1, 2018 – June 30, 2021.

100% of active employees are considered to participate in the Plan upon retirement.

Mortality Rates

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



FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.65%. This represents the municipal bond rate as chosen by the State of New Jersey Division of Pensions and Benefits. The source is the Bond Buyer Go 20-Bond Municipal bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the State's Proportionate Share of the Total OPEB Liability Associated with the District

	<u>Total OPEB Liability</u>
Balance at June 30, 2022	\$ 175,920,197
Changes for Year:	
Service Cost	7,451,252
Interest on the Total OPEB Liability	6,418,199
Difference between Actual and Expected Experience	(3,080,358)
Changes of Assumptions	367,316
Gross Benefit Payments by the State	(5,003,091)
Contributions from Members	164,476
	<u>6,317,794</u>
Net Changes	<u>6,317,794</u>
Balance at June 30, 2023	<u>\$ 182,237,991</u>

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Sensitivity of the Total Non-employer OPEB Liability Attributable to the District to Changes in the Discount Rate

The following presents the total non-employer OPEB Liability attributable to the District as of June 30, 2023, calculated using the discount rate as disclosed in this note, as well as what the total non-employer OPEB liability attributable to the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2023		
	At 1% Decrease (2.65%)	At Discount Rate (3.65%)	At 1% Increase (4.65%)
Total OPEB Liability Attributable to the District	\$ 213,642,758	\$ 182,237,991	\$ 157,023,609

Sensitivity of the Total Non-employer OPEB Liability Attributable to the District to Changes in the Healthcare Trend Rate

The following presents the total non-employer OPEB Liability attributable to the District as of June 30, 2023, calculated using the healthcare trend rate as disclosed in this note, as well as what the total non-employer OPEB liability attributable to the District would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2023		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 151,285,629	\$ 182,237,991	\$ 222,739,237

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2024 the District recognized OPEB expense of \$4,842,369 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2023, the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Cont'd)

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		\$ 6,566,722
	2018	9.51		6,797,147
	2019	9.29	\$ 999,968	
	2020	9.24	24,447,537	
	2021	9.24	139,147	
	2022	9.13		36,927,302
	2023	9.30	327,820	
			<u>25,914,472</u>	<u>50,291,171</u>
Differences between Expected and Actual Experience	2018	9.51		6,425,419
	2019	9.29		11,769,673
	2020	9.24	22,786,064	
	2021	9.24		26,759,243
	2022	9.13	3,802,982	
	2023	9.30		3,045,334
			<u>26,589,046</u>	<u>47,999,669</u>
Changes in Proportion	N/A	N/A	2,285,611	2,373,497
			<u>\$ 54,789,129</u>	<u>\$ 100,664,337</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources excluding changes in proportion related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Total
2024	\$ (9,088,031)
2025	(9,088,031)
2026	(7,898,782)
2027	(4,656,822)
2028	(953,195)
Thereafter	<u>(14,102,461)</u>
	<u>\$ (45,787,322)</u>

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 11. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters for which the District has commercial insurance coverage. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. The District obtains their dental benefits insurance through Delta Dental Plan of New Jersey and their medical coverage through the State of New Health Benefits Plan.

Workers' Compensation

The Fair Lawn Public Schools is a member of the New Jersey Schools Insurance Group (the "Group"). This public entity risk management pool provides workers' compensation coverage to the District. The Group is a risk-sharing public entity risk pool that is an insured and self-administered group of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Group are elected. As a member of this Group, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Group were to be exhausted, members would become responsible for their respective shares of the Group's liabilities. The Group can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

The audit of the Group as of June 30, 2024 is not available as of the date of this report. Selected, summarized financial information for the Group as of June 30, 2023 is as follows:

	<u>New Jersey Schools Insurance Group</u>
Total Assets	\$ 429,049,188
Net Position	\$ 201,308,725
Total Revenue	\$ 160,069,780
Total Expenses	\$ 141,165,428
Change in Net Position	\$ 18,904,352
Members Dividends	\$ 2,599,938

New Jersey Unemployment Compensation Insurance

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 table on the following page is a summary of District contributions, interest earned, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's Unemployment Compensation Restricted Fund Balance in the General Fund for the current and previous two years.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 11. RISK MANAGEMENT (Cont'd)

New Jersey Unemployment Compensation Insurance (Cont'd)

<u>Fiscal Year</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023-2024	\$ 20,252	\$ 219,849	\$ 201,383	\$ 937,516
2022-2023	8,015	222,111	290,310	898,798
2021-2022	2,143	276,230	194,932	958,982

NOTE 12. ECONOMIC DEPENDENCY

The Board of Education receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Board of Education's programs and activities.

NOTE 13. INTERFUND RECEIVABLES AND PAYABLES

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 662,258	\$ 15,738
Special Revenue Fund		662,258
Proprietary Funds:		
Food Service Fund	15,738	
	<u>\$ 677,996</u>	<u>\$ 677,996</u>

The interfund between the General Fund and the Special Revenue Fund is due to a deficit in cash and cash equivalents in the Special Revenue Fund. This deficit is due to timing between expenditure and reimbursement from the State of New Jersey on federal grants. The interfund receivable in the Food Service Fund is due to a check deposited into the General Fund that is due to the Food Service Fund.

NOTE 14. DEFERRED COMPENSATION

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

The plan administrators are as follows:

AXA  
Variable Annuity Life (VALIC)  
Equitable Life Assurance  
Lincoln Investment Planning

Equitable Life Assurance is the plan administrator for the District's Internal Revenue Code Section 457 plan.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 15. TAX CALENDAR

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10. Taxes are collected by the constituent municipality and are remitted to the local school district on a predetermined mutually agreed-upon schedule.

NOTE 16. TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2024, there were no transfers to the capital outlay accounts which required approval from the County Superintendent.

NOTE 17. COMMITMENTS AND CONTINGENCIES

Grant Programs

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

Litigation

The District is periodically involved in pending lawsuits. The District estimates that any potential claims against it resulting from such litigation and not covered by insurance would not materially affect the financial position of the District.

Encumbrances

At June 30, 2024, there were encumbrances as detailed below in the governmental funds.

General Fund	Capital Projects Fund	Total Governmental Funds
<u>\$ 1,957,848</u>	<u>\$ 897,898</u>	<u>\$ 2,855,746</u>

The Capital Projects Fund has encumbrances of \$897,898 which are included in the committed balance on the Governmental Funds Balance Sheet.

**FAIR LAWN PUBLIC SCHOOLS**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**  
(Continued)

**NOTE 18. ACCOUNTS PAYABLE**

Accounts payable as of June 30, 2024 consisted of the following:

	<u>Governmental Funds</u>		District Contri-		Business-Type
	General	Special	bution Subsequent	Total	Activities
	Fund	Revenue	to the Measure-	Governmental	Proprietary
		Fund	ment Date	Activities	Funds
Vendors	\$ 2,293,065	\$ 57,363		\$ 2,350,428	\$ 127,597
State of New Jersey			\$ 1,740,661	1,740,661	
Payroll Deductions and Withholdings	511,480			511,480	
	<u>\$ 2,804,545</u>	<u>\$ 57,363</u>	<u>\$ 1,740,661</u>	<u>\$ 4,602,569</u>	<u>\$ 127,597</u>

**NOTE 19. PRIOR PERIOD ADJUSTMENT**

The District made a prior year adjustment in the District Wide Financial Statements to reflect the reappraisal of capital assets as follows:

	Balance 6/30/23 as Previously Reported	Error Correction	Balance 6/30/23 as Restated
<b><u>Statement of Net Position:</u></b>			
<b><u>Governmental Activities:</u></b>			
Assets:			
Sites (Land) and Construction in Progress	\$ 30,880,255	\$ (4,385,198)	\$ 26,495,057
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	42,232,659	7,096,011	49,328,670
Total Assets	127,776,443	2,710,813	130,487,256
Net Position:			
Net Investment in Capital Assets	35,248,127	2,710,813	37,958,940
Total Net Position	63,614,789	2,710,813	66,325,602
<b><u>Business-Type Activities:</u></b>			
Non-Current Assets:			
Capital Assets	467,454	(47,884)	419,570
Total Assets	4,552,845	(47,884)	4,504,961
Net Position:			
Net Investment in Capital Assets	467,454	(47,884)	419,570
Total Net Position	4,114,356	(47,884)	4,066,472
<b><u>Proprietary Funds:</u></b>			
Total Net Position	4,114,356	(47,884)	4,066,472

SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION



FAIR LAWN PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Fiscal Year Ending June 30,									
District's proportion of the net pension liability	0.1551818755%	0.1522285199%	0.1520364380%	0.1499850290%	0.1359914937%	0.1329959669%	0.1302019808%	0.1307191351%	0.1215122639%	0.1194818130%
District's proportionate share of the net pension liability	\$ 29,054,291	\$ 34,172,252	\$ 45,028,832	\$ 34,684,470	\$ 26,776,047	\$ 23,963,856	\$ 21,232,538	\$ 15,485,641	\$ 18,337,873	\$ 17,306,193
District's covered employee payroll	\$ 9,754,894	\$ 9,719,098	\$ 9,836,977	\$ 9,412,139	\$ 9,326,718	\$ 9,160,723	\$ 9,344,363	\$ 8,745,131	\$ 8,758,624	\$ 9,134,286
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	297.84%	351.60%	457.75%	368.51%	287.09%	261.59%	227.22%	177.08%	209.37%	189.46%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	62.91%	65.23%

FAIR LAWN PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution	\$ 1,279,297	\$ 1,308,757	\$ 1,354,684	\$ 1,394,926	\$ 1,357,170	\$ 1,297,630	\$ 1,424,344	\$ 1,460,309	\$ 1,532,328	\$ 1,592,351
Contributions in relation to the contractually required contribution	(1,279,297)	(1,308,757)	(1,354,684)	(1,394,926)	(1,357,170)	(1,297,630)	(1,424,344)	(1,460,309)	(1,532,328)	(1,592,351)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 9,719,098	\$ 9,836,977	\$ 9,412,139	\$ 9,326,718	\$ 9,160,723	\$ 9,344,363	\$ 8,745,131	\$ 8,758,624	\$ 9,134,286	\$ 9,147,457
Contributions as a percentage of covered employee payroll	13.16%	13.30%	14.39%	14.96%	14.82%	13.89%	16.29%	16.67%	16.78%	17.41%

FAIR LAWN PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY ASSOCIATED WITH THE DISTRICT  
TEACHERS' PENSION AND ANNUITY FUND  
LAST TEN FISCAL YEARS

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
State's proportion of the net pension liability attributable to the District	0.3699274843%	0.37355561896%	0.3768283543%	0.3800082017%	0.3742537707%	0.3803055897%	0.3792037529%	0.3899368939%	0.3902517994%	0.4035600420%
State's proportionate share of the net pension liability attributable to the District	\$ 197,714,201	\$ 236,103,641	\$ 296,435,603	\$ 256,215,232	\$ 238,092,210	\$ 233,397,118	\$ 249,701,108	\$ 187,462,897	\$ 201,348,136	\$ 205,950,505
District's covered employee payroll	\$ 37,910,489	\$ 38,887,483	\$ 38,830,986	\$ 39,973,439	\$ 40,629,471	\$ 42,459,901	\$ 43,906,652	\$ 45,508,916	\$ 47,330,279	\$ 48,333,832
State's proportionate share of the net pension liability as a percentage of its covered employee payroll	521.53%	607.15%	763.40%	640.96%	586.01%	549.69%	568.71%	411.93%	425.41%	426.10%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%	34.68%

FAIR LAWN PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATE CONTRIBUTIONS  
TEACHERS' PENSION AND ANNUITY FUND  
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution	N/A	N/A	N/A	N/A	N/A	N/A	\$ 15,527,478	\$ 4,411,084	\$ 5,418,841	\$ 5,059,605
Contributions in relation to the contractually required contribution	N/A	N/A	N/A	N/A	N/A	N/A	(11,334,993)	(16,065,326)	(16,498,022)	(16,915,693)
Contribution deficiency/(excess)	N/A	N/A	N/A	N/A	N/A	N/A	\$ 4,192,485	\$ (11,654,242)	\$ (11,079,181)	\$ (11,856,088)
District's covered employee payroll	\$ 38,887,483	\$ 38,830,986	\$ 39,973,439	\$ 40,629,471	\$ 42,459,901	\$ 43,906,652	\$ 45,508,916	\$ 47,330,279	\$ 48,333,832	\$ 50,296,099
Contributions as a percentage of covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	24.91%	33.94%	34.13%	33.63%

N/A - Not Available

FAIR LAWN PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL  
OPEB LIABILITY ASSOCIATED WITH THE DISTRICT AND RELATED RATIOS  
LAST SEVEN FISCAL YEARS

	Fiscal Year Ending June 30,					
	2017	2018	2019	2020	2021	2022
Total OPEB Liability						2023
Service Cost	\$ 8,088,181	\$ 6,718,004	\$ 5,831,926	\$ 6,056,637	\$ 10,972,881	\$ 9,595,703
Interest	5,887,159	6,837,176	6,353,472	5,235,840	5,474,710	4,662,079
Changes of Benefit Terms					(224,631)	
Differences between Expected and Actual Experience		(16,826,160)	(24,992,778)	40,192,214	(37,363,809)	2,280,127
Changes in Assumptions	(24,043,354)	(18,416,702)	2,169,640	43,136,391	208,211	(47,192,171)
Member Contributions	158,908	148,317	132,411	124,609	139,961	148,145
Gross Benefit Payments	(4,315,517)	(4,291,369)	(4,466,875)	(4,111,168)	(4,312,538)	(4,617,927)
Net Change in Total OPEB Liability	(14,224,623)	(25,830,734)	(14,972,204)	90,634,523	(25,105,215)	(35,124,044)
Total OPEB Liability - Beginning	200,542,494	186,317,871	160,487,137	145,514,933	236,149,456	211,044,241
Total OPEB Liability - Ending	\$ 186,317,871	\$ 160,487,137	\$ 145,514,933	\$ 236,149,456	\$ 211,044,241	\$ 175,920,197
District's Covered Employee Payroll *	\$ 48,667,963	\$ 49,385,578	\$ 49,956,189	\$ 51,620,624	\$ 53,251,015	\$ 54,254,047
Total OPEB Liability as a Percentage of Covered Employee Payroll	383%	325%	291%	457%	396%	324%
						325%

\* - Covered payroll for the fiscal years ending June 30, 2017 - 2023 are based on the payroll on the June 30, 2016 - 2022 census data.

Note: This schedule does not contain ten years of information as GASB No. 75 was implemented during the fiscal year ended June 30, 2018.

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

There were none.

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2022 actuarial valuation the salary increases were 2.75% – 4.25% based on years of service while in the July 1, 2021 actuarial valuation the salary increases were 2.75% – 5.65% based on years of service.

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate for June 30, 2023 was 3.65%. The discount rate for June 30, 2022 was 3.54%, a change of .11%.

The health care trend rates in the valuation as of June 30, 2023 were based on the following:

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

The health care trend rates in the valuation as of June 30, 2022 were based on the following:

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.5% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long term rate after eight years.

