

UPPER SADDLE RIVER BOARD OF EDUCATION
UPPER SADDLE RIVER, NEW JERSEY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

of the

Upper Saddle River Board of Education

Upper Saddle River, New Jersey

For The Fiscal Year Ended June 30, 2024

Prepared by

Business Office

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INTRODUCTORY SECTION



Upper Saddle River School District

395 West Saddle River Road • Upper Saddle River, NJ 07458

Phone: 201-961-6500 • Fax: 201-961-9020

C. Lauren Schoen, Ed.D.
Interim Superintendent of Schools

David Kaplan
Assistant Superintendent

Dana Imbasciani
Board Secretary/Business Administrator

October 31, 2024

Honorable President and
Members of the Board of Education
Upper Saddle River Board of Education
Upper Saddle River, NJ 07458

Dear Board Members:

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

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the Independent Auditor's Report, Management's Discussion and Analysis and basic financial statements including the district-wide financial statements. The basic financial statements also include individual fund financial statements, Notes to Financial Statements and Required Supplementary Information (RSI). The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the State Treasury OMB Circular Letter 15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

The Upper Saddle River Board of Education is an independent reporting entity. All funds of the District are included in this report. The Upper Saddle River Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. The District completed the 2023/24 fiscal year with an average daily enrollment of 1,096, which is 21 students less than the previous year's enrollment. The following details the changes in the average daily enrollment of the District over the last ten years.

<u>School Year</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2023/2024	1,096	(1.88%)
2022/2023	1,117	(0.62%)
2021/2022	1,124	1.54%
2020/2021	1,107	0.36%
2019/2020	1,103	(2.13%)
2018/2019	1,127	(3.26%)
2017/2018	1,165	(2.27%)
2016/2017	1,191	(2.70%)
2015/2016	1,224	(2.00%)
2014/2015	1,249	(3.78%)

2. ECONOMIC CONDITION AND OUTLOOK:

Development and expansion in the Upper Saddle River area has increased this year. The Upper Saddle River area is expected to continue to prosper.

3. MAJOR INITIATIVES:

The District committed to the following new programs/goals:

- Curricula are reviewed and developed on a cyclical basis. The most significant recent reform is in the area of Mathematics, English/Language Arts, and Science. Our focus on these curricular initiatives is based on pending NJSLs changes requiring revisions to our scope and sequence plans, as well following our regional district cyclical review process. Working through our Director of Curriculum, groups of staff members made adjustments to their unit plans and lessons, collaboratively, to meet the new goals set by the state.
- The District made a commitment to modifying our assessment design and formative feedback practices to elevate the rigor on student evaluations. Seeking to expand the number of students moving categories on the NJSLA test (from “approaching” to “meeting” and “meeting” to “exceeding” expectations), assessment upgrades was identified as a need.
- Supporting all learners is the chief goal for our school district. Our staff assessed our enrichment programs for three different tiers of support at all three buildings, while also evaluating our entrance criteria, instructional models, and professional training for our general education teachers. The results of this exploration have prompted some programmatic changes in elementary/middle school mathematics.
- The District continued its commitment to small elementary class size by maintaining an average of 17 students in all grades K-5.

4. INTERNAL ACCOUNTING CONTROLS:

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

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

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

5. BUDGETARY CONTROLS:

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. Annual appropriated budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

6. ACCOUNTING SYSTEM AND REPORTS:

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB).

7. CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in the "Notes to the Financial Statements". 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 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, which the funds are secured in accordance with the Act or the New Jersey Cash Management Fund.

8. 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.

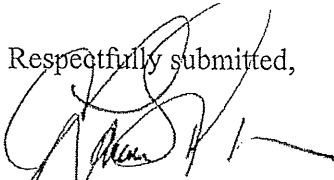
9. OTHER INFORMATION:

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci and Bliss, LLP, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the State Treasury OMB Circular 15-08. The auditor's report on the basic financial statements is included in the financial section of this report. The auditor's report related specifically to the single audit are included in the single audit section of this report.

10. ACKNOWLEDGEMENTS:

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

Respectfully submitted,



C. Lauren Schoen, Ed.D
Superintendent of Schools



Dana Imbasciani
Board Secretary/Business Administrator

Upper Saddle River Schools Organizational Chart

Board of
Education

Attorney

School
Physician

Superintendent of
Schools

Board
Secretary

Principals

Directors &
Supervisors

School Business
Administrator

Superintendent
Office Staff

Treasurer

Auditor

Instructional
Staff

Support Staff

Instructional
Staff

Support Staff

ACE

Business
Office Staff

Buildings &
Grounds

Custodians

UPPER SADDLE RIVER BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2024

Members of the Board of Education

Term Expires

Susan Gandara, President	2024
MaryAnn Gray, Vice President	2024
Erin Ginsberg	2026
Mark Mehegan	2025
Stephen Quagliani	2024
David Verducci	2025
Joy Wenberg	2026

Other Officials

Brad Siegel, Superintendent
Dana Imbasciani, Business Administrator/Board Secretary
Jennifer Pfohl, Treasurer

UPPER SADDLE RIVER BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

Independent Auditor

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

Attorney

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

Cleary, Giacobbe, Alfieri, Jacobs LLC
955 State Route 23, Suite 200
Matawan, NJ 07747

Official Depository

Capital One Bank
35 Journal Square
Jersey City, NJ 07306

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
395 West Saddle River Road
Upper Saddle River, New Jersey 07458

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Upper Saddle River 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, each major fund, and the aggregate remaining fund information of the Upper Saddle River 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 Upper Saddle River 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 Upper Saddle River 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 Upper Saddle River 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 Upper Saddle River 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 Upper Saddle River Board of Education's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards 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 Upper Saddle River Board of Education. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


Other Information


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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 31, 2024 on our consideration of the Upper Saddle River 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 Upper Saddle River 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 Upper Saddle River Board of Education's internal control over financial reporting and compliance.


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


Gary J. Vinci
Public School Accountant
PSA Number CS000829

Fair Lawn, New Jersey
October 31, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

UPPER SADDLE RIVER BOARD OF EDUCATION

Management's Discussion and Analysis

This section of Upper Saddle River 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 Upper Saddle River Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$18,313,370 (net position).
- Overall District revenues were \$32,635,922. General revenues accounted for \$25,364,405 or 78% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$7,271,517 of total revenues.
- The School District had \$31,180,981 in expenses for governmental activities; only \$6,891,397 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$25,364,405 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 \$10,214,035 an increase of \$639,435 when compared to the ending fund balance at June 30, 2023 of \$9,574,600.
- The General Fund unassigned budgetary fund balance at June 30, 2024 was \$1,322,401 which represents an increase of \$34,521 when compared to the ending unassigned fund balance at June 30, 2023 of \$1,287,880.

UPPER SADDLE RIVER BOARD OF EDUCATION

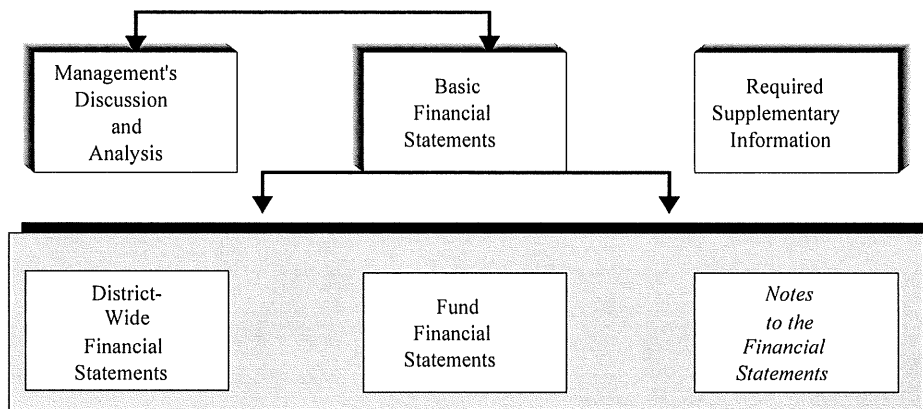
Management's Discussion and Analysis

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.



UPPER SADDLE RIVER 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.

UPPER SADDLE RIVER BOARD OF EDUCATION

Management's Discussion and Analysis

District-Wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

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

UPPER SADDLE RIVER BOARD OF EDUCATION

Management's Discussion and Analysis

Fund Financial Statements (Continued)

The District has two kinds of funds:

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

Notes to the Financial Statements

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

Other Information

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

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

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

UPPER SADDLE RIVER 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 \$18,313,370 and \$17,133,250 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, vehicles, furniture and equipment); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and Other Assets	\$ 11,564,319	\$ 10,371,192	\$ 314,156	\$ 345,953	\$ 11,878,475	\$ 10,717,145
Capital Assets	13,991,550	14,059,163	-	-	13,991,550	14,059,163
Total Assets	25,555,869	24,430,355	314,156	345,953	25,870,025	24,776,308
Deferred Outflows of Resources	328,942	629,341	-	-	328,942	629,341
Total Assets and Deferred Outflows of Resources	25,884,811	25,059,696	314,156	345,953	26,198,967	25,405,649
Liabilities						
Long-Term Liabilities	6,115,754	6,478,186			6,115,754	6,478,186
Other Liabilities	1,350,284	798,816	-	-	1,350,284	798,816
Total Liabilities	7,466,038	7,277,002	-	-	7,466,038	7,277,002
Deferred Inflows of Resources	419,559	995,397	-	-	419,559	995,397
Total Liabilities and Deferred Inflows of Resources	7,885,597	8,272,399	-	-	7,885,597	8,272,399
Net Position:						
Net Investment in Capital Assets	13,832,302	13,769,720			13,832,302	13,769,720
Restricted	5,447,593	5,035,140			5,447,593	5,035,140
Unrestricted	(1,280,681)	(2,017,563)	314,156	345,953	(966,525)	(1,671,610)
Total Net Position	\$ 17,999,214	\$ 16,787,297	\$ 314,156	\$ 345,953	\$ 18,313,370	\$ 17,133,250

UPPER SADDLE RIVER BOARD OF EDUCATION

Management's Discussion and Analysis

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

	<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>
Revenues						
Program Revenues						
Charges for Services	\$ 576,244	\$ 647,466	\$ 380,120	\$ 332,010	\$ 956,364	\$ 979,476
Operating Grants and Contributions	6,315,153	6,471,466			6,315,153	6,471,466
General Revenues						
Property Taxes	24,826,232	24,033,622			24,826,232	24,033,622
State Aid - Formula Grants	69,856	69,969			69,856	69,969
Investment Earnings	390,912	193,389			390,912	193,389
Miscellaneous and Other Items	77,405	20,608	-	-	77,405	20,608
Total Revenues	<u>32,255,802</u>	<u>31,436,520</u>	<u>380,120</u>	<u>332,010</u>	<u>32,635,922</u>	<u>31,768,530</u>
Expenses						
Instruction						
Regular	12,985,605	12,459,920			12,985,605	12,459,920
Special Education	3,954,525	3,938,443			3,954,525	3,938,443
Other Instruction	914,459	859,906			914,459	859,906
School Sponsored Activities and Ath.	258,790	213,171			258,790	213,171
Support Services						
Student and Instruction Related Serv.	5,097,628	4,997,116			5,097,628	4,997,116
General Administrative Services	834,360	746,051			834,360	746,051
School Administrative Services	1,533,980	1,422,564			1,533,980	1,422,564
Plant Operations and Maintenance	4,203,262	4,006,246			4,203,262	4,006,246
Security	19,536	88,997			19,536	88,997
Pupil Transportation	650,299	604,937			650,299	604,937
Business Services	721,494	679,153			721,494	679,153
Food Services			2,090	1,834	2,090	1,834
ACE Program			272,731	211,718	272,731	211,718
Interest on Long-Term Debt	7,043	4,401	-	-	7,043	4,401
Total Expenses	<u>31,180,981</u>	<u>30,020,905</u>	<u>274,821</u>	<u>213,552</u>	<u>31,455,802</u>	<u>30,234,457</u>
Transfers	137,096	-	(137,096)	-	-	-
Change in Net Position	1,211,917	1,415,615	(31,797)	118,458	1,180,120	1,534,073
Net Position, Beginning of Year	16,787,297	15,371,682	345,953	227,495	17,133,250	15,599,177
Net Position, End of Year	<u>\$ 17,999,214</u>	<u>\$ 16,787,297</u>	<u>\$ 314,156</u>	<u>\$ 345,953</u>	<u>\$ 18,313,370</u>	<u>\$ 17,133,250</u>

UPPER SADDLE RIVER BOARD OF EDUCATION

Management's Discussion and Analysis

Governmental Activities

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

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

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

<u>Functions/Programs</u>	<u>Cost of Services</u>		<u>Net Cost (Revenue) of Services</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Governmental Activities				
Instruction				
Regular	\$ 12,985,605	12,459,920	\$ 10,458,679	\$ 9,687,632
Special Education	3,954,525	3,938,443	1,647,937	1,815,057
Other Instruction	914,459	859,906	565,393	480,491
School Sponsored Activities and Athletics	258,790	213,171	166,035	134,689
Support Services				
Student and Instruction Related Svcs.	5,097,628	4,997,116	4,169,329	4,003,995
General Administrative Services	834,360	746,051	773,531	678,667
School Administrative Services	1,533,980	1,422,564	1,339,456	1,206,052
Plant Operations and Maintenance	4,203,262	4,006,246	4,023,396	3,759,478
Security	19,536	88,997	(13,685)	85,679
Pupil Transportation	650,299	604,937	485,485	441,453
Business Services	721,494	679,153	666,985	604,379
Interest on Long-Term Debt	7,043	4,401	7,043	4,401
Total Governmental Activities	<u>\$ 31,180,981</u>	<u>\$ 30,020,905</u>	<u>\$ 24,289,584</u>	<u>\$ 22,901,973</u>

UPPER SADDLE RIVER 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 \$10,214,035, an increase of \$639,435 from last year's fund balance of \$9,574,600.

Revenues for the District's governmental funds were \$34,606,480; total expenditures were \$34,302,365.

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 \$33,616,403 for the fiscal year ended June 30, 2024. State sources amounts to \$8,055,924 and local source revenues were \$25,560,479.

Expenditures of the General Fund were \$32,724,741. Expenditures for instruction were \$19,617,979, for support services were \$12,716,214, and debt/capital expenditures totaled \$390,548 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 \$699,670 for the fiscal year ended June 30, 2024. Federal sources of \$609,907 were the largest source of revenue.

Expenditures of the Special Revenue Fund were \$692,801. Instructional expenditures were \$298,734 and support services were \$394,067 for the fiscal year ended June 30, 2024.

Capital Projects - The capital projects revenues and other financing sources exceeded expenditures and other financing uses by \$686,761 increasing the fund balance from \$350,000 at June 30, 2023 to \$1,036,761 at June 30, 2024.

Proprietary Funds

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

UPPER SADDLE RIVER BOARD OF EDUCATION

Management's Discussion and Analysis

Enterprise Fund - The District uses Enterprise Funds to report activities related to the After Care Experience and Food Services programs. 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 Reserve

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 \$13,991,550 and \$14,059,163 (net of accumulated depreciation), respectively. The capital assets consist of land, site improvements, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for the fiscal year 2023-2024 amounted to \$1,005,296 for governmental activities. The Business-Type activities capital assets are fully depreciated.

