

**LITTLE FERRY**  
**BOARD OF EDUCATION**

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

**Little Ferry, New Jersey**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT  
of the  
Little Ferry Board of Education  
Little Ferry, New Jersey  
For The Fiscal Year Ended June 30, 2024**

**Prepared by  
Little Ferry Board of Education  
Business Office**

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## **INTRODUCTORY SECTION**

# ***Little Ferry Public Schools***

***130 Liberty Street, Little Ferry, NJ 07643 (201) 641-6192 FAX (201) 641-6604***

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***Home of Memorial School  
A "Governor's School of Excellence"***

**Matthew Perrapato**  
***Chief School Administrator***

**John A. Gomez**  
***Business Administrator/Board Secretary***

The Honorable President and Members

January 15, 2025

Little Ferry Board of Education  
Little Ferry Public School District  
County of Bergen, New Jersey

Dear Board Members:

The Annual Comprehensive Financial Report (ACFR) of the Little Ferry School District (the "District") for the fiscal year ended June 30, 2024 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

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 Auditor's 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 selected financial and demographic information, financial trends, and the fiscal capacity 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 the Single Audit Act, the U.S. Uniform Guidance, and the New Jersey State Office of Management and Budget (OMB) Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Information related to this single audit, including the independent auditor's reports on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the single audit section of this report.

## **1) REPORTING ENTITY AND ITS SERVICES**

The Little Ferry Public School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). All funds of the District are included in this report. The Little Ferry Board of Education and all of its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels pre-K through 8 for regular and special education handicapped youngsters. The District completed the 2023/2024 fiscal year with an average daily enrollment of 814 students, which represents an increase of 21 students from the previous year's average daily enrollment. The following details the changes in the student enrollment of the District over the last ten (10) years.

<b>Average Daily Enrollment</b>		
<b>Fiscal Year</b>	<b>Average Daily Enrollment</b>	<b>Percentage Change</b>
2023/24	814	(-0.027%)
2022/23	793	(-0.01%)
2021/22	799	0.125%
2020/21	798	(-7.5%)
2019/20	863	(-1.4%)
2018/19	875	(-4.34%)
2017/18	913	(-2.67%)
2016/17	938	(-3.9%)
2015/16	976	(-18.46%)
2014/15	1,197	21.03%

## **2) ECONOMIC CONDITION AND OUTLOOK**

The Little Ferry Borough and surrounding area is substantially developed with both residential and industrial taxpayers. The situation is expected to continue, which suggests that the tax base will remain stable.

## **3) MAJOR INITIATIVES**

The District continued with physical plant upgrades adding a new security alert system and tying it to the new intercom system in the district, as well as, a new fire alarm system was added to replace and older system. The district purchased new students' Chromebooks to strengthen our 1:1 computer initiative. The district ran air quality tests to ensure that the ventilation system was in good working order. Classrooms have been having floor coverings changed from carpet tiles to vinyl tiles to lessen allergy triggers & to add to better air quality.

The District plans to use Capital Funds in the current year to do a myriad of projects & future years which include, univent upgrades in the Middle School, & possible Locker Room upgrades. Due to the damage incurred during Super Storm Sandy the District completed the demolition and site clearing of the Washington School Lot/Building. The District successfully passed a bond referendum to construct a new Middle School on the former Washington school property. The district also contracted for an infrared roof scan in preparation for future roof replacements. The district also resurfaced, relined, and installed new basketball hardware in our outside recess area. The district also installed a new Pre-School playground.

#### **4) INTERNAL ACCOUNTING CONTROLS**

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

As a recipient of Federal and State financial awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District management.

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

#### **5) BUDGETARY CONTROLS**

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general and special revenue funds. The District does not have any outstanding debt service. Project length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount, as amended for the fiscal year, is reflected in the financial section.

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

#### **6) ACCOUNTING SYSTEMS AND REPORTS**

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds are explained in "Notes to the Financial Statements", Note 1.

## **7) DEBT ADMINISTRATION**

As of June 30, 2024, there are no outstanding long-term debt obligations.

## **8) CASH MANAGEMENT**

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

## **9) RISK MANAGEMENT**

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

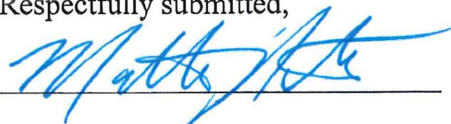
## **10) OTHER INFORMATION**

**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci and Bliss, LLP, was selected by the Board to perform the audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related U.S. Uniform Guidance and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and specific, required supplementary information is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

## **10) ACKNOWLEDGMENTS**

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

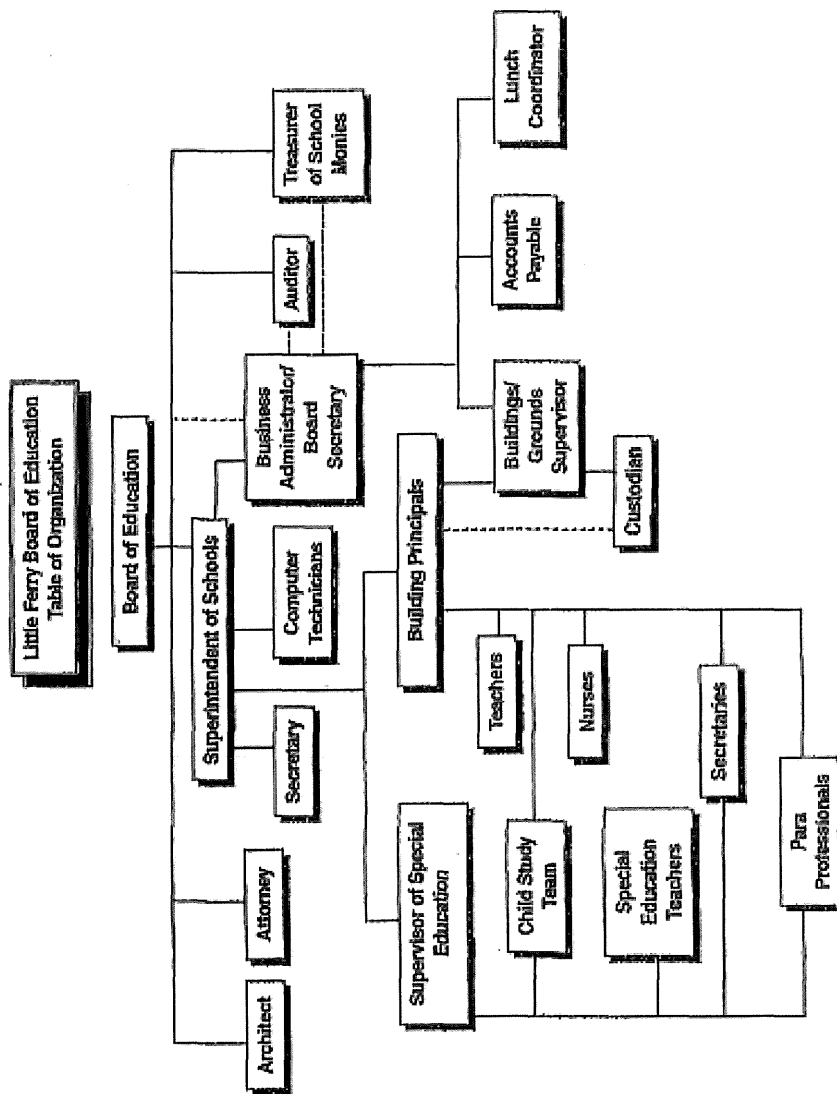
Respectfully submitted,



Matthew Perrapato  
Superintendent  
Little Ferry Board of Education



John A. Gomez  
Business Administrator/Board Secretary  
Little Ferry Board of Education



**LITTLE FERRY BOARD OF EDUCATION**  
**Little Ferry, New Jersey**

**ROSTER OF OFFICIALS**  
**June 30, 2024**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Victoria Bradley, President	2026
Brian Bonelli, Vice President	2026
Leslie Gottlieb	2024
Maria DeLourdes Villasuso	2024
Raymond Vorisek	2024
Michelle Brattoli	2025
Nicholas Fytros	2025
Frank Mele	2025
Purna Patel	2026
<b><u>Other Officials</u></b>	
Matthew Perrapato Superintendent of Schools	
John A. Gomez Business Administrator/Board Secretary	
Antoinette Kelly Treasurer of School Monies	



**LITTLE FERRY BOARD OF EDUCATION**  
**Little Ferry, New Jersey**

***CONSULTANTS AND ADVISORS***

***Audit Firm***

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

***Attorney***

Scarinci & Hollenbeck, LLC  
150 Clove Road  
9<sup>th</sup> Floor  
Little Falls, NJ 07424

***Official Depositories***

TD Bank North  
PNC Bank

## **FINANCIAL SECTION**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

## **INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Little Ferry Board of Education  
Little Ferry, New Jersey

### **Report on the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Little Ferry Board of Education as of and for the fiscal year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Little Ferry Board of Education as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

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

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

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

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

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Little Ferry Board of Education's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Little Ferry Board of Education's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

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



### ***Supplementary Information***

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

### ***Other Information***

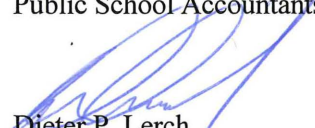
Management is responsible for the other information included in the annual report. The other information comprises the introductory section, financial schedules and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial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

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

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

In accordance with Government Auditing Standards, we have also issued our report dated January 15, 2025 on our consideration of the Little Ferry Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Little Ferry Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Little Ferry Board of Education's internal control over financial reporting and compliance.

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

  
Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
January 15, 2025

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# **LITTLE FERRY BOARD OF EDUCATION**

## **Management's Discussion and Analysis**

This section of Little Ferry Board of Education's annual comprehensive financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2024. The intent of this section is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement. Certain comparative information between the current year (2023-2024) and the prior year (2022-2023) is required to be presented in the MD&A.

### **FINANCIAL HIGHLIGHTS**

Key financial highlights for the 2023-2024 fiscal year include the following:

- The assets and deferred outflows of resources of the Little Ferry Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$13,873,982 (net position).
- Overall District revenues were \$33,625,352. General revenues accounted for \$25,342,146 or 75% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$8,283,206 of total revenues.
- The School District had \$31,460,274 in expenses for governmental activities; only \$7,796,261 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$25,342,146 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 \$7,274,981 an increase of \$589,957 when compared to the ending fund balance at June 30, 2023 of \$6,685,024.
- The General Fund unassigned fund balance at June 30, 2024 was in a deficit position of \$(19,196), an increase in fund balance of \$134,553 when compared with the ending fund balance deficit of (\$153,749) at June 30, 2023.
- The General Fund unassigned budgetary fund balance at June 30, 2024 was \$642,598 which represents a decrease of \$87,917 when compared to the ending unassigned fund balance at June 30, 2023 of \$730,515.

# LITTLE FERRY BOARD OF EDUCATION

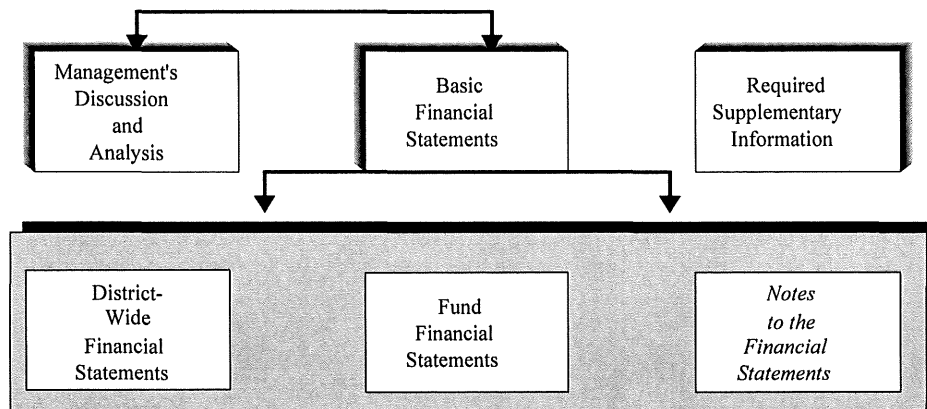
## Management's Discussion and Analysis

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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





# LITTLE FERRY BOARD OF EDUCATION

## Management's Discussion and Analysis

### OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

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

Major Features of the District-Wide and Fund Financial Statements

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

# **LITTLE FERRY BOARD OF EDUCATION**

## **Management's Discussion and Analysis**

### **District-Wide Financial Statements**

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

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

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

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

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

### **Fund Financial Statements**

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

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

# **LITTLE FERRY BOARD OF EDUCATION**

## **Management's Discussion and Analysis**

### **Fund Financial Statements (Continued)**

The District has two kinds of funds:

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

### **Notes to the Financial Statements**

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

### **Other Information**

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

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

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

# LITTLE FERRY BOARD OF EDUCATION

## Management's Discussion and Analysis

### DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$13,873,982 and \$12,102,213 as of June 30, 2024 and 2023, respectively, as shown below.

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

Statement of Net Position As of June 30, 2024 and 2023						
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and Other Assets	\$ 8,488,036	\$ 7,956,392	\$ 298,033	\$ 214,530	\$ 8,786,069	\$ 8,170,922
Capital Assets - Net	8,818,389	8,006,420	44,245	33,181	8,862,634	8,039,601
<b>Total Assets</b>	<b>17,306,425</b>	<b>15,962,812</b>	<b>342,278</b>	<b>247,711</b>	<b>17,648,703</b>	<b>16,210,523</b>
Deferred Outflows of Resources						
Deferred Amounts on Net Pension Liability	70,129	237,473	-	-	70,129	237,473
<b>Total Deferred Outflows of Resources</b>	<b>70,129</b>	<b>237,473</b>	<b>-</b>	<b>-</b>	<b>70,129</b>	<b>237,473</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>17,376,554</b>	<b>16,200,285</b>	<b>342,278</b>	<b>247,711</b>	<b>17,718,832</b>	<b>16,447,996</b>
Long-Term Liabilities	2,185,982	2,343,571			2,185,982	2,343,571
Other Liabilities	1,213,055	1,272,454	5,131	5,943	1,218,186	1,278,397
<b>Total Liabilities</b>	<b>3,399,037</b>	<b>3,616,025</b>	<b>5,131</b>	<b>5,943</b>	<b>3,404,168</b>	<b>3,621,968</b>
Deferred Inflows of Resources						
Deferred Commodities Revenue			1,743		1,743	-
Deferred Amounts on Net Pension Liability	438,939	723,815	-	-	438,939	723,815
<b>Total Deferred Inflows of Resources</b>	<b>438,939</b>	<b>723,815</b>	<b>1,743</b>	<b>-</b>	<b>440,682</b>	<b>723,815</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>3,837,976</b>	<b>4,339,840</b>	<b>6,874</b>	<b>5,943</b>	<b>3,844,850</b>	<b>4,345,783</b>
Net Position:						
Net Investment in Capital Assets	8,785,634	7,940,112	44,245	33,181	8,829,879	7,973,293
Restricted	3,089,374	5,162,223	-	-	3,089,374	5,162,223
Unrestricted	1,663,570	(1,241,890)	291,159	208,587	1,954,729	(1,033,303)
<b>Total Net Position</b>	<b>\$ 13,538,578</b>	<b>\$ 11,860,445</b>	<b>\$ 335,404</b>	<b>\$ 241,768</b>	<b>\$ 13,873,982</b>	<b>\$ 12,102,213</b>

# LITTLE FERRY BOARD OF EDUCATION

## Management's Discussion and Analysis

The changes in net position for fiscal years ended 2024 and 2023 are as follows:

Changes in Net Position For the Fiscal Years Ended June 30, 2024 and 2023						
	<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	\$ 52,494	\$ 98,587	\$ 154,257	\$ 140,325	\$ 206,751	\$ 238,912
Operating Grants and Contributions	6,817,372	6,296,413	332,688	340,200	7,150,060	6,636,613
Capital Grants and Contributions	926,395	82,222			926,395	82,222
General Revenues						
Property Taxes	21,614,678	21,190,861			21,614,678	21,190,861
Unrestricted Federal and State Aid	3,046,309	2,304,954			3,046,309	2,304,954
Investment Earnings	342,359	120,295			342,359	120,295
Other	338,800	84,098	-	-	338,800	84,098
<b>Total Revenues</b>	<u>33,138,407</u>	<u>30,177,430</u>	<u>486,945</u>	<u>480,525</u>	<u>33,625,352</u>	<u>30,657,955</u>
<b>Expenses</b>						
Instruction						
Regular	13,219,080	12,907,722			13,219,080	12,907,722
Special Education	5,777,346	5,482,222			5,777,346	5,482,222
Other Instruction	1,448,724	1,072,837			1,448,724	1,072,837
School Sponsored Activities and Athletics	113,697	82,651			113,697	82,651
Support Services						
Student and Instruction Related Serv.	3,927,526	2,866,234			3,927,526	2,866,234
General Administration Services	979,474	403,627			979,474	403,627
School Administration Services	1,109,848	1,059,517			1,109,848	1,059,517
Business / Central Services	692,036	517,143			692,036	517,143
Plant Operations and Maintenance	2,861,812	2,431,405			2,861,812	2,431,405
Pupil Transportation	1,327,645	800,862			1,327,645	800,862
Interest on Long Term Debt	3,086	13,264			3,086	13,264
Food Services	-	-	393,309	395,350	393,309	395,350
<b>Total Expenses</b>	<u>31,460,274</u>	<u>27,637,484</u>	<u>393,309</u>	<u>395,350</u>	<u>31,853,583</u>	<u>28,032,834</u>
Change in Net Position	1,678,133	2,539,946	93,636	85,175	1,771,769	2,625,121
Net Position, Beginning of Year	<u>11,860,445</u>	<u>9,320,499</u>	<u>241,768</u>	<u>156,593</u>	<u>12,102,213</u>	<u>9,477,092</u>
Net Position, End of Year	<u>\$ 13,538,578</u>	<u>\$ 11,860,445</u>	<u>\$ 335,404</u>	<u>\$ 241,768</u>	<u>\$ 13,873,982</u>	<u>\$ 12,102,213</u>

# LITTLE FERRY BOARD OF EDUCATION

## Management's Discussion and Analysis

### Governmental Activities

The financial position of the District improved significantly. However, maintaining existing services, including both regular and special education programs for all pupils, and increases in District health benefits costs places a great demand on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

**Total and Net Cost of Governmental Activities.** The following schedule presents the District's total costs of services provided by major activity. After applying program revenues, derived from charges for services, operating grants and contributions and capital grants and contributions, the net cost of these services is presented. The following is a comparative analysis of the total and the net cost of governmental activities for the fiscal years ended June 30, 2024 and 2023.

### Total Cost and Net Cost of Services of Governmental Activities For the Fiscal Years Ended June 30, 2024 and 2023

<u>Functions/Programs</u>	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Governmental Activities				
Instruction				
Regular	13,219,080	\$ 12,907,722	\$ 11,316,045	\$ 10,766,107
Special Education	5,777,346	5,482,222	3,283,037	3,139,357
Other Instruction	1,448,724	1,072,837	970,950	650,547
School Sponsored Activities and Athletics	113,697	82,651	26,634	9,023
Support Services				
Student and Instruction Related Svcs.	3,927,526	2,866,234	2,851,699	2,236,425
General Administration Services	979,474	403,627	1,040,477	436,356
School Administration Services	1,109,848	1,059,517	939,702	901,326
Business / Central Services	692,036	517,143	680,315	502,159
Plant Operations and Maintenance	2,861,812	2,431,405	1,564,132	2,015,111
Pupil Transportation	1,327,645	800,862	987,936	490,587
Interest on Long Term Debt	<u>3,086</u>	<u>13,264</u>	<u>3,086</u>	<u>13,264</u>
Total Governmental Activities	<u>\$ 31,460,274</u>	<u>\$ 27,637,484</u>	<u>\$ 23,664,013</u>	<u>\$ 21,160,262</u>

# **LITTLE FERRY BOARD OF EDUCATION**

## **Management's Discussion and Analysis**

### **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

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

#### **Governmental Funds**

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$7,274,981 an increase of \$589,957 from last year's fund balance of \$6,685,024.