BUDGETARY COMPARISON SCHEDULES

FAIR LAWN PUBLIC SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	\$ 95,590,997		\$ 95,590,997	\$ 95,590,997	
Tuition From Individuals		\$ 6,600	6,600	52,677	\$ 46,077
Tuition From Other LEAs Within the State	156,600	(6,600)	150,000	181,960	31,960
Tuition From Summer School	2,000		2,000	900	(1,100)
Transportation Fees From Individuals	53,000		53,000	90,137	37,137
Rents and Royalties	25,000		25,000	26,938	1,938
Unrestricted Miscellaneous Revenues	334,400	100	334,500	360,330	25,830
Interest Earned				2,647,761	2,647,761
Interest Earned on Emergency Reserve	50	(50)		50	50
Interest Earned on Maintenance Reserve	50	(50)		50	50
Interest Earned on Capital Reserve Funds	20,000		20,000	266,744	246,744
Other Restricted Miscellaneous Revenues	2,144,450		2,144,450	2,372,206	227,756
Total Revenues from Local Sources	98,326,547		98,326,547	101,590,750	3,264,203
Revenues from State Sources:					
Categorical Transportation Aid	840,898		840,898	840,898	
Extraordinary Aid	725,000		725,000	2,572,742	1,847,742
Categorical Special Education Aid	5,465,031		5,465,031	5,465,031	
Equalization Aid	13,845,996		13,845,996	13,845,996	
Categorical Security Aid	464,041		464,041	464,041	
Nonpublic Transportation Aid				275,284	275,284
Homeless Tuition Reimbursement				211,708	211,708
Other State Aids	87,580		87,580	(87,580)	(87,580)
TPAF Post Retirement Contributions (Non-Budgeted)				4,656,337	4,656,337
TPAF Pension Contributions (Non-Budgeted)				16,915,693	16,915,693
TPAF Non-Contributory Insurance (Non-Budgeted)				192,914	192,914
TPAF Long-Term Disability Insurance (Non-Budgeted)				7,213	7,213
Reimbursed TPAF Social Security Contributions				3,615,127	3,615,127
Total Revenues from State Sources	21,428,546		21,428,546	49,062,984	27,634,438



FAIR LAWN PUBLIC SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Federal Sources:					
Medicaid Reimbursement	\$ 70,606		\$ 70,606	\$ 46,422	\$ (24,184)
Total Revenues from Federal Sources	<u>70,606</u>		<u>70,606</u>	<u>46,422</u>	<u>(24,184)</u>
TOTAL REVENUE	<u>119,825,699</u>		<u>119,825,699</u>	<u>150,700,156</u>	<u>30,874,457</u>
GENERAL CURRENT EXPENSE					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	1,427,598	\$ 6,670	1,434,268	1,423,808	10,460
Grades 1-5 - Salaries of Teachers	11,508,053	(193,339)	11,314,714	11,258,903	55,811
Grades 6-8 - Salaries of Teachers	8,699,731	74,254	8,773,985	8,712,893	61,092
Grades 9-12 - Salaries of Teachers	9,964,828	144,130	10,108,958	10,017,024	91,934
Regular Programs - Home Instruction:					
Salaries of Teachers	128,000	(37,882)	90,118	59,414	30,704
Purchased Professional-Educational Services	52,000		52,000	33,905	18,095
Regular Programs - Undistributed Instruction:					
Purchased Professional-Educational Services	1,030,000	536,062	1,566,062	1,553,675	12,387
Purchased Technical Services	15,000	(15,000)			
Other Purchased Services (400-500 series)	19,340	125,548	144,888	141,775	3,113
General Supplies	1,157,779	(100,170)	1,057,609	935,592	122,017
Textbooks	60,000	(12,709)	47,291	19,888	27,403
Other Objects	542,723	(197,875)	344,848	300,538	44,310
Total Regular Programs - Instruction	<u>34,605,052</u>	<u>329,689</u>	<u>34,934,741</u>	<u>34,457,415</u>	<u>477,326</u>
Special Education - Instruction:					
Learning and/or Language Disabilities - Mild to Moderate:					
Salaries of Teachers	882,089	87,642	969,731	969,731	
Other Salaries for Instruction	1,345,835	20,570	1,366,405	1,366,405	
Purchased Professional-Educational Services	26,000	59,148	85,148	85,148	
General Supplies	1,500	(500)	1,000	904	96
Textbooks	2,500		2,500	740	1,760
Total Learning and/or Language Disabilities - Mild to Moderate	<u>2,257,924</u>	<u>166,860</u>	<u>2,424,784</u>	<u>2,422,928</u>	<u>1,856</u>

FAIR LAWN PUBLIC SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Emotional Regulation Impairment:					
Salaries of Teachers	\$ 540,159	\$ 56,455	\$ 596,614	\$ 596,614	
Other Salaries for Instruction	286,925	15,847	302,772	299,885	\$ 2,887
Purchased Professional-Educational Services	15,000	9,784	24,784	24,784	
General Supplies	1,000	(4)	996	589	407
Textbooks	3,000	(1,332)	1,668		1,668
Other Objects	1,000		1,000	99	901
Total Emotional Regulation Impairment	847,084	80,750	927,834	921,971	5,863
Multiple Disabilities:					
Salaries of Teachers	324,812	(45,006)	279,806	115,055	164,751
Other Salaries for Instruction	579,423	115,573	694,996	611,061	83,935
Purchased Professional-Educational Services	12,600	21,324	33,924	33,924	
General Supplies	5,000	(1,215)	3,785	1,704	2,081
Other Objects	1,000		1,000	774	226
Total Multiple Disabilities	922,835	90,676	1,013,511	762,518	250,993
Resource Room/Resource Center:					
Salaries of Teachers	4,256,793	(180,698)	4,076,095	4,076,095	
Purchased Professional-Educational Services	38,000	39,998	77,998	77,044	954
General Supplies	5,070		5,070	4,820	250
Textbooks	2,000		2,000	452	1,548
Total Resource Room/Resource Center	4,301,863	(140,700)	4,161,163	4,158,411	2,752
Autism:					
Salaries of Teachers	838,791	(97,639)	741,152	719,185	21,967
Other Salaries for Instruction	988,494	51,528	1,040,022	1,030,595	9,427
Purchased Professional-Educational Services	31,000	62,577	93,577	93,577	
General Supplies	25,000	(16,820)	8,180	8,034	146
Total Autism	1,883,285	(354)	1,882,931	1,851,391	31,540

FAIR LAWN PUBLIC SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Preschool Disabilities - Part-Time:					
Salaries of Teachers	\$ 396,626	\$ 5,437	\$ 402,063	\$ 402,063	
Other Salaries for Instruction	286,643	47,092	333,735	333,314	\$ 421
Purchased Professional-Educational Services	15,000	9,881	24,881	24,881	
General Supplies	1,000		1,000	905	95
Total Preschool Disabilities - Part-Time	699,269	62,410	761,679	761,163	516
Preschool Disabilities - Full-Time:					
Salaries of Teachers	300,640	(8,505)	292,135	292,135	
Other Salaries for Instruction	779,807	(109,361)	670,446	667,885	2,561
Purchased Professional-Educational Services	13,700	67,693	81,393	74,710	6,683
General Supplies	1,000	107	1,107	952	155
Other Objects	1,000	3,000	4,000	4,000	
Total Preschool Disabilities - Full-Time	1,096,147	(47,066)	1,049,081	1,039,682	9,399
Home Instruction:					
Salaries of Teachers	115,000	75,236	190,236	190,236	
Purchased Professional-Educational Services	160,000	17,901	177,901	159,513	18,388
Total Home Instruction	275,000	93,137	368,137	349,749	18,388
TOTAL SPECIAL EDUCATION - INSTRUCTION	12,283,407	305,713	12,589,120	12,267,813	321,307
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	173,141	18,999	192,140	192,140	
General Supplies	4,804	(3,120)	1,684	1,039	645
Other Objects	2,500	(2,013)	487	487	
Total Basic Skills/Remedial - Instruction	180,445	13,866	194,311	193,666	645
Bilingual Education - Instruction:					
Salaries of Teachers	1,329,916	(42,503)	1,287,413	1,287,413	
General Supplies	21,665	(10,827)	10,838	10,838	
Other Objects	12,865	7,544	20,409	20,409	
Total Bilingual Education - Instruction	1,364,446	(45,786)	1,318,660	1,318,660	

FAIR LAWN PUBLIC SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.:					
Salaries	\$ 554,141	\$ (42,864)	\$ 511,277	\$ 490,121	\$ 21,156
Supplies and Materials	11,700	350	12,050	8,349	3,701
Other Objects	48,000		48,000	36,336	11,664
Total School-Spon. Cocurricular & Extracurricular Actvts. - Inst.	613,841	(42,514)	571,327	534,806	36,521
School-Sponsored Athletics - Instruction:					
Salaries	678,602	37,586	716,188	680,699	35,489
Purchased Services (300-500 series)	104,882	11,515	116,397	111,800	4,597
Supplies and Materials	69,100	29,997	99,097	90,596	8,501
Other Objects	77,565	(4,238)	73,327	64,487	8,840
Total School-Sponsored Athletics - Instruction	930,149	74,860	1,005,009	947,582	57,427
Summer School - Instruction:					
Salaries of Teachers	22,000	(21,624)	376	376	
Total Summer School - Instruction	22,000	(21,624)	376	376	
Total Summer School	22,000	(21,624)	376	376	
Other Supplemental/At Risk Programs - Instruction:					
Salaries of Teacher Tutors	1,378,853	(182,571)	1,196,282	1,133,139	63,143
Salaries of Reading Specialists	206,612		206,612	206,612	
Purchased Professional & Technical Services	50,000	(3,184)	46,816	46,816	
General Supplies	200		200		200
Total Other Suppl/At-Risk Prog - Instruction	1,635,665	(185,755)	1,449,910	1,386,567	63,343
Total Other Supplemental/At-Risk Programs	1,635,665	(185,755)	1,449,910	1,386,567	63,343
TOTAL INSTRUCTION	51,635,005	428,449	52,063,454	51,106,885	956,569

FAIR LAWN PUBLIC SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Special	\$ 187,690	\$ (107,122)	\$ 80,568	\$ 59,778	\$ 20,790
Tuition to County Voc. School Dist.-Regular	759,636	113,424	873,060	843,923	29,137
Tuition to County Voc. School Dist.-Special	350,754	(16,644)	334,110	164,016	170,094
Tuition to CSSD & Reg. Day Schools	1,854,894	(31,159)	1,823,735	1,421,876	401,859
Tuition to Priv. Sch. for the Handicap. W/I State	4,395,683	(685,133)	3,710,550	3,073,333	637,217
Tuition - State Facilities	39,000		39,000		39,000
Tuition - Other	142,800	7,174	149,974	149,974	
Total Undistributed Expenditures - Instruction	7,730,457	(719,460)	7,010,997	5,712,900	1,298,097
Undist. Expend. - Attendance and Social Work					
Salaries	64,606	134	64,740	64,740	
Total Undist. Expend. - Attendance and Social Work	64,606	134	64,740	64,740	
Undistributed Expenditures - Health Services:					
Salaries	1,137,300	(32,473)	1,104,827	1,013,060	91,767
Purchased Professional and Technical Services	1,872,892	174,541	2,047,433	1,938,986	108,447
Other Purchased Services (400-500 series)	3,150	3,293	6,443	1,169	5,274
Supplies and Materials	19,650	(64)	19,586	9,856	9,730
Total Undist. Expenditures - Health Services	3,032,992	145,297	3,178,289	2,963,071	215,218
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	2,254,206	(23,607)	2,230,599	2,220,862	9,737
Purchased Professional - Educational Services	1,037,255	136,552	1,173,807	851,705	322,102
Supplies and Materials	10,000	(3,467)	6,533	4,561	1,972
Total Undist. Expend. - Speech, OT, PT, Related Svcs	3,301,461	109,478	3,410,939	3,077,128	333,811
Undist. Expend. - Other Supp. Serv. Students - Extra. Serv.:					
Salaries	1,457,235	(99,479)	1,357,756	1,334,285	23,471
Purchased Professional - Educational Services	157,000	75,982	232,982	210,480	22,502
Supplies and Materials	25,000		25,000	15,210	9,790
Total Undist. Expend. - Other Supp. Svcs. Students - Extra. Serv.	1,639,235	(23,497)	1,615,738	1,559,975	55,763

FAIR LAWN PUBLIC SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Guidance:					
Salaries of Other Professional Staff	\$ 1,470,008	\$ (33,562)	\$ 1,436,446	\$ 1,430,855	\$ 5,591
Salaries of Secretarial and Clerical Assistants	260,369	6,857	267,226	266,972	254
Other Salaries	156,215	7,679	163,894	162,894	1,000
Supplies and Materials	6,000		6,000	3,094	2,906
Other Objects	14,500		14,500	8,478	6,022
Total Undist Expend. - Guidance	1,907,092	(19,026)	1,888,066	1,872,293	15,773
Undist. Expend.-Child Study Team:					
Salaries of Other Professional Staff	2,367,232	2,697	2,369,929	2,369,198	731
Salaries of Secretarial and Clerical Assistants	243,976	8,483	252,459	252,406	53
Purchased Professional - Educational Services	405,800	(68,633)	337,167	233,214	103,953
Other Purchased Services (400-500 series)	7,500		7,500	5,635	1,865
Supplies and Materials	25,500	35,463	60,963	50,195	10,768
Other Objects	7,750	1,571	9,321	8,458	863
Total Undist Expend. - Child Study Team	3,057,758	(20,419)	3,037,339	2,919,106	118,233
Undist. Expend.-Improv. of Inst. Serv.:					
Salaries of Other Professional Staff	502,396	22,661	525,057	525,057	
Salaries of Secretarial and Clerical Assistants	103,758	83	103,841	103,841	
Other Salaries	45,000	(5,717)	39,283	37,585	1,698
Sal of Facilitators, Math Coaches & Literacy Coaches	52,500	(1,927)	50,573	46,208	4,365
Other Purchased Services (400-500 series)	2,500		2,500	827	1,673
Supplies and Materials	2,190	(541)	1,649	1,356	293
Other Objects	2,700	95	2,795	2,795	
Total Undist. Expend.-Improv. of Inst. Serv.	711,044	14,654	725,698	717,669	8,029
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	431,751	2,749	434,500	433,843	657
Salaries of Technology Coordinators	410,726	(1,366)	409,360	408,612	748
Supplies and Materials	53,075	(157)	52,918	52,643	275
Total Undist Expend-Edu. Media Serv./Sch. Library	895,552	1,226	896,778	895,098	1,680

FAIR LAWN PUBLIC SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist.Expend.-Instructional Staff Training Services:					
Salaries of Other Professional Staff	\$ 253,115	\$ (25,290)	\$ 227,825	\$ 224,089	\$ 3,736
Purchased Professional - Educational Service	47,900	(15,763)	32,137	20,158	11,979
Other Purchased Services (400-500 series)	22,261	6,029	28,290	19,970	8,320
Supplies and Materials	1,000		1,000	274	726
Other Objects	10,100	(300)	9,800	4,750	5,050
Total Undist.Expend.-Instructional Staff Training Services	334,376	(35,324)	299,052	269,241	29,811
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	347,540	(17,077)	330,463	279,043	51,420
Unused Vacation Payment to Terminated/Retired Staff		47,077	47,077	47,077	
Legal Services	259,358	44,431	303,789	284,666	19,123
Audit Fees	45,000	9,000	54,000	51,000	3,000
Architectural/Engineering Services	71,965		71,965	12,257	59,708
Other Purchased Professional Services	70,000	45,933	115,933	112,753	3,180
Purchased Technical Services	11,000		11,000	11,000	
Communications / Telephone	169,769	(55,182)	114,587	80,595	33,992
BOE Other Purchased Services	11,843		11,843	6,684	5,159
Other Purch. Serv. (400-500 series other than 530 & 585)	137,357	(3,489)	133,868	122,859	11,009
General Supplies	5,500	9,770	15,270	8,900	6,370
Judgments Against The School District	120,000	45,569	165,569	145,877	19,692
Miscellaneous Expenditures	39,063	1,057	40,120	38,351	1,769
Total Undist. Expend.-Support Serv.-Gen. Admin.	1,288,395	127,089	1,415,484	1,201,062	214,422
Undist. Expend.-Support Serv.-School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	3,115,255	368,612	3,483,867	3,273,690	210,177
Salaries of Other Professional Staff	512,693	36,710	549,403	542,342	7,061
Salaries of Secretarial and Clerical Assistants	967,071	27,360	994,431	978,870	15,561
Other Objects	37,400		37,400	31,172	6,228
Total Undist. Expend.-Support Serv.-School Adm.	4,632,419	432,682	5,065,101	4,826,074	239,027

FAIR LAWN PUBLIC SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Central Services:					
Salaries	\$ 1,382,729	\$ 1,300	\$ 1,384,029	\$ 1,380,934	\$ 3,095
Purchased Professional Services	100,375	2,096	102,471	53,889	48,582
Purchased Technical Services	8,000	(504)	7,496	1,763	5,733
Miscellaneous Purchased Services (400-500 series other than 594)	74,750	(8,369)	66,381	30,036	36,345
Supplies and Materials	10,100	1,883	11,983	9,945	2,038
Other Objects	6,000	7,544	13,544	13,522	22
Total Undist. Expend. - Central Services	1,581,954	3,950	1,585,904	1,490,089	95,815
Undist. Expend. - Admin. Info. Technology:					
Salaries	759,421	173,700	933,121	745,210	187,911
Purchased Professional Services	330,600	(28,555)	302,045	299,654	2,391
Purchased Technical Services	374,030	148,986	523,016	506,607	16,409
Other Purchased Services (400-500 series)	157,500	(1,691)	155,809	148,355	7,454
Supplies and Materials	35,000	(7,000)	28,000	26,623	1,377
Other Objects	80,810	(24,650)	56,160	56,160	
Total Undist. Expend. - Admin. Info. Technology	1,737,361	260,790	1,998,151	1,782,609	215,542
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	709,674	(23)	709,651	705,190	4,461
Cleaning, Repair, and Maintenance Services	840,603	1,795,238	2,635,841	1,202,705	1,433,136
Lead Testing of Drinking Water	2,000		2,000		2,000
General Supplies	328,043	(4,742)	323,301	272,981	50,320
Total Undist. Expend.- Required Maint. for School Facilities	1,880,320	1,790,473	3,670,793	2,180,876	1,489,917