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

	Governmental Activities	
	<u>2024</u>	<u>2023</u>
Land	\$ 100,820	\$ 100,820
Construction in Progress	679,766	85,351
Buildings	24,607,732	24,484,432
Improvements Other Than Buildings	3,978,404	3,978,404
Machinery and Equipment	<u>3,131,651</u>	<u>2,911,684</u>
Total	32,498,373	31,560,691
Less: Accumulated Depreciation	<u>(18,506,823)</u>	<u>(17,501,528)</u>
Total	<u>\$ 13,991,550</u>	<u>\$ 14,059,163</u>

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

UPPER SADDLE RIVER BOARD OF EDUCATION

Management's Discussion and Analysis

LONG TERM LIABILITIES

At June 30, 2024, the District's long-term liabilities consisted of compensated absences payable of \$785,186, capital financing agreements of \$159,248, and net pension liability of \$5,171,320 totaling \$6,115,320. This is in comparison to long-term liabilities at June 30, 2023 of \$6,478,186 or a decrease of \$362,432.

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 2023-2024 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing labor and related employee benefit costs. Other budgetary increases are anticipated with special education, and utilizes the required investment to repair the District's aging facilities.

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

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Upper Saddle River Board of Education, 395 West Saddle River Road, Upper Saddle River, NJ 07458.

BASIC FINANCIAL STATEMENTS

UPPER SADDLE RIVER BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 11,418,595	\$ 314,156	\$ 11,732,751
Receivables, net	145,724		145,724
Capital Assets			
Not Being Depreciated	780,586		780,586
Being Depreciated, Net	<u>13,210,964</u>	<u>-</u>	<u>13,210,964</u>
Total Assets	<u>25,555,869</u>	<u>314,156</u>	<u>25,870,025</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>328,942</u>	<u>-</u>	<u>328,942</u>
Total Deferred Outflows of Resources	<u>328,942</u>	<u>-</u>	<u>328,942</u>
Total Assets and Deferred Outflows of Resources	<u>25,884,811</u>	<u>314,156</u>	<u>26,198,967</u>
LIABILITIES			
Accounts Payable	577,040	-	577,040
Payroll Withholdings and Deductions Payable	169,340		169,340
Accrued Salaries and Wages	523,904		523,904
Unearned Revenue	80,000		80,000
Noncurrent Liabilities			
Due Within One Year	54,308		54,308
Due Beyond One Year	<u>6,061,446</u>	<u>-</u>	<u>6,061,446</u>
Total Liabilities	<u>7,466,038</u>	<u>-</u>	<u>7,466,038</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>419,559</u>	<u>-</u>	<u>419,559</u>
Total Deferred Inflows of Resources	<u>419,559</u>	<u>-</u>	<u>419,559</u>
Total Liabilities and Deferred Inflows of Resources	<u>7,885,597</u>	<u>-</u>	<u>7,885,597</u>
NET POSITION			
Net Investment in Capital Assets	13,832,302	-	13,832,302
Restricted for:			
Capital Projects	4,408,310		4,408,310
Other Purposes	1,039,283		1,039,283
Unrestricted	<u>(1,280,681)</u>	<u>314,156</u>	<u>(966,525)</u>
Total Net Position	<u>\$ 17,999,214</u>	<u>\$ 314,156</u>	<u>\$ 18,313,370</u>

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

UPPER SADDLE RIVER 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		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities:						
Instruction:						
Regular	\$ 12,985,605	\$ 486,481	\$ 2,040,445	\$ (10,458,679)		\$ (10,458,679)
Special Education	3,954,525		2,306,588	(1,647,937)		(1,647,937)
Other Instruction	914,459		349,066	(565,393)		(565,393)
School Sponsored Activities and Athletics	258,790	89,763	2,992	(166,035)		(166,035)
Support Services:						
Student and Instruction Related Services	5,097,628		928,299	(4,169,329)		(4,169,329)
General Administrative Services	834,360		60,829	(773,531)		(773,531)
School Administrative Services	1,533,980		194,524	(1,339,456)		(1,339,456)
Plant Operations and Maintenance	4,203,262		179,866	(4,023,396)		(4,023,396)
Security	19,536		33,221	13,685		13,685
Pupil Transportation	650,299		164,814	(485,485)		(485,485)
Business and Other Support Services	721,494		54,509	(666,985)		(666,985)
Interest on Long-Term Debt	7,043	-	-	(7,043)	-	(7,043)
Total Governmental Activities	31,180,981	576,244	6,315,153	(24,289,584)	-	(24,289,584)
Business-Type Activities:						
Food Service	2,090	1,740			\$ (350)	(350)
ACE Program	272,731	378,380	-	-	105,649	105,649
Total Business-Type Activities	274,821	380,120	-	-	105,299	105,299
Total Primary Government	\$ 31,455,802	\$ 956,364	\$ 6,315,153	(24,289,584)	105,299	(24,184,285)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				24,605,681		24,605,681
Property Taxes Levied for Debt Service				220,551		220,551
State Aid Restricted for Debt Service				69,856		69,856
Investment Earnings				390,912		390,912
Miscellaneous Income				77,405		77,405
Transfers				137,096	(137,096)	-
Total General Revenues and Other Items				25,501,501	(137,096)	25,364,405
Change in Net Position				1,211,917	(31,797)	1,180,120
Net Position, Beginning of Year				16,787,297	345,953	17,133,250
Net Position, End of Year				\$ 17,999,214	\$ 314,156	\$ 18,313,370

FUND FINANCIAL STATEMENTS

UPPER SADDLE RIVER BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 9,635,849	\$ 168,945	\$ 1,613,801		\$ 11,418,595
Receivables, Net	64,798	80,926			145,724
Due from Other Funds	80,925	-	-	-	80,925
Total Assets	<u>\$ 9,781,572</u>	<u>\$ 249,871</u>	<u>\$ 1,613,801</u>	<u>\$ -</u>	<u>\$ 11,645,244</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable			\$ 577,040		\$ 577,040
Payroll Withholdings and Deductions Payable	\$ 169,340				169,340
Accrued Salaries and Wages	523,904				523,904
Unearned Revenue		\$ 80,000			80,000
Due to Other Funds	-	80,925	-	-	80,925
Total Liabilities	<u>693,244</u>	<u>160,925</u>	<u>577,040</u>	<u>-</u>	<u>1,431,209</u>
Fund Balances					
Restricted Fund Balance					
Excess Surplus	2,248,887				\$ 2,248,887
Excess Surplus - Designated for Subsequent Year's (2024/25) Budget	1,841,368				1,841,368
Capital Reserve	2,889,549				2,889,549
Capital Reserve - Designated for Subsequent Year's (2024/25) Budget	482,000				482,000
Maintenance Reserve	750,000				750,000
Capital Projects			\$ 1,036,761		1,036,761
Unemployment Compensation Reserve	200,337				200,337
Student Activities		55,476			55,476
Scholarships Awards		33,470			33,470
Assigned Fund Balance					
Encumbrances	214,431				214,431
Unassigned Fund Balance					
General Fund	<u>461,756</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>461,756</u>
Total Fund Balances	<u>9,088,328</u>	<u>88,946</u>	<u>1,036,761</u>	<u>-</u>	<u>10,214,035</u>
Total Liabilities and Fund Balances	<u>\$ 9,781,572</u>	<u>\$ 249,871</u>	<u>\$ 1,613,801</u>	<u>\$ -</u>	

Total Fund Balances 10,214,035

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 \$32,498,374 and the accumulated depreciation is \$18,506,824. 13,991,550

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt.

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	\$ 328,942	
Deferred Inflows of Resources	(419,559)	
		(90,617)

Long-term liabilities, including bonds payable, capital financing agreements, compensated absences and net pension liability are not due and payable in the current period and therefore are not reported as liabilities in the funds (Note 2). (6,115,754)

Net Position of Governmental Activities \$ 17,999,214

UPPER SADDLE RIVER BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General <u>Fund</u>	Special Revenue <u>Fund</u>	Capital Projects <u>Fund</u>	Debt Service <u>Fund</u>	Total Governmental <u>Funds</u>
REVENUES					
Local Sources					
Property Taxes	\$ 24,605,681			\$ 220,551	\$ 24,826,232
Tuition	486,481				486,481
Interest on Deposits	390,912				390,912
Miscellaneous	77,405	\$ 89,763	-	-	167,168
Total Local Sources	25,560,479	89,763	-	220,551	25,870,793
State Sources	8,055,924			69,856	8,125,780
Federal Sources	-	609,907	-	-	609,907
Total Revenues	33,616,403	699,670	-	290,407	34,606,480
EXPENDITURES					
Current					
Regular Instruction	14,315,203	7,665			14,322,868
Special Education Instruction	4,205,684				4,205,684
Other Instruction	909,614	208,175			1,117,789
School Sponsored Activities and Athletics	187,478	82,894			270,372
Support Services					
Student and Instruction Related Services	5,281,854	289,751			5,571,605
General Administrative Services	886,688				886,688
School Administrative Services	1,624,364				1,624,364
Plant Operations and Maintenance	3,349,377	104,316			3,453,693
Security	148,136				148,136
Pupil Transportation	650,299				650,299
Business and Other Support Services	775,496				775,496
Debt Service					
Principal	38,977			287,718	326,695
Interest	8,303			2,689	10,992
Capital Outlay	343,268	-	\$ 594,416	-	937,684
Total Expenditures	32,724,741	692,801	594,416	290,407	34,302,365
Excess (Deficiency) of Revenues Over (Under) Expenditures	891,662	6,869	(594,416)	-	304,115
OTHER FINANCING SOURCES (USES)					
Capital Financing Agreements	198,224				198,224
Transfer In	137,326		1,281,177		1,418,503
Transfer Out	(1,281,407)	-	-	-	(1,281,407)
Total Other Financing Sources and Uses	(945,857)	-	1,281,177	-	335,320
Net Change in Fund Balances	(54,195)	6,869	686,761	-	639,435
Fund Balance, Beginning of Year	\$ 9,142,523	82,077	350,000	-	9,574,600
Fund Balance, End of Year	\$ 9,088,328	\$ 88,946	\$ 1,036,761	\$ -	\$ 10,214,035

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

**UPPER SADDLE RIVER BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ 639,435**

Amounts reported for governmental activities in the statement of activities (A-2) are different because:
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Depreciation Expense	\$ (1,005,296)	
Capital Outlay	<u>937,684</u>	
		(67,612)

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

Capital Financing Agreements	(198,224)	
Principal Repayments		
Capital Financing Agreements	38,976	
General Obligation Bonds	<u>287,718</u>	
		128,470

Certain expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Amortization of Deferred Charge on Refunding Bonds	(3,870)	
Amortization of Premium	<u>5,595</u>	
		1,725

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. 2,223

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

Net Decrease in Compensated Absences	37,306	
Decrease in Pension Expense	<u>470,370</u>	
		<u>507,676</u>

Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 1,211,917**

**UPPER SADDLE RIVER BOARD OF EDUCATION
PROPRIETARY FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024**

	<u>Business-Type Activities Other Nonmajor Enterprise Funds</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 314,156
Capital Assets	
Furniture, Machinery, and Equipment	6,829
Less: Accumulated Depreciation	<u>(6,829)</u>
Total Capital Assets, Net	<u>-</u>
Total Assets	<u>314,156</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	<u>-</u>
Total Current Liabilities	<u>-</u>
NET POSITION	
Unrestricted	<u>314,156</u>
Total Net Position	<u>\$ 314,156</u>

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

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

	Business-Type Activities
	<u>Other Nonmajor Enterprise Funds</u>
OPERATING REVENUES	
Charges for Services	
Program Fees	\$ 380,120
Total Operating Revenues	380,120
OPERATING EXPENSES	
Salaries and Wages	265,983
Supplies and Materials	6,538
Other Objects	2,300
Total Operating Expenses	274,821
Operating Income	105,299
OTHER FINANCING SOURCES AND (USES)	
Transfers In	230
Transfers Out	(137,326)
Total Other Financing Sources and (Uses)	(137,096)
Change in Net Position	(31,797)
Net Position, Beginning of Year	345,953
Net Position, End of Year	\$ 314,156

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

**UPPER SADDLE RIVER BOARD OF EDUCATION
 PROPRIETARY FUND
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Business-Type Activities
	<u>Other Nonmajor Enterprise Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Received from Customers	\$ 380,120
Payments to Employees	(265,983)
Payments to Suppliers for Goods and Services	<u>(8,838)</u>
Net Cash Provided by Operating Activities	<u>105,299</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Receipts from Other Funds	230
Payments to Other Funds	<u>(137,326)</u>
Net Cash (Used for) Noncapital Financing Activities	<u>(137,096)</u>
Net Change in Cash and Cash Equivalents	(31,797)
Cash and Cash Equivalents, Beginning of Year	<u>345,953</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 314,156</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income	<u>\$ 105,299</u>
Net Cash Provided by Operating Activities	<u><u>\$ 105,299</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

**UPPER SADDLE RIVER 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 Upper Saddle River Board of Education (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of seven elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade 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 Upper Saddle River Board of Education this includes general operations, food service, the aftercare experience (ACE) program 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.

UPPER SADDLE RIVER 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.

UPPER SADDLE RIVER 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 funds to be major funds.

The District reports the following major governmental funds:

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

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

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

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

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

The *food service fund* accounts for the activities of the school cafeteria, which provides milk to students.

The *learning enrichment activities program (LEAP) fund* accounts for the activities of the District's technology program which provides statements with various enrichment activities offered in the fall and winter.

The *after care experience (ACE) program* accounts for the activities of the District's after care program which provides childcare after the school day has concluded.

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.

**UPPER SADDLE RIVER 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

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

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

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

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

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

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.

UPPER SADDLE RIVER 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)

3. *Inventories*

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

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

4. *Capital Assets*

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Building Improvements	20
Site Improvements	20
Machinery and Equipment	5-10
Computer Equipment	5

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 two items which arise only under the accrual basis of accounting that qualify for reporting in this category. One item is the deferred amount on refunding of debt which results from a debt refunding reported in the district-wide statement of net position. Deferred amounts on debt refunding result from the difference on the transaction when the debt's reacquisition price is greater than the carrying value of the refunded debt. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

**UPPER SADDLE RIVER 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)

5. Deferred Outflows/Inflows of Resources (Continued)

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

6. Compensated Absences

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused sick leave benefits. A long-term liability of accumulated sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Fund employees are not eligible to accrue unused sick leave. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

7. Pensions

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

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

8. Financing Agreements

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

In the 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.

UPPER SADDLE RIVER 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)

9. *Long-Term Obligations*

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Differences resulting from debt refundings are classified as deferred inflows of resources or as deferred outflows of resources (delete as applicable). Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Differences resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported with the unamortized bond premium or discount. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

10. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

UPPER SADDLE RIVER 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)

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 Budget - 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 3B).

Capital Reserve - Designated for Subsequent Year's Budget – 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 3C).

Unemployment Compensation Reserve – This restriction was created in accordance with R.S. 43:21-7.3 to reserve funds for unemployment compensation claims reimbursable to the State under the District's election for payment in lieu of contributions (benefit reimbursement method). (See Note 5A).

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

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

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

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.

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.

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

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

UPPER SADDLE RIVER 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)

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 and 2) operating grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

2. Property Taxes

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

3. Tuition Revenues and Expenditures

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

Tuition Expenditures - Tuition charges for the fiscal years 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.

**UPPER SADDLE RIVER 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)

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 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 are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE 2 RECONCILIATION OF DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

Capital Financing Agreements	\$ 159,248
Compensated Absences	785,186
Net Pension Liability	<u>5,171,320</u>
Net Adjustment to Reduce Fund Balance - Total Governmental Funds to Arrive at Net Position - Governmental Activities	<u>\$ 6,115,754</u>

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 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 and are not applicable to the debt service fund.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval. 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 \$170,867 and the special revenue fund by \$400,292. The increases were funded by grant awards, student activity revenues and the reappropriation of prior year encumbrances.