Revenues for the District's governmental funds were \$34,904,381; total expenditures were \$34,314,424.

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

Revenues of the General Fund were \$31,485,334 for the fiscal year ended June 30, 2024. State sources amounted to \$9,155,783, federal sources totaled \$19,318 and local sources were \$22,310,233.

Expenditures of the General Fund were \$30,901,716. Instructional expenditures were \$20,815,788, expenditures for support services were \$9,493,024, expenditures for debt service were \$37,725 and capital expenditures totaled \$555,179 for the fiscal year ended June 30, 2024.

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

Revenues of the Special Revenue Fund were \$3,419,047 for the fiscal year ended June 30, 2024. State sources amounted to \$1,501,744, federal sources totaled \$1,879,205 and local sources were \$38,098.

Expenditures of the Special Revenue Fund were \$3,412,708. Instructional expenditures were \$1,172,711, expenditures for support services were \$1,313,602 and capital expenditures totaled \$926,395 for the fiscal year ended June 30, 2024.

#### **Proprietary Funds**

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

# LITTLE FERRY BOARD OF EDUCATION

## Management's Discussion and Analysis

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

### GENERAL FUND BUDGETARY HIGHLIGHTS

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

- Implementing budgets for specially funded projects, which include both federal and state grants.
- Reappropriation of June 30, 2023 encumbrances.
- Appropriation of Capital and Maintenance Reserves

### CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2024 and 2023 amounts to \$8,862,634 and \$8,039,601 (net of accumulated depreciation), respectively. The capital assets consist of land, land improvements, buildings, building improvements and various other types of equipment. Depreciation charges for the fiscal year 2023-2024 amounted to \$669,605 for governmental activities and \$6,082 for the Business-Type activities.

The following is a comparative analysis of capital assets at June 30, 2024 and 2023.

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land	\$ 2,473,220	\$ 2,473,220			\$ 2,473,220	\$ 2,473,220
Construction in Progress	1,204,266				1,204,266	
Land Improvements	476,074	458,513			476,074	458,513
Buildings and Building Improvements	14,569,654	14,440,813			14,569,654	14,440,813
Machinery and Equipment	2,452,665	2,321,759	\$ 158,466	\$ 141,320	2,611,131	2,463,079
<b>Total</b>	21,175,879	19,694,305	158,466	141,320	21,334,345	19,835,625
Less: Accumulated Depreciation	(12,357,490)	(11,687,885)	(114,221)	(108,139)	(12,471,711)	(11,796,024)
<b>Total Capital Assets, Net</b>	<u>\$ 8,818,389</u>	<u>\$ 8,006,420</u>	<u>\$ 44,245</u>	<u>\$ 33,181</u>	<u>\$ 8,862,634</u>	<u>\$ 8,039,601</u>

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



## **LITTLE FERRY BOARD OF EDUCATION**

### **Management's Discussion and Analysis**

#### **LONG TERM LIABILITIES**

At June 30, 2024, the District's long-term liabilities consisted of severance pay payable of \$89,249, capital financing agreements of \$32,755 and net pension liability of \$2,063,978 totaling \$2,185,982. This is in comparison to long-term liabilities at June 30, 2023 of \$2,343,571 or a decrease of \$157,589.

#### **Long-Term Debt Outstanding Long-Term Liabilities As of June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Severance Pay	\$ 89,249	\$ 74,707
Capital/Other Financing Agreements	32,755	66,308
Deferred Pension Obligation	-	3,942
Net Pension Liability	<u>2,063,978</u>	<u>2,198,614</u>
Total	<u>\$ 2,185,982</u>	<u>\$ 2,343,571</u>

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

#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

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

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

#### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Little Ferry Board of Education, 130 Liberty Street, Little Ferry, NJ 07643.

## BASIC FINANCIAL STATEMENTS

**LITTLE FERRY BOARD OF EDUCATION**  
**STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2024**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash	\$ 7,685,328	\$ 285,544	\$ 7,970,872
Receivables, net			
Receivables from Other Governments	785,442	28,012	813,454
Internal Balances	17,266	(17,266)	-
Inventory		1,743	1,743
Capital Assets, Not Being Depreciated	3,677,486		3,677,486
Capital Assets, Being Depreciated, Net	<u>5,140,903</u>	<u>44,245</u>	<u>5,185,148</u>
Total Assets	<u>17,306,425</u>	<u>342,278</u>	<u>17,648,703</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amounts on Net Pension Liability	<u>70,129</u>	<u>-</u>	<u>70,129</u>
Total Deferred Outflows of Resources	<u>70,129</u>	<u>-</u>	<u>70,129</u>
Total Assets and Deferred Outflows of Resources	<u>17,376,554</u>	<u>342,278</u>	<u>17,718,832</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Current Liabilities	259,173		259,173
Unearned Revenue	953,882	5,131	959,013
Noncurrent Liabilities			
Due Within One Year	10,282		10,282
Due Beyond One Year	<u>2,175,700</u>	<u>-</u>	<u>2,175,700</u>
Total Liabilities	<u>3,399,037</u>	<u>5,131</u>	<u>3,404,168</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Commodities Revenues		1,743	1,743
Deferred Amounts on Net Pension Liability	<u>438,939</u>	<u>-</u>	<u>438,939</u>
Total Deferred Inflows of Resources	<u>438,939</u>	<u>1,743</u>	<u>440,682</u>
Total Liabilities and Deferred Inflows of Resources	<u>3,837,976</u>	<u>6,874</u>	<u>3,844,850</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	8,785,634	44,245	8,829,879
Restricted for			
Capital Projects	2,220,340		2,220,340
Other Purposes	869,034		869,034
Unrestricted	<u>1,663,570</u>	<u>291,159</u>	<u>1,954,729</u>
Total Net Position	<u>\$ 13,538,578</u>	<u>\$ 335,404</u>	<u>\$ 13,873,982</u>

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

**LITTLE FERRY BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities</b>							
Instruction							
Regular	\$ 13,219,080	\$ 14,396	\$ 1,888,639		\$ (11,316,045)		\$ (11,316,045)
Special Education	5,777,346		2,494,309		(3,283,037)		(3,283,037)
Other Instruction	1,448,724		477,774		(970,950)		(970,950)
School Sponsored Activities and Athletics	113,697	38,098	48,965		(26,634)		(26,634)
Support Services							
Student and Instruction Related Services	3,927,526		1,075,827		(2,851,699)		(2,851,699)
General Administrative Services	979,474		(61,003)		(1,040,477)		(1,040,477)
School Administrative Services	1,109,848		170,146		(939,702)		(939,702)
Central Services	692,036		11,721		(680,315)	-	(680,315)
Plant Operations and Maintenance	2,861,812		371,285	\$ 926,395	(1,564,132)		(1,564,132)
Pupil Transportation	1,327,645		339,709		(987,936)		(987,936)
Interest on Long-Term Debt	3,086	-	-	-	(3,086)	-	(3,086)
Total Governmental Activities	31,460,274	52,494	6,817,372	926,395	(23,664,013)	-	(23,664,013)
<b>Business-Type Activities</b>							
Food Service	393,309	154,257	332,688	-	-	\$ 93,636	93,636
Total Business-Type Activities	393,309	154,257	332,688	-	-	93,636	93,636
<b>Total Primary Government</b>	<b>\$ 31,853,583</b>	<b>\$ 206,751</b>	<b>\$ 7,150,060</b>	<b>\$ 926,395</b>	<b>(23,664,013)</b>	<b>93,636</b>	<b>(23,570,377)</b>
<b>General Revenues</b>							
Property Taxes Levied for General Purpose					21,614,678		21,614,678
State Aid Not Restricted					3,046,309		3,046,309
Investment Earnings					342,359		342,359
Miscellaneous Income					338,800	-	338,800
Total General Revenues					25,342,146	-	25,342,146
Change in Net Position					1,678,133	93,636	1,771,769
Net Position, Beginning of Year					11,860,445	241,768	12,102,213
Net Position, End of Year					\$ 13,538,578	\$ 335,404	\$ 13,873,982

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

## **FUND FINANCIAL STATEMENTS**

**LITTLE FERRY BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF JUNE 30, 2024**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash	\$ 7,107,529	\$ 577,799	\$ 7,685,328
Receivables From Other Governments	374,234	411,208	785,442
Due from Other Funds	-	17,880	17,880
	<hr/>	<hr/>	<hr/>
Total Assets	\$ 7,481,763	\$ 1,006,887	\$ 8,488,650
	<hr/>	<hr/>	<hr/>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 225,000		\$ 225,000
Intergovernmental Accounts Payable		\$ 16,500	16,500
Due to Other Funds	614		614
Payroll Deductions and Withholdings Payable	17,673		17,673
Unearned Revenue	-	953,882	953,882
	<hr/>	<hr/>	<hr/>
Total Liabilities	243,287	970,382	1,213,669
	<hr/>	<hr/>	<hr/>
<b>Fund Balances</b>			
Restricted Fund Balance			
Excess Surplus	770,000		770,000
Excess Surplus - Designated for Subsequent Year's Expenditures	1,077,817		1,077,817
Capital Reserve	1,970,340		1,970,340
Capital Reserve - Designated for Subsequent Year's Expenditures	250,000		250,000
Maintenance Reserve	107,529		107,529
Tuition Reserve	250,000		250,000
Tuition Reserve - Designated for Subsequent Year's Expenditures	475,000		475,000
Student Activities		36,505	36,505
Assigned Fund Balance			
Year-End Encumbrances	2,194,992		2,194,992
Designated for Subsequent Year's Expenditures	161,994		161,994
Unassigned Fund Balance	(19,196)	-	(19,196)
	<hr/>	<hr/>	<hr/>
Total Fund Balances	7,238,476	36,505	7,274,981
	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	\$ 7,481,763	\$ 1,006,887	
	<hr/>	<hr/>	

**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 \$21,175,879 and the accumulated depreciation is \$12,357,490.

\$ 8,818,389

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and amortized over future years.

Deferred Outflows of Resources	\$ 70,129
Deferred Inflows of Resources	<u>(438,939)</u>

(368,810)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.

Long-term liabilities at year end consist of the following:

Severance Pay Payable	(89,249)
Capital Financing Agreement	(32,755)
Net Pension Liability	<u>(2,063,978)</u>

(2,185,982)

**Net Position of Governmental Activities (Exhibit A-1)**

\$ 13,538,578

**LITTLE FERRY BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>			
Local Sources			
Local Property Tax Levy	\$ 21,614,678		\$ 21,614,678
Tuition	14,396		14,396
Interest	342,359		342,359
Miscellaneous	338,800	\$ 38,098	376,898
Total - Local Sources	22,310,233	38,098	22,348,331
State Sources	9,155,783	1,501,744	10,657,527
Federal Sources	19,318	1,879,205	1,898,523
Total Revenues	31,485,334	3,419,047	34,904,381
<b>EXPENDITURES</b>			
Current			
Regular Instruction	13,603,972	490,370	14,094,342
Special Education Instruction	5,692,756	445,478	6,138,234
Other Instruction	1,425,636	205,104	1,630,740
School-Sponsored Activities and Athletics	93,424	31,759	125,183
Support Services			
Student and Instruction Related Services	2,843,601	1,298,418	4,142,019
General Administrative Services	1,051,407		1,051,407
School Administrative Services	1,261,468		1,261,468
Central Services	690,650		690,650
Plant Operations and Maintenance	2,335,632	15,184	2,350,816
Pupil Transportation	1,310,266		1,310,266
Capital Outlay	555,179	926,395	1,481,574
Debt Service			
Principal	33,553		33,553
Interest	4,172	-	4,172
Total Expenditures	30,901,716	3,412,708	34,314,424
Excess of Revenues Over Expenditures	583,618	6,339	589,957
Fund Balance, Beginning of Year	6,654,858	30,166	6,685,024
Fund Balance, End of Year	\$ 7,238,476	\$ 36,505	\$ 7,274,981

**LITTLE FERRY BOARD OF EDUCATION  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
WITH THE DISTRICT-WIDE STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2)** **\$ 589,957**

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which depreciation expense exceeds capital outlay in the current period.

Capital Outlay	\$ 1,481,574	
Depreciation Expense	<u>(669,605)</u>	
		811,969

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

Principal Repayments of Capital and Other Financing	<u>33,553</u>	
		33,553

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

Net Increase in Compensated Absences (Severance Pay)	(14,542)	
Decrease in Pension Expense	252,168	
Net Decrease in Deferred Pension Obligation	<u>3,942</u>	
		241,568

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

Decrease in Accrued Interest		<u>1,086</u>
------------------------------	--	--------------

**Change in Net Position of Governmental Activities (Exhibit A-2)** **\$ 1,678,133**



**LITTLE FERRY BOARD OF EDUCATION  
PROPRIETARY FUND  
STATEMENT OF NET POSITION  
AS OF JUNE 30, 2024**

**Enterprise Fund-  
Food Service**

**ASSETS**

Current Assets	
Cash	\$ 285,544
Due from Other Funds	614
Receivables from Other Governments	28,012
Inventory	<u>1,743</u>
Total Current Assets	<u>315,913</u>
Capital Assets	
Equipment	158,466
Less: Accumulated Depreciation	<u>(114,221)</u>
Total Capital Assets, Net	<u>44,245</u>
Total Assets	<u>360,158</u>

**LIABILITIES**

Current Liabilities	
Due to Other Funds	17,880
Unearned Revenue	<u>5,131</u>
Total Current Liabilities	<u>23,011</u>

**NET ASSETS**

Deferred Commodities Revenue	<u>1,743</u>
Total Deferred Inflows of Resources	<u>1,743</u>
Total Liabilities and Deferred Inflows of Resources	<u>24,754</u>

**NET POSITION**

Investment in Capital Assets	44,245
Unrestricted	<u>291,159</u>
Total Net Position	<u>\$ 335,404</u>

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

**LITTLE FERRY BOARD OF EDUCATION  
 PROPRIETARY FUND  
 STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<b>Enterprise Fund- Food Service</b>
<b>OPERATING REVENUES</b>	
Charges for Services	
Daily Sales Reimbursable Programs	\$ 134,204
Daily Sales - Non Reimbursable Programs	<u>20,053</u>
Total Operating Revenues	<u>154,257</u>
<b>OPERATING EXPENSES</b>	
Salaries and Benefits	123,607
Cost of Sales - Reimbursable Programs	164,797
Cost of Sales - Non Reimbursable	24,625
Other Purchased Services	31,181
Management Fee	25,000
Miscellaneous Expenses	9,780
Supplies and Materials	8,237
Depreciation	<u>6,082</u>
Total Operating Expenses	<u>393,309</u>
Operating Income (Loss)	<u>(239,052)</u>
<b>NONOPERATING REVENUES</b>	
State Sources	
Lunch Program	7,070
Breakfast Program	1,476
After the Bell Program	3,367
NJEIE - Lunch Program	739
NJEIE - Breakfast	313
Federal Sources	
Lunch Program	179,726
Breakfast Program	83,154
P-EBT Admin	653
Supply Chain Assistance	22,852
Food Distribution Program	<u>33,338</u>
Total Nonoperating Revenues	<u>332,688</u>
Change in Net Position	93,636
Net Position, Beginning of Year	<u>241,768</u>
Net Position, End of Year	<u><u>\$ 335,404</u></u>

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

**LITTLE FERRY BOARD OF EDUCATION  
PROPRIETARY FUND  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<b>Enterprise Fund- <u>Food Service</u></b>
<b>Cash Flows from Operating Activities</b>	
Cash Received from Customers	\$ 155,189
Cash Payments for Salaries and Benefits	(123,607)
Cash Payments to Suppliers and Employees	<u>(228,281)</u>
Net Cash Used by Operating Activities	<u>(196,699)</u>
<b>Cash Flows from Noncapital Financing Activities</b>	
Cash Received from Federal and State Subsidy Reimbursements	279,049
Cash Received for Other Funds	<u>-</u>
Net Cash Provided by Noncapital Financing Activities	<u>279,049</u>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Purchase of Capital Assets	<u>(17,146)</u>
Net Cash Used by Capital Financing Activities	<u>(17,146)</u>
Net Increase in Cash	65,204
Cash, Beginning of Year	<u>220,340</u>
Cash, End of Year	<u><u>\$ 285,544</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash</b>	
<b>Provided (Used) by Operating Activities</b>	
Operating Income (Loss)	\$ (239,052)
Adjustments to Reconcile Operating Income (Loss) to	
Net Cash Provided (Used) by Operating Activities	
Depreciation	6,082
Food Distribution (USDA Commodities) Program	33,338
Change in Assets, Liabilities and Deferred Inflows of Resources	
(Increase/Decrease) in Inventory	2,001
Increase/(Decrease) in Unearned Revenue	<u>932</u>
Total Adjustments	<u>42,353</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (196,699)</u></u>
<b>Non-Cash Investing, Capital and Related Financing Activities</b>	
Fair Value of Food Distribution Program-	
National School Lunch Program	<u><u>\$ 35,081</u></u>

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

## **NOTES TO THE FINANCIAL STATEMENTS**

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Little Ferry Board of Education (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade eight (8) school district.

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

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

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

**B. New Accounting Standards**

During fiscal year 2024, the District adopted the following GASB statements:

- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

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

- 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.

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. New Accounting Standards (Continued)**

- GASB Statement No. 102, *Certain Risk Disclosures*, will be effective beginning with the fiscal year ending June 30, 2025. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a school district vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a school district's financial condition.
- GASB Statement No. 103, *Financial Reporting Model Improvements*, will be effective beginning with the fiscal year ending June 30, 2026. The requirements for MD&A will improve the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A. The requirements for the separate presentation of unusual or infrequent items will provide clarity regarding which items should be reported separately from other inflows and outflows of resources. The definitions of operating revenues and expenses and of nonoperating revenues and expenses will replace accounting policies that vary from school district to school district, thereby improving comparability. The addition of a subtotal for operating income (loss) and noncapital subsidies will improve the relevance of information provided in the proprietary fund statement of revenues, expenses, and changes in fund net position. The requirement for presentation of major component unit information will improve comparability. The requirement that budgetary comparison information be presented as RSI will improve comparability, and the inclusion of the specified variances and the explanations of significant variances will provide more useful information for making decisions and assessing accountability.

**C. Basis of Presentation - Financial Statements**

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

**District-Wide Financial Statements**

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

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

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

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation - Financial Statements (Continued)**

**Fund Financial Statements**

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

The District reports the following major governmental funds:

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

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

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

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

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

**Reclassifications**

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

**D. Measurement Focus and Basis of Accounting**

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

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

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting (Continued)**

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

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

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

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

***1. Cash, Cash Equivalents and Investments***

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

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

***2. Receivables***

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

***3. Inventories***

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

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

***4. Capital Assets***

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

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



**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**4. *Capital Assets (Continued)***

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

<u>Assets</u>	<u>Years</u>
Land Improvements	15-20
Buildings and Building Improvements	20-40
Machinery and Equipment	5-15
Machinery and Vehicles	8-10

**5. *Deferred Outflows/Inflows of Resources***

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

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

**6. *Severance Pay***

It is the District’s policy to permit teachers and custodians who retire from the District after completing uninterrupted, continuous service with the District for a minimum period of years as set forth in the policy to be paid a fixed compensation based on the years of service. It also allow certain other employees who have accrued unused sick days to be paid up to established maximums based on the number of days accrued. A long-term liability of accumulated severance pay and salary related payments has been recorded in the governmental activities in the district-side financial statements representing the Board’s commitment to fund such costs from future operations. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**7. *Pensions***

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

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

**8. *Financing Agreements***

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

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

**9. *Long-Term Obligations***

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

In the fund financial statements the face amount of debt issued is reported as other financing sources.