FAIR LAWN PUBLIC SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Custodial Services:					
Salaries	\$ 1,166,183	\$ (43,698)	\$ 1,122,485	\$ 1,109,304	\$ 13,181
Salaries of Non-Instructional Aides	547,500	(61,924)	485,576	453,321	32,255
Purchased Professional and Technical Services	73,475	(46,479)	26,996	20,159	6,837
Cleaning, Repair, and Maintenance Services	3,309,288	(209,349)	3,099,939	3,018,794	81,145
Other Purchased Property Services	138,012	(37,266)	100,746	89,976	10,770
Insurance	654,254	(13,909)	640,345	640,265	80
Miscellaneous Purchased Services	45,000		45,000	28,974	16,026
General Supplies	363,758	174,785	538,543	532,091	6,452
Energy (Natural Gas)	720,270	(61,504)	658,766	374,057	284,709
Energy (Electricity)	1,123,291	(6,121)	1,117,170	925,245	191,925
Energy (Gasoline)	106,920	(650)	106,270	88,167	18,103
Other Objects	13,230	18,447	31,677	31,447	230
Total Undist. Expend.-Custodial Services	8,261,181	(287,668)	7,973,513	7,311,800	661,713
Care and Upkeep of Grounds:					
Salaries	294,425	(7,825)	286,600	280,086	6,514
Cleaning, Repair, and Maintenance Services	200,990	(40,374)	160,616	126,866	33,750
General Supplies	34,395	6,854	41,249	33,567	7,682
Total Care And Upkeep Of Grounds	529,810	(41,345)	488,465	440,519	47,946
Security:					
Salaries	338,541	33,541	372,082	358,669	13,413
Purchased Professional and Technical Services	6,000	8,645	14,645	14,319	326
Cleaning, Repair, and Maintenance Services	653,000	59,111	712,111	688,007	24,104
General Supplies	72,000	(18,658)	53,342	52,587	755
Other Objects	4,900	(4,031)	869	495	374
Total Security	1,074,441	78,608	1,153,049	1,114,077	38,972
Total Undist. Expend.-Oper. And Maint. Of Plant Serv.	11,745,752	1,540,068	13,285,820	11,047,272	2,238,548

FAIR LAWN PUBLIC SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Student Transportation Serv.:					
Salaries of Non-Instructional Aides	\$ 321,000	\$ 61,120	\$ 382,120	\$ 362,462	\$ 19,658
Sal. for Pupil Trans. (Bet. Home and Sch.)-Reg.	311,747	(17,184)	294,563	293,371	1,192
Sal. for Pupil Trans. (Bet. Home and Sch.)-Spl. Ed.	514,930	51,452	566,382	493,012	73,370
Sal. for Pupil Trans. (Oth. than Bet. Home & Sch)	254,034	26,753	280,787	274,426	6,361
Unused Vacation Payment to Terminated/Retired Staff		1,615	1,615	1,615	
Management Fee - ESC&CTSA Transportation Program	100,200	299	100,499	83,008	17,491
Other Purchased Professional and Technical Services	500	(500)			
Cleaning, Repair, and Maint. Services	100,000	10,000	110,000	109,223	777
Lease Purchase Payments - School Buses	60,000	6,446	66,446	66,446	
Contract. Serv. - Aid in Lieu of Payments-Nonpublic Studts	430,000	196,770	626,770	583,538	43,232
Contract. Serv.(Bet. Home & Sch.)-Vendors		104,253	104,253	97,877	6,376
Contract. Serv.(Oth. than Bet. Home & Sch.)-Vend.	40,000	(35,000)	5,000	5,000	
Contract. Serv.(Spl. Ed. Students)-Vendors	24,000	(3,259)	20,741	18,153	2,588
Contract. Serv.(Reg. Students)-ESCs & CTSAs	420,604	(3,987)	416,617	342,301	74,316
Contract. Serv.(Spl. Ed. Students)-ESCs & CTSAs	2,200,000	(248,590)	1,951,410	1,858,508	92,902
Misc. Purchased Serv. - Transportation	47,500	(12,265)	35,235	10,503	24,732
General Supplies	4,000	(106)	3,894	1,975	1,919
Transportation Supplies	35,000	(14,164)	20,836	19,180	1,656
Other Objects	4,700	104	4,804	2,954	1,850
Total Undist. Expend.-Student Trans. Serv.	4,868,215	123,757	4,991,972	4,623,552	368,420
UNALLOCATED BENEFITS					
Social Security Contributions	1,361,909	116,123	1,478,032	1,478,032	
Other Retirement Contributions - PERS	1,887,255	(275,000)	1,612,255	1,592,351	19,904
Other Retirement Contributions - Regular	226,329	18,421	244,750	241,084	3,666
Workers Compensation	586,526		586,526	584,526	2,000
Health Benefits	12,862,134	(386,362)	12,475,772	12,113,655	362,117
Tuition Reimbursement	60,000	1,687	61,687	61,687	
Other Employee Benefits	20,000	239	20,239	6,777	13,462
Unused Sick Payment to Terminated/Retired Staff	200,000	(93,792)	106,208	47,713	58,495
TOTAL UNALLOCATED BENEFITS	17,204,153	(618,684)	16,585,469	16,125,825	459,644

FAIR LAWN PUBLIC SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)					
TPAF Post Retirement Contributions (Non-Budgeted)				\$ 4,656,337	\$ (4,656,337)
TPAF Pension Contributions (Non-Budgeted)				16,915,693	(16,915,693)
TPAF Non-Contributory Insurance (Non-Budgeted)				192,914	(192,914)
TPAF Long-Term Disability Insurance (Non-Budgeted)				7,213	(7,213)
Reimbursed TPAF Social Security Contributions				3,615,127	(3,615,127)
TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)				25,387,284	(25,387,284)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	\$ 17,204,153	\$ (618,684)	\$ 16,585,469	41,513,109	(24,927,640)
TOTAL UNDISTRIBUTED EXPENDITURES	65,732,822	1,322,715	67,055,537	86,534,988	(19,479,451)
TOTAL GENERAL CURRENT EXPENSE	117,367,827	1,751,164	119,118,991	137,641,873	(18,522,882)
CAPITAL OUTLAY					
Equipment					
Grades 1-5	8,586		8,586	5,754	2,832
Grades 9-12	11,155	20,742	31,897	22,897	9,000
Undistributed:					
Undistributed Expenditures - General Admin.		2,512	2,512	2,512	
Undistributed Expenditures - Admin. Info. Tech.		(131,712)	262,406	255,932	6,474
Undist. Expend. - Custodial Services	394,118	9,255	9,255	9,255	
Undist. Expend. - Care and Upkeep of Grounds		54,620	54,620	12,246	42,374
Undist. Expend. - Security		4,567	4,567	4,567	
Total Equipment	413,859	(40,016)	373,843	313,163	60,680
Facilities Acquisition and Construction Serv.:					
Construction Services	3,939,449		3,939,449	3,300,544	638,905
Assessment for Debt Service on SDA Funding	77,256		77,256	77,256	
Total Facilities Acquisition and Const. Serv.	4,016,705		4,016,705	3,377,800	638,905
TOTAL CAPITAL OUTLAY	4,430,564	(40,016)	4,390,548	3,690,963	699,585

FAIR LAWN PUBLIC SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>SPECIAL SCHOOLS</b>					
Other Special Schools - Instruction:					
Salaries of Teachers	\$ 32,916	\$ (1,932)	\$ 30,984	\$ 30,984	\$ 1,097
General Supplies	5,000	(3,903)	1,097		
Total Other Special Schools - Instruction	37,916	(5,835)	32,081	30,984	1,097
Total Other Special Schools	37,916	(5,835)	32,081	30,984	1,097
<b>Adult Education-Local-Instruction:</b>					
Salaries of Teachers	407,062	(12,416)	394,646	394,646	
Other Salaries for Instruction	355,801	(31,501)	324,300	324,300	
Purchased Professional and Technical Services	71,953	123,866	195,819	173,730	22,089
General Supplies	145,502	(53,341)	92,161	89,074	3,087
Other Objects	144,491	23,018	167,509	156,585	10,924
Total Adult Education-Local-Instruction	1,124,809	49,626	1,174,435	1,138,335	36,100
<b>Adult Education-Local-Support Serv.:</b>					
Salaries	339,564	(12,192)	327,372	327,372	
Purchased Professional and Technical Services	34,200	(13,700)	20,500	15,400	5,100
Other Purchased Services (400-500 series)	135,110	6,167	141,277	117,318	23,959
Other Objects	272,561	(24,067)	248,494	185,212	63,282
Total Adult Education-Local-Support Serv.	781,435	(43,792)	737,643	645,302	92,341
Total Adult Education - Local	1,906,244	5,834	1,912,078	1,783,637	128,441
TOTAL SPECIAL SCHOOLS	1,944,160	(1)	1,944,159	1,814,621	129,538
Transfer of Funds to Charter Schools	55,130	13,853	68,983	59,961	9,022
Total Transfer of Funds to Charter Schools	55,130	13,853	68,983	59,961	9,022
<b>TOTAL EXPENDITURES</b>	123,797,681	1,725,000	125,522,681	143,207,418	(17,684,737)
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(3,971,982)	(1,725,000)	(5,696,982)	7,492,738	13,189,720

FAIR LAWN PUBLIC SCHOOLS  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Financing Sources/(Uses):					
Capital Reserve - Transfer to Capital Projects	\$ (6,981,625)	\$	\$ (6,981,625)	\$ (5,617,665)	\$ 1,363,960
Capital Reserve - Transfer to Debt Service	(560,000)		(560,000)	(560,000)	
Total Other Financing Sources/(Uses)	<u>(7,541,625)</u>		<u>(7,541,625)</u>	<u>(6,177,665)</u>	<u>1,363,960</u>
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(11,513,607)	\$ (1,725,000)	(13,238,607)	1,315,073	14,553,680
Fund Balance, July 1	52,096,839		52,096,839	52,096,839	
Fund Balance, June 30	<u>\$ 40,583,232</u>	<u>\$ (1,725,000)</u>	<u>\$ 38,858,232</u>	<u>\$ 53,411,912</u>	<u>\$ 14,553,680</u>
<u>Recapitulation:</u>					
Restricted Fund Balance:				\$ 8,655,588	
Excess Surplus - Restricted For 2024-2025				3,832,927	
Excess Surplus - Restricted For 2025-2026				28,401,298	
Capital Reserve				4,427,875	
Maintenance Reserve				607,078	
Emergency Reserve				937,516	
Unemployment Compensation					
Assigned Fund Balance:				1,957,848	
Year End Encumbrances				4,591,782	
Unassigned Fund Balance				<u>53,411,912</u>	
Reconciliation to Governmental Funds Statement (GAAP):				(1,966,470)	
Last State Aid Payments not Recognized on GAAP basis					
Fund Balance per Governmental Funds (GAAP)				<u>\$ 51,445,442</u>	

FAIR LAWN PUBLIC SCHOOLS  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources		\$ 608,768	\$ 608,768	\$ 592,507	\$ (16,261)
State Sources	\$ 231,659	412,259	643,918	320,070	(323,848)
Federal Sources	1,411,286	2,168,953	3,580,239	3,244,902	(335,337)
Total Revenues	1,642,945	3,189,980	4,832,925	4,157,479	(675,446)
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	221,934	458,250	680,184	533,530	146,654
Purchased Professional and Technical Services	41,508	178,237	219,745	206,795	12,950
Purchased Professional and Educational Services		106	106	106	
Other Purchased Services		581,222	581,222	581,222	
Tuition	1,083,476	384,868	1,468,344	1,468,344	
General Supplies	16,415	96,942	113,357	63,236	50,121
Textbooks	22,889	3,241	26,130	23,833	2,297
Other Objects		993	993	264	729
Total Instruction	1,386,222	1,703,859	3,090,081	2,877,330	212,751
<b>Support Services:</b>					
Salaries of Other Professional Staff	10,533	68,572	79,105	45,350	33,755
Personal Services - Employee Benefits	32,318	25,207	57,525	44,287	13,238
Purchased Professional and Technical Services	45,899	362,551	408,450	391,643	16,807
Purchased Professional and Educational Services	76,723	40,208	116,931		116,931
Other Purchased Services	6,776	78,899	85,675	61,769	23,906
Travel		37,995	37,995	28,485	9,510
Supplies and Materials	75,973	52,965	128,938	128,107	831
Other Objects	8,501	1,499	10,000	10,000	
Student Activities		544,939	544,939	544,939	
Scholarship		4,400	4,400	4,400	
Total Support Services	256,723	1,217,235	1,473,958	1,258,980	214,978
<b>Facilities Acquisition and Construction Services:</b>					
Non-Instructional Equipment		15	15		15
Instructional Equipment		268,871	268,871	5,598	263,273
Total Facilities Acquisition and Construction Services		268,886	268,886	5,598	263,288
Total Expenditures	\$ 1,642,945	\$ 3,189,980	\$ 4,832,925	\$ 4,141,908	\$ 691,017
Excess of Revenue Over Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ 15,571	\$ 15,571

FAIR LAWN PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual Amounts (Budgetary Basis) "Revenue" and Other Financing Sources from the Budgetary Comparison Schedule	\$ 150,700,156	\$ 4,157,479
Difference - Budgetary to GAAP:		
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	1,588,003	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(1,966,470)	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 150,321,689</u>	<u>\$ 4,157,479</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	<u>\$ 143,207,418</u>	<u>\$ 4,141,908</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 143,207,418</u>	<u>\$ 4,141,908</u>

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budget for the fiscal year ended June 30, 2024 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The general fund budgetary revenue differs from the GAAP revenue due to a difference in the recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

SPECIAL REVENUE FUND
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FAIR LAWN PUBLIC SCHOOLS  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Elementary and Secondary Education Act				I.D.E.A.				
	Title I	Title II A FY23 & FY24	Title III	Title III Immigrant	Title IV	I.D.E.A. Part B, Basic	I.D.E.A. Preschool	A.R.P. I.D.E.A. Part B, Basic	A.R.P. I.D.E.A. Preschool
REVENUES:									
Local Sources									
State Sources									
Federal Sources									
Total Revenues	\$ 406,027	\$ 76,453	\$ 52,555	\$ 13,428	\$ 14,556	\$ 1,433,566	\$ 46,781	\$ 31,566	\$ 106
	406,027	76,453	52,555	13,428	14,556	1,433,566	46,781	31,566	106
EXPENDITURES:									
Instruction:									
Salaries of Teachers	359,240		18,764	12,474	13,500				106
Purchased Professional and Technical Services									
Purchased Professional and Educational Services									
Other Purchased Services									
Tuition						1,421,563	46,781	7,618	
General Supplies	8,941		3,343		440				
Textbooks									
Other Objects									
Total Instruction	368,181		22,107	12,474	13,940	1,421,563	46,781	7,618	106
Support Services:									
Salaries of Other Professional Staff		10,707	3,853						
Personal Services - Employee Benefits	27,482	819	1,731	954					
Purchased Professional and Technical Services		38,802	20,000		616	12,003		23,948	
Other Purchased Services			4,864						
Travel		26,125							
Supplies and Materials	364								
Other Objects	10,000								
Student Activities									
Scholarship									
Total Support Services	37,846	76,453	30,448	954	616	12,003		23,948	
Facilities Acquisition and Construction Services:									
Instructional Equipment									
Total Facilities Acquisition and Construction Services									
Total Expenditures	\$ 406,027	\$ 76,453	\$ 52,555	\$ 13,428	\$ 14,556	\$ 1,433,566	\$ 46,781	\$ 31,566	\$ 106

FAIR LAWN PUBLIC SCHOOLS  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Nonpublic Handicapped Services		Nonpublic		Nonpublic		Nonpublic		Nonpublic		Nonpublic		Nonpublic	
	Examination and Classification	Supplementary Instruction	Corrective Speech	Auxiliary Services Compensatory Education	Nonpublic Teacher STEM	Nonpublic Textbooks	Nonpublic Technology Initiative	Nonpublic Nursing	Nonpublic Security					
REVENUES:														
Local Sources	\$ 38,280	\$ 28,827	\$ 14,043	\$ 1,618	\$ 37,512	\$ 23,833	\$ 18,332	\$ 58,200	\$ 99,425					
State Sources														
Federal Sources														
Total Revenues	38,280	28,827	14,043	1,618	37,512	23,833	18,332	58,200	99,425					
EXPENDITURES:														
Instruction:														
Salaries of Teachers					34,845			58,200						
Purchased Professional and Technical Services														
Purchased Professional and Educational Services														
Other Purchased Services														
Tuition														
General Supplies														
Textbooks						23,833	18,332							
Other Objects														
Total Instruction					34,845	23,833	18,332	58,200						
Support Services:														
Salaries of Other Professional Staff														
Personal Services - Employee Benefits					2,667									
Purchased Professional and Technical Services	38,280	28,827	14,043	1,618					99,425					
Other Purchased Services														
Travel														
Supplies and Materials														
Other Objects														
Student Activities														
Scholarship														
Total Support Services	38,280	28,827	14,043	1,618	2,667				99,425					
Facilities Acquisition and Construction Services:														
Instructional Equipment														
Total Facilities Acquisition and Construction Services														
Total Expenditures	\$ 38,280	\$ 28,827	\$ 14,043	\$ 1,618	\$ 37,512	\$ 23,833	\$ 18,332	\$ 58,200	\$ 99,425					