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

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

B. 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.

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve (Continued)

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

Balance, July 1, 2023	\$ 3,652,726
Increased by	
Deposits Approved by Board	<u>1,000,000</u>
	4,652,726
Withdrawals	
Withdrawals Approved by Board	<u>1,281,177</u>
Balance, June 30, 2024	<u>\$ 3,371,549</u>

The June 30, 2024 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be \$5,170,277. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the District's Long Range Facilities Plan. \$482,000 of the capital reserve balance at June 30, 2024 was designated and appropriated for use in the 2024/2025 original budget certified for taxes.

C. Maintenance Reserve

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

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

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

Balance, July 1, 2023	<u>\$ 750,000</u>
Balance, June 30, 2024	<u>\$ 750,000</u>

The June 30, 2024 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$1,205,673.

UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year’s budget. The excess fund balance at June 30, 2024 is \$4,090,255. Of this amount, \$1,841,368 was designated and appropriated in the 2024/2025 original budget certified for taxes and the remaining amount of \$2,248,887 will be appropriated in the 2025/2026 original budget certified for taxes.

NOTE 4 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

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 \$11,732,751 and bank and brokerage firm balances of the Board’s deposits amounted to \$12,278,738. The Board's deposits which are displayed on the various fund balance sheets as “cash and cash equivalents” are categorized as:

Depository Account

Insured	\$ 11,642,314
Uninsured and Collateralized	<u>636,424</u>
	<u>\$ 12,278,738</u>

UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

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 \$636,424 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	\$ 636,424
	<u>\$ 636,424</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.

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

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.

UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

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 and nonmajor funds in the aggregate including the applicable allowances for uncollectible accounts, are as follows:

	General <u>Fund</u>	Special Revenue <u>Fund</u>	<u>Total</u>
Receivables:			
Intergovernmental			
State	\$ 64,798		\$ 64,798
Federal	<u>-</u>	<u>\$ 80,926</u>	<u>80,926</u>
Gross Receivables	64,798	80,926	145,724
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 64,798</u>	<u>\$ 80,926</u>	<u>\$ 145,724</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	
Grant Draw Downs for Year-End Encumbrances	<u>\$ 80,000</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 80,000</u>

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 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
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 100,820			\$ 100,820
Construction In Progress	85,351	\$ 594,415	-	679,766
Total Capital Assets, Not Being Depreciated	186,171	594,415	-	780,586
Capital Assets, Being Depreciated:				
Buildings	24,484,432	123,300		24,607,732
Improvements Other Than Buildings	3,978,404			3,978,404
Machinery and Equipment	2,911,683	219,968	-	3,131,651
Total Capital Assets Being Depreciated	31,374,519	343,268	-	31,717,787
Less Accumulated Depreciation for:				
Buildings	(11,702,647)	(714,430)		(12,417,077)
Improvements Other Than Buildings	(3,259,093)	(31,129)		(3,290,222)
Machinery and Equipment	(2,539,787)	(259,737)	-	(2,799,524)
Total Accumulated Depreciation	(17,501,527)	(1,005,296)	-	(18,506,823)
Total Capital Assets, Being Depreciated, Net	13,872,992	(662,028)	-	13,210,964
Governmental Activities Capital Assets, Net	\$ 14,059,163	\$ (67,613)	\$ -	\$ 13,991,550
	Balance, July 1, 2023	Increases	Decreases	Balance, June 30, 2024
Business-Type Activities:				
Food Service Enterprise Fund				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 6,829	-	-	\$ 6,829
Total Capital Assets, Being Depreciated	6,829	-	-	6,829
Less Accumulated Depreciation for:				
Machinery and Equipment	(6,829)	-	-	(6,829)
Total Accumulated Depreciation	(6,829)	-	-	(6,829)
Total Capital Assets, Being Depreciated, Net	-	-	-	-
Business-Type Activities Capital Assets, Net	\$ -	\$ -	\$ -	\$ -

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

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

Governmental Activities:

Instruction	
Regular	\$ 128,595
Support Services	
Student and Instruction Related Services	39,985
School Administration	67,042
Operations and Maintenance of Plant	<u>769,674</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,005,296</u>

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2024:

<u>Project</u>	<u>Remaining Commitment</u>
Bogert School Roof Replacement Project	\$ 346,496
Cavallini School Boiler Replacement Project	78,000
Bogert School Septic Replacement Project	<u>612,265</u>
	<u>\$ 1,036,761</u>

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>
General Fund	Special Revenue Fund	<u>\$ 80,925</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 and/or to cover cash balances which were in an overdraft position.

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

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers (Continued)

Interfund Transfers

	Transfer In:			
	General Fund	Capital Projects Fund	Food Service Fund	Total
Transfer Out:				
General Fund		\$ 1,281,177	\$ 230	\$ 1,281,407
L.E.A.P. Program Fund	\$ 137,326	-	-	137,326
	<u>\$ 137,326</u>	<u>\$ 1,281,177</u>	<u>\$ 230</u>	<u>\$ 1,418,733</u>

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

F. Capital Financing Agreements

The District entered into a capital financing agreement to finance the acquisition of capital assets. The repayments under the financing agreement is subject to the annual appropriation of funds in the District's approved budget.

Capital financing agreement at June 30, 2024 is comprised of the following:

\$198,224, Fiscal Year 2024 agreement for the acquisition of digital copiers for a term of five years due in monthly principal installments of \$3,180 to \$3,925 through February 2028	<u>\$ 159,248</u>
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G. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets or other purposes permitted by statute. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon. School bonds payable has been fully retired as of June 30, 2024.

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)	\$ 91,013,418
Less: Net Debt Issued	<u>-</u>
Remaining Borrowing Power	<u>\$ 91,013,418</u>

UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
Governmental Activities:					
Serial Bonds Payable	\$ 287,718		\$ 287,718		
Add:					
Unamortized Premium	5,595	-	5,595	-	-
	293,313	-	293,313	-	-
Capital Financing Agreements		\$ 198,224	38,976	\$ 159,248	\$ 40,808
Compensated Absences	822,492		37,306	785,186	13,500
Net Pension Liability	5,362,381	286,116	477,177	5,171,320	-
Governmental Activity Long-Term Liabilities	<u>\$ 6,478,186</u>	<u>\$ 484,340</u>	<u>\$ 846,772</u>	<u>\$ 6,115,754</u>	<u>\$ 54,308</u>

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

NOTE 5 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained 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.

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

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

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

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

<u>Fiscal Year Ended June 30,</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024	\$ 11,194	\$ 11,194	\$ 200,337
2023	29,022	29,022	200,337
2022	36,953	36,953	200,337

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. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2024, the District had no estimated arbitrage earnings due to the IRS.

UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

Public Employees' Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost sharing multiple employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at www.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 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

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

UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

The following represent the membership tiers for TPAF:

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

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

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

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

Other Pension Funds

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

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

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

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

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

The authority to amend the provisions of the above plans rests with 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.

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 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 2023.

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, 2023 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:

Fiscal Year Ended <u>June 30,</u>		<u>PERS</u>	On-Behalf <u>TPAF</u>	<u>DCRP</u>
2024	\$	477,177	\$ 3,986,447	\$ 1,750
2023		448,085	3,958,099	2,118
2022		400,680	3,856,789	3,140

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 OTHER INFORMATION (Continued)

D. 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 \$1,735, \$1,814 and \$1,746, 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 \$849,186 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 \$5,171,320 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 0.03570 percent, which was an increase of 0.00017 percent from its proportionate share measured as of June 30, 2022 of 0.03553 percent.

UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$6,807 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	\$ 49,444	\$ 21,139
Changes of Assumptions	11,360	313,404
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	23,815	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>244,323</u>	<u>85,016</u>
Total	<u>\$ 328,942</u>	<u>\$ 419,559</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:

Year Ending <u>June 30,</u>	<u>Total</u>
2024	\$ (242,910)
2025	(80,973)
2026	260,474
2027	(28,461)
2028	1,253
Thereafter	<u>-</u>
	<u>\$ (90,617)</u>

UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District’s total pension liability for the June 30, 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.

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 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%

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.

UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

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:

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>6,731,958</u>	\$ <u>5,171,320</u>	\$ <u>3,843,010</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.

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, 2022, the State’s pension contribution was more than the actuarial determined amount.

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

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 \$1,197,257 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 \$48,734,182. 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 0.09550 percent, which was an increase of 0.00312 percent from its proportionate share measured as of June 30, 2021 of 0.09238 percent.

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.

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 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.

UPPER SADDLE RIVER BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Sensitivity of Net Pension Liability

The following presents the State’s proportionate share of the TPAF net pension liability attributable to the District 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	\$ 57,466,444	\$ 48,734,182	\$ 41,379,542

The sensitivity analysis was based on the State’s proportionate share of the net pension liability attributable to the District at 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.

E. Post-Retirement Medical Benefits

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 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.

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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

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

Plan Membership

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

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 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.

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 2022.

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 \$1,084,965, \$1,039,783 and \$901,102, 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.

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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 \$1,523,477. 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 \$45,970,598. 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 0.08779 percent, which was a decrease of 0.00167 percent from its proportionate share measured as of June 30, 2022 of 0.08946 percent.

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%	2.75% to 4.25%
	Based on Years	Based on Years
	of Service	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.

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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%.

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	\$ 45,305,922
Changes Recognized for the Fiscal Year:	
Service Cost	2,107,618
Interest on the Total OPEB Liability	1,619,028
Differences Between Expected and Actual Experience	(1,934,059)
Changes of Assumptions	92,658
Gross Benefit Payments	(1,262,059)
Contributions from the Member	41,490
Net Changes	\$ 664,676
Balance, June 30, 2023 Measurement Date	\$ 45,970,598

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.

UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District 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:

	1% Decrease <u>(2.65%)</u>	Current Discount Rate <u>(3.65%)</u>	1% Increase <u>(4.65%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 53,892,634	\$ 45,970,598	\$ 39,610,123

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:

	1% Decrease <u></u>	Healthcare Cost Trend Rates <u></u>	1% Increase <u></u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 38,162,684	\$ 45,970,598	\$ 56,187,274

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.

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 6 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 \$1,182,330 in federal aid to address the effects of the COVID-19 pandemic.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

UPPER SADDLE RIVER BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
REVENUES					
Local Sources					
Property Taxes	\$ 24,605,681		\$ 24,605,681	\$ 24,605,681	
Tuition from Individuals	270,000		270,000	344,277	\$ 74,277
Tuition from LEA's				142,204	142,204
Interest on Deposits	240,000		240,000	390,912	150,912
Miscellaneous	140,000	-	140,000	77,405	(62,595)
Total Local Sources	25,255,681	-	25,255,681	25,560,479	304,798
State Sources					
Special Education Aid	1,155,690		1,155,690	1,155,690	-
Security Aid	53,937		53,937	53,937	-
Transportation Aid	150,581		150,581	150,581	-
Nonpublic School Transportation				22,295	22,295
Extraordinary Aid				742,399	742,399
On-Behalf TPAF (Non-Budget)					
Pension Contribution				3,941,496	3,941,496
NCGI Premium				44,951	44,951
Post Retirement Medical Benefits				1,084,965	1,084,965
Long Term Disability Insurance				1,735	1,735
Social Security Contribution	-	-	-	849,186	849,186
Total State Sources	1,360,208	-	1,360,208	8,047,235	6,687,027
Total Revenues	26,615,889	-	26,615,889	33,607,714	6,991,825
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	681,800	-	681,800	660,044	21,756
Grades 1-5	3,757,900	\$ 32,017	3,789,917	3,697,194	92,723
Grades 6-8	3,001,300	(31,787)	2,969,513	2,919,101	50,412
Regular Programs - Home Instruction					
Other Salaries for Instruction	5,000	-	5,000	3,140	1,860
Purchased Prof. - Ed. Services	6,450	(230)	6,220		6,220
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	185,500	-	185,500	181,925	3,575
Other Purchased Services	500	-	500		500
General Supplies	1,049,245	(45,175)	1,004,070	960,292	43,778
Textbooks	900	-	900	-	900
Total Instruction Regular Programs	8,688,595	(45,175)	8,643,420	8,421,696	221,724
Learning and/or Language Disabilities					
Salaries of Teachers	243,000	2,903	245,903	245,709	194
General Supplies	8,800	(2,903)	5,897	3,123	2,774
Total Learning and/or Language Disabilities	251,800	-	251,800	248,832	2,968
Resource Room					
Salaries of Teachers	964,600	-	964,600	875,857	88,743
Other Salaries for Instruction	986,000	-	986,000	787,317	198,683
General Supplies	15,100	-	15,100	13,738	1,362
Total Resource Room	1,965,700	-	1,965,700	1,676,912	288,788
Autism					
Salaries of Teachers	159,500	-	159,500	99,790	59,710
General Supplies	6,500	-	6,500	5,521	979
Total Autism	166,000	-	166,000	105,311	60,689
Preschool Disabilities - Part-Time					
Salaries of Teachers	158,356	-	158,356	141,380	16,976
General Supplies	6,000	-	6,000	3,605	2,395
Total Preschool Disabilities - Part-Time	164,356	-	164,356	144,985	19,371

UPPER SADDLE RIVER BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Home Instruction					
Salaries of Teachers	\$ 10,000		\$ 10,000		\$ 10,000
Purchased Professional - Educational Services	30,000	-	30,000	\$ 5,819	24,181
Total Home Instruction	40,000	-	40,000	5,819	34,181
Total Special Education	2,587,856	-	2,587,856	2,181,859	405,997
Basic Skills / Remedial - Instruction:					
Salaries of Teachers	417,700	-	417,700	409,218	8,482
General Supplies	2,350	-	2,350	732	1,618
Total Basic Skills/Remedial	420,050	-	420,050	409,950	10,100
Bilingual Education					
Salaries of Teachers	133,100	\$ (6,116)	126,984	96,553	30,431
General Supplies	1,600	-	1,600	578	1,022
Total Bilingual Education	134,700	(6,116)	128,584	97,131	31,453
School Sponsored Co/Extra Curricular Activities					
Salaries	70,400	1,260	71,660	57,695	13,965
Supplies and Materials	5,000	-	5,000	2,051	2,949
Total School Sponsored Co/Extra Curricular Activities	75,400	1,260	76,660	59,746	16,914
School Sponsored Athletics - Instruction					
Salaries	65,000	-	65,000	51,950	13,050
Purchased Services	7,965	(249)	7,716	7,713	3
Conference/Travel		562	562	562	-
Supplies and Materials	14,350	(313)	14,037	7,285	6,752
Total School Sponsored Athletics	87,315	-	87,315	67,510	19,805
Total - Instruction	11,993,916	(50,031)	11,943,885	11,436,116	507,769
Undistributed Expenditures					
Instruction					
Tuition to Other LEA's Within the State-Special	162,000	(37,266)	124,734	45,095	79,639
Tuition to CSSD and Regional Day Schools	170,850	-	170,850	102,774	68,076
Tuition to APSSD Within the State	362,165	38,497	400,662	358,950	41,712
Total Undistributed Expenditures - Instruction	695,015	1,231	696,246	506,819	189,427
Health Services					
Salaries	242,800	12,000	254,800	241,538	13,262
Purchased Professional and Technical Services	10,000	(5,000)	5,000	5,000	-
Supplies and Materials	14,015	(300)	13,715	8,580	5,135
Total Health Services	266,815	6,700	273,515	255,118	18,397
Speech, OT, PT & Related Services					
Salaries	529,700	(9,063)	520,637	520,637	-
Purchased Professional - Educational Services	33,630	(1,630)	32,000	9,981	22,019
Supplies and Materials	1,000	(194)	806	806	-
Total Speech, OT, PT & Related Services	564,330	(10,887)	553,443	531,424	22,019
Other Support Services - Students - Extraordinary Svcs					
Salaries	90,000	17,003	107,003	106,436	567
Total Other Support Services - Students - Extraordinary Services	90,000	17,003	107,003	106,436	567

