

**RIVER VALE BOARD OF EDUCATION**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**River Vale, New Jersey**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**of the**

**River Vale Board of Education**

**River Vale, New Jersey**

**For The Fiscal Year Ended June 30, 2023**

**Prepared by**

**Business Office**

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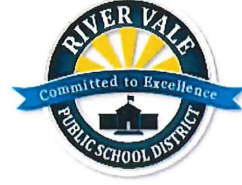
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## **INTRODUCTORY SECTION**



# RIVER VALE PUBLIC SCHOOLS

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Kelly Ippolito  
School Business Administrator/  
Board Secretary  
609 Westwood Avenue  
River Vale, NJ 07675-5730

KIppolito@rivervaleschools.com  
Telephone: 201 / 358 - 4003  
Fax: 201 / 358 - 2489

January 8, 2024

Honorable President and  
Members of the Board of Education  
River Vale School District  
County of Bergen  
River Vale, New Jersey 07675

Dear Board Members:

The annual comprehensive financial report of the River Vale School District for the fiscal year ended June 30, 2023, 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 River Vale 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 basic financial statements and schedules, as well as the auditor's report thereon including the Management Discussion and Analysis. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Uniform Guidance, and the state Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". 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.



**REPORTING ENTITY AND ITS SERVICES:** The River Vale School District is an independent reporting entity within the criteria adopted by the GASB. All funds of the district are included in this report. The River Vale 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. These include regular education, as well as special education for handicapped youngsters. The district completed the 2022/2023 fiscal year with an enrollment of 1,014 students, which is a decrease of 2 students from the previous year's enrollment.

The following details the changes in the student enrollment of the district.

**Average Daily Enrollment**

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2022-2023	1,014	-.002%
2021-2022	1,016	-4.00%
2020-2021	1,056	-4.26%
2019-2020	1,103	-1.61%
2018-2019	1,120	-2.41%
2017-2018	1,147	-1.39%
2016-2017	1,163	-1.44%
2015-2016	1,180	-3.59%
2014-2015	1,224	-4.7%
2013-2014	1,285	-.01%

**ECONOMIC CONDITION AND OUTLOOK:** River Vale Township comprises a land area of 4.5 square miles and is located in the northeastern part of Bergen County. River Vale is a suburban community consisting of mainly single-family homes and, additionally, has three (3) condominium developments. The Fairways at Edgewood LLC, has removed an existing maintenance building and 9 holes of the existing golf course and construct 225 market rate units (193 townhomes and 32 quadplex units) and 24 affordable rental units in a three-story building. All of the total 193 townhouse units are proposed with three bedrooms. Of the 32 quadplex units, 16 are two bedroom and 15 are three bedroom. Of the 24 affordable units, 4 are one bedroom, 15 are two bedroom and 5 are three bedroom. The School District's most recent demographic study was presented in December 2015 by Whitehall Associates, Inc.

**GENERAL EDUCATIONAL GOALS:** The River Vale School District is a Pre-K-8 type II district which is made up of three schools: Roberge and Woodside (grades Pre-K-5) and Holdrum (grades 6-8).

The district continues to attract excellent teachers. More than half of the teachers are tenured. More than half are on the MA+ level. Enrollment for the 2021/2022 school year was 1,016 students including out-of-district special education placements. Enrollment for 2022/2032 is expected to continue to decline slightly. Homerooms average eighteen (18) students and reading/math groups have a lower faculty/student ratio.

**GENERAL EDUCATIONAL GOALS:** (Continued)

The goals of the district are to provide learning opportunities to help each student grow and develop intellectually, emotionally, physically, and socially. The school system emphasizes a sound and basic curriculum. There are gifted and talented programs, special education and resource centers, and computer labs & media centers in each of the schools. In addition, the schools provide extensive curricular offerings in world language, instrumental and vocal music, visual arts, computer literacy, library services and physical education.

A continuing goal of the district is to “*Focus on meaningful innovation as the key to addressing 21st Century Skills needed for success in a changing world.*” This includes:

**Commitment to Digital Citizenship and Increased Student Access to Technology:** With much appreciated support from the River Vale Educational Fund and the River Vale PTA, the district is excited to continue their ongoing technology initiatives! Increased access to the right grade-level technology amplifies learning, increases engagement, and enables our classrooms to be more technology-driven, real-work oriented, and reflective of the evolving world our students live in.