**10. *Net Position/Fund Balance***

**District-Wide Statements**

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

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

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

**Governmental Fund Statements**

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

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

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

Excess Surplus – Designated for Subsequent Year's Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2023 audited excess surplus that was appropriated in the 2024/2025 original budget certified for taxes.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2D).

Capital Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the 2024/2025 original budget certified for taxes.

Maintenance Reserve – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 2E).

Tuition Adjustments – This restriction was created in accordance with NJAC 6A:23A-17.1(F)8 to represent foreseeable future tuition adjustments for the 2023/2024 contract year and is required to be liquidated in the second year following the contract year with any remaining balance related to that contract year to be reserved and budgeted for property tax relief in the 2025/2026 original budget certified for taxes.

Tuition Adjustment – Designated for Subsequent Year's Expenditures – This restriction was created in accordance with NJAC 6A:23A-17.1(F)8 to represent foreseeable future tuition adjustments for the 2022/2023 contract year that is appropriated in the 2024/2025 original budget certified for taxes.

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

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

**Governmental Fund Statements (Continued)**

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

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

**Designated for Subsequent Year's Expenditures** – This designation was created to dedicate the portion of fund balance appropriated in the 2024/2025 original budget certified for taxes.

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

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

***11. Fund Balance Policies***

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

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

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

**F. Revenues and Expenditures/Expenses**

***1. Program Revenues***

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

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Revenues and Expenditures/Expenses (Continued)**

**2. *Property Taxes***

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

**3. *Tuition Revenues and Expenditures***

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

Tuition Expenditures - Tuition charges for the fiscal years 2022-2023 and 2023-2024 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

**4. *On-Behalf Payments***

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

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

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

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

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

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

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**A. Budgetary Information (Continued)**

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

The annual budget is adopted in the spring of the preceding year for the general and special revenue funds. The budget is submitted to the county superintendent for review and approval prior to adoption. Districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2023/2024. Also, during 2023/2024 the Board increased the original budget of the general fund by \$3,898,444 and the special revenue fund by \$1,769,488. The increases were funded by the additional appropriation of unassigned fund balance, capital reserve, maintenance reserve, grant awards, student activity revenues and the reappropriation of prior year general fund encumbrances. During the fiscal year the Board authorized and approved additional fund balance appropriations of unassigned fund balance of \$148,763, capital reserve of \$3,203,100 and maintenance reserve of \$384,565 from the general fund.

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

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

**B. Excess Expenditures Over Appropriations**

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund			
Speech, OT, PT and Related Services			
Salaries	\$71,281	\$80,931	\$9,650
General Administration			
Miscellaneous Expenditures	15,500	239,506	224,006
Unallocated Benefits –			
Social Security Contributions	267,580	485,753	218,173

The above variances were the result of audit adjustments and were offset with other available resources.

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**C. Deficit Fund Equity**

The District has an unassigned fund deficit of \$19,196 in the General Fund as of June 30, 2024 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2023/2024 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General Fund deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) general fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District deficit in the GAAP (fund) financial statements of \$19,196 in the General Fund is less than the delayed state aid payments at June 30, 2024.

**D. Capital Reserve**

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

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

The activity of the capital reserve for the fiscal year ended June 30, 2024 is as follows:

Balance, July 1, 2023		\$ 3,744,963
Increased by		
Interest Earnings	\$ 76,144	
Return of Unencumbered Budget Withdrawals	768,100	
Deposits Approved by Board Resolution	<u>1,055,233</u>	
		<u>1,899,477</u>
		5,644,440
Decreased by:		
Withdrawals Approved in District Budget	3,203,100	-
Withdrawals Approved by Board Resolution	<u>221,000</u>	
		<u>3,424,100</u>
Balance, June 30, 2024		<u>\$ 2,220,340</u>

The June 30, 2024 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be \$42,053,703. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the District's Long Range Facilities Plan. \$250,000 of the capital reserve balance at June 30, 2024 was designated and appropriated for use in the 2024/2025 original budget certified for taxes.

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**E. Maintenance Reserve**

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

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

The activity of the maintenance reserve for the fiscal year ended June 30, 2024 is as follows:

Balance, July 1, 2023		\$ 637,094
Increased by		
Deposits Approved by Board Resolution		<u>40,000</u>
		677,094
Decreased by:		
Withdrawals Approved in District Budget	\$ 185,000	
Withdrawals Approved by Board Resolution	<u>384,565</u>	
		<u>569,565</u>
Balance, June 30, 2024		<u>\$ 107,529</u>

The June 30, 2024 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$637,094. The withdrawals from the maintenance reserve were for use in required maintenance activities for school facilities.

**F. Transfers to Capital Outlay**

During the 2023/2024 school year, the district transferred \$3,203,100 to the non-equipment capital outlay accounts. The transfer was made from the capital reserve account to supplement a capital project previously approved by the voters in the budget certified for taxes pursuant to N.J.A.C. 6A:23-8.4.

**G. Calculation of Excess Surplus**

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2024 is \$1,847,817. Of this amount, \$1,077,817 was designated and appropriated in the 2024/2025 original budget certified for taxes and the remaining amount of \$770,000 will be appropriated in the 2025/2026 original budget certified for taxes.



**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits and Investments**

**Cash Deposits**

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2024, the book value of the Board's deposits was \$7,970,872 and bank and brokerage firm balances of the Board's deposits amounted to \$9,263,220. The Board's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

**Depository Account**

Insured	\$ 9,245,036
Uninsured and Uncollateralized	<u>18,184</u>
	<u>\$ 9,263,220</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2024 the Board's bank balance of \$18,184 was exposed to custodial credit risk as follows:

**Depository Account**

Uninsured and Collateralized:	
Collateral held by pledging financial institution's trust department but not in the Board's name	<u>\$ 18,184</u>

**Investments**

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

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash Deposits and Investments (Continued)**

**Investments (Continued)**

As of June 30, 2024, the Board had no outstanding investments.

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

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

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

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Board's investment in a single issuer. The Board places no limit in the amount the District may invest in any one issuer.

**B. Receivables**

Receivables as of June 30, 2024 for the district's individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Property Taxes	\$ 25			\$ 25
Accounts			\$ 15,503	15,503
Intergovernmental-				-
Federal		\$ 411,208	26,628	437,836
State	<u>374,209</u>	<u>-</u>	<u>1,384</u>	<u>375,593</u>
Gross Receivables	374,234	411,208	43,515	828,957
Less: Allowance for				-
Uncollectibles	<u>-</u>	<u>-</u>	<u>15,503</u>	<u>15,503</u>
Net Total Receivables	<u>\$ 374,234</u>	<u>\$ 411,208</u>	<u>\$ 28,012</u>	<u>\$ 813,454</u>

**C. Unearned Revenue**

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

Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 678,819
Grant Draw Downs Reserved for Encumbrances	<u>275,063</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 953,882</u>

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets**

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

	Balance, July 1, 2023	Increases	Decreases	Balance, June 30, 2024
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 2,473,220	-	-	\$ 2,473,220
Construction in Progress	-	\$ 1,204,266	-	1,204,266
Total Capital Assets, Not Being Depreciated	2,473,220	1,204,266	-	3,677,486
Capital Assets, Being Depreciated:				
Land Improvements	458,513	17,561		476,074
Building and Building Improvements	14,440,813	128,841		14,569,654
Machinery and Equipment	2,321,759	130,906	-	2,452,665
Total Capital Assets Being Depreciated	17,221,085	277,308	-	17,498,393
Less Accumulated Depreciation for:				
Land Improvements	(263,590)	(21,684)		(285,274)
Building and Building Improvements	(9,805,402)	(457,540)		(10,262,942)
Machinery and Equipment	(1,618,893)	(190,381)	-	(1,809,274)
Total Accumulated Depreciation	(11,687,885)	(669,605)	-	(12,357,490)
Total Capital Assets, Being Depreciated, Net	5,533,200	(392,297)	-	5,140,903
Governmental Activities Capital Assets, Net	\$ 8,006,420	\$ 811,969	\$ -	\$ 8,818,389
	Balance, July 1, 2023	Increases	Decreases	Balance, June 30, 2024
<b>Business-Type Activities:</b>				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 141,320	\$ 17,146	-	\$ 158,466
Total Capital Assets Being Depreciated	141,320	17,146	-	158,466
Less Accumulated Depreciation for:				
Machinery and Equipment	(108,139)	(6,082)	-	(114,221)
Total Accumulated Depreciation	(108,139)	(6,082)	-	(114,221)
Total Capital Assets, Being Depreciated, Net	33,181	11,064	-	44,245
Business-Type Activities Capital Assets, Net	\$ 33,181	\$ 11,064	\$ -	\$ 44,245

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets (Continued)**

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

**Governmental Activities:**

Instruction

Regular	\$ 79,323
Special Education	<u>1,665</u>

Total Instruction	<u>80,988</u>
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Support Services

Student and Instruction Related Services	52,306
School Administrative Services	10,742
Plant Operations and Maintenance	508,391
Pupil Transportation	<u>17,178</u>

Total Support Services	<u>588,617</u>
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Total Governmental Funds	<u>\$ 669,605</u>
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**Business-Type Activities:**

Food Service Fund	<u>\$ 6,082</u>
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Total Depreciation Expense-Business-Type Activities	<u><u>\$ 6,082</u></u>
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**E. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2024, is as follows:

**Due To/From Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Special Revenue Fund	Food Service Fund	\$ 17,880
Food Service Fund	General Fund	<u>614</u>
Total		<u><u>\$ 18,494</u></u>

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund.

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

**LITTLE FERRY BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**F. Financing Agreements**

**Capital Financing Agreements**

The District entered into the following agreements to finance capital assets under capital financing agreements. The repayments under these financing agreements are subject to the annual appropriation of funds in the District’s approved budget.

Capital financing agreements at June 30, 2024 are comprised of the following:

\$51,591, fiscal year 2022 Agreement for the acquisition of a 4 Copiers for a term of 5 years due in annual principal installments of \$10,282 to \$11,567 through June 15, 2027 interest at 3.14%	\$ 32,755
Total	\$ 32,755

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

**Governmental Activities:**

Fiscal Year Ending June 30,	<u>Capital Agreements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2025	\$ 10,282	\$ 1,658	\$ 11,940
2026	10,906	1,034	11,940
2027	<u>11,567</u>	<u>373</u>	<u>11,940</u>
Total	<u>\$ 32,755</u>	<u>\$ 3,065</u>	<u>\$ 35,820</u>

**G. Long-Term Debt**

**Statutory Borrowing Power**

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2024 was as follows:

3% of Equalized Valuation Basis (Municipal)	\$ 44,706,107
Less: Net Debt Issued and Authorized But Not Issued	<u>-</u>
Remaining Borrowing Power	<u>\$ 44,706,107</u>

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**H. Other Long-Term Liabilities (Continued)**

**Changes in Long-Term Liabilities**

Long-term liability activity for the fiscal year ended June 30, 2024, was as follows:

	Balance, July 1, 2023	Additions	Reductions	Balance, June 30, 2024	Due Within One Year
<b>Governmental Activities:</b>					
Severance Pay	\$ 74,707	\$ 14,542		\$ 89,249	
Capital Financing Agreements	66,308		\$ 33,553	32,755	\$ 10,282
Deferred Pension Obligation	3,942		3,942	-	
Net Pension Liability	2,198,614	-	134,636	2,063,978	-
Governmental Activity Long-Term Liabilities	<u>\$ 2,343,571</u>	<u>\$ 14,542</u>	<u>\$ 172,131</u>	<u>\$ 2,185,982</u>	<u>\$ 10,282</u>

For the governmental activities, the liabilities for severance pay, capital financing agreements, deferred pension obligations and net pension liability are generally liquidated by the general fund.

**NOTE 4 OTHER INFORMATION**

**A. Risk Management**

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

The District is a member of the Northeast Bergen County School Board Insurance Group (NESBIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims and various other types of coverage.

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

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

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

LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 4 OTHER INFORMATION (Continued)

B. Contingent Liabilities

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

**Federal and State Awards** – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2024, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

The following represents the membership tiers for PERS:

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

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

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

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

The following represent the membership tiers for TPAF:

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

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

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

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



**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

**Other Pension Funds**

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

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

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

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

**Plan Amendments**

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

**Measurement Focus and Basis of Accounting**

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

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

**Investment Valuation**

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

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

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

**Collective Net Pension Liability**

The collective net pension liability of the participating employers for local PERS at June 30, 2023 is \$14.6 billion and the plan fiduciary net position as a percentage of the total pension liability is 65.23%. The collective net pension liability of the State funded TPAF at June 30, 2023 is \$51.1 billion and the plan fiduciary net position as a percentage of total pension liability is 34.68%.

The total pension liabilities for the June 30, 2023 measurement date were determined based on actuarial valuations as of July 1, 2022 which were rolled forward to June 30, 2023.

**Actuarial Methods and Assumptions**

In the July 1, 2022 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary’s report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Employer and Employee Pension Contributions**

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee’s annual compensation for fiscal year 2024.

PERS employers’ and TPAF State’s nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2024 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State’s annual pension contribution was more than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2024, 2023 and 2022, were equal to the required contributions.

During the fiscal years ended June 30, 2024, 2023 and 2022 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively, for normal cost pension and unfunded accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

<u>Fiscal Year Ended June 30,</u>	<u>PERS</u>	<u>On-behalf TPAF</u>	<u>DCRP</u>
2024	\$ 190,451	\$ 2,830,078	\$ 16,034
2023	183,718	2,626,888	14,297
2022	174,580	2,594,795	11,229

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

**Employer and Employee Pension Contributions (Continued)**

In addition for fiscal years 2024, 2023 and 2022 the State contributed \$1,040, \$1,035 and \$780, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$349,639 during the fiscal 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 recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

**Public Employees Retirement System (PERS)**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2022 through June 30, 2023. Employer allocation percentages have been rounded for presentation purposes. Contributions from employers are recognized when due based on statutory requirements.

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

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2023 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2023.

At June 30, 2024, the District reported in the statement of net position (accrual basis) a liability of \$2,063,978 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2023. At June 30, 2023, the District's proportionate share was .01425 percent, which was a decrease of .00032 percent from its proportionate share measured as of June 30, 2022 of .01457 percent.

LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$61,717 for PERS. The pension contribution made by the District during the current 2023/2024 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2024 with a measurement date of the prior fiscal year end of June 30, 2023. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2024 for contributions made subsequent to the measurement date. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 19,734	\$ 8,437
Changes of Assumptions	4,534	125,086
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	9,505	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>36,356</u>	<u>305,416</u>
Total	<u>\$ 70,129</u>	<u>\$ 438,939</u>

At June 30, 2024, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense/(benefit) as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2025	\$ (242,635)
2026	(198,572)
2027	31,334
2028	(39,846)
2029	80,909
Thereafter	<u>-</u>
	<u>\$ (368,810)</u>

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Actuarial Assumptions***

The District’s total pension liability for the June 30, 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:	2.75-6.55%
	Based on Years of Service
Investment Rate of Return	7.00%

***Mortality Rates***

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

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

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Long-Term Expected Rate of Return***

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the PERS's target asset allocation as of June 30, 2023 are summarized in the following table:

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

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Discount Rate***

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 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 in determining the total pension liability.

***Sensitivity of Net Pension Liability***

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

	<b>1% Decrease <u>6.00%</u></b>	<b>Current Discount Rate <u>7.00%</u></b>	<b>1% Increase <u>8.00%</u></b>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 2,686,860</u>	<u>\$ 2,063,978</u>	<u>\$ 1,533,823</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability at as of the measurement date of June 30, 2023. A sensitivity analysis specific to the District's net pension liability at June 30, 2023 was not provided by the pension system.

***Pension Plan Fiduciary Net Position***

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

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

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

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The non-employer allocation percentages presented are based on the ratio of the State's actual contributions made as an employer and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2022 through June 30, 2023. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2023, the State's pension contribution was more than the actuarial determined amount.

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

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$794,589 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2024 the State's proportionate share of the net pension liability attributable to the District is \$32,343,618. The net pension liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2023. At June 30, 2023, the State's share of the net pension liability attributable to the District was .06338 percent, which was an increase of .00123 percent from its proportionate share measured as of June 30, 2022 of .06215 percent.



**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

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

**Actuarial Assumptions**

The total pension liability for the June 30, 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%

***Mortality Rates***

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

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

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

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

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the TPAF's target asset allocation as of June 30, 2023 are summarized in the following table:

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

***Discount Rate***

The discount rate used to measure the total pension liability for TPAF 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 in determining the total pension liability.

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**C. Employee Retirement Systems and Pension Plans (Continued)**

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

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

***Sensitivity of Net Pension Liability***

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	\$ 38,138,995	\$ 32,343,618	\$ 27,462,533

The sensitivity analysis was based on the State’s proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2023. A sensitivity analysis specific to the State’s proportionate share of the net pension liability attributable to the District at June 30, 2023 was not provided by the pension system.

***Pension Plan Fiduciary Net Position***

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

**D. Post-Retirement Medical Benefits**

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

**Plan Description and Benefits Provided**

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

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Post-Retirement Medical Benefits (Continued)**

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

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

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

**Plan Membership**

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2022:

Active Plan Members	217,212
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>152,383</u>
Total	<u>369,595</u>

**Measurement Focus and Basis of Accounting**

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

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

**Collective Net OPEB Liability**

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2023 is \$52.4 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities at June 30, 2023 were determined based on actuarial valuations as of June 30, 2022 which were rolled forward to June 30, 2023.

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Post-Retirement Medical Benefits (Continued)**

**Actuarial Methods and Assumptions**

In the June 30, 2022 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Post-Retirement Medical Benefits Contributions**

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.44 billion to the OPEB plan in fiscal year 2023.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2024, 2023 and 2022 were \$770,243, \$690,077 and \$606,249, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2022 through June 30, 2023. Nonemployer allocation percentages have been rounded for presentation purposes.

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

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$1,039,758. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2024 the State's proportionate share of the OPEB liability attributable to the District is \$30,334,467. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2023 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2023. At June 30, 2023, the state's share of the OPEB liability attributable to the District was .05793 percent, which was an increase of .00152 percent from its proportionate share measured as of June 30, 2022 of .05641 percent.

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Post-Retirement Medical Benefits (Continued)**

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

**Actuarial Assumptions**

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

	<u>PERS</u>	<u>TPAF</u>
Salary Increases	2.75% to 6.55% Based on Years of Service	2.75% to 4.25% Based on Years of Service

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

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

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

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 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 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% 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%.

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Post-Retirement Medical Benefits (Continued)**

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

**Discount Rate**

The discount rate for June 30, 2023 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.

**Changes in the Total OPEB Liability**

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2024 (measurement date June 30, 2023) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2022 Measurement Date	\$ 28,569,782
Changes Recognized for the Fiscal Year:	
Service Cost	1,261,239
Interest on the Total OPEB Liability	1,068,343
Differences Between Expected and Actual Experience	179,374
Changes of Assumptions	61,142
Gross Benefit Payments	(832,791)
Contributions from the Member	27,378
Net Changes	\$ 1,764,685
Balance, June 30, 2023 Measurement Date	\$ 30,334,467

Changes of assumptions and other inputs reflect a change in the discount rate from 3.54% in 2022 to 3.65% in 2023.

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2023.