UPPER SADDLE RIVER BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Guidance					
Salaries of Other Professional Staff	\$ 381,500		\$ 381,500	\$ 377,339	\$ 4,161
Salaries of Secretarial and Clerical Assistants	142,100	\$ (224)	141,876	139,075	2,801
Supplies and Materials	12,550	224	12,774	9,673	3,101
Total Guidance	536,150	-	536,150	526,087	10,063
Child Study Team					
Salaries of Other Professional Staff	768,400	(10,000)	758,400	726,066	32,334
Salaries of Secretarial and Clerical Assistants	59,900	-	59,900	59,175	725
Purchased Professional - Educational Services	18,000	-	18,000	14,354	3,646
Other Purchased Prof. and Technical Services	30,000	-	30,000	20,759	9,241
Other Purchased Services	1,000	-	1,000	922	78
Supplies and Materials	19,970	1,199	21,169	19,727	1,442
Other Objects	3,750	-	3,750	2,505	1,245
Total Child Study Team	901,020	(8,801)	892,219	843,508	48,711
Improvement of Instructional Services					
Salaries of Other Professional Staff	257,500	9,604	267,104	267,104	-
Purchased Prof. - Ed. Services	25,000	(9,604)	15,396	7,400	7,996
Total Improvement of Instructional Services	282,500	-	282,500	274,504	7,996
Educational Media Services/School Library					
Salaries	310,000	-	310,000	246,470	63,530
Salaries of Technology Coordinators	204,000	-	204,000	203,895	105
Supplies and Materials	48,125	275	48,400	36,942	11,458
Total Educational Media Services/School Library	562,125	275	562,400	487,307	75,093
Instructional Staff Training Services					
Salaries of Other Professional Staff	36,480	(2,760)	33,720	16,167	17,553
Purchased Prof. - Ed. Services	83,675	(13,469)	70,206	44,235	25,971
Other Purchased Professional and Tech Services	22,200	15,109	37,309	32,432	4,877
Other Purchased Services	15,500	1,119	16,619	4,123	12,496
Supplies and Materials	34,000	54	34,054	13,678	20,376
Other Objects	2,750	183	2,933	2,908	25
Total Instructional Staff Training Services	194,605	236	194,841	113,543	81,298
Support Services General Administration					
Salaries	304,900	6,983	311,883	311,883	-
Legal Services	65,000	-	65,000	52,737	12,263
Audit Fees	31,500	26,000	57,500	30,072	27,428
Architectural/Engineering Services	20,000	6,573	26,573	12,168	14,405
Other Purchased Professional Service	15,000	13,942	28,942	28,942	-
Purchased Technical Services	55,000	58,399	113,399	113,306	93
Communications/Telephone	96,200	(26,244)	69,956	51,766	18,190
Miscellaneous Purchased Services	35,000	(12,978)	22,022	9,936	12,086
General Supplies	22,500	(355)	22,145	20,562	1,583
Miscellaneous Expenditures	31,950	3,855	35,805	32,664	3,141
Total Support Services General Administration	677,050	76,175	753,225	664,036	89,189
Support Services School Administration					
Salaries of Principals/Asst. Principals	680,200	(2,200)	678,000	677,098	902
Salaries of Secretarial and Clerical Assistants	216,900	889	217,789	216,482	1,307
Other Purchased Services	68,900	(8,246)	60,654	50,877	9,777
Supplies and Materials	56,500	9,720	66,220	64,585	1,635
Other Objects	6,000	(164)	5,836	4,811	1,025
Total Support Services School Administration	1,028,500	(1)	1,028,499	1,013,853	14,646

**UPPER SADDLE RIVER BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Central Services					
Salaries	\$ 451,600		\$ 451,600	\$ 449,515	\$ 2,085
Purchased Technical Services	12,500		12,500	11,718	782
Miscellaneous Purchased Services	1,500	\$ (31)	1,469	859	610
General Supplies	11,000	1,879	12,879	12,879	-
Miscellaneous Expenditures	5,550	(1,848)	3,702	1,931	1,771
Total Central Services	482,150	-	482,150	476,902	5,248
Required Maintenance for School Facilities					
Salaries	117,500	-	117,500	116,661	839
Other Purchased Professional Service	12,900	(8,272)	4,628	3,392	1,236
Cleaning, Repair, and Maint. Services	679,500	48,402	727,902	699,188	28,714
General Supplies	17,000	2,795	19,795	19,795	-
Total Required Maintenance of School Facilities	826,900	42,925	869,825	839,036	30,789
Custodial Services					
Salaries	1,171,200	(588)	1,170,612	1,100,813	69,799
Cleaning, Repair, and Maintenance Services	63,500	(6,500)	57,000	23,886	33,114
Other Purchase Property Services	1,000	700	1,700	1,320	380
Insurance	244,711	-	244,711	225,245	19,466
Miscellaneous Purchased Services	1,200	-	1,200	478	722
General Supplies	232,000	(24,140)	207,860	147,275	60,585
Energy (Natural Gas)	115,000	-	115,000	95,112	19,888
Energy (Electricity)	270,000	-	270,000	238,383	31,617
Energy (Oil)	4,000	4,000	8,000	1,009	6,991
Other Objects	11,450	-	11,450	8,124	3,326
Total Custodial Services	2,114,061	(26,528)	2,087,533	1,841,645	245,888
Security Services					
Salaries	66,100	1,213	67,313	67,313	-
Purchased Professional Services		47,000	47,000	42,298	4,702
Other Purchased Prof. Serv.	500	(500)			-
General Supplies	200	1,278	1,478	1,478	
Miscellaneous Expenditures	200	(125)	75	75	-
Total Security Services	67,000	48,866	115,866	111,164	4,702
Student Transportation Services					
Contracted Services - Aid in Lieu Payments - Non Public Schools	50,000	9,672	59,672	59,064	608
Contracted Services (Between Home & School) - Vendors	301,500	(56,672)	244,828	239,496	5,332
Contracted Services (Other Than Between Home & School) - Vendors	40,000	-	40,000	25,683	14,317
Contracted Services (Special Education) - Joint Agreement	355,000	-	355,000	326,056	28,944
Total Student Transportation Services	746,500	(47,000)	699,500	650,299	49,201
Unallocated Benefits - Employee Benefits					
Social Security Contributions	365,000	-	365,000	357,382	7,618
Other Retirement Contributions	494,500	-	494,500	483,836	10,664
Unemployment Compensation	75,000	39,163	114,163	24,404	89,759
Workmen's Compensation	105,000	-	105,000	66,272	38,728
Health Benefits	5,216,431	-	5,216,431	4,982,673	233,758
Tuition Reimbursement	65,000	-	65,000	65,000	-
Total Unallocated Benefits-Employee Benefits	6,320,931	39,163	6,360,094	5,979,567	380,527
On-Behalf TPAF (Non-Budget)					
Pension Contribution - Normal Cost				3,941,496	(3,941,496)
NCGI Premium				44,951	(44,951)
Post Retirement Medical Benefits				1,084,965	(1,084,965)
Long Term Disability Insurance				1,735	(1,735)
Social Security Contr.	-	-	-	849,186	(849,186)
Total TPAF - On-Behalf	-	-	-	5,922,333	(5,922,333)
Total Undistributed Expenditures	16,355,652	139,357	16,495,009	21,143,581	(4,648,572)
Total Current Expenditures	28,349,568	89,326	28,438,894	32,579,697	(4,140,803)

UPPER SADDLE RIVER BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
EXPENDITURES					
CAPITAL OUTLAY					
Undistributed Expenditures					
Instruction	\$ 11,000		\$ 11,000	\$ 3,851	\$ 7,149
Custodial Services		\$ 7,658	7,658		7,658
Student Support	334,000	6,095	340,095	135,054	205,041
Undistributed Expenditures - Non-Instructional Equipment	-	6,139	6,139	6,139	-
Total Undistributed Expenditures	345,000	19,892	364,892	145,044	219,848
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	30,000	61,649	91,649		91,649
Land and Improvements	-	-	-	-	-
Total Facilities Acquisition and Construction Services	30,000	61,649	91,649	-	91,649
Assets Acquired Under Capital Financing Agreements - Non Budget	-	-	-	198,224	(198,224)
Total Capital Outlay	375,000	81,541	456,541	343,268	311,497
Total General Fund Expenditures	28,724,568	170,867	28,895,435	32,724,741	(3,829,306)
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(2,108,679)	(170,867)	(2,279,546)	882,973	3,162,519
Other Financing Sources and (Uses)					
Capital Lease Financing Agreement				198,224	198,224
Transfers In				137,326	137,326
Transfers Out	-	(1,281,177)	(1,281,177)	(1,281,407)	(230)
Total Other Financing Sources	-	(1,281,177)	(1,281,177)	(945,857)	335,320
Net Change in Fund Balance	(2,108,679)	(1,452,044)	(3,560,723)	(62,884)	3,497,839
Fund Balances, Beginning of Year	10,011,857	-	10,011,857	10,011,857	-
Fund Balances, End of Year	\$ 7,903,178	\$ (1,452,044)	\$ 6,451,134	\$ 9,948,973	\$ 3,497,839
Recapitulation					
Restricted Fund Balance:					
Excess Surplus				\$ 2,248,887	
Excess Surplus - Designated for Subsequent Year's (2024/25) Budget				1,841,368	
Capital Reserve				2,889,549	
Capital Reserve - Designated for Subsequent Year's (2024/25) Budget				482,000	
Maintenance Reserve				750,000	
Unemployment Compensation Reserve				200,337	
Assigned Fund Balance:					
Encumbrances				214,431	
Unassigned Fund Balance				1,322,401	
				9,948,973	
Reconciliation to Governmental Fund Statements (GAAP)					
2023/2024 State Aid Payments Not Recognized on a GAAP Basis				860,645	
Fund Balance per Governmental Funds (GAAP)				\$ 9,088,328	

**UPPER SADDLE RIVER BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources		\$ 169,763	\$ 169,763	\$ 169,763	
Intergovernmental					
Federal	\$ 461,584	134,513	596,097	609,464	\$ 13,367
Total Revenues	461,584	304,276	765,860	779,227	13,367
EXPENDITURES					
Instruction					
Salaries of Teachers	166,501	12,465	178,966	168,980	9,986
Purchased Prof. and Technical Services		4,000	4,000	3,908	92
Purchased Prof. and Educational Services		4,380	4,380	4,188	192
School-Sponsored/Cocurricular Activities		89,763	89,763	82,894	6,869
General Supplies	-	42,781	42,781	38,764	4,017
Total Instruction	166,501	153,389	319,890	298,734	21,156
Support Services					
Salaries of Teachers	5,000	26,853	31,853	14,703	17,150
Other Salaries for Instruction	220,000	54,542	274,542	271,542	3,000
Purchased Prof. and Technical Services		2,337	2,337	2,337	-
Employee Benefits	58,083	59,784	117,867	71,457	46,410
Purchased Prof. and Educational Services	12,000	19,899	31,899	31,637	262
Other Purchased Services		2,000	2,000	920	1,080
Travel		726	726	726	-
General Supplies	-	762	762	302	460
Total Support Services	295,083	166,903	461,986	393,624	68,362
Facilities Acquisition and Construction Services					
Non-Instructional Equipment	-	80,000	80,000	80,000	-
Total Facilities Acq. and Construction Svcs	-	80,000	80,000	80,000	-
Total Expenditures	461,584	400,292	861,876	772,358	89,518
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	-	(96,016)	(96,016)	6,869	102,885
Fund Balance, Beginning of Year	82,077	-	82,077	82,077	-
Fund Balance, End of Year	\$ 82,077	\$ (96,016)	\$ (13,939)	\$ 88,946	\$ 102,885
Recapitulation					
Restricted Fund Balance					
Student Activities				\$ 55,476	
Scholarships				33,470	
				<u>\$ 88,946</u>	

**UPPER SADDLE RIVER BOARD OF EDUCATION
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
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. 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 Funds 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.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources		
Actual Revenues (budgetary basis)	\$ 33,607,714	\$ 779,227
Difference - Budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Add: June 30, 2023 Encumbrances		443
Less: June 30, 2024 Encumbrances		(80,000)
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements - Current Year	(860,645)	
State Aid payments recognized for GAAP statements, not recognized for budgetary purposes - Prior Year	<u>869,334</u>	<u>-</u>
Total Revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 33,616,403</u>	<u>\$ 699,670</u>
Uses/Outflows of Resources		
Actual expenditures (budgetary basis)	\$ 32,724,741	\$ 772,358
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Add: June 30, 2023 Encumbrances		443
Less: June 30, 2024 Encumbrances	<u>-</u>	<u>(80,000)</u>
Total Expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 32,724,741</u>	<u>\$ 692,801</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

POST-EMPLOYMENT BENEFITS INFORMATION

UPPER SADDLE RIVER 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)	0.03570 %	0.03553 %	0.03421 %	0.03349 %	0.03517 %	0.03457 %	0.03377 %	0.03115 %	0.02883 %	0.03150 %
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 5,171,320	\$ 5,362,381	\$ 4,053,104	\$ 5,462,823	\$ 6,338,684	\$ 6,807,535	\$ 7,861,996	\$ 9,226,932	\$ 6,472,288	\$ 5,899,218
District's Covered-Employee Payroll	\$ 2,833,976	\$ 2,592,530	\$ 2,569,990	\$ 2,419,274	\$ 2,575,135	\$ 2,466,257	\$ 2,412,391	\$ 2,292,382	\$ 2,029,156	\$ 2,026,624
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	182%	207%	158%	226%	246%	276%	326%	403%	319%	291%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

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

UPPER SADDLE RIVER BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S 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	\$ 477,177	\$ 448,085	\$ 400,680	\$ 366,463	\$ 342,188	\$ 343,904	\$ 312,878	\$ 276,768	\$ 247,881	\$ 248,869
Contributions in Relation to the Contractually Required Contributions	<u>477,177</u>	<u>448,085</u>	<u>400,680</u>	<u>366,463</u>	<u>342,188</u>	<u>343,904</u>	<u>312,878</u>	<u>276,768</u>	<u>247,881</u>	<u>248,869</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's Covered - Employee Payroll	\$ 2,929,880	\$ 2,833,976	\$ 2,592,530	\$ 2,569,990	\$ 2,419,274	\$ 2,575,135	\$ 2,466,257	\$ 2,412,391	\$ 2,292,382	\$ 2,029,156
Contributions as a Percentage of Covered-Employee Payroll	16.29%	15.81%	15.46%	14.26%	14.14%	13.35%	12.69%	11.47%	10.81%	12.26%

UPPER SADDLE RIVER 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)	- %	- %	- %	- %	- %	- %	- %	- %	- %	- %
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	\$ <u>48,734,182</u>	\$ <u>47,664,997</u>	\$ <u>44,676,811</u>	\$ <u>62,000,695</u>	\$ <u>56,405,001</u>	\$ <u>59,190,992</u>	\$ <u>62,553,271</u>	\$ <u>69,693,481</u>	\$ <u>56,392,957</u>	\$ <u>48,361,663</u>
Total	\$ <u>48,734,182</u>	\$ <u>47,664,997</u>	\$ <u>44,676,811</u>	\$ <u>62,000,695</u>	\$ <u>56,405,001</u>	\$ <u>59,190,992</u>	\$ <u>62,553,271</u>	\$ <u>69,693,481</u>	\$ <u>56,392,957</u>	\$ <u>48,361,663</u>
District's Covered-Employee Payroll	\$ 11,621,555	\$ 10,954,025	\$ 11,070,149	\$ 10,222,684	\$ 10,070,350	\$ 9,863,366	\$ 9,782,167	\$ 9,659,577	\$ 9,185,713	\$ 9,006,986
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

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

UPPER SADDLE RIVER 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 contributions are presented in Note 5d.