Beginning in the 2014/2015 school year, the River Vale School District underwent a significant transformation in terms of increasing student access to technology as a dynamic instructional tool by making the decision to purchase the learning management system, *Canvas*, which was also being used at our sending regional high school, Pascack Valley. *Canvas* is an important tool that transformed the way students and teachers communicate and accomplish learning goals.

In the 2015/2016 school year, all 8th graders were provided a district-owned laptop that they could take home, giving teachers the opportunity to continue transforming and modernizing instructional practices, and students the opportunity to engage more fully in critical thinking, collaboration, accessing information, and creating new products. In the 2015/2016 school year, all 6th and 7th graders received laptops that stay at school for an *in-school* 1:1 initiative, all students in grades 3-5 received their own Chromebook for an *in-class* 1:1 initiative, and students in grades K-2 were given increased access to Chromebooks and tablets.

The River Vale School District considers itself to be a leader in supporting K-8 students with applicable and age-appropriate technology. As of the 2017/2018 school year, all students in grades 6-8 have a Chromebook or laptop they get to take home for the school year, all students in grades 2-5 have an in-school Chromebook initiative, which means they get their own device, but it stays in school, and all students in grades K-1 have their own device that stays in schools which equates to the District having a 1:1 initiative grades K-8.

**Educate 2B Mindfulness Program:** Thanks to a generous donation from the River Vale Educational Fund, the district's *Educate 2B Mindfulness Program* provided over 40 staff members an innovative and important way to help address mental health for all students in the district.

**Being a "Leading" School District:** In addition to being a member of the New Jersey Department of Education's *InnovateNJ* program, a state-wide program aimed at supporting innovation by fostering sharing and collaboration between districts, the River Vale School District is also a member of *EdLeader21*, a national consortium focused on integrating vital 21st century skills into the classroom.

This is an important time in public education, and our district needs to be a leader in terms of what a great education should look like for all children in New Jersey.

In River Vale, we are committed to providing students a rich and balanced education that focuses on the important 21<sup>st</sup> century skills needed for success in an increasingly complex, global world. This is an exciting time in education for our district, and together we will remain "Committed to Excellence" to our students!

Each member of the seven-member school board is elected to a three-year term and represents a cross-section of the community.

The Superintendent of Schools, under the direction of the Board of Education, has consulted with teaching staff members, pupils, parents and other residents in the formation of the educational goals of this district and has invited comments at public meetings relative to the goals. These educational goals were then adopted by the Board. The school-level goals address the needs of the pupils of this district and constitute the foundation on which the instructional program is anchored.

The performance of River Vale students on these standardized assessment measures continues to be well above state and national averages in all content areas.

**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 statement 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. This internal control structure is also subject to periodic evaluation by the district management.

**INTERNAL ACCOUNTING CONTROLS:** (Continued)

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.

**BUDGETARY CONTROLS:** In addition to internal accounting controls, the district maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as assignments of fund balance at June 30, 2023.

**ACCOUNTING SYSTEM AND REPORTS:** The district's accounting records reflect generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the district is organized in "Notes to the Financial Statements", Note 1.

**DEBT ADMINISTRATION:** At June 30, 2023, the District's long-term debt issue is for \$31,700,000 of general obligation bonds to provide funding for the school referendum.

**CASH MANAGEMENT:** The school district primarily invests in the New Jersey Cash Management Fund due to the higher interest rates that are offered. The school district also invests in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA).

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

**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, & Bliss, LLP, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related U.S. Uniform Guidance and State Treasury Circular Letter 15-08 OMB. The auditor's report on the basic financial statements is included in the financial section of this report. The auditor's reports relate specifically to the single audit are included in the single audit section of this report.

