

**SCHOOL DISTRICT OF THE  
BOROUGH OF FORT LEE  
COUNTY OF BERGEN, NEW JERSEY  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2024**

**School District  
of  
Fort Lee**

**FORT LEE BOARD OF EDUCATION  
Fort Lee, New Jersey**

**Annual Comprehensive Financial Report  
Year Ended June 30, 2024**

# Annual Comprehensive Financial Report

of the

**FORT LEE BOARD OF EDUCATION**  
**Fort Lee, New Jersey**

**Year Ended June 30, 2024**

**Prepared by**

**Michael Steinmetz**  
**Business Administrator/Board Secretary**

FORT LEE PUBLIC SCHOOL DISTRICT  
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## **INTRODUCTORY SECTION**





## Central Administration Offices

231 Main Street, 3<sup>rd</sup> Floor & Fort Lee, New Jersey 07024

Phone: 201.585.4612 & Fax: 201.585.1305

[www.FLBOE.com](http://www.FLBOE.com)

Robert L. Kravitz, Ed.D., M.B.A.  
*Superintendent of Schools*

Diane Collazo-Baker, M.S.  
*Assistant Superintendent of Schools*

Michael D. Steinmetz, M.Ed., MPA  
*School Business Administrator/Board Secretary*

December 19, 2024

Honorable President and  
Members of the Board of Education  
Borough of Fort Lee Public Schools  
County of Bergen, New Jersey

Dear Board Members:

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the Borough of Fort Lee Public Schools for the fiscal year ended June 30, 2024. This ACFR includes the District's Basic Financial Statements prepared in accordance with Governmental Accounting Standards Board Statement 34. The District believes that this financial reporting model will provide all users of this document with much more useful financial and statistical information than ever before. 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 (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 financial position and results of operations of the District. This report will provide the taxpayers of the Borough of Fort Lee School District with comprehensive financial data in a format enabling them to gain an understanding of the District's financial affairs.

The Annual Comprehensive Financial Report is presented in four sections as follows:

- The Introductory Section contains a table of contents, Letter of Transmittal, List of Principal Officials and an Organizational chart of the School District.
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information.



- The Statistical Section includes financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information of the School District, generally presented on a multi-year basis.
- The Single Audit Section - 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* (Uniform Guidance) and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* (NJOMB 15-08). Information related to this single audit, including the independent auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, is included in the single audit section of this report.

### **School District Organization**

The Borough of Fort Lee School District is one of 694 school districts in the State of New Jersey and one of 80 school districts in Bergen County. The School District provides education to 4,039 students, in district and out-of-district, in grades pre-kindergarten through twelve.

An elected nine-member Board of Education (the "Board") serves as the policy making body for the School District. The Board adopts an annual budget and directly approves all expenditures, which serve as the basis for control over, and authorization for, all expenditures of School district tax money.

The Superintendent is the chief executive officer of the School District, responsible to the Board for total educational and support operations. The Board Secretary is the chief financial officer of the School District, responsible to the Board for maintaining all financial records, making payments of liabilities incurred by the School district, acting as custodian of all School district funds, and investing funds as permitted by New Jersey law.

### **Reporting Entity**

The Borough of Fort Lee Public Schools is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB Statement No. 14. All funds of the District are included in this report. The Borough of Fort Lee Public Schools and its six schools constitute the District's reporting entity.

### **Economic Conditions and Outlook**

The District completed the 2023-2024 fiscal year with an average daily enrollment of 4,039 students, which is more than the previous year's enrollment.

The following details the changes in the student average daily enrollment of the District over the last five years.



<u>Fiscal Year</u>	<u>Average Daily Enrollment Student Enrollment</u>	<u>Percent Change</u>
2023-2024	4,039	1.01%
2022-2023	4,010	-3.23%
2021-2022	4,144	1.82%
2020-2021	4,070	-2.2%
2019-2020	4,154	2.49%
2018-2019	4,053	3.38%
2017-2018	3,920	4.62%
2016-2017	3,747	1.13%

Future trends point towards an increase in enrollment due to approved residential developments. The District's primary funding source is property tax revenue. As a result, the District, along with many other public school systems in the State, faces some difficult economic situations in the future. Overall tax revenue for the general fund increased for the 2023-2024 school year by 2%, but the increase in expenditures from inflationary pressures, contractual agreements and benefits have outpaced the additional revenue. The District's administration is closely monitoring the cost of operations and continues to look for innovative ways to contain costs in addition to new funding sources in order to maintain the quality educational services that the District has been accustomed to providing.

The District remains accountable to the residents and taxpayers and attributes much of its past education success to the community's demand for and support of a quality school system.

#### **Major Initiatives/Educational Program**

Major activities for the Fort Lee School District for the 2023-2024 school year include:

#### **Major Initiatives/Educational Program**

Major activities for the Fort Lee School District for the 2023-2024 school year include:

##### **English Language Arts:**

- Implemented Wilson Foundations in grades K-2
- Implemented digital supplemental resources (Freckle, Lalillo)
- Purchased STAR Phonics assessment

##### **Social Studies:**

- Implemented new K-5 Social Studies program
- Purchased resources for new high school social studies courses

##### **Math:**

- Implemented new digital supplemental resource (Freckle)

##### **Science:**

- Adopted new Anatomy & Physiology textbook for high school course
- Purchased materials and resources for middle school STEAM course



**Other:**

- Purchased Educlimber, our new data management system to support MTSS

**Professional Development:**

- Offered professional development to support differentiated instruction in literacy, mathematics, world language, and meeting the needs of our English learners using the Sheltered Instruction methodology.
- Provided professional development to support data analysis using STAR 360
- Provided professional development to support MTSS

**Internal Accounting and Budgetary Control:** Management of the District is responsible for establishing and maintaining internal control designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Internal control 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 awards and state financial assistance, the District is also responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal control 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 internal control, including that portion related to the federal awards and state financial assistance programs, as well as to determine that the District has complied with applicable laws, regulations, contracts and grants.

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, special revenue fund and 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 cancelled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2024.

**Cash Management:** The investment policy of the District is guided in large part by State statutes as detailed in "Notes to Basic Financial Statements," Notes 1 and 2. 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. This 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.

**Risk Management:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. A schedule of insurance coverage is found in Exhibit J-20.

**Independent Audit:** State statutes require an annual audit by independent certified public accountants or registered municipal accounts. The accounting firm of Wielkottz & Company, LLC was selected by the Board. In addition to meeting the requirements set forth in State statutes, the audit was also designed to meet 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 the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and New Jersey OMB's Circulars 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 supplemental information is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

**Acknowledgements:**

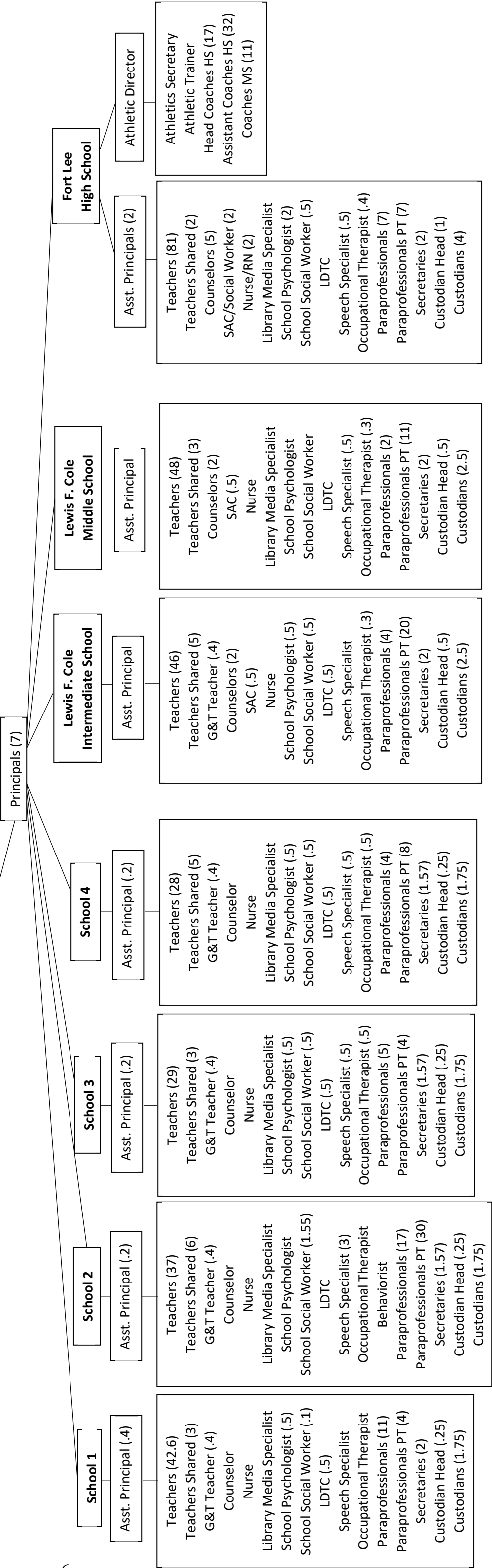
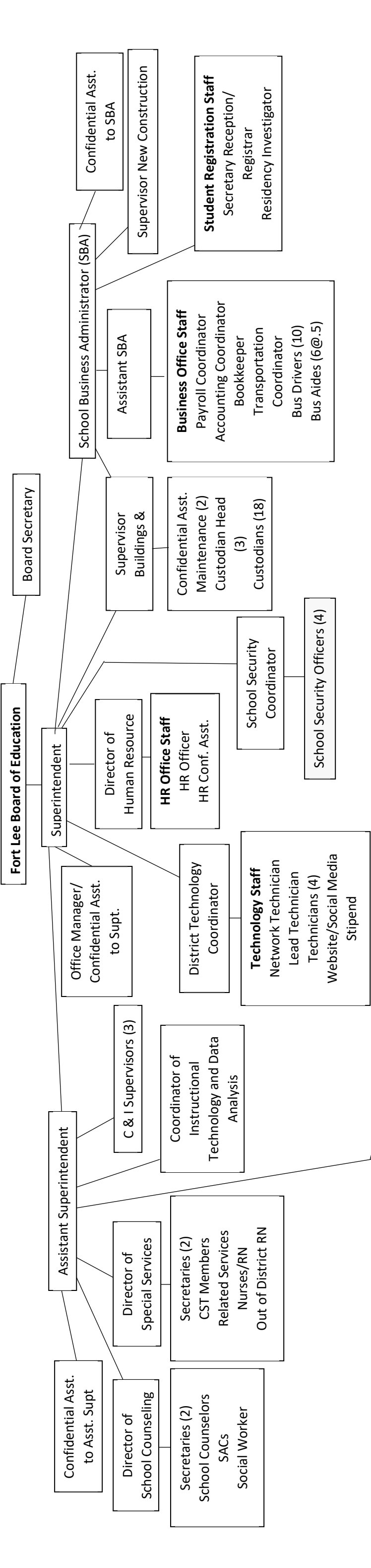
We would like to express our appreciation to the members of the Borough of Fort Lee School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation.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

Respectfully submitted,

  
Superintendent of Schools

  
Business Administrator





**FORT LEE BOARD OF EDUCATION**

**ROSTER OF OFFICIALS**

**JUNE 30, 2024**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Kristen Richter, President	12/31/2024
Holly Morell, Vice President	12/31/2024
Paula Colbath	12/31/2025
Kacy Knight	12/31/2025
Michal Rubino	12/31/2025
Kim Curry	12/31/2026
Tanya Byers-Kang	12/31/2026
Amy Ko-Tang	12/31/2026
Douglas Lopez	12/31/2026

**Other Officials**

Robert L. Kravitz - Superintendent of Schools

Diane Collazo-Baker - Assistant Superintendent of Schools

Dina Messery, School Business Administrator/Board Secretary

Lindita Agastra, Assistant Business Administrator

Charles Hangle, Treasurer of School Monies

Ernest Sazbo, Supervisor of Buildings & Grounds

Lester E. Taylor III - Board Attorney

**FORT LEE BOARD OF EDUCATION**

**CONSULTANTS & ADVISORS**

**JUNE 30, 2024**

**Attorney**

Taylor Law Group, LLC  
430 Mountain Ave  
Suite 103  
New Providence, NJ 07974

**District Auditor**

Wielkott & Company LLC  
401 Wanaque Avenue  
Pompton Lakes, New Jersey 07442

**Official Depositories**

TD Bank  
1100 Lake Street  
Ramsey, NJ 07446

NJ ARM  
821 Alexander Road, Suite 110  
Princeton, NJ 08540



## **FINANCIAL SECTION**



# WIELKOTZ & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA  
MATTHEW B. WIELKOTZ, CPA, PSA  
DAVID BOTTGE, CPA, RMA, PSA  
PAUL J. CUVA, CPA, RMA, PSA  
KARI FERGUSON, CPA, RMA, CMFO, PSA  
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## **INDEPENDENT AUDITOR'S REPORT**

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

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

#### ***Opinion***

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Board of Education of the Borough of Fort Lee School District, in the County of Bergen, State of New Jersey, as of and for the 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 financial statements present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities and each major fund of the Borough of Fort Lee Board of Education, in the County of Bergen, State of New Jersey, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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



### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

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

### *Other Matters*

#### *Required Supplementary Information*

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

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Fort Lee Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2024 on our consideration of the Borough of Fort Lee Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fort Lee Board of Education's internal control over financial reporting and compliance.

*Steven D. Wielkotz*

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

*Wielkotz & Company, LLC*

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

December 19, 2024



**REQUIRED SUPPLEMENTARY  
INFORMATION - PART I**

**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

As management of the Borough of Fort Lee School District (the "School District"), we offer readers of the School District's financial statements this narrative overview and analysis of the financial activities of the Borough of Fort Lee School District for the fiscal year ended June 30, 2024.

The management's discussion and analysis is provided at the beginning of the audit to provide an overall review of the past and current position of the School District's financial condition. This summary should not be taken as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the School District's revenues and expenditures by program for the General Fund, Special Revenue Fund, Capital Projects Fund, Debt Service Fund and Enterprise Fund.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the Fort Lee Board of Education exceeded its liabilities, and deferred inflows of resources at the close of the fiscal year by \$57,149,108. (Net Position).
- In total, net position increased by \$7,721,921. Net position of governmental activities increased by \$7,630,217, and net position of business-type activities increased by \$91,704.
- General revenues accounted for \$79,659,372 in revenue or 76 percent of all governmental and business-type activities revenues. Program specific revenues in the form of charges for services and sales, grants, and contributions accounted for \$24,849,394 or 24 percent of total revenues of \$104,508,766.
- The School District had \$94,661,455 in expenses related to governmental activities; \$22,682,667 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily, entitlements and property taxes) of \$79,609,005 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$25,814,161.
- The General Fund fund balance at June 30, 2024 was \$23,360,882, a decrease of \$514,859 compared to the ending fund balance at June 30, 2023 of \$23,875,741.
- The General Fund unassigned budgetary fund balance at June 30, 2024 was \$2,306,917 which represents a decrease of \$103,385 compared to the ending unassigned budgetary fund balance at June 30, 2023 of \$2,410,302. The decrease is primarily due to the increase of deferred state aid.



**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ**

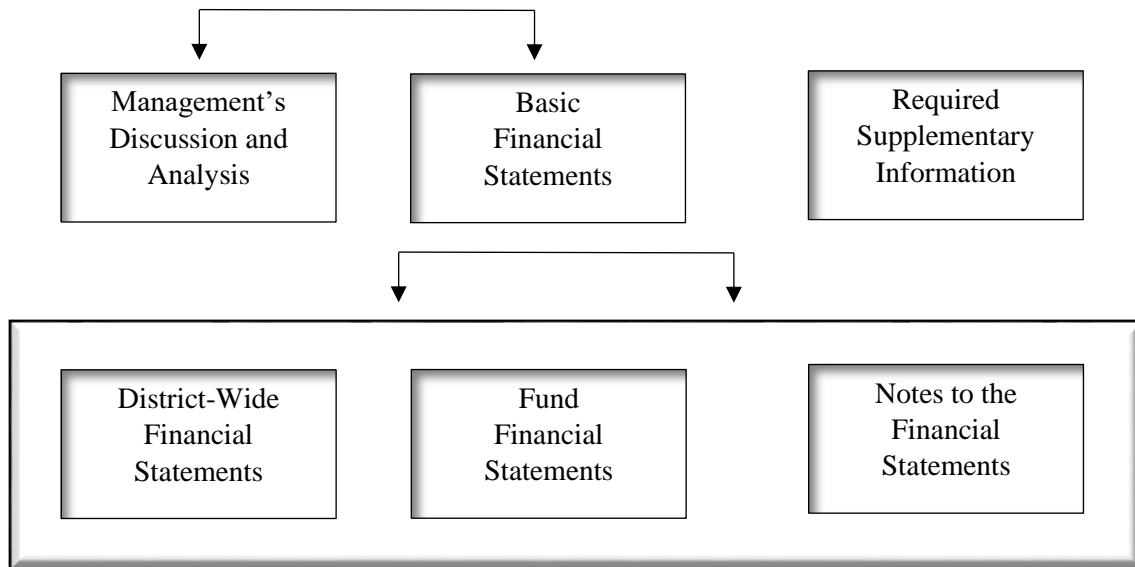
**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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



**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**OVERVIEW OF THE FINANCIAL STATEMENTS, (continued)**

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

**Major Features of the District-Wide and Fund Financial Statements**

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

**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**USING THIS ANNUAL REPORT**

This discussion and analysis are intended to serve as an introduction to the Borough of Fort Lee School District's basic financial statements. The Borough of Fort Lee School District's basic financial statements are comprised of three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**District-Wide Financial Statements**

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

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

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

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

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

**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**USING THIS ANNUAL REPORT, (continued)**

**Fund Financial Statements**

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

**Governmental Funds**

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

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

The Borough of Fort Lee School District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund, capital projects fund, and debt service fund, which are all considered to be major funds.

The Borough of Fort Lee School District adopts annual appropriated budgets for its governmental funds except for the capital projects fund. A budgetary comparison schedule has been provided for the general fund, special revenue fund and debt service fund to demonstrate compliance with their budgets.

**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**USING THIS ANNUAL REPORT, (continued)**

**Proprietary Funds**

Proprietary funds use the accrual basis of accounting, the same as on the district-wide statements, therefore the statements will essentially match the business-type activities portion of the district-wide statements. The Fort Lee Board of Education uses proprietary funds to account for its' food service program.

**Notes to the Financial Statements**

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

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary information for the District's major funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS**

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

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

The School District's net position was \$57,149,108 at June 30, 2024 and \$49,427,187 at June 30, 2023, respectively. Restricted items of net position are reported separately to show legal constraints that limit the School District's ability to use those items of net position for day-to-day operations. Our analysis below focuses on the net position for 2024 compared to 2023 (Table 1) and change in net position (Table 2) of the School District.

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**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

**Table 1**

**Net Position  
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Assets</b>						
Current and Other Assets	27,365,811	30,130,113	1,159,747	1,093,612	28,525,558	31,223,725
Capital Assets:						
Land and Construction in Progress	4,369,700	9,034,848				9,034,848
Depreciable Buildings, Improvements and Equipment (net)	91,660,978	83,871,187	143,429	90,367		83,961,554
Right to Use Leased Assets, Net of Amortization	<u>1,036,590</u>	<u>1,192,079</u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>1,192,079</u>
Total Assets	<u>124,433,079</u>	<u>124,228,227</u>	<u>1,303,176</u>	<u>1,183,979</u>	<u>28,525,558</u>	<u>125,412,206</u>
<b>Deferred Outflows:</b>						
Deferred Outflows of Resources						
Related to PERS	<u>2,535,674</u>	<u>1,948,892</u>	<u>          </u>	<u>          </u>	<u>2,535,674</u>	<u>1,948,892</u>
Total Deferred Outflows	<u>2,535,674</u>	<u>1,948,892</u>	<u>          </u>	<u>          </u>	<u>2,535,674</u>	<u>1,948,892</u>
<b>Liabilities</b>						
Current Liabilities	2,896,752	4,919,090	205,942	178,449	3,102,694	5,097,539
Noncurrent Liabilities	<u>66,836,377</u>	<u>70,409,789</u>	<u>          </u>	<u>          </u>	<u>66,836,377</u>	<u>70,409,789</u>
Total Liabilities	<u>69,733,129</u>	<u>75,328,879</u>	<u>205,942</u>	<u>178,449</u>	<u>69,733,129</u>	<u>75,507,328</u>
<b>Deferred Inflows:</b>						
Deferred Inflows of Resources						
Related to PERS	<u>1,183,750</u>	<u>2,426,583</u>	<u>          </u>	<u>          </u>	<u>1,183,750</u>	<u>2,426,583</u>
Total Deferred Inflows	<u>1,183,750</u>	<u>2,426,583</u>	<u>          </u>	<u>          </u>	<u>1,183,750</u>	<u>2,426,583</u>
<b>Net Assets</b>						
Net Investment in Capital Assets	46,711,474	40,619,996	143,429	90,367	46,854,903	40,710,363
Restricted	23,507,244	24,234,043			23,507,244	24,234,043
Unrestricted	<u>(14,166,844)</u>	<u>(16,432,382)</u>	<u>953,805</u>	<u>915,163</u>	<u>(13,213,039)</u>	<u>(15,517,219)</u>
Total Net Position	<u>56,051,874</u>	<u>48,421,657</u>	<u>1,097,234</u>	<u>1,005,530</u>	<u>57,149,108</u>	<u>49,427,187</u>

**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

**Changes in Net Position:**

The District's total net position increased \$7,721,921 over the course of the 2023-2024 fiscal year (See Table 2). Net position invested in capital assets decreased \$6,144,540 due to current fiscal year depreciation, offset by capital asset additions and paydown of right to use leased assets, offset by amortization. Restricted net position decreased \$726,799 as a result of net decreases in the designated for subsequent year's expenditures, capital projects fund, unemployment and encumbrances, offset by a net increase in capital reserve and student activities. Unrestricted net position increased \$2,304,180 primarily due to changes in compensated absences payable, net pension liability, deferred inflows and outflows of resources related to pensions, unexpended budget appropriations and an excess in state revenues.

Table 2 below shows the changes in net position for fiscal year 2024 compared to 2023.

**Table 2  
Changes in Net Position  
Year Ended June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Revenues</b>						
Program Revenues:						
Charges for Services and Sales	321,065	316,342	1,387,063	1,256,964	1,708,128	1,573,306
Operating Grants and Contributions	22,361,602	21,888,460	779,664	816,404	23,141,266	22,704,864
General Revenues:						
Taxes:						
Property taxes	76,197,057	74,702,023			76,197,057	74,702,023
Payments in Lieu of Taxes to						
School District	383,000	383,000			383,000	383,000
Tuition	1,047,836	565,813			1,047,836	565,813
Other Restricted Miscellaneous						
Revenue	14,905	6,264			14,905	6,264
Miscellaneous Income	1,966,207	1,165,012		64,498	1,966,207	1,229,510
Investment Income			50,367	20,215	50,367	20,215
Total Revenues and Transfers	<u>102,291,672</u>	<u>99,026,914</u>	<u>2,217,094</u>	<u>2,158,081</u>	<u>104,508,766</u>	<u>101,184,995</u>



**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Functions/Program Expenses</b>						
Instruction:						
Regular	25,889,199	23,993,331			25,889,199	23,993,331
Special Education	9,732,282	10,082,253			9,732,282	10,082,253
Other Special Instruction	2,347,823	2,360,085			2,347,823	2,360,085
Other Instruction	3,887,381	1,550,482			1,558,972	1,550,482
Support Services:						
Tuition	13,629,543	3,986,472			3,887,381	3,986,472
Student & Instruction						
Related Services	13,629,543	12,456,039			13,629,543	12,456,039
General Administrative						
Services	1,643,569	1,783,377			1,643,569	1,783,377
School Administrative						
Services	3,288,561	3,227,517			3,288,561	3,227,517
Central Services and Admin.						
Info. Tech.	1,322,980	1,349,095			1,322,980	1,349,095
Plant Operations and Maintenance						
Maintenance	3,862,426	5,941,787			3,862,426	5,941,787
Pupil Transportation	4,006,780	3,757,591			4,006,780	3,757,591
Unallocated Benefits	16,733,199	17,495,467			16,733,199	17,495,467
Charter School	41,170	64,632			41,170	64,632
Food Service			2,125,390	2,146,858	2,125,390	2,146,858
Interest on Long-Term Debt	1,450,582	1,536,182			1,450,582	1,536,182
Unallocated depreciation	4,544,499	1,819,056			4,544,499	1,819,056
Capital Outlay - nondepreciable	567,000	1,998,295			567,000	1,998,295
Amortization and						
Capital Lease Obligations	<u>155,489</u>	<u>155,489</u>	<u>          </u>	<u>          </u>	<u>155,489</u>	<u>155,489</u>
Total Expenses	<u>94,661,455</u>	<u>93,557,150</u>	<u>2,125,390</u>	<u>2,146,858</u>	<u>96,786,845</u>	<u>95,704,008</u>
Increase or (Decrease) in						
Net Position	<u><u>7,630,217</u></u>	<u><u>5,469,764</u></u>	<u><u>91,704</u></u>	<u><u>11,223</u></u>	<u><u>7,721,921</u></u>	<u><u>5,480,987</u></u>

**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

**Governmental Activities**

Net position from the District's governmental activities increased by \$7,721,921 during the fiscal year. However, maintaining existing programs, the provision of multitude of special programs/services for student with special needs and the cost of employee benefits has placed great demands on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health. Increasing parental and student demands for new activities and programs must be evaluated thoroughly.

Table 3 presents the costs of six major District activities: instruction, pupil and instructional services, administrative and business, maintenance and operations, transportation, and other. The table also shows each activity's net costs (total cost less fees generated by the activities and intergovernmental aid provided for specific program). The net cost shows the financial burden placed on the District's taxpayers by each of these functions.

**Table 3  
Net Cost of Governmental Activities  
Year Ended June 30,**

	<b>Total Cost of Services</b>		<b>Net Cost of Services</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Instruction	\$39,528,276	\$37,986,151	\$33,000,640	\$31,590,618
Pupil and Instruction Services	17,516,924	16,442,511	13,704,398	12,686,959
Administrative and Business	6,255,110	6,359,989	6,255,110	6,359,989
Maintenance and Operations	3,862,426	5,941,787	3,570,749	5,837,183
Transportation	4,006,780	3,757,591	3,237,599	3,009,867
Other	<u>23,491,939</u>	<u>23,069,121</u>	<u>12,210,292</u>	<u>11,867,732</u>
	<u>\$94,661,455</u>	<u>\$93,557,150</u>	<u>\$71,978,788</u>	<u>\$71,352,348</u>

**Business-Type Activities**

The net position of the District's business-type activities increased by \$91,704. The net position of the Food Service program decreased by \$91,704 due to an increase in daily cafeteria sales and an decrease in operating expenses.