UPPER SADDLE RIVER BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OTHER POSTEMPLOYMENT BENEFIT LIABILITY

Postemployment Health Benefit Plan

Last Seven Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018
Service Cost	\$ 2,107,618	\$ 2,682,637	\$ 3,124,020	\$ 1,753,735	\$ 1,681,668	\$ 1,907,619	\$ 2,299,381
Interest on the Total OPEB Liability	1,619,028	1,200,657	1,384,686	1,320,710	1,592,518	1,705,127	1,467,544
Changes in Benefit Terms			(56,815)				
Differences Between Expected and Actual Experience	(1,934,059)	1,349,320	(10,406,198)	10,772,376	(6,252,588)	(4,215,519)	
Changes of Assumptions	92,658	(12,153,720)	52,662	11,021,159	544,005	(4,590,994)	(6,108,112)
Gross Benefit Payments	(1,262,059)	(1,189,286)	(1,090,745)	(1,050,385)	(1,120,003)	(1,069,771)	(1,417,888)
Contributions from the Member	41,490	38,153	35,400	31,837	33,200	36,973	52,210
Net Change in Total OPEB Liability	664,676	(8,072,239)	(6,956,990)	23,849,432	(3,521,200)	(6,226,565)	(3,706,865)
Total OPEB Liability - Beginning of Year	45,305,922	53,378,161	60,335,151	36,485,719	40,006,919	46,233,484	49,940,349
Total OPEB Liability - End of Year	45,970,598	45,305,922	53,378,161	60,335,151	36,485,719	40,006,919	46,233,484
District's Proportionate Share of OPEB Liability	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of OPEB Liability	\$ 45,970,598	\$ 45,305,922	\$ 53,378,161	\$ 60,335,151	\$ 36,485,719	\$ 40,006,919	\$ 46,233,484
Total OPEB Liability - Ending	\$ 45,970,598	\$ 45,305,922	\$ 53,378,161	\$ 60,335,151	\$ 36,485,719	\$ 40,006,919	\$ 46,233,484
District's Covered-Employee Payroll	\$ 14,455,531	\$ 13,546,555	\$ 13,546,555	\$ 13,640,139	\$ 12,641,958	\$ 12,645,485	\$ 12,329,623
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee 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 No. 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.

**UPPER SADDLE RIVER 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 5E.

SPECIAL REVENUE FUND

UPPER SADDLE RIVER BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	E.S.E.A.			I.D.E.A. Part B		Local			To Exhibit E-1A
	Title I Part A	Title II Part A	Title IV Part A	Basic	Preschool	Donation	Student Activities	Scholarship	
REVENUES									
Local Sources						\$ 80,000	\$ 89,763		\$ 169,763
Intergovernmental									
Federal	\$ 34,504	\$ 14,989	\$ 8,585	\$ 257,691	\$ 13,851	-	-	-	329,620
Total Revenues	34,504	14,989	8,585	257,691	13,851	80,000	89,763	-	499,383
EXPENDITURES									
Instruction									
Salaries of Teachers	31,264								31,264
Purchased Prof. and Technical Services			3,908						3,908
School-Sponsored/Cocurricular Activities							82,894		82,894
General Supplies	1,202	-	3,757	-	-	-	-	-	4,959
Total Instruction Services	32,466	-	7,665	-	-	-	82,894	-	123,025
Support Services									
Salaries of Teachers	1,736								1,736
Other Salaries for Instruction				257,691	13,851				271,542
Purchased Prof. and Technical Services									-
Purchased Prof. and Educational Services		14,989							14,989
Other Purchased Services			920						920
Travel									-
General Supplies	302	-	-	-	-	-	-	-	302
Total Support Services	2,038	14,989	920	257,691	13,851	-	-	-	289,489
Facilities Acquisition and Construction Services									
Non-Instructional Equipment	-	-	-	-	-	80,000	-	-	80,000
Total Facilities Acquisition and Construction Services	-	-	-	-	-	80,000	-	-	80,000
Total Expenditures	34,504	14,989	8,585	257,691	13,851	80,000	82,894	-	492,514
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	6,869	-	6,869
Fund Balance, Beginning of Year	-	-	-	-	-	-	48,607	\$ 33,470	82,077
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,476	\$ 33,470	\$ 88,946

UPPER SADDLE RIVER BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Exhibit E-1 Subtotal	American Rescue Plan - ESSER III				Grand Total
		ESSER III	Accelerated Learning Coach and Educator Support	Evidence-Based Summer Learning and Enrichment	NJTSS	
REVENUES						
Local Sources	\$ 169,763					\$ 169,763
Intergovernmental						
Federal	329,620	\$ 235,578	\$ 26,567	\$ 4,332	\$ 13,367	609,464
Total Revenues	499,383	235,578	26,567	4,332	13,367	779,227
EXPENDITURES						
Instruction						
Salaries of Teachers	31,264	123,316	14,256	144		168,980
Purchased Prof. and Technical Services	3,908					3,908
Purchased Prof. and Educational Services				4,188		4,188
School-Sponsored/Cocurricular Activities	82,894					82,894
General Supplies	4,959	33,805	-	-	-	38,764
Total Instruction Services	123,025	157,121	14,256	4,332	-	298,734
Support Services						
Salaries of Teachers	1,736	7,000			5,967	14,703
Other Salaries for Instruction	271,542					271,542
Purchased Prof. and Technical Services	-				2,337	2,337
Employee Benefits	-	71,457				71,457
Purchased Prof. and Educational Services	14,989		12,311		4,337	31,637
Cleaning, Repairs and Maintenance	-					-
Other Purchased Services	920					920
Travel	-				726	726
General Supplies	302	-	-	-	-	302
Total Support Services	289,489	78,457	12,311	-	13,367	393,624
Facilities Acquisition and Construction Services						
Non-Instructional Equipment	80,000	-	-	-	-	80,000
Total Facilities Acquisition and Construction Services	80,000	-	-	-	-	80,000
Total Expenditures	492,514	235,578	26,567	4,332	13,367	772,358
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,869	-	-	-	-	6,869
Fund Balance, Beginning of Year	82,077	-	-	-	-	82,077
Fund Balance, End of Year	\$ 88,946	\$ -	\$ -	\$ -	\$ -	\$ 88,946

CAPITAL PROJECTS FUND

**UPPER SADDLE RIVER BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Project Title</u>	<u>Appropriation</u>	<u>Expended</u>		<u>Balance, June 30, 2024</u>
		<u>Prior Year</u>	<u>Current Year</u>	
Septic Replacement at Bogert	\$ 350,000		\$ 3,504	\$ 346,496
Boiler Replacement at Cavallini	78,000			78,000
Roof Replacement at Bogert	<u>1,203,177</u>	<u>-</u>	<u>590,912</u>	<u>612,265</u>
	<u>\$ 1,631,177</u>	<u>\$ -</u>	<u>\$ 594,416</u>	<u>\$ 1,036,761</u>

Recapitulation of Project Balances to Fund Balance

Project Fund Balance	\$ <u>1,036,761</u>
Total Fund Balance, GAAP Basis	\$ <u>1,036,761</u>

Recapitulation of Fund Balance

Restricted for Capital Projects	
Encumbrances	\$ 499,456
Available for Capital Projects	<u>537,305</u>
Total Fund Balance - Restricted for Capital Projects	\$ <u>1,036,761</u>

**UPPER SADDLE RIVER BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Revenues and Other Financing Sources

Other Financing Sources	
Transfer from Capital Reserve	\$ <u>1,281,177</u>
 Total Revenues and Other Financing Sources	 <u>1,281,177</u>

Expenditures and Other Financing Uses

Architect/Engineering Fees	17,376
Construction Services	577,040
Transfer to General Fund - Cancelled Project Balances	<u>-</u>
 Total Expenditures	 <u>594,416</u>

Excess of Revenues Over Expenditures	686,761
 Fund Balance, Beginning of Year	 <u>350,000</u>
 Fund Balance, End of Year	 <u>\$ 1,036,761</u>

**UPPER SADDLE RIVER BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
SEPTIC REPLACEMENT AT BOGERT
FROM INCEPTION AND THROUGH THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 350,000	-	\$ 350,000	\$ 350,000
Total Revenues	350,000	-	350,000	350,000
EXPENDITURES AND OTHER FINANCING USES				
Architect and Engineering Fees		\$ 3,504	3,504	5,000
Construction Services	-	-	-	345,000
Total Expenditures and Other Financing Uses	-	3,504	3,504	350,000
Excess (Deficiency) of Revenues over (under) Expenditures	\$ 350,000	\$ (3,504)	\$ 346,496	\$ -
Original Authorized Cost	\$ 350,000			
Revised Authorized Cost	\$ 350,000			
Percentage Increase Over Original Authorized Cost	0.00%			
Percentage Completion	0.00%			
Original Target Completion Date	June 30, 2025			

**UPPER SADDLE RIVER BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BOILER REPLACEMENT AT CAVALLINI
FROM INCEPTION AND THROUGH THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	-	\$ 78,000	\$ 78,000	\$ 78,000
Total Revenues	-	78,000	78,000	78,000
EXPENDITURES AND OTHER FINANCING USES				
Architect and Engineering Fees			-	5,000
Construction Services	-	-	-	73,000
Total Expenditures and Other Financing Uses	-	-	-	78,000
Excess (Deficiency) of Revenues over (under) Expenditures	\$ -	\$ 78,000	\$ 78,000	\$ -
Original Authorized Cost	\$ 78,000			
Revised Authorized Cost	\$ 78,000			
Percentage Increase Over Original				
Authorized Cost	0.00%			
Percentage Completion	0.00%			
Original Target Completion Date	June 30, 2025			

UPPER SADDLE RIVER BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
ROOF REPLACEMENT AT BOGERT
FROM INCEPTION AND THROUGH THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Prior Periods</u>	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	-	\$ 1,203,177	\$ 1,203,177	\$ 1,203,177
Total Revenues	-	1,203,177	1,203,177	1,203,177
EXPENDITURES AND OTHER FINANCING USES				
Architect and Engineering Fees		\$ 13,872	13,872	48,000
Construction Services	-	577,040	577,040	1,155,177
Total Expenditures and Other Financing Uses	-	590,912	590,912	1,203,177
Excess (Deficiency) of Revenues over (under) Expenditures	\$ -	\$ 612,265	\$ 612,265	\$ -
Original Authorized Cost	\$ 1,203,177			
Revised Authorized Cost	\$ 1,203,177			
Percentage Increase Over Original Authorized Cost	0.00%			
Percentage Completion	0.00%			
Original Target Completion Date	June 30, 2025			

ENTERPRISE FUNDS

**UPPER SADDLE RIVER BOARD OF EDUCATION
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2024**

	<u>Food Service</u>	<u>LEAP Program</u>	<u>A.C.E. Program</u>	<u>Total Non-Major Enterprise Funds</u>
ASSETS				
Current Assets				
Cash and Cash Equivalents			\$ 314,156	\$ 314,156
Capital Assets				
Furniture, Machinery, and Equipment	\$ 6,829			6,829
Less: Accumulated Depreciation	<u>(6,829)</u>	<u>-</u>	<u>-</u>	<u>(6,829)</u>
Total Capital Assets, Net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>-</u>	<u>-</u>	<u>314,156</u>	<u>314,156</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Current Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION				
Unrestricted	<u>-</u>	<u>-</u>	<u>314,156</u>	<u>314,156</u>
Total Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 314,156</u>	<u>\$ 314,156</u>

**UPPER SADDLE RIVER BOARD OF EDUCATION
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Food Service</u>	<u>LEAP Program</u>	<u>A.C.E. Program</u>	<u>Total Nonmajor Enterprise Funds</u>
OPERATING REVENUES				
Charges for Services				
Program Fees	\$ 1,740	-	\$ 378,380	\$ 380,120
Total Operating Revenues	<u>1,740</u>	<u>-</u>	<u>378,380</u>	<u>380,120</u>
OPERATING EXPENSES				
Salaries and Wages			265,983	265,983
Supplies and Materials	2,090		4,448	6,538
Other Objects	<u>-</u>	<u>-</u>	<u>2,300</u>	<u>2,300</u>
Total Operating Expenses	<u>2,090</u>	<u>-</u>	<u>272,731</u>	<u>274,821</u>
Operating Income (Loss)	<u>(350)</u>	<u>-</u>	<u>105,649</u>	<u>105,299</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers In	230			230
Transfers Out	<u>-</u>	<u>\$ (137,326)</u>	<u>-</u>	<u>(137,326)</u>
Total Other Financing Sources and (Uses)	<u>230</u>	<u>(137,326)</u>	<u>-</u>	<u>(137,096)</u>
Change in Net Position	(120)	(137,326)	105,649	(31,797)
Net Position, Beginning of Year	<u>120</u>	<u>\$ 137,326</u>	<u>208,507</u>	<u>345,953</u>
Net Position, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 314,156</u>	<u>\$ 314,156</u>

**UPPER SADDLE RIVER BOARD OF EDUCATION
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Food Service</u>	<u>LEAP Program</u>	<u>A.C.E. Program</u>	<u>Total Nonmajor Enterprise Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from Customers	\$ 1,740		\$ 378,380	\$ 380,120
Payments for Employees Salaries			(265,983)	(265,983)
Payments to Suppliers for Goods and Services	(2,090)	-	(6,748)	(8,838)
Net Cash Provided by (Used for) Operating Activities	(350)	-	105,649	105,299
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Receipts from Other Funds	230			230
Payments to Other Funds	-	\$ (137,326)	-	(137,326)
Net Cash (Used for) Noncapital Financing Activities	230	(137,326)	-	(137,096)
Net Change in Cash and Cash Equivalents	(120)	(137,326)	105,649	(31,797)
Cash and Cash Equivalents, Beginning of Year	120	\$ 137,326	208,507	345,953
Cash and Cash Equivalents, End of Year	\$ -	\$ -	\$ 314,156	\$ 314,156
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (350)	-	\$ 105,649	\$ 105,299
Net Cash Provided by (Used for) Operating Activities	\$ (350)	\$ -	\$ 105,649	\$ 105,299

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

**UPPER SADDLE RIVER BOARD OF EDUCATION
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2023</u>	<u>Issued</u>	<u>Retirements</u>	<u>Balance, June 30, 2024</u>
School Bonds (BCIA)	7/7/2009	\$ 715,775	1.21 %	\$ 47,718		\$ 47,718	
Refunding Bonds	11/29/2012	3,255,000	2.00	<u>240,000</u>	<u>-</u>	<u>240,000</u>	<u>-</u>
				<u>\$ 287,718</u>	<u>\$ -</u>	<u>\$ 287,718</u>	<u>\$ -</u>

**SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCING AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Series</u>	<u>Amount of Original Issue</u>	<u>Balance, July 1, 2023</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance, June 30, 2024</u>
Copiers	\$ 198,224	<u>\$ -</u>	<u>\$ 198,224</u>	<u>\$ 38,976</u>	<u>\$ 159,248</u>
		<u>\$ -</u>	<u>\$ 198,224</u>	<u>\$ 38,976</u>	<u>\$ 159,248</u>

**UPPER SADDLE RIVER BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
REVENUES					
Local Sources					
Property Taxes	\$ 220,551		\$ 220,551	\$ 220,551	
State Sources					
Debt Service Aid	69,856	-	69,856	69,856	-
	<u>290,407</u>	<u>-</u>	<u>290,407</u>	<u>290,407</u>	<u>-</u>
Total Revenues					
	<u>290,407</u>	<u>-</u>	<u>290,407</u>	<u>290,407</u>	<u>-</u>
EXPENDITURES					
Debt Service					
Principal	287,718		287,718	287,718	
Interest	2,689	-	2,689	2,689	-
	<u>290,407</u>	<u>-</u>	<u>290,407</u>	<u>290,407</u>	<u>-</u>
Total Expenditures					
	<u>290,407</u>	<u>-</u>	<u>290,407</u>	<u>290,407</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

This part of the Upper Saddle River 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 government'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.