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FAIR LAWN PUBLIC SCHOOLS  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	ACSERS	Carls D. Perkins - Secondary	Student Activities	Scholarship	Local Donations	Totals
REVENUES:						
Local Sources			\$ 563,011	\$ 1,899	\$ 27,597	\$ 592,507
State Sources	\$ 581,222	\$ 18,489				320,070
Federal Sources						3,244,902
Total Revenue	581,222	18,489	563,011	1,899	27,597	4,157,479
EXPENDITURES:						
Instruction:						
Salaries of Teachers						533,530
Purchased Professional and Technical Services						206,795
Purchased Professional and Educational Services						106
Other Purchased Services	581,222					581,222
Tuition						1,468,344
General Supplies		9,615			1,285	63,236
Textbooks						23,833
Other Objects		264				264
Total Instruction	581,222	9,879			1,285	2,877,330
Support Services:						
Salaries of Other Professional Staff						45,350
Personal Services - Employee Benefits					269	44,287
Purchased Professional and Technical Services						391,643
Other Purchased Services		652				61,769
Travel		2,360				28,485
Supplies and Materials					26,043	128,107
Other Objects						10,000
Student Activities			544,939			544,939
Scholarship				4,400		4,400
Total Support Services		3,012	544,939	4,400	26,312	1,258,980
Facilities Acquisition and Construction Services:						
Instructional Equipment		5,598				5,598
Total Facilities Acquisition and Construction Services		5,598				5,598
Total Expenditures	\$ 581,222	\$ 18,489	\$ 544,939	\$ 4,400	\$ 27,597	\$ 4,141,908

CAPITAL PROJECTS FUND

FAIR LAWN PUBLIC SCHOOLS  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Revenue and Other Financing Sources:	
State Sources - SDA Grant	\$ 1,519,066
Transfer from Capital Reserve	5,617,665
Interest on Investments	7,809
	<hr/>
Total Revenue and Other Financing Sources	7,144,540
	<hr/>
Expenditures and Other Financing Uses:	
Purchased Professional and Technical Services	163,932
Construction Services	862,600
Transfer Out to Debt Service Fund:	
Interest on Investments	7,809
Unexpended Balance	164,566
	<hr/>
Total Expenditures and Other Financing Uses	1,198,907
	<hr/>
Excess of Revenue and Other Financing Sources Over Expenditures and Other Financing Uses	5,945,633
Fund Balance - Beginning of Year	164,566
	<hr/>
Fund Balance - End of Year	\$ 6,110,199
	<hr/> <hr/>
<u>Recapitulation:</u>	
Committed	\$ 5,212,301
Committed - Year End Encumbrances	897,898
	<hr/>
Total Fund Balance - Budgetary/GAAP Basis	\$ 6,110,199
	<hr/> <hr/>
Reconciliation to Governmental Funds Statements (GAAP):	
SDA Grant Receivable not Recognized on the GAAP Basis	(1,519,066)
	<hr/>
Fund Balance per Governmental Funds (GAAP)	\$ 4,591,133
	<hr/> <hr/>

FAIR LAWN PUBLIC SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -  
BUDGETARY BASIS  
HIGH SCHOOL AUDITORIUM HVAC SYSTEM AND RENOVATIONS AND ADDITIONS TO MIDDLE SCHOOLS  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Prior Periods	Current Year	Totals	Revised Project Authorization
Revenue and Other Financing Sources:				
Bond Proceeds	\$ 25,000,000		\$ 25,000,000	\$ 25,000,000
Total Revenue and Other Financing Sources	25,000,000		25,000,000	25,000,000
Expenditures:				
Legal Services/Bonding Fees	154,237		154,237	154,237
Purchased Professional and Technical Services	2,493,881		2,493,881	2,493,881
Construction Services	21,821,771		21,821,771	21,821,771
Other Objects	365,545		365,545	365,545
Total Expenditures	24,835,434		24,835,434	24,835,434
Other Financing Uses:				
Operating Transfer - Debt Service Fund		\$ 164,566	164,566	164,566
Excess/(Deficit) of Revenue Over/(Under) Expenditures and Other Financing Uses	\$ 164,566	\$ 164,566	\$ -0-	\$ -0-

Additional Project Information:

Project Numbers	N/A
Grant Date	N/A
Bond Authorization Date	3/13/18
Bonds Authorized	\$ 25,000,000
Bonds Issued	\$ 25,000,000
Original Authorized Cost	\$ 25,000,000
Project Balance Cancelled	(164,566)
Revised Authorized Cost	\$ 24,835,434
Percentage Decrease over Original Authorized Cost	
Percentage Completion	100.00%
Original Target Completion Date	10/1/19
Revised Target Completion Date	6/30/24

FAIR LAWN PUBLIC SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -  
BUDGETARY BASIS  
RADBURN ELEMENTARY WINDOW REPLACEMENT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:			
State Sources - SDA Grant	\$ 354,880	\$ 354,880	\$ 354,880
Transfer from Capital Reserve	887,200	887,200	887,200
Total Revenue and Other Financing Sources	1,242,080	1,242,080	1,242,080
Expenditures and Other Financing Uses:			
Purchased Professional and Technical Services			60,000
Construction Services			1,182,080
Total Expenditures			1,242,080
Excess of Revenue Over Expenditures	\$ 1,242,080	\$ 1,242,080	\$ -0-

Additional Project Information:

Project Numbers	1450-110-23-G5FT
Grant Date	4/25/2024
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,242,080
Original Target Completion Date	6/30/26



FAIR LAWN PUBLIC SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -  
BUDGETARY BASIS  
THOMAS EDISON ROOF REPLACEMENT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:			
Transfer from Capital Reserve	\$ 1,820,000	\$ 1,820,000	\$ 1,820,000
Total Revenue and Other Financing Sources	<u>1,820,000</u>	<u>1,820,000</u>	<u>1,820,000</u>
Expenditures and Other Financing Uses:			
Purchased Professional and Technical Services	95,972	95,972	130,000
Construction Services	<u>862,600</u>	<u>862,600</u>	<u>1,690,000</u>
Total Expenditures	<u>958,572</u>	<u>958,572</u>	<u>1,820,000</u>
Excess of Revenue Over Expenditures	<u>\$ 861,428</u>	<u>\$ 861,428</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,820,000
Percentage Completion	52.67%
Original Target Completion Date	6/30/26

FAIR LAWN PUBLIC SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -  
BUDGETARY BASIS  
HIGH SCHOOL A&C WING ROOF REPLACEMENT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:			
State Sources - SDA Grant	\$ 524,156	\$ 524,156	\$ 524,156
Transfer from Capital Reserve	1,310,390	1,310,390	1,310,390
Total Revenue and Other Financing Sources	1,834,546	1,834,546	1,834,546
Expenditures and Other Financing Uses:			
Purchased Professional and Technical Services	25,660	25,660	90,640
Construction Services			1,743,906
Total Expenditures	25,660	25,660	1,834,546
Excess of Revenue Over Expenditures	\$ 1,808,886	\$ 1,808,886	\$ -0-

Additional Project Information:

Project Numbers	1450-050-23-G5XW
Grant Date	04/25/24
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,834,546
Percentage Completion	1.40%
Original Target Completion Date	6/30/26

FAIR LAWN PUBLIC SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -  
BUDGETARY BASIS  
HIGH SCHOOL ROOF TOP UNIT REPLACEMENT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:			
State Sources - SDA Grant	\$ 640,030	\$ 640,030	\$ 640,030
Transfer from Capital Reserve	1,600,075	1,600,075	1,600,075
Total Revenue and Other Financing Sources	2,240,105	2,240,105	2,240,105
Expenditures and Other Financing Uses:			
Purchased Professional and Technical Services	42,300	42,300	108,000
Construction Services			2,132,105
Total Expenditures	42,300	42,300	2,240,105
Excess of Revenue Over Expenditures	\$ 2,197,805	\$ 2,197,805	\$ -0-

Additional Project Information:

Project Numbers	1450-050-23-G5XW
Grant Date	04/25/24
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 2,240,105
Percentage Completion	1.89%
Original Target Completion Date	6/30/26

PROPRIETARY FUNDS
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FAIR LAWN PUBLIC SCHOOLS  
PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
JUNE 30, 2024

Food  
Service

ASSETS:

## Current Assets:

Cash and Cash Equivalents	\$ 3,963,179
Interfund Receivable - General Fund	15,738
Intergovernmental Accounts Receivable:	
State	1,717
Federal	23,845
Other Accounts Receivable	1,300
Inventories	31,369
Total Current Assets	<u>4,037,148</u>

## Non-Current Assets:

Capital Assets	1,038,527
Less: Accumulated Depreciation	<u>(669,146)</u>
Total Non-Current Assets	<u>369,381</u>

Total Assets	<u>4,406,529</u>
--------------	------------------

LIABILITIES:

## Current Liabilities:

Accounts Payable - Vendors	127,597
Unearned Revenue - Prepaid Sales	97,812
Unearned Revenue - Supply Chain Assistance	<u>249,708</u>
Total Current Liabilities	<u>475,117</u>

NET POSITION:

Investment in Capital Assets	369,381
Unrestricted	<u>3,562,031</u>
Total Net Position	<u>\$ 3,931,412</u>

FAIR LAWN PUBLIC SCHOOLS  
PROPRIETARY FUNDS  
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Food Service</u>
Operating Revenue:	
Local Sources:	
Daily Sales:	
Reimbursable Programs	\$ 878,793
Non-Reimbursable Programs	483,465
Other Income	<u>52,776</u>
Total Operating Revenue	<u>1,415,034</u>
Operating Expenses:	
Cost of Sales - Reimbursable Programs	567,877
Cost of Sales - Non-Reimbursable Programs	312,416
Salaries, Benefits & Payroll Taxes	924,017
Other Purchased Services	23,830
Supplies, Insurance and Other Costs	206,283
Management Fee	96,815
Miscellaneous Expenses	39,832
Depreciation Expense	<u>106,381</u>
Total Operating Expenses	<u>2,277,451</u>
Operating Loss	<u>(862,417)</u>
Non-Operating Revenue:	
Local Sources:	
Interest Income	95,095
State Sources:	
State School Breakfast Program	462
State School Lunch Program	24,766
State Extended Income Eligibility - Breakfast	298
State Extended Income Eligibility - Lunch	5,132
Federal Sources:	
School Breakfast Program	13,000
National School Lunch Program	403,868
COVID-19 Pandemic Electronic Benefit Transfer Grant	653
COVID-19 Supply Chain Assistance Award	129,342
Food Distribution Program	<u>54,741</u>
Total Non-Operating Revenue	<u>727,357</u>
Change in Net Position	(135,060)
Net Position - Beginning of Year (Restated)	<u>4,066,472</u>
Net Position - End of Year	<u><u>\$ 3,931,412</u></u>

FAIR LAWN PUBLIC SCHOOLS  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS

	<u>Food Service</u>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 3,342,689
Payments to Food Service Contractor	(1,901,790)
Payments for Suppliers	<u>(2,123,589)</u>
Net Cash Used for Operating Activities	<u>(682,690)</u>
Cash Flows from Capital and Related Financing Activities:	
Purchases of Capital Assets	<u>(56,192)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(56,192)</u>
Cash Flows from Investing Activities:	
Interest Income	<u>95,095</u>
Net Cash Provided by Investing Activities	<u>95,095</u>
Cash Flows from Noncapital Financing Activities:	
State Sources Collected in Food Service Fund	30,727
Federal Sources Collected in Food Service Fund	<u>558,228</u>
Net Cash Provided by Noncapital Financing Activities	<u>588,955</u>
Net Decrease in Cash and Cash Equivalents	(54,832)
Cash and Cash Equivalents, July 1	<u>4,018,011</u>
Cash and Cash Equivalents, June 30	<u><u>\$ 3,963,179</u></u>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities	
Operating Loss	\$ (862,417)
Adjustment to Reconcile Operating Loss to Net Cash Used for Operating Activities	
Depreciation	106,381
Food Distribution Program	54,741
Changes in Assets and Liabilities:	
Increase in Unearned Revenue - Prepaid Sales	13,110
Increase in Accounts Payable	24,109
Decrease in Other Accounts Receivable	28,493
(Increase) in Inventory	(31,369)
(Increase) in Interfund Receivable - General Fund	<u>(15,738)</u>
Net Cash Used for Operating Activities	<u><u>\$ (682,690)</u></u>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$54,741 and utilized U.S.D.A. Commodities valued at \$54,741.

LONG-TERM LIABILITIES
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FAIR LAWN PUBLIC SCHOOLS  
LONG-TERM LIABILITIES  
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance July 1, 2023	Matured	Balance June 30, 2024
			Date	Amount				
Various Improvements	1/16/2019	\$ 25,000,000	09/01/24	\$ 780,000	3.125%	\$ 22,925,000	\$ 750,000	\$ 22,175,000
			09/01/25	810,000	3.125%			
			09/01/26	845,000	3.125%			
			09/01/27	875,000	3.125%			
			09/01/28	910,000	3.125%			
			09/01/29	950,000	3.125%			
			09/01/30	985,000	3.125%			
			09/01/31	1,025,000	3.125%			
			09/01/32	1,065,000	3.125%			
			09/01/33	1,110,000	3.125%			
			09/01/34	1,155,000	3.125%			
			09/01/35	1,200,000	3.125%			
			09/01/36	1,250,000	3.125%			
			09/01/37	1,295,000	3.250%			
Refunding Bonds - 2022	9/9/2021	16,360,000	09/01/38	1,320,000	3.375%	15,550,000	1,840,000	13,710,000
			09/01/39	1,320,000	3.375%			
			09/01/40	1,320,000	3.500%			
			09/01/41	1,320,000	3.500%			
			09/01/42	1,320,000	3.500%			
			09/01/43	1,320,000	3.500%			
			03/01/25	1,805,000	0.959%			
			03/01/26	1,765,000	1.139%			
			03/01/27	1,740,000	1.328%			
			03/01/28	1,715,000	1.478%			
			03/01/29	1,690,000	1.588%			
03/01/30	1,660,000	1.718%						
03/01/31	655,000	1.768%						
03/01/32	665,000	1.938%						
03/01/33	665,000	2.088%						
03/01/34	675,000	2.188%						
03/01/35	675,000	2.288%						
						\$ 38,475,000	\$ 2,590,000	\$ 35,885,000

FAIR LAWN PUBLIC SCHOOLS

BUDGETARY COMPARISON SCHEDULE

DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>				
Local Sources:				
Local Tax Levy	\$ 2,472,266	\$ 2,472,266	\$ 2,472,266	
State Sources:				
Debt Service Aid Type II	266,934	266,934	266,934	
Total Revenues	2,739,200	2,739,200	2,739,200	
<b>EXPENDITURES:</b>				
Regular Debt Service:				
Interest	959,749	959,749	959,748	\$ 1
Redemption of Principal	2,590,000	2,590,000	2,590,000	
Total Regular Debt Service	3,549,749	3,549,749	3,549,748	1
Total Expenditures	3,549,749	3,549,749	3,549,748	1
Excess/(Deficit) of Revenue Over/(Under) Expenditures	(810,549)	(810,549)	(810,548)	1
Other Financing Sources/(Uses):				
Capital Projects Fund - Unexpended Capital Projects Balance			164,566	164,566
Capital Projects Fund - Interest Earned			7,809	7,809
Transfer from General Fund - Capital Reserve	560,000	560,000	560,000	
Total Other Financing Sources/(Uses)	560,000	560,000	732,375	172,375
Excess/(Deficit) of Revenues and Other Financing Sources/(Uses) Over/(Under) Expenditures and Other Financing Uses	(250,549)	(250,549)	(78,173)	172,376
Fund Balance, July 1	495,434	495,434	495,434	
Fund Balance, June 30	\$ 244,885	\$ 244,885	\$ 417,261	\$ 172,376
<u>Recapitulation:</u>				
Restricted for Subsequent Year's Expenditures			\$ 244,885	
Restricted			172,376	
			\$ 417,261	

## **STATISTICAL SECTION**

### **(UNAUDITED)**

This part of the District'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**

#### **Exhibit**

##### **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 thru J-5

##### **Revenue Capacity**

These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.