**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

**Governmental and Business-Type Activities**

As reported in the Statement of Activities the cost of all of our governmental and business-type activities this year was \$96,786,845. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$76,197,057 because some of the cost was paid by those who benefitted from the programs \$1,708,128, by other governments and organizations who subsidized certain programs with grants and contributions \$23,141,266, payments in lieu of taxes to school district \$383,000, tuition received \$1,047,836, and by miscellaneous sources \$2,031,479.

Revenues for the District's business-type activities (food service program) were comprised of charges for services and federal and state subsidy reimbursements. Significant financial results include the following:

- ✓ Food service revenues exceeded expenses by \$91,704.
- ✓ Charges for services provided totaled \$1,387,063 represents amounts paid by consumers for daily food services.
- ✓ Federal and state reimbursement for meals served, including payments for free and reduced priced lunches, and donated commodities was \$779,664.

The following schedules present a summary of governmental fund revenues for the fiscal year ended June 30, 2024, and the amount and percentage of increases/(decreases) relative to the prior year.

<b><u>Revenues</u></b>	<b><u>Amount</u></b>	<b><u>Percent of Total</u></b>	<b><u>Increase/ (Decrease) from 2023</u></b>	<b><u>Percent of Increase/ (Decrease)</u></b>	<b><u>Prior Year</u></b>
Local Source	\$79,558,612	72.5%	\$2,787,871	3.63%	\$76,770,741
Intermediate Source	383,000	0.3%		0.00%	383,000
State Source	26,633,283	24.2%	2,453,199	10.15%	24,180,084
Federal Source	<u>3,351,104</u>	<u>3.0%</u>	<u>(411,267)</u>	-10.93%	<u>3,762,371</u>
Total	<u>\$109,925,999</u>	<u>100.0%</u>	<u>\$4,829,803</u>	4.60%	<u>\$105,096,196</u>

**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

<b><u>Expenditures</u></b>	<b><u>Amount</u></b>	<b><u>Percent of Total</u></b>	<b><u>Increase/ (Decrease) from 2023</u></b>	<b><u>Percent of Increase/ (Decrease)</u></b>	<b><u>Prior Year</u></b>
Current Expenditures					
Instruction	\$36,454,244	32.9%	\$1,354,552	3.86%	\$35,099,692
Undistributed	64,139,708	57.9%	3,456,115	5.70%	60,683,593
Debt Service	4,382,271	4.0%	17,603	0.40%	4,364,668
Capital Outlay	<u>5,779,960</u>	<u>5.2%</u>	<u>(1,373,728)</u>	-19.20%	<u>7,153,688</u>
Total	<u>\$110,756,183</u>	<u>100.0%</u>	<u>\$3,454,542</u>	3.22%	<u>\$107,301,641</u>

Changes in expenditures were the result of varying factors. Current expense undistributed increased due to significant health insurance cost increases combined with increased student special education enrollment.

**MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS**

The School District's budgets are prepared according to New Jersey law, and are based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted funds are the general fund and the special revenue fund.

During the fiscal year ended June 30, 2024, the School District amended the budgets of these major governmental funds several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditures item to the district but is required to be reflected in the financial statements.
- The special revenue fund was increased by \$1,089,542 for increases in federal and state grant awards.

**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**General Fund**

The general fund actual revenue was \$101,184,293, including transfers. That amount is \$21,615,337 above the final amended budget of \$79,568,956. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$17,893,701 for TPAF social security reimbursements and on-behalf pension payments, \$1,058,121 of excess Extraordinary Aid and State reimbursement for NonPublic Transportation, \$41,533 deficit in federal revenues and an excess in miscellaneous of \$2,569,172.

The actual expenditures of the general fund were \$101,629,526 which is \$12,955,488 above than the final amended budget of \$88,674,038. The variance between the actual expenditures and the final budget was due to non-budgeted on-behalf TPAF social security and pension payments of \$17,893,701 and \$4,938,213 of unexpended budgeted funds.

The General Fund had total revenues of \$101,184,293, including transfers and total expenditures including transfers of \$101,629,526 with an ending fund balance of \$23,786,803 on the budgetary basis.

**Special Revenue Fund**

The special revenue fund actual revenue was \$4,022,861. That amount is above the original budget estimate of \$4,024,038 and below the final amended budget of \$5,113,580. The \$1,089,542 variance between the original and final budget was due to additional federal, state and local grant monies awarded to the District after the original budget was approved. The \$1,090,719 variance between the final amended budget and the June 30, 2024 actual results was due to the deferral of Federal and State grants received in the current fiscal year to be spent in the next fiscal year, and the inclusion of student activity fund and scholarship revenues.

The actual expenditures of the special revenue fund were \$3,958,787, which is above the original budget of \$4,024,038 and below the final amended budget of \$5,113,580. The \$1,089,542 variance between the original and final budget was due to additional expenditures related to the additional grants awarded to the District after the original budget was approved. The \$1,154,793 variance between the final amended budget and the June 30, 2024 actual results was due to the anticipation of fully expending federal and state grant programs, and the inclusion of student activity fund and scholarship expenses.

**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of fiscal year 2024 the School District had \$147,867,876 invested in land, land improvements, buildings and building improvements, machinery and equipment and right to use leased assets. Of this amount \$50,657,179 in depreciation/amortization has been taken over the years. We currently have a net book value of \$97,210,697. Table 4 shows fiscal year 2024 balances compared to 2023.

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

**Table 4**  
**Capital Assets at June 30,**  
**(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land and Construction in Progress	\$4,369,700	\$9,034,848	\$	\$	\$4,369,700	\$9,034,848
Site Improvements	2,704,692	1,935,355			2,704,692	1,935,355
Buildings and Building Improvements	86,923,514	79,282,854			86,923,514	79,282,854
Machinery and Equipment	2,032,772	2,652,978	143,429	90,367	2,176,201	2,743,345
Right to Use Leased Assets	<u>1,036,590</u>	<u>1,192,079</u>	<u></u>	<u></u>	<u>1,036,590</u>	<u>1,192,079</u>
	<u>\$97,067,268</u>	<u>\$94,098,114</u>	<u>\$143,429</u>	<u>\$90,367</u>	<u>\$97,210,697</u>	<u>\$94,188,481</u>

**Debt Administration**

At June 30, 2024, the District had \$66,836,377 in long-term debt. Of this amount, \$47,235,000 is for bonds payable, \$3,120,794 represents lease-purchase agreements payable, \$4,338,144 is for compensated absences, \$11,016,526 is for the District's net pension liability, and \$1,080,913 represents the lease liability for the rental of administrative office space. For more detailed information, please refer to the Notes to the Financial Statements.

**FORT LEE BOARD OF EDUCATION  
FORT LEE, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

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

The following factors were considered in preparing the 2024-2025 fiscal year budget:

- Estimated Student Enrollment
- Sources of revenue
- Cost of negotiated salaries and benefits
- Cost of fixed charges
- Mandated Programs
- Requirements for health and safety issues

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

**REQUESTS FOR INFORMATION**

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

Michael Steinmetz  
Business Administrator/Board Secretary  
Fort Lee Board of Education  
231 Main Street, 3rd Floor  
Fort Lee, NJ 07024

## **BASIC FINANCIAL STATEMENTS**



## **DISTRICT-WIDE FINANCIAL STATEMENTS**

## FORT LEE BOARD OF EDUCATION

## Statement of Net Position

June 30, 2024

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	7,899,336	998,124	8,897,460
Receivables, net	4,301,653	146,350	4,448,003
Inventory		15,273	15,273
Restricted assets:			
Capital reserve account - cash	10,245,910		10,245,910
Emergency reserve account - cash	802,429		802,429
Maintenance reserve account - cash	3,500,000		3,500,000
Net Payroll account - cash	789		789
Payroll deductions and withholdings account - cash	64,412		64,412
Flexible spending account - cash	35,825		35,825
Unemployment compensation account - cash	240,880		240,880
Student activity accounts - cash	32,813		32,813
Scholarship accounts - cash	241,764		241,764
Capital Assets:			
Land and construction in progress	4,369,700		4,369,700
Depreciable Buildings, Improvements and Equipment (net)	91,660,978	143,429	91,804,407
Right to use lease assets, net of amortization	1,036,590		1,036,590
Total Assets	124,433,079	1,303,176	125,736,255
Deferred Outflow of Resources:			
Deferred outflows of resources related to PERS	2,535,674		2,535,674
Total Deferred Outflows	2,535,674	-	2,535,674
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	2,603,830	55,185	2,659,015
Payable to federal government	8,885		8,885
Payable to state government	93,516		93,516
Prepaid revenue		78,553	78,553
Deferred revenue	89,495	72,204	161,699
Payroll deductions and withholdings payable	101,026		101,026
Noncurrent liabilities:			
Due within one year	3,326,028		3,326,028
Due beyond one year	63,510,349		63,510,349
Total liabilities	69,733,129	205,942	69,939,071
Deferred Inflow of Resources:			
Deferred inflows of resources related to PERS	1,183,750		1,183,750
Total Deferred Inflows	1,183,750	-	1,183,750
<b>NET POSITION</b>			
Net Investment in Capital Assets	46,711,474	143,429	46,854,903
Restricted for:			
Capital projects	2,178,702		2,178,702
Other purposes	21,328,542		21,328,542
Unrestricted (Deficit)	(14,166,844)	953,805	(13,213,039)
Total net position	56,051,874	1,097,234	57,149,108

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

**FORT LEE BOARD OF EDUCATION**  
**Statement of Activities**  
**Fiscal Year Ended June 30, 2024**

Functions/Programs	Expenses	Indirect Expenses Allocation	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	23,810,087	2,079,112			(25,889,199)		(25,889,199)
Special education	9,047,672	684,610		6,527,636	(3,204,646)		(3,204,646)
Other special instruction	2,134,878	212,945			(2,347,823)		(2,347,823)
Other instruction	1,461,607	97,365			(1,558,972)		(1,558,972)
Support services:							
Tuition	3,887,381			1,957,581	(1,929,800)		(1,929,800)
Student & instruction related services	12,822,701	806,842	321,065	1,533,880	(11,774,598)		(11,774,598)
General administrative services	1,587,910	55,659			(1,643,569)		(1,643,569)
School administrative services	3,005,573	282,988			(3,288,561)		(3,288,561)
Central services and administrative information technology	1,226,151	96,829			(1,322,980)		(1,322,980)
Plant operations and maintenance	3,662,312	200,114		291,677	(3,570,749)		(3,570,749)
Pupil transportation	3,930,808	75,972			(3,237,599)		(3,237,599)
Unallocated benefits	16,733,199			10,303,552	(6,429,647)		(6,429,647)
Charter schools	41,170				(41,170)		(41,170)
Capital outlay	567,000			567,000	-		-
Interest on long-term debt	1,450,582			411,095	(1,039,487)		(1,039,487)
Unallocated depreciation	4,544,499	(D)			(4,544,499)		(4,544,499)
Amortization	155,489				(155,489)		(155,489)
Total governmental activities	90,069,019	4,592,436	321,065	22,361,602	(71,978,788)	-	(71,978,788)
Business-type activities:							
Food Service	2,125,390		1,387,063	779,664		41,337	41,337
Total business-type activities	2,125,390		1,387,063	779,664		41,337	41,337
Total primary government	92,194,409		1,708,128	23,141,266	(71,978,788)	41,337	(71,937,451)
General revenues:							
Taxes:							
Levied for general purposes					72,386,681		72,386,681
Taxes levied for debt service					3,810,376		3,810,376
Payments in Lieu of Taxes to School District					383,000		383,000
Tuition					1,047,836		1,047,836
Investment Earnings						50,367	50,367
Miscellaneous Income					1,966,207		1,966,207
Other Restricted Miscellaneous Revenue					14,905		14,905
Total general revenues, special items, extraordinary items and transfers					79,609,005	50,367	79,659,372
Change in Net Position					7,630,217	91,704	7,721,921
Net Position—beginning					48,421,657	1,005,530	49,427,187
Net Position—ending					56,051,874	1,097,234	57,149,108

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

\* - Student Activity revenue is reported as "charges for services", scholarship revenue is reported as "operating grants and contributions"

\*\* - Includes the interest earnings on the unemployment compensation bank account

(D) - Unallocated depreciation excludes direct depreciation expenses of the various programs

## **FUND FINANCIAL STATEMENTS**

## FORT LEE BOARD OF EDUCATION

Balance Sheet  
Governmental Funds  
June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents				
Checking	6,151,758		1,747,578	7,899,336
Accounts Receivable -				
Interfunds	602,328			602,328
Intergovernmental - Federal		1,024,039		1,024,039
Intergovernmental - State	2,162,591	4,187	567,000	2,733,778
Intergovernmental - Other	383,000			383,000
Other receivables	160,836			160,836
Restricted cash and cash equivalents				
Capital reserve	10,245,910			10,245,910
Emergency reserve	802,429			802,429
Maintenance reserve	3,500,000			3,500,000
Net payroll	789			789
Payroll deductions and withholdings	64,412			64,412
Flexible spending	35,825			35,825
Unemployment compensation	240,880			240,880
Scholarship accounts		32,813		32,813
Student activity accounts		241,764		241,764
Total assets	<u>24,350,758</u>	<u>1,302,803</u>	<u>2,314,578</u>	<u>27,968,139</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	850,000	408,728		1,258,728
Intergovernmental accounts payable - State		93,516		93,516
Intergovernmental accounts payable - Federal		8,885		8,885
Interfund payables		466,452	135,876	602,328
Unearned revenue	38,850	50,645		89,495
Payroll deductions and withholdings payable	<u>101,026</u>			<u>101,026</u>
Total liabilities	<u>989,876</u>	<u>1,028,226</u>	<u>135,876</u>	<u>2,153,978</u>
Fund Balances:				
Restricted for:				
Excess Surplus - current year	3,000,000			3,000,000
Excess Surplus - prior year - designated for subsequent year's expenditures	2,000,000			2,000,000
Capital reserve account	10,245,910			10,245,910
Emergency reserve account	802,429			802,429
Maintenance reserve account	3,500,000			3,500,000
Unemployment compensation	240,880			240,880
Student groups		241,764		241,764
Scholarships		32,813		32,813
Assigned to:				
Year-end Encumbrances	566,925			566,925
Designated by the BOE for subsequent year's expenditures	697,821			697,821
Capital projects fund			2,178,702	2,178,702
Unassigned:				
General Fund	<u>2,306,917</u>			<u>2,306,917</u>
Total Fund balances	<u>23,360,882</u>	<u>274,577</u>	<u>2,178,702</u>	<u>25,814,161</u>
Total liabilities and fund balances	<u>24,350,758</u>	<u>1,302,803</u>	<u>2,314,578</u>	

**FORT LEE BOARD OF EDUCATION**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2024**

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$145,725,730 and the accumulated depreciation is \$49,695,052	96,030,678
Right to use lease assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Right to use assets at historical cost	1,470,459
Accumulated amortization	(433,869)
Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds	(392,777)
Accounts payable for subsequent Pension payment is not a payable in the funds	(952,325)
Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred outflows of resources related to PERS Pension Liability	2,535,674
Deferred inflows of resources related to PERS Pension Liability	(1,183,750)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7)	<u>(66,836,377)</u>
Net position of governmental activities	<u><u>56,051,874</u></u>

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

**FORT LEE BOARD OF EDUCATION**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**Fiscal Year Ended June 30, 2024**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Local sources:					
Municipal tax levy	72,386,681			3,810,376	76,197,057
Tuition	1,047,836				1,047,836
Transportation Fees	47,005				47,005
Rents and Royalties	79,504				79,504
Other Restricted Miscellaneous Revenues	14,905 *				14,905
Interest Earned on Capital Reserve Funds	131,054		135,876		266,930
Miscellaneous	1,572,768	3,100			1,575,868
Scholarship Donations		321,065 **			321,065
Student Group Receipts		8,442 **			8,442
Total - Local Sources	75,279,753	332,607	135,876	3,810,376	79,558,612
Intermediate sources:					
Payments in Lieu of Taxes to School District	383,000				383,000
Total Intermediate sources	383,000	-	-	-	383,000
State sources	25,271,860	383,328	567,000	411,095	26,633,283
Federal sources	44,178	3,306,926			3,351,104
Total revenues	100,978,791	4,022,861	702,876	4,221,471	109,925,999
<b>EXPENDITURES</b>					
Current:					
Regular instruction	23,810,087				23,810,087
Special education instruction	6,879,756	2,167,916			9,047,672
Other special instruction	2,134,878				2,134,878
School sponsored/other instructional	1,461,607				1,461,607
Support services and undistributed costs:					
Tuition	3,887,381				3,887,381
Attendance and social work services	404,884				404,884
Health services	853,124				853,124
Student & instruction related services	9,773,822	1,790,871 ***			11,564,693
General administrative services	1,587,910				1,587,910
School administrative services	3,005,573				3,005,573
Central services	1,020,238				1,020,238
Administrative information technology	205,913				205,913
Plant operations and maintenance	6,470,818				6,470,818
Pupil transportation	3,930,808				3,930,808
Unallocated benefits	13,273,495				13,273,495
On-behalf contributions	17,893,701				17,893,701
Transfer to charter school	41,170				41,170
Debt service:					
Principal	137,680			2,770,000	2,907,680
Interest and other charges	23,120			1,451,471	1,474,591
Capital outlay	3,814,301		1,965,659		5,779,960
Total expenditures	100,610,266	3,958,787	1,965,659	4,221,471	110,756,183
Excess (Deficiency) of revenues	368,525	64,074	(1,262,783)	-	(830,184)

**FORT LEE BOARD OF EDUCATION**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**Fiscal Year Ended June 30, 2024**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	135,876		1,019,260		1,155,136
Transfers out	<u>(1,019,260)</u>		<u>(135,876)</u>		<u>(1,155,136)</u>
Total other financing sources and uses	<u>(883,384)</u>	<u>-</u>	<u>883,384</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(514,859)	64,074	(379,399)	-	(830,184)
Fund balance—July 1	<u>23,875,741</u>	<u>210,503</u>	<u>2,558,101</u>	<u>-</u>	<u>26,644,345</u>
Fund balance—June 30	<u><u>23,360,882</u></u>	<u><u>274,577</u></u>	<u><u>2,178,702</u></u>	<u><u>-</u></u>	<u><u>25,814,161</u></u>

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

- \* Include interest earnings on the unemployment compensation bank account
- \*\* Special revenue fund now includes revenues from scholarships and student activities
- \*\*\* Special revenue fund now includes expenditures from scholarships and student activities



**FORT LEE BOARD OF EDUCATION**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**Fiscal Year Ended June 30, 2024**

**Total net change in fund balances - governmental funds (from B-2)** (830,184)

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

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

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

	Depreciation expense	(4,544,499)
	Non-depreciable capital outlay - Land and Construction in Progress	1,860,379
	Depreciable Capital outlays	<u>5,808,763</u>
		3,124,643

Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Accumulated amortization	<u>(155,489)</u>	(155,489)
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Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.

In the current year, these amounts consist of:

Right to Use Lease Liability	137,680	
General Serial Bonds	2,770,000	
Capital Lease Obligations	<u>352,324</u>	
		3,260,004

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. The accrued interest is an addition in the reconciliation. (+)

Right to Use Lease Liability - Prior Year	8,746	
Right to Use Lease Liability	(1,802)	
General Bond Obligations - Prior Year	389,987	
General Bond Obligations	(374,753)	
General Capital Lease Obligations - Prior Year	18,053	
General Capital Lease Obligations	<u>(16,222)</u>	
		24,009

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

Increase in compensated absences payable	1,123,143
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District pension contributions are reported as expenditures in the governmental funds when made. However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changed in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

District Pension Contributions	1,016,536	
Less: Pension Benefit	<u>67,555</u>	
(Increase)/Decrease in Pension Expense		1,084,091

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

Decrease in On-behalf State Aid TPAF Pension	(8,681,059)
Decrease in On-behalf TPAF Pension Expense	8,681,059

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

Increase in On-behalf State Aid TPAF Post Employment Medical Revenue	1,046,732
Increase in On-behalf State Aid TPAF Post Employment Medical Expense	<u>(1,046,732)</u>

<b>Change in net position of governmental activities</b>	<u><u>7,630,217</u></u>
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The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**FORT LEE BOARD OF EDUCATION**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2024**

	<b>Business-type Activities - Enterprise Fund</b>	
	<b>Food Service Program</b>	<b>Totals</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	998,124	998,124
Accounts receivable:		
State	6,169	6,169
Federal	140,181	140,181
Inventories	15,273	15,273
Total current assets	<u>1,159,747</u>	<u>1,159,747</u>
Noncurrent assets:		
Capital assets:		
Equipment	671,687	671,687
Less accumulated depreciation	<u>(528,258)</u>	<u>(528,258)</u>
Total capital assets (net of accumulated depreciation)	<u>143,429</u>	<u>143,429</u>
Total assets	<u>1,303,176</u>	<u>1,303,176</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	55,185	55,185
Deferred Revenue	72,204	72,204
Prepaid Revenue	78,553	78,553
Total Liabilities	<u>205,942</u>	<u>205,942</u>
<b>NET POSITION</b>		
Net investment in capital assets	143,429	143,429
Unrestricted	953,805	953,805
Total net position	<u>1,097,234</u>	<u>1,097,234</u>

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

**FORT LEE BOARD OF EDUCATION**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**Fiscal Year Ended June 30, 2024**

	<b>Business-type Activities - Enterprise Fund</b>	
	<b>Food Service Program</b>	<b>Totals</b>
Operating revenues:		
Charges for services:		
Daily sales - reimbursable programs	1,369,869	1,369,869
Daily sales - other	17,194	17,194
Total operating revenues	<u>1,387,063</u>	<u>1,387,063</u>
Operating expenses:		
Cost of food - reimbursable programs	676,666	676,666
Cost of food - non-reimbursable programs	200,162	200,162
Salaries	706,558	706,558
Supplies and materials	59,888	59,888
Employee benefits	250,477	250,477
Depreciation	14,212	14,212
Repairs and other expenses	77,528	77,528
Purchased services	139,899	139,899
Total Operating Expenses	<u>2,125,390</u>	<u>2,125,390</u>
Operating income (loss)	<u>(738,327)</u>	<u>(738,327)</u>
Nonoperating revenues (expenses):		
State school lunch program	24,978	24,978
State school lunch program - NJEIE	8,620	8,620
State school breakfast program	529	529
State school breakfast program - NJEIE	369	369
Federal sources:		
National school lunch program	410,345	410,345
National school breakfast program	25,173	25,173
Supply Chain Assistance Funding	120,098	120,098
Local Food for School Cooperative Agreement Program	7,439	7,439
P-EBT Administration	653	653
School Equipment Grant	48,503	48,503
U.S.D.A. Commodities	132,957	132,957
Interest on investments	50,367	50,367
Total nonoperating revenues (expenses)	<u>830,031</u>	<u>830,031</u>
Income (loss) before contributions & transfers	<u>91,704</u>	<u>91,704</u>
Total net position—beginning	<u>1,005,530</u>	<u>1,005,530</u>
Total net position—ending	<u><u>1,097,234</u></u>	<u><u>1,097,234</u></u>

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

**FORT LEE BOARD OF EDUCATION**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Fiscal Year Ended June 30, 2024**

	<b>Business-type Activities - Enterprise Fund</b>	
	<b>Food Service Program</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	1,394,795	1,394,795
Payments to suppliers	(1,928,172)	(1,928,172)
Net cash provided by (used for) operating activities	(533,377)	(533,377)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State Sources	32,816	32,816
Federal Sources	548,179	548,179
Net cash provided by (used for) non-capital financing activities	580,995	580,995
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of capital assets	(67,274)	(67,274)
Net cash used for capital and related financing activities	(67,274)	(67,274)
<b>CASH FLOWS FROM INVESTMENT AND RELATED FINANCING ACTIVITIES</b>		
Interest on investments	50,367	50,367
Net cash provided by (used for) investment and related financing activities	50,367	50,367
Net increase (decrease) in cash and cash equivalents	30,711	30,711
Balances—beginning of year	967,413	967,413
Balances—end of year	998,124	998,124
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>		
Operating income (loss)	(738,327)	(738,327)
Adjustments to reconcile operating income (loss) to net cash provided by		
Depreciation and net amortization	14,212	14,212
Food distribution program	132,957	132,957
(Increase) decrease in inventories	(984)	(984)
Increase (decrease) in prepaid revenue	8,799	8,799
Increase (decrease) in accounts payable	49,966	49,966
Total adjustments	204,950	204,950
Net cash provided by (used for) operating activities	(533,377)	(533,377)

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

## **NOTES TO THE FINANCIAL STATEMENTS**

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

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

**A. Description of the School District and Reporting Entity:**

The Board of Education ("Board") of the Borough of Fort Lee School District ("District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Borough of Fort Lee School District is a Type II district located in the County of Bergen, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-12. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

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

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

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

**B. Basis of Presentation**

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

**District-wide Financial Statements**

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

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

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

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

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

**Fund Financial Statements**

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

**GOVERNMENTAL FUNDS**

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

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

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

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

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



**Borough of Fort Lee School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2024**

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

**GOVERNMENTAL FUNDS, (continued)**

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

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

**PROPRIETARY FUNDS**

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

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

The Board's Enterprise Fund is comprised of the Food Service Fund.

**FIDUCIARY FUNDS**

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

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

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

**C. Measurement Focus**

**District-wide Financial Statements**

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

**Fund Financial Statements**

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

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

**D. Basis of Accounting**

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

**Revenues - Exchange and Non-exchange Transactions**

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

**Borough of Fort Lee School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2024**

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

**Revenues - Exchange and Non-exchange Transactions, (continued)**

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

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

**Expenses/Expenditures**

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

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

**Budgets/Budgetary Control**

Annual appropriated budgets are adopted in the spring of the preceding year for the general, and special revenue funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year.

**Borough of Fort Lee School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2024**

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

**Budgets/Budgetary Control, (continued)**

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

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

**Encumbrances**

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

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

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

**Cash, Cash Equivalents and Investments**

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

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

**Borough of Fort Lee School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2024**

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

**Cash, Cash Equivalents and Investments, (continued)**

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

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

**Tuition Revenues/Receivable**

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

**Inventories**

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

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

**Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2024 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

**Short-Term Interfund Receivables/Payables**

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

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

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

**Capital Assets**

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

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

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

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

**Compensated Absences**

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

**Borough of Fort Lee School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2024**

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

**Compensated Absences, (continued)**

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

**Unearned Revenue**

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

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

**Accrued Liabilities and Long-term Obligations**

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

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

**Interfund Activity**

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

**Borough of Fort Lee School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2024**

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

**P. Accounting and Financial Reporting for Pensions**

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

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

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

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



**Borough of Fort Lee School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2024**

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

**Accounting and Financial Reporting for Pensions (continued)**

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

**Deferred Outflows/Inflows of Resources**

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

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

**Fund Balances**

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

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

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

**Fund Balances, (continued)**

- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

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

**Net Position**

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

**Operating Revenues and Expenses**

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

**Borough of Fort Lee School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2024**

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

**Extraordinary and Special Items**

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

**Allocation of Indirect Expenses**

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

**Use of Estimates**

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

**Recently Issued Accounting Pronouncements**

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

GASB Statement No. 101, Compensated Absences, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

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

**Recently Issued Accounting Pronouncements (continued)**

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

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

**NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

**Cash**

**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2024, \$819,549 of the District's bank balance of \$26,535,879 was exposed to custodial credit risk.