**LITTLE FERRY BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Post-Retirement Medical Benefits (Continued)**

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

**Sensitivity of OPEB Liability**

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the State’s proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.65%, as well as what the State’s proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current rate:

	<b>1% Decrease <u>(2.65%)</u></b>	<b>Current Discount Rate <u>(3.65%)</u></b>	<b>1% Increase <u>(4.65%)</u></b>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 35,561,955</u>	<u>\$ 30,334,467</u>	<u>\$ 26,137,401</u>

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

	<b>1% Decrease <u></u></b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase <u></u></b>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 25,182,284</u>	<u>\$ 30,334,467</u>	<u>\$ 37,076,111</u>

The sensitivity analyses were based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2023. Sensitivity analyses specific to the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2023 were not provided by the pension system.

**E. Subsequent Events**

**Serial Bonds**

On August 8, 2024 the District issued \$32,899,000 in School District Bonds. These Bonds were issued in order to permanently finance expenditures related to the 2024 referendum passed on March 2024 for various capital improvement projects. The District awarded the said sale of bonds to Roosevelt & Cross, Inc. at an interest rate of .050% to 4.00%. These Bonds dated August 8, 2024 will mature over 30 years with the first maturity due August 15, 2026.



**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**F. Tax Abatements**

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

**NOTE 5 RECENT HEALTHCARE DEVELOPMENTS**

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. On March 13, 2020, the President of the United States declared a national public health emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. The Governor of the State declared a state of emergency and a public health emergency on March 9, 2020. In response to the COVID-19 pandemic, federal and State legislation and executive orders were implemented to mitigate the spread of the disease and provide relief to State and local governments. The pandemic and certain mitigation measures altered the behavior of businesses and people with negative impacts on regional, State and local economies. The national public health emergency and the State public health emergency have since ended, while the state of emergency declared by the State and several executive orders signed by the Governor remain to manage COVID-19 on an endemic level. Depending on future circumstances, ongoing actions could be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19, its variants or other critical health care challenges.

To date, the overall finances and operations of the Board have not been materially adversely affected by the COVID-19 pandemic. Nonetheless, the degree of any future impact to the Board's operations and finances is difficult to predict due to the dynamic nature of the COVID-19 pandemic and any additional actions that may be taken by governmental and other health care authorities to manage the COVID-19 pandemic.

The American Rescue Plan Act of 2021, H.R. 1319 (the "Plan"), signed into law by the President of the United States on March 11, 2021, provided \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic. The Plan, in part, provides funding for State and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes \$350 billion in relief funds to public entities, such as the Board.

The Board has been awarded a total of \$3,091,309 in federal aid to address the effects of the COVID-19 pandemic.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

## **BUDGETARY COMPARISON SCHEDULES**

**LITTLE FERRY BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Original Budget	Transfers/ Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>REVENUES</b>					
Local Sources					
Local Tax Levy	\$ 21,614,678		\$ 21,614,678	\$ 21,614,678	
Tuition from Other LEAs Within the State				14,396	\$ 14,396
Interest Earned				266,215	266,215
Interest Earned on Capital Reserve Funds	50		50	76,144	76,094
Unrestricted Miscellaneous Revenues	30,000	-	30,000	338,800	308,800
Total Local Sources	21,644,728	-	21,644,728	22,310,233	665,505
State Sources					
Categorical Special Education Aid	1,040,076		1,040,076	1,040,076	
Equalization Aid	2,999,442		2,999,442	2,999,442	
Categorical Security Aid	319,475		319,475	319,475	
Categorical Transportation Aid	299,736		299,736	299,736	
Extraordinary Aid	220,000		220,000	299,014	79,014
Additional Nonpublic Transportation Aid				24,570	24,570
On-Behalf T.P.A.F. Pension Contribution - Normal Cost (non-budgeted)				2,798,166	2,798,166
On-Behalf T.P.A.F. Pension Contribution - Non-Contributory Group Insurance (non-budgeted)				31,912	31,912
On-Behalf T.P.A.F. Pension Contribution - Post-Retirement Medical (non-budgeted)				770,243	770,243
On-Behalf T.P.A.F. Pension Contribution - Long-Term Disability Insurance (non-budgeted)				1,040	1,040
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	349,639	349,639
Total State Sources	4,878,729	-	4,878,729	8,933,313	4,054,584
Federal Sources					
Medicaid Reimbursement	34,614	-	34,614	19,318	(15,296)
Total Federal Sources	34,614	-	34,614	19,318	(15,296)
Total Revenues	26,558,071	-	26,558,071	31,262,864	4,704,793
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES</b>					
Instruction - Regular Programs					
Salaries of Teachers					
Preschool	62,431	\$ (62,431)	-	-	-
Kindergarten	355,499	(5,305)	350,194	350,194	
Grades 1-5	2,581,362	(148,825)	2,432,537	2,432,537	-
Grades 6-8	1,472,439	(58,232)	1,414,207	1,414,207	-
Regular Programs - Home Instruction					
Salaries of Teachers	8,000	(565)	7,435	7,435	-
Purchased Professional-Educational Services	8,000	-	8,000	-	8,000
General Supplies	2,000	-	2,000	-	2,000
Regular Programs - Undistributed Instruction					
Salaries of Teachers	20,000	(14,741)	5,259	3,396	1,863
Purchased Professional- Educational Services	70,000	105,278	175,278	174,274	1,004
Purchased Technical Services	198,619	23,021	221,640	221,465	175
Other Purchased Services	28,000	(4,985)	23,015	11,491	11,524
General Supplies	173,230	31,866	205,096	190,392	14,704
Textbooks	71,000	-	71,000	71,000	-
Other Objects	1,800	-	1,800	818	982
Total Regular Programs	5,052,380	(134,919)	4,917,461	4,877,209	40,252

**LITTLE FERRY BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Original Budget	Transfers/ Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
Special Education					
Multiple Disabilities					
Salaries of Teachers	\$ 517,195	\$ 17,699	\$ 534,894	\$ 534,894	
Other Salaries for Instruction	6,000	12,876	18,876	18,876	
General Supplies	20,850	-	20,850	14,588	\$ 6,262
Textbooks	1,600	-	1,600	-	1,600
Total Multiple Disabilities	545,645	30,575	576,220	568,358	7,862
Resource Room/Resource Center					
Salaries of Teachers	653,054	(77,221)	575,833	575,833	-
General Supplies	5,000	-	5,000	4,957	43
Total Resource Room/Resource Center	658,054	(77,221)	580,833	580,790	43
Autism					
Salaries of Teachers	225,143	1,329	226,472	226,472	-
Other Salaries for Instruction	189,638	(3,368)	186,270	186,270	-
Purchased Professional- Educational Services	5,000	-	5,000	-	5,000
General Supplies	5,500	-	5,500	5,156	344
Total Autism	425,281	(2,039)	423,242	417,898	5,344
Preschool Disabilities - Full Time					
Salaries of Teachers	12,600	41,888	54,488	54,488	-
Other Salaries for Instruction	7,500	(7,500)	-	-	-
General Supplies	650	-	650	-	650
Total Preschool Disabilities - Full Time	20,750	34,388	55,138	54,488	650
Total Special Education	1,649,730	(14,297)	1,635,433	1,621,534	13,899
Basic Skills					
Salaries of Teachers	312,093	234,011	546,104	546,104	-
General Supplies	1,000	-	1,000	895	105
Total Basic Skills	313,093	234,011	547,104	546,999	105
Bilingual Education					
Salaries	253,777	1,789	255,566	255,566	-
General Supplies	2,500	27	2,527	2,527	-
Total Bilingual Education	256,277	1,816	258,093	258,093	-
School Sponsored Co/Extracurricular Activities-Instruction					
Salaries	23,277	12,568	35,845	35,845	-
Total Co/Extracurricular Activities-Instruction	23,277	12,568	35,845	35,845	-
School Sponsored Athletics-Instruction					
Salaries	20,820	-	20,820	14,740	6,080
Purchased Services	2,400	-	2,400	2,195	205
General Supplies	2,500	-	2,500	1,488	1,012
Total School Sponsored Athletics-Instruction	25,720	-	25,720	18,423	7,297
Total Instruction	7,320,477	99,179	7,419,656	7,358,103	61,553
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State - Regular	4,548,010	172,210	4,720,220	4,720,220	-
Tuition to Other LEAs Within the State - Special	1,776,017	(64,870)	1,711,147	1,366,762	344,385
Tuition to County Vocational School Districts - Regular	933,949	-	933,949	724,726	209,223
Tuition to County Vocational School Districts - Special	1,192,929	(1,192,929)	-	-	-
Tuition to CSSD & Reg. Day Schools		1,147,680	1,147,680	1,082,333	65,347
Tuition to APSSD W/I State	748,678	(67,057)	681,621	386,074	295,547
Total Undistributed Expenditures - Instruction	9,199,583	(4,966)	9,194,617	8,280,115	914,502

**LITTLE FERRY BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
Undistributed Expenditures (Continued)					
Attendance and Social Work Services					
Salaries	\$ 33,662	\$ (15,290)	\$ 18,372	\$ 17,601	\$ 771
Total Attendance and Social Work Services	33,662	(15,290)	18,372	17,601	771
Health Services					
Salaries	135,386	14,905	150,291	150,291	-
Purchased Professional and Technical Services	6,500	3,210	9,710	9,710	-
Supplies and Materials	4,000	197	4,197	4,142	55
Total Health Services	145,886	18,312	164,198	164,143	55
Speech, OT, PT and Related Services					
Salaries	70,698	583	71,281	80,931	(9,650)
Purchased Professional- Educational Services	173,206	-	173,206	167,659	5,547
Total Speech, OT, PT and Related Services	243,904	583	244,487	248,590	(4,103)
Other Support Serv. Students - Extra. Svcs.					
Salaries	464,571	(119,230)	345,341	345,341	-
Supplies	1,600	-	1,600	1,291	309
Total Other Support Serv. Students - Extra. Svcs.	466,171	(119,230)	346,941	346,632	309
Guidance					
Salaries of Other Professional Staff	67,885	384	68,269	68,269	-
Salaries of Secretarial and Clerical Assistants		8,003	8,003	8,003	-
Purchased Professional- Educational Services	150,000	98,250	248,250	248,250	-
Other Purchased Professional-Technical Services	2,000	-	2,000	1,977	23
Supplies and Materials	1,500	2,310	3,810	3,165	645
Other Objects	2,500	-	2,500	2,454	46
Total Guidance	223,885	108,947	332,832	332,118	714
Child Study Teams					
Salaries of Other Professional Staff	263,843	-	263,843	262,851	992
Salaries of Secretarial and Clerical Assistants	46,871	-	46,871	46,871	-
Purchased Professional - Educational Services	575,000	-	575,000	500,219	74,781
Other Purchased Professional and Tech. Services	13,000	-	13,000	10,826	2,174
Other Purchased Services	17,200	-	17,200	14,813	2,387
Supplies and Materials	15,000	321	15,321	7,679	7,642
Other Objects	2,500	-	2,500	50	2,450
Total Child Study Teams	933,414	321	933,735	843,309	90,426
Improvement of Instructional Services					
Sal of Supervisor of Instruction	112,674	(81,811)	30,863	30,863	-
Sal of Facilitators, Math & Literacy Coaches	106,853	-	106,853	102,815	4,038
Purchased Prof- Educational Services	38,000	1,500	39,500	39,140	360
Other Purch Prof and Tech. Services	68,000	-	68,000	67,847	153
Supplies and Materials	1,500	-	1,500	1,359	141
Other Objects	4,000	1,500	5,500	5,442	58
Total Improvement of Instructional Services	331,027	(78,811)	252,216	247,466	4,750
Educational Media Services/School Library					
Salaries	61,914	-	61,914	61,250	664
Supplies and Materials	2,000	-	2,000	1,976	24
Total Educational Media Serv./School Library	63,914	-	63,914	63,226	688

**LITTLE FERRY BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
Undistributed Expenditures (Continued)					
Instructional Staff Training Services					
Purchased Professional - Educational Services	\$ 10,000	\$ 189	\$ 10,189	\$ 10,189	-
Other Purchased Services	10,000	(90)	9,910	7,995	\$ 1,915
Other Objects	6,000	-	6,000	5,999	1
Total Instructional Staff Training Services	26,000	99	26,099	24,183	1,916
Support Services General Administration					
Salaries	305,714	1	305,715	299,466	6,249
General Admin. Salaries -Governance Staff (BOE Direct Reports Only)	6,000	-	6,000	6,000	-
Legal Services	95,000	-	95,000	61,789	33,211
Audit Fees	50,000	-	50,000	39,182	10,818
Architectural / Engineering Services	100,000	104,460	204,460	190,387	14,073
Other Purchased Professional Services	27,000	5,121	32,121	18,548	13,573
Purchased Technical Services	3,500	(374)	3,126	-	3,126
Communications/Telephone	22,000	(1,000)	21,000	17,231	3,769
BOE Other Purchased Services	3,000	-	3,000	2,552	448
Miscellaneous Purchased Services	23,000	5,400	28,400	21,218	7,182
General Supplies	5,000	21	5,021	3,521	1,500
BOE Membership Dues and Fees	11,500	1,179	12,679	12,656	23
Miscellaneous Expenditures	8,000	7,500	15,500	239,506	(224,006)
Total Support Services General Administration	659,714	122,308	782,022	912,056	(130,034)
Support Services School Administration					
Salaries of Principals/Assistant Principals	446,763	133,962	580,725	580,725	-
Salaries of Secretarial and Clerical Assistants	117,254	17,123	134,377	134,377	-
Purchased Professional and Technical Services	8,500	(1,201)	7,299	4,141	3,158
Other Purchased Services	22,500	6,201	28,701	28,701	-
Supplies and Materials	14,150	732	14,882	7,740	7,142
Other Objects	6,100	-	6,100	5,675	425
Total Support Services School Administration	615,267	156,817	772,084	761,359	10,725
Central Services					
Salaries	270,610	11,959	282,569	282,508	61
Purchased Professional Services	41,000	(4,600)	36,400	19,660	16,740
Misc. Purchased Services	15,000	(5,500)	9,500	5,129	4,371
Supplies and Materials	8,500	321	8,821	6,299	2,522
Interest on Lease Purchase Agreements	50,000	(50,000)	-	-	-
Miscellaneous Expenditures	10,000	-	10,000	8,471	1,529
Total Central Services	395,110	(47,820)	347,290	322,067	25,223
Admin. Info. Tech.					
Salaries	260,367	(89,938)	170,429	160,317	10,112
Other Purchased Services	2,700	-	2,700	2,205	495
Total Admin. Info. Tech.	263,067	(89,938)	173,129	162,522	10,607
Required Maintenance for School Facilities					
Salaries	97,607	5,300	102,907	97,607	5,300
Cleaning, Repair and Maintenance Services	125,000	457,972	582,972	395,706	187,266
General Supplies	84,000	(21,885)	62,115	62,070	45
Other Objects	-	3,000	3,000	1,817	1,183
Total Required Maintenance for School Fac.	306,607	444,387	750,994	557,200	193,794

**LITTLE FERRY BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
Undistributed Expenditures (Continued)					
Custodial Services					
Salaries	\$ 519,618	\$ 7,272	\$ 526,890	\$ 519,613	\$ 7,277
Salaries of Non-Instructional Aides	112,918	-	112,918	110,921	1,997
Purchased Professional and Technical Services	18,000	-	18,000	15,950	2,050
Cleaning, Repair, and Maintenance Svc.	76,000	55,323	131,323	113,152	18,171
Other Purchased Property Services	50,000	5,260	55,260	43,446	11,814
Insurance	211,938	(6,000)	205,938	194,404	11,534
General Supplies	38,000	(5,000)	33,000	3,282	29,718
Energy (Electricity)	308,000	(76,507)	231,493	213,713	17,780
Energy (Natural Gas)	14,000	-	14,000	1,461	12,539
Other Objects	16,500	(2,553)	13,947	8,011	5,936
Total Custodial Services	1,364,974	(22,205)	1,342,769	1,223,953	118,816
Security					
Salaries	100,807	2,999	103,806	103,806	-
Purchased Professional and Technical Services	75,000	(21,617)	53,383	52,724	659
General Supplies	5,000	-	5,000	-	5,000
Total Security	180,807	(18,618)	162,189	156,530	5,659
Student Transportation Services					
Salaries for Non-Instructional Aides	87,980	(23,709)	64,271	64,271	-
Cleaning, Repair and Maintenance Services	16,000	11,667	27,667	14,381	13,286
Contracted Serv.-Aid in Lieu of Payments-Non Public Schools	70,000	(17,800)	52,200	51,713	487
Contracted Services					
(Between Home and School) - Vendors	153,825	(153,825)	-	-	-
Contracted Services					
(Other Between Home and School) - Vendors	9,000	-	9,000	375	8,625
Contracted Services (Spl. Ed. Students) - Joint Agreements	729,140	(729,140)	-	-	-
Contract Services (Regular Students) - ESCs and CTSAs		508,137	508,137	504,540	3,597
Contract Services (Special Ed Students) - ESCs and CTSAs		638,105	638,105	638,105	-
Miscellaneous Purchased Services - Transportation	30,420	(11,878)	18,542	-	18,542
General Supplies	16,700	-	16,700	6,974	9,726
Total Student Transportation Services	1,113,065	221,557	1,334,622	1,280,359	54,263
Unallocated Benefits - Employee Benefits					
Social Security Contributions	225,000	42,580	267,580	485,753	(218,173)
Other Retirement Contributions - PERS	221,544	-	221,544	196,067	25,477
Other Retirement Contributions - Regular	19,000	-	19,000	16,034	2,966
Unemployment Compensation	40,000	-	40,000	38,225	1,775
Workmen's Compensation	100,000	-	100,000	82,270	17,730
Health Benefits	2,807,732	(179,066)	2,628,666	2,164,146	464,520
Tuition Reimbursement	15,000	14,960	29,960	29,960	-
Other Employee Benefits	40,000	(14,960)	25,040	17,589	7,451
Total Unallocated Benefits - Employee Benefits	3,468,276	(136,486)	3,331,790	3,030,044	301,746



**LITTLE FERRY BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<b>Original Budget</b>	<b>Transfers/ Adjustments</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final Budget to Actual</b>
Undistributed Expenditures (Continued)					
On-Behalf T.P.A.F. Pension Contribution - Normal Cost (non-budgeted)				\$ 2,798,166	\$ (2,798,166)
On-Behalf T.P.A.F. Pension Contribution - Non-Contributory Group Insurance (non-budgeted)				31,912	(31,912)
On-Behalf T.P.A.F. Pension Contribution - Post-Retirement Medical (non-budgeted)				770,243	(770,243)
On-Behalf T.P.A.F. Pension Contribution - Long-Term Disability Insurance (non-budgeted)				1,040	(1,040)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	349,639	(349,639)
Total On-Behalf Contributions/Reimbursements	-	-	-	3,951,000	(3,951,000)
Total Undistributed Expenditures	\$ 20,034,333	\$ 539,967	\$ 20,574,300	\$ 22,924,473	\$ (2,350,173)
Total Expenditures - Current Expenditures	27,354,810	639,146	27,993,956	30,282,576	(2,288,620)
<b>CAPITAL OUTLAY</b>					
Equipment					
Undistributed Expenditures - Instruction		6,300	6,300	6,290	10
Undistributed Expenditures- Admin Info Tech	30,320	(225)	30,095	27,910	2,185
Undistributed Expenditures- Required Maint. of School Facilities		19,300	19,300	18,584	716
Undistributed Expenditures- Custodial Services		10,250	10,250	8,942	1,308
School Buses - Regular	25,000	-	25,000	24,974	26
Facilities Acquisition and Construction Serv.					
Architectural/Engineering Services		2,500,000	2,500,000	467,000	2,033,000
Other Purchased Prof. and Tech. Services		6,010	6,010	6,010	-
Construction Services	221,000	734,100	955,100	31,260	923,840
Assessment for Debt Service on SDA Funding	811	-	811	811	-
Total Equipment/Facilities Acquisition and Construction Services	277,131	3,275,735	3,552,866	591,781	2,961,085
Interest - Deposit to Capital Reserve	50	-	50	-	50
Total Capital Outlay	277,181	3,275,735	3,552,916	591,781	2,961,135
<b>TRANSFER OF FUNDS TO CHARTER SCHOOLS</b>	43,796	(16,437)	27,359	27,359	-
Total Expenditures	27,675,787	3,898,444	31,574,231	30,901,716	672,515
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(1,117,716)	(3,898,444)	(5,016,160)	361,148	5,377,308
Fund Balance, Beginning of Year	7,539,122	-	7,539,122	7,539,122	-
Fund Balance, End of Year	\$ 6,421,406	\$ (3,898,444)	\$ 2,522,962	\$ 7,900,270	\$ 5,377,308