J-6 thru 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 thru 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 and to help make comparisons over time and with other governments.

J-14 thru J-15

##### **Operating Information**

These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

J-16 thru J-20

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

FAIR LAWN PUBLIC SCHOOLS  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
ACCURAL BASIS OF ACCOUNTING  
UNAUDITED

	June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023*	2024
Governmental Activities										
Net Investment in Capital Assets	\$ 4,280,067	\$ 14,636,651	\$ 20,463,293	\$ 21,337,572	\$ (883,814)	\$ 18,251,025	\$ 26,301,837	\$ 28,160,397	\$ 35,248,127	\$ 39,239,965
Restricted	20,255,651	15,904,197	11,650,011	15,183,266	41,080,212	18,953,234	26,188,794	31,354,049	45,299,866	47,779,324
Unrestricted (Deficit)	(24,573,884)	(25,407,383)	(28,002,233)	(29,219,934)	(27,457,784)	(14,043,842)	(18,951,689)	(13,576,214)	(16,933,204)	(12,429,600)
Total Governmental Activities Net Position	\$ (38,166)	\$ 5,133,465	\$ 4,111,071	\$ 7,300,904	\$ 12,738,614	\$ 23,160,417	\$ 33,538,942	\$ 45,938,232	\$ 63,614,789	\$ 74,589,689
Business-type Activities										
Investment in Capital Assets	\$ 45,882	\$ 38,523	\$ 82,056	\$ 102,221	\$ 89,842	\$ 358,185	\$ 396,445	\$ 433,529	\$ 467,454	\$ 369,381
Unrestricted	110,347	127,725	135,890	128,066	140,735	155,776	743,312	2,313,687	3,646,902	3,562,031
Total Business-type Activities Net Position	\$ 156,229	\$ 166,248	\$ 217,946	\$ 230,287	\$ 230,577	\$ 513,961	\$ 1,139,757	\$ 2,747,216	\$ 4,114,356	\$ 3,931,412
District-wide										
Net Investment in Capital Assets	\$ 4,325,949	\$ 14,675,174	\$ 20,545,349	\$ 21,439,793	\$ (793,972)	\$ 18,609,210	\$ 26,698,282	\$ 28,593,926	\$ 35,715,581	\$ 39,609,346
Restricted	20,255,651	15,904,197	11,650,011	15,183,266	41,080,212	18,953,234	26,188,794	31,354,049	45,299,866	47,779,324
Unrestricted (Deficit)	(24,463,537)	(25,279,658)	(27,866,343)	(29,091,868)	(27,317,049)	(13,888,066)	(18,208,377)	(11,262,527)	(13,286,302)	(8,867,569)
Total District Net Position	\$ 118,063	\$ 5,299,713	\$ 4,329,017	\$ 7,531,191	\$ 12,969,191	\$ 23,674,378	\$ 34,678,699	\$ 48,685,448	\$ 67,729,145	\$ 78,521,101

\* - Restated

Source: School District Financial Reports

**FAIR LAWN PUBLIC SCHOOLS**  
**CHANGES IN NET POSITION, LAST TEN FISCAL YEARS**  
**ACCURAL BASIS OF ACCOUNTING**  
**UNAUDITED**

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 34,812,631	\$ 35,819,058	\$ 38,117,291	\$ 37,438,179	\$ 48,065,324	\$ 46,849,896	\$ 55,677,358	\$ 54,749,065	\$ 49,269,029	\$ 53,669,611
Special Education	11,765,414	12,443,461	12,715,896	13,129,926	16,540,953	16,377,808	14,674,477	15,076,034	17,174,905	16,934,097
Other Instr/Other Special Instr/School Sponsored	4,465,706	4,562,451	4,833,316	4,893,759	6,196,327	5,935,676	5,757,641	5,882,926	5,565,332	6,227,907
Support Services:										
Tuition	5,261,422	5,134,290	5,335,118	5,541,479	5,315,138	5,536,028	6,587,564	6,466,431	5,308,183	7,181,244
Student & Instruction Related Services	12,827,767	13,758,505	15,119,459	15,131,415	19,071,032	17,387,288	14,746,055	15,102,661	16,656,891	18,464,276
School Administrative Services	5,069,822	5,168,391	5,385,839	5,811,903	7,568,442	7,043,671	6,878,733	6,666,687	3,039,054	7,250,318
General Administrative Services	4,103,072	4,416,527	4,620,020	4,838,471	6,171,831	5,643,992	1,283,887	1,115,837	4,779,390	1,330,122
Central Services							1,947,107	1,832,331	1,712,196	1,876,255
Administrative Information Technology							1,357,532	1,608,712	1,653,991	1,991,012
Plant Operations and Maintenance	8,217,671	7,588,176	8,329,177	8,329,177	9,621,846	10,377,335	8,056,730	10,472,879	10,644,300	13,856,926
Pupil Transportation	3,050,624	3,168,343	3,446,392	3,524,337	4,128,775	3,561,612	3,424,197	4,133,570	4,921,689	5,527,258
Capital Outlay										
Special Schools	2,592,270	2,060,396	2,171,074	2,210,842	2,790,394	2,419,087	706,519	1,477,180	1,682,766	1,846,062
Charter Schools	73,101	68,124	47,813	35,860	39,057	70,538	107,676	109,989	33,725	59,961
SDA Debt Service Assessment	77,256	77,256	77,256	77,256	77,256	77,256				
Interest on Long-term Debt	735,627	903,555	871,099	834,542	1,108,332	1,580,028	1,487,149	1,115,348	1,072,138	999,729
Total Governmental Activities Expenses	\$ 93,052,383	\$ 95,168,533	\$ 100,981,387	\$ 101,797,146	\$ 126,694,707	\$ 122,860,215	\$ 122,692,625	\$ 125,809,650	\$ 123,590,845	\$ 137,292,034
Business-type Activities:										
Food Service	\$ 1,180,225	\$ 1,218,615	\$ 1,192,192	\$ 1,283,132	\$ 1,453,483	\$ 1,081,748	\$ 3,940,871	\$ 4,698,176	\$ 4,229,349	\$ 2,277,451
Total Business-type Activities Expense	1,180,225	1,218,615	1,192,192	1,283,132	1,453,483	1,081,748	3,940,871	4,698,176	4,229,349	2,277,451
Total District Expenses	\$ 94,232,608	\$ 96,387,148	\$ 102,173,579	\$ 103,080,278	\$ 128,148,190	\$ 123,941,963	\$ 126,633,496	\$ 130,507,826	\$ 127,820,194	\$ 139,569,485
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Tuition							\$ 313,730	\$ 214,634	\$ 453,558	\$ 235,537
Student & Instruction Related Services							227,886	380,937	487,586	564,910
Pupil Transportation								81,740	88,813	90,137
Special Schools	\$ 45,164	\$ 42,578	\$ 41,784	\$ 47,823	\$ 50,027	\$ 38,799	95,944	1,226,334	2,340,762	2,333,488
Interest on Long Term Debt	1,685,142	1,819,694	1,991,471	2,187,782	2,499,782	1,841,004				
Operating Grants and Contributions	735,627	903,556	871,099	796,196	1,069,596	1,405,364				
Total Governmental Activities Program Revenues	12,911,838	13,148,767	13,474,730	13,192,383	37,204,406	33,525,538	33,517,526	33,085,500	26,240,937	26,354,026
	\$ 15,377,771	\$ 15,914,595	\$ 16,379,084	\$ 16,224,184	\$ 40,823,811	\$ 36,810,705	\$ 34,155,086	\$ 34,989,145	\$ 29,611,656	\$ 29,578,098
Business-type Activities:										
Charges for Services:										
Food Service							\$ 12,603	\$ 257,955	\$ 1,216,345	\$ 1,415,034
Operating Grants and Contributions - Food Service	\$ 938,009	\$ 891,362	\$ 926,787	\$ 966,603	\$ 1,089,577	\$ 685,145	4,472,777	6,043,675	4,364,068	632,262
Total Business-type Activities Program Revenues	282,864	337,110	316,935	328,432	361,944	408,263				
	1,220,873	1,228,472	1,243,722	1,295,035	1,451,521	1,093,408	4,485,380	6,301,630	5,580,413	2,047,296
Total District Program Revenues	\$ 16,598,644	\$ 17,143,067	\$ 17,622,806	\$ 17,519,219	\$ 42,275,332	\$ 37,904,113	\$ 38,640,466	\$ 41,290,775	\$ 35,192,069	\$ 31,625,394

FAIR LAWN PUBLIC SCHOOLS  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS  
ACCURAL BASIS OF ACCOUNTING  
UNAUDITED  
(Continued)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expense)/Revenue:										
Governmental Activities	\$ (77,674,612)	\$ (79,253,938)	\$ (84,602,303)	\$ (85,572,962)	\$ (85,870,896)	\$ (86,049,510)	\$ (88,537,539)	\$ (90,820,505)	\$ (93,979,189)	\$ (107,713,936)
Business-type Activities	40,648	9,857	51,530	11,903	(1,962)	11,660	544,509	1,603,454	1,351,064	(230,155)
Total District-wide Net Expense	<u>\$ (77,633,964)</u>	<u>\$ (79,244,081)</u>	<u>\$ (84,550,773)</u>	<u>\$ (85,561,059)</u>	<u>\$ (85,872,858)</u>	<u>\$ (86,037,850)</u>	<u>\$ (87,993,030)</u>	<u>\$ (89,217,051)</u>	<u>\$ (92,628,125)</u>	<u>\$ (107,944,091)</u>
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 77,888,891	\$ 79,519,827	\$ 81,768,743	\$ 86,248,924	\$ 89,318,034	\$ 91,051,016	\$ 92,788,775	\$ 92,788,775	\$ 94,644,551	\$ 95,590,997
Taxes Levied for Debt Service	258,354	686,140	691,363	773,154	(100,636)	953,980	2,736,035	2,600,812	2,600,812	2,472,266
Unrestricted Grants and Contributions	495,180	411,673	553,755	967,762	1,164,308	1,872,513	2,788,269	6,608,547	12,083,024	14,566,360
Tuition	392,162	433,008	300,271	300,763						
Investment Earnings					752,161	848,216	193,246	57,173	103,268	2,914,605
Miscellaneous Income	54,880	122,177	90,352	300,133						
New Jersey Economic Development Authority Grant	207,074	267,401	175,425	172,058	174,740	405,216	489,728	1,164,488	2,224,091	433,795
Adjustment to Capital Assets	3,260,394	2,985,343								
Transfer - Capital Contributions							(79,989)			
Total Governmental Activities	<u>82,556,935</u>	<u>84,425,569</u>	<u>83,579,909</u>	<u>88,762,794</u>	<u>91,308,607</u>	<u>95,130,941</u>	<u>98,916,064</u>	<u>103,219,795</u>	<u>111,655,746</u>	<u>115,978,023</u>
Business-type Activities:										
Investment Earnings	\$ 156	\$ 163	\$ 167	\$ 439	\$ 2,252	\$ 2,351	\$ 1,298	\$ 4,005	\$ 16,076	\$ 95,095
Transfer - Capital Contributions							79,989			
Total Business-type Activities	<u>156</u>	<u>163</u>	<u>167</u>	<u>439</u>	<u>2,252</u>	<u>2,351</u>	<u>81,287</u>	<u>4,005</u>	<u>16,076</u>	<u>95,095</u>
Total District-wide	<u>\$ 82,557,091</u>	<u>\$ 84,425,732</u>	<u>\$ 83,580,076</u>	<u>\$ 88,763,233</u>	<u>\$ 91,310,859</u>	<u>\$ 95,133,292</u>	<u>\$ 98,997,351</u>	<u>\$ 103,223,800</u>	<u>\$ 111,671,822</u>	<u>\$ 116,073,118</u>
Change in Net Position										
Governmental Activities	\$ 4,882,323	\$ 5,171,631	\$ (1,022,394)	\$ 3,189,832	\$ 5,437,711	\$ 9,081,431	\$ 10,378,525	\$ 12,399,290	\$ 17,676,557	\$ 8,264,087
Business-type Activities	40,804	10,020	51,697	12,342	290	14,011	625,796	1,607,459	1,367,140	(135,060)
Total District	<u>\$ 4,923,127</u>	<u>\$ 5,181,651</u>	<u>\$ (970,697)</u>	<u>\$ 3,202,174</u>	<u>\$ 5,438,001</u>	<u>\$ 9,095,442</u>	<u>\$ 11,004,321</u>	<u>\$ 14,006,749</u>	<u>\$ 19,043,697</u>	<u>\$ 8,129,027</u>

Source: School District Financial Reports

FAIR LAWN PUBLIC SCHOOLS  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
MODIFIED ACCRUAL BASIS OF ACCOUNTING  
UNAUDITED

	June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	\$ 4,397,715	\$ 6,356,885	\$ 7,048,718	\$ 10,736,858	\$ 13,173,242	\$ 18,213,443	\$ 24,625,410	\$ 30,028,584	\$ 44,155,656	\$ 46,862,282
Assigned	3,094,911	4,456,844	4,189,994	4,280,700	7,527,975	11,567,947	6,870,680	8,142,328	3,228,241	1,957,848
Unassigned	3,023,835	2,946,275	3,176,842	2,807,118	2,881,514	2,764,365	6,313,909	5,676,068	3,124,939	2,625,312
Total General Fund	<u>\$10,516,461</u>	<u>\$13,760,004</u>	<u>\$14,415,554</u>	<u>\$17,824,676</u>	<u>\$23,582,731</u>	<u>\$32,545,755</u>	<u>\$37,809,999</u>	<u>\$43,846,980</u>	<u>\$50,508,836</u>	<u>\$51,445,442</u>
All Other Governmental Funds										
Restricted	\$ 5,047,607	\$ 2,209,965	\$ 1,896,777	\$ 1,766,869	\$ 2,520,953	\$ (1,964,105)	\$ 1,563,384	\$ 1,325,465	\$ 1,144,210	\$ 917,042
Committed	9,545,510	4,699,194	321,447	189,727	21,275,335	3,108,315				4,591,133
Assigned										
Total All Other Governmental Funds	<u>\$14,593,117</u>	<u>\$ 6,909,159</u>	<u>\$ 2,218,224</u>	<u>\$ 1,956,596</u>	<u>\$ 23,796,288</u>	<u>\$ 1,144,210</u>	<u>\$ 1,563,384</u>	<u>\$ 1,325,465</u>	<u>\$ 1,144,210</u>	<u>\$ 5,508,175</u>
Total Governmental Funds	<u>\$25,109,578</u>	<u>\$20,669,163</u>	<u>\$16,633,778</u>	<u>\$19,781,272</u>	<u>\$47,379,019</u>	<u>\$33,689,965</u>	<u>\$39,373,383</u>	<u>\$45,172,445</u>	<u>\$51,653,046</u>	<u>\$56,953,617</u>

Source: School District Financial Reports

FAIR LAWN PUBLIC SCHOOLS  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
MODIFIED ACCRUAL BASIS OF ACCOUNTING  
UNAUDITED