**Investments**

**Investment Rate Risk**

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

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

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

**Credit Risk**

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

**Concentration of Credit Risk**

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

**NOTE 3. RECEIVABLES**

Receivables at June 30, 2024, consisted of accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of receivables follows:

	Governmental Fund Financial <u>Statements</u>	Enterprise <u>Fund</u>	District Wide Financial <u>Statements</u>
Interfunds	\$602,328	\$	\$
State Aid	2,733,778	6,169	2,739,947
Federal Aid	1,024,039	140,181	1,164,220
Other	<u>543,836</u>		<u>543,836</u>
Gross Receivables	4,903,981	146,350	4,448,003
Less: Allowance for Uncollectibles			
Total Receivables, Net	<u>\$4,903,981</u>	<u>\$146,350</u>	<u>\$4,448,003</u>

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 4. INTERFUND BALANCES AND ACTIVITY**

Balances due to/from other funds at June 30, 2024, consist of the following:

\$135,876	Due to the General Fund from the Capital Projects Fund for interest earned on investments in the Capital Projects Fund.
<u>466,452</u>	Due to the General Fund from the Special Revenue Fund to cover deficit in cash.
<u>\$602,328</u>	

It is anticipated that all interfunds will be liquidated during the fiscal year.

Interfund transfers for the year ended June 30, 2024 consisted of the following:

\$135,876	Due to the General Fund from the Capital Projects Fund for interest.
\$1,019,260	Due to the Capital Projects Fund from the General Fund for local share of project.

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 5. CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2024 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital Assets That Are Not Being Depreciated:				
Land	\$2,509,321	\$1,576,376	\$	\$4,085,697
Construction in Progress	<u>6,525,527</u>	<u>284,003</u>	<u>(6,525,527)</u>	<u>284,003</u>
Total Capital Assets, Not Being Depreciated	<u>9,034,848</u>	<u>1,860,379</u>	<u>(6,525,527)</u>	<u>4,369,700</u>
Site Improvements	4,295,895	2,440	944,311	5,242,646
Building and building improvements	117,652,244	5,758,405	5,581,216	128,991,865
Machinery and equipment	7,073,601	47,918		7,121,519
Right to use leased assets	<u>1,470,459</u>			<u>1,470,459</u>
Totals at Historical Cost	<u>130,492,199</u>	<u>5,808,763</u>	<u>6,525,527</u>	<u>142,826,489</u>
Less Accumulated Depreciation For:				
Site Improvements	(2,360,540)	(177,414)		(2,537,954)
Buildings and Improvements	(38,369,390)	(3,698,961)		(42,068,351)
Machinery and equipment	(4,420,623)	(668,124)		(5,088,747)
Right to use leased assets	<u>(278,380)</u>	<u>(155,489)</u>		<u>(433,869)</u>
Total Accumulated Depreciation	<u>(45,428,933)</u>	<u>(4,699,988)</u>	<u>-</u>	<u>(50,128,921)</u>
Total Capital Assets, Being Depreciated, Net of Accumulated Depreciation	<u>85,063,266</u>	<u>1,108,775</u>	<u>6,525,527</u>	<u>92,697,568</u>
Governmental Activities Capital Assets, Net	<u>\$94,098,114</u>	<u>\$2,969,154</u>	<u>\$ -</u>	<u>\$97,067,268</u>
	<u>Balance 6/30/23</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 6/30/24</u>
<b>Business-Type Activities:</b>				
Equipment - Food Service	\$604,413	\$67,274	\$	\$671,687
Less Accumulated Depreciation For:				
Equipment - Food Service	<u>(514,046)</u>	<u>(14,212)</u>		<u>(528,258)</u>
Business-Type Activities Capital Assets, Net	<u>\$90,367</u>	<u>\$53,062</u>	<u>\$ -</u>	<u>\$143,429</u>

Depreciation expense was not allocated to governmental functions. It appears on the statement of activities as “unallocated depreciation”.

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 6. LONG-TERM OBLIGATIONS**

Changes in long-term obligations for the fiscal year ended June 30, 2024 are as follows:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Retired</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds payable:					
General obligation debt	<u>\$50,005,000</u>	<u>\$ _____</u>	<u>\$(2,770,000)</u>	<u>\$47,235,000</u>	<u>\$2,830,000</u>
Total Bonds Payable	<u>50,005,000</u>	<u>_____</u>	<u>(2,770,000)</u>	<u>47,235,000</u>	<u>2,830,000</u>
Other Liabilities:					
Net Pension Liability PERS	10,206,791	809,735		11,016,526	352,324
Obligations Under Capital Lease	3,473,118		(352,324)	3,120,794	
Compensated Absences Payable	5,506,287	1,003,757	(2,126,900)	4,338,144	
Lease Liability	<u>1,218,593</u>	<u>_____</u>	<u>(137,680)</u>	<u>1,080,913</u>	<u>143,704</u>
Total other liabilities	<u>20,404,789</u>	<u>1,813,492</u>	<u>(2,616,904)</u>	<u>19,601,377</u>	<u>3,326,028</u>
Total Governmental Activities	<u>\$70,409,789</u>	<u>\$1,813,492</u>	<u>(\$5,386,904)</u>	<u>\$66,836,377</u>	<u>\$3,326,028</u>

**A. 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.

Outstanding bonds payable at June 30, 2024 consisted of the following:

<u>Issue</u>	<u>Amount Issued</u>	<u>Issue Date</u>	<u>Interest Rates</u>	<u>Date of Maturity</u>	<u>Principal Balance June 30, 2024</u>
General Serial Bonds	\$39,370,000	4/7/2015	3.00% - 3.500%	3/15/2041	37,720,000
General Refunding Bonds	\$10,635,000	10/22/2020	0.707% - 2.134%	12/1/2031	<u>9,515,000</u>
					<u>\$47,235,000</u>



**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 6. LONG-TERM OBLIGATIONS, (continued)**

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$2,830,000	\$1,391,426	\$4,221,426
2026	2,895,000	1,327,994	4,222,994
2027	2,970,000	1,260,450	4,230,450
2028	3,045,000	1,188,714	4,233,714
2029	3,125,000	1,112,444	4,237,444
2030-2034	14,350,000	4,297,947	18,647,947
2035-2039	12,520,000	2,297,662	14,817,662
2040-2041	5,500,000	289,800	5,789,800
	<u>\$47,235,000</u>	<u>\$13,166,437</u>	<u>\$60,401,437</u>

**B. Bonds Authorized But Not Issued:**

As of June 30, 2024 the Board has no authorized but not issued bonds.

**C. Lease Purchase Agreements:**

The District approved a lease purchase agreement in 2014-15, in the amount of \$5,571,444 at an interest rate of 2.495%, maturing in 2031 to finance the Energy Savings Improvement Program Project. The following is a schedule of future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2024:

<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2025	\$448,635	\$373,083	\$75,552
2026	460,782	394,672	66,110
2027	473,242	417,119	56,123
2028	486,031	440,459	45,572
2029	499,150	464,718	34,432
2030-2031	1,063,719	1,030,743	32,976
	<u>\$3,431,559</u>	<u>\$3,120,794</u>	<u>\$310,765</u>
Total minimum lease payments			\$3,431,559
Less: Amount representing interest			(310,765)
Present value of lease payments			<u>\$3,120,794</u>

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 6. LONG-TERM OBLIGATIONS, (continued)**

**D. Compensated Absences:**

Compensated Absences will be paid from the fund which the employees' salaries are paid.

**E. Net Pension Liability**

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

**F. Leases**

The District has entered into a lease as a lessee of buildings for administrative offices. An initial lease liability was recorded in the amount of \$1,470,459 was recorded in fiscal year 2023. For the year ended June 30, 2024, the value of the lease liability is \$1,080,913. The lease have interest rates of 2.00%. The value of the right to use assets for the year ended June 30, 2024 was \$1,036,590, with accumulated amortization of \$433,869.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2024 were as follows:

<u>Fiscal Year</u>			
<u>Ending</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
<u>June 30,</u>			
2025	\$164,016	\$143,704	\$20,312
2026	167,296	149,915	17,381
2027	170,642	156,318	14,324
2028	174,055	162,917	11,138
2029	177,537	169,719	7,818
2030-2031	303,613	298,340	5,273
	<u>\$1,157,159</u>	<u>\$1,080,913</u>	<u>\$76,246</u>
Total Minimum Lease payments			\$1,157,159
Less: Amount representing interest			<u>(76,246)</u>
Present value of lease payments			<u>\$1,080,913</u>

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 7. PENSION PLANS**

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

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

**Benefits Provided**

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

The following represents the membership tiers for TPAF:

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

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 7. PENSION PLANS, (continued)**

Benefits Provided, (continued)

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

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

Benefits Provided

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

The following represents the membership tiers for PERS:

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

**Borough of Fort Lee School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2024**

**NOTE 7. PENSION PLANS, (continued)**

Benefits Provided, (continued)

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 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Defined Contribution Retirement Program

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 expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 7. PENSION PLANS, (continued)**

**Contributions Requirements Fund Based Statements**

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

<u>Year</u> <u>Ending</u>	<u>PERS</u>	<u>DCRP</u>
6/30/24	\$1,016,536	\$100,225
6/30/23	852,888	88,024
6/30/22	822,839	85,754

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

<u>Year</u> <u>Ending</u>	<u>Pension</u> <u>Contributions</u>	<u>Post-Retirement</u> <u>Medical</u> <u>Contributions</u>	<u>NCGI</u> <u>Premium</u>	<u>Long-Term</u> <u>Disability</u> <u>Insurance</u>
6/30/24	\$11,989,571	\$3,300,337	\$136,734	\$4,980
6/30/23	11,234,031	2,992,097	155,859	4,710
6/30/22	10,889,323	2,580,081	153,633	4,335

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$2,462,079 during the year ended June 30, 2024 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

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

**Public Employees Retirement System (PERS)**

At June 30, 2024, the District had a liability of \$11,016,526 for its proportionate share of the PERS 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 that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2023, the District's proportion was 0.0760580073 percent, which was an increase of 0.0084247384 percent from its proportion measured as of June 30, 2022.

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 7. PENSION PLANS, (continued)**

For the year ended June 30, 2024, the District recognized pension expense of (\$67,555). At June 30, 2024, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$105,332	\$45,032
Changes of assumptions	24,201	667,649
Net difference between projected and actual earnings on pension plan investments	50,733	
Changes in proportion and differences between the District's contributions and proportionate share of contributions	1,403,083	471,069
District contributions subsequent to the measurement date	<u>952,325</u>	<u>                    </u>
Total	<u>\$2,535,674</u>	<u>\$1,183,750</u>

The \$952,325 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2024, the plan measurement date is June 30, 2023) will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2024	(\$581,631)
2025	(324,644)
2026	453,669
2027	(81,189)
2028	1,380

**Changes in Proportion**

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.08, 5.04, 5.13, 5.16, 5.21 and 5.63 years for 2023, 2022, 2021, 2020, 2019 and 2018, respectively.

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 7. PENSION PLANS, (continued)**

**Additional Information**

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2023 and June 30, 2022 are as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Collective deferred outflows of resources	\$1,080,204,730	\$1,660,772,008
Collective deferred inflows of resources	1,780,216,457	3,236,303,935
Collective net pension liability	14,484,374,047	15,091,376,611
District's Proportion	0.0760580073%	0.0676332689%

**Actuarial Assumptions**

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

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

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions.



**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 7. PENSION PLANS, (continued)**

**Mortality Rates**

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

**Long-Term Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 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's target asset allocation as of June 30, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Market 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%

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 7. PENSION PLANS, (continued)**

**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 on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the collective net pension liability of the participating employers as of June 30, 2023 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1- percentage point lower or 1 - percentage-point higher than the current rate:

	June 30, 2023		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's proportionate share of the pension liability	\$14,369,203	\$11,016,526	\$8,162,955

**Pension Plan Fiduciary Net Position**

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

**Teachers Pensions and Annuity Fund (TPAF)**

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

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 7. PENSION PLANS, (continued)**

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

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2024 was as follows:

Net Pension Liability:	
District's proportionate share	\$
State's proportionate share	
associated with the District	<u>140,238,281</u>
	<u><u>\$140,238,281</u></u>

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 June 30, 2022 rolled forward to June 30, 2023. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2023, the proportion of the TPAF net pension liability associated with the District was 0.2748009906%.

For the year ended June 30, 2024, the District recognized on-behalf pension expense and revenue of \$3,445,246 from the actuarial report, employer pension expense and related revenue for contributions provided by the State in the District-Wide Financial Statements.

**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%

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 7. PENSION PLANS, (continued)**

**Mortality Rates**

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

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

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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 Market 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%

**Borough of Fort Lee School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2024**

**NOTE 7. PENSION PLANS, (continued)**

**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 will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

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

**NOTE 8. POST-RETIREMENT BENEFITS:**

**General Information about the OPEB Plan**

**State Health Benefit State Retired Employees Plan**

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be recorded on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 8. POST-RETIREMENT BENEFITS, (continued)**

**State Health Benefit State Retired Employees Plan, (continued)**

"pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The 7 State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

**Total OPEB Liability**

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability of the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education. Note that actual numbers will be published in the NJ State ACFR on the Office of Management and Budget's Financial Publications webpage: [nj.gov/treasury/omb/fr.shtml](http://nj.gov/treasury/omb/fr.shtml).

The portion of the OPEB Liability that was associated with the District recognized at June 30, 2024 was as follows:

OPEB Liability:	
District's proportionate share	\$
State's proportionate share	
associated with the District	<u>114,929,562</u>
	<u>\$114,929,562</u>

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 8. POST-RETIREMENT BENEFITS, (continued)**

*Actual Assumptions and OtherImputes*

The total OPEB liability in the June 30, 2023 actuarial valuation reported by the State in the State's Report of Total Nonemployer OPEB Liability for the State Health Benefit Local Education Retired Employee's Plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

**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. 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>
Salary increases:	2.75 - 4.25%	2.75 - 6.55%
	based on service years	based on service years

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

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

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 8. POST-RETIREMENT BENEFITS, (continued)**

***(a) 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 trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

***(b) Discount Rate***

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

***Sensitivity of Total Nonemployer OPEB Liability to Changes in the Discount Rate***

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

***Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Healthcare Cost Trend Rates:***

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the healthcare cost trend rates is not applicable to the District.

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

For the year ended June 30, 2024, the board of education/board of trustees recognized on-behalf OPEB expense of \$4,347,069 in the district-wide financial statements as determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75 and in which there is a special funding situation.

In accordance with GASB No. 75, the Borough of Fort Lee School District proportionate share of school retirees OPEB is zero; therefore, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.



**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 9. DEFERRED COMPENSATION**

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

The Variable Annuity Life Insurance Company  
 AXA Equitable  
 Metropolitan Life and Affiliated Company  
 Financial Resources and Retirement Advisory, Incorporated

**NOTE 10. RISK MANAGEMENT**

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

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

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

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

<b><u>Fiscal Year</u></b>	<b><u>Interest Earnings/ District Contributions</u></b>	<b><u>Employee Contributions</u></b>	<b><u>Amount Reimbursed</u></b>	<b><u>Ending Balance</u></b>
2023-2024	\$14,905	\$76,028	\$228,440	\$240,880
2022-2023	6,264	74,769	83,129	378,387
2021-2022	419	67,575		380,483

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 11. CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Borough of Fort Lee Board of Education by inclusion of \$960,000 on the 1999 budget 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. There existed a balance of \$10,245,910 in the capital reserve account at June 30, 2024.

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

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

Beginning Balance, July 1, 2023	\$9,931,747
Increased by:	
Interest Earnings	131,054
Deposit Approved by Resolution	<u>4,315,619</u>
	<u>4,446,673</u>
Decreased by:	
Budget Appropriations	<u>4,132,510</u>
Ending Balance, June 30, 2024	<u><u>\$10,245,910</u></u>

**NOTE 12. MAINTENANCE RESERVE ACCOUNT**

A maintenance reserve account was established by the District by way of a Board approved resolution in the amount of \$500,000 for the accumulation of funds for use as maintenance of school facilities expenditures in subsequent fiscal years. The maintenance reserve is maintained in the general fund and its’ activity is included in the general fund annual budget.

Funds placed in the maintenance reserve account are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may increase the balance in the maintenance 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 Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve cannot at any time exceed four percent of the replacement cost of the school district’s school facilities for the current year.

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 12. MAINTENANCE RESERVE ACCOUNT, (continued)**

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

Beginning Balance, July 1, 2023	<u>\$3,500,000</u>
Ending Balance, June 30, 2024	<u>\$3,500,000</u>

**NOTE 13. EMERGENCY RESERVE**

The emergency reserve is used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in the reserve is the greater of \$250,000 or 1 percent of the general fund budget not to exceed one million dollars. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of 4 percent or the withdrawal is included in the original budget certified for taxes to finance school security improvements to school facilities pursuant to 18A:7G-6(c)1.

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	\$820,703
Decreased by:	
Budget Appropriations	<u>18,274</u>
Ending Balance, June 30, 2024	<u>\$802,429</u>

**NOTE 14. FUND BALANCE APPROPRIATED**

**General Fund [Exhibit B-1]** - Of the \$23,360,882 General Fund fund balance at June 30, 2024, \$5,000,000 is reserved as excess surplus in accordance with N.J.S.A. 18A:17F-7 (\$2,000,000 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ended June 30, 2025); \$10,245,910 has been reserved in the Capital Reserve Account; \$802,429 has been reserved in the Emergency Reserve Account; \$3,500,000 has been reserved in the Maintenance Reserve Account; \$566,925 is reserved for encumbrances; \$240,880 is reserved for Unemployment compensation; \$697,821 of unreserved and undesignated has been appropriated and included as anticipated revenue for the year ending June 30, 2025; and \$2,306,917 is unreserved and undesignated.

**Special Revenue Fund** - Of the \$274,577 Special Revenue Fund fund balance at June 30, 2024, \$241,764 is reserved for Student Groups; and \$32,813 is reserved for Scholarships.

**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 15. 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 Reserved Fund Balance — Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years’ budget. The excess fund balance at June 30, 2024 is \$5,000,000. Of this amount is \$3,000,000 is a result of current year operations.

**NOTE 16. INVENTORY**

Inventory in the Food Service Fund at June 30, 2024 consisted of the following:

Food	\$11,091
Supplies	<u>4,182</u>
	<u>\$15,273</u>

The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by USDA. It is valued at estimated market prices by USDA. The amount of unused commodities at year end is reported on Schedule A as deferred revenue.

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**Borough of Fort Lee School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2024**

**NOTE 17. RIGHT TO USE LEASED ASSETS**

The District has entered into a right to use lease asset agreement. This lease is for office space for the main office of the Board of Education. The right to use lease asset is amortized on a straight-line bases over the terms of the related lease. The following schedules identify the lease asset quantitative disclosure and analysis of the lease liability through February 1, 2031.

	<u>Balance</u> <u>July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2024</u>
Right to use assets				
Leased Building	<u>\$1,470,459</u>	<u>\$</u>	<u>\$</u>	<u>\$1,470,459</u>
Total right to use assets	<u>1,470,459</u>	<u>-</u>	<u>-</u>	<u>1,470,459</u>
Less accumulated amortization for:				
Leased Building	<u>(278,380)</u>	<u>(155,489)</u>		<u>(433,869)</u>
Total accumulated amortization	<u>(278,380)</u>	<u>(155,489)</u>	<u>-</u>	<u>(433,869)</u>
Right to use leased asset, net	<u>\$1,192,079</u>	<u>(\$155,489)</u>	<u>\$ -</u>	<u>\$1,036,590</u>

Lease Asset Quantitative Disclosure:

<u>Lease Description</u>	<u>Role</u>	<u>Classification</u> <u>Building</u>	<u>Net Asset</u> <u>Balance</u>	<u>Accumulated</u> <u>Amortization</u>	<u>Gross Asset</u> <u>Balance</u>
Board of Education Office	Lessee	Building	<u>\$1,036,590</u>	<u>\$433,869</u>	<u>\$1,470,459</u>
			<u>\$1,036,590</u>	<u>\$433,869</u>	<u>\$1,470,459</u>

**Borough of Fort Lee School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2024**

**NOTE 18. CONTINGENT LIABILITIES**

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

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

**NOTE 19. SUBSEQUENT EVENTS**

The District has evaluated subsequent events through December 19, 2024, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

**REQUIRED SUPPLEMENTARY  
INFORMATION - PART II**

## **BUDGETARY COMPARISON SCHEDULES**



Exhibit C-1

**FORT LEE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2024**

	<b>Original Budget</b>	<b>Budget Transfers/ Adjustments</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final to Actual</b>
<b>REVENUES:</b>					
<b>General Fund:</b>					
Revenues from Local Sources:					
Local Tax Levy	72,386,681		72,386,681	72,386,681	
Tuition	180,000		180,000	1,047,836	867,836
Transportation Fees from Individuals				47,005	47,005
Rents and Royalties	50,000		50,000	79,504	29,504
Interest Earned on Current Expense Emergency Reserve	25		25		(25)
Interest Earned on Maintenance Reserve Funds	50		50		(50)
Interest Earned on Capital Reserve Funds	50		50	131,054	131,004
Other Restricted Miscellaneous Revenues				14,905 *	14,905
Unrestricted Miscellaneous Revenues	93,775		93,775	1,572,768	1,478,993
<b>Total - Local Sources</b>	<b>72,710,581</b>		<b>72,710,581</b>	<b>75,279,753</b>	<b>2,569,172</b>
Revenues from Intermediate Sources:					
Payments in Lieu of Taxes to School District	383,000		383,000	383,000	
<b>Total - Intermediate Sources</b>	<b>383,000</b>		<b>383,000</b>	<b>383,000</b>	
Revenues from State Sources:					
Categorical Special Education Aid	4,410,887		4,410,887	4,410,887	
Categorical Security Aid	308,033		308,033	308,033	
Categorical Transportation Aid	685,744		685,744	685,744	
Extraordinary Aid	985,000		985,000	1,957,581	972,581
Other Restricted State Aid				85,540	85,540
On-behalf TPAF Post Retirement Medical Contributions (non-budgeted)				3,300,337	3,300,337
On-behalf TPAF Pension (non-budgeted)				11,989,571	11,989,571
On-behalf TPAF NCGI Premium (non-budgeted)				136,734	136,734
On-behalf TPAD LTDI				4,980	4,980
Reimbursed TPAF Social Security Contributions (non-budgeted)				2,462,079	2,462,079
<b>Total - State Sources</b>	<b>6,389,664</b>		<b>6,389,664</b>	<b>25,341,486</b>	<b>18,951,822</b>
Revenues from Federal Sources:					
Medicaid Reimbursement	85,711		85,711	44,178	(41,533)
<b>Total - Federal Sources</b>	<b>85,711</b>		<b>85,711</b>	<b>44,178</b>	<b>(41,533)</b>
<b>TOTAL REVENUES</b>	<b>79,568,956</b>		<b>79,568,956</b>	<b>101,048,417</b>	<b>21,479,461</b>
<b>EXPENDITURES:</b>					
<b>Current Expense:</b>					
<b>Regular Programs - Instruction</b>					
Preschool - Salaries of Teachers		197,603	197,603	197,603	
Kindergarten - Salaries of Teachers	1,540,735	(115,153)	1,425,582	1,425,582	
Grades 1-5 - Salaries of Teachers	8,627,747	(447,158)	8,180,589	8,180,589	
Grades 6-8 - Salaries of Teachers	4,673,252	(221,969)	4,451,283	4,440,068	11,215
Grades 9-12 - Salaries of Teachers	5,557,631	657,829	6,215,460	6,199,684	15,776
<b>Regular Programs - Home Instruction:</b>					
Salaries of Teachers	116,525	(23,260)	93,265	91,339	1,926
Purchased Professional-Educational Services	20,000		20,000	19,923	77
<b>Regular Programs - Undistributed Instruction</b>					
Other Salaries for Instruction	265,798	36,703	302,501	295,323	7,178
Purchased Professional-Educational Services	23,880	756,031	779,911	741,648	38,263
Purchased Technical Services	209,044	36,984	246,028	187,022	59,006
Other Purchased Services (400-500 series)	18,250	(3,209)	15,041	1,723	13,318
General Supplies	2,084,352	(59,053)	2,025,299	1,947,152	78,147
Textbooks	38,589	(3,121)	35,468	30,819	4,649
Other Objects	24,025	31,925	55,950	51,612	4,338
<b>TOTAL REGULAR PROGRAMS - INSTRUCTION</b>	<b>23,199,828</b>	<b>844,152</b>	<b>24,043,980</b>	<b>23,810,087</b>	<b>233,893</b>
<b>SPECIAL EDUCATION - INSTRUCTION</b>					
<b>Learning and/or Language Disabilities - Mild or Moderate</b>					
Salaries of Teachers	862,365	(64,660)	797,705	788,063	9,642
Other Salaries for Instruction	285,428	(10,000)	275,428	265,722	9,706
General Supplies	4,300	(1,295)	3,005	3,004	1
<b>Total Learning and/or Language Disabilities - Mild or Moderate</b>	<b>1,152,093</b>	<b>(75,955)</b>	<b>1,076,138</b>	<b>1,056,789</b>	<b>19,349</b>
<b>Learning and/or Language Disabilities - Severe</b>					
Salaries of Teachers	130,350		130,350	130,350	
Other Salaries for Instruction	81,475	(15,129)	66,346	64,075	2,271
General Supplies	1,200	(900)	300	273	27
<b>Total Learning and/or Language Disabilities - Severe</b>	<b>213,025</b>	<b>(16,029)</b>	<b>196,996</b>	<b>194,698</b>	<b>2,298</b>
<b>Emotional Regulation Impairment</b>					
Salaries of Teachers	201,725	8,000	209,725	208,019	1,706
Other Salaries for Instruction	26,739		26,739	24,466	2,273
General Supplies	1,500	820	2,320	2,320	
<b>Total Emotional Regulation Impairment</b>	<b>229,964</b>	<b>8,820</b>	<b>238,784</b>	<b>234,805</b>	<b>3,979</b>