LITTLE FERRY BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Transfers/ Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>Recapitulation of Fund Balance:</b>					
Restricted Fund Balance:					
Capital Reserve - Designated for Subsequent Year's Expenditures				\$ 250,000	
Capital Reserve				1,970,340	
Maintenance Reserve				107,529	
Tuition Reserve - Designated for Subsequent Year's Expenditures				475,000	
Tuition Reserve				250,000	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,077,817	
Excess Surplus				770,000	
Assigned Fund Balance:					
Year-End Encumbrances				2,194,992	
Designated for Subsequent Year's Expenditures				161,994	
Unassigned Fund Balance				<u>642,598</u>	
				7,900,270	
<b>Reconciliation to Governmental Funds Statements (GAAP):</b>					
Less: Extraordinary Aid Not Recognized on GAAP Basis			\$ (299,014)		
State Aid Not Recognized on GAAP Basis			<u>(362,780)</u>		
				<u>(661,794)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 7,238,476</u>	

**LITTLE FERRY BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original</u>	<u>Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>REVENUES</b>					
Intergovernmental					
State	\$ 1,349,069	\$ 1,181,868	\$ 2,530,937	\$ 1,750,324	\$ (780,613)
Federal	1,488,848	555,861	2,044,709	1,840,808	(203,901)
Local	-	31,759	31,759	38,098	6,339
Total Revenues	<u>2,837,917</u>	<u>1,769,488</u>	<u>4,607,405</u>	<u>3,629,230</u>	<u>(978,175)</u>
<b>EXPENDITURES</b>					
Instruction					
Salaries of Teachers	459,742	37,632	497,374	374,986	122,388
Other Salaries for Instruction	106,495	-	106,495	100,705	5,790
Purchased Professional/Technical Services	13,076	16,762	29,838	17,750	12,088
Other Purchased Services	210,585	55,424	266,009	445,478	(179,469)
General Supplies	74,203	50,418	124,621	53,039	71,582
Other Objects	1,440	72,672	74,112	40,650	33,462
Co-Curricular/Extra Curricular Activities	-	31,759	31,759	31,759	-
Total Instruction	<u>865,541</u>	<u>264,667</u>	<u>1,130,208</u>	<u>1,064,367</u>	<u>65,841</u>
Support Services					
Salaries	39,257	21,304	60,561	13,500	47,061
Salaries of Program Directors	115,000	2,751	117,751	117,751	-
Salaries of Other Professional Staff	68,781	(55,610)	13,171		13,171
Salaries of Secretarial and Clerical Assistants	45,000	-	45,000		45,000
Other Salaries	11,085	-	11,085		11,085
Salaries of Master Teachers	90,000	-	90,000	74,298	15,702
Purchased Professional Educational Services	652,735	1,085,157	1,737,892	1,048,557	689,335
Other Purchased Services	10,136	8,979	19,115	13,580	5,535
Misc. Purchased Services	10,000	-	10,000	200	9,800
Travel	2,500	-	2,500	60	2,440
Supplies and Materials	46,179	14,221	60,400	28,472	31,928
Other Objects	7,000	-	7,000	7,000	-
Total Support Services	<u>1,097,673</u>	<u>1,076,802</u>	<u>2,174,475</u>	<u>1,303,418</u>	<u>871,057</u>
Unallocated Employee Benefits	<u>245,751</u>	<u>(115,365)</u>	<u>130,386</u>	<u>126,289</u>	<u>4,097</u>
Facilities Acquisition and Construction					
Building Improvements	628,952	312,634	941,586	898,067	43,519
Instructional Equipment	-	230,750	230,750	230,750	-
Total Facilities Acq. and Construction	<u>628,952</u>	<u>543,384</u>	<u>1,172,336</u>	<u>1,128,817</u>	<u>43,519</u>
Total Expenditures	<u>2,837,917</u>	<u>1,769,488</u>	<u>4,607,405</u>	<u>3,622,891</u>	<u>984,514</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	6,339	6,339
Fund Balances, Beginning of Year	<u>30,166</u>	-	<u>30,166</u>	<u>30,166</u>	-
Fund Balances, End of Year	<u>\$ 30,166</u>	<u>\$ -</u>	<u>\$ 30,166</u>	<u>\$ 36,505</u>	<u>\$ 6,339</u>
<b>Recapitulation of Fund Balance</b>					
<b>Restricted Fund Balance - GAAP Basis</b>					
Student Activities				<u>\$ 36,505</u>	

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**LITTLE FERRY BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
BUDGET AND ACTUAL  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

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

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	(C-1) \$ 31,262,864	(C-2) \$ 3,629,230
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized :		
Encumbrance, June 30, 2023		64,880
Encumbrance, June 30, 2024		(275,063)
State Aid and Extraordinary Aid payments recognized for GAAP statements, not recognized for budgetary purposes (2022/2023 State Aid)	884,264	
State Aid and Extraordinary Aid payments recognized for budgetary purposes, not recognized for GAAP statements (2023/2024 State Aid)	(661,794)	-
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. (Exhibit B-2)	<u>\$ 31,485,334</u>	<u>\$ 3,419,047</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	(C-1) \$ 30,901,716	(C-2) \$ 3,622,891
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 financial reporting purposes -		
Encumbrance, June 30, 2023	-	64,880
Encumbrance, June 30, 2024	-	(275,063)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds (Exhibit B-2)	<u>\$ 30,901,716</u>	<u>\$ 3,412,708</u>

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

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

Public Employees Retirement System

Last Ten Fiscal Years\*

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Position Liability (Asset)	0.01425%	0.01457%	0.01491%	0.01738%	0.01690%	0.01556%	0.01523%	0.01614%	0.01528%	0.01472%
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 2,063,978</u>	<u>\$ 2,198,614</u>	<u>\$ 1,765,975</u>	<u>\$ 2,834,142</u>	<u>\$ 3,045,731</u>	<u>\$ 3,063,811</u>	<u>\$ 3,545,861</u>	<u>\$ 4,780,690</u>	<u>\$ 3,429,453</u>	<u>\$ 2,755,929</u>
District's Covered Payroll *	<u>\$ 1,160,537</u>	<u>\$ 1,114,392</u>	<u>\$ 1,097,866</u>	<u>\$ 1,083,896</u>	<u>\$ 1,197,903</u>	<u>\$ 1,168,850</u>	<u>\$ 1,078,599</u>	<u>\$ 1,085,927</u>	<u>\$ 1,042,740</u>	<u>\$ 990,542</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	177.85%	197.29%	160.86%	261.48%	254.26%	262.12%	328.75%	440.24%	328.89%	278.22%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.23%	62.91%	70.33%	58.32%	56.27%	53.59%	48.10%	40.14%	47.92%	52.08%

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

**LITTLE FERRY BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT CONTRIBUTIONS**

**Public Employees Retirement System**

**Last Ten Fiscal Years**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 190,451	\$ 183,718	\$ 174,580	\$ 190,124	\$ 164,421	\$ 154,778	\$ 141,112	\$ 143,400	\$ 131,344	\$ 121,317
Contributions in Relation to the Contractually Required Contribution	<u>190,451</u>	<u>183,718</u>	<u>174,580</u>	<u>190,124</u>	<u>164,421</u>	<u>154,778</u>	<u>141,112</u>	<u>143,400</u>	<u>131,344</u>	<u>121,317</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	<u>\$ 1,314,750</u>	<u>\$ 1,160,537</u>	<u>\$ 1,114,392</u>	<u>\$ 1,097,866</u>	<u>\$ 1,083,896</u>	<u>\$ 1,197,903</u>	<u>\$ 1,168,820</u>	<u>\$ 1,078,599</u>	<u>\$ 1,085,927</u>	<u>\$ 1,042,750</u>
Contributions as a Percentage of Covered Payroll	14.49%	15.83%	15.67%	17.32%	15.17%	12.92%	12.07%	13.30%	12.10%	11.63%



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

**Teachers Pension and Annuity Fund**

**Last Ten Fiscal Years\***

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	0	0	0	0	0	0	0	0	0	0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 32,343,618</u>	<u>\$ 32,068,354</u>	<u>\$ 28,944,997</u>	<u>\$ 41,268,711</u>	<u>\$ 39,341,516</u>	<u>\$ 40,974,986</u>	<u>\$ 41,962,753</u>	<u>\$ 45,986,987</u>	<u>\$ 35,614,119</u>	<u>\$ 32,883,837</u>
Total	<u>\$ 32,343,618</u>	<u>\$ 32,068,354</u>	<u>\$ 28,944,997</u>	<u>\$ 41,268,711</u>	<u>\$ 39,341,516</u>	<u>\$ 40,974,986</u>	<u>\$ 41,962,753</u>	<u>\$ 45,986,987</u>	<u>\$ 35,614,119</u>	<u>\$ 32,883,837</u>
District's Covered Payroll	<u>\$ 8,020,317</u>	<u>\$ 7,483,385</u>	<u>\$ 7,096,940</u>	<u>\$ 6,995,958</u>	<u>\$ 6,570,481</u>	<u>\$ 6,689,360</u>	<u>\$ 6,850,460</u>	<u>\$ 6,734,609</u>	<u>\$ 6,234,203</u>	<u>\$ 5,717,899</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.48%	25.41%	22.33%	28.74%	33.64%

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

**LITTLE FERRY BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY  
AND SCHEDULE OF DISTRICT CONTRIBUTIONS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Change of Benefit Terms:** None.

**Change of Assumptions:** Assumptions used in calculating the net pension liability and  
statutorily required employer contribution are presented in Note 4.

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

Postemployment Health Benefit Plan

Last Seven Fiscal Years\*

	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>							
Service Cost	\$ 1,261,239	\$ 1,583,077	\$ 1,814,106	\$ 981,516	\$ 976,451	\$ 1,128,972	\$ 1,380,001
Interest on Total OPEB Liability	1,068,343	757,131	877,979	824,704	1,014,917	1,081,086	927,588
Change of Benefit Terms			(36,024)				
Differences Between Expected and Actual Experiences	179,374	774,417	(6,307,599)	7,103,925	(4,336,746)	(2,423,013)	
Changes of Assumptions	61,142	(7,664,100)	33,391	6,965,490	341,449	(2,936,194)	(3,883,678)
Gross Benefit Payments	(832,791)	(749,960)	(691,602)	(663,855)	(702,979)	(684,177)	(616,001)
Contribution from the Member	27,378	24,059	22,446	20,121	20,838	23,646	22,683
<b>Net Change in Total OPEB Liability</b>	1,764,685	(5,275,376)	(4,287,303)	15,231,901	(2,686,070)	(3,809,680)	(2,169,407)
<b>Total OPEB Liability - Beginning</b>	28,569,782	33,845,158	38,132,461	22,900,560	25,586,630	29,396,310	31,565,717
<b>Total OPEB Liability - Ending</b>	<u>\$ 30,334,467</u>	<u>\$ 28,569,782</u>	<u>\$ 33,845,158</u>	<u>\$ 38,132,461</u>	<u>\$ 22,900,560</u>	<u>\$ 25,586,630</u>	<u>\$ 29,396,310</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	30,334,467	28,569,782	33,845,158	38,132,461	22,900,560	25,586,630	29,396,310
Total OPEB Liability - Ending	<u>\$ 30,334,467</u>	<u>\$ 28,569,782</u>	<u>\$ 33,845,158</u>	<u>\$ 38,132,461</u>	<u>\$ 22,900,560</u>	<u>\$ 25,586,630</u>	<u>\$ 29,396,310</u>
District's Covered Payroll	<u>\$ 9,180,854</u>	<u>\$ 8,597,777</u>	<u>\$ 8,194,806</u>	<u>\$ 8,079,854</u>	<u>\$ 7,768,384</u>	<u>\$ 7,858,210</u>	<u>\$ 7,929,059</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%

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

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

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

**LITTLE FERRY BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY  
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Changes in Benefit Terms:**

None.

**Changes of Assumptions**

Assumptions used in calculating the OPEB liability  
are presented in Note 4.

**SCHOOL LEVEL SCHEDULES**

**(General Fund)**

**NOT APPLICABLE**

**SPECIAL REVENUE FUND**

LITTLE FERRY BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Preschool Education Aid	ESEA				IDEA Part B			High Impact Tutoring	Page 2 Totals Carried Forward	Total
		Title I	Title IIA	Title III	Title IV	Preschool	Basic				
<b>REVENUES</b>											
Intergovernmental											
State	\$ 1,730,725									\$ 19,599	\$ 1,750,324
Federal	-	\$ 214,876	\$ 41,446	\$ 9,106	\$ 15,150	\$ 11,209	\$ 254,795	\$ 19,800		1,274,426	1,840,808
Local	-	-	-	-	-	-	-	-		38,098	38,098
Total Revenues	\$ 1,730,725	\$ 214,876	\$ 41,446	\$ 9,106	\$ 15,150	\$ 11,209	\$ 254,795	\$ 19,800	\$ 1,332,123	\$ 3,629,230	
<b>EXPENDITURES</b>											
Instruction											
Salaries of Teachers	\$ 236,531	\$ 44,230		\$ 3,350	\$ 5,175			\$ 8,450	\$ 77,250	\$ 374,986	
Other Salaries for Instruction	100,705								-	100,705	
Purchased Professional and Technical Services					7,200			10,550	-	17,750	
Other Purchased Services						\$ 11,209	\$ 254,795		179,474	445,478	
General Supplies		27,479		3,756	1,275	-		800	19,729	53,039	
Other Objects						-			40,650	40,650	
Co-Curricular/Extra Curricular Activities	-	-	-	-	-	-	-	-	31,759	31,759	
Total Instruction	337,236	71,709	-	7,106	13,650	11,209	254,795	19,800	348,862	1,064,367	
Support Services											
Salaries									13,500	13,500	
Salaries of Program Directors	117,751								-	117,751	
Salaries of Master Teachers	74,298								-	74,298	
Personal Services- Employee Benefits	95,781	30,508							-	126,289	
Purchased Professional Educational Services	849,881	105,359	\$ 41,446		1,500				50,371	1,048,557	
Other Purchased Services	3,596			2,000					7,984	13,580	
Misc. Purchased Services	200									200	
Travel	60									60	
Other Construction										-	
Supplies	21,172	7,300							-	28,472	
Other Objects	-	-	-	-	-	-	-	-	7,000	7,000	
Total Support Services	1,162,739	143,167	41,446	2,000	1,500	-	-	-	78,855	1,429,707	
Facilities Acquisition and Construction											
Building Improvements	-	-	-	-	-				898,067	898,067	
Instructional Equipment	230,750	-	-	-	-	-	-	-	-	230,750	
Total Facilities Acq. and Construction	230,750	-	-	-	-	-	-	-	898,067	1,128,817	
Total Expenditures	1,730,725	214,876	41,446	9,106	15,150	11,209	254,795	19,800	1,325,784	3,622,891	
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over/(Under) Expenditures						-	-	-	6,339	6,339	
Fund Balance, Beginning Of Year	-	-	-	-	-	-	-	-	30,166	30,166	
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,505	\$ 36,505	

LITTLE FERRY BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	ESSER II		ESSER III				ASCERS	Other	SDA Funding	Student Activities	Page Total
	CRRSA ESSER II	CRRSA Learning Acceleration	ARP ESSER III	ARP Based Summer	ARP Comprehensive Beyond	ARP Homesless					
<b>REVENUES</b>											
Intergovernmental											
State									\$ 19,599		\$ 19,599
Federal	\$ 40,857	\$ 11,710	\$ 1,027,672	\$ 4,500	\$ 2,229	\$ 7,984	\$ 179,474				1,274,426
Local	-	-	-	-	-	-	-	\$ -	-	\$ 38,098	38,098
Total Revenues	\$ 40,857	\$ 11,710	\$ 1,027,672	\$ 4,500	\$ 2,229	\$ 7,984	\$ 179,474	\$ -	\$ 19,599	\$ 38,098	\$ 1,332,123
<b>EXPENDITURES</b>											
Instruction											
Salaries of Teachers			\$ 77,250								\$ 77,250
Other Salaries for Instruction											-
Purchased Professional and Technical Services											-
Tuition											-
Other Purchased Services							\$ 179,474				179,474
General Supplies	\$ 1,311	\$ 2,110	14,079		\$ 2,229						19,729
Other Objects			40,650								40,650
Co-Curricular - Student Activities	-	-	-	-	-	-	-	-	-	\$ 31,759	31,759
Total Instruction	1,311	2,110	131,979	-	2,229	-	179,474	-	-	31,759	348,862
Support Services											
Salaries		4,000	5,000	\$ 4,500							13,500
Salaries of Program Directors											-
Salaries of Master Teachers											-
Personal Services- Employee Benefits											-
Purchased Professional Educational Services		5,600	44,771								50,371
Other Purchased Services						\$ 7,984					7,984
Travel											-
Other Construction											-
Supplies											-
Other Objects	7,000	-	-	-	-	-	-	-	-	-	7,000
Total Support Services	7,000	9,600	49,771	4,500	-	7,984	-	-	-	-	78,855
Facilities Acquisition and Construction											
Building Improvements	32,546		845,922					-	\$ 19,599		\$ 898,067
Instructional Equipment	-	-	-	-	-	-	-	-	-	-	-
Total Facilities Acq. and Construction	32,546	-	845,922	-	-	-	-	-	19,599	-	898,067
Total Expenditures	40,857	11,710	1,027,672	4,500	2,229	7,984	179,474	-	19,599	31,759	1,325,784
Excess (Deficiency) of Revenues and Other											
Financing Sources (Uses) Over/(Under) Expenditures	-	-	-	-	-	-	-	-	-	6,339	6,339
Fund Balance, Beginning Of Year	-	-	-	-	-	-	-	-	-	30,166	30,166
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,505	\$ 36,505



**LITTLE FERRY BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
PRESCHOOL EDUCATION AID - SCHEDULE OF EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>EXPENDITURES</b>					
Instruction					
Salaries of Teachers	\$ 183,672	\$ 52,859	\$ 236,531	\$ 236,531	
Other Salaries for Instruction	106,495	-	106,495	100,705	\$ 5,790
General Supplies	11,624	-	11,624	-	11,624
Total Instruction	<u>301,791</u>	<u>52,859</u>	<u>354,650</u>	<u>337,236</u>	<u>17,414</u>
Support Services					
Salaries of Program Directors	115,000	2,751	117,751	117,751	-
Salaries of Other Professional Staff	68,781	(55,610)	13,171	-	13,171
Salaries of Secretarial and Clerical Assistants	45,000	-	45,000	-	45,000
Other Salaries	11,085	-	11,085	-	11,085
Salaries of Master Teachers	90,000	-	90,000	74,298	15,702
Personal Services- Employee Benefits	95,781	-	95,781	95,781	-
Purchased Education Services - Contracted Pre K	540,000	949,349	1,489,349	837,881	651,468
Other Purchased Professional - Education Services	20,000	-	20,000	12,000	8,000
Other Purchased Professional Services	9,131	-	9,131	3,596	5,535
Travel	2,500	-	2,500	60	2,440
Miscellaneous Purchased Services	10,000	-	10,000	200	9,800
Supplies and Materials	40,000	-	40,000	21,172	18,828
Total Support Services	<u>1,047,278</u>	<u>896,490</u>	<u>1,943,768</u>	<u>1,162,739</u>	<u>781,029</u>
Facilities and Acquisition					
Instructional Equipment	-	230,750	230,750	230,750	-
Total Support Services Facilities and Acquisition	<u>-</u>	<u>230,750</u>	<u>230,750</u>	<u>230,750</u>	<u>-</u>
Total Expenditures	<u>\$ 1,349,069</u>	<u>\$ 1,180,099</u>	<u>\$ 2,529,168</u>	<u>\$ 1,730,725</u>	<u>\$ 798,443</u>

**Calculation of Budget and Carryover**

Total Revised 2023-2024 Preschool Education Aid Allocation	\$ 1,349,069
Add:	
Actual Preschool Education Carryover (June 30, 2023)	1,180,099
Budgeted Transfer from the General Fund 2023-2024	-
Total Preschool Education Aid Funds Available for 2023-2024 Budget	2,529,168
Less: 2023-2024 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	<u>2,529,168</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2024	-
Add: June 30, 2024 Unexpended Preschool Education Aid	<u>798,443</u>
2023-2024 Carryover - Preschool Education Aid /Preschool Programs	<u>\$ 798,443</u>
2023-2024 Preschool Education Aid Carryover Budgeted in 2024-2025	<u>\$ 798,443</u>

**CAPITAL PROJECTS FUND**

**NOT APPLICABLE**

**ENTERPRISE FUND**

**EXHIBIT G-1**

**LITTLE FERRY BOARD OF EDUCATION  
ENTERPRISE FUND  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2024**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

**EXHIBIT G-2**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

**EXHIBIT G-3**

**COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

**FIDUCIARY FUNDS**

**NOT APPLICABLE**

## **LONG-TERM DEBT**

**LITTLE FERRY BOARD OF EDUCATION  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOT APPLICABLE**

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**LITTLE FERRY BOARD OF EDUCATION  
LONG-TERM DEBT  
DEBT SERVICE FUND BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOT APPLICABLE**

## STATISTICAL SECTION

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

### Contents

### Exhibits

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changed over time.