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenues</b>										
Tax Levy	\$ 78,882,872	\$ 81,109,522	\$ 83,331,205	\$ 87,818,274	\$ 90,286,995	\$ 93,410,361	\$ 95,524,810	\$ 95,389,587	\$ 97,245,363	\$ 98,063,263
Tuition Charges	392,162	433,009	300,271	300,763	340,933	329,482	313,730	214,634	453,558	235,537
Rents and Royalties										26,938
Transportation Fees from LEAs	45,164	42,578	41,784	47,823	50,028	38,798		81,740	88,813	90,137
Interest Earnings	54,880	122,177	90,352	300,133	752,160	848,216	47,524	54,459	103,268	266,844
Miscellaneous	1,936,464	2,130,969	2,336,202	2,407,005	2,909,522	2,165,986	961,119	2,798,541	5,057,079	5,980,613
State Sources	11,668,227	11,815,445	12,168,792	12,461,816	22,368,810	24,076,951	29,945,602	38,993,239	45,246,884	49,271,521
Federal Sources	1,694,543	1,701,120	1,690,387	1,651,165	1,671,374	1,864,315	2,341,301	4,183,785	3,018,775	3,291,324
<b>Total Revenue</b>	<b>94,674,312</b>	<b>97,354,820</b>	<b>99,958,993</b>	<b>104,986,979</b>	<b>118,379,822</b>	<b>122,734,109</b>	<b>129,134,086</b>	<b>141,715,985</b>	<b>151,213,740</b>	<b>157,226,177</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	26,050,512	25,954,458	26,880,045	26,693,485	28,118,004	29,472,096	32,446,373	35,080,213	33,895,115	35,858,677
Special Education Instruction	9,115,351	9,381,061	9,314,439	9,711,778	10,097,091	10,578,463	9,181,054	10,408,903	13,090,177	12,275,537
Other Special Instruction	3,374,071	3,439,297	3,540,498	3,615,467	3,732,685	3,814,233	3,579,431	3,988,811	4,181,199	4,381,657
<b>Support Services:</b>										
Tuition	5,261,422		5,335,118	5,541,479	5,315,138	5,536,028	6,587,564	6,466,431	5,308,183	7,181,244
Student & Other Instruction Related Services	9,981,286	10,414,047	11,231,373	11,507,741	12,054,284	11,794,551	12,306,444	13,459,016	14,686,920	15,597,301
School Administrative Services	3,745,928	3,806,874	3,829,819	4,192,198	4,351,319	4,357,450	4,308,603	4,489,303	4,588,721	4,826,074
General Administrative Services	3,314,628	3,622,293	3,710,081	3,918,149	4,277,562	3,919,847	1,014,227	893,026	848,695	1,201,062
Central Services							1,612,770	1,627,130	1,422,705	1,490,089
Administrative Information Technology							1,214,761	1,510,895	1,506,460	1,782,609
Plant Operations and Maintenance							7,467,736	9,968,482	9,924,088	11,047,272
Student Transportation							3,540,604	3,719,335	4,390,659	4,623,552
Unallocated Benefits							32,627,744	37,737,038	39,143,328	41,513,109
Special Schools							706,519	1,477,180	1,682,766	1,814,621
Transfer of Funds to Charter School							107,676	109,989	33,725	59,961
Capital Outlay										
Debt Service:										
Principal										
Interest and Other Charges										
<b>Total Expenditures</b>	<b>94,241,180</b>	<b>96,660,945</b>	<b>104,062,474</b>	<b>101,839,484</b>	<b>115,626,687</b>	<b>133,836,021</b>	<b>127,356,366</b>	<b>135,916,923</b>	<b>144,733,139</b>	<b>151,925,606</b>
<b>Excess/(Deficit) of Revenues Over/(Under) Expenditures</b>	<b>433,132</b>	<b>693,875</b>	<b>(4,103,481)</b>	<b>3,147,495</b>	<b>2,753,135</b>	<b>(11,101,912)</b>	<b>1,777,720</b>	<b>5,799,062</b>	<b>6,480,601</b>	<b>5,300,571</b>



FAIR LAWN PUBLIC SCHOOLS  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

MODIFIED ACCRUAL BASIS OF ACCOUNTING

UNAUDITED  
(Continued)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Other Financing Sources/(Uses)										
N.J.S.D.A. Grants	\$ 3,260,394				\$ (469,358)	\$ (249,248)				
Capital Leases (non-budgeted)			\$ 68,095		243,970	407,820				
Serial Bond Proceeds	10,677,000				25,000,000			\$ 16,360,000		
Refunding Bonds Issued								(15,522,000)		
Serial Bonds Defeased								(162,876)		
Bond Issuance Costs								(675,124)		
Deferred Amount on Refunding								840,014	\$ 723,647	\$ 6,350,040
Transfers In	2,110,993	\$ 527,883	608,098	\$ 611,671	1,375,088	984,665	\$ 848,498	(840,014)	(723,647)	(6,350,040)
Transfers Out	(2,110,993)	(527,883)	(608,098)	(611,671)	(1,375,088)	(984,665)	(848,498)	(840,014)		
Capital Contributions - Food Service Fund							(79,989)			
Total Other Financing Sources/(Uses)	13,937,394		68,095		24,774,612	158,572	(79,989)			
Net Change in Fund Balances	\$ 14,370,526	\$ 693,875	\$ (4,035,386)	\$ 3,147,495	\$ 27,527,747	\$ (10,943,340)	\$ 1,697,731	\$ 5,799,062	\$ 6,480,601	\$ 5,300,571
Debt Service as a Percentage of Noncapital Expenditures	1.65%	2.46%	2.31%	2.23%	2.01%	2.77%	3.11%	2.78%	2.60%	2.41%

Source: School District Financial Reports

FAIR LAWN PUBLIC SCHOOLS  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
MODIFIED ACCRUAL BASIS OF ACCOUNTING  
UNAUDITED

Fiscal Year Ending June 30,	Interest on Investments	Transportation		Child/ Adult Programs	Rentals	Refund of Prior Year Expenditures	Miscellaneous	Total
		Tuition	Fees					
2015	\$ 44,957	\$ 392,162	\$ 45,164	\$ 1,685,142	\$ 6,147		\$ 200,927	\$ 2,374,499
2016	94,294	433,009	42,578	1,819,694			267,401	2,656,976
2017	82,254	300,271	41,784	1,991,472			175,425	2,591,206
2018	288,462	300,763	47,823	2,187,782			172,058	2,996,888
2019	608,206	340,933	50,028	2,499,781			303,165	3,802,113
2020	561,849	329,483	38,798	2,473,304			305,236	3,708,670
2021	193,246	313,730		95,944		\$ 373,587	56,305	1,032,812
2022	174,673	214,634	81,740	1,836,313		129,781	297,694	2,734,835
2023	1,682,364	453,558	88,813	2,363,545		536,118	78,508	5,202,906
2024	2,914,605	235,537	90,137	2,333,488	26,938	191,589	207,459	5,999,753

Source: School District Financial Reports

FAIR LAWN PUBLIC SCHOOLS  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN YEARS  
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2014	\$ 22,706,500	\$ 3,311,604,600	\$ 466,325,300	\$ 203,460,800	\$ 134,921,200	\$ 4,139,018,400	\$ 941	\$ 4,139,019,341	\$ 1.89	\$ 4,428,212,069
2015	12,589,500	3,318,936,900	498,705,500	201,810,800	134,921,200	4,166,963,900	926	4,166,964,826	1.92	4,526,605,525
2016	12,667,000	3,328,302,400	502,855,500	205,199,400	134,921,200	4,183,945,500	907	4,183,946,407	1.80	4,641,094,795
2017	13,370,300	3,340,673,200	502,687,100	203,678,900	134,621,200	4,195,030,700	885	4,195,031,585	2.04	4,768,965,051
2018	18,573,200	3,352,911,500	500,578,700	204,925,300	134,621,200	4,211,609,900	840	4,211,610,740	2.11	5,094,484,812
2019	23,854,900	3,367,452,900	496,056,100	204,844,600	134,621,200	4,226,829,700	827	4,226,830,527	2.17	5,114,103,907
2020	21,173,100	3,401,156,900	492,311,000	204,094,600	134,621,200	4,253,356,800	811	4,253,357,611	2.22	5,270,522,364
2021	17,326,900	3,426,753,300	489,600,700	204,120,100	134,621,200	4,272,422,200	789	4,272,422,989	2.29	5,441,564,826
2022	21,011,500	3,457,990,400	489,502,300	204,120,100	142,491,000	4,315,115,300	760	4,315,116,060	2.31	5,709,850,905
2023	19,975,000	3,490,200,600	500,589,900	186,661,100	142,491,000	4,339,917,600	699	4,339,918,299	2.32	6,238,577,220

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when ordered by the County Board of Taxation

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Company;

b Tax rates are per \$100 of assessed value.

FAIR LAWN PUBLIC SCHOOLS  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
UNAUDITED  
(Rate per \$100 of Assessed Value)

Year Ended December 31,	School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	Debt Service <sup>b</sup>	Total Direct	Municipality	County	
2014	\$ 1.840	\$ 0.045	\$ 1.885	\$ 0.886	\$ 0.255	\$ 3.026
2015	1.883	0.037	1.920	0.897	0.264	3.081
2016	1.752	0.052	1.804	0.870	0.238	2.912
2017	1.986	0.054	2.040	0.901	0.285	3.226
2018	2.061	0.053	2.114	0.901	0.293	3.308
2019	2.120	0.053	2.173	0.901	0.294	3.368
2020	2.147	0.074	2.221	0.901	0.308	3.430
2021	2.233	0.061	2.294	0.901	0.320	3.515
2022	2.254	0.060	2.314	0.902	0.319	3.535
2023	2.260	0.057	2.317	0.902	0.343	3.562

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

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

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

FAIR LAWN PUBLIC SCHOOLS  
PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2023		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Fair Lawn Promenade, LLC	\$ 51,573,600	1	1.19%
Fair Lawn Estates Assoc. LLC	44,202,700	2	1.02%
Fair Lawn Associates c/o Affiliated Management	34,589,000	3	0.80%
CLPF Greek Fair Lawn, LLC	29,319,600	4	0.68%
Columbia Savings Bank	21,957,100	5	0.51%
Bon-Marc Realty	17,964,400	6	0.41%
H'Y2 Route 208 LLC	17,594,400	7	0.41%
SL 20-21 Wagaraw Rd I & II LLC	17,044,300	8	0.39%
FRG-X-NJ2 LP	15,309,000	9	0.35%
Oster Fair Lawn Properties LLC	12,873,100	10	0.30%
Total	<u>\$ 262,427,200</u>		<u>6.05%</u>

Taxpayer	2014		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Fair Lawn Estates Assoc.	\$ 44,202,700	1	1.07%
Fair Lawn Associates c/o Affiliated Management	34,589,000	2	0.84%
Mondelez Global LLC	29,319,600	3	0.71%
Columbia Savings Bank	21,968,800	4	0.53%
Bon Marc Realty Co., LLC	20,256,000	5	0.49%
17-17 Realty Associates	19,822,900	6	0.48%
Fair Lawn Industries, LP	18,329,600	7	0.44%
Noble I/HY Fair Lawn, LLC	13,200,500	8	0.32%
Oster Fair Lawn Properties LLC	13,076,900	9	0.32%
18-01 Pollitt Drive LLC	13,047,700	10	0.32%
	<u>\$ 227,813,700</u>		<u>5.50%</u>

Source: Municipal Tax Assessor

FAIR LAWN PUBLIC SCHOOLS  
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 <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$ 78,882,872	\$ 78,882,872	100.00%	\$ -0-
2016	81,109,522	81,109,522	100.00%	-0-
2017	83,331,205	83,331,205	100.00%	-0-
2018	87,818,274	87,818,274	100.00%	-0-
2019	90,286,995	90,286,995	100.00%	-0-
2020	93,410,361	93,410,361	100.00%	-0-
2021	95,524,810	95,524,810	100.00%	-0-
2022	95,389,587	95,389,587	100.00%	-0-
2023	97,245,363	97,245,363	100.00%	-0-
2024	98,063,263	98,063,263	100.00%	-0-

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

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

FAIR LAWN PUBLIC SCHOOLS  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities						Business-Type Activities  Financed Purchase Agreements	Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds		Financed Purchase Agreements		Bond Anticipation Notes (BANs)					
		Loans								
2015	\$ 26,867,000	\$ -0-	\$ -0-	\$ -0-	\$ -0-	-0-	\$ -0-	\$ 26,867,000	1.10%	\$ 816.87
2016	25,602,000	-0-	-0-	-0-	-0-	-0-	-0-	25,602,000	1.00%	773.80
2017	24,237,000	-0-	-0-	68,095	-0-	-0-	-0-	24,305,095	0.93%	735.49
2018	22,852,000	-0-	-0-	54,476	-0-	-0-	-0-	22,906,476	0.85%	691.89
2019	46,412,000	-0-	-0-	236,033	-0-	-0-	-0-	46,648,033	1.64%	1,414.18
2020	44,912,000	-0-	-0-	550,493	-0-	-0-	-0-	45,462,493	1.55%	1,382.17
2021	42,682,000	-0-	-0-	-0-	-0-	-0-	-0-	42,682,000	1.41%	1,298.23
2022	41,040,000	-0-	-0-	-0-	-0-	-0-	-0-	41,040,000	1.20%	1,167.27
2023	38,475,000	-0-	-0-	-0-	-0-	-0-	-0-	38,475,000	1.12%	1,090.59
2024	35,885,000	-0-	-0-	-0-	-0-	-0-	-0-	35,885,000	1.04%	1,009.03

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

<sup>a</sup> See Exhibit J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Source: School District Financial Reports

FAIR LAWN PUBLIC SCHOOLS  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Valuation Taxable <sup>a</sup>	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2015	\$ 26,867,000	\$ -0-	\$ 26,867,000	0.65%	\$ 816.87
2016	25,602,000	-0-	25,602,000	0.61%	773.80
2017	24,237,000	-0-	24,237,000	0.58%	733.43
2018	22,852,000	-0-	22,852,000	0.54%	690.25
2019	46,412,000	-0-	46,412,000	1.10%	1,407.02
2020	44,912,000	-0-	44,912,000	1.06%	1,365.44
2021	42,682,000	-0-	42,682,000	1.00%	1,298.23
2022	41,040,000	-0-	41,040,000	0.96%	1,167.27
2023	38,475,000	-0-	38,475,000	0.89%	1,090.59
2024	35,885,000	-0-	35,885,000	0.83%	1,009.03

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

a See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

b See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

Source: School District Financial Reports



FAIR LAWN PUBLIC SCHOOLS  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2023  
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid With Property Taxes			
Borough of Fair Lawn	\$ 41,501,068	100.000%	\$ 41,501,068
Bergen County General Obligation Debt	971,467,303	2.750%	<u>26,716,407</u>
Subtotal, Overlapping Debt			68,217,475
Fair Lawn Public Schools Direct Debt			<u>37,725,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 105,942,475</u></u>

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

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

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

FAIR LAWN PUBLIC SCHOOLS  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2024			
		Equalized valuation basis	
		2023	\$ 6,785,784,240
		2022	6,173,269,385
		2021	5,625,309,019
			<u>\$ 18,584,362,644</u>
	Average Equalized Valuation of Taxable Property		<u>\$ 6,194,787,548</u>
	Debt Limit (4% of average equalization value)		\$ 247,791,502
	Net Bonded School Debt		<u>35,885,000</u>
	Legal Debt Margin		<u>\$ 211,906,502</u>

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt Limit	\$ 178,308,013	\$ 179,500,688	\$ 183,937,189	\$ 190,919,954	\$ 197,569,779	\$ 203,997,271	\$ 209,285,896	\$ 216,363,563	\$ 229,182,867	\$ 247,791,502
Total Net Debt Applicable to Limit	26,867,000	25,602,000	24,237,000	22,852,000	46,412,000	44,912,000	42,682,000	41,040,000	38,475,000	35,885,000
Legal Debt Margin	<u>\$ 151,441,013</u>	<u>\$ 153,898,688</u>	<u>\$ 159,700,189</u>	<u>\$ 168,067,954</u>	<u>\$ 151,157,779</u>	<u>\$ 159,085,271</u>	<u>\$ 166,603,896</u>	<u>\$ 175,323,563</u>	<u>\$ 190,707,867</u>	<u>\$ 211,906,502</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	15.07%	14.26%	13.18%	11.97%	23.49%	22.02%	20.39%	18.97%	16.79%	14.48%

a Limit set by N.J.S.A. 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

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

FAIR LAWN PUBLIC SCHOOLS  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Year</u>	<u>Population <sup>a</sup></u>	<u>Borough of Fair Lawn Income Personal Income <sup>b</sup></u>	<u>Bergen County Per Capita Personal Income <sup>c</sup></u>	<u>Unemployment Rate <sup>d</sup></u>
2015	33,086	\$ 2,572,998,962	\$ 77,767	6.50%
2016	33,046	2,624,083,722	79,407	5.29%
2017	33,107	2,704,047,332	81,676	4.50%
2018	32,986	2,850,122,344	86,404	4.20%
2019	32,892	2,942,386,752	89,456	3.80%
2020	32,877	3,023,763,444	91,972	8.90%
2021	35,159	3,422,482,537	97,343	5.80%
2022	35,279	3,426,931,502	97,138	3.20%
2023	35,564	3,454,615,832 ***	97,138 *	3.50%
2024	35,564 **	3,454,615,832 ***	97,138 *	N/A

\* - Latest Bergen County per capita personal income available (2022) was used for calculation purposes.

\*\* - Latest population data available (2023) was used for calculation purposes.

\*\*\* - Latest available population data (2023) and latest available Bergen County per capita personal income (2022) was used for calculation purposes.