## Exhibit C-1

**FORT LEE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2024**

	<b>Original Budget</b>	<b>Budget Transfers/ Adjustments</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final to Actual</b>
<b>Multiple Disabilities</b>					
Salaries of Teachers	267,629	116,000	383,629	377,933	5,696
Other Salaries for Instruction	32,953		32,953	32,953	
General Supplies	3,000	4,359	7,359	7,098	261
Other Objects		1,540	1,540	1,433	107
<b>Total Multiple Disabilities</b>	<b>303,582</b>	<b>121,899</b>	<b>425,481</b>	<b>419,417</b>	<b>6,064</b>
<b>Resource Room/Resource Center:</b>					
Salaries of Teachers	3,219,727	39,989	3,259,716	3,257,107	2,609
Other Salaries for Instruction	584,237	9,151	593,388	573,809	19,579
General Supplies	1,500	(1,500)			
<b>Total Resource Room/Resource Center</b>	<b>3,805,464</b>	<b>47,640</b>	<b>3,853,104</b>	<b>3,830,916</b>	<b>22,188</b>
<b>Autism:</b>					
Salaries of Teachers	433,050	38,216	471,266	462,724	8,542
Other Salaries for Instruction	52,818	23,083	75,901	74,901	1,000
General Supplies	4,950		4,950	4,949	1
<b>Total Autism</b>	<b>490,818</b>	<b>61,299</b>	<b>552,117</b>	<b>542,574</b>	<b>9,543</b>
<b>Preschool Disabilities- Full-Time:</b>					
Salaries of Teachers	570,425	(204,807)	365,618	354,400	11,218
Other Salaries for Instruction	335,833	(84,964)	250,869	244,455	6,414
General Supplies	1,800	(83)	1,717	1,702	15
<b>Total Preschool Disabilities - Full-Time</b>	<b>908,058</b>	<b>(289,854)</b>	<b>618,204</b>	<b>600,557</b>	<b>17,647</b>
<b>TOTAL SPECIAL EDUCATION - INSTRUCTION</b>	<b>7,103,004</b>	<b>(142,180)</b>	<b>6,960,824</b>	<b>6,879,756</b>	<b>81,068</b>
<b>Basic Skills/Remedial - Instruction</b>					
Salaries of Teachers	746,492	(40,305)	706,187	696,436	9,751
<b>Total Basic Skills/Remedial - Instruction</b>	<b>746,492</b>	<b>(40,305)</b>	<b>706,187</b>	<b>696,436</b>	<b>9,751</b>
<b>Bilingual Education - Instruction</b>					
Salaries of Teachers	1,365,200	71,816	1,437,016	1,437,016	
Other Purchased Services (400-500 Series)	200	(80)	120		120
General Supplies		3,364	3,364	1,426	1,938
<b>Total Bilingual Education - Instruction</b>	<b>1,365,400</b>	<b>75,100</b>	<b>1,440,500</b>	<b>1,438,442</b>	<b>2,058</b>
<b>School-Sponsored Co/Extra Curricular Activities - Instruction</b>					
Salaries	283,000	79,315	362,315	362,314	1
Purchased Services (300-500 series)	20,600	33,803	54,403	52,086	2,317
Supplies and Materials	62,650	(26,100)	36,550	35,777	773
Other Objects	15,250	(4,203)	11,047	10,291	756
<b>Total School-Sponsored Co/Extra Curricular Activities - Instruction</b>	<b>381,500</b>	<b>82,815</b>	<b>464,315</b>	<b>460,468</b>	<b>3,847</b>
<b>School-Sponsored Athletics - Instruction</b>					
Salaries	450,000	(32,126)	417,874	394,817	23,057
Purchased Services (300-500 series)	222,013	(16,568)	205,445	180,346	25,099
Supplies and Materials	94,449	(22,658)	71,791	69,672	2,119
Other Objects	46,180	32,000	78,180	73,625	4,555
<b>Total School-Sponsored Athletics - Instruction</b>	<b>812,642</b>	<b>(39,352)</b>	<b>773,290</b>	<b>718,460</b>	<b>54,830</b>
<b>Summer School - Instruction:</b>					
Salaries	256,132	(37,780)	218,352	218,352	
Other Salaries for Instruction	71,570	(7,200)	64,370	64,327	43
<b>Total Summer School - Instruction</b>	<b>327,702</b>	<b>(44,980)</b>	<b>282,722</b>	<b>282,679</b>	<b>43</b>
<b>TOTAL INSTRUCTION</b>	<b>33,936,568</b>	<b>735,250</b>	<b>34,671,818</b>	<b>34,286,328</b>	<b>385,490</b>
<b>Undistributed Expenditures - Instruction:</b>					
Tuition to Other LEAs Within the State - Special	445,148	(66,439)	378,709	374,087	4,622
Tuition to County Voc. School Dist. - Regular	1,102,230	(200,828)	901,402	876,205	25,197
Tuition to CSSD & Regional Day Schools	823,295	504	823,799	823,798	1
Tuition to Private Schools for the Disabled Within State	2,411,784	(645,294)	1,766,490	1,708,933	57,557
Tuition to Private School Disabled & Other LEAs - Spl, O/S State	106,628	(1,527)	105,101	104,358	743
<b>Total Undistributed Expenditures - Instruction:</b>	<b>4,889,085</b>	<b>(913,584)</b>	<b>3,975,501</b>	<b>3,887,381</b>	<b>88,120</b>
<b>Undistributed Expend. - Attend. &amp; Social Work</b>					
Salaries	127,615	46,790	174,405	171,987	2,418
Salaries of Family Support Teams	168,925		168,925	168,925	
Purchased Professional and Technical Services	61,570		61,570	61,570	
Supplies and Materials	1,950	1,000	2,950	2,402	548
<b>Total Undistributed Expend. - Attend. &amp; Social Work</b>	<b>360,060</b>	<b>47,790</b>	<b>407,850</b>	<b>404,884</b>	<b>2,966</b>

Exhibit C-1

**FORT LEE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2024**

	<b>Original Budget</b>	<b>Budget Transfers/ Adjustments</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final to Actual</b>
<b>Undist. Expend. - Health Services</b>					
Salaries	672,753	(16,111)	656,642	656,640	2
Purchased Professional and Technical Services	153,250	36,978	190,228	154,630	35,598
Other Purchased Services (400-500 Series)	11,055		11,055	11,055	
Supplies and Materials	29,303	5,643	34,946	30,404	4,542
Other Objects		395	395	395	
<b>Total Undistributed Expenditures - Health Services</b>	<b>866,361</b>	<b>26,905</b>	<b>893,266</b>	<b>853,124</b>	<b>40,142</b>
<b>Undist. Expend. - Speech, OT, PT &amp; Related Services</b>					
Salaries	977,544	(60,331)	917,213	901,094	16,119
Purchased Prof. Services-Educational Services	1,066,608	227,943	1,294,551	1,119,126	175,425
Supplies and Materials	5,648	2,500	8,148	7,954	194
Other Objects		2,070	2,070	2,070	
<b>Total Undist. Expend. - Speech, OT, PT &amp; Related Services</b>	<b>2,049,800</b>	<b>172,182</b>	<b>2,221,982</b>	<b>2,030,244</b>	<b>191,738</b>
<b>Undist. Expend. - Other Supp. Serv. Students - Extra Serv.</b>					
Salaries	1,743,446	(26,227)	1,717,219	1,705,947	11,272
Purchased Professional - Educational Services	1,096,746	162,970	1,259,716	1,161,481	98,235
Supplies and Materials	11,453	(1,261)	10,192	9,456	736
<b>Total Undist. Expend. - Other Supp. Serv. Students - Extra Serv.</b>	<b>2,851,645</b>	<b>135,482</b>	<b>2,987,127</b>	<b>2,876,884</b>	<b>110,243</b>
<b>Undist. Expend. - Guidance</b>					
Salaries of Other Professional Staff	1,278,496	34,291	1,312,787	1,312,786	1
Salaries of Secretarial and Clerical Assistants	134,028	475	134,503	134,503	
Purchased Professional - Educational Services	88,300	(264)	88,036	23,838	64,198
Other Purchased Professional and Technical Services	127,134		127,134	85,088	42,046
Other Purchased Services (400-500 Series)	7,950		7,950	914	7,036
Supplies and Materials	42,055		42,055	27,656	14,399
Other Objects	4,224		4,224	1,868	2,356
<b>Total Undist. Expend. - Guidance</b>	<b>1,682,187</b>	<b>34,502</b>	<b>1,716,689</b>	<b>1,586,653</b>	<b>130,036</b>
<b>Undist. Expend. - Child Study Teams</b>					
Salaries of Other Professional Staff	1,548,234	(40,904)	1,507,330	1,505,494	1,836
Salaries of Secretarial and Clerical Assistants	134,028		134,028	134,027	1
Unused Vacation Payment to Terminated/Retired Staff		6,402	6,402	6,402	
Professional Svcs-Educational Services	22,750	(615)	22,135	7,714	14,421
Other Purchased Professional and Technical Services	20,008		20,008	20,008	
Misc. Pur Services (400-500 Series)	500	300	800	326	474
Supplies and Materials	7,640	2,218	9,858	9,730	128
Other Objects		82	82	81	1
<b>Total Undist. Expend. - Child Study Teams</b>	<b>1,733,160</b>	<b>(32,517)</b>	<b>1,700,643</b>	<b>1,683,782</b>	<b>16,861</b>
<b>Undist. Expend. - Improvement of Instructional Services</b>					
Salaries of Supervisors of Instruction	614,578	(336,663)	277,915	276,926	989
Salaries of Other Professional Staff	232,850	16,425	249,275	175,301	73,974
Purchased Prof-Educational Services	83,700	(15,000)	68,700	50,573	18,127
Other Purchased Services (400-500 Series)	5,000	(4,000)	1,000	192	808
Supplies and Materials		5,300	5,300	1,643	3,657
Other Objects	4,600	700	5,300	5,172	128
<b>Total Undist. Expend. - Improvement of Inst. Services</b>	<b>940,728</b>	<b>(333,238)</b>	<b>607,490</b>	<b>509,807</b>	<b>97,683</b>
<b>Undist. Expend. - Educational Media Serv./Sch. Library</b>					
Salaries	669,160	865	670,025	637,903	32,122
Salaries of Technology Coordinators	307,738	1,135	308,873	301,649	7,224
Purch Prof. and Tech. Services	46,450	(7,825)	38,625	27,115	11,510
Supplies and Materials	146,680	9,969	156,649	107,299	49,350
<b>Total Undist. Expend. - Educational Media Serv./Sch. Library</b>	<b>1,170,028</b>	<b>4,144</b>	<b>1,174,172</b>	<b>1,073,966</b>	<b>100,206</b>
<b>Undist. Expend. - Instructional Staff Training Serv.</b>					
Other Salaries	8,100	(100)	8,000	405	7,595
Other Purchased Services (400-500 Series)	43,650	1,807	45,457	12,081	33,376
<b>Total Undist. Expend. - Instructional Staff Training Serv.</b>	<b>51,750</b>	<b>1,707</b>	<b>53,457</b>	<b>12,486</b>	<b>40,971</b>
<b>Undist. Expend. - Supp. Serv. - General Administration</b>					
Salaries	562,473		562,473	557,636	4,837
Legal Services	250,000		250,000	116,905	133,095
Audit Fees	52,000		52,000	47,000	5,000
Architectural/Engineering Services	22,625	10,700	33,325	6,610	26,715
Other Purchased Professional Services	72,090	(10,700)	61,390	11,230	50,160
Purchased Technical Services	17,130		17,130	5,180	11,950
Communications/Telephone	215,441		215,441	171,508	43,933
BOE Other Purchased Services	8,450	(2,308)	6,142	6,141	1
Other Purch Services (400-500 Series)	659,790	5,008	664,798	622,644	42,154
General Supplies	37,500	(8,495)	29,005	7,517	21,488
BOE In-House Training/Meeting Supplies	200	100	300	252	48
Misc. Expenditures	16,219		16,219	8,092	8,127
BOE Membership Dues and Fees	26,000	1,195	27,195	27,195	
<b>Total Undist. Expend. - Supp. Serv. - General Administration</b>	<b>1,939,918</b>	<b>(4,500)</b>	<b>1,935,418</b>	<b>1,587,910</b>	<b>347,508</b>

Exhibit C-1

**FORT LEE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2024**

	<b>Original Budget</b>	<b>Budget Transfers/ Adjustments</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final to Actual</b>
<b>Undist. Expend. - Support Serv. - School Administration</b>					
Salaries of Principals/Assistant Principals	2,000,761	46,162	2,046,923	2,026,098	20,825
Salaries of Secretarial and Clerical Assistants	806,834	2,281	809,115	809,106	9
Unused Vacation Payment to Terminated/Retired Staff	86,734	(8,978)	77,756	77,756	
Other Purchased Services (400-500 series)	21,650	(8,126)	13,524	7,592	5,932
Supplies and Materials	107,025	(29,310)	77,715	58,669	19,046
Other Objects	29,635	1,645	31,280	26,352	4,928
<b>Total Undist. Expend. - Support Serv. - School Administration</b>	<b>3,052,639</b>	<b>3,674</b>	<b>3,056,313</b>	<b>3,005,573</b>	<b>50,740</b>
<b>Undist. Expend. - Central Services</b>					
Salaries	835,694	10,565	846,259	830,662	15,597
Unused Vacation Payment to Terminated/Retired Staff	25,706	(14,065)	11,641	418	11,223
Purchased Professional Services	45,050	(197)	44,853	36,414	8,439
Purchased Technical Services	87,239	17,892	105,131	105,131	
Misc. Pur Services (400-500 Series)	31,165		31,165	15,344	15,821
Supplies and Materials	42,050	(17,464)	24,586	24,362	224
Miscellaneous Expenditures	9,478	(231)	9,247	7,907	1,340
<b>Total Undist. Expend. - Central Services</b>	<b>1,076,382</b>	<b>(3,500)</b>	<b>1,072,882</b>	<b>1,020,238</b>	<b>52,644</b>
<b>Undist. Expend. - Admin Info. Technology</b>					
<b>Information Technology</b>					
Salaries	131,577	7,875	139,452	139,452	
Purchased Technical Services	58,200	(875)	57,325	49,933	7,392
Other Purchased Services (400-500 series)	1,000		1,000	25	975
Supplies and Materials	44,500	(6,625)	37,875	15,903	21,972
Other Objects	600		600	600	
<b>Total Undist. Expend. - Support Serv. - Administrative</b>	<b>235,877</b>	<b>375</b>	<b>236,252</b>	<b>205,913</b>	<b>30,339</b>
<b>Undist. Expend. - Required Maint. for School Facilities (261)</b>					
Salaries	219,151	(41,941)	177,210	146,876	30,334
Cleaning, Repair and Maintenance Services	608,851	(78,744)	530,107	409,757	120,350
Other Objects	6,924		6,924	2,558	4,366
<b>Total Undist. Expend. - Required Maint. for School Facilities</b>	<b>834,926</b>	<b>(120,685)</b>	<b>714,241</b>	<b>559,191</b>	<b>155,050</b>
<b>Undist. Expend. - Custodial Services (262)</b>					
Salaries	1,529,319	17,941	1,547,260	1,544,331	2,929
Unused Vacation Payment to Terminated/Retired Staff	3,661		3,661	3,142	519
Purchased Professional and Technical Services	26,408	7,849	34,257	29,467	4,790
Cleaning, Repair and Maintenance Services	1,496,318	(1,033)	1,495,285	1,408,828	86,457
Rental of Land & Bldg. Oth. Than Lease Purch Agreement	182,100	116,836	298,936	298,936	
Other Purchased Property Services	133,900		133,900	123,978	9,922
Miscellaneous Purchased Services	2,000		2,000	600	1,400
Other Purchased Services (400-500 series)		500	500	300	200
General Supplies	533,112	(107,380)	425,732	351,221	74,511
Energy (Natural Gas)	236,700	(18,385)	218,315	152,691	65,624
Energy (Electricity)	789,564	17,885	807,449	782,374	25,075
Energy (Gasoline)		1,000	1,000		1,000
Other Objects	17,216		17,216	10,671	6,545
Interest - Energy Savings Improvement Program Bonds	92,887	(8,416)	84,471	84,471	
Principal - Energy Savings Improvement Program Bonds	332,370	19,955	352,325	352,324	1
<b>Total Undist. Expend. - Custodial Services</b>	<b>5,375,555</b>	<b>46,752</b>	<b>5,422,307</b>	<b>5,143,334</b>	<b>278,973</b>
<b>Undist. Expend. - Care and Upkeep of Grounds (263)</b>					
Salaries	20,000	(20,000)			
Cleaning, Repair and Maintenance Services	179,979		179,979	152,279	27,700
General Supplies	34,346		34,346	5,083	29,263
<b>Total Undist. Expend. - Care and Upkeep of Grounds</b>	<b>234,325</b>	<b>(20,000)</b>	<b>214,325</b>	<b>157,362</b>	<b>56,963</b>
<b>Undist. Expend. - Security (266)</b>					
Salaries	76,220	237,466	313,686	313,685	1
Purchased Professional and Technical Services	375,248	64,312	439,560	435,990	3,570
Cleaning, Repair and Maintenance Services	16,600		16,600	14,286	2,314
General Supplies	6,600	2,400	9,000	7,695	1,305
Other Objects		100	100	75	25
<b>Total Undist. Expend. - Security</b>	<b>474,668</b>	<b>304,278</b>	<b>778,946</b>	<b>771,731</b>	<b>7,215</b>

Exhibit C-1

**FORT LEE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2024**

	<b>Original Budget</b>	<b>Budget Transfers/ Adjustments</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final to Actual</b>
<b>Undist. Expend. - Student Transportation Services (270)</b>					
Salaries for Pupil Trans (Bet Home & Sch) - Sp Ed	571,910	190,437	762,347	761,148	1,199
Cleaning, Repair and Maintenance Services	88,000	2,107	90,107	90,093	14
Contract Services - Aid in Lieu Pymts - NonPub Sch.	214,620	(4,471)	210,149	210,148	1
Contract Services (Between Home & School)-Vendors	324,256	85,254	409,510	409,510	
Contract Services (Other than Between Home & School)-Vendors	129,508	(90,364)	39,144	34,359	4,785
Contract Services (Sp. Ed. Students)-Vendors	2,100,000	205,692	2,305,692	2,302,291	3,401
Misc. Purchased Services - Transportation	2,350	22,385	24,735	23,769	966
Transportation Supplies	135,000	(15,750)	119,250	81,953	37,297
Other Objects	8,812	10,847	19,659	17,537	2,122
<b>Total Undist. Expend. - Student Transportation Services</b>	<b>3,574,456</b>	<b>406,137</b>	<b>3,980,593</b>	<b>3,930,808</b>	<b>49,785</b>
<b>UNALLOCATED BENEFITS (291)</b>					
Social Security Contributions	860,212	41,468	901,680	901,680	
Other Retirement Contributions-PERS	885,517	231,668	1,117,185	1,116,742	443
Unemployment Compensation				32,592	(32,592)
Workmen's Compensation	200,748	20,230	220,978	220,978	
Health Benefits	12,229,167	(843,997)	11,385,170	10,494,804	890,366
Tuition Reimbursement	120,000	(3,575)	116,425	95,513	20,912
Other Employee Benefits	97,100	55,876	152,976	152,130	846
Unused Sick Payment to Terminated/Retired Staff	419,593	(160,537)	259,056	259,056	
<b>TOTAL UNALLOCATED BENEFITS</b>	<b>14,812,337</b>	<b>(658,867)</b>	<b>14,153,470</b>	<b>13,273,495</b>	<b>879,975</b>
On-behalf TPAF Post Retirement Medical (non-budgeted)				3,300,337	(3,300,337)
On-behalf TPAF Pension (non-budgeted)				11,989,571	(11,989,571)
On-behalf TPAF NCGI Premium (non-budgeted)				136,734	(136,734)
On-behalf TPAF LTDI				4,980	(4,980)
Reimbursed TPAF Social Security Contributions (non-budgeted)				2,462,079	(2,462,079)
<b>TOTAL ON-BEHALF CONTRIBUTIONS</b>				<b>17,893,701</b>	<b>(17,893,701)</b>
<b>TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS</b>	<b>14,812,337</b>	<b>(658,867)</b>	<b>14,153,470</b>	<b>31,167,196</b>	<b>(17,013,726)</b>
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<b>48,205,887</b>	<b>(902,963)</b>	<b>47,302,924</b>	<b>62,468,467</b>	<b>(15,165,543)</b>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<b>82,142,455</b>	<b>(167,713)</b>	<b>81,974,742</b>	<b>96,754,795</b>	<b>(14,780,053)</b>
<b>CAPITAL OUTLAY</b>					
<b>Equipment</b>					
<b>Special Education - Instruction:</b>					
School-Sponsored and Other Intructional Programs		22,226	22,226	22,226	
<b>Total Equipment</b>		<b>22,226</b>	<b>22,226</b>	<b>22,226</b>	
<b>Undistributed</b>					
Undistributed Expenditures - Instruction		20,747	20,747	20,744	3
Custodial Services		6,000	6,000	4,948	1,052
School Buses-Reg.		231,385	231,385		231,385
<b>Total Equipment</b>		<b>258,132</b>	<b>258,132</b>	<b>25,692</b>	<b>232,440</b>
<b>Facilities Acquisition and Construction Services</b>					
Construction Services	4,832,827	(1,068,230)	3,764,597	2,172,473	1,592,124
Land and Improvements	1,500,000	76,377	1,576,377	1,576,376	1
Assessment for Debt Service on SDA Funding	17,534		17,534	17,534	
<b>Total Facilities Acquisition and Construction Services</b>	<b>6,350,361</b>	<b>(991,853)</b>	<b>5,358,508</b>	<b>3,766,383</b>	<b>1,592,125</b>
<b>TOTAL CAPITAL OUTLAY</b>	<b>6,350,361</b>	<b>(711,495)</b>	<b>5,638,866</b>	<b>3,814,301</b>	<b>1,824,565</b>
<b>Transfer of Funds to Charter Schools</b>	<b>12,462</b>	<b>28,708</b>	<b>41,170</b>	<b>41,170</b>	
<b>TOTAL EXPENDITURES</b>	<b>88,505,278</b>	<b>(850,500)</b>	<b>87,654,778</b>	<b>100,610,266</b>	<b>(12,955,488)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(8,936,322)</b>	<b>850,500</b>	<b>(8,085,822)</b>	<b>438,151</b>	<b>8,523,973</b>
<b>Other Financing Sources/(Uses):</b>					
Operating Transfers Out:					
Capital Reserve - Transfer to Capital Projects		(1,019,260)	(1,019,260)	(1,019,260)	
Operating Transfer In					
Capital Projects				135,876	135,876
<b>Total Other Financing Sources/(Uses):</b>		<b>(1,019,260)</b>	<b>(1,019,260)</b>	<b>(883,384)</b>	<b>135,876</b>

## Exhibit C-1

**FORT LEE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2024**

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(8,936,322)	(168,760)	(9,105,082)	(445,233)	8,659,849
Fund Balance, July 1	<u>24,232,036</u>		<u>24,232,036</u>	<u>24,232,036</u>	
Fund Balance, June 30	<u>15,295,714</u>	<u>(168,760)</u>	<u>15,126,954</u>	<u>23,786,803</u>	<u>8,659,849</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Adjustment for Prior Year Encumbrances	(2,431,338)		(2,431,338)	(2,431,338)	
Increase in Capital Reserve:					
Principal				4,315,619	4,315,619
Interest Deposit to Capital Reserve	50		50	131,054	131,004
Increase in Emergency Reserve					
Interest Deposit to Emergency Reserve	25		25		(25)
Increase in Maintenance Reserve					
Interest Deposit to Maintenance Reserve	50		50		(50)
Withdrawal from Capital Reserve	(3,963,750)	(168,760)	(4,132,510)	(4,132,510)	
Withdrawal from Current Expense Emergency Reserve	(18,274)		(18,274)	(18,274)	
Unemployment Compensation Activity					
Budgeted Fund Balance	<u>(2,523,085)</u>		<u>(2,523,085)</u>	<u>1,690,216</u>	<u>4,213,301</u>
	<u>(8,936,322)</u>	<u>(168,760)</u>	<u>(9,105,082)</u>	<u>(445,233)</u>	<u>8,659,849</u>
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus - Current Year				3,000,000	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures				2,000,000	
Maintenance Reserve				3,500,000	
Capital Reserve				10,245,910	
Emergency Reserve				802,429	
Unemployment Compensation				240,880	
Committed Fund Balance:					
Year-end Encumbrances				566,925	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures				697,821	
Unassigned Fund Balance				<u>2,732,838</u>	
Total Fund Balance per Governmental Funds (Budgetary)				<u>23,786,803</u>	
Recapitulation to Governmental Fund Statement (GAAP):					
Less: Last State Aid Payment not Recognized GAAP Basis				<u>425,921</u>	
Total Fund Balance per Governmental Funds (GAAP)				<u>23,360,882</u>	