UPPER SADDLE RIVER 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
Governmental Activities										
Net Investment in Capital Assets	\$ 8,157,043	\$ 8,984,318	\$ 10,222,682	\$ 11,015,775	\$ 11,802,104	\$ 12,994,416	\$ 13,065,120	\$ 14,025,172	\$ 13,769,720	\$ 13,832,302
Restricted	1,701,918	2,084,052	1,977,677	1,965,250	2,388,056	2,608,160	3,279,932	4,248,827	5,035,140	5,447,593
Unrestricted	(3,374,913)	(3,519,853)	(4,753,813)	(5,108,674)	(5,059,104)	(4,470,551)	(3,969,375)	(2,902,317)	(2,017,563)	(1,280,681)
Total Governmental Activities Net Position	<u>\$ 6,484,048</u>	<u>\$ 7,548,517</u>	<u>\$ 7,446,546</u>	<u>\$ 7,872,351</u>	<u>\$ 9,131,056</u>	<u>\$ 11,132,025</u>	<u>\$ 12,375,677</u>	<u>\$ 15,371,682</u>	<u>\$ 16,787,297</u>	<u>\$ 17,999,214</u>
Business-Type Activities										
Investment in Capital Assets	\$ 723		\$ 2,179	\$ 1,743	\$ 1,307	\$ 871	\$ 435			
Unrestricted	87,886	\$ 124,284	128,803	137,808	150,944	137,869	143,987	\$ 227,495	\$ -	\$ 314,156
Total Business-Type Activities Net Assets	<u>\$ 88,609</u>	<u>\$ 124,284</u>	<u>\$ 130,982</u>	<u>\$ 139,551</u>	<u>\$ 152,251</u>	<u>\$ 138,740</u>	<u>\$ 144,422</u>	<u>\$ 227,495</u>	<u>\$ -</u>	<u>\$ 314,156</u>
District-Wide										
Net Investment in Capital Assets	\$ 8,157,766	\$ 8,984,318	\$ 10,224,861	\$ 11,017,518	\$ 11,803,411	\$ 12,995,287	\$ 13,065,555	\$ 14,025,172	\$ 13,769,720	\$ 13,832,302
Restricted	1,701,918	2,084,052	1,977,677	1,965,250	2,388,056	2,608,160	3,279,932	4,248,827	5,035,140	5,447,593
Unrestricted	(3,287,027)	(3,395,569)	(4,625,010)	(4,970,866)	(4,908,160)	(4,332,682)	(3,825,388)	(2,674,822)	(2,017,563)	(966,525)
Total District Net Position	<u>\$ 6,572,657</u>	<u>\$ 7,672,801</u>	<u>\$ 7,577,528</u>	<u>\$ 8,011,902</u>	<u>\$ 9,283,307</u>	<u>\$ 11,270,765</u>	<u>\$ 12,520,099</u>	<u>\$ 15,599,177</u>	<u>\$ 16,787,297</u>	<u>\$ 18,313,370</u>

Note 1 - Net position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Reporting for Pensions".

Note 2 - Fund Balances at June 30, 2020 have been restated to reflect the implementation of GASB Statement No. 84 "Fiduciary Activities".

UPPER SADDLE RIVER 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
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 11,680,775	\$ 12,492,130	\$ 14,352,425	\$ 14,685,297	\$ 13,440,824	\$ 12,833,887	\$ 14,678,346	\$ 12,650,652	\$ 12,459,920	\$ 12,985,605
Special Education	3,665,144	3,647,796	3,757,293	4,085,024	4,012,488	3,513,879	4,033,770	4,065,289	3,938,443	3,954,525
Other Instruction	187,415	432,817	560,623	703,424	649,497	834,733	769,127	602,905	859,906	914,459
School Sponsored Activities And Athletics	158,503	144,582	184,771	189,182	171,290	149,015	147,315	200,274	213,171	258,790
Support Services:										
Student And Instruction Related Services	4,117,637	4,344,731	4,997,725	4,914,789	4,813,372	4,846,129	5,618,749	4,863,432	4,997,116	5,097,628
General Administration	713,830	670,222	717,077	881,978	728,878	762,954	856,593	768,988	746,051	834,360
School Administrative Services	1,341,332	1,389,737	1,564,850	1,689,849	1,494,200	1,456,477	1,606,265	1,432,148	1,422,564	1,533,980
Plant Operations And Maintenance	3,116,097	3,279,385	3,513,763	3,906,330	3,557,953	3,570,956	3,843,591	3,707,433	4,006,246	4,203,262
Security									88,997	19,536
Pupil Transportation	450,242	451,862	449,611	489,729	527,268	434,941	312,629	425,129	604,937	650,299
Business And Other Support Services	582,981	614,330	698,737	747,585	724,284	706,991	764,424	677,588	679,153	721,494
Interest On Long-Term Debt	253,353	216,137	185,226	144,777	104,189	67,909	17,015	10,640	4,401	7,043
Total Governmental Activities Expenses	<u>26,267,309</u>	<u>27,683,729</u>	<u>30,982,101</u>	<u>32,437,964</u>	<u>30,224,243</u>	<u>29,177,871</u>	<u>32,647,824</u>	<u>29,404,478</u>	<u>30,020,905</u>	<u>31,180,981</u>
Business-Type Activities:										
Food Service	14,531	9,058	4,169	5,119	3,992	3,674	436	2,422	1,834	2,090
LEAP Program	43,000	47,275	55,755	55,423	49,680	31,759	102			-
ACE Program							96,574	222,345	211,718	272,731
QUAD Tech Program	249,687	346,570	361,339	378,302	393,005					
Total Business-Type Activities Expense	<u>307,218</u>	<u>402,903</u>	<u>421,263</u>	<u>438,844</u>	<u>446,677</u>	<u>35,433</u>	<u>97,112</u>	<u>224,767</u>	<u>213,552</u>	<u>274,821</u>
Total District Expenses	<u>\$ 26,574,527</u>	<u>\$ 28,086,632</u>	<u>\$ 31,403,364</u>	<u>\$ 32,876,808</u>	<u>\$ 30,670,920</u>	<u>\$ 29,213,304</u>	<u>\$ 32,744,936</u>	<u>\$ 29,629,245</u>	<u>\$ 30,234,457</u>	<u>\$ 31,455,802</u>
Program Revenues										
Governmental Activities:										
Charges For Services:										
Regular Education	\$ 135,475	\$ 196,405	\$ 260,305	\$ 301,280	\$ 269,700	\$ 277,367	\$ 514,529	\$ 645,974	\$ 573,917	\$ 486,481
Special Education	32,813									
School Sponsored Activities and Athletics							9,982	68,335	73,549	89,763
Operating Grants And Contributions	5,148,326	6,329,004	8,068,634	9,440,951	7,641,979	6,650,610	9,804,401	7,769,390	6,471,466	6,315,153
Capital Grants And Contributions	98,156		12,713		75,000					
Total Governmental Activities Program Revenues	<u>5,414,770</u>	<u>6,525,409</u>	<u>8,341,652</u>	<u>9,742,231</u>	<u>7,986,679</u>	<u>6,927,977</u>	<u>10,328,912</u>	<u>8,483,699</u>	<u>7,118,932</u>	<u>6,891,397</u>
Business-Type Activities:										
Charges For Services:										
Food Service	10,155	7,738	6,510	4,625	3,115	2,930		1,850	1,650	1,740
LEAP Program	51,536	60,639	67,400	64,486	63,745	34,350			-	-
ACE Program							102,794	305,990	330,360	378,380
QUAD Tech Program	249,687	369,808	353,947	378,302	392,517					
Total Business Type Activities Program Revenues	<u>311,378</u>	<u>438,185</u>	<u>427,857</u>	<u>447,413</u>	<u>459,377</u>	<u>37,280</u>	<u>102,794</u>	<u>307,840</u>	<u>332,010</u>	<u>380,120</u>
Total District Program Revenues	<u>\$ 5,726,148</u>	<u>\$ 6,963,594</u>	<u>\$ 8,769,509</u>	<u>\$ 10,189,644</u>	<u>\$ 8,446,056</u>	<u>\$ 6,965,257</u>	<u>\$ 10,431,706</u>	<u>\$ 8,791,539</u>	<u>\$ 7,450,942</u>	<u>\$ 7,271,517</u>

UPPER SADDLE RIVER 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
Net (Expense)/Revenue										
Governmental Activities	\$ (20,852,539)	\$ (21,158,320)	\$ (22,640,449)	\$ (22,695,733)	\$ (22,237,564)	\$ (22,249,894)	\$ (22,318,912)	\$ (20,920,779)	\$ (22,901,973)	\$ (24,289,584)
Business-Type Activities	4,160	35,282	6,594	8,569	12,700	1,847	5,682	83,073	118,458	105,299
Total District-Wide Net Expense	<u>\$ (20,848,379)</u>	<u>\$ (21,123,038)</u>	<u>\$ (22,633,855)</u>	<u>\$ (22,687,164)</u>	<u>\$ (22,224,864)</u>	<u>\$ (22,248,047)</u>	<u>\$ (22,313,230)</u>	<u>\$ (20,837,706)</u>	<u>\$ (22,783,515)</u>	<u>\$ (24,184,285)</u>
General Revenues And Other Changes In Net Position										
Governmental Activities:										
Property Taxes										
Levied For General Purposes	\$ 20,483,944	\$ 20,893,623	\$ 21,311,495	\$ 21,798,681	\$ 22,228,242	\$ 22,672,992	\$ 23,126,452	\$ 23,588,981	\$ 23,812,856	\$ 24,605,681
Levied For Debt Service	898,438	912,440	910,656	900,822	891,571	869,811	221,827	220,901	220,766	220,551
Unrestricted Grants And Contributions	22,986	25,540	36,273	37,189	3,731					
State Aid Restricted For Debt Service	283,587	305,387	304,425	301,268	298,047	290,856	70,387	70,061	69,969	69,856
Donations Of Capital Assets										
Investment Earnings	10,154	12,792	15,517	21,245	52,674	48,516	9,302	13,368	193,389	390,912
Miscellaneous Income	22,503	73,007	22,594	16,283	22,004	70,142	134,596	23,473	20,608	77,405
Other Items			34,347	46,050						
Transfers						15,358				137,096
Loss on Disposal of Capital Assets	(67,206)		(96,829)	-	-					
Total Governmental Activities	<u>21,654,406</u>	<u>22,222,789</u>	<u>22,538,478</u>	<u>23,121,538</u>	<u>23,496,269</u>	<u>23,967,675</u>	<u>23,562,564</u>	<u>23,916,784</u>	<u>24,317,588</u>	<u>25,501,501</u>
Business-Type Activities:										
Investment Earnings	343	393	104							
Transfers						(15,358)				(137,096)
Total Business-Type Activities	<u>343</u>	<u>393</u>	<u>104</u>	<u>-</u>	<u>-</u>	<u>(15,358)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(137,096)</u>
Total District-Wide	<u>\$ 21,654,749</u>	<u>\$ 22,223,182</u>	<u>\$ 22,538,582</u>	<u>\$ 23,121,538</u>	<u>\$ 23,496,269</u>	<u>\$ 23,952,317</u>	<u>\$ 23,562,564</u>	<u>\$ 23,916,784</u>	<u>\$ 24,317,588</u>	<u>\$ 25,364,405</u>
Change In Net Position										
Governmental Activities	\$ 801,867	\$ 1,064,469	\$ (101,971)	\$ 425,805	\$ 1,258,705	\$ 1,717,781	\$ 1,243,652	\$ 2,996,005	\$ 1,415,615	\$ 1,211,917
Business-Type Activities	4,503	35,675	6,698	8,569	12,700	(13,511)	5,682	83,073	118,458	(31,797)
Total District	<u>\$ 806,370</u>	<u>\$ 1,100,144</u>	<u>\$ (95,273)</u>	<u>\$ 434,374</u>	<u>\$ 1,271,405</u>	<u>\$ 1,704,270</u>	<u>\$ 1,249,334</u>	<u>\$ 3,079,078</u>	<u>\$ 1,534,073</u>	<u>\$ 1,180,120</u>

UPPER SADDLE RIVER 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	\$ 3,337,281	\$ 3,413,883	\$ 3,636,153	\$ 4,100,919	\$ 4,628,310	\$ 5,666,721	\$ 6,006,398	\$ 7,197,814	\$ 8,553,110	\$ 8,412,141
Committed										
Assigned	331,706	495,005	347,683	321,130	260,017	328,472	277,898	169,443	17,087	214,431
Unassigned	385,827	391,695	402,387	413,689	415,920	389,692	916,086	922,206	418,546	461,756
Total General Fund	<u>\$ 4,054,814</u>	<u>\$ 4,300,583</u>	<u>\$ 4,386,223</u>	<u>\$ 4,835,738</u>	<u>\$ 5,304,247</u>	<u>\$ 6,384,885</u>	<u>\$ 7,200,382</u>	<u>\$ 8,289,463</u>	<u>\$ 8,988,743</u>	<u>\$ 9,088,328</u>
All Other Governmental Funds										
Restricted	\$ 533,405	\$ 765,540	\$ 459,164	\$ 246,138	\$ 309,000	\$ 82,851	\$ 354,323	\$ 383,218	\$ 432,077	\$ 1,125,707
Assigned										
Total All Other Governmental Funds	<u>\$ 533,405</u>	<u>\$ 765,540</u>	<u>\$ 459,164</u>	<u>\$ 246,138</u>	<u>\$ 309,000</u>	<u>\$ 82,851</u>	<u>\$ 354,323</u>	<u>\$ 383,218</u>	<u>\$ 432,077</u>	<u>\$ 1,125,707</u>