N/A - Information not available

Sources:

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented

<sup>c</sup> Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

FAIR LAWN PUBLIC SCHOOLS  
PRINCIPAL EMPLOYERS, COUNTY OF BERGEN  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

Employer	2023		
	Employees	Rank (Optional)	Percentage of Total Employment
Hackensack University Medical Center	N/A	1	N/A
Valley Health Systems, Inc.	N/A	2	N/A
Bio-Reference Laboratories	N/A	3	N/A
Express Scripts	N/A	4	N/A
Quest Diagnostics	N/A	5	N/A
KPMG LLP	N/A	6	N/A
Englewood Hospital and Medical	N/A	7	N/A
Englewood Hospital Home Health Care	N/A	8	N/A
Unilever Best Foods	N/A	9	N/A
Stryker	N/A	10	N/A
	N/A		N/A
Total Employment	N/A		N/A

Employer	2014		
	Employees	Rank (Optional)	Percentage of Total Employment
Hackensack University Medical Center	N/A	1	N/A
Valley Health Systems, Inc.	N/A	2	N/A
Medco Solutions, Inc.	N/A	3	N/A
Quest Diagnostics	N/A	4	N/A
Bio-Reference Laboratories	N/A	5	N/A
Englewood Hospital and Medical	N/A	6	N/A
Becton Dickinson and Co	N/A	7	N/A
Englewood Hospital Home Health Care	N/A	8	N/A
Unilever Best Foods	N/A	9	N/A
Stryker	N/A	10	N/A
	N/A		N/A
Total Employment	N/A		N/A

N/A - Information is not available.

Source: County of Bergen

FAIR LAWN PUBLIC SCHOOLS  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Function/Program</u>	<u>2015</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>
Instruction										
Regular	328	357	359	302	303	314	327	353	359	362
Special education	110	122	123	102	133	113	149	175	176	179
Other instruction	20	20	20	35	41	43	43	34	30	26
Support Services:										
Student & instruction related services	12	12	12	111	137	233	129	133	133	140
School administrative services	68	68	68	37	38	38	37	35	35	39
General administrative services	45	45	45	14	13	2	3	2	2	2
Central Services	5	5	5	4	4	15	15	14	14	14
Administrative information technology	6	6	6	11	13	15	14	10	10	11
Plant operations and maintenance	34	32	31	42	41	39	28	31	26	30
Pupil transportation	5	5	5	18	23	18	8	33	33	35
Special Schools				21	11	8	8	3	3	3
Total	<u>633</u>	<u>672</u>	<u>674</u>	<u>697</u>	<u>757</u>	<u>838</u>	<u>761</u>	<u>823</u>	<u>821</u>	<u>841</u>

Source: School District of the Borough of Fair Lawn Personnel Records

FAIR LAWN PUBLIC SCHOOLS  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year End June 30,	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>d</sup>	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary <sup>e</sup>	Middle School <sup>e</sup>	Senior High School				
2015	4,717	\$ 80,880,481	\$ 18,225	-0.17%	508	18.7	8.3	13.1	4,717.4	4,540.8	1.47%	98.28%
2016	4,777	81,581,138	18,168	-0.35%	488	12.3	9.4	11.8	4,777.2	4,593.4	2.14%	98.15%
2017	4,875	95,270,184	19,543	1.65%	501	11.8	11.3	13.2	4,875.0	4,868.7	3.34%	95.73%
2018	5,009	103,708,032	20,702	8.01%	478	12.7	13.1	18.8	4,841.5	4,732.7	3.44%	95.77%
2019	5,119	108,738,429	21,440	9.71%	567	10.4	10.2	13.1	5,085.5	4,887.4	4.32%	88.10%
2020	5,257	110,548,478	20,880	1.38%	540	8.9	8.8	10.4	5,247.5	5,112.3	8.18%	97.42%
2021	5,298	116,701,506	22,027	5.50%	585	8.9	8.4	10.1	5,241.7	5,114.4	0.11%	97.57%
2022	5,307	130,935,752	24,672	12.01%	474	11.8	10.53	11.2	5,332.8	5,085.7	-1.74%	95.37%
2023	5,482	134,702,741	24,572	-0.41%	475	11.01	11.08	12.94	5,499.5	5,209.2	-3.13%	94.72%
2024	5,492	143,652,765	26,157	6.45%	530	9.09	11.65	10.21	5,499.6	5,209.2	0.00%	94.72%

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay.

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

d The Cost Per Pupil calculated above is the sum of the operating expenditures divided by enrollment. This Cost Per Pupil may be different from other Cost Per Pupil calculations.

e The Elementary Schools are PreK through 4th grades and the Middle Schools are 5th through 8th grades.

Source: School District of the Borough of Fair Lawn records

FAIR LAWN PUBLIC SCHOOLS  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Elementary Schools										
Henry B Milnes (1951)										
Square Feet	42,907	47,880	47,880	47,880	47,880	47,880	47,020	47,020	47,020	47,020
Capacity	395	395	395	395	395	395	414	414	414	414
Enrollment	428	453	501	477	500	520	419	421	429	390
John A Forrest										
Square Feet	40,013	46,400	46,400	46,400	46,400	46,400	42,515	42,515	42,515	42,515
Capacity	286	286	286	286	286	286	291.6	291.6	291.6	291.6
Enrollment	277	270	292	286	286	324	260	266	272	261
Lyncrest (1952)										
Square Feet	24,793	27,937	27,937	27,937	27,937	27,937	27,811	27,811	27,811	27,811
Capacity	234	234	234	234	234	234	207	207	207	207
Enrollment	231	233	232	251	261	255	210	207	207	197
Radburn (1933)										
Square Feet	46,806	51,740	51,740	51,740	51,740	51,740	52,300	52,300	52,300	52,300
Capacity	351	351	351	351	351	351	351.9	351.9	351.9	351.9
Enrollment	448	457	480	457	455	460	350	358	392	422
Warren Point (1922)										
Square Feet	44,174	39,945	39,945	39,945	39,945	39,945	49,656	49,656	49,656	49,656
Capacity	466	466	466	466	466	466	399.6	399.6	399.6	399.6
Enrollment	405	416	427	461	471	489	410	404	393	399
Westmoreland (1958)										
Square Feet	24,971	29,517	46,068	46,068	46,068	46,068	46,345	46,345	46,345	46,345
Capacity	246	246	324	324	324	324	315	315	315	315
Enrollment	362	384	291	310	401	346	298	309	321	318

FAIR LAWN PUBLIC SCHOOLS  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>Middle School</u>										
Thomas Jefferson School (1953)										
Square Feet	103,958	94,139	94,139	94,139	94,139	94,139	124,910	124,910	124,910	124,910
Capacity	662	662	662	662	662	662	1,039.2	1,039.2	1,039.2	1,039.2
Enrollment	661	680	707	724	737	751	1,037	1,068	1,140	1,145
Memorial Middle School (1958)										
Square Feet	78,323	94,560	94,560	94,560	94,560	94,560	105,081	105,081	105,081	105,081
Capacity	466	466	466	466	466	466	735	735	735	735
Enrollment	463	485	464	426	457	464	639	628	628	646
<u>High School</u>										
Fair Lawn High School (1943)										
Square Feet	244,339	243,066	243,066	243,066	243,066	243,066	250,402	250,402	250,402	250,402
Capacity	1,637	1,637	1,637	1,637	1,637	1,637	1,819	1,819	1,819	1,819
Enrollment	1,469	1,451	1,447	1,479	1,486	1,534	1,553	1,578	1,621	1,632
<u>Other</u>										
Edison School (1955)										
Square Feet	47,335	47,335	47,335	47,335	47,335	47,335	37,839	37,839	37,839	37,839
Capacity	9	9	9	9	9	9	96	96	96	96
Enrollment		85	70	67	70	73	66	68	79	82

Number of Schools at June 30, 2024  
 Elementary = 6  
 Middle School = 2  
 High School = 1  
 Other = 1

Note: Enrollment is based on the annual October district count.

Source: School District of Fair Lawn Facilities Office



FAIR LAWN PUBLIC SCHOOLS  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST TEN FISCAL YEARS  
UNAUDITED

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

Fiscal Year Ended June 30,	Fair Lawn			Thomas		Memorial Middle School	Henry B. Milnes	Westmoreland	Radburn	Warren Point	John A. Forrest	Lyncrest	Edison School
	Total	High School	Jefferson Middle School	Jefferson Middle School									
2015	\$ 1,411,835	\$ 474,962	\$ 183,952	\$ 184,774	\$ 93,560	\$ 57,678	\$ 101,102	\$ 78,054	\$ 90,668	\$ 54,590	\$ 92,495		
2016	1,271,092	427,614	165,614	166,355	84,233	51,928	91,024	70,273	81,629	49,148	83,274		
2017	1,324,420	445,141	172,402	173,173	87,685	54,056	94,754	73,154	84,975	51,163	86,687		
2018	1,263,000	415,258	160,828	161,548	81,799	78,703	88,393	68,243	79,270	47,728	80,868		
2019	1,201,301	395,085	153,016	153,700	77,825	74,880	84,099	64,928	75,420	45,409	76,939		
2020	1,281,720	428,457	164,990	146,581	84,399	81,205	91,203	70,412	81,790	49,245	83,438		
2021	1,174,530	375,191	187,160	157,449	70,453	69,441	78,364	74,402	63,703	41,671	56,696		
2022	1,795,940	573,694	286,180	240,750	107,727	106,181	119,824	113,767	97,406	63,718	86,693		
2023	1,571,106	527,030	201,891	179,340	103,275	99,367	111,601	86,160	100,083	60,259	102,100		
2024	2,180,876	755,843	218,753	196,077	95,259	93,386	123,859	208,086	249,546	142,924	97,143		

\* School facilities as defined under EFCFA.  
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: School District of Fair Lawn records

FAIR LAWN PUBLIC SCHOOLS  
INSURANCE SCHEDULE  
JUNE 30, 2024  
UNAUDITED

	<u>Coverage</u>		<u>Deductible</u>
Utica National Insurance Group:			
School Package Policy:			
Blanket Building and Contents	\$ 280,741,974		\$ 5,000
Extra Expense	1,000,000		
Earthquake	10,000,000		
Flood	5,015,000		
Commercial Liability:			
Bodily Injury and Property Damage	1,000,000	Each Occurrence	
Fire Legal Liability	1,000,000		
Sexual Misconduct	1,000,000/3,000,000		
Medical Expense	10,000		
Employee Benefits Liability	1,000,000/3,000,000		
Crime:			
Depositors Forgery	100,000		
Employee Dishonesty	500,000		
Money and Securities	25,000	Inside/Outside	
Automobile	1,000,000		
School Board Legal Liability	1,000,000/3,000,000		7,500
Umbrella	25,000,000		
Environmental Liability - Beazley	1,000,000	Each Loss	10,000
Firemen's Fund:			
Catastrophe Access Plan	25,000,000		
Educational Risk Insurance Connection - North (NJ Schools Insurance Group):			
Workers Compensation	3,000,000		
Bollinger Insurance Company:			
Student Accident Insurance	6,000,000		
Surety Bonds:			
Board Secretary/Business Administrator	475,000	Selective Insurance Group	
Treasurer of School Moneys	500,000	Selective Insurance Group	
Flood:			
Memorial School Building /Contents	500,000		5,000
Cyber Lloyds:			
Unit of Liability	1,000,000	Each Claim	
Retention	50,000		

Source: School District of Fair Lawn records

SINGLE AUDIT SECTION



Mount Arlington, NJ  
Newton, NJ  
Bridgewater, NJ

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Independent Member  
BKR International

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 Auditors' Report

The Honorable President and Members  
of the Board of Education  
Fair Lawn Public Schools  
County of Bergen, 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 the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, and each major fund of the Board of Education of the Fair Lawn Public Schools, in the County of Bergen (the "District") as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 25, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 District'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 the 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 or significant deficiencies may exist that were not identified.

The Honorable President and Members  
of the Board of Education  
Fair Lawn Public Schools  
Page 2

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

### **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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

November 25, 2024  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*  
Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant



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BKR International

Report on Compliance For Each Major Federal and State Program;  
Report on Internal Control Over Compliance Required  
by the Uniform Guidance and NJOMB 15-08

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Fair Lawn Public Schools  
County of Bergen, New Jersey

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited the Board of Education of the Warren County Vocational-Technical School's (the "District's"), compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *New Jersey State Aid/ Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the fiscal year ended June 30, 2024. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each major federal and state program for the fiscal year ended June 30, 2024.

***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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); the 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 New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Our responsibilities under those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District 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 District's compliance with the compliance requirements referred to above.

The Honorable President and Members  
of the Board of Education  
Fair Lawn Public Schools  
Page 2

### ***Responsibilities of Management for Compliance***

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

### ***Auditors' 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 District'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 GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District'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 District'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 Uniform Guidance and New Jersey's OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the District'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 a 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.

The Honorable President and Members  
of the Board of Education  
Fair Lawn Public Schools  
Page 3

*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 the Uniform Guidance or New Jersey's OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

November 25, 2024  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*  
Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant



**FAIR LAWN PUBLIC SCHOOLS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Assistance Listing Number	Grant or State Project No.	Grant Period	Award Amount	Balance at June 30, 2023			Cancellation of Prior Year Accounts Payable	Balance at June 30, 2024					
					Budgetary Accounts Receivable	Budgetary Unearned Revenue	Cash Received		Budgetary Expenditures	Adjustments	Budgetary Accounts Receivable	Budgetary Unearned Revenue	Due to Grantor	Amounts Provided to Subrecipients
U.S. Department of Agriculture:														
Passed-through State Department of Agriculture:														
Child Nutrition Cluster:														
Food Distribution Program	10.555	N/A	7/1/23-6/30/24	\$ 54,741		\$ 54,741	\$ (54,741)							
National School Lunch Program	10.555	N/A	7/1/23-6/30/24	403,868			(403,868)					\$ (22,980)		
National School Lunch Program	10.555	N/A	7/1/22-6/30/23	462,251	\$ (35,000)									
School Breakfast Program	10.553	N/A	7/1/23-6/30/24	13,000			(13,000)					(865)		
School Breakfast Program	10.553	N/A	7/1/22-6/30/23	9,440	(801)									
COVID 19 - Supply Chain Assistance	10.555	N/A	7/1/23-6/30/24	128,751								\$ 128,751		
COVID 19 - Supply Chain Assistance	10.555	N/A	7/1/22-6/30/24	250,299		\$ 250,299	(129,342)						120,957	
Total Child Nutrition Cluster														
COVID 19 - Pandemic Electronic Benefit Transfer	10.649	N/A	7/1/23-6/30/24	653			(600,951)					(23,845)	249,708	
Total U.S. Department of Agriculture														
					(35,801)	250,299	(601,604)					(23,845)	249,708	
U.S. Department of Education:														
Special Revenue Fund:														
Passed-through State Department of Education:														
Elementary and Secondary Education Act:														
Title I	84.010	ESEA145024	7/1/23-9/30/24	483,322			(406,027)					(72,457)		
Title I	84.010	ESEA145023	7/1/22-9/30/23	239,801					\$ (1)					
Total Title I					(73,785)									
Title IIA	84.367	ESEA145024	7/1/23-9/30/24	127,043			(406,027)					(72,457)		
Title IIA	84.367	ESEA145023	7/1/22-9/30/23	158,640			(76,379)					(11,751)		
Total Title II					(73,728)		(74)							
Title III	84.365	ESEA145024	7/1/23-9/30/24	57,079			(76,453)					(11,751)	\$ 120	
Title III	84.365	ESEA145023	7/1/22-9/30/23	46,403			(52,555)					(586)	120	
Total Title III					(11,933)									
Title III - Immigrant					(11,933)							(586)		
Total Title III - Immigrant														
Title IV	84.424	ESEA145024	7/1/23-9/30/24	18,853			(13,428)					(4,560)		
Title IV	84.424	ESEA145023	7/1/22-9/30/23	25,940			(14,556)					(4,560)		
Total Title IV					(23,632)									
					(23,632)		(14,556)							
Total Elementary and Secondary Education Act					(183,078)		(563,019)				(1)	(89,354)	120	
Education Stabilization Fund:														
COVID-19 - CRRSA - Learning Acceleration	84.425D	S425D200027	3/13/20-9/30/23	62,913			(18,713)							
COVID-19 - CRRSA - ESSER II	84.425D	S425D200027	3/13/20-9/30/23	980,337	(8,000)		(21,040)							
COVID-19 - ARP - ESSER III	84.425U	S425U210027	3/13/20-9/30/24	2,203,244	(297,913)		(475,312)					(25,178)		
COVID-19 - ARP - Accelerated Learning Couch and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	468,461	(15,947)		(38,203)					(2,780)		
COVID-19 - ARP - Evidence Based Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000	(2,204)		(195)					(195)		
COVID-19 - ARP - NITSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000			(7,300)							