\* Include interest earnings on the unemployment compensation bank account

**FORT LEE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund**  
**Fiscal Year Ended June 30, 2024**

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual	
<b>REVENUES:</b>						
Local Sources	20,000	3,100	23,100	332,607	309,507	note 1
State Sources	262,757	215,100	477,857	383,328	(94,529)	
Federal Sources	3,741,281	871,342	4,612,623	3,306,926	(1,305,697)	
<b>Total Revenues</b>	<b>4,024,038</b>	<b>1,089,542</b>	<b>5,113,580</b>	<b>4,022,861</b>	<b>(1,090,719)</b>	
<b>EXPENDITURES:</b>						
<b>Instruction:</b>						
Salaries of Teachers	1,036,635	(257,404)	779,231	626,895	152,336	
Purchased Professional and Technical Services	488,932	368,208	857,140	754,208	102,932	
Other Purchased Services (400-500 series)	840,030	(113,586)	726,444	531,289	195,155	
General Supplies	13,032	697,942	710,974	237,753	473,221	
Textbooks	17,820	(2,789)	15,031	15,021	10	
Other Objects		5,839	5,839	-	5,839	
<b>Total instruction</b>	<b>2,396,449</b>	<b>698,210</b>	<b>3,094,659</b>	<b>2,167,916</b>	<b>926,743</b>	
<b>Support services:</b>						
Salaries of Other Professional Staff	506,302	(218,246)	288,056	154,575	133,481	
Personal Services - Employee Benefits	503,019	(192,574)	310,445	257,999	52,446	
Purchased Professional - Educational Services	592,090	306,212	898,302	884,501	13,801	
Travel		3,413	3,413	-	3,413	
Other Purchased Services (400-500 series)	6,081	466,170	472,251	219,079	253,172	
Supplies & Materials		25,011	25,011	9,284	15,727	
Other Objects	97	1,346	1,443	-	1,443	
Scholarships Awarded		-		7,250	(7,250)	note 1
Student Activity Disbursements	20,000	-	20,000	258,183	(238,183)	note 1
<b>Total support services</b>	<b>1,627,589</b>	<b>391,332</b>	<b>2,018,921</b>	<b>1,790,871</b>	<b>228,050</b>	
<b>Total Expenditures</b>	<b>4,024,038</b>	<b>1,089,542</b>	<b>5,113,580</b>	<b>3,958,787</b>	<b>1,154,793</b>	
<b>Excess (Deficiency) of Revenues Over (Under)</b>						
<b>Expenditures and Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>64,074</b>	<b>64,074</b>	
Fund Balance, July 1				210,503		
Fund Balance, June 30				<u>274,577</u>		
Recapitulation:						
Restricted:						
Scholarships				\$ 32,813		
Student Activities				<u>241,764</u>		
Total Fund Balance				<u>\$ 274,577</u>		

note 1 Note required for student activity or scholarship funds

**FORT LEE BOARD OF EDUCATION**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Note to Required Supplementary Information - Part II**  
**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
		<u>          </u>	<u>          </u>
<b>Sources/inflows of resources</b>			
Actual amounts (budgetary basis) "revenue"			
from the budgetary comparison schedule	[C-1]&[C-2]	101,048,417	4,022,861
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that			
encumbrances are recognized as expenditures, and the related			
revenue is recognized.			
Prior Year			
Current Year			
State aid payment recognized for GAAP statements in the			
current year, previously recognized for budgetary purposes.		356,295	
The last state aid payment is recognized as revenue for budgetary			
purposes, and differs from GAAP which does not recognize			
this revenue until the subsequent year when the state			
recognizes the related expense (GASB 33).		<u>(425,921)</u>	
Total revenues as reported on the statement of revenues, expenditures			
and changes in fund balances - governmental funds.	[B-2]	<u>100,978,791</u>	<u>4,022,861</u>
<b>Uses/outflows of resources</b>			
Actual amounts (budgetary basis) "total outflows" from the			
budgetary comparison schedule	[C-1]&[C-2]	100,610,266	3,958,787
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but			
not received are reported in the year the order is placed for			
<i>budgetary</i> purposes, but in the year the supplies are received			
for <i>financial reporting</i> purposes.			
Prior Year			
Total expenditures as reported on the statement of revenues,			
expenditures, and changes in fund balances - governmental funds	[B-2]	<u>100,610,266</u>	<u>3,958,787</u>



**REQUIRED SUPPLEMENTARY  
INFORMATION - PART III**

**FORT LEE BOARD OF EDUCATION**  
**Schedules of Required Supplementary Information**  
**Schedule of District's Share of Net Pension Liability - PERS**  
*Last 10 Fiscal Years*

Fiscal Year Ending June 30,	District's	District's	District's	District's		Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	
	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	District's Covered Payroll - PERS Employee's	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll		
2015	0.0734123712%	\$	13,744,804	\$	4,563,410	301.20%	47.92%
2016	0.0723106900%		16,232,301		4,654,678	348.73%	52.07%
2017	0.0664154082%		19,670,339		4,991,167	394.10%	59.86%
2018	0.0740099344%		17,228,330		5,006,791	344.10%	51.90%
2019	0.0722206363%		14,219,884		4,877,243	291.56%	46.40%
2020	0.0702079967%		12,650,416		5,083,574	248.85%	43.43%
2021	0.0672204665%		10,961,900		5,158,512	212.50%	41.35%
2022	0.0702610879%		8,323,479		5,426,217	153.39%	29.35%
2023	0.0676332689%		10,206,791		5,495,487	185.73%	36.78%
2024	0.0760580073%		11,016,526		5,613,832	196.24%	34.48%

**FORT LEE BOARD OF EDUCATION**  
**Schedules of Required Supplementary Information**  
**Schedule of District's Contributions - PERS**  
*Last 10 Fiscal Years*

Fiscal Year Ending June 30,	Contractually Required Contribution		Contributions in Relations to the Contractually Required Contributions		Contribution Deficiency (Excess)	District's PERS Covered- Employee Payroll		Contributions as a Percentage of PERS Covered- Employee Payroll
2015	\$	611,780	\$	(611,780)	\$ -	\$	4,563,410	13.41%
2016	\$	621,678	\$	(621,678)	\$ -	\$	4,654,678	13.36%
2017	\$	590,025	\$	(590,025)	\$ -	\$	4,991,167	11.82%
2018	\$	685,623	\$	(685,623)	\$ -	\$	5,006,791	13.69%
2019	\$	718,362	\$	(718,362)	\$ -	\$	4,877,243	14.73%
2020	\$	682,917	\$	(682,917)	\$ -	\$	5,083,574	13.43%
2021	\$	735,358	\$	(735,358)	\$ -	\$	5,158,512	14.26%
2022	\$	822,839	\$	(822,839)	\$ -	\$	5,426,217	15.16%
2023	\$	852,888	\$	(852,888)	\$ -	\$	5,495,487	15.52%
2024	\$	1,016,536	\$	(1,016,536)	\$ -	\$	5,613,832	18.11%

**FORT LEE BOARD OF EDUCATION**  
**Schedules of Required Supplementary Information**  
**Schedule of District's Share of Net Pension Liability - TPAF**  
*Last 10 Fiscal Years*

Fiscal Year Ending June 30,	State's				District's	State's	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	
	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability Associated with the District (Asset)	District's Covered Payroll – TPAF Employee's	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll			
2015	0.2535995199%	\$	\$	\$	24,914,404	0.00%	544.03%	33.64%
2016	0.2639110999%	-	-	166,803,085	-	0.00%	0.00%	28.71%
2017	0.2530444488%	-	-	199,060,875	-	0.00%	0.00%	22.33%
2018	0.2473759367%	-	-	166,789,777	27,755,657	0.00%	600.92%	25.41%
2019	0.2643570570%	-	-	168,178,281	29,170,745	0.00%	576.53%	26.49%
2020	0.2669303760%	-	-	163,817,691	29,744,059	0.00%	550.76%	26.95%
2021	0.2547669834%	-	-	167,760,993	31,199,911	0.00%	537.70%	24.60%
2022	0.2674287535%	-	-	128,566,878	32,586,529	0.00%	394.54%	35.52%
2023	0.2645186297%	-	-	136,476,842	33,440,889	0.00%	408.11%	32.29%
2024	0.274800906%	-	-	140,238,281	34,392,154	0.00%	407.76%	34.68%

**FORT LEE BOARD OF EDUCATION**  
**Schedules of Required Supplementary Information**  
**Schedule of the School District's Contribution**  
**Teacher's Pension and Annuity Fund (TPAF)**  
*Last 10 Fiscal Years*

This schedule is not applicable.

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

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

**FORT LEE BOARD OF EDUCATION**  
**Note to Required Schedules of Supplementary Information - Part III**  
**Fiscal Year Ended June 30, 2024**

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms

None

Change in assumptions

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

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms

None

Change in assumptions

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

**FORT LEE BOARD OF EDUCATION**  
**Schedule of Required Supplementary Information**  
**Schedule of Changes in the District's Proportionate Share of the State OPEB Liability**  
*Last 10 Fiscal Years\**

	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>							
Service Costs							
Interest on Total OPEB Liability	5,083,613	\$ 6,490,685	\$ 7,309,426	\$ 4,167,095	\$ 3,962,686	\$ 4,370,142	\$ 5,280,118
Changes of Benefit Terms	4,047,679	2,895,888	3,383,812	3,231,109	3,870,677	4,055,443	3,494,705
Difference between Expected and Actual Expenditures	(656,111)	1,535,529	(22,989,031)	24,469,715	(14,510,600)	(7,520,827)	
Changes in Assumptions	231,650	(29,313,794)	128,691	26,546,303	1,332,461	(11,174,057)	(14,722,357)
Gross Benefit Payments	(3,155,231)	(2,868,462)	(2,665,496)	(2,530,029)	(2,743,283)	(2,603,724)	(2,551,451)
Contribution from the Member	103,728	92,022	86,507	76,685	81,319	89,989	93,951
<b>Net Changes in total Share of OPEB Liability</b>	<u>5,655,328</u>	<u>(21,168,132)</u>	<u>(14,884,931)</u>	<u>55,960,878</u>	<u>(8,006,740)</u>	<u>(12,783,034)</u>	<u>(8,405,034)</u>
<b>Total OPEB Liability - Beginning</b>	<u>109,274,234</u>	<u>130,442,366</u>	<u>145,327,297</u>	<u>89,366,419</u>	<u>97,373,159</u>	<u>110,156,193</u>	<u>118,561,227</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 114,929,562</u>	<u>\$ 109,274,234</u>	<u>\$ 130,442,366</u>	<u>\$ 145,327,297</u>	<u>\$ 89,366,419</u>	<u>\$ 97,373,159</u>	<u>\$ 110,156,193</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	114,929,562	109,274,234	130,442,366	145,327,297	89,366,419	97,373,159	10,156,193
Total OPEB Liability - Ending	<u>\$ 114,929,562</u>	<u>\$ 109,274,234</u>	<u>\$ 130,442,366</u>	<u>\$ 145,327,297</u>	<u>\$ 89,366,419</u>	<u>\$ 97,373,159</u>	<u>\$ 10,156,193</u>
District's Covered Employee Payroll	\$ 40,005,986	\$ 38,936,376	\$ 38,012,746	\$ 36,358,423	\$ 34,827,633	\$ 34,047,988	\$ 32,762,448
Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%

**Notes to Schedule:**

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

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

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

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

## **Other Supplementary Information**



**SPECIAL REVENUE FUND**

**FORT LEE BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2024**

	Total Brought Forward (Ex. E-1a)	I.D.E.A Part B		ARP I.D.E.A Part B Basic	ESEA Title I, Part A	ESEA Title II, Part A Teacher & Principal Training & Recruiting	Totals 2024
<b>REVENUES</b>							
Local Sources	332,607						332,607
State Sources	383,328						383,328
Federal Sources	1,802,973	825,224	24,107	364	551,518	102,740	3,306,926
<b>Total Revenues</b>	<b>2,518,908</b>	<b>825,224</b>	<b>24,107</b>	<b>364</b>	<b>551,518</b>	<b>102,740</b>	<b>4,022,861</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	221,898	94,028			308,539	2,430	626,895
Purchased Professional and Technical Services	700,896				53,312		754,208
Other Purchased Services (400-500 series)	9,238	522,051					531,289
General Supplies	174,344	10,482	24,107	364	28,456		237,753
Textbooks	15,021						15,021
Other Objects	2,250				500		2,750
<b>Total instruction</b>	<b>1,123,647</b>	<b>626,561</b>	<b>24,107</b>	<b>364</b>	<b>390,807</b>	<b>2,430</b>	<b>2,167,916</b>
<b>Support services:</b>							
Salaries of Other Professional Staff	154,575						154,575
Personal Services - Employee Benefits	58,054	57,687			142,072	186	257,999
Purchased Professional - Educational Services	637,629	140,976			18,639	87,257	884,501
Travel	-						-
Other Purchased Services (400-500 series)	206,442					12,637	219,079
Supplies & Materials	9,054					230	9,284
Other Objects	-						-
Scholarships Awarded	7,250						7,250
Student Activities	258,183						258,183
<b>Total support services</b>	<b>1,331,187</b>	<b>198,663</b>	<b>-</b>	<b>-</b>	<b>160,711</b>	<b>100,310</b>	<b>1,790,871</b>
<b>Total Expenditures</b>	<b>2,454,834</b>	<b>825,224</b>	<b>24,107</b>	<b>364</b>	<b>551,518</b>	<b>102,740</b>	<b>3,958,787</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>64,074</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>64,074</b>
Fund Balance, July 1	210,503						210,503
Fund Balance, June 30	274,577	-	-	-	-	-	274,577

**FORT LEE BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2024**

	<b>Total Brought Forward (Ex. E-1b)</b>	<b>ESEA Title III</b>	<b>ESEA Title III Immigrant</b>	<b>ESEA Title IV</b>	<b>Career and Technical Education - Basic Grants (Perkins)</b>	<b>CRRSA- ESSER II</b>	<b>Total Carried Forward</b>
<b>REVENUES</b>							
Local Sources	332,607						332,607
State Sources	383,328						383,328
Federal Sources	1,546,557	129,403	30,097	42,590	19,141	35,185	1,802,973
<b>Total Revenues</b>	<b>2,262,492</b>	<b>129,403</b>	<b>30,097</b>	<b>42,590</b>	<b>19,141</b>	<b>35,185</b>	<b>2,518,908</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	216,123	5,775					221,898
Purchased Professional and Technical Services	659,082	16,128		15,428	10,258		700,896
Other Purchased Services (400-500 series)	9,238						9,238
General Supplies	70,976	87,388	965	13,595	1,420		174,344
Textbooks	15,021						15,021
Other Objects	-			250	2,000		2,250
<b>Total instruction</b>	<b>970,440</b>	<b>109,291</b>	<b>965</b>	<b>29,273</b>	<b>13,678</b>	<b>-</b>	<b>1,123,647</b>
<b>Support services:</b>							
Salaries of Other Professional Staff	110,600	645	5,269	5,376		32,685	154,575
Personal Services - Employee Benefits	54,387	353	403	411		2,500	58,054
Purchased Professional - Educational Services	597,809	19,000	14,520	6,300			637,629
Travel	-						-
Other Purchased Services (400-500 series)	199,749			1,230	5,463		206,442
Supplies & Materials	-	114	8,940				9,054
Other Objects	-						-
Scholarships Awarded	7,250						7,250
Student Activities	258,183						258,183
<b>Total support services</b>	<b>1,227,978</b>	<b>20,112</b>	<b>29,132</b>	<b>13,317</b>	<b>5,463</b>	<b>35,185</b>	<b>1,331,187</b>
<b>Total Expenditures</b>	<b>2,198,418</b>	<b>129,403</b>	<b>30,097</b>	<b>42,590</b>	<b>19,141</b>	<b>35,185</b>	<b>2,454,834</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>							
	64,074	-	-	-	-	-	64,074
Fund Balance, July 1	210,503						210,503
Fund Balance, June 30	274,577	-	-	-	-	-	274,577

**FORT LEE BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2024**

	<b>Total Brought Forward (Ex. E-1c)</b>	<b>CR Learning Acceleration</b>	<b>ARP- ESSER</b>	<b>ARP- ESSER Accelerated Learning</b>	<b>ARP- ESSER Comprehensive Beyond the School Day</b>	<b>COPS School Violence Protection Program Grant</b>	<b>Total Carried Forward</b>
<b>REVENUES</b>							
Local Sources	332,607						332,607
State Sources	383,328						383,328
Federal Sources	9,238	15,712	1,127,282	117,944	40,000	236,381	1,546,557
<b>Total Revenues</b>	<b>725,173</b>	<b>15,712</b>	<b>1,127,282</b>	<b>117,944</b>	<b>40,000</b>	<b>236,381</b>	<b>2,262,492</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	8,000	13,905	194,218		35,594		216,123
Purchased Professional and Technical Services	-		623,488				659,082
Other Purchased Services (400-500 series)	9,238						9,238
General Supplies	12,735	743	53,092		4,406		70,976
Textbooks	15,021						15,021
Other Objects	-						-
<b>Total instruction</b>	<b>44,994</b>	<b>14,648</b>	<b>870,798</b>	<b>-</b>	<b>40,000</b>	<b>-</b>	<b>970,440</b>
<b>Support services:</b>							
Salaries of Other Professional Staff	-		89,935	20,665			110,600
Personal Services - Employee Benefits	612	1,064	51,379	1,332			54,387
Purchased Professional - Educational Services	165,281		100,200	95,947		236,381	597,809
Travel	-						-
Other Purchased Services (400-500 series)	184,779		14,970				199,749
Supplies & Materials	-						-
Other Objects	-						-
Scholarships Awarded	7,250						7,250
Student Activities	258,183						258,183
<b>Total support services</b>	<b>616,105</b>	<b>1,064</b>	<b>256,484</b>	<b>117,944</b>	<b>-</b>	<b>236,381</b>	<b>1,227,978</b>
<b>Total Expenditures</b>	<b>661,099</b>	<b>15,712</b>	<b>1,127,282</b>	<b>117,944</b>	<b>40,000</b>	<b>236,381</b>	<b>2,198,418</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>64,074</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>64,074</b>
Fund Balance, July 1	210,503						210,503
Fund Balance, June 30	274,577	-	-	-	-	-	274,577

**FORT LEE BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2024**

	<b>Total Brought Forward (Ex. E-1d)</b>	<b>Additional or Compensatory Special Education and Related Services (ACSERS)</b>	<b>N.J. Nonpublic Technology Aid</b>	<b>N.J. Nonpublic Textbook Aid</b>	<b>N.J. Nonpublic Nursing Aid</b>	<b>N.J. Nonpublic Security Aid</b>	<b>Total Carried Forward</b>
<b>REVENUES</b>							
Local Sources	332,607						332,607
State Sources	292,679	9,238	12,735	15,021	31,200	31,693	383,328
Federal Sources	-						9,238
<b>Total Revenues</b>	<b>625,286</b>	<b>9,238</b>	<b>12,735</b>	<b>15,021</b>	<b>31,200</b>	<b>31,693</b>	<b>725,173</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	8,000						8,000
Purchased Professional - Educational Services	-						-
Other Purchased Services (400-500 series)	-	9,238					9,238
General Supplies	-		12,735				12,735
Textbooks	-			15,021			15,021
Other Objects	-						-
<b>Total instruction</b>	<b>8,000</b>	<b>9,238</b>	<b>12,735</b>	<b>15,021</b>	<b>-</b>	<b>-</b>	<b>44,994</b>
<b>Support services:</b>							
Salaries of Other Professional Staff	-						-
Personal Services - Employee Benefits	612						612
Purchased Professional - Educational Services	102,388				31,200	31,693	165,281
Travel	-						-
Other Purchased Services (400-500 series)	-						184,779
Supplies & Materials	-						-
Other Objects	-						-
Scholarships Awarded	7,250						7,250
Student Activities	258,183						258,183
<b>Total support services</b>	<b>553,212</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,200</b>	<b>31,693</b>	<b>616,105</b>
<b>Total Expenditures</b>	<b>561,212</b>	<b>9,238</b>	<b>12,735</b>	<b>15,021</b>	<b>31,200</b>	<b>31,693</b>	<b>661,099</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
<b>Expenditures and Other Financing Sources (Uses)</b>							
	64,074	-	-	-	-	-	64,074
Fund Balance, July 1	210,503						210,503
Fund Balance, June 30	274,577	-	-	-	-	-	274,577

**FORT LEE BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2024**

	Total Brought Forward (Ex. E-1e)	N.J. Nonpublic Auxiliary Services Chapter 192		N.J. Nonpublic Handicapped Services, Chapter 193		Total Carried Forward
		Compensatory Education	English as a Second Language	Supplemental Instruction	Examination & Classification	
REVENUES						
Local Sources	332,607					332,607
State Sources	193,391	25,445	39,646	8,838	13,269	292,679
Federal Sources	-					-
Total Revenues	525,998	25,445	39,646	8,838	13,269	625,286
EXPENDITURES:						
Instruction:						
Salaries of Teachers	8,000					8,000
Purchased Professional - Educational Services	-					-
Other Purchased Services (400-500 series)	-					-
General Supplies	-					-
Textbooks	-					-
Other Objects	-					-
Total instruction	8,000	-	-	-	-	8,000
Support services:						
Salaries of Other Professional Staff	-					-
Personal Services - Employee Benefits	612					612
Purchased Professional - Educational Services	3,100	25,445	39,646	8,838	13,269	102,388
Travel	-					-
Other Purchased Services (400-500 series)	184,779					184,779
Supplies & Materials	-					-
Other Objects	-					-
Scholarships Awarded	7,250					7,250
Student Activities	258,183					258,183
Total support services	453,924	25,445	39,646	8,838	13,269	553,212
Total Expenditures	461,924	25,445	39,646	8,838	13,269	561,212
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)						
	64,074	-	-	-	-	64,074
Fund Balance, July 1	210,503					210,503
Fund Balance, June 30	274,577	-	-	-	-	274,577

**FORT LEE BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2024**

	<b>Total Brought Forward (Ex. E-1f)</b>	<b>FY23 SDA Emergent Needs and Capital Maintenance</b>	<b>FY24 SDA Emergent Needs and Capital Maintenance</b>	<b>Teachers STEM Grant</b>	<b>Local Programs</b>	<b>Scholarship Awards</b>	<b>Total Carried Forward</b>
<b>REVENUES</b>							
Local Sources	321,065				3,100	8,442	332,607
State Sources	-	97,928	86,851	8,612			193,391
Federal Sources	-						-
<b>Total Revenues</b>	<b>321,065</b>	<b>97,928</b>	<b>86,851</b>	<b>8,612</b>	<b>3,100</b>	<b>8,442</b>	<b>525,998</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	-			8,000			8,000
Purchased Professional - Educational Services	-						-
Other Purchased Services (400-500 series)	-						-
General Supplies	-						-
Textbooks	-						-
Other Objects	-						-
<b>Total instruction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,000</b>	<b>-</b>	<b>-</b>	<b>8,000</b>
<b>Support services:</b>							
Salaries of Other Professional Staff	-						-
Personal Services - Employee Benefits	-			612			612
Purchased Professional - Educational Services	-				3,100		3,100
Travel	-						-
Other Purchased Services (400-500 series)	-	97,928	86,851				184,779
Supplies & Materials	-						-
Other Objects	-						-
Scholarships Awarded	-					7,250	7,250
Student Activities	258,183						258,183
<b>Total support services</b>	<b>258,183</b>	<b>97,928</b>	<b>86,851</b>	<b>612</b>	<b>3,100</b>	<b>7,250</b>	<b>453,924</b>
<b>Total Expenditures</b>	<b>258,183</b>	<b>97,928</b>	<b>86,851</b>	<b>8,612</b>	<b>3,100</b>	<b>7,250</b>	<b>461,924</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
<b>Expenditures and Other Financing Sources (Uses)</b>							
Fund Balance, July 1	62,882	-	-	-	-	1,192	64,074
	178,882					31,621	210,503
Fund Balance, June 30	241,764	-	-	-	-	32,813	274,577

**FORT LEE BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2024**

	<b>Total Brought Forward (Ex. E-1g)</b>	<b>School No. 1 Student Activity Fund</b>	<b>School No. 2 Student Activity Fund</b>	<b>School No. 3 Student Activity Fund</b>	<b>School No. 4 Student Activity Fund</b>	<b>Middle School Student Activity Fund</b>	<b>Total Carried Forward</b>
<b>REVENUES</b>							
Local Sources	259,389	6,719	4,336	1,339	11,191	38,091	321,065
State Sources	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>259,389</b>	<b>6,719</b>	<b>4,336</b>	<b>1,339</b>	<b>11,191</b>	<b>38,091</b>	<b>321,065</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	-	-	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-	-	-
General Supplies	-	-	-	-	-	-	-
Textbooks	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-
<b>Total instruction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Support services:</b>							
Salaries of Other Professional Staff	-	-	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-	-	-
Supplies & Materials	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-	-
	201,615	6,517	4,222	1,535	10,865	33,429	258,183
<b>Total support services</b>	<b>201,615</b>	<b>6,517</b>	<b>4,222</b>	<b>1,535</b>	<b>10,865</b>	<b>33,429</b>	<b>258,183</b>
<b>Total Expenditures</b>	<b>201,615</b>	<b>6,517</b>	<b>4,222</b>	<b>1,535</b>	<b>10,865</b>	<b>33,429</b>	<b>258,183</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>							
	57,774	202	114	(196)	326	4,662	62,882
Fund Balance, July 1	149,858	3,962	1,647	1,000	7,550	14,865	178,882
Fund Balance, June 30	207,632	4,164	1,761	804	7,876	19,527	241,764



**FORT LEE BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2024**

	Intermediate School Student Activity Fund	High School Student Activity Fund	Athletic Dept. Student Activity Fund	Total Carried Forward
<b>REVENUES</b>				
Local Sources	10,407	162,125	86,857	259,389
State Sources	-	-	-	-
Federal Sources	-	-	-	-
<b>Total Revenues</b>	<b>10,407</b>	<b>162,125</b>	<b>86,857</b>	<b>259,389</b>
<b>EXPENDITURES:</b>				
<b>Instruction:</b>				
Salaries of Teachers	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-
General Supplies	-	-	-	-
Textbooks	-	-	-	-
Other Objects	-	-	-	-
<b>Total instruction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Support services:</b>				
Salaries of Other Professional Staff	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-
Travel	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-
Supplies & Materials	-	-	-	-
Other Objects	-	-	-	-
Scholarships Awarded	-	-	-	-
Student Activities	3,045	144,661	53,909	201,615
<b>Total support services</b>	<b>3,045</b>	<b>144,661</b>	<b>53,909</b>	<b>201,615</b>
<b>Total Expenditures</b>	<b>3,045</b>	<b>144,661</b>	<b>53,909</b>	<b>201,615</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>7,362</b>	<b>17,464</b>	<b>32,948</b>	<b>57,774</b>
Fund Balance, July 1	19,782	131,966	(1,890)	149,858
Fund Balance, June 30	27,144	149,430	31,058	207,632

**CAPITAL PROJECTS FUND**

**FORT LEE BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Summary Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance-Budgetary Basis**  
**Fiscal Year Ended June 30, 2024**

**Revenues and Other Financing Sources**

State Sources - SCC Grant	567,000
Bond proceeds and transfers	-
Capital lease proceeds and transfers	-
Transfers from Capital Reserve	1,019,260
Transfers from Capital Outlay	-
Interest on Investments	135,876
	<hr/>
	1,722,136
	<hr/>

**Expenditures and Other Financing Uses**

Purchased professional and technical services	96,760
Land and improvements	-
Construction services	1,868,899
Equipment purchases	-
	<hr/>
Total expenditures	1,965,659
	<hr/>

Excess (deficiency) of revenues over (under) expenditures (243,523)

**Other Finance Sources (Uses)**

Transfers out:	
General Fund	(135,876)
	<hr/>
Total other financing sources (uses)	(135,876)
	<hr/>

Net change in fund balance (379,399)

Fund balance - beginning 2,558,101

Fund balance - ending 2,178,702

**FORT LEE BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Lewis F. Cole Middle School Additions**  
**Fiscal Year Ended June 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant			-	
Bond proceeds and transfers	37,255,566		37,255,566	37,255,566
Capital lease proceeds and transfers			-	-
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>37,255,566</u>	<u>-</u>	<u>37,255,566</u>	<u>37,255,566</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	3,566,753	17,000	3,583,753	4,194,780
Land and improvements			-	
Construction services	29,555,103	1,850,000	31,405,103	31,454,659
Equipment purchases	1,604,523		1,604,523	1,606,127
	<u>34,726,379</u>	<u>1,867,000</u>	<u>36,593,379</u>	<u>37,255,566</u>
<b>Other Finance Sources (Uses)</b>				
Transfers out			-	
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,529,187</u>	<u>(1,867,000)</u>	<u>662,187</u>	<u>-</u>