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

UPPER SADDLE RIVER BOARD OF EDUCATION
CHANGES IN 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
Revenues										
Property Taxes	\$ 21,382,382	\$ 21,806,063	\$ 22,222,151	\$ 22,699,503	\$ 23,119,813	\$ 23,542,803	\$ 23,348,279	\$ 23,809,882	\$ 24,033,622	\$ 24,826,232
Tuition Charges	168,288	196,405	260,305	301,280	269,700	277,367	514,529	645,974	573,917	486,481
Interest Earnings	10,154	12,792	15,517	21,245	52,674	48,516	9,302	13,368	193,389	390,912
Miscellaneous	22,503	196,347	125,808	85,494	152,936	184,939	144,578	91,808	94,157	167,168
State Sources	3,150,544	3,444,092	3,772,728	4,212,747	4,634,236	4,922,768	5,920,283	7,451,525	7,776,498	8,125,780
Federal Sources	282,573	358,517	353,161	347,278	424,783	334,480	412,379	647,515	642,066	609,907
Total Revenue	25,016,444	26,014,216	26,749,670	27,667,547	28,654,142	29,310,873	30,349,350	32,660,072	33,313,649	34,606,480
Expenditures										
Instruction										
Regular Instruction	10,367,659	10,702,372	11,580,935	11,619,074	11,793,990	11,866,545	12,731,830	13,017,372	13,558,569	14,322,868
Special Education Instruction	3,417,671	3,348,691	3,255,330	3,532,434	3,701,840	3,354,961	3,627,525	4,073,439	4,146,030	4,205,684
Other Instruction	179,429	379,216	459,508	514,019	540,391	738,415	689,963	773,110	1,096,243	1,117,789
School Sponsored Activities And Athletics	153,320	138,358	161,207	158,243	155,354	140,822	136,499	207,277	228,837	270,372
Support Services:										
Student And Inst. Related Services	3,719,730	3,809,181	4,150,912	3,985,948	4,249,528	4,493,525	4,928,472	5,010,746	5,438,329	5,571,605
General Administration	665,072	622,242	630,194	757,988	670,937	730,533	787,752	788,263	795,628	886,688
School Administrative Services	1,156,880	1,164,936	1,236,982	1,264,477	1,282,512	1,316,782	1,377,733	1,461,238	1,541,253	1,624,364
Plant Operations And Maintenance	2,506,379	2,619,002	2,633,033	2,919,694	2,716,082	2,789,515	3,023,357	3,074,037	3,432,860	3,453,693
Security									99,534	148,136
Pupil Transportation	450,242	451,862	449,611	489,729	527,268	434,941	312,629	425,129	604,937	650,299
Business And Other Support Services	532,550	553,977	578,696	601,819	642,010	660,334	682,450	708,659	752,855	775,496
Capital Outlay	549,421	477,290	966,918	467,774	466,334	883,084	617,129	1,657,036	371,092	937,684
Debt Service:										
Principal	1,042,500	1,067,720	1,218,021	1,239,365	1,281,743	1,293,565	322,611	329,519	336,457	326,695
Interest And Other Charges	240,858	201,465	162,557	128,224	94,782	51,908	24,431	16,271	9,106	10,992
Total Expenditures	24,981,711	25,536,312	27,483,904	27,678,788	28,122,771	28,754,930	29,262,381	31,542,096	32,411,730	34,302,365
Excess (Deficiency) Of Revenues										
Over (Under) Expenditures	34,733	477,904	(734,234)	(11,241)	531,371	555,943	1,086,969	1,117,976	901,919	304,115
Other Financing Sources (Uses)										
Capital Leases (Non-Budgeted)	152,302		513,500	247,728						198,224
Transfers In	328,687	619,170	300,000	617,332	498,643	420,974	640,000	720,000	437,454	1,418,503
Transfers Out	(328,687)	(619,170)	(300,000)	(617,332)	(498,643)	(405,616)	(640,000)	(720,000)	(437,454)	(1,281,407)
Total Other Financing Sources (Uses)	152,302	-	513,500	247,728	-	15,358	-	-	-	335,320
Net Change In Fund Balances	\$ 187,035	\$ 477,904	\$ (220,734)	\$ 236,487	\$ 531,371	\$ 571,301	\$ 1,086,969	\$ 1,117,976	\$ 901,919	\$ 639,435
Debt Service As A Percentage Of										
Noncapital Expenditures	5.25%	5.06%	5.21%	5.03%	4.98%	4.83%	1.21%	1.16%	1.08%	1.01%

* Noncapital expenditures are total expenditures less capital outlay.

UPPER SADDLE RIVER BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN YEARS
(Unaudited)

Fiscal Year Ended June 30	<u>Tuition</u>	<u>Interest on Investments</u>	<u>Refund of Prior Year Revenue</u>	<u>Energy Rebate</u>	<u>Rental</u>	<u>Misc.</u>	<u>Total</u>
2015	\$ 168,288	\$ 10,154			\$ 465	\$ 22,038	\$ 200,945
2016	196,405	12,792			1,140	71,867	282,204
2017	260,305	15,517			830	21,764	298,416
2018	301,280	21,245			950	15,333	338,808
2019	269,700	52,674			3,000	19,004	344,378
2020	277,367	48,516			3,450	66,692	396,025
2021	514,529	9,302	\$ 64,708	\$ 62,775		7,113	658,427
2022	645,974	13,368	22,680			793	682,815
2023	573,917	193,389				20,608	787,914
2024	486,481	390,912				77,405	954,798

UPPER SADDLE RIVER BOARD OF EDUCATION
ASSESSED VALUATION AND ESTIMATED ACTUAL VALUATION OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Valuation	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Valuation	Total Direct School Tax Rate ^a
2015	\$ 15,472,600	\$ 2,002,788,500	\$ 171,123,500	\$ 6,217,700	\$ 18,551,000	\$ 2,214,153,300	\$ 100,000	\$ 2,214,253,300	\$ 2,757,653,408	\$ 0.975
2016	16,007,400	2,013,563,300	170,132,500	6,217,700	18,551,000	2,224,471,900	100,000	2,224,571,900	2,767,210,718	0.990
2017	24,891,200	2,030,685,200	127,765,000	6,217,700	18,551,000	2,208,110,100	100,000	2,208,210,100	2,776,753,610	1.018
2018	50,492,000	2,049,711,200	123,393,600	6,217,700	18,551,000	2,248,365,500	100,000	2,248,465,500	2,807,482,955	1.019
2019	58,683,300	2,047,410,900	121,693,600	6,217,700	18,551,000	2,252,556,500	100,000	2,252,656,500	2,747,346,459	1.036
2020	58,683,300	2,040,321,600	121,693,600	6,217,700	18,551,000	2,245,467,200	100,000	2,245,567,200	2,725,978,730	1.044
2021	17,735,100	2,090,811,900	121,693,600	6,217,700	18,551,000	2,255,009,300	100,000	2,255,109,300	2,718,011,799	1.046
2022	18,501,502	2,113,274,000	121,093,600	6,217,700	18,551,000	2,277,637,802	100,000	2,277,737,802	2,806,155,373	1.050
2023	15,680,502	2,181,977,700	121,651,100	6,217,700	18,551,000	2,344,078,002	100,000	2,344,178,002	3,088,226,121	1.043
2024	10,136,302	2,233,323,700	121,151,100	6,217,700	18,551,000	2,389,379,802	100,000	2,389,479,802	3,400,966,548	1.050

Source: County Abstract of Ratables

^a Tax rates are per \$100

UPPER SADDLE RIVER BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of assessed value)

Calendar Year	Local School	Overlapping Rates			Total Direct and Overlapping Tax Rate
		Regional High School	Municipality	County	
2015	\$ 0.975	\$ 0.590	\$ 0.374	\$ 0.299	\$ 2.238
2016	0.990	0.600	0.375	0.306	2.271
2017	1.018	0.624	0.385	0.315	2.342
2018	1.019	0.625	0.411	0.306	2.361
2019	1.036	0.626	0.420	0.296	2.378
2020	1.044	0.635	0.454	0.301	2.434
2021	1.046	0.642	0.476	0.304	2.468
2022	1.050	0.647	0.470	0.304	2.471
2023	1.043	0.644	0.478	0.315	2.480
2024	1.050	0.663	0.501	0.332	2.546

Source: Abstract of Ratables, County Board of Taxation

**UPPER SADDLE RIVER BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2024	
	Taxable Assessed Value	% of Total District Net Assessed Value
Toll Brothers (NJ X11 LP NJ)	\$ 25,146,800	1.05%
Viewstar LLC NJ	14,500,000	0.61%
Upper Saddle River Developers, LLC	10,600,600	0.44%
Upper Saddle River Executive Center LLC	8,353,800	0.35%
U.S.R Developers, LLC %Pinnacle	7,950,400	0.33%
Toll Brothers (NJ XII LP)	7,830,000	0.33%
Pentak Management Corp	6,500,000	0.27%
Porven Real Estate, Inc	6,421,500	0.27%
Upper Saddle River Project LLC	6,071,000	0.25%
Birdie Investments, LLC	5,580,300	0.23%
	<u>\$ 98,954,400</u>	<u>4.14%</u>

Taxpayer	2015	
	Taxable Assessed Value	% of Total District Net Assessed Value
Mack-Cali Realty, LP	\$ 42,367,500	1.91%
Mountainview Realty, LLC	16,000,000	0.72%
Upper Saddle River Developers, LLC	10,600,600	0.48%
Whitney Associates	8,353,800	0.38%
USR Developers, LLC %Pinnacle	7,950,400	0.36%
GAGA Realty	7,500,000	0.34%
Pentek Management Corp.	6,421,500	0.29%
Upper Saddle River Project LLC	6,071,000	0.27%
Birdie Investments, LLC	5,580,300	0.25%
2 Park Way Assoc., LLC	4,200,000	0.19%
	<u>\$ 115,045,100</u>	<u>5.20%</u>

Source: Municipal Tax Assessor

**UPPER SADDLE RIVER 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	\$ 21,382,382	\$ 21,382,382	100.00%	N/A
2016	21,806,063	21,806,063	100.00%	N/A
2017	22,222,151	22,222,151	100.00%	N/A
2018	22,699,503	22,699,503	100.00%	N/A
2019	23,119,813	23,119,813	100.00%	N/A
2020	23,542,803	23,542,803	100.00%	N/A
2021	23,348,279	23,348,279	100.00%	N/A
2022	23,809,882	23,809,882	100.00%	N/A
2023	24,033,622	24,033,622	100.00%	N/A
2024	24,826,232	24,826,232	100.00%	N/A

Source: Board's financial statements

UPPER SADDLE RIVER BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		<u>Total School District</u>	<u>Population</u>	<u>Per Capita</u>
	<u>General Obligation Bonds</u>	<u>Capital Financing Agreements</u>			
2015	\$ 6,509,467	\$ 186,422	\$ 6,695,889	8,209	\$ 816
2016	5,486,749	141,420	5,628,169	8,225	684
2017	4,429,031	460,270	4,889,301	8,228	594
2018	3,346,312	505,302	3,851,614	8,269	466
2019	2,238,593	331,278	2,569,871	8,237	312
2020	1,120,874	155,432	1,276,306	8,205	156
2021	848,155	105,539	953,694	8,155	117
2022	570,436	53,739	624,175	8,295	75
2023	287,718	-	287,718	8,266	35
2024	-	159,248	159,248	8,480	19

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Intergovernmental Loan	Deductions			
2015	\$ 6,509,467			\$ 6,509,467	0.29%	\$ 791
2016	5,486,749			5,486,749	0.25%	667
2017	4,429,031			4,429,031	0.20%	536
2018	3,346,312			3,346,312	0.15%	406
2019	2,238,593			2,238,593	0.10%	273
2020	1,120,874			1,120,874	0.05%	137
2021	848,155			848,155	0.04%	102
2022	570,436			570,436	0.03%	69
2023	287,718			287,718	0.01%	35
2024	-			-	0.00%	-

**UPPER SADDLE RIVER BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2023
(Unaudited)**

Gross Debt

Municipal Debt:

Upper Saddle River Board of Education

Northern Highlands Regional High School -

Upper Saddle River's Share (1)

5,104,943

Borough of Upper Saddle River (1)

29,576,937

34,681,880

Overlapping Debt Apportioned to the Municipality:

Bergen County:

County of Bergen (2)

23,362,234

Total Direct and Overlapping Debt

\$ 58,044,114

Source:

(1) Borough of Upper Saddle River's 2023 Annual Debt Statement

(2) Bergen County's 2023 Annual Debt Statement

UPPER SADDLE RIVER BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt Limit	\$ 83,375,789	\$ 82,713,770	\$ 82,853,110	\$ 82,934,673	\$ 82,815,681	\$ 82,191,843	\$ 81,687,471	\$ 82,052,004	\$ 84,715,940	\$ 91,013,418
Total Net Debt Applicable to Limit	<u>6,509,467</u>	<u>5,486,749</u>	<u>4,429,031</u>	<u>3,346,312</u>	<u>2,238,593</u>	<u>1,120,874</u>	<u>848,155</u>	<u>570,436</u>	<u>287,718</u>	<u>-</u>
Legal Debt Margin	<u>\$ 76,866,322</u>	<u>\$ 77,227,021</u>	<u>\$ 78,424,079</u>	<u>\$ 79,588,361</u>	<u>\$ 80,577,088</u>	<u>\$ 81,070,969</u>	<u>\$ 80,839,316</u>	<u>\$ 81,481,568</u>	<u>\$ 84,428,222</u>	<u>\$ 91,013,418</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	7.81%	6.63%	5.35%	4.03%	2.70%	1.36%	1.04%	0.70%	0.34%	0.00%

Legal Debt Margin Calculation June 30, 2024

Equalized Valuation Basis	
2023	\$ 3,331,549,179
2022	2,996,103,396
2021	<u>2,773,689,176</u>
	<u>\$ 9,101,341,751</u>
Average Equalized Valuation of Taxable Property	<u>\$ 3,033,780,584</u>
Debt Limit (3 % of average equalization value)	91,013,418
Total Net Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>\$ 91,013,418</u>

Source: Municipal Annual Debt Statements

**UPPER SADDLE RIVER BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>	
2015	8,209	\$ 73,883	3.3%	
2016	8,225	77,323	3.2%	
2017	8,228	78,836	3.2%	
2018	8,269	81,024	3.0%	
2019	8,237	85,191	2.4%	
2020	8,205	88,241	2.2%	
2021	8,155	91,972	4.5%	
2022	8,295	97,343	2.4%	
2023	8,266	97,138	3.2%	
2024	8,480	97,138 (E)	3.2%	(E)

(E) - Estimate

Source: New Jersey State Department of Education

UPPER SADDLE RIVER BOARD OF EDUCATION
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

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

INFORMATION NOT AVAILABLE

UPPER SADDLE RIVER 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	89	89	89	89	87.5	88.5	88.5	90	94	93
Special Education	45	46	46	46	46	47	47	47	47	47
Other Special Education	4	4	4	4	4	4	4	4	4	4
Support Services:										
Student & Instruction Related Services	34	35	38	38	40	40	40	40	41	42
General Administration	2	2	2	2	2	2	2	2	2	2
School Administrative Services	9	9	9	9	9	9	9	8	8	8
Central Services	4	4	4	4	4	4	4	4	4	4
Plant Operations And Maintenance	22	22	22	22	21.5	22	22	22	23	23
Total	<u>209</u>	<u>211</u>	<u>214</u>	<u>213</u>	<u>214</u>	<u>217</u>	<u>217</u>	<u>217</u>	<u>223</u>	<u>223</u>

Source: District Personnel Records

UPPER SADDLE RIVER BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School				
2015	1,248	\$ 23,148,932	\$ 18,549	3.86%	140.5	18/1	24/1	1,249	1,201	-3.78%	96.16%
2016	1,223	23,789,837	19,452	4.87%	141.5	17.7/1	23.6/1	1,224	1,177	-2.00%	96.16%
2017	1,191	25,136,408	21,105	8.50%	141.0	17.5/1	24.7/1	1,191	1,144	-2.70%	96.05%
2018	1,164	25,843,425	22,202	5.20%	140.0	18.42/1	22.9/1	1,165	1,115	-2.18%	95.71%
2019	1,117	26,279,912	23,527	5.97%	141.0	18.26/1	22.77/1	1,127	1,082	-3.26%	96.01%
2020	1,099	26,526,373	24,137	2.59%	142.0	17.62/1	22.39/1	1,103	1,071	-2.13%	97.10%
2021	1,102	28,298,210	25,679	6.39%	142.0	13.62/1	22.83/1	1,107	1,079	0.36%	97.47%
2022	1,118	29,539,270	26,422	2.89%	142.0	16.1/1	22.39/1	1,124	1,071	1.54%	95.28%
2023	1,073	31,695,075	29,539	11.80%	145.0	17.4/1	8.1/1	1,117	1,059	-0.62%	94.81%
2024	1,092	33,225,218	30,426	3.00%	144.0	17.4/1	8.1/1	1,096	1,045	-1.88%	95.35%

Sources: District records

Note: a Enrollment based on annual October district count.

UPPER SADDLE RIVER BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>District Building</u>										
<u>Elementary</u>										
Robert Reynolds Elementary (1960)										
Square Feet	40,503	40,503	40,503	40,503	40,503	40,503	40,503	40,503	40,503	40,503
Capacity (students)	421	421	421	421	421	421	421	421	421	421
Enrollment	369	370	355	348	344	350	325	367	363	349
Edith Bogert Elementary (1950)										
Square Feet	67,221	67,221	67,221	67,221	67,221	67,221	67,221	67,221	67,221	67,221
Capacity (students)	429	429	429	429	429	429	429	429	429	429
Enrollment	426	391	380	388	380	346	356	361	381	363
<u>Middle School</u>										
Square Feet	97,704	97,704	97,704	97,704	97,704	97,704	97,704	97,704	97,704	97,704
Capacity (students)	452	452	452	452	452	452	452	452	452	452
Enrollment	479	472	470	435	410	403	429	405	378	386
<u>Other</u>										
Administration Building										
Square Feet	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372
Science Center										
Square Feet	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Number of Schools at June 30, 2022										
Elementary = 2										
Middle School = 1										
Other = 1										

Source: District Office

Note: Year of original construction is shown in parenthesis. Enrollment is based on the annual October district count.