J-1 to J-5

#### **Revenue Capacity**

These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.

J-6 to J-9

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.

J-10 to J-13

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.

J-14 and J-15

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the district provides and the activities it performs.

J-16 to J-20

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

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

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Governmental Activities</b>										
Net Investment in Capital Assets, Net of Related Debt	\$ 6,010,002	\$ 5,692,794	\$ 5,586,151	\$ 5,739,062	\$ 6,394,651	\$ 6,847,867	\$ 6,673,693	\$ 7,230,433	\$ 7,940,112	\$ 8,785,634
Restricted	321,741	322,833	819,289	3,583,912	1,332,450	400,000	1,000,000	2,937,094	5,162,223	3,089,374
Unrestricted	<u>(1,683,240)</u>	<u>(1,135,858)</u>	<u>(2,158,179)</u>	<u>(6,050,035)</u>	<u>(4,342,324)</u>	<u>(3,048,296)</u>	<u>(1,790,729)</u>	<u>(847,028)</u>	<u>(1,241,890)</u>	<u>1,663,570</u>
<b>Total Governmental Activities Net Position</b>	<b>\$ 4,648,503</b>	<b>\$ 4,879,769</b>	<b>\$ 4,247,261</b>	<b>\$ 3,272,939</b>	<b>\$ 3,384,777</b>	<b>\$ 4,199,571</b>	<b>\$ 5,882,964</b>	<b>\$ 9,320,499</b>	<b>\$ 11,860,445</b>	<b>\$ 13,538,578</b>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets, Net of Related Debt	\$ 16,681	\$ 14,656	\$ 48,427	\$ 43,176	\$ 41,919	\$ 41,553	\$ 38,147	\$ 32,709	\$ 33,181	\$ 44,245
Restricted										
Unrestricted	<u>189,917</u>	<u>258,977</u>	<u>(5,654)</u>	<u>14,001</u>	<u>48,789</u>	<u>68,961</u>	<u>94,140</u>	<u>123,884</u>	<u>208,587</u>	<u>291,159</u>
<b>Total Business-Type Activities Net Position</b>	<b>\$ 206,598</b>	<b>\$ 273,633</b>	<b>\$ 42,773</b>	<b>\$ 57,177</b>	<b>\$ 90,708</b>	<b>\$ 110,514</b>	<b>\$ 132,287</b>	<b>\$ 156,593</b>	<b>\$ 241,768</b>	<b>\$ 335,404</b>
<b>District-Wide</b>										
Net Investment in Capital Assets, Net of Related Debt	\$ 6,026,683	\$ 5,707,450	\$ 5,634,578	\$ 5,782,238	\$ 6,436,570	\$ 6,889,420	\$ 6,711,840	\$ 7,263,142	\$ 7,973,293	\$ 8,829,879
Restricted	321,741	322,833	819,289	3,583,912	1,332,450	400,000	1,000,000	2,937,094	5,162,223	3,089,374
Unrestricted	<u>(1,493,323)</u>	<u>(876,881)</u>	<u>(2,163,833)</u>	<u>(6,036,034)</u>	<u>(4,293,535)</u>	<u>(2,979,335)</u>	<u>(1,696,589)</u>	<u>(723,144)</u>	<u>(1,033,303)</u>	<u>1,954,729</u>
<b>Total District Net Position</b>	<b>\$ 4,855,101</b>	<b>\$ 5,153,402</b>	<b>\$ 4,290,034</b>	<b>\$ 3,330,116</b>	<b>\$ 3,475,485</b>	<b>\$ 4,310,085</b>	<b>\$ 6,015,251</b>	<b>\$ 9,477,092</b>	<b>\$ 12,102,213</b>	<b>\$ 13,873,982</b>

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

Source: School District's financial statements

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

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses</b>										
Governmental Activities										
Instruction										
Regular	\$ 13,626,681	\$ 14,037,964	\$ 14,793,027	\$ 15,399,923	\$ 14,887,061	\$ 14,837,687	\$ 15,679,217	\$ 13,423,668	\$ 12,907,722	\$ 13,219,080
Special Education	3,856,442	3,740,868	3,748,428	4,792,726	4,526,929	4,061,039	4,339,943	4,705,277	5,482,222	5,777,346
Other Instruction	291,972	287,547	671,170	804,781	762,980	650,276	794,208	1,229,190	1,072,837	1,448,724
School Sponsored Activities And Athletics	77,923	83,429	70,947	67,266	58,038	63,025	18,720	97,463	82,651	113,697
Support Services:										
Tuition										
Student & Instruction Related Services	1,576,620	1,615,581	2,528,800	2,762,952	2,281,443	2,665,960	2,910,443	2,653,480	2,866,234	3,927,526
General Administrative Services	521,753	551,987	430,449	511,107	543,820	444,410	544,373	450,061	403,627	979,474
School Administrative Services	413,786	835,264	989,030	807,894	931,232	1,087,232	1,171,015	1,057,980	1,059,517	1,109,848
Central Services	285,170	371,240	585,377	470,179	531,442	489,689	644,268	499,432	517,143	692,036
Plant Operations And Maintenance	1,531,927	2,143,885	2,067,782	1,932,464	2,291,137	2,656,066	2,784,381	2,837,245	2,431,405	2,861,812
Pupil Transportation	709,038	605,985	678,183	733,594	839,614	686,988	433,427	753,999	800,862	1,327,645
Capital Outlay										
Special Schools										
Interest On Long-Term Debt		938	2,440	20,600	101,586	91,485	72,864	39,422	13,264	3,086
Unallocated Depreciation	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities Expenses	<u>22,891,312</u>	<u>24,274,688</u>	<u>26,565,633</u>	<u>28,303,486</u>	<u>27,755,282</u>	<u>27,733,857</u>	<u>29,392,859</u>	<u>27,747,217</u>	<u>27,637,484</u>	<u>31,460,274</u>
Business-Type Activities:										
EDCP	102,721	162,502	1,124							
Food Service	459,398	376,466	359,516	337,643	382,491	329,158	255,012	347,622	395,350	393,309
Total Business-Type Activities Expense	<u>562,119</u>	<u>538,968</u>	<u>360,640</u>	<u>337,643</u>	<u>382,491</u>	<u>329,158</u>	<u>255,012</u>	<u>347,622</u>	<u>395,350</u>	<u>393,309</u>
Total District Expenses	<u>\$ 23,453,431</u>	<u>\$ 24,813,656</u>	<u>\$ 26,926,273</u>	<u>\$ 28,641,129</u>	<u>\$ 28,137,773</u>	<u>\$ 28,063,015</u>	<u>\$ 29,647,871</u>	<u>\$ 28,094,839</u>	<u>\$ 28,032,834</u>	<u>\$ 31,853,583</u>
<b>Program Revenues</b>										
Governmental Activities:										
Charges For Services:	28,266	101,297	145,495	77,140	113,757	64,655	64,512	94,924	98,587	52,494
Operating Grants And Contributions	4,264,415	5,011,210	6,303,186	7,063,981	6,548,168	6,100,060	8,010,687	6,968,089	6,296,413	6,817,372
Capital Grants And Contributions	-	-	-	-	-	-	-	-	82,222	926,395
Total Governmental Activities Program Revenues	<u>4,292,681</u>	<u>5,112,507</u>	<u>6,448,681</u>	<u>7,141,121</u>	<u>6,661,925</u>	<u>6,164,715</u>	<u>8,075,199</u>	<u>7,063,013</u>	<u>6,477,222</u>	<u>7,796,261</u>
Business-Type Activities:										
Charges For Services	284,097	326,297	159,035	145,260	143,975	105,890	2,183	518	140,325	154,257
Operating Grants And Contributions	157,437	177,423	217,526	206,787	270,373	243,074	274,602	371,410	340,200	332,688
Capital Grants And Contributions	-	-	-	-	-	-	-	-	-	-
Total Business Type Activities Program Revenues	<u>441,534</u>	<u>503,720</u>	<u>376,561</u>	<u>352,047</u>	<u>414,348</u>	<u>348,964</u>	<u>276,785</u>	<u>371,928</u>	<u>480,525</u>	<u>486,945</u>
Total District Program Revenues	<u>\$ 4,734,215</u>	<u>\$ 5,616,227</u>	<u>\$ 6,825,242</u>	<u>\$ 7,493,168</u>	<u>\$ 7,076,273</u>	<u>\$ 6,513,679</u>	<u>\$ 8,351,984</u>	<u>\$ 7,434,941</u>	<u>\$ 6,957,747</u>	<u>\$ 8,283,206</u>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (18,598,631)	\$ (19,162,181)	\$ (20,116,952)	\$ (21,162,365)	\$ (21,093,357)	\$ (21,569,142)	\$ (21,317,660)	\$ (20,684,204)	\$ (21,160,262)	\$ (23,664,013)
Business-Type Activities	<u>(120,585)</u>	<u>(35,248)</u>	<u>15,921</u>	<u>14,404</u>	<u>31,857</u>	<u>19,806</u>	<u>21,773</u>	<u>24,306</u>	<u>85,175</u>	<u>93,636</u>
Total District-Wide Net Expense	<u>\$ (18,719,216)</u>	<u>\$ (19,197,429)</u>	<u>\$ (20,101,031)</u>	<u>\$ (21,147,961)</u>	<u>\$ (21,061,500)</u>	<u>\$ (21,549,336)</u>	<u>\$ (21,295,887)</u>	<u>\$ (20,659,898)</u>	<u>\$ (21,075,087)</u>	<u>\$ (23,570,377)</u>

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

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Property Taxes Levied for:										
General Purposes	\$ 17,732,078	\$ 18,224,634	\$ 18,589,126	\$ 18,960,908	\$ 19,150,517	\$ 19,437,775	\$ 20,076,775	\$ 20,775,354	\$ 21,190,861	\$ 21,614,678
Debt Service										
Federal and State Aid Not Restricted	1,134,780	547,801	526,951	1,126,100	2,483,789	2,896,686	2,836,870	2,905,521	2,304,954	3,046,309
Investment Earnings	102	3,867	8,502	11,489	31,267	12,524	4,337	3,065	120,295	342,359
Miscellaneous Income	56,791	105,541	177,578	89,546	59,499	36,951	48,055	437,799	84,098	338,800
Transfers	-	(102,283)	272,697	-	-	-	-	-	-	-
Total Governmental Activities	<u>18,923,751</u>	<u>18,779,560</u>	<u>19,574,854</u>	<u>20,188,043</u>	<u>21,725,072</u>	<u>22,383,936</u>	<u>22,966,037</u>	<u>24,121,739</u>	<u>23,700,208</u>	<u>25,342,146</u>
Business-Type Activities:										
Investment Earnings										
Miscellaneous Income										
Transfers	-	102,283	(272,697)	-	-	-	-	-	-	-
Total Business-Type Activities	<u>-</u>	<u>102,283</u>	<u>(272,697)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total District-Wide	<u>\$ 18,923,751</u>	<u>\$ 18,881,843</u>	<u>\$ 19,302,157</u>	<u>\$ 20,188,043</u>	<u>\$ 21,725,072</u>	<u>\$ 22,383,936</u>	<u>\$ 22,966,037</u>	<u>\$ 24,121,739</u>	<u>\$ 23,700,208</u>	<u>\$ 25,342,146</u>
<b>Change in Net Position</b>										
Governmental Activities	\$ 325,120	\$ (382,621)	\$ (542,098)	\$ (974,322)	\$ 631,715	\$ 814,794	\$ 1,648,377	\$ 3,437,535	\$ 2,539,946	\$ 1,678,133
Business-Type Activities	(120,585)	67,035	(256,776)	14,404	31,857	19,806	21,773	24,306	85,175	93,636
Total District	<u>\$ 204,535</u>	<u>\$ (315,586)</u>	<u>\$ (798,874)</u>	<u>\$ (959,918)</u>	<u>\$ 663,572</u>	<u>\$ 834,600</u>	<u>\$ 1,670,150</u>	<u>\$ 3,461,841</u>	<u>\$ 2,625,121</u>	<u>\$ 1,771,769</u>

Source: District financial statements

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

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	\$ 2,477,070	\$ 2,667,876	\$ 1,916,852	\$ 758,950	\$ 436,805	\$ 812,326	\$ 2,423,071	\$ 4,163,224	\$ 6,550,259	\$ 4,900,686
Committed		34,375						412,423		
Assigned	363,777	206,125	210,106	108,960	120,743	408,106	197,907	287,362	258,348	2,356,986
Unassigned	<u>232,799</u>	<u>244,918</u>	<u>255,661</u>	<u>184,526</u>	<u>(20,206)</u>	<u>(68,792)</u>	<u>299,995</u>	<u>396,802</u>	<u>(153,749)</u>	<u>(19,196)</u>
Total General Fund	<u>\$ 3,073,646</u>	<u>\$ 3,153,294</u>	<u>\$ 2,382,619</u>	<u>\$ 1,052,436</u>	<u>\$ 537,342</u>	<u>\$ 1,151,640</u>	<u>\$ 2,920,973</u>	<u>\$ 5,259,811</u>	<u>\$ 6,654,858</u>	<u>\$ 7,238,476</u>
All Other Governmental Funds										
Unreserved, Reported in:										
Capital Projects Fund										
Debt Service Fund										
Restricted										
Special Revenue Fund							\$ 29,805	\$ 25,371	\$ 30,166	\$ 36,505
Capital Projects Fund	\$ (557,051)	\$ (557,051)		\$ 3,081,990	\$ 1,048,019					
Debt Service Fund	1,047			1,596	30,074					
Unassigned										
Special Revenue Fund	<u>(9,240)</u>	<u>(9,240)</u>	<u>\$ (9,240)</u>	<u>(9,240)</u>	<u>(9,240)</u>	<u>\$ (9,240)</u>	<u>(9,240)</u>	<u>(9,240)</u>	<u>-</u>	<u>-</u>
Total All Other Governmental Funds	<u>\$ (565,244)</u>	<u>\$ (566,291)</u>	<u>\$ (9,240)</u>	<u>\$ 3,074,346</u>	<u>\$ 1,068,853</u>	<u>\$ (9,240)</u>	<u>\$ 20,565</u>	<u>\$ 16,131</u>	<u>\$ 30,166</u>	<u>\$ 36,505</u>

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

Source: District financial statements

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenues</b>										
Local Tax Levy	\$ 17,732,078	\$ 18,224,634	\$ 18,589,126	\$ 18,960,908	\$ 19,150,517	\$ 19,437,775	\$ 20,076,775	\$ 20,775,354	\$ 21,190,861	\$ 21,614,678
Tuition Charges	28,266	59,677	93,042	33,840	27,217	19,490	19,462	94,924	65,454	14,396
Interest Earnings	102	3,867	8,502	11,489	31,267	12,524	4,337	3,065	120,295	342,359
Miscellaneous	56,791	147,161	230,031	133,833	146,039	85,146	100,035	453,354	119,554	376,898
State Sources	2,813,996	3,196,140	3,531,345	4,394,568	6,669,049	7,390,276	7,807,681	9,026,468	8,636,786	10,657,527
Federal Sources	1,120,376	656,347	543,560	586,068	580,677	604,238	854,082	1,319,088	1,462,476	1,898,523
<b>Total Revenue</b>	<b>21,751,609</b>	<b>22,287,826</b>	<b>22,995,606</b>	<b>24,120,706</b>	<b>26,604,766</b>	<b>27,549,449</b>	<b>28,862,372</b>	<b>31,672,253</b>	<b>31,595,426</b>	<b>34,904,381</b>
<b>Expenditures</b>										
Instruction										
Regular Instruction	12,372,142	12,619,199	12,730,964	13,178,549	13,590,684	14,175,727	14,421,335	13,923,705	13,798,481	14,094,342
Special Education Instruction	3,707,709	3,555,855	3,426,194	4,496,042	4,371,255	3,943,566	4,121,785	4,862,048	5,778,479	6,138,234
Other Special Instruction										
Other Instruction	257,125	248,219	522,703	624,462	662,808	580,609	705,017	1,313,795	1,187,844	1,630,740
School-Sponsored Activities and Athletics	68,254	71,862	58,300	52,492	50,434	57,663	16,227	101,525	89,558	125,183
Support Services:										
Tuition										
Student and Inst. Related Services	1,532,195	1,527,749	2,285,474	2,447,334	2,153,852	2,620,937	2,598,993	2,742,493	3,039,293	4,142,019
General Administrative Services	501,461	546,781	410,908	481,387	530,335	442,222	495,879	473,417	443,888	1,051,407
School Administrative Services	365,350	750,347	782,749	653,570	834,806	1,008,537	1,012,409	1,128,654	1,195,682	1,261,468
Central Services	285,170	358,165	532,459	415,485	500,516	487,948	593,075	467,038	518,802	690,650
Plant Operations And Maintenance	1,286,442	1,862,823	1,729,457	1,558,931	1,951,310	1,914,470	1,593,389	1,814,497	1,953,010	2,350,816
Pupil Transportation	703,863	601,414	666,698	721,517	832,233	668,398	413,181	730,898	783,816	1,310,266
Employee Benefits										
Capital Outlay			300,975	884,492	2,889,230	1,695,251	445,570	856,063	499,215	1,481,574
Special Schools										
Debt Service:										
Interest and Other Charges		938	2,440	17,549	86,148	83,703	78,783	57,829	28,007	4,172
Principal	10,554	34,108	32,606	335,493	671,742	699,161	896,526	917,478	870,269	33,553
<b>Total Expenditures</b>	<b>21,090,265</b>	<b>22,177,460</b>	<b>23,481,927</b>	<b>25,867,303</b>	<b>29,125,353</b>	<b>28,378,192</b>	<b>27,392,169</b>	<b>29,389,440</b>	<b>30,186,344</b>	<b>34,314,424</b>
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	661,344	110,366	(486,321)	(1,746,597)	(2,520,587)	(828,743)	1,470,203	2,282,813	1,409,082	589,957
<b>Other Financing Sources (Uses)</b>										
Transfers In		1,047	843,710	328,549		293,669				
Transfers Out		(103,330)	(571,013)	(328,549)		(293,669)				
Lease Purchase Proceeds	30,243	70,518		3,500,000		364,948	293,919	51,591	-	-
Community Disaster Loan	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>30,243</b>	<b>(31,765)</b>	<b>272,697</b>	<b>3,500,000</b>	<b>-</b>	<b>364,948</b>	<b>293,919</b>	<b>51,591</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ 691,587</b>	<b>\$ 78,601</b>	<b>\$ (213,624)</b>	<b>\$ 1,753,403</b>	<b>\$ (2,520,587)</b>	<b>\$ (463,795)</b>	<b>\$ 1,764,122</b>	<b>\$ 2,334,404</b>	<b>\$ 1,409,082</b>	<b>\$ 589,957</b>
Debt Service as a Percentage of										
Noncapital Expenditures	0.05%	0.16%	0.15%	1.41%	2.89%	2.93%	3.62%	3.42%	3.03%	0.11%

\* Noncapital expenditures are total expenditures less capital outlay.