**Additional project information:**

Project number	1550-050-15-1000
Grant Date	11/18/2014
Bond authorization date	N/A
Bonds authorized	N/A
Bonds issued	N/A
Original authorization cost	37,175,000
Additional authorized cost	80,566
Revised authorized cost	37,255,566
Percentage increase over original authorized cost	0.22%
Percentage completion	98.22%
Original target completion date	12/31/2016
Revised target completion date	6/30/2025

**FORT LEE BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**School No. 2 Additions**  
**Fiscal Year Ended June 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant			-	
Bond proceeds and transfers	10,970,000		10,970,000	10,970,000
Capital lease proceeds and transfers			-	-
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>10,970,000</u>	<u>-</u>	<u>10,970,000</u>	<u>10,970,000</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	1,118,816		1,118,816	1,118,816
Land and improvements			-	-
Construction services	9,832,285	18,899	9,851,184	9,851,184
Equipment purchases			-	-
	<u>10,951,101</u>	<u>18,899</u>	<u>10,970,000</u>	<u>10,970,000</u>
<b>Other Finance Sources (Uses)</b>				
Transfers in			-	
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>18,899</u>	<u>(18,899)</u>	<u>-</u>	<u>-</u>

**Additional project information:**

Project number	1550-100-14-1000
Grant Date	8/8/2014
Bond authorization date	N/A
Bonds authorized	N/A
Bonds issued	N/A
Original authorization cost	10,970,000
Additional authorized cost	
Revised authorized cost	10,970,000
Percentage increase over original authorized cost	0.00%
Percentage completion	100.00%
Original target completion date	11/30/2015
Revised target completion date	6/30/2024

**FORT LEE BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Energy Savings Investment Plan**  
**Fiscal Year Ended June 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant			-	
Bond proceeds and transfers			-	
Capital lease proceeds and transfers	5,571,444		5,571,444	5,571,444
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>5,571,444</u>	<u>-</u>	<u>5,571,444</u>	<u>5,571,444</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services			-	
Land and improvements			-	-
Construction services	5,569,798		5,569,798	5,571,444
Equipment purchases			-	-
	<u>5,569,798</u>	<u>-</u>	<u>5,569,798</u>	<u>5,571,444</u>
<b>Other Finance Sources (Uses)</b>				
Transfers out			-	
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,646</u>	<u>-</u>	<u>1,646</u>	<u>-</u>

**Additional project information:**

Project number	N/A
Grant Date	4/16/2015
Bond authorization date	N/A
Bonds authorized	N/A
Bonds issued	N/A
Original authorization cost	5,571,444
Additional authorized cost	
Revised authorized cost	5,571,444
Percentage increase over original authorized cost	0%
Percentage completion	99.97%
Original target completion date	9/1/2018
Revised target completion date	Complete

**FORT LEE BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**High School Masonry Project**  
**Fiscal Year Ended June 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	Revised Authorized <u>Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant			-	-
Bond proceeds and transfers	377,394		377,394	377,394
Capital lease proceeds and transfers			-	-
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>377,394</u>	<u>-</u>	<u>377,394</u>	<u>377,394</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	29,500		29,500	29,500
Land and improvements			-	-
Construction services	339,525		339,525	347,894
Equipment purchases			-	-
	<u>369,025</u>	<u>-</u>	<u>369,025</u>	<u>377,394</u>
<b>Other Finance Sources (Uses)</b>				
Transfers out			-	
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,369</u>	<u>-</u>	<u>8,369</u>	<u>-</u>

**Additional project information:**

Project number	1550-050-10-1002
Grant Date	9/28/2010
Bond authorization date	N/A
Bonds authorized	N/A
Bonds issued	N/A
Original authorization cost	796,077
Additional authorized cost	(418,683)
Revised authorized cost	377,394
Percentage increase over original authorized cost	-52.59%
Percentage completion	97.78%
Original target completion date	6/30/2021
Revised target completion date	Complete

**FORT LEE BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Middle School HVAC Upgrades Project**  
**Fiscal Year Ended June 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant		567,000	567,000	567,000
Bond proceeds and transfers			-	-
Capital lease proceeds and transfers			-	-
Transfers from Capital Reserve		1,019,260	1,019,260	1,019,260
Transfers from Capital Outlay			-	-
	<u>-</u>	<u>1,586,260</u>	<u>1,586,260</u>	<u>1,586,260</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services		79,760	79,760	262,500
Land and improvements			-	-
Construction services			-	1,323,760
Equipment purchases			-	-
	<u>-</u>	<u>79,760</u>	<u>79,760</u>	<u>1,586,260</u>
<b>Other Finance Sources (Uses)</b>				
Transfers out			-	
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>1,506,500</u>	<u>1,506,500</u>	<u>-</u>

**Additional project information:**

Project number	1550-100-23-R501
Grant Date	12/1/2023
Bond authorization date	N/A
Bonds authorized	N/A
Bonds issued	N/A
Original authorization cost	1,417,500
Additional authorized cost	168,760
Revised authorized cost	1,586,260
Percentage increase over original authorized cost	11.91%
Percentage completion	5.03%
Original target completion date	
Revised target completion date	



**FORT LEE BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Summary Statement of Project Expenditures**  
**Fiscal Year Ended June 30, 2024**

Project Title/Issue	Date	Appropriations	Expenditures to Date		Unexpended Balance June 30, 2024
			Prior Years	Current Year	
Lewis F. Cole Middle School Additions	2014-2022	37,255,566	34,726,379	1,867,000	662,187
School No. 2 Additions	2014-2022	10,970,000	10,951,101	18,899	-
Energy Savings Investment Plan	2015-2022	5,571,444	5,569,798	-	1,646
High School Masonry Project	2010-2022	377,394	369,025	-	8,369
Middle School HVAC Upgrade Project	2024-2025	1,586,260	-	79,760	1,506,500
		<u>55,760,664</u>	<u>51,616,303</u>	<u>1,965,659</u>	<u>2,178,702</u>

<b>PROPRIETARY FUNDS</b>
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**FORT LEE BOARD OF EDUCATION**  
**Combining Statement of Net Position**  
**Enterprise Funds**  
**Fiscal Year Ended June 30, 2024**

	<b>Food Service Program</b>	<b>Totals</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	998,124	998,124
Accounts receivable:		
State	6,169	6,169
Federal	140,181	140,181
Inventories	15,273	15,273
Total current assets	<u>1,159,747</u>	<u>1,159,747</u>
Noncurrent assets:		
Capital assets:		
Equipment	671,687	671,687
Less accumulated depreciation	<u>(528,258)</u>	<u>(528,258)</u>
Total capital assets (net of accumulated depreciation)	<u>143,429</u>	<u>143,429</u>
Total assets	<u>1,303,176</u>	<u>1,303,176</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	55,185	55,185
Deferred Revenue	72,204	72,204
Prepaid Revenue	78,553	78,553
Total Liabilities	<u>205,942</u>	<u>205,942</u>
<b>NET POSITION</b>		
Net investment in capital assets	143,429	143,429
Unrestricted	953,805	953,805
Total net position	<u><u>1,097,234</u></u>	<u><u>1,097,234</u></u>

**FORT LEE BOARD OF EDUCATION**  
**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Enterprise Funds**  
**Fiscal Year Ended June 30, 2024**

	<b>Food Service Program</b>	<b>Totals</b>
Operating revenues:		
Charges for services:		
Daily sales - reimbursable programs	1,369,869	1,369,869
Daily sales - other	17,194	17,194
Total operating revenues	<u>1,387,063</u>	<u>1,387,063</u>
Operating expenses:		
Cost of food - reimbursable programs	676,666	676,666
Cost of food - non-reimbursable programs	200,162	200,162
Salaries	706,558	706,558
Supplies and materials	59,888	59,888
Employee benefits	250,477	250,477
Depreciation	14,212	14,212
Repairs and other expenses	77,528	77,528
Purchased services	139,899	139,899
Total Operating Expenses	<u>2,125,390</u>	<u>2,125,390</u>
Operating income (loss)	<u>(738,327)</u>	<u>(738,327)</u>
Nonoperating revenues (expenses):		
State sources:		
State school lunch program	24,978	24,978
State school lunch program - NJEIE	8,620	8,620
State school breakfast program	529	529
State school breakfast program - NJEIE	369	369
Federal sources:		
National school lunch program	410,345	410,345
National school breakfast program	25,173	25,173
Supply Chain Assistance Funding	120,098	120,098
Local Food for School Cooperative Agreement Program	7,439	7,439
P-EBT Administration	653	653
School Equipment Grant	48,503	48,503
U.S.D.A. Commodities	132,957	132,957
Miscellaneous	50,367	50,367
Total nonoperating revenues (expenses)	<u>830,031</u>	<u>830,031</u>
Income (loss) before contributions & transfers	<u>91,704</u>	<u>91,704</u>
Total net position—beginning	<u>1,005,530</u>	<u>1,005,530</u>
Total net position—ending	<u><u>1,097,234</u></u>	<u><u>1,097,234</u></u>

**FORT LEE BOARD OF EDUCATION**  
**Combining Statement of Cash Flows**  
**Enterprise Funds**  
**Fiscal Year Ended June 30, 2024**

	<b>Food Service Program</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	1,394,795	1,394,795
Payments to suppliers	(1,928,172)	(1,928,172)
Net cash provided by (used for) operating activities	(533,377)	(533,377)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State Sources	32,816	32,816
Federal Sources	548,179	548,179
Net cash provided by (used for) non-capital financing activities	580,995	580,995
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of capital assets	(67,274)	(67,274)
Net cash used for capital and related financing activities	(67,274)	(67,274)
<b>CASH FLOWS FROM INVESTMENT AND RELATED FINANCING ACTIVITIES</b>		
Interest on investments	50,367	50,367
Net cash provided by (used for) investment and related financing activities	50,367	50,367
Net increase (decrease) in cash and cash equivalents	30,711	30,711
Balances—beginning of year	967,413	967,413
Balances—end of year	998,124	998,124
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>		
Operating income (loss)	(738,327)	(738,327)
Adjustments to reconcile operating income (loss) to net cash provided by		
Depreciation and net amortization	14,212	14,212
Food distribution program	132,957	132,957
(Increase) decrease in inventories	(984)	(984)
Increase (decrease) in prepaid revenue	8,799	8,799
Increase (decrease) in accounts payable	49,966	49,966
Total adjustments	204,950	204,950
Net cash provided by (used for) operating activities	(533,377)	(533,377)

<b>LONG-TERM DEBT</b>
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**FORT LEE BOARD OF EDUCATION**  
**General Long-Term Debt Account Group**  
**Schedule of Serial Bonds**  
**Fiscal Year Ended June 30, 2024**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2023</u>	<u>Retired</u>	<u>Balance, June 30, 2024</u>
			<u>Date</u>	<u>Amount</u>				
General Serial Bonds	April 7, 2015	49,840,000	3/15/2025	1,700,000	3.000	39,370,000	1,650,000	37,720,000
			3/15/2026	1,755,000	3.000			
			3/15/2027	1,810,000	3.000			
			3/15/2028	1,870,000	3.000			
			3/15/2029	1,930,000	3.125			
			3/15/2030	1,990,000	3.250			
			3/15/2031	2,055,000	3.250			
			3/15/2032	2,125,000	3.250			
			3/15/2033	2,195,000	3.250			
			3/15/2034	2,270,000	3.250			
			3/15/2035	2,345,000	3.500			
			3/15/2036	2,435,000	3.500			
			3/15/2037	2,510,000	3.500			
			3/15/2038	2,580,000	3.500			
			3/15/2039	2,650,000	3.500			
			3/15/2040	2,720,000	3.500			
			3/15/2041	2,780,000	3.500			
General Refunding Bonds	October 22, 2020	11,285,000	12/1/2024	1,130,000	1.020	10,635,000	1,120,000	9,515,000
			12/1/2025	1,140,000	1.170			
			12/1/2026	1,160,000	1.418			
			12/1/2027	1,175,000	1.568			
			12/1/2028	1,195,000	1.834			
			12/1/2029	1,220,000	1.934			
			12/1/2030	1,240,000	2.034			
			12/1/2031	1,255,000	2.134			
						<u>\$ 50,005,000</u>	<u>2,770,000</u>	<u>47,235,000</u>

**FORT LEE BOARD OF EDUCATION**  
**General Long-Term Debt Account Group**  
**Schedule of Obligations Under Lease-Purchase Agreements**  
**Fiscal Year Ended June 30, 2024**

Issue	Date of Lease	Amount of Lease	Principal Payment		Interest Rate	Balance, June 30, 2023	Retired	Balance, June 30, 2024
			Date	Amount				
Energy Savings Investment Plan	April 16, 2015	5,571,444	10/16/24	185,337	2.495 %	3,473,118	352,324	3,120,794
			4/16/25	187,746	2.495 %			
			10/16/25	196,062	2.495 %			
			4/16/26	198,611	2.495 %			
			10/16/26	207,212	2.495 %			
			4/16/27	209,906	2.495 %			
			10/16/27	218,807	2.495 %			
			4/16/28	221,652	2.495 %			
			10/16/28	230,858	2.495 %			
			4/16/29	233,860	2.495 %			
			10/16/29	243,382	2.495 %			
			4/16/30	246,546	2.495 %			
			10/16/30	256,396	2.495 %			
			4/16/31	284,419	2.495 %			
						\$ 3,473,118	352,324	3,120,794



**FORT LEE BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**Debt Service Fund**  
**Fiscal Year Ended June 30, 2024**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	3,810,376		3,810,376	3,810,376	-
Total - Local Sources	3,810,376	-	3,810,376	3,810,376	-
State Sources:					
Debt Service Aid Type II	411,095		411,095	411,095	-
Total - State Sources	411,095	-	411,095	411,095	-
<b>Total Revenues</b>	<b>4,221,471</b>	<b>-</b>	<b>4,221,471</b>	<b>4,221,471</b>	<b>-</b>
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	1,451,471		1,451,471	1,451,471	-
Redemption of Principal	2,770,000		2,770,000	2,770,000	-
Total Regular Debt Service	4,221,471	-	4,221,471	4,221,471	-
<b>Total expenditures</b>	<b>4,221,471</b>	<b>-</b>	<b>4,221,471</b>	<b>4,221,471</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	-	-	-	-	-
<b>Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures</b>					
Budgeted Fund Balance					-
Total	-	-	-	-	-

## STATISTICAL SECTION

## **STATISTICAL SECTION (UNAUDITED)**

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## STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

### J SERIES

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<b>Debt Capacity</b> 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.	<b>J-10 to J-13</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	<b>J-14 to J-15</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	<b>J-16 to J-20</b>
<b>Sources:</b> Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports (ACFR) for the relevant year.	

**Fort Lee Board of Education**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2015	2016	2017	2018	2019	2020	2021	Restated 2022	2023	2024
<b>Governmental activities</b>										
Net investment in capital assets	\$ (36,171,048)	\$ (20,540,534)	\$ 25,416,260	\$ 26,864,312	\$ 28,048,044	\$ 30,046,236	\$ 31,660,241	\$ 34,040,330	\$ 40,619,996	\$ 46,711,474
Restricted	56,001,477	48,185,275	2,725,371	4,694,988	8,983,541	12,740,310	17,235,867	24,868,603	24,234,043	23,507,244
Unrestricted	(17,662,594)	(17,662,594)	(17,195,519)	(18,660,217)	(18,642,233)	(18,604,745)	(14,882,121)	(15,957,040)	(16,432,382)	(14,166,844)
Total governmental activities net assets	\$ 2,167,835	\$ 9,982,147	\$ 10,946,112	\$ 12,899,083	\$ 18,389,352	\$ 24,181,801	\$ 34,013,987	\$ 42,951,893	\$ 48,421,657	\$ 56,051,874
<b>Business-type activities</b>										
Net investment in capital assets	\$ 96,328	\$ 74,036	\$ 103,163	\$ 94,533	\$ 119,290	\$ 100,521	\$ 91,101	\$ 104,515	\$ 90,367	\$ 143,429
Restricted	271,531	281,090	244,016	289,007	272,089	293,992	450,686	889,792	915,163	953,805
Unrestricted	\$ 367,859	\$ 355,126	\$ 347,179	\$ 383,540	\$ 391,379	\$ 394,513	\$ 541,787	\$ 994,307	\$ 1,005,530	\$ 1,097,234
Total business-type activities net assets										
<b>District-wide</b>										
Net investment in capital assets	\$ (36,074,720)	\$ (20,466,498)	\$ 25,519,423	\$ 26,958,845	\$ 28,167,334	\$ 30,146,757	\$ 31,751,342	\$ 34,144,845	\$ 40,710,363	\$ 46,854,903
Restricted	56,001,477	48,185,275	2,725,371	4,694,988	8,983,541	12,740,310	17,235,867	24,868,603	24,234,043	23,507,244
Unrestricted	(17,391,063)	(17,381,504)	(16,951,503)	(18,371,210)	(18,370,144)	(18,310,753)	(14,431,435)	(15,067,248)	(15,517,219)	(13,213,039)
Total district net assets	\$ 2,535,694	\$ 10,337,273	\$ 11,293,291	\$ 13,282,623	\$ 18,780,731	\$ 24,576,314	\$ 34,555,774	\$ 43,946,200	\$ 49,427,187	\$ 57,149,108

Source: ACFR Exhibit A-1

**Fort Lee Board of Education**  
**Changes in Net Position, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year Ending June 30,						2024
	2015	2016	2017	2018	2019	2020	
<b>Expenses</b>							
Governmental activities							
Instruction							
Regular	\$ 27,939,247	\$ 29,142,296	\$ 34,384,526	\$ 36,219,517	\$ 40,998,249	\$ 39,811,506	\$ 23,993,331
Special education	5,285,671	5,374,541	5,679,607	5,982,709	5,628,334	5,341,076	10,082,253
Other special education	3,111,092	3,239,151	3,548,091	3,737,441	1,937,762	2,041,012	2,360,085
Other instruction	1,434,806	1,250,195	1,845,567	1,944,059	1,103,144	1,101,443	1,550,482
Support Services:							
Tuition	3,792,977	4,023,439	7,296,752	7,686,157	3,371,699	4,043,017	3,986,472
Student & instruction related services	10,175,398	10,270,186	14,039,500	14,559,684	13,739,508	14,354,878	12,456,039
General administrative services	1,685,546	2,410,848	1,762,518	1,602,661	1,526,616	1,583,742	1,783,377
School administrative services	3,361,029	2,220,269	4,405,878	4,804,413	4,298,495	4,490,894	4,992,370
Central services and administrative							
information technology	1,167,626	1,139,101	1,752,401	1,926,128	1,835,821	1,892,306	2,003,241
Plant operations and maintenance	5,624,082	5,823,146	6,096,392	6,590,175	7,046,530	7,303,228	5,716,418
Pupil transportation	1,711,881	1,874,599	2,339,145	2,366,263	2,643,184	2,387,168	2,274,136
Unallocated Benefits	5,883,397	-	-	-	-	-	-
Charter Schools	9,686	9,963	9,965	-	-	-	64,632
Interest on long-term debt	868,913	2,492,004	2,982,464	1,989,370	1,958,373	1,877,315	1,536,182
Unallocated depreciation	976,850	982,981	-	-	-	-	1,819,056
Amortization & Capital Lease Obligations	(198,000)	(198,000)	-	-	-	-	155,489
Capital Outlay - nondepreciable	5,588,979	567,534	-	-	-	-	1,998,295
Total governmental activities expenses	78,419,180	70,622,253	86,142,806	89,408,577	86,087,715	86,227,585	92,469,307
Business-type activities:							
Food service	1,406,042	1,417,898	1,531,726	1,516,498	1,591,821	1,304,271	857,620
Latchkey program	-	-	-	-	-	-	-
Total business-type activities expense	1,406,042	1,417,898	1,531,726	1,516,498	1,591,821	1,304,271	857,620
Total district expenses	\$ 79,825,222	\$ 72,040,151	\$ 87,674,532	\$ 90,925,075	\$ 87,679,536	\$ 87,531,856	\$ 93,326,927
							\$ 95,704,008
							\$ 96,786,845
<b>Program Revenues</b>							
Governmental activities:							
Charges for services:							
Special schools	-	-	83,500	30,211	79,028	182,684	372,318
Operating grants and contributions	1,451,934	8,309,105	1,836,568	1,617,534	1,774,484	1,294,288	2,526,002
Total governmental activities program revenues	1,451,934	8,309,105	1,920,068	1,647,745	1,853,512	1,476,972	2,898,320
							4,757,250
							316,342
							3,950,455
							22,361,602
							22,682,667

**Fort Lee Board of Education**  
**Changes in Net Position, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2015	2016	2017	2018	2019	Fiscal Year Ending June 30, 2020	2021	2022	2023	2024
<b>Business-type activities:</b>										
Charges for services:										
Food service	915,764	964,952	1,039,150	1,107,404	1,323,740	906,116	36,750	172,469	1,256,964	1,387,063
Latchkey program										
Operating grants and contributions	429,904	441,169	484,629	445,455	446,001	346,289	968,144	2,374,042	816,404	779,664
Total business type activities program revenues	1,345,668	1,406,121	1,523,779	1,552,859	1,769,741	1,252,405	1,004,894	2,546,511	2,073,368	2,166,727
Total district program revenues	\$ 2,797,602	\$ 9,715,226	\$ 3,443,847	\$ 3,200,604	\$ 3,623,253	\$ 2,729,377	\$ 3,903,214	\$ 7,303,761	\$ 6,340,165	\$ 24,849,394
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (76,967,246)	\$ (62,313,149)	\$ (84,222,738)	\$ (87,760,832)	\$ (84,234,203)	\$ (84,750,613)	\$ (89,570,987)	\$ (85,648,688)	\$ (89,290,353)	\$ (71,978,788)
Business-type activities	(60,374)	(12,777)	(7,947)	36,361	177,920	(51,866)	147,274	431,940	(73,490)	41,337
Total district-wide net expense	\$ (77,027,620)	\$ (62,325,926)	\$ (84,230,685)	\$ (87,724,471)	\$ (84,056,283)	\$ (84,802,479)	\$ (89,423,713)	\$ (85,216,748)	\$ (89,363,843)	\$ (71,937,451)
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 55,438,424	\$ 57,177,129	\$ 58,320,672	\$ 60,410,472	\$ 63,212,253	\$ 66,085,732	\$ 68,211,586	\$ 69,575,818	\$ 70,967,334	\$ 72,386,681
Taxes levied for debt service	1,268,945	2,848,661	4,451,067	3,212,481	3,716,281	3,697,351	3,863,731	3,804,061	3,734,689	3,810,376
Unrestricted grants and contributions	16,611,285	3,098,392	22,867,357	25,256,462	21,634,355	19,684,293	26,454,791	20,490,373	17,936,021	17,936,021
Federal and State aid - Capital Outlay								107,455	1,984	
Payments in lieu of taxes to school district								383,000	383,000	383,000
Cancellation Capital Outlay to Capital Reserve									565,813	
Tuition	43,650				170,081	(55,000)		364,534		1,047,836
Investment earnings	62,974		163,090	273,161	536,989	108,159	2,921			
Miscellaneous income	361,823	204,628	611,723	561,227	454,513	616,063	870,144	259,691	1,165,012	1,966,207
Other Restricted Miscellaneous Revenue								419	6,264	14,905
Total governmental activities	73,787,101	63,328,810	86,413,909	89,713,803	89,724,472	90,136,598	99,403,173	94,985,351	94,760,117	79,609,005
<b>Business-type activities:</b>										
Investment earnings	1,800	-	-	-	-	-	-	681	20,215	50,367
Miscellaneous									64,498	
Transfers	-	-	-	-	(170,081)	55,000	-	-	-	-
Total business-type activities	1,800	-	-	-	(170,081)	55,000	-	681	84,713	50,367
<b>Total district-wide</b>	\$ 73,788,901	\$ 63,328,810	\$ 86,413,909	\$ 89,713,803	\$ 89,554,391	\$ 90,191,598	\$ 99,403,173	\$ 94,986,032	\$ 94,844,830	\$ 79,659,372
<b>Change in net assets</b>										
Governmental activities	\$ (3,180,145)	\$ 1,015,661	\$ 2,191,171	\$ 1,952,971	\$ 5,490,269	\$ 5,385,985	\$ 9,832,186	\$ 9,336,663	\$ 5,469,764	\$ 7,630,217
Business-type activities	(58,574)	(12,777)	(7,947)	36,361	7,839	3,134	147,274	432,621	11,223	91,704
<b>Total district</b>	\$ (3,238,719)	\$ 1,002,884	\$ 2,183,224	\$ 1,989,332	\$ 5,498,108	\$ 5,389,119	\$ 9,979,460	\$ 9,769,284	\$ 5,480,987	\$ 7,721,921

Source: ACFR Exhibit A-2

**Fort Lee Board of Education**  
**Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>General Fund</b>										
Restricted	2,293,993	3,005,256	2,725,371	4,694,988	8,983,541	12,740,310	17,072,036	19,357,537	16,511,016	19,789,219
Assigned	1,227,188	724,215	843,983	306,173	153,591	286,598	1,555,757	2,689,681	4,954,423	1,264,746
Unassigned	1,110,988	1,622,965	1,564,525	1,322,749	1,584,136	1,822,252	3,542,306	3,981,187	2,410,302	2,306,917
<b>Total general fund</b>	<b>\$ 4,632,169</b>	<b>\$ 5,352,436</b>	<b>\$ 5,133,879</b>	<b>\$ 6,323,910</b>	<b>\$ 10,721,268</b>	<b>\$ 14,849,160</b>	<b>\$ 22,170,099</b>	<b>\$ 26,028,405</b>	<b>\$ 23,875,741</b>	<b>\$ 23,360,882</b>
<b>All Other Governmental Funds</b>										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue fund						155,146	163,831	169,125	210,503	274,577
Capital projects fund	52,416,142	44,381,239	26,833,319	19,725,414	8,143,095	3,156,456	2,815,743	2,584,876	2,558,101	2,178,702
Debt service fund	64,154	74,565	309,314	296,696	148,348	3	67,385	67,384		
<b>Total all other governmental funds</b>	<b>\$ 52,480,296</b>	<b>\$ 44,455,804</b>	<b>\$ 27,142,633</b>	<b>\$ 20,022,110</b>	<b>\$ 8,291,443</b>	<b>\$ 3,311,605</b>	<b>\$ 3,046,959</b>	<b>\$ 2,821,385</b>	<b>\$ 2,768,604</b>	<b>\$ 2,453,279</b>