UPPER SADDLE RIVER BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
(Unaudited)

School Facilities	Fiscal Year Ended June 30,									
	<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>
Cavallini School	\$ 214,002	\$ 199,098	\$ 218,490	\$ 203,107	\$ 153,491	\$ 302,031	\$ 296,507	\$ 240,869	\$ 300,497	\$ 281,627
Bogert School	139,909	149,140	130,500	281,084	287,956	209,844	259,585	269,052	290,568	235,308
Reynolds School	117,756	160,886	185,024	318,305	323,577	236,270	197,845	203,151	223,467	294,487
Administration	<u>28,742</u>	<u>28,047</u>	<u>20,327</u>	<u>40,047</u>	<u>19,653</u>	<u>30,619</u>	<u>26,809</u>	<u>36,920</u>	<u>57,500</u>	<u>27,614</u>
Grand Total	<u>\$ 500,409</u>	<u>\$ 537,171</u>	<u>\$ 554,341</u>	<u>\$ 842,543</u>	<u>\$ 784,677</u>	<u>\$ 778,764</u>	<u>\$ 780,746</u>	<u>\$ 749,992</u>	<u>\$ 872,032</u>	<u>\$ 839,036</u>

Source: District Records

**UPPER SADDLE RIVER BOARD OF EDUCATION
SCHEDULE OF INSURANCE
JUNE 30, 2024
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
<u>School Package Policy - National Union Fire Insurance Company</u>		
Property Blanket Building & Contents	\$ 80,309,092	\$ 5,000
Comprehensive General Liability		
General Aggregate	1,000,000	
Products Completed Operations	1,000,000	
Personal & Advertising Injury	1,000,000	
Each Occurrence	1,000,000	
Fire Legal Liability	1,000,000	
Medical Expense	5,000	
 <u>Commercial Automobile Policy - National Union Fire Insurance Company</u>	 1,000,000	 1,000 (Comp/Collision)
<u>Umbrella Liability Policy - National Union</u>	9,000,000	
Excess Umbrella Liability Policy - Allied World/Hudson/Evanston	30,000,000	
 Excess Umbrella Liability Policy - Firemen's Fund	 25,000,000	
	(Shared limit among all Boards)	
<u>Boiler & Machinery - National Union Fire Insurance Company</u>	80,309,092	5,000
 <u>Bonds - RLI Surety:</u>		
Public Official Bond - Bus. Admin	50,000	
Public Official Bond - Treasurer of School Monies	250,000	
 Environmental Impairment Liability - Evanston Insurance Company	 20,000,000	
	(Group Aggregate)	
Each Impairment:	2,000,000	25,000
Aggregate Per Impairment:	4,000,000	
Mold Ded:		100,000
 School Board Legal Liability - Greenwich Insurance Company	 1,000,000	 5,000
Employment Related Practices Liability included		15,000
 <u>Crime - National Union Fire Insurance Company</u>		
Employee Dishonesty	500,000	5,000
Forgery & Alteration	250,000	5,000
Computer & Funds Transfer Fraud	250,000	5,000
 <u>Workers' Compensation -Safety National</u>		
Each Accident	1,000,000	
Each Employee (Disease)	1,000,000	
Policy Limit (Disease)	1,000,000	
Employers Liability Retained Limit	500,000	
 <u>Cyber Liability Policy Aggregate Limit - Coalition Insurance Solutions</u>	 1,000,000	 25,000
Per Occurrence Media/Privacy	1,000,000	25,000
Privacy Regulatory, Defense, Awards, Finds	1,000,000	25,000
Business Interruption	1,000,000	8 hrs
Data Recovery	1,000,000	25,000
Cyber Extortion	1,000,000	25,000
 <u>Police Professional Liability - Greenwich Insurance Company</u>		
Per Occurrence/Aggregate	2,000,000	10,000

*Note: : GL Deductible \$10,000 - NESBIG pays \$7,500 BOE pays \$2,500.
Property/Boiler Ded. \$25,000 - NESBIG pays \$20,000 BOE pays \$5,000
Auto Liability Deductible \$10,000 - NESBIG pays \$7,500 BOE pays \$2,500

Source: School Insurance Records

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
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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
395 West Saddle River Road
Upper Saddle River, New Jersey 07458

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Upper Saddle River 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 Upper Saddle River Board of Education's basic financial statements and have issued our report thereon dated October 31, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Upper Saddle River 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 Upper Saddle River Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Upper Saddle River Board of Education's internal control.

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

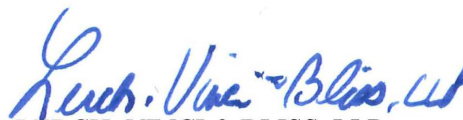
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

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

Purpose of this Report

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



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



Gary J. Vinci
Public School Accountant
PSA Number CS000829

Fair Lawn, New Jersey
October 31, 2024



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

**REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE 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
395 West Saddle River Road
Upper Saddle River, New Jersey 07458

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Upper Saddle River Board of Education's compliance with the types of compliance requirements identified as subject to audit in the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Upper Saddle River Board of Education's major state programs for the fiscal year ended June 30, 2024. The Upper Saddle River Board of Education's major 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 Upper Saddle River 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 state programs for the fiscal year ended June 30, 2024.

Basis for Opinion on Each Major 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 New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards 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 Upper Saddle River 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 state program. Our audit does not provide a legal determination of the Upper Saddle River 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 Upper Saddle River Board of Education's 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 Upper Saddle River 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, 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 Upper Saddle River Board of Education's compliance with the requirements of each major 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 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 Upper Saddle River 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 Upper Saddle River 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 New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Upper Saddle River Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 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 state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

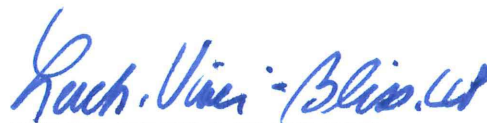
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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

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

Report on Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Upper Saddle River 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 October 31, 2024, 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 state financial assistance as required by New Jersey OMB Circular 15-08 is presented for purposes of additional analysis and is 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 state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.



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



Gary J. Vinci
Public School Accountant
PSA Number CS000829

Fair Lawn, New Jersey
October 31, 2024

**UPPER SADDLE RIVER 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	Grant Period	Award Amount	Balance at July 1, 2023		Cash Received	Budgetary Expenditures	(Accounts Receivable) Adjustments	Unearned Revenue Adjustments	Balance at June 30, 2024		Memo GAAP Receivable
					(Accounts Receivable)	Unearned Revenue					(Accounts Receivable)	Unearned Revenue	
U.S. Department of Education Passed-Through State Department of Education Special Revenue Fund													
ESEA Title I	84.010A	S010A200030	7/1/23-9/30/24	\$ 34,727			\$ 34,504	\$ 34,504			\$ (223)	\$ 223	
ESEA Title I	84.010A	S010A200030	7/1/22-9/30/23	27,981	\$ (11,640)	\$ 9,567	2,073	-	9,567	(9,567)	-	-	-
					(11,640)	9,567	36,577	34,504	9,567	(9,567)	(223)	223	-
ESEA Title II-A	84.367A	S367A180029	7/1/23-9/30/24	15,251			15,251	14,989		(262)	-	-	-
ESEA Title II-A	84.367A	S367A200029	7/1/22-9/30/23	16,438	(7,200)	4,883	2,055	-	5,145	(4,883)	-	-	\$ -
					(7,200)	4,883	17,306	14,989	5,145	(5,145)	-	-	-
ESEA Title IV	84.424	S424A210031	7/1/23-9/30/24	10,000			7,152	8,585			(2,848)	1,415	(1,433)
ESEA Title IV	84.424	S424A210031	7/1/21-9/30/22	10,000	(10,000)	-	-	-	10,000	-	-	-	-
					(10,000)	-	7,152	8,585	10,000	-	(2,848)	1,415	(1,433)
IDEA Part B, Basic	84.027A	H027A200100	7/1/23-9/30/24	257,691		-	231,118	257,691			(26,573)	-	(26,573)
IDEA Part B, Basic	84.027A	H027A200100	7/1/22-9/30/23	243,656	(44,404)	-	44,404				-	-	-
IDEA Part B, Preschool	84.173A	H173A200114	7/1/23-9/30/24	13,851		-	11,990	13,851			(1,861)	-	(1,861)
IDEA Part B, Preschool	84.173A	H173A200114	7/1/22-9/30/23	13,919	(1,466)	-	1,466	-	-	-	-	-	-
					(45,870)	-	288,978	271,542	-	-	(28,434)	-	(28,434)
American Rescue Plan (ARP) - ESSER III	84.425U	S425U200027	3/13/20-9/30/24	546,830	(351,111)	316,001	223,480	235,578			(127,631)	80,423	(47,208)
American Rescue Plan (ARP) - Accelerated Learning Coach and Educator Support	84.425U	S425U200027	3/13/20-9/30/24	87,220	(46,735)	37,236	36,067	26,567			(10,668)	10,669	1
American Rescue Plan (ARP) - Evidence Based Summer Learning and Enrichment	84.425U	S425U200027	3/13/20-9/30/24	40,000	(9,086)	8,037	5,532	4,332			(3,554)	3,705	151
American Rescue Plan (ARP) - Evidence Based Comprehensive Beyond the School Day	84.425U	S425U200027	3/13/20-9/30/24	40,000	(4,166)		4,166				-	-	-
American Rescue Plan (ARP) - NJTSS Mental Health Support Staffing	84.425U	S425U200027	3/13/20-9/30/24	45,000	(14,066)	13,367	10,063	13,367	-	-	(4,003)	-	(4,003)
					(425,164)	374,641	279,308	279,844	-	-	(145,856)	94,797	(51,059)
Total Special Revenue Fund					(499,874)	389,091	629,321	609,464	24,712	(14,712)	(177,361)	96,435	(80,926)
Total Federal Financial Assistance					\$ (499,874)	\$ 389,091	\$ 629,321	\$ 609,464	\$ 24,712	\$ (14,712)	\$ (177,361)	\$ 96,435	\$ (80,926)

This schedule was not subject to Single Audit in accordance with U.S. Uniform Guidance

UPPER SADDLE RIVER BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Received	Balance, July 1, 2023		Balance, June 30, 2024		MEMO			
				(Accounts Receivable)	Unearned Revenue	Cash Received	Budgetary Expenditures	(Accounts Receivable)	Unearned Revenue	GAAP Receivable	Cumulative Total Expenditures
State Department of Education											
General Fund											
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	\$ 1,155,690			\$ 1,055,223	\$ 1,155,690	\$ (100,467)		*	\$ 1,155,690
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	959,897	\$ (89,475)		89,475		-		*	-
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	53,937			49,248	53,937	(4,689)		*	53,937
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	53,937	(5,028)	-	5,028	-	-	-	*	-
Total State Aid Public				(94,503)	-	1,198,974	1,209,627	(105,156)	-	*	-
Extraordinary Aid	24-100-034-5120-044	7/1/23-6/30/24	742,399				742,399	(742,399)		*	742,399
Extraordinary Aid	23-100-034-5120-044	7/1/22-6/30/23	760,795	(760,795)		760,795		-		*	-
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	150,581			137,491	150,581	(13,090)		*	150,581
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	150,581	(14,036)		14,036		-		*	-
Nonpublic Transportation Reimb.	24-495-034-5120-014	7/1/23-6/30/24	22,295				22,295	(22,295)		*	\$ (22,295)
Nonpublic Transportation Reimb.	23-495-034-5120-014	7/1/22-6/30/23	13,104	(13,104)		13,104		-		*	-
TPAF Pension											
Normal Cost	24-495-034-5094-002	7/1/23-6/30/24	3,941,496			3,941,496	3,941,496			*	3,941,496
NCGI Premium	24-495-034-5094-004	7/1/23-6/30/24	44,951			44,951	44,951			*	44,951
Post Retirement Medical Benefits	24-495-034-5094-001	7/1/23-6/30/24	1,084,965			1,084,965	1,084,965			*	1,084,965
Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	1,735			1,735	1,735			*	1,735
TPAF Social Security Contributions	24-495-034-5094-003	7/1/23-6/30/24	849,186			806,683	849,186	(42,503)		*	\$ (42,503)
TPAF Social Security Contributions	23-495-034-5094-003	7/1/22-6/30/23	836,363	(41,231)	-	41,231	-	-	-	*	-
Total General Fund				(923,669)	-	8,045,461	8,047,235	(925,443)	-	*	(64,798)
Debt Service Fund											
Debt Service Aid	24-495-034-5120-075	7/1/23-6/30/24	69,856	-	-	69,856	69,856	-	-	*	-
Total Debt Service Fund				-	-	69,856	69,856	-	-	*	-
Total State Financial Assistance Subject to Single Audit Determination				(923,669)	-	8,115,317	8,117,091	(925,443)	-	*	(64,798)
State Financial Assistance											
Not Subject to Major Program Determination											
TPAF Pension											
Normal Cost	24-495-034-5094-002	7/1/23-6/30/24	3,941,496			(3,941,496)	(3,941,496)			*	(3,941,496)
NCGI Premiums	24-495-034-5094-004	7/1/23-6/30/24	44,951			(44,951)	(44,951)			*	(44,951)
Post Retirement Medical Benefits	24-495-034-5094-001	7/1/23-6/30/24	1,084,965			(1,084,965)	(1,084,965)			*	(1,084,965)
Long Term Disability Insurance	24-495-034-5094-004	7/1/23-6/30/24	1,735	-	-	(1,735)	(1,735)	-	-	*	(1,735)
Total State Financial Assistance for Major Program Determination				\$ (923,669)	\$ -	\$ 3,042,170	\$ 3,043,944	\$ (925,443)	\$ -	*	\$ (64,798)

**UPPER SADDLE RIVER 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 Upper Saddle River 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 \$8,689 for the general fund and a decrease of \$79,557 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		\$ 8,055,924	\$ 8,055,924
Special Revenue Fund	\$ 609,907		609,907
Debt Service Fund	-	69,856	69,856
Total Financial Assistance	<u>\$ 609,907</u>	<u>\$ 8,125,780</u>	<u>\$ 8,735,687</u>

**UPPER SADDLE RIVER 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

TPAF Social Security contributions in the amount of \$849,186 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 \$3,986,447, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,084,965 and TPAF Long-Term Disability Insurance in the amount of \$1,735 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 payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

NOTE 8 DE MINIMIS INDIRECT COST RATE

The District has elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**UPPER SADDLE RIVER 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 auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

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

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

Noncompliance material to the basic financial statements noted? yes X no

Federal Awards Section Not Applicable

**UPPER SADDLE RIVER BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Part I – Summary of Auditor’s Results

State Awards Section

Dollar threshold used to determine Type A programs: \$ 750,000

Auditee qualified as low-risk auditee? X yes no

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

Internal Control over compliance:

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

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

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

Identification of major programs:

GMIS Number(s):

Name of State Program:

24-495-034-5120-089

Special Education Aid

24-495-034-5120-084

Security Aid

24-495-034-5120-075

Debt Service Aid

**UPPER SADDLE RIVER BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
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 Chapter 5.18 of *Government Auditing Standards*.

There are none.

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

Part 3 - Schedule of 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 state programs, as required by New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

Not Applicable

CURRENT YEAR STATE AWARDS

There are none