Source: District financial statements

LITTLE FERRY BOARD OF EDUCATION  
GENERAL FUND  
MISCELLANEOUS REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
(Unaudited)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Fund										
Rentals		\$ 41,620	\$ 52,453	\$ 43,300	\$ 86,540	\$ 45,165	\$ 45,050			
Miscellaneous	\$ 56,791	105,541	177,578	89,546	59,499	45,261	52,392	\$ 437,799	\$ 84,098	\$ 338,800
Total General Fund	<u>\$ 56,791</u>	<u>\$ 147,161</u>	<u>\$ 230,031</u>	<u>\$ 132,846</u>	<u>\$ 146,039</u>	<u>\$ 90,426</u>	<u>\$ 97,442</u>	<u>\$ 437,799</u>	<u>\$ 84,098</u>	<u>\$ 338,800</u>

Source: District records.



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

Fiscal Year Ended June 30,		Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>a</sup>
2015	(1)	\$ 6,947,500	\$ 593,560,000			\$ 135,543,200	\$ 122,920,900	\$ 105,237,700	\$ 964,209,300	\$ 98,530	\$ 964,307,830	\$ 968,535,287	\$ 1.882
2016		7,156,000	603,758,700			133,863,900	126,419,500	115,442,700	986,640,800	98,530	986,739,330	1,009,849,035	1.876
2017		6,830,500	614,777,600			135,188,700	130,160,300	120,879,600	1,007,836,700	98,530	1,007,935,230	1,017,766,396	1.874
2018		6,849,400	624,584,600			137,556,200	137,169,400	119,871,000	1,026,030,600	98,530	1,026,129,130	1,020,949,461	1.859
2019		9,486,400	639,326,700			139,619,200	146,175,700	121,639,300	1,056,247,300	100,000	1,056,347,300	1,080,651,310	1.834
2020		9,557,500	657,008,400			147,529,600	148,283,400	127,815,400	1,090,194,300	100,000	1,090,294,300	1,135,967,797	1.835
2021		7,261,200	688,771,700			148,383,400	138,291,300	132,321,300	1,115,028,900	100,000	1,115,128,900	1,191,331,635	1.856
2022	(1)	13,404,000	769,108,800			168,889,700	152,259,400	145,428,300	1,249,090,200	100,000	1,249,190,200	1,305,393,049	1.691
2023		13,917,600	844,126,100			180,682,600	168,176,900	158,386,600	1,365,289,800	100,000	1,365,389,800	1,451,801,673	1.577
2024		13,309,100	949,575,100			196,937,200	184,226,100	173,767,500	1,517,815,000	100,000	1,517,915,000	1,571,841,901	1.447

Source: County Abstract of Ratables

<sup>a</sup> Tax rates are per \$100

(1) The Borough underwent reassessments of property effective January 1, 2015 and 2022, respectively.

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

<u>Assessment Year</u>		<u>Little Ferry School District</u>		<u>Borough of Little Ferry</u>		<u>Bergen County</u>		<u>Total</u>
2015	(1) \$	1.882	\$	1.213	\$	0.254	\$	3.349
2016		1.876		1.225		0.251		3.352
2017		1.874		1.213		0.254		3.341
2018		1.859		1.201		0.241		3.301
2019		1.834		1.176		0.250		3.260
2020		1.835		1.151		0.258		3.244
2021		1.856		1.108		0.270		3.234
2022	(1)	1.691		1.000		0.252		2.943
2023		1.577		0.915		0.255		2.747
2024		1.447		0.816		0.242		2.505

The Borough underwent reassessments of property effective January 1, 2015 and 2022, respectively.

Source: Abstract of Ratables, County Board of Taxation

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

Taxpayer	2024		Taxpayer	2015	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Waterside Plaza Apts. Associates	\$ 43,386,500	2.86%	LPF Meadowlands LLC	\$ 27,439,400	2.85%
Gates Property LLC	42,391,800	2.79%	Waterside Plaza Apts. Associates	25,278,000	2.62%
Dassault Falcon Jet Corp	37,331,200	2.46%	Liberty Bell Village LLC	19,731,600	2.05%
250 Little Ferry TL LLC	35,860,200	2.36%	250 Bergen Ferry Property LLC	14,847,300	1.54%
Liberty Bell Village LLC	26,378,800	1.74%	North Village II LLC	13,849,800	1.44%
North Village II LLC NJ	24,496,700	1.61%	Gates Realty Corp.	10,711,000	1.11%
A Self Storage of Little Ferry, LLC	19,528,200	1.29%	North Village I LLC	9,213,500	0.96%
North Village I LLC NJ	16,104,300	1.06%	Capri Little Ferry LLC	7,800,000	0.81%
Williamstown Manor LLC	10,838,800	0.71%	Gates Bros C/O Gates Realty Corp.	7,749,900	0.80%
Capri Little Ferry LLC	9,944,600	0.66%	Williams Towne Manor	6,517,600	0.68%
	<u>\$ 180,482,800</u>	<u>17.54%</u>		<u>\$ 143,138,100</u>	<u>14.85%</u>

Source: Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$ 17,732,078	\$ 17,732,078	100.00%	
2016	18,224,634	18,224,634	100.00%	
2017	18,589,126	18,589,126	100.00%	
2018	18,960,908	18,960,908	100.00%	
2019	19,150,517	19,150,517	100.00%	
2020	19,437,775	19,437,775	100.00%	
2021	20,076,775	18,405,548	91.68%	\$ 1,671,227
2022	20,775,354	20,775,329	100.00%	25
2023	21,190,861	21,190,861	100.00%	
2024	21,614,678	21,614,678	100.00%	

Source: District financial records.

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

Fiscal Year Ended June 30,	Governmental Activities			Total District	Population	Per Capita
	General Obligation Bonds	Loans	Financing Agreements			
2015			\$ 19,689	\$ 19,689	10,827	\$ 2
2016			56,099	56,099	10,805	5
2017			23,493	23,493	10,820	2
2018			3,500,000	3,500,000	10,778	325
2019			2,828,258	2,828,258	10,740	263
2020			2,405,071	2,405,071	10,689	225
2021			1,802,464	1,802,464	10,912	165
2022			936,577	936,577	10,892	86
2023			66,308	66,308	10,914	6
2024			32,755	32,755	10,914 E	3

Source: District records

E - Estimate

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

General Bonded Debt Outstanding					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
2015			-	0.00%	-
2016			-	0.00%	-
2017			-	0.00%	-
2018			-	0.00%	-
2019			-	0.00%	-
2020			-	0.00%	-
2021			-	0.00%	-
2022			-	0.00%	-
2023			-	0.00%	-
2024			-	0.00%	-

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.

**LITTLE FERRY BOARD OF EDUCATION  
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT  
FOR YEAR ENDED DECEMBER 31, 2023  
(Unaudited)**

	<u>Total Debt</u>
Municipal Debt: (1)	
Borough of Little Ferry	\$ <u>14,800,194</u>
Overlapping Debt Apportioned to the Municipalities:	
County of Bergen (2)	10,982,787
Bergen County Utilities Authority - Waste Water (3)	<u>4,085,050</u>
Total Overlapping Debt	<u>15,067,837</u>
Total Direct and Overlapping Debt	<u>\$ 29,868,031</u>

## Source:

- (1) Borough of Little Ferry's Annual Debt Statement - December 31, 2023
- (2) Bergen County Annual Debt Statement - December 31, 2023 - Based on Equalized Value of Municipality to County Total
- (2) BCUA 2023 Audit - Based on Usage

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

**Legal Debt Margin Calculation for Fiscal Year 2024**

Equalized valuation basis	
2023	\$ 1,610,581,338
2022	1,527,378,577
2021	1,332,650,771
Average equalized valuation of taxable property	<u>\$ 1,490,203,562</u>
Debt Limit (3% of average equalization value)	\$ 44,706,107
Total Net Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>\$ 44,706,107</u>

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Debt Limit	\$ 30,076,942	\$ 33,139,996	\$ 31,307,330	\$ 30,532,455	\$ 31,276,679	\$ 32,780,146	\$ 35,204,500	\$ 37,544,493	\$ 41,121,188	\$ 44,706,107
Total Net Debt Applicable to Limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal Debt Margin	<u>\$ 30,076,942</u>	<u>\$ 33,139,996</u>	<u>\$ 31,307,330</u>	<u>\$ 30,532,455</u>	<u>\$ 31,276,679</u>	<u>\$ 32,780,146</u>	<u>\$ 35,204,500</u>	<u>\$ 37,544,493</u>	<u>\$ 41,121,188</u>	<u>\$ 44,706,107</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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



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

<u>Year Ended December 31,</u>	<u>Unemployment Rate</u>	<u>Per Capita Income(1)</u>	<u>Population(2)</u>
2014	6.10%	\$ 73,883	10,797
2015	4.90%	77,323	10,827
2016	4.40%	78,836	10,805
2017	4.10%	81,024	10,820
2018	3.60%	85,191	10,778
2019	3.00%	88,241	10,740
2020	11.60%	91,972	10,689
2021	6.30%	97,343	10,912
2022	3.60%	97,138	10,892
2023	4.00%	N/A	10,914

(1) Represents county information vs. municipality

(2) Represents estimates as of July 1

N/A Information not available

Source: Data regarding unemployment rate, per capita income and school district population was provided by the State Department of Education.

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

	2024		2015	
	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment

NOT AVAILABLE

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

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Instruction										
Regular	66.0	62.0	62.0	63.0	71.2	72.0	64.0	61.0	70.0	76.0
Special Education	18.5	7.0	10.0	12.0	12.0	12.0	13.0	17.0	11.0	19.2
Other Special Education			10.0	10.0	9.8	10.0	21.0	19.0	24.0	24.0
Vocational										
Other Instruction	18.0	16.0	6.0	6.0						
Nonpublic School Programs										
Adult/Continuing Education Programs										
Support Services:										
Student and Instruction Related Services	6.7	8.0	6.6	6.6	5.0	5.0	5.0	5.0	4.0	5.4
General Administration	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0
School Administrative Services	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	5.0	5.0
Other Administrative Services	3.1	4.5	4.0	4.0	4.0	4.0	4.0	4.0	2.0	1.0
Central Services	2.0	3.0	3.0	3.0	3.0	2.0	2.0	2.0	4.0	7.5
Administrative Information Technology	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0
Plant Operations And Maintenance	9.1	8.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	10.7
Pupil Transportation	1.5	1.5	1.0	1.0	1.8	2.0	2.0	2.0	1.0	2.0
Other Support Services		1.5	5.0	5.0	5.0	5.0	5.0	5.0	1.0	1.0
Security	2.0	2.0	1.5	1.5	1.6	1.6	1.6	1.6	1.0	1.0
Food Service	0.9	2.7	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.4
Total	<u>134.8</u>	<u>123.2</u>	<u>128.1</u>	<u>131.1</u>	<u>132.4</u>	<u>132.6</u>	<u>136.6</u>	<u>135.6</u>	<u>140.0</u>	<u>160.2</u>

Source: District Personnel Records

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

Fiscal Year	Enrollment <sup>a</sup>	Pupil/Teacher Ratio		Operating Expenditures <sup>b,d</sup>	Cost Per Pupil <sup>c</sup>	Percentage Change	Teaching Staff	Elementary	Middle School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2015	1,197.0	\$	17,195,166	\$	14,365	-8.83%	56	1:17	1:23	991.5	943.9	0.05%	95.20%
2016	972.0		17,957,030		18,474	28.60%	56	1:17	1:23	978.0	916.1	-1.36%	93.67%
2017	945.0		18,551,173		19,631	6.26%	78	1:11	1:18	942.6	895.9	-3.62%	95.05%
2018	895.0		20,167,683		22,534	14.79%	81	1:11	1:18	904.4	860.3	-4.05%	95.12%
2019	867.0		21,340,670		24,614	9.23%	82	1:11	1:10	863.2	841.5	-4.56%	97.49%
2020	863.0		20,504,521		23,760	-3.47%	86	1:11	1:10	863.0	827.0	-0.02%	95.83%
2021	810.0		25,971,290		32,063	34.95%	80	1:11	1:09	808.0	775.0	-6.37%	95.92%
2022	799.0		26,346,795		32,975	2.84%	85	1:11	1:09	794.3	746.6	-1.69%	93.99%
2023	822.0		28,788,853		35,023	6.21%	81	1:11	1:09	793.1	736.3	-0.16%	92.84%
2024	839.0		32,795,125		39,088	11.61%	85	1:11	1:10	815.1	760.3	2.77%	93.28%

Sources: District records

- Note:
- a Enrollment based on annual October district count.
  - b Operating expenditures equal total expenditures for the general fund less debt service and capital outlay.
  - c Cost per pupil represents operating expenditures divided by enrollment.
  - d Expenditures exclude tuition paid to Ridgefield Park Board of Education for regular instruction.

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b><u>District Building</u></b>										
<b><u>Elementary</u></b>										
Washington School										
Square Feet	30,764	30,764	30,764	30,764	40,750	40,750	40,750	40,750	40,750	40,750
Capacity (students)	180	180	180	180	326	326	326	326	326	326
Enrollment	200	200	257	276	466	485	435	470	450	472
<b><u>Middle School</u></b>										
Memorial School										
Square Feet	99,461	99,467	99,467	99,467	68,000	68,000	68,000	68,000	68,000	68,000
Capacity (students)	705	705	705	705	507	507	507	507	507	507
Enrollment	997	772	688	619	401	378	356	329	342	334

Number of Schools at June 30, 2024

    Elementary = 1

    Middle School = 1

    Senior High School = 0

    Other = 0

Source: District Records

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
School Facilities										
Memorial School	\$ 26,429	\$ 150,349	\$ 70,106	\$ 184,899	\$ 232,125	\$ 161,173	\$ 312,292	\$ 261,012	\$ 331,402	\$ 495,908
Washington School	<u>85,445</u>	<u>47,478</u>	<u>22,140</u>	<u>62,350</u>	<u>139,275</u>	<u>95,899</u>	<u>38,598</u>	<u>32,260</u>	<u>40,960</u>	<u>61,292</u>
Grand Total	<u>\$ 111,874</u>	<u>\$ 197,827</u>	<u>\$ 92,246</u>	<u>\$ 247,249</u>	<u>\$ 371,400</u>	<u>\$ 257,072</u>	<u>\$ 350,890</u>	<u>\$ 293,272</u>	<u>\$ 372,362</u>	<u>\$ 557,200</u>

Source: School District's Financial Statements

**LITTLE FERRY BOARD OF EDUCATION**  
**SCHEDULE OF INSURANCE**  
**JUNE 30, 2024**  
**(Unaudited)**

<b>NESBIG</b>	<u>Coverage</u>	<u>Deductible</u>
<b>School Package Policy</b>		
Building and Contents (All Locations)	\$ 42,319,272	\$ 5,000
Boiler and Machinery - included in property		
Earthquake/Flood ( Outside Zones A & V )	5,000,000	100,000
Flood Zones ( Zones A & V )	1,000,000	500,000
Comprehensive General Liability	1,000,000	2,500
General Automobile Liability	1,000,000	2,500
Comprehensive and Collision		1,000
Umbrella Liability	10,000	10,000
School Board Legal Liability - XL	1,000,000	10,000
Employment Practices -		35,000
Environmental	2,000,000	15,000
	4,000,000	Aggregate
	20,000,000	
Excess Umbrella ( Shared )	25,000,000	
Excess Umbrella ( Unshared )	30,000,000	
Crime ( Non-statutory Bonds )	500,000	5,000
	500,000	Per loss
Cyber Liability - XL	1,000,000	1st Party
	1,000,000	3rd Party
	1,000,000	Aggregate
Student Accident Insurance	100,000	
<b>Non - NESBIG</b>		
Surety Bonds - Selective Insurance Co.		
Treasurer	300,000	
Board Secretary/Business Administrator	300,000	

Source: District records.

**SINGLE AUDIT SECTION**





# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

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

**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Little Ferry Board of Education  
Little Ferry, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities and each major fund of the Little Ferry Board of Education as of and for the fiscal year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Little Ferry Board of Education's basic financial statements and have issued our report thereon dated January 15, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Little Ferry Board of Education's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Little Ferry Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Little Ferry 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

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

As part of obtaining reasonable assurance about whether the Little Ferry Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and which are described in the accompanying schedule of findings and questioned costs as item 2024-001.


We also noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Little Ferry Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated January 15, 2025.

### **Little Ferry Board of Education's Response to Findings**

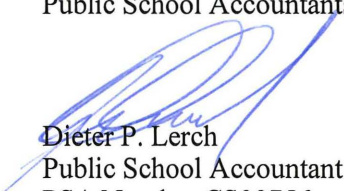
Government Auditing Standards requires the auditor to perform limited procedures on the Little Ferry Board of Education's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The Little Ferry Board of Education's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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 Little Ferry Board of Education's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Little Ferry Board of Education's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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



Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
January 15, 2025





# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

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

**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Little Ferry Board of Education  
Little Ferry, New Jersey

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

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

We have audited the Little Ferry Board of Education's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Little Ferry Board of Education's major federal and state programs for the fiscal year ended June 30, 2024. The Little Ferry 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 Little Ferry Board of Education complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 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; audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and audit requirements of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards, U.S. Uniform Guidance and New Jersey OMB Circular are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

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

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

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

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Little Ferry Board of Education's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Little Ferry Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Little Ferry 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 an instance of noncompliance, which is required to be reported in accordance with U.S. Uniform Guidance and New Jersey OMB Circular 15-08 which is described in the accompanying schedule of findings and questioned costs as item 2024-002. Our opinion on each major federal and state program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the Little Ferry Board of Education's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Little Ferry Board of Education's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.



A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-002 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.