Source: ACFR Exhibit B-1



**Fort Lee Board of Education**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenues</b>										
Tax levy	\$ 56,707,369	\$ 60,025,790	\$ 62,771,739	\$ 63,622,953	\$ 66,928,534	\$ 69,783,083	\$ 72,075,317	\$ 73,379,879	\$ 74,702,023	\$ 76,197,057
Interest- capital reserve funds	62,974							11,558	69,568	266,930
Interest earnings	3,777		163,090	273,161	536,989	108,159	524,000	383,000	383,000	383,000
Revenue in lieu of Taxes					245,414	471,000		15,228	84,828	47,005
Transportation								364,534	565,813	1,047,836
Tuition	43,650		24,400	30,211	79,028	182,684	223,487	479,930	1,342,245	1,984,879
Miscellaneous	360,945	204,628	680,820	606,764	237,800	154,983	412,354	419	6,264	14,905
Restricted Miscellaneous Revenue										
State sources	10,846,091	9,707,246	10,809,055	13,096,389	14,660,776	14,891,674	18,452,519	22,877,930	24,185,933	26,633,283
Federal sources	1,347,667	1,700,251	1,710,710	1,477,211	1,644,467	1,208,398	2,417,543	4,333,115	3,762,371	3,351,104
Total revenue	69,372,473	71,637,915	76,159,814	79,106,689	84,333,008	86,799,981	94,105,220	101,845,593	105,102,045	109,925,999
<b>Expenditures</b>										
Instruction										
Regular Instruction	19,593,114	19,544,412	21,080,406	20,007,121	20,196,377	20,577,992	21,800,944	21,039,523	22,066,163	23,810,087
Special education instruction	3,986,239	4,173,970	3,259,281	5,056,345	5,628,334	5,341,076	5,962,512	9,514,593	9,420,055	9,047,672
Other special instruction	2,136,879	2,099,811	2,036,096	1,993,417	1,937,762	2,041,012	2,119,718	2,119,108	2,152,157	2,134,878
Other instruction	1,067,469	1,034,701	1,059,091	1,048,649	1,103,144	1,101,443	1,011,818	1,288,469	1,461,316	1,461,607
Support Services:										
Tuition	3,792,977	4,023,439	4,187,291	4,046,180	3,371,699	4,043,017	3,654,956	3,335,640	3,986,472	3,887,381
Student and instruction related services	7,588,933	8,199,510	8,671,518	8,727,074	8,698,201	9,365,312	9,606,991	11,344,094	12,042,564	12,822,701
General administrative services	1,440,703	2,262,267	2,410,533	2,604,814	2,445,666	1,182,906	1,529,980	1,677,617	1,731,079	1,587,910
School administrative services	2,324,603	1,186,578	1,232,195	1,106,993	1,101,290	2,749,786	2,873,720	3,083,620	2,960,487	3,005,573
Central services and administrative information technology services	856,281	934,015	1,022,459	1,098,003	1,687,543	1,951,966	1,884,832	1,277,626	1,260,365	1,226,151
Plant operations and maintenance	4,947,119	5,303,185	5,125,198	5,166,467	5,127,617	5,357,651	5,601,964	6,360,967	6,226,123	6,470,818
Pupil transportation	1,633,541	1,794,303	2,042,810	1,994,279	2,270,045	2,006,964	1,871,959	2,599,700	3,693,143	3,930,808
Unallocated benefits	15,686,156	16,535,480	17,665,627	19,914,977	21,760,705	21,403,860	23,897,699	10,976,928	12,077,189	13,273,495
On-behalf contributions								15,860,850	16,799,889	17,893,701
Capital outlay	20,879,515	10,088,584	23,674,224	7,981,975	12,233,627	6,625,296	1,025,880	3,517,760	7,153,688	5,779,960
Debt service:										
Principal										
Interest and other charges	665,000	685,000	2,270,000	2,120,000	2,175,000	2,230,000	2,578,612	2,600,000	2,685,000	2,907,680
Transfer to charter school	680,575	2,165,869	2,243,013	2,170,887	2,099,388	2,025,112	1,722,342	1,614,366	1,527,168	1,474,591
Total expenditures	87,288,790	80,041,087	97,989,707	85,037,181	91,836,398	88,003,393	87,143,927	98,212,861	107,307,490	110,756,183
Excess (Deficiency) of revenues over (under) expenditures	(17,916,317)	(8,403,172)	(21,829,893)	(5,930,492)	(7,503,390)	(1,203,412)	6,961,293	3,632,732	(2,205,445)	(830,184)

**Fort Lee Board of Education**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Other Financing sources (uses)</b>										
Capital leases (non-budgeted)	5,571,444	550,000					11,285,000			
Bond proceeds	49,840,000	-					(36,112)			
Underwriter's Discount							(11,153,888)			
Payment to refunded debt escrow agent										
Cancellation of Capital Outlay to Capital Reserve										
Transfers in	61,946	12,618	163,090	273,161	707,070	108,159	2,356	5,529	126,523	1,155,136
Transfers out	(61,946)	(12,618)	(163,090)	(273,161)	(536,989)	(163,159)	(2,356)	(5,529)	(126,523)	(1,155,136)
Total other financing sources (uses)	55,411,444	550,000	-	-	170,081	(55,000)	95,000	-	-	-
Net change in fund balances	\$ 37,495,127	\$ (7,853,172)	\$ (21,829,893)	\$ (5,930,492)	\$ (7,333,309)	\$ (1,258,412)	\$ 7,056,293	\$ 3,632,732	\$ (2,205,445)	\$ (830,184)
Debt service as a percentage of noncapital expenditures	2.0%	4.1%	6.1%	5.6%	5.4%	5.2%	5.0%	4.5%	4.2%	4.2%

Source: ACFR Exhibit B-2

Central Service and Administrative Information Technology services account classifications were added beginning with year end June 30, 2005. Prior to June 30, 2005, Central Services and Administrative Information Technology Services were combined in Other Support Services as Business and Other Support Services.

**Fort Lee Board of Education**  
**General Fund Other Local Revenue by Source**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>General Fund:</b>										
Interest on investments	\$ 3,777	\$ 4,057	\$ 5,154	\$ 66,173	\$ 82,760	\$ -	\$ 45,211	\$ 28,019	\$ 431,490	\$ 1,036,529
Summer school tuition and fees	43,650	38,500	-	-	-	-	-	-	-	-
Rentals	-	-	19,000	45,260	50,705	-	-	59,750	48,174	79,504
Donations	200	8,383	-	-	-	-	-	-	-	-
Transportation	-	-	-	3,497	457	-	-	15,228	84,828	47,005
Cancellation of prior year void checks	5,319	-	-	-	-	-	-	-	-	-
Tuition	-	-	-	-	-	-	-	-	-	-
Refund of prior year's expenditures	-	-	204,060	119,576	-	-	46,497	364,534	565,813	1,047,836
Miscellaneous-restricted	-	-	-	-	-	-	-	-	-	36,477
Reimbursement of custodial	264,722	-	-	-	-	-	-	-	-	-
Athletic receipts	3,623	3,135	4,622	4,617	3,473	-	-	-	6,264	14,905
Other	4,691	-	-	-	-	-	-	419	-	250
Book fines	1,108	-	-	-	-	-	-	198	-	-
Miscellaneous-unrestricted	78,383	137,935	82,192	322,104	20,999	83,677	152,936	139,409	404,429	499,512
Total Miscellaneous	\$ 405,473	\$ 192,010	\$ 315,028	\$ 561,227	\$ 158,394	\$ 83,677	\$ 244,644	\$ 607,557	\$ 1,540,998	\$ 2,762,018
Interest on capital reserve funds	1,028	-	-	-	-	-	-	11,558	69,568	131,054
Total General Fund	\$ 406,501	\$ 192,010	\$ 315,028	\$ 561,227	\$ 158,394	\$ 83,677	\$ 244,644	\$ 619,115	\$ 1,610,566	\$ 2,893,072

**Fort Lee Board of Education  
Assessed Value and Actual Value of Taxable Property  
Last Ten Years  
Unaudited**

Fiscal Year Ended Dec. 31,	Vacant Land	Residential	Farm Reg.	Qfarm	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)	% of Net Assessed to Estimated Full Cash Valuations
2015	\$ 134,175,700	\$ 3,608,370,300			\$ 842,175,900	\$ 10,535,200	\$ 1,553,522,520	\$ 6,148,779,620	\$ 7,128,641	\$ 6,155,908,261	0.948	\$ 6,681,878,354	92.13%
2016	\$ 136,727,900	\$ 3,757,896,600			\$ 828,681,100	\$ 7,383,200	\$ 1,526,461,920	\$ 6,257,150,720	\$ 7,663,788	\$ 6,264,814,508	0.981	\$ 6,452,355,023	97.09%
2017	\$ 118,728,600	\$ 3,791,428,000			\$ 851,244,800	\$ 7,383,200	\$ 1,634,453,120	\$ 6,403,237,720	\$ 8,563,088	\$ 6,411,602,808	0.986	\$ 6,595,156,782	97.22%
2018	\$ 115,870,700	\$ 3,842,525,600			\$ 920,629,000	\$ 7,383,200	\$ 1,626,704,120	\$ 6,513,111,620	\$ 8,260,598	\$ 6,521,373,218	1.001	\$ 6,697,976,779	97.36%
2019	\$ 107,446,400	\$ 3,879,365,100			\$ 937,132,800	\$ 7,383,200	\$ 1,632,377,120	\$ 6,563,704,620	\$ 7,980,769	\$ 6,571,685,389	1.041	\$ 7,284,815,159	90.21%
2020	\$ 100,373,300	\$ 3,915,229,600			\$ 950,132,900	\$ 7,383,200	\$ 1,640,622,850	\$ 6,613,741,850	\$ 7,927,515	\$ 6,621,669,365	1.072	\$ 7,347,718,920	90.12%
2021	\$ 101,867,000	\$ 3,952,560,700			\$ 943,912,000	\$ 6,921,500	\$ 1,665,707,480	\$ 6,670,968,680	\$ 8,586,503	\$ 6,679,555,183	1.089	\$ 7,370,226,323	90.63%
2022	\$ 115,916,240	\$ 3,962,548,400			\$ 901,107,100	\$ 6,921,500	\$ 1,637,756,580	\$ 6,624,249,820	\$ 8,161,821	\$ 6,632,411,641	1.117	\$ 7,686,286,221	86.29%
2023	\$ 114,839,100	\$ 3,995,455,000			\$ 892,850,900	\$ 5,365,300	\$ 1,674,725,980	\$ 6,683,236,280	\$ 9,265,952	\$ 6,692,502,232	1.128	\$ 7,312,071,355	91.53%
2024	\$ 119,671,300	\$ 4,007,985,250			\$ 893,199,300	\$ 5,365,300	\$ 1,675,134,080	\$ 6,701,355,230	\$ 9,265,952	\$ 6,710,621,182	1.160	\$ 8,029,945,326	83.57%

Source: Municipal Tax Assessor and Abstract of Ratables, County Board of Taxator

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

N/A- At the time of CAFR completion, this data was not yet available

Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment  
a- Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies  
b- Tax rates are per \$100.

**Fort Lee Board of Education**  
**Direct and Overlapping Property Tax Rates**  
**Last Six Fiscal Years**  
*(rate per \$100 of assessed value)*

Fiscal Year Ended Dec. 31,	Fort Lee Board of Education			Overlapping Rates		Total Direct and Overlapping Tax Rate
	General			Borough of Fort Lee	County of Bergen	
	Basic Rate <sup>a</sup>	Obligation Debt Service <sup>b</sup>	Total Direct			
2015	0.927	0.021	0.948	0.992	0.262	2.202
2016	0.934	0.047	0.981	1.009	0.264	2.254
2017	0.916	0.070	0.986	1.027	0.259	2.272
2018	0.950	0.051	1.001	1.045	0.252	2.298
2019	0.983	0.058	1.041	1.055	0.257	2.353
2020	1.015	0.057	1.072	1.062	0.275	2.409
2021	1.031	0.058	1.089	1.064	0.279	2.432
2022	1.058	0.059	1.117	1.087	0.279	2.483
2023	1.072	0.056	1.128	1.086	0.260	2.474
2024	1.102	0.058	1.160	1.126	0.321	2.607

Source: Municipal Tax Collector

**Notes:** N.J.S.A. 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.

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

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

**Fort Lee Board of Education  
Principal Property Taxpayers  
Current Year and Ten Years Ago**

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
1266 Apartment corp.	\$ 242,500,000	1	3.61%	\$ 278,000,000	1	4.52%
1530 Owners Corp.	\$ 168,241,000	2	2.51%	\$ 168,478,000	2	2.74%
Fort Lee Phase I Owner, LLC	\$ 134,000,000	3	2.00%			
CP5 Fort Lee, LLC	\$ 85,000,000	4	1.27%			
Hudson Lights Apartment Owners, LLC	\$ 83,500,000	5	1.24%			
Southbridge Park, Inc.	\$ 82,673,000	6	1.23%	\$ 82,673,000	3	1.34%
2100 Linwood Avenue Owners, Inc.	\$ 78,000,000	7	1.16%	\$ 78,000,000	5	1.27%
Mediterranean Towers West Owners, Inc.	\$ 72,000,000	8	1.07%	\$ 72,000,000	6	1.17%
One Century City Apartment Corp.	\$ 64,703,000	9	0.96%	\$ 64,703,000	9	1.05%
Northbridge Park Co-op Inc	\$ 63,267,000	10	0.94%	\$ 63,267,000	10	1.03%
CCA Crest at Fort Lee, LLC				\$ 82,000,000	4	
Fort Lee EP, LLC				\$ 55,275,000	11	0.90%
1170 Apt. Corp.				\$ 70,584,020	7	1.15%
2000 Linwood Ave. Owners Inc.				\$ 69,403,000	8	1.13%
Total	<u>\$ 1,073,884,000</u>		<u>16.00%</u>	<u>\$ 944,396,000</u>		<u>14.01%</u>

\$ 6,155,908,261

Net Assessed Valuation: \$ 6,710,621,182

Source: Municipal Tax Assessor.

**Exhibit J-9**

**Fort Lee Board of Education  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year		Collections in Subsequent Years
		of the Levy <sup>a</sup>		
		Amount	Percentage of Levy	
2015	\$56,707,369	\$56,707,369	100.00%	\$ -
2016	\$60,025,789	\$60,025,789	100.00%	\$ -
2017	\$62,771,739	\$62,771,739	100.00%	\$ -
2018	\$63,622,953	\$63,622,953	100.00%	\$ -
2019	\$66,928,534	\$66,928,534	100.00%	\$ -
2020	\$69,783,083	\$69,783,083	100.00%	\$ -
2021	\$72,075,317	\$72,075,317	100.00%	\$ -
2022	\$73,379,879	\$73,379,879	100.00%	\$ -
2023	\$74,702,023	\$74,702,023	100.00%	\$ -
2024	\$76,197,057	\$76,197,057	100.00%	\$ -

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

Notes: 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.

**Fort Lee Board of Education  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		<u>Total District</u>	<u>Percentage of Personal Income <sup>a</sup></u>	<u>Per Capita <sup>a</sup></u>
	<u>General Obligation Bonds/Loans <sup>b</sup></u>	<u>Capital Leases</u>			
2015	66,190,000	7,750,964	73,940,964	2.64%	\$ 956
2016	65,505,000	7,672,224	73,177,224	2.50%	\$ 928
2017	63,235,000	6,656,463	69,891,463	2.31%	\$ 863
2018	61,115,000	5,733,073	66,848,073	2.08%	\$ 785
2019	58,940,000	4,708,941	63,648,941	1.87%	\$ 721
2020	56,710,000	4,422,628	61,132,628	1.73%	\$ 665
2021	55,290,000	4,118,677	59,408,677	1.53%	\$ 610
2022	52,690,000	3,805,488	56,495,488	1.47%	\$ 582
2023	50,005,000	3,473,118	53,478,118	Not Available	Not Available
2024	47,235,000	3,120,794	50,355,794	Not Available	Not Available

Source: District records

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

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



**Fort Lee Board of Education**  
**Ratios of Net General Bonded Debt Outstanding**  
**Last Ten Years**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds/Loans	Deductions	Net General Bonded Debt Outstanding		
2015	\$ 66,190,000	(64,154)	66,125,846	1.07%	\$ 855
2016	\$ 65,505,000	(74,565)	65,430,435	1.04%	\$ 830
2017	\$ 63,235,000	(309,314)	62,925,686	0.98%	\$ 777
2018	\$ 61,115,000	(296,696)	60,818,304	0.93%	\$ 714
2019	\$ 58,940,000	(148,348)	58,791,652	0.89%	\$ 666
2020	\$ 56,710,000	(3)	56,709,997	0.86%	\$ 617
2021	\$ 55,290,000	(67,385)	55,222,615	0.83%	\$ 567
2022	\$ 52,690,000	-	52,690,000	0.79%	\$ 542
2023	\$ 50,005,000	-	50,005,000	0.75%	Not Available
2024	\$ 47,235,000	-	47,235,000	0.70%	Not Available

Source: District Records

Notes: 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.

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

**Fort Lee Board of Education  
Ratios of Overlapping Governmental Activities Debt  
As of June 30, 2024**

<u>Governmental Unit</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Debt Outstanding</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Direct Debt of School District as of June 30, 2024</b>			\$ 47,235,000
<b>Net overlapping debt of School District:</b>			
Borough of Fort Lee	100.000%	\$ 67,409,053	
County of Bergen - City's Share	3.697%	\$ 35,912,581	
Bergen County Utility Authority-City's Share	6.943%	\$ 6,260,439	
<b>Subtotal, overlapping debt</b>			<u>\$ 109,582,073</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 156,817,073</u></u>

**Sources:** Borough of Fort Lee Finance Office / Bergen County Treasurer's Office

**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 Fort Lee. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

**Fort Lee Board of Education  
Legal Debt Margin Information  
Last Ten Years**

**Legal Debt Margin Calculation for Fiscal Year 2023**

										Equalized valuation basis		
										2023	2022	2021
										8,029,945,326	9,135,096,063	7,230,135,145
										<u>[A] \$ 24,395,176,534</u>		
Average equalized valuation of taxable property										<u>[A/3] \$ 8,131,725,511</u>		
Debt limit (4 % of average equalization value)										<u>[B] 325,269,020 <sup>a</sup></u>		
Net bonded school debt										<u>[C] 47,235,000</u>		
Legal debt margin										<u>[B-C] \$ 278,034,020</u>		
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
Debt limit	262,902,474	\$ 265,083,477	263,058,538	269,388,786	269,064,926	276,522,433	293,156,070	294,294,886	325,269,020	278,034,020		
Total net debt applicable to limit	66,125,846	65,430,435	62,925,686	60,818,304	58,791,652	56,709,997	55,222,615	52,690,000	50,005,000	47,235,000		
Legal debt margin	<u>\$ 196,776,628</u>	<u>\$ 199,653,042</u>	<u>\$ 200,132,852</u>	<u>\$ 208,570,482</u>	<u>\$ 210,273,274</u>	<u>\$ 219,812,436</u>	<u>\$ 237,933,455</u>	<u>\$ 241,604,886</u>	<u>\$ 275,264,020</u>	<u>\$ 230,799,020</u>		
Total net debt applicable to the limit	25.15%	24.68%	23.92%	22.58%	21.85%	20.51%	18.84%	17.90%	15.37%	16.99%		
as a percentage of debt limit												

Source: Equalized valuations were obtained from the Annual Debt Statement, Borough of Fort Lee

<sup>a</sup> Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

**Fort Lee Board of Education  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

<u>Year</u>	<u>Population <sup>a (1)</sup></u>	<u>Personal Income (thousands of dollars) <sup>b</sup></u>	<u>Per Capita Personal Income <sup>c (2)</sup></u>	<u>Unemployment Rate <sup>d</sup></u>
2015	36,289	\$ 2,805,974,347	\$ 77,323	3.50%
2016	37,190	\$ 2,931,910,840	\$ 78,836	3.20%
2017	37,310	\$ 3,023,005,440	\$ 81,024	3.10%
2018	37,792	\$ 3,219,538,272	\$ 85,191	2.60%
2019	38,600	\$ 3,406,102,600	\$ 88,241	2.20%
2020	38,356	\$ 3,527,678,032	\$ 91,972	8.00%
2021	39,871	\$ 3,881,162,753	\$ 97,343	4.90%
2022	39,688	\$ 3,855,212,944	\$ 97,138	2.70%
2023	39,700	Not Available	Not Available	3.10%
2024	Not Available	Not Available	Not Available	Not Available

**Source:**

a- Population information provided by the NJ Department of Labor and Workforce Development.

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

c- US Bureau of Economic Analysis per capita personal income for New Jersey by county

d- Unemployment data provided by the NJ Dept of Labor and Workforce Development

**Notes:**

(1) Represents estimate of July 1

(2) Represents county information vs. municipality

N/A- At the time of ACFR completion, this data was not yet available

**Fort Lee Board of Education  
Principal Employers  
Current Year and Ten Years Ago \*\***

	2024			2015		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
THE NEW JERSEY DEPARTMENT OF LABOR AND AREA EMPLOYERS REFUSED TO RELEASE INFORMATION NEEDED TO COMPLETE THIS SCHEDULE DUE TO PRIVACY CONCERNS.						
		1	N/A		1	N/A
		2	N/A		2	N/A
		3	N/A		3	N/A
		4	N/A		4	N/A
		5	N/A		5	N/A
		6	N/A		6	N/A
		7	N/A		7	N/A
		8	N/A		8	N/A
		9	N/A		9	N/A
		10	N/A		10	N/A

**Source:** Borough of Fort Lee and State of New Jersey Department of Labor and Industry  
Annual Labor Force Estimates by Municipality

N/A- At the time of ACFR completion, this data was not yet available.

**Fort Lee Board of Education**  
**Full-time Equivalent District Employees by Function/Program,**  
**Last Ten Fiscal Years**

<b><u>Function/Program</u></b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Instruction										
Regular	271.5	271.5	237.1	219.4	226.6	256.0	242.1	217.0	223.0	223.0
Special education	61.5	61.5	70.3	101.7	98.3	97.0	115.1	112.0	115.0	115.0
Other special education	26.0	26.0	47.0	45.6	56.5	75.0	50.4	78.0	78.0	78.0
Other instructional			25.2	25.8	28.7	37.0	24.4	24.0	24.0	24.0
Support Services:										
Student & instruction related services	79.0	79.0	55.6	60.8	62.8	40.0	74.0	104.0	104.0	104.0
General administrative services	8.5	8.5	5.0	5.0	5.0	6.0	5.0	4.0	4.0	4.0
School administrative services	26.5	26.5	25.8	23.7	23.7	23.7	25.7	26.0	26.0	26.0
Business administrative services	17.0	17.0	21.6	21.5	24.5	24.5	24.7	30.0	30.0	30.0
Plant operations and maintenance	22.0	22.0	24.1	23.6	26.6	24.0	27.5	24.0	24.0	24.0
<b>Total</b>	<b>512.0</b>	<b>512.0</b>	<b>511.7</b>	<b>527.1</b>	<b>552.7</b>	<b>583.2</b>	<b>588.9</b>	<b>619.0</b>	<b>628.0</b>	<b>628.0</b>

**Source:** District Personnel Records

**Fort Lee Board of Education  
Operating Statistics  
Last Ten Fiscal Years**

**Pupil/Teacher Ratio**

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	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	Middle School	High School				
2015	3,787	65,063,700	17,181	4.47%	299	1:09	1:09	1:09	3,728	3,545	-1.35%	95.09%
2016	3,857	67,101,634	17,397	5.78%	295	N/A	N/A	N/A	3,705	3,549	-0.62%	95.79%
2017	3,824	69,802,470	18,254	6.25%	294	1:11	1:13	1:12	3,747	3,587	1.14%	95.71%
2018	3,910	72,764,319	18,610	6.97%	297	1:14	1:14	1:14	3,920	3,752	4.61%	95.71%
2019	4,090	75,328,383	18,418	0.90%	307	1:15	1:14	1:14	4,053	3,871	3.38%	95.53%
2020	4,176	77,122,985	18,468	-0.76%	308.5	1:15	1:14	1:14	4,154	4,022	2.51%	96.81%
2021	4,123	81,817,093	19,844	7.74%	311	1:10	1:20	1:14	4,070	3,963	-2.03%	97.38%
2022	4,025	90,480,735	22,480	21.72%	308	1:13	1:13	1:15	4,031	3,825	-0.96%	94.89%
2023	4,004	95,783,285	23,922	20.55%	338	1:13	1:13	1:15	4,010	3,782	-0.52%	94.31%
2024	4,039	100,593,952	24,906	10.79%	325	1:13	1:13	1:15	4,080	3,835	1.75%	94.00%

**Sources:** District records, ASSA and Schedules J-4

**Note:** Enrollment based on annual October district count.

<sup>a</sup> Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4

<sup>b</sup> Teaching staff includes only full-time equivalents of certificated staff.

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

N/A At the time of ACFR completion, this data was not yet available.

**Fort Lee Board of Education  
School Building Information  
Last Ten Fiscal Years**

<b><u>District Buildings</u></b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b><u>Elementary</u></b>										
School 1										
Square Feet	57,938	57,938	57,938	64,300	64,300	64,300	64,300	64,300	64,300	64,300
Capacity (students)	447	447	447	447	496	496	496	496	496	496
Enrollment	666	708	677	697	746	585	526	536	542	546
School 2										
Square Feet	50,989	50,989	50,989	68,526	68,526	68,526	68,526	68,526	68,526	68,526
Capacity (students)	339	447	447	600	600	600	600	600	600	600
Enrollment	470	457	483	486	501	398	360	340	367	373
School 3										
Square Feet	41,974	41,974	41,974	41,974	41,974	41,974	41,974	41,974	41,974	41,974
Capacity (students)	392	392	392	392	392	392	392	392	392	392
Enrollment	534	536	560	578	579	395	365	385	350	350
School 4										
Square Feet	48,722	48,722	48,722	48,722	48,722	48,722	48,722	48,722	48,722	48,722
Capacity (students)	395	395	395	395	395	395	395	395	395	395
Enrollment	551	541	574	618	599	437	408	392	399	401
<b><u>Middle School</u></b>										
Lewis F. Cole Middle School										
Square Feet	78,455	78,455	78,455	77,228	77,228	77,228	77,228	77,228	77,228	77,228
Capacity (students)	295	395	395	626	626	626	626	626	626	626
Enrollment	534	541	578	611	593	1,264	1,302	1,223	1,185	1,185
<b><u>High School</u></b>										
Fort Lee High School										
Square Feet	142,789	142,789	142,789	142,789	142,789	142,789	142,789	142,789	142,789	142,789
Capacity (students)	552	552	552	552	552	552	552	552	552	552
Enrollment	983	978	953	920	1,019	1,074	1,074	1,149	1,161	1,184

Number of Schools at June 30, 2024  
 Elementary 4  
 Middle School 1  
 High School 1

**Source:** District records, ASSA

Note: Revised Square footage and capacity obtained from District's Architectural firm.  
 Enrollment is based on the annual October district count.