**FAIR LAWN PUBLIC SCHOOLS**  
**SCHEDULE OF OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Assistance Listing Number	Grant or State Project No.	Grant Period	Award Amount	Balance at June 30, 2023			Cancellation of Prior Year Accounts Payable	Adjustments	Balance at June 30, 2024		
					Budgetary Accounts Receivable	Budgetary Unearned Revenue	Cash Received			Budgetary Accounts Receivable	Budgetary Unearned Revenue	Due to Grantor
<b>U.S. Department of Education (Continued)</b>												
<b>Special Revenue Fund (Continued)</b>												
Passed-through State Department of Education (Continued)												
Education Stabilization Fund: (Cont'd)												
COVID-19 - ARP - Homeless II												
Total Education Stabilization Fund	84.425W	N/A	4/23/21-9/30/24	\$ 34,487	\$ (29,148)	\$	\$ 22,768	\$ 6,380		\$ (9,390)		
					(357,512)		883,742	6,380		(37,543)		
<b>Special Education Cluster (IDEA):</b>												
ID.E.A. Part B, Basic	84.027	IDEA145024	7/1/23-9/30/24	1,486,650			1,179,781			(253,785)		
ID.E.A. Part B, Basic	84.027	IDEA145023	7/1/22-9/30/23	1,337,896			101,802					
ID.E.A. Preschool	84.173	IDEA145024	7/1/23-9/30/24	46,781	(101,802)					(46,781)		
ID.E.A. Preschool	84.173	IDEA145023	7/1/22-9/30/23	45,925	(611)		611					
COVID-19 - ARP - I.D.E.A. Part B, Basic	84.027X	N/A	7/1/21-9/30/23	238,426	(66,704)		98,270			(31,566)		
COVID-19 - ARP - I.D.E.A. Preschool	84.173X	N/A	7/1/21-9/30/23	20,338	(8,650)		8,756			(106)		
Total Special Education Cluster (IDEA)					(177,767)		1,389,220			(300,566)		
Carl D. Perkins - Secondary	84.048	PERK145024	7/1/23-6/30/24	24,500			17,554			(935)		
Carl D. Perkins - Secondary	84.048	PERK145023	7/1/22-6/30/23	15,249	(3,395)		3,395					
Total Even Start Family Literacy					(3,395)		20,949			(935)		
Total U.S. Department of Education					(721,752)		2,950,775	6,380	(1)	(428,398)	\$ 120	
<b>U.S. Department of Treasury:</b>												
Passed-through State Department of Education:												
Special Revenue Fund:												
ACSERS	21.027	N/A	7/1/23-6/30/24	581,222			237,539			(343,683)		
ACSERS	21.027	N/A	7/1/22-6/30/23	123,595	(57,641)		57,641					
Total U.S. Department of Treasury					(57,641)		295,180			(343,683)		
<b>U.S. Department of Health and Human Services:</b>												
Medicaid Cluster:												
Medicaid Assistance Program	93.778	N/A	7/1/23-6/30/24	46,422			46,422					
Total U.S. Department of Health and Human Services/Total Medicaid Cluster							46,422					
Total Federal Awards					\$ (815,194)	\$ 250,299	\$ 3,905,346	\$ 6,380	(1)	\$ (795,926)	\$ 249,708	\$ -0-

N/A - Not Applicable

SEE THE ACCOMPANYING NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FAIR LAWN PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2023		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2024		MEMO	
				Budgetary Accounts Receivable	Due to Grantor				GAAP Accounts Receivable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education:</b>												
<b>General Fund State Aid:</b>												
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	\$ 13,845,996			\$ 12,525,285	\$ (13,845,996)				\$ (1,320,711)	\$13,845,996
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	840,898			760,688	(840,898)				(80,210)	840,898
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	5,465,031			4,943,745	(5,465,031)				(521,286)	5,465,031
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	464,041			419,778	(464,041)				(44,263)	464,041
Extraordinary Special Education Costs Aid	24-495-034-5120-044	7/1/23-6/30/24	2,572,742				(2,572,742)		\$ (2,572,742)		(2,572,742)	2,572,742
Homeless Tuition Reimbursement	24-495-034-5120-005	7/1/23-6/30/24	211,708				(211,708)		(211,708)		(211,708)	211,708
Nonpublic Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	275,284				(275,284)		(275,284)		(275,284)	275,284
Reimbursed TPAF Social Security Contributions	24-495-034-5094-003	7/1/23-6/30/24	3,615,127			3,436,951	(3,615,127)		(178,176)		(178,176)	3,615,127
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	11,138,211	#####		1,052,388						11,138,211
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	840,898	(79,452)		79,452						840,898
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	4,363,870	(412,318)		412,318						4,363,870
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	464,041	(43,845)		43,845						464,041
Extraordinary Special Education Costs Aid	23-495-034-5120-044	7/1/22-6/30/23	3,025,334	(3,025,334)		3,025,334						3,025,334
Homeless Tuition Reimbursement	23-495-034-5120-005	7/1/22-6/30/23	626,181	(626,181)		626,181						626,181
Excess Nonpublic Transportation Costs	23-495-034-5120-014	7/1/22-6/30/23	156,458	(156,458)		156,458						156,458
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/22-6/30/23	3,482,220	(172,434)		172,434						3,482,220
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	4,656,337			4,656,337	(4,656,337)					4,656,337
On-Behalf TPAF Pension Contributions	24-495-034-5094-002	7/1/23-6/30/24	16,915,693			16,915,693	(16,915,693)					16,915,693
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	192,914			192,914	(192,914)					192,914
On-Behalf TPAF Long-Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	7,213			7,213	(7,213)					7,213
<b>Subtotal - General Fund</b>				(5,568,410)		49,427,014	(49,062,984)		(3,237,910)		(5,204,380)	73,160,197
<b>Special Revenue Fund Aid:</b>												
Nonpublic Auxiliary Services:												
Compensatory Education	24-100-034-5120-067	7/1/23-6/30/24	5,394			5,394	(1,618)			\$ 3,776		1,618
Compensatory Education	23-100-034-5120-067	7/1/22-6/30/23	8,104		\$ 8,104			\$ 8,104				
Nonpublic Handicapped Services:												
Supplementary Instruction	24-100-034-5120-066	7/1/23-6/30/24	32,462			32,462	(28,827)			3,635		28,827
Supplementary Instruction	23-100-034-5120-066	7/1/22-6/30/23	39,648		5,121	18,600	(14,043)	5,121		4,557		34,527
Corrective Speech	24-100-034-5120-066	7/1/23-6/30/24	18,600		3,534			3,534				14,043
Corrective Speech	23-100-034-5120-066	7/1/22-6/30/23	23,250			70,090	(38,280)			31,810		19,716
Examination and Classification	24-100-034-5120-066	7/1/23-6/30/24	36,023		1,604	26,130	(23,833)	1,604		2,297		38,280
Examination and Classification	23-100-034-5120-066	7/1/22-6/30/23	26,130		11,633			11,633				34,419
N.J. Nonpublic Textbook Aid	24-100-034-5120-070	7/1/23-6/30/24	26,928			58,200	(58,200)					23,833
N.J. Nonpublic Textbook Aid	23-100-034-5120-070	7/1/22-6/30/23	48,832		7,448			7,448				15,295
N.J. Nonpublic Nursing Aid	24-100-034-5120-073	7/1/23-6/30/24	22,148		1,003	22,148	(18,332)			3,816		58,200
N.J. Nonpublic Technology Initiative	23-100-034-5120-373	7/1/22-6/30/23	17,136					1,003				41,384
N.J. Nonpublic Technology Initiative	24-100-034-5120-509	7/1/23-6/30/24	99,425		47	99,425	(99,425)					18,332
N.J. Nonpublic Security Aid	23-100-034-5120-509	7/1/22-6/30/23	89,380					47				16,133
N.J. Nonpublic Security Aid	24-100-034-5120-509	7/1/23-6/30/24	48,195			19,457	(37,512)		(18,055)		(18,055)	99,425
N.J. Nonpublic Teacher STEM	23-100-010-5120-023	7/1/22-6/30/23	6,660	(6,659)		6,659						89,333
Climate Awareness Education Grant												48,195
<b>Subtotal - Special Revenue Fund</b>				(6,659)	38,494	358,565	(320,070)	38,494	(18,055)	49,891	(18,055)	6,659
												588,219

FAIR LAWN PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2023		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2024		MEMO	
				Budgetary Accounts Receivable	Due to Grantor				GAAP Accounts Receivable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
<u>State Department of Education:</u>												
Debt Service Fund Aid:												
Debt Service Aid - State Support	24-100-034+5120-125	7/1/23-6/30/24	\$ 266,934			\$ 266,934	\$ (266,934)					\$ 266,934
Subtotal - Debt Service Fund						266,934	(266,934)					266,934
Food Service Fund:												
State School Lunch Program	24-100-010-3350-023	7/1/23-6/30/24	24,766			23,384	(24,766)		\$ (1,382)		\$ (1,382)	24,766
State School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	60,711	\$ (1,766)		1,766						60,711
State School Lunch Extended Income Eligibility	24-100-010-3350-023	7/1/23-6/30/24	5,132			4,843	(5,132)		(289)		(289)	5,132.00
State School Breakfast Program	24-100-010-3350-021	7/1/23-6/30/24	462			436	(462)		(26)		(26)	462
State School Breakfast Program	23-100-010-3350-021	7/1/22-6/30/23	273	(20)		20						273
State School Breakfast Extended Income Eligibility	24-100-010-3350-021	7/1/23-6/30/24	298			278	(298)		(20)		(20)	298
Subtotal - Food Service Fund				(1,786)		30,727	(30,658)		(1,717)		(1,717)	91,642
Total State Department of Education				(5,576,855)	\$ 38,494	50,083,240	(49,680,646)	\$ 38,494	(3,257,682)	\$ 49,891	(5,224,152)	74,106,992
Total State Awards				#####	\$ 38,494	\$ 50,083,240	\$ (49,680,646)	\$ 38,494	\$ (3,257,682)	\$ 49,891	\$ (5,224,152)	\$ 74,106,992
Less: State Awards Not Subject to Single Audit Major Program Determination												
On-Behalf TPAF Pension System Contributions:												
On-Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	(4,656,337)			\$ 4,656,337						
On-Behalf TPAF Pension Contributions	24-495-034-5094-002	7/1/23-6/30/24	(16,915,693)			16,915,693						
On-Behalf TPAF Non-Contributory Insurance	24-495-034-5094-004	7/1/23-6/30/24	(192,914)			192,914						
On-Behalf TPAF Long-Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	(7,213)			7,213						
Subtotal - On-Behalf TPAF Pension System Contributions						21,772,157						
Total State Awards Subject to Single Audit Major Program Determination												
												\$ (27,908,489)

SEE THE ACCOMPANYING NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards includes the federal and state grant activity of the Board of Education, Fair Lawn Public Schools under programs of the federal and state governments for the fiscal year ended June 30, 2024. The information in these schedules is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented on the accrual basis of accounting. These bases of accounting are described in Note 1 to the District's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic 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 and special revenue funds are presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last two 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 budget year due to the state deferral and recording of the last 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 revenue, whereas the GAAP basis does not. Grant revenue in the capital projects fund is recognized on the budgetary basis in the fiscal year of award but is not recognized on the GAAP basis until expended and submitted for reimbursement.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$378,467) for the general fund, (\$0-) for the special revenue fund, and (\$1,519,066) for the capital projects fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general, special revenue, and capital projects funds. Revenue from federal and state awards is reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

FAIR LAWN PUBLIC SCHOOLS  
NOTES TO THE SCHEDULES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 46,422	\$ 48,684,517	\$ 48,730,939
Special Revenue Fund	3,244,902	320,070	3,564,972
Debt Service Fund		266,934	266,934
Food Service Fund	<u>601,604</u>	<u>30,658</u>	<u>632,262</u>
Total Awards	<u>\$ 3,892,928</u>	<u>\$ 49,302,179</u>	<u>\$ 53,195,107</u>

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. OTHER

Revenue and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2024.

NOTE 7. NJ SCHOOL DEVELOPMENT AUTHORITY (SDA) GRANTS

The District has been awarded three grants in the amount of \$1,519,066 in the Capital Projects Fund from the New Jersey School Development Authority (NJSDA) under the Educational Facilities Construction and Financing Act. As of June 30, 2024, \$-0- of the grant funds have been expended and drawn down on a GAAP basis. In the Capital Projects Fund, the District realizes the full amount of the grant revenue on a budgetary basis in the year awarded and realizes the grant revenue on a GAAP basis as it is expended and submitted for reimbursement. Expenditures, if any, reported under NJSDA on the Schedule of Expenditures of State Awards represents reimbursement requests submitted to the NJSDA.

FAIR LAWN PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP.

Unmodified

Internal control over financial reporting:

1.) Material weakness identified?	_____	Yes	_____	X	No
2.) Significant deficiencies identified?	_____	Yes	_____	X	None reported
Noncompliance material to basic financial statements noted?	_____	Yes	_____	X	No

**Federal Awards**

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

Unmodified

Internal control over major programs:

1.) Material weakness identified?	_____	Yes	_____	X	No
2.) Significant deficiencies identified?	_____	Yes	_____	X	None reported
Noncompliance material to basic financial statements noted?	_____	Yes	_____	X	No
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?					
	_____	Yes	_____	X	No

Identification of major programs:

Program Name or Cluster	Assistance Listing No.	Grant Period		Award Amount	Budgetary Expenditures
		Start	End		
Special Education Cluster:					
I.D.E.A. Basic	84.027	7/1/23	9/30/24	\$ 1,486,650	\$ 1,433,566
I.D.E.A. Preschool	84.173	7/1/23	9/30/24	46,781	46,781
COVID-19 - ARP - I.D.E.A Basic	84.027X	7/1/21	9/30/23	238,426	31,566
COVID-19 - ARP - I.D.E.A Preschool	84.173X	7/1/21	9/30/23	20,338	106
Child Nutrition Cluster:					
Food Distribution Program	10.555	7/1/23	6/30/24	54,741	54,741
National School Lunch Program	10.555	7/1/23	6/30/24	403,868	403,868
School Breakfast Program	10.553	7/1/23	6/30/24	13,000	13,000
COVID-19 - Supply Chain Assistance	10.555	7/1/22	6/30/24	250,299	129,342

Dollar threshold used to distinguish between Type A and B programs	\$ 750,000
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FAIR LAWN PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(Continued)

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2 of 2

Auditee qualified as low-risk auditee?       X       Yes                      No

**State Awards**

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

Internal control over major programs:

1.) Material weakness identified?                      Yes           X           No  
2.) Significant deficiencies identified?                      Yes           X           None reported

Noncompliance material to basic financial statements noted?                      Yes           X           No

Any audit findings disclosed that are required to be reported in accordance with New Jersey's OMB Circular 15-08?  
                     Yes           X           No

Identification of major programs:

Program Name or Cluster	State Grant No.	Grant Period		Award Amount	Budgetary Expenditures
		Start	End		
State Aid Public:					
Equalization Aid	24-495-034-5120-078	7/1/23	6/30/24	\$ 13,845,996	\$ 13,845,996
Special Education Aid	24-495-034-5120-089	7/1/23	6/30/24	5,465,031	5,465,031
Security Aid	24-495-034-5120-084	7/1/23	6/30/24	464,041	464,041
Extraordinary Special Education Costs Aid	24-495-034-5120-044	7/1/23	6/30/24	2,572,742	2,572,742

Dollar threshold used to distinguish between Type A and B programs                     \$ 837,255                    

Auditee qualified as low-risk auditee?                      Yes           X           No

**Section II - Financial Statement Findings - N/A**

**Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs - N/A**



FAIR LAWN PUBLIC SCHOOLS  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Audit Report, dated December 15, 2023 for the period ended June 30, 2023, issued by Nisivoccia LLP:

Finding 2023-001: N.J. Department of Education – Extraordinary Special Education Costs Aid – Types of Services Allowed or Unallowed and Significant Deficiency. The School Funding Reform Act of 2018 (SFRA) and N.J.S.A.18A:7F-55(c) requests a school district to file an application with the N.J. Department of Education for reimbursement of current year's expenses in which the actual cost of providing an education for an individual pupil, excluding transportation costs, exceeds a predetermined threshold within a single fiscal year. Extraordinary Aid is available for partial reimbursement of allowable/eligible costs incurred for individual classified pupils whose Individualized Education Plan (IEP) requires the provision of at least one intensive service. As per state regulations, the District must maintain workpapers and supporting cost documentation. Costs must be pro-rated if they are incurred for multiple students.

Condition and Context:

Prior year Finding 2023-001, noted that the classroom and additional costs reported on the Extraordinary Aid application for 5 students were overreported. The salary utilized by the District for the personal aide for these students was in excess of either an average of all of the personal aides' salaries or the salary for the actual personal aide assigned to the students. This resulted in an excess amount claimed for the salary for a personal aide for these 5 students. Additionally, costs for certain other services provided were overstated including one on one nursing services and occupational, speech and physical therapy services while costs for certain other services provided were understated which resulted in a net overstatement of costs.

Status:

The prior year finding 2023-001 regarding the District utilizing either an average of all the personal aides' salaries or the salary for the actual personal aide assigned to the students as the cost reported for the salary for a personal aide as well as every effort being made to ensure that documentation is maintained on file to support the costs reported for certain other costs for additional services provided for one to one nursing services and occupational, speech and physical therapy services has been resolved.