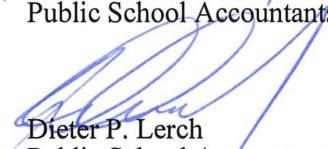
Government Auditing Standards requires the auditor to perform limited procedures on the Little Ferry Board of Education's response to the internal control over compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Little Ferry Board of Education's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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

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

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Little Ferry Board of Education, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated January 15, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

  
Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
January 15, 2025

**LITTLE FERRY BOARD OF EDUCATION**  
**Schedule of Expenditures of Federal Awards**  
**for the Fiscal Year ended June 30, 2024**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	Federal FAIN Number	Program or Award Amount	Grant Period		Balance at June 30, 2023		A/R Carry- Over	Deferred Revenue Carry- Over	Cash Received	Total Budgetary Expenditures	Adjustments	Balance at June 30, 2024			Memo GAAP Receivable
				From	To	Accounts Receivable	Deferred Revenue						Accounts Receivable	Deferred Revenue	Due to Grantor	
U.S. Department of Education																
General Fund:																
Medical Assistance Program (SEMI)	93.778	2005NJ5MAP	\$ 19,318	7/1/23	6/30/24	-	-	-	-	\$ 19,318	\$ 19,318	-	-	-	-	-
Total General Fund						-	-	-	-	19,318	19,318	-	-	-	-	-
U.S. Department of Education																
Passed-through State Department of Education																
Special Revenue Fund:																
Title I, Part A	84.010	S010A240030	278,059	7/1/23	9/30/24			\$ (40,389)	\$ 40,389	\$ 159,288	\$ 214,875		\$ (159,160)	\$ 103,573		\$ (55,587)
Title I, Part A	84.010	S010A230030	239,254	7/1/22	9/30/23	\$ (120,951)	\$ 40,390	40,389	(40,389)	80,562	1		-	-		-
Title II, Part A	84.367A	S367A240029	42,256	7/1/23	9/30/24			(450)	450	16,390	41,446	\$ 4,550	(26,316)	5,810		(20,506)
Title II, Part A	84.367A	S367A230029	41,518	7/1/22	9/30/23	(28,100)	450	450	(450)	27,650			-	-	-	-
Title III	84.365	S365A240030	11,579	7/1/23	9/30/24			(277)	277	9,106	9,106		(2,750)	2,750		-
Title III	84.365	S365A230030	11,952	7/1/22	9/30/23	(1,182)	277	277	(277)	905			-	-		-
Title III	84.365	S365A220030	7,994	7/1/21	9/30/22	(2,841)						2,841	-	-		-
Title IV, Part A	84.424	S369A240031	18,168	7/1/23	9/30/24			(1,631)	1,631	15,150	15,150		(4,649)	4,649		-
Title IV, Part A	84.424	S369A230031	19,139	7/1/22	9/30/23	(1,706)	6,901	1,631	(1,631)	75		(5,270)	-	-		-
I.D.E.A. Part B, Basic Regular	84.027A	H027A240100	254,800	7/1/23	9/30/24					100,008	254,795	(5)	(154,792)	-		(154,792)
I.D.E.A. Part B, Basic Regular	84.027A	H027A230100	236,611	7/1/22	9/30/23	(62,046)				62,046			-	-		-
I.D.E.A. Part B, Preschool	84.173A	H173A220114	11,209	7/1/23	9/30/24	-	-	-	-	-	11,209	-	(11,209)	-	-	(11,209)
Total Special Education Cluster (IDEA)						(62,046)	-	-	-	162,054	266,004	(5)	(166,001)	-	-	(166,001)
Additional Special Ed. and Compensatory Aid	21.027	C2221SLFRF21	179,474							89,737	179,474		(89,737)	-		(89,737)
CRRSA, ESSER II	84.425D	S425D240027	793,502	3/13/20	9/30/23	(87,846)	40,857			87,846	40,857		-	-	-	-
CRRSA, Learning Acceleration	84.425D	S425D240027	50,923	3/13/20	9/30/23	(20,728)	11,710			20,728	11,710		-	-	-	-
High Impact Tutoring Grant	84.425V	SLFRFDOE1SES	75,922	10/1/23	8/31/24	-	-	-	-	36,300	19,800	-	-	-	16,500	-
ARP - ESSER III	84.425U	S425U2400027	1,783,344	3/13/20	9/30/24	(1,093,595)	1,081,439			969,865	1,027,672		(123,730)	53,767	-	(69,963)
ARP - Accel. Learning	84.425U	S425U2400027	104,709	3/13/20	9/30/24	(6,834)				5,404	-		(1,430)	-	-	(1,430)
ARP - Based Summer	84.425U	S425U2400027	40,000	3/13/20	9/30/24	(20,218)	30,435			4,500	4,500		(15,718)	25,935	-	-
ARP - Comp Beyond	84.425U	S425U2400027	40,000	3/13/20	9/30/24	(24,038)	24,257			2,229	2,229		(21,809)	22,028	-	-
ARP - Homeless Children and Youth	84.425W	S425W2400031	7,984	4/23/21	9/30/24	-	-	-	-	-	7,984		(7,984)	-	-	(7,984)
Total ESSER Fund Cluster						(1,253,259)	1,188,698	-	-	1,126,872	1,114,752	-	(170,671)	101,730	-	(79,377)
Total Special Revenue Fund						(1,470,085)	1,236,716	-	-	1,687,789	1,840,808	2,116	(619,284)	218,512	16,500	(411,208)
U.S. Department of Agriculture																
Passed-through State Department of Agriculture																
Enterprise Fund:																
School Breakfast Program	10.553	241NJ304N1099	83,154	7/1/23	6/30/24					74,015	83,154		(9,139)			(9,139)
School Breakfast Program	10.553	231NJ304N1099	60,369	7/1/22	6/30/23	(1,476)							(1,476)			(1,476)
National School Lunch Program	10.555	241NJ304N1099	179,726	7/1/23	6/30/24					169,595	179,726		(10,131)			(10,131)
National School Lunch Program	10.555	231NJ304N1099	156,362	7/1/22	6/30/23	(5,882)							(5,882)			(5,882)
Supply Chain assistance	10.555	241NJ304N1099	22,852	7/1/23	6/30/24					22,852	22,852					
P-EBT Admin	10.649		653	7/1/23	6/30/24					653	653					
Non Cash Assistance	10.555	241NJ304N1199	35,081	7/1/23	6/30/24					35,081	33,338			\$ 1,743		-
Non Cash Assistance	10.555	231NJ304N1199	38,090	7/1/22	6/30/23	-	-	-	-	-	-	-	-	-	-	-
Total Enterprise Fund						(7,358)	-	-	-	302,196	319,723	-	(26,628)	1,743	-	(26,628)
Sub-Total Federal Financial Awards						\$ (1,477,443)	\$ 1,236,716	\$ -	\$ -	\$ 2,009,303	\$ 2,179,849	\$ 2,116	\$ (645,912)	\$ 220,255	\$ 16,500	\$ (437,836)

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

**LITTLE FERRY BOARD OF EDUCATION**  
**Schedule of Expenditures of State Financial Assistance**  
**for the Fiscal Year ended June 30, 2024**

Balance at June 30, 2023											Balance at June 30, 2024				MEMO	
State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Intergovernmental (Accounts Receivable)	Deferred Revenue/ Interfund Payable	Due to Grantor	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Intergovernmental (Accounts Receivable)	Deferred Revenue/ Interfund Payable	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
State Department of Education																
General Fund:																
Equalization Aid	24-495-034-5120-078	\$2,999,442	7/1/23	6/30/24					\$ 2,765,872	\$ 2,999,442	\$ (233,570)			\$	2,999,442	
Equalization Aid	23-495-034-5120-078	2,269,156	7/1/22	6/30/23	\$ (280,436)				280,436		-					
Special Education Categorical Aid	24-495-034-5120-089	1,040,076	7/1/23	6/30/24					959,084	1,040,076	(80,992)				1,040,076	
Special Education Categorical Aid	23-495-034-5120-089	1,040,076	7/1/22	6/30/23	(128,539)				128,539		-					
Maintenance of Equity Aid	23-495-034-5120-128	69,696	7/1/22	6/30/23	(69,696)				69,696		-					
Security Aid	24-495-034-5120-084	319,475	7/1/23	6/30/24					294,597	319,475	(24,878)				319,475	
Security Aid	23-495-034-5120-084	319,475	7/1/22	6/30/23	(39,483)	-	-	-	39,483	-	-	-	-	-	-	
Total State Aid Public Cluster					(518,154)	-	-	-	4,537,707	4,358,993	(339,440)	-	-	-	4,358,993	
Transportation Aid																
Transportation Aid	24-495-034-5120-014	299,736	7/1/23	6/30/24					276,396	299,736	(23,340)				299,736	
Transportation Aid	23-495-034-5120-014	299,736	7/1/22	6/30/23	(37,043)				37,043		-					
Additional Nonpublic Transportation Aid	24-495-034-5120-014	24,570	7/1/23	6/30/24					24,570	24,570	(24,570)			\$ (24,570)	24,570	
Additional Nonpublic Transportation Aid	23-495-034-5120-014	20,904	7/1/22	6/30/23	(20,904)	-	-	-	20,904	-	-	-	-	-	-	
Total Transportation Aid Cluster					(57,947)	-	-	-	334,343	324,306	(47,910)	-	-	(24,570)	324,306	
Extraordinary Aid																
Extraordinary Aid	24-495-034-5120-044	299,014	7/1/23	6/30/24					299,014	299,014	(299,014)				299,014	
Extraordinary Aid	23-495-034-5120-044	398,763	7/1/22	6/30/23	(398,763)	-	-	-	398,763	-	-	-	-	-	-	
Total Extraordinary Aid Cluster					(398,763)	-	-	-	398,763	299,014	(299,014)	-	-	-	299,014	
Reimbursed Social Security Tax																
Reimbursed Social Security Tax	24-495-034-5094-003	349,639	7/1/23	6/30/24					-	349,639	(349,639)			(349,639)	349,639	
Reimbursed Social Security Tax	23-495-034-5094-003	577,351	7/1/22	6/30/23	(29,564)	-	-	-	29,564	-	-	-	-	-	-	
Total Reimbursed Social Security Tax Cluster					(29,564)	-	-	-	29,564	349,639	(349,639)	-	-	(349,639)	349,639	
On-Behalf Teachers' Pension and Annuity Fund																
On-Behalf Teachers' Pension and Annuity Fund	24-495-034-5094-002	2,798,166	7/1/23	6/30/24					2,798,166	2,798,166					2,798,166	
On-Behalf-Teachers' Pension and Annuity Fund – Post Retirement Medical	24-495-034-5094-001	770,243	7/1/23	6/30/24					770,243	770,243					770,243	
On-Behalf- Teachers' Pension & Annuity Fund – Non-contributory Insurance	24-495-034-5094-004	31,912	7/1/23	6/30/24					31,912	31,912					31,912	
On-Behalf- Teachers' Pension & Annuity Fund – Long Term Disability	24-495-034-5094-004	1,040	7/1/23	6/30/24	-	-	-	-	1,040	1,040	-	-	-	-	1,040	
On-Behalf Teachers' Pension and Annuity Fund Cluster					-	-	-	-	3,601,361	3,601,361	-	-	-	-	3,601,361	
Total General Fund					(1,004,428)	-	-	-	8,901,738	8,933,313	(1,036,003)	-	-	(374,209)	8,933,313	
Special Revenue Fund:																
Preschool Education Aid	24-495-034-5120-086	1,349,069	7/1/23	6/30/24				\$ 1,180,099	1,214,162	1,730,725	(134,907)	\$ 798,443			1,730,725	
Preschool Education Aid	23-495-034-5120-086	1,417,527	7/1/22	6/30/23	(141,753)	\$ 1,180,099		(1,180,099)	141,753		-	-	-	-		
Climate Change	N/A		7/1/23	6/30/24	(6,606)				6,606					-	-	
SDA Emergency Needs	N/A	19,599	7/1/23	6/30/24	-	-	-	-	19,599	19,599	-	-	-	-	19,599	
Total Special Revenue Fund					(148,359)	1,180,099	-	-	1,382,120	1,750,324	(134,907)	798,443	-	-	1,750,324	
Enterprise Fund:																
State Department of Agriculture																
National School Breakfast Program (State Share)	24-100-010-3350-023	1,476	7/1/23	6/30/24					1,315	1,476	(161)			(161)	1,476	
National School Breakfast Program (State Share)	23-100-010-3350-023	1,169	7/1/22	6/30/23	(34)						(34)			(34)		
After the Bell Program	24-100-010-3350-023	3,367	7/1/23	6/30/24					2,997	3,367	(370)			(370)	3,367	
After the Bell Program	23-100-010-3350-023	2,496	7/1/22	6/30/23	(73)						(73)			(73)		
National School Lunch Program (State Share)	24-100-010-3350-023	7,070	7/1/23	6/30/24					6,676	7,070	(394)			(394)	7,070	
National School Lunch Program (State Share)	23-100-010-3350-023	6,607	7/1/22	6/30/23	(247)		-	-		-	(247)	-	-	(247)	-	
National School Breakfast Program (State Share) - NJEIE	24-100-010-3350-023	313	7/1/23	6/30/24					269	313	(44)			(44)	313	
National School Lunch Program (State Share) - NJEIE	24-100-010-3350-023	739	7/1/23	6/30/24	-	-	-	-	678	739	(61)			(61)	739	
Total Enterprise Fund					(354)	-	-	-	11,935	12,965	(1,384)	-	-	(1,384)	12,965	
Total State Financial Assistance					\$ (1,153,141)	\$ 1,180,099	\$ -	\$ -	\$ 10,295,793	\$ 10,696,602	\$ (1,172,294)	\$ 798,443	\$ -	\$ (375,593)	\$ 10,696,602	
Less: On-Behalf TPAF Pension System Contributions																
On-Behalf Teachers' Pension and Annuity Fund	24-495-034-5094-002									(2,798,166)						
On-Behalf-Teachers' Pension and Annuity Fund – Post Retirement Medical	24-495-034-5094-001									(770,243)						
On-Behalf- Teachers' Pension & Annuity Fund – Non-contributory Insurance	24-495-034-5094-004									(31,912)						
On-Behalf- Teachers' Pension & Annuity Fund – Long Term Disability	24-495-034-5094-004									(1,040)						
Total for State Financial Assistance-Major Program Determination									\$ 7,095,241							

**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 REPORTING ENTITY**

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

**NOTE 2 BASIS OF PRESENTATION**

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

**NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$222,470 for the general fund and a decrease of \$210,183 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board’s financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 19,318	\$ 9,155,783	\$ 9,175,101
Special Revenue Fund	1,879,205	1,501,744	3,380,949
Food Service Fund	<u>319,723</u>	<u>12,965</u>	<u>332,688</u>
Total Awards and Financial Assistance	<u>\$ 2,218,246</u>	<u>\$ 10,670,492</u>	<u>\$ 12,888,738</u>



**LITTLE FERRY BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 6 OTHER INFORMATION**

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$349,639 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2024. The amount reported as TPAF Pension System Contributions in the amount of \$2,830,078, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$770,243 and TPAF Long-Term Disability Insurance in the amount of \$1,040 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2024.

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

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

**NOTE 8 DE MINIMIS INDIRECT COST RATE**

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

**LITTLE FERRY BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Part I – Summary of Auditor’s Results**

**Financial Statement Section**

Type of auditor's report issued:	<u>Unmodified</u>	
Internal control over financial reporting:		
1) Material weakness(es) identified?	<u>  X  </u> yes	<u>      </u> no
2) Were significant deficiencies identified that were not considered to be material weaknesses?	<u>      </u> yes	<u>  X  </u> none reported
Noncompliance material to basic financial statements noted?	<u>  X  </u> yes	<u>      </u> no

**Federal Awards Section**

Internal Control over compliance:		
1) Material weakness(es) identified?	<u>      </u> yes	<u>  X  </u> no
2) Were significant deficiency(ies) identified that were not considered to be material weaknesses?	<u>      </u> yes	<u>  X  </u> none reported
Type of auditor's report on compliance for major programs:	<u>Unmodified</u>	
Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance (section.510(a))?	<u>      </u> yes	<u>  X  </u> none
Identification of major programs:		

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.425D</u>	<u>Coronavirus Response and Relief Supplemental Act (CRRSA-ESSER II)</u>
<u>84.425U</u>	<u>American Rescue Plan - Elementary and Secondary Schools - Emergency Relief Fund (ARP-ESSER)</u>
<u>84.425V</u>	<u>High Impact Tutoring</u>

Dollar threshold used to distinguish between Type A and Type B Programs	<u>\$750,000</u>
Auditee qualified as low-risk auditee?	<u>  X  </u> yes <u>      </u> no

**LITTLE FERRY BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

*Part I – Summary of Auditor's Results*

**State Awards Section**

Internal Control over compliance:

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

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

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

Identification of major programs:

State Grant/Project Number(s)	Name of State Program
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education Aid
495-034-5120-084	Security Aid
495-034-5120-086	Preschool Education Aid

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

Auditee qualified as low-risk auditee?   X   yes \_\_\_\_\_ no

**LITTLE FERRY BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

***Part 2 – Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

**Finding 2024-001**

Our audit revealed that reimbursement requests were not submitted to the State for the employer's share of social security (FICA) contributions for Teachers Pension and Annuity Fund (TPAF) members regular wages on a timely basis.

**Criteria or Specific Requirement**

Internal controls over TPAF FICA reimbursement requests.

**Condition**

Bi-monthly reimbursement requests for each payroll were not submitted to the State for the employer's share of social security contributions for eligible TPAF members wages after each pay period.

**Context**

Reimbursement requests for the period of July 2023 through December 2023 in the amount of \$241,038 and for the period of January 2024 through June 2024 in the amount of \$349,639 were not requested from the state on a timely basis. As a result the State Department of Education declined the reimbursement request for 2023 resulting in a loss of \$241,038. The District was reimbursed for the period of January 2024 through June 2024 in the amount of \$349,639.

**Effect**

The District did not realize \$241,038 of state reimbursements related to TPAF FICA contributions for eligible TPAF members wages.

**Cause**

See Condition.

**Recommendation**

Internal controls be enhanced to ensure reimbursement requests are submitted to the state after each bi-monthly payroll for the employer's share of social security contributions for TPAF members eligible regular wages on a timely basis.

**View of Responsible Officials and Planned Corrective Action**

Management agrees with this finding and has indicated that procedures will be implemented to take corrective action.

**LITTLE FERRY BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

***Part 3 – Schedule of Federal and State Award Findings and Questioned Costs (Cont'd)***

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

**CURRENT YEAR FEDERAL AWARDS**

There were none.

**LITTLE FERRY BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

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

**CURRENT YEAR STATE AWARDS**

**Finding 2024-002:**

Our audit of the Preschool Education Aid (PEA) funding revealed that the 2022/23 carry over which amended the approved budget by approximately \$1.2 million was not approved by board resolution.

**Information on Federal Program:**

Preschool Education Aid	24-495-034-5120-086
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**Criteria or specific requirement:**

State Grant Compliance Supplement

**Condition:**

The budget amendment to increase the PSE budget appropriations for the prior year carry over in the amount of \$1,180,099 was not approved by resolution.

**Questioned Costs:**

None.

**Context:**

See Condition.

**Effect:**

Noncompliance with state grant compliance supplement.

**Cause:**

Resolution was not prepared to support budget amendment for prior year carry over.

**Recommendation:**

Budget amendments for the Preschool Education Aid (PEA) program be approved by board resolution.

**View of Responsible Officials and Planned Corrective Action:**

Management agrees with this finding and has indicated that procedures will be implemented to take corrective action.

**LITTLE FERRY BOARD OF EDUCATION  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. OMB Circular A-133 (Section .315(a)(b)) and New Jersey OMB's Circular 15-08.

**STATUS OF PRIOR YEAR FINDINGS**

**Finding 2023-001**

**Condition:**

Resolutions approving individuals and amounts funded by grants were not prepared and approved.

**Status:**

Corrective action has been taken.