**Fort Lee Board of Education**  
**General Fund**  
**Schedule of Required Maintenance for School Facilities**  
**Last Ten Fiscal Years**  
**Unaudited**

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

* School Facilities	School #	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Fort Lee High School	50	171,136	197,648	233,517	188,396	198,569	158,103	140,272	178,060	230,785	143,804
Lewis F. Cole Middle School	100	68,442	105,935	97,573	162,534	141,454	122,407	54,299	67,317	52,546	77,481
Elementary School #1	60	80,931	157,563	47,788	68,762	84,112	78,014	76,923	97,856	45,004	50,383
Elementary School #2	70	118,594	69,264	43,234	80,371	110,425	73,770	58,824	76,727	26,777	53,205
Elementary School #3	80	76,250	51,038	79,815	81,237	92,977	65,034	49,774	63,688	42,970	42,834
Elementary School #4	90	43,838	69,817	37,402	46,060	104,831	68,626	72,398	92,449	100,747	34,504
Grand Total		\$ 559,191	\$ 651,265	\$ 539,329	\$ 627,360	\$ 732,368	\$ 565,954	\$ 452,490	\$ 576,097	\$ 498,829	\$ 402,211

\* School facilities as defined under EFCFA.  
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3)

**Fort Lee Board of Education  
Insurance Schedule  
For the Fiscal Year Ended June 30, 2024  
Unaudited**

Company	Type of Coverage	Coverage	Deductible
	School Package Policy - School Alliance Insurance Func		
	Property - Blanket Building and Contents	\$ 500,000,000	\$ 2,500
	Flood/Earthquake	10,000,000/25,000,000	25,000
	Automobile Physical Damage	In Blanket Limit	1,000
	Builders Risk	25,000,000	2,500
	Electronic Data Processing Equipment	In Blanket Limit	
	Liability		
	Comprehensive General Liability	5,000,000	
	Automobile Liability	5,000,000	
	Employee Benefit each occurrence/aggregate	5,000,000	1,000
	SAIF excess		
	School Board Legal Liability	5,000,000	
	Includes General/Auto Liability	5,000,000	
	Crime		
	Blanket Employee Dishonesty	500,000	1,000
	Forgery	50,000	1,000
	Theft/Disappearance/Destruction:		
	Inside	50,000	1,000
	Outside	50,000	1,000
	Computer Fraud	50,000	1,000
	School Board Legal Liability		
	Director's and Officer's Policy	5,000,000	10,000
	Environmental Impairment Liability - Beazley		
	Covered Location Liability per Pollution Condition	1,000,000	25,000
	Covered Location Pollution Liability Aggregate	2,000,000	
	Excess Liability - Hudson & Allied		
	Each Occurrence/Aggregate	1,000,000	
	Public Employees Faithful Performances Blanket Position Bond		
	Board Secretary/Business Administrator	100,000	
	Treasurer of School Monies	340,000	
	Student Accident (AIG)		
	All Students Coverage including Athletics		
	Base Coverage - 2 Year Benefit Period	25,000	
	Catastrophic - 10 Year Benefit Period	7,500,000	2,500

Source: District Records.

Note: The District is part of the Northeast Bergen County School Board Insurance Group (NESBIG). Several of the above coverages are the combined amounts for all the school districts under master policies with insurance companies.

**SINGLE AUDIT SECTION**



# WIELKOTZ & COMPANY <sup>LLC</sup>

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Fort Lee School District, in the County of Bergen, New Jersey, as of and for the 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 December 19, 2024.

***Internal Control Over Financial Reporting***

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



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

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

### ***Compliance and Other Matters***

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

We noted certain matters that were required to be reported to the Board of Education of the Fort Lee Borough School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated December 19, 2024.

### ***Purpose of this Report***

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

*Steven D. Wielkotz*

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

*Wielkotz & Company, LLC*

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

December 19, 2024





# WIELKOTZ & COMPANY LLC

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

Honorable President and  
Members of the Board of Education  
Borough of Fort Lee School District  
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 Borough of Fort Lee School District in the County of Bergen, New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Borough of Fort Lee Board of Education's major federal and state programs for the year ended June 30, 2024. The Borough of Fort Lee Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Borough of Fort Lee Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the 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; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and N.J. OMB Circular 15-08. Our



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

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

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

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

### **Auditor's Responsibilities for the Audit of Compliance**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Borough of Fort Lee Board of Education's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.



- Obtain an understanding of Borough of Fort Lee Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Borough of Fort Lee Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and N.J. OMB Circular 15-08 and which are described in the accompanying schedule of findings and questioned costs at item 2024-001. Our opinion on each major federal and state program is not modified with respect to these matters.

The Borough of Fort Lee Board of Education's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Borough of Fort Lee Board of Education's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on these responses.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and 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, we identified certain deficiencies in internal control over compliance as described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a significant deficiency.

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

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

*Steven D. Wielkatz*

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

*Wielkatz & Company, LLC*

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

December 19, 2024



**BOROUGH OF FORT LEE SCHOOL DISTRICT**  
**Schedule of Expenditures of Federal Awards**  
**For the Fiscal Year ended June 30, 2024**

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Award Amount	Grant Period		Balance at June 30, 2023	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Balance at June 30, 2024	
					From	To						(Accounts Receivable)	Deferred Revenue
US Department of Health and Human Services													
Passed Through State Dept of Education:													
General Fund													
Medical Assistance Program (SEMI)	93.778	2005N5MAP	N/A	44,178	7/1/2023	6/30/2024			44,178	44,178			
Total General Fund									44,178	44,178			
US Department of Education													
Passed Through State Dept of Education:													
Special Revenue Fund													
Title I Part A, Improving Basic Programs	84.010A	S010A230030	ESEA155024	710,278	7/1/2023	9/30/2024	(427,560)	(427,560)	739,201	551,518		(239,877)	
Title I Part A, Improving Basic Programs	84.010A	S010A220030	ESEA155023	551,726	7/1/2022	9/30/2023	(427,560)	427,560	739,201	551,518		(239,877)	
Title II, Part A, Teacher/Principal													
Training and Recruiting	84.367A	S367A230029	ESEA155024	117,140	7/1/2023	9/30/2024	(68,585)	(68,585)	150,806	102,740		(20,519)	
Title II, Part A, Teacher/Principal	84.367A	S367A220029	ESEA155023	100,665	7/1/2022	9/30/2023	(68,585)	68,585	150,806	102,740		(20,519)	
Title III													
Title III	84.365A	S365A230030	ESEA155024	98,699	7/1/2023	9/30/2024	(27,405)	(27,405)	75,265	129,403		(81,543)	
Title III	84.365A	S365A220030	ESEA155023	93,082	7/1/2022	9/30/2023	(27,405)	27,405	10,267	30,097		(19,830)	
Title III, Immigrant	84.365A	S365A230030	ESEA155024	36,120	7/1/2023	9/30/2024	(27,405)		85,532	159,500		(101,373)	
Title IV													
Title IV	84.424A	S424A230030	ESEA155024	41,887	7/1/2023	9/30/2024	(18,548)	(18,548)	42,899	42,590		(18,239)	
Title IV	84.424A	S424A220030	ESEA155023	35,904	7/1/2022	9/30/2023	(18,548)	18,548	42,899	42,590		(18,239)	
IDEA, Part B-Basic													
IDEA, Part B-Basic	84.027A	S027A230100	IDEA155024	1,003,221	7/1/2023	9/30/2024	(182,380)	(182,380)	800,645	825,224		(206,959)	
IDEA, Part B-Basic	84.027A	S027A210100	IDEA155023	935,301	7/1/2022	9/30/2023	(182,380)	182,380	52,203	24,107		3,779	
IDEA, Part B-Preschool	84.173A	S173A230100	IDEA155024	28,154	7/1/2022	9/30/2024	(24,317)	(24,317)					
IDEA, Part B-Preschool	84.173A	S173A210100	IDEA155023	28,236	7/1/2022	9/30/2023	(24,317)	24,317					
ARP - IDEA, Part B-Basic	84.027X	S027X210100	IDEA155022	193,956	7/1/2021	9/30/2022	(7,195)	(7,195)	7,559	364			
ARP - IDEA, Part B-Preschool	84.173X	S173X210114	IDEA155022	16,539	7/1/2021	9/30/2022	(375)		860,782	849,695		(206,959)	3,779
Career and Technical Education - Basic Grants (Perkins)													
Career and Technical Education - Basic Grants (Perkins)	84.048	V048A210030		27,260	7/1/2023	9/30/2024			14,834	19,141		(4,307)	
									14,834	19,141		(4,307)	
Coronavirus Response and Relief Supplemental Act:													
CURSA - ESSER II	84.425D	S425D210027		1,481,726	3/13/2020	9/30/2023	(89,568)		131,580	35,185			6,827
CR Learning Acceleration	84.425D	S425D210027		95,090	3/13/2020	9/30/2023	(2,316)		18,028	15,712			
CR Mental Health	84.425D	S425D210027		45,000	3/13/2020	9/30/2023	684		1,374				2,058
American Rescue Plan:													
ARP - ESSER	84.425U	S425U210027		3,330,083	3/13/2020	9/30/2023	(289,446)		1,045,622	1,127,282		(371,106)	
Accelerated Learning Coach and Educator Support	84.425U	S425U210027		378,327	3/13/2020	9/30/2023	(105,224)		203,217	117,944		(19,951)	
Evidence Based Summer Learning and Enrichment	84.425U	S425U210027		40,000	3/13/2020	9/30/2023	(3,992)		3,992				
Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027		40,000	3/13/2020	9/30/2023			8,781	40,000		(31,219)	
NITSS Mental Health Support Staffing	84.425U	S425U210027		45,000	3/13/2020	9/30/2023	(45,000)		39,130			(5,870)	
							(534,862)		1,451,724	1,336,123		(428,146)	8,885
US Department of Education													
Public Safety Partnership & Community Policing Grants	16.710	15ICOPS-23-GG-04286-SSIX		500,000	10/1/2022	9/30/2025	(263,619)		500,000	236,381			
COPS School Violence Prevention Program Grant							(263,619)		500,000	236,381			
US Department of the Treasury													
Passed Through State Dept of Education:													
Additional or Compensatory Special Education and Related Services (ACRSERS)	21.027	SLFRDOE/ISES		9,238	7/1/2023	9/30/2024			4,619	9,238		(4,619)	
									4,619	9,238		(4,619)	
Total Special Revenue Fund							(1,554,846)		3,850,397	3,306,926		(1,024,039)	8,885

**BOROUGH OF FORT LEE SCHOOL DISTRICT**  
**Schedule of Expenditures of Federal Awards**  
**For the Fiscal Year ended June 30, 2024**

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Award Amount	Grant Period		Balance at June 30, 2023	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Balance at June 30, 2024	
					From	To						(Accounts Receivable)	Deferred Revenue
US Department of Agriculture													
Passed Through State Dept of Agriculture:													
Enterprise Fund													
Food Distribution Program	10.555	241NJ304N1096	N/A	132,888	7/1/2023	6/30/2024			132,888	131,225		1,663	
Food Distribution Program	10.555	231NJ304N1096	N/A	157,153	7/1/2022	6/30/2023	1,732			1,732			
National School Breakfast Program	10.553	241NJ304N1099	N/A	25,173	7/1/2023	6/30/2024			19,651	25,173		(5,522)	
National School Breakfast Program	10.553	231NJ304N1099	N/A	21,673	7/1/2022	6/30/2023	(4,134)		4,134				
National School Lunch Program	10.555	241NJ304N1099	N/A	410,345	7/1/2023	6/30/2024			336,566	410,345		(73,779)	
National School Lunch Program	10.555	231NJ304N1099	N/A	499,506	7/1/2022	6/30/2023	(84,178)		84,178				
Supply Chain Assistance Funding (1st/2nd Rounds)	10.555	221NJ304N1099	N/A	156,820	3/1/2022	9/30/2023	47,000			47,000			
Supply Chain Assistance Funding (3rd Round)	10.555	231NJ304N1099	N/A	36,482	10/1/2022	9/30/2024	36,482			36,482			
Supply Chain Assistance Funding (4th Round)	10.555	241NJ304N1099	N/A	96,266	10/1/2023	9/30/2024			96,266	36,616			59,650
School Equipment Grant	10.579	231NJ354N8103	N/A	48,503	7/1/2023	6/30/2024			48,503	48,503		(48,503)	
P-EBT Administrative	10.649	202222590041	N/A	653	7/1/2022	6/30/2023	(778)		653	653		(12,377)	10,891
Local Food for Schools Cooperative Agreement Program	10.185	USDA-AMIS-10185	N/A	19,109	7/1/2022	6/30/2023			6,731	7,439			
Total Enterprise Fund													
							(3,876)		681,067	745,168		(140,181)	72,204
Total Federal Financial Assistance													
							\$ (1,558,722)		4,575,642	4,096,272		(1,164,220)	75,983
													8,885

See accompanying notes to the Schedules of Expenditures of Federal and State Awards.

**BOROUGH OF FORT LEE SCHOOL DISTRICT**  
**Schedule of Expenditures of State and Local Financial Awards**

Year ended June 30, 2024

State Grantor/Program Titles	Grant or State Project Number	Award Amount	Grant Period		Balance at June 30, 2023			Balance at June 30, 2024			Memo				
			From	To	Deferred Revenue (Assets Receivable)	Due to Grantor	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	(Accounts Receivable)	Deferred Revenue/ Interfund Payable	Due to Grantor at	Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education:</b>															
<b>General Fund</b>															
Special Education Aid	495-034-5120-089	\$ 4,410,887	7/1/2023	6/30/2024	\$		4,063,537	4,410,887						*	4,410,887
Security Aid	495-034-5120-084	308,033	7/1/2023	6/30/2024			283,679	308,033						*	308,033
Transportation Aid	495-034-5120-014	685,744	7/1/2023	6/30/2024			631,527	685,744						*	685,744
Extraordinary Aid	100-034-5120-473	1,957,581	7/1/2023	6/30/2024				1,957,581			(1,957,581)			*	1,957,581
Non Public Transportation	100-034-5120-473	2,044,745	7/1/2022	6/30/2023	(2,044,745)		2,044,745							*	2,044,745
Non Public Transportation	495-078-6060-034	85,540	7/1/2023	6/30/2024				85,540			(85,540)			*	85,540
Non Public Transportation	495-078-6060-034	66,144	7/1/2022	6/30/2023	(66,144)									*	66,144
Reimbursed TPAF Social Security	495-034-5094-003	2,462,079	7/1/2023	6/30/2024			2,342,609	2,462,079			(119,470)			*	2,462,079
Reimbursed TPAF Social Security	495-034-5094-003	2,413,192	7/1/2022	6/30/2023	(118,523)		118,523							*	2,413,192
On Behalf TPAF - Post Retirement Medical	495-034-5094-001	3,300,337	7/1/2023	6/30/2024			3,300,337	3,300,337						*	3,300,337
On Behalf TPAF Pension Contributions	495-034-5094-002	11,989,571	7/1/2023	6/30/2024			11,989,571	11,989,571						*	11,989,571
On Behalf TPAF NCGI Premium	495-034-5094-004	136,734	7/1/2023	6/30/2024			136,734	136,734						*	136,734
On Behalf TPAF - LTDI	495-034-5094-004	4,980	7/1/2023	6/30/2024			4,980	4,980						*	4,980
<b>Total General Fund</b>					(2,229,412)		24,982,386	25,341,486			(2,162,591)			*	29,865,567
<b>Special Revenue Fund</b>															
<b>NJ NonPublic Aid:</b>															
Textbook Aid	100-034-5120-064	15,031	7/1/2023	6/30/2024			15,031	15,021					10	*	15,021
Textbook Aid	100-034-5120-064	17,820	7/1/2022	6/30/2023		4				4				*	17,816
Technology Aid	100-034-5120-373	12,740	7/1/2023	6/30/2024			12,740	12,735					5	*	12,735
Technology Aid	100-034-5120-373	11,340	7/1/2022	6/30/2023		65				65				*	11,275
Security Aid	100-034-5120-509	53,300	7/1/2023	6/30/2024			53,300	31,693					21,607	*	31,693
Security Aid	100-034-5120-509	55,350	7/1/2022	6/30/2023		20,003				20,003				*	41,196
Nursing Services	100-034-5120-070	31,200	7/1/2023	6/30/2024			31,200	31,200						*	31,200
<b>Handicapped Services:</b>															
Exam & Classifier	100-034-5120-066	31,758	7/1/2023	6/30/2024			31,758	13,269					18,489	*	13,269
Exam & Classifier	100-034-5120-066	17,062	7/1/2022	6/30/2023		6,251				6,251				*	10,881
Corrective Speech	100-034-5120-066	18,600	7/1/2023	6/30/2024			18,600	12,090					6,510	*	12,090
Corrective Speech	100-034-5120-066	13,950	7/1/2022	6/30/2023		3,999				3,999				*	9,951
Supplementary Inst.	100-034-5120-066	16,520	7/1/2023	6/30/2024			16,520	8,838					7,682	*	8,838
Supplementary Inst.	100-034-5120-066	16,520	7/1/2022	6/30/2023		4,873				4,873				*	11,647
<b>Auxiliary Services:</b>															
Compensatory Education	100-034-5120-067	53,945	7/1/2023	6/30/2024			53,945	25,445					28,500	*	25,445
Compensatory Education	100-034-5120-067	56,334	7/1/2022	6/30/2023		6,128				6,128				*	50,206
English as a Second Language	100-034-5120-067	50,358	7/1/2023	6/30/2024			50,358	39,646					10,712	*	39,646
English as a Second Language	100-034-5120-067	51,115	7/1/2022	6/30/2023		8,459				8,459		9,626		*	42,656
SDA Emergency Needs & Capital	100-034-5120-067	96,477	7/1/2023	6/30/2024			96,477	86,851						*	86,851
Maintenance in School District														*	
SDA Emergency Needs & Capital														*	
Maintenance in School District														*	
Maintenance in School District														*	
NonPublic Teachers STEM	100-034-5068-051	8,612	7/1/2023	6/30/2024			4,425	8,612			(4,187)			*	8,612
NonPublic Teachers STEM	100-034-5068-051	6,875	7/1/2022	6/30/2023	(6,875)		6,698		177					*	6,875
Climate Awareness Education Grant Program	23-WB01-G02	6,660	4/1/2023	6/30/2023	(6,660)		6,660							*	6,660
<b>Total Special Revenue</b>					(13,535)	49,782	495,640	383,328	177	49,782	(4,187)	9,626	93,515	*	592,491

**BOROUGH OF FORT LEE SCHOOL DISTRICT**  
**Schedule of Expenditures of State and Local Financial Awards**

Year ended June 30, 2024

State Grantor/Program Titles	Grant or State Project Number	Award Amount	Grant Period		Balance at June 30, 2023			Balance at June 30, 2024				Memo				
			From	To	Deferred Revenue (Accts Receivable)	Due to Grantor	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	(Accounts Receivable)		Deferred Revenue/ Interfund Payable	Due to Grantor at	Budgetary Receivable	Cumulative Total Expenditures
<b>Capital Projects Fund</b>																
NJ School Development Authority: Middle School HVAC Upgrades	1550-100-23-R501	567,000	7/1/2024	6/30/2025												
<b>Total Capital Projects Fund</b>																
<b>Debt Service Fund</b>																
Debt Service Type II Aid	495-034-5121-075	411,095	7/1/2023	6/30/2024												
<b>Total Debt Service Fund</b>																
<b>State Department of Agriculture Enterprise Fund</b>																
National School Breakfast Program (State Share)	100-010-3350-023	529	7/1/2023	6/30/2024												
National School Breakfast Program (State Share)	100-010-3350-023	351	7/1/2022	6/30/2023	(79)		406	529			(123)					529
National School Breakfast Program NIEIE	100-010-3350-023	369	7/1/2023	6/30/2024			293	369			(76)					351
National School Lunch Program (State Share)	100-010-3350-023	24,978	7/1/2023	6/30/2024			20,567	24,978			(4,411)					369
National School Lunch Program (State Share)	100-010-3350-023	26,733	7/1/2022	6/30/2023	(4,410)		4,410									24,978
National School Lunch Program NIEIE	100-010-3350-023	8,620	7/1/2023	6/30/2024			7,061	8,620			(1,559)					26,733
<b>Total Enterprise Fund</b>																8,620
<b>Total State Financial Assistance</b>					(4,489)		32,816	34,496			(6,169)					61,580
					(2,247,436)	49,782	25,921,937	26,202,309	177	49,782	(2,204,851)	9,626	93,515	*	(425,921)	30,962,637
Less: On-Behalf TPAF Pension System Contribution:																
On Behalf TPAF - Post Retirement Medical	495-034-5094-001	3,300,337	7/1/2023	6/30/2024				3,300,337								
On Behalf TPAF Pension Contribution:		11,989,571	7/1/2023	6/30/2024				11,989,571								
On Behalf TPAF NCGI Premium:	495-034-5094-004	136,734	7/1/2023	6/30/2024				136,734								
On Behalf TPAF - LTDI	495-034-5094-004	4,980	7/1/2023	6/30/2024				4,980								
<b>Total State Financial Assistance</b>							15,431,622									
							10,770,687									
<b>Local Sources:</b>																
Donations - HS - Korean	N/A		7/1/2023	6/30/2024												
Donations - HS - Korean	N/A	6,900	7/1/2021	6/30/2022	3,670							3,670				4,030
Donations - Autism Program	N/A	1,000	7/1/2021	6/30/2022	1,000							1,000				
Donations - Science Research	N/A	500	7/1/2020	6/30/2021	500							500				
Donations - LFCIS Wellness	N/A	25,000	7/1/2020	6/30/2021	25,000							25,000				
Donations - Art Supplies	N/A	500	7/1/2021	6/30/2022	170		10,000	3,100				6,900				330
National Opioid Settlement	N/A	10,000	7/1/2023	6/30/2024												3,100
<b>Total Local Sources</b>					30,340		10,000	3,100				37,240				7,460
<b>Total State and Local Financial Assistance</b>					30,340		10,000	10,773,787				37,240				7,460

See accompanying notes to the Schedules of Expenditures of Federal and State Awards

See accompanying notes to the Schedules of Expenditures of Federal and State Awards

**NOTE 1. GENERAL**

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

**NOTE 2. BASIS OF ACCOUNTING**

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

**NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$69,626) for the general fund and \$-0- for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$44,178	\$25,271,860	\$25,316,038
Special Revenue Fund	3,306,926	383,328	3,690,254
Capital Projects Fund		567,000	567,000
Debt Service Fund		411,095	411,095
Food Service Fund	745,168	34,496	779,664
Total Awards and Financial Assistance	<u>\$4,096,272</u>	<u>\$26,667,779</u>	<u>\$30,764,051</u>

**NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5. OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. The amount reported as TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2024.

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

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, the amount of \$15,431,622 of on-behalf payments is excluded from major program determination.

**NOTE 7. INDIRECT COST RATE**

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

**NOTE 8. SCHOOLWIDE PROGRAM FUNDS**

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

<u>Program</u>	<u>Total</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	\$551,518
Title II, Part A: <i>Supporting Effective Instruction</i>	102,740
Title III: <i>English Language Acquisition State Grants</i>	159,500
Title IV: <i>Student Support and Academic Enrichment</i>	<u>42,590</u>
Total	<u>\$856,348</u>



**BOROUGH OF FORT LEE SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

***Section I - Summary of Auditor's Results***

**Financial Statements**

Type of auditor's report issued: unmodified

Internal control over financial reporting:

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

Noncompliance material to basic financial statements noted?            yes       X       no

**Federal Awards**

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

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

Auditee qualified as low-risk auditee?       X       yes            no

Internal Control over major programs:

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

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

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425D/84.425U (A)	S425D210027/ S425U210027	CRRSA-ESSER II/ CR Learning Acceleration/ ARP-ESSER/ Accelerated Learning Coach and Educator Support/ Evidence Based Comprehensive Beyond the School Day
10.555/10.553 (B)	241NJ30N1099	National School Lunch Program/National School Breakfast Program

Note: (A) - Tested as Major Type A Program.

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

**BOROUGH OF FORT LEE SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
(continued)**

***Section I - Summary of Auditor's Results, (continued)***

**State Awards**

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

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

Auditee qualified as low-risk auditee?   X   yes            no

Internal Control over major programs:

1. Significant deficiencies identified that are not considered to be material weaknesses?            yes   X   none reported

2. Material weakness(es) identified?            yes   X   no

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

Identification of major programs:

**GMIS Number(s)**

**Name of State Program**

495-034-5120-89/  
495-034-5120-84 (A)

State Aid Public Cluster  
Special Education Aid. Security Aid

Note: (A) - Tested as Major Type A Program.

**FORT LEE BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2024**

*Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs*

**FEDERAL AWARDS**

**Finding 2024-001**

**Information on the federal program:**

Coronavirus Response and Relief Supplemental Act/American Rescue Plan, Assistance Listing Number 84.425D/U, Grant Period 3/13/2020-9/30/2023 and 3/13/2020-9/30/2024.

**Criteria or specific requirement:**

The objective of the Coronavirus Response and Relief Supplemental Act/American Rescue Plan (ARP)/Elementary and Secondary School Emergency Relief (ESSER) Funds is to provide local education agencies with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools across the nation. Under these guidelines, districts can use the funding to pay staff salaries, specifically those hired or providing services directly related to addressing the impacts of the COVID-19 pandemic on education.

**Condition:**

There were instances in which supporting documentation for payroll charges funded by the grant were not available for review.

**Questioned costs:**

Unable to be determined.

**Context:**

The Board used grant funding to pay staff salaries, however there was no supporting documentation to demonstrate that the purpose of these staff members was for COVID-related initiatives.

**Effect:**

Without proper documentation, the district cannot demonstrate how the staff positions funded by the ARP/ESSER funds are necessary to address the unique challenges of the pandemic and not just for regular operations of the district.

**Cause:**

The district did not provide the required documentation to support the staff members charged to the grant.

**FORT LEE BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2024**

*Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs  
(continued)*

**FEDERAL AWARDS (continued)**

**Finding 2024-001 (continued)**

**Recommendation:**

When the district charges payroll to the grant, proper supporting documentation should include, at a minimum, job descriptions, specific responsibilities related to the COVID-19 response and time sheets for each employee being charged.

**Management's response:**

The district will maintain and make available all supporting documentation for grant funded payroll.

**BOROUGH OF FORT LEE SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Status of Prior Year Findings**

NONE