**ACKNOWLEDGMENTS:**

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

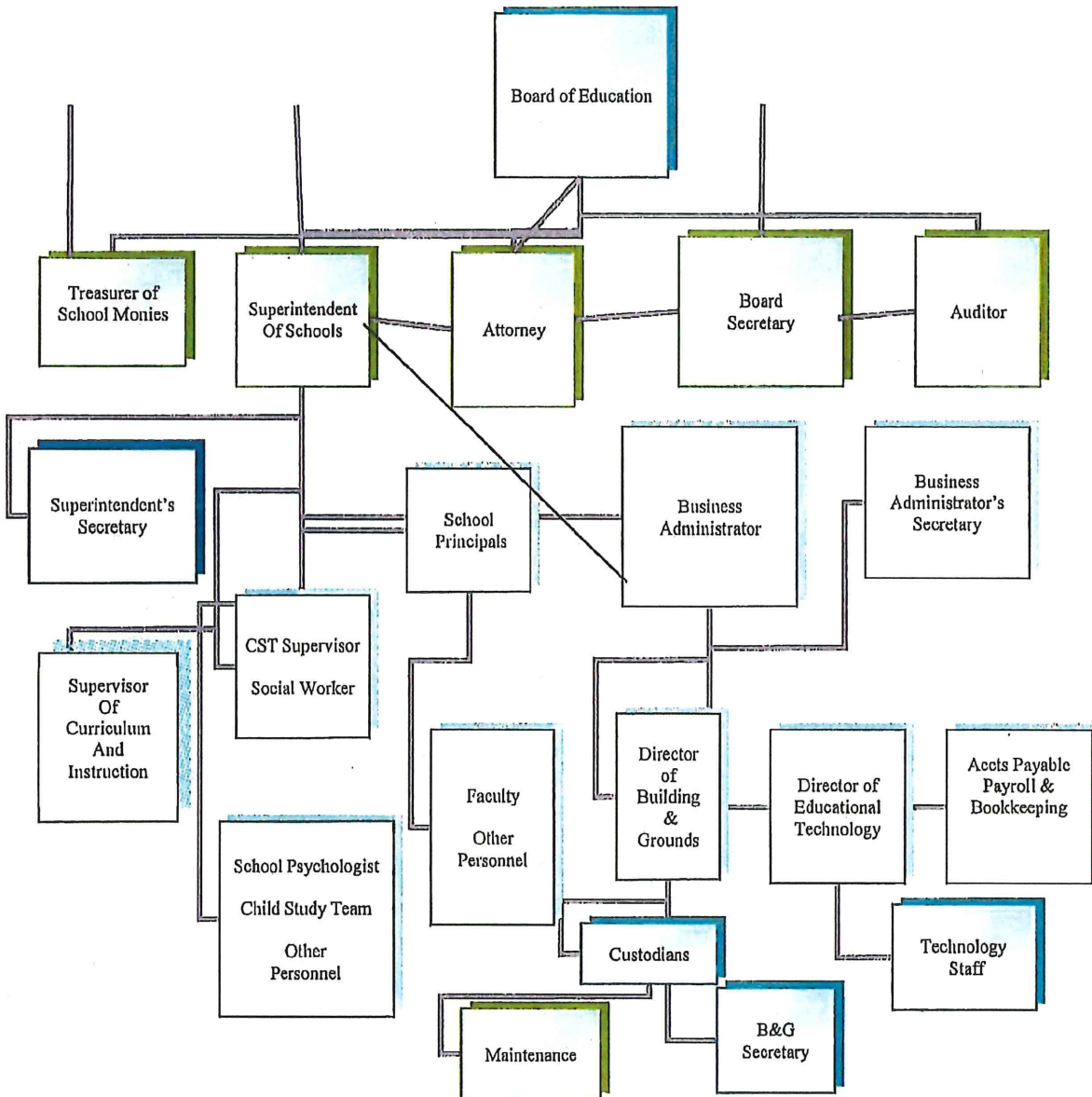
Respectfully submitted,



Kelly Ippolito  
School Business Administrator/Board Secretary

RIVER VALE BOARD OF EDUCATION

ORGANIZATION CHART



RIVER VALE BOARD OF EDUCATION  
RIVER VALE, NEW JERSEY

**ROSTER OF OFFICIALS**  
**JUNE 30, 2023**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Steven Rosini, President	2023
Patrice Pintarelli, Vice President	2023
Jamie Assor, Trustee	2023
Louan Austin, Trustee	2025
Cheryl Berkowitz, Trustee	2024
Virginia Senande, Trustee	2025
Arthur White, Trustee	2024

**Other Officials**

Melissa Signore, Superintendent of Schools  
Kelly Ippolito, School Business Administrator/Board Secretary  
Gennaro Rotella, Treasurer of School Monies

**RIVER VALE BOARD OF EDUCATION  
RIVER VALE, NEW JERSEY**

**Consultants and Advisors**

**As of June 30, 2023**

**Architect**

LAN Associates  
445 Godwin Avenue, Suite 1  
Midland Park, NJ 07432

**Audit Firm**

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

**Attorney**

Fogarty & Hara  
16-00 Route 208  
Fair Lawn, New Jersey 07410

**Official Depository**

Capital One Bank  
553 Broadway Ave.  
Westwood, NJ 07675

**Risk Manager**

Burton Agency  
P.O. Box 270  
Westwood, New Jersey 07675



**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  
River Vale Board of Education  
River Vale, New Jersey

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

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the River Vale Board of Education, as of and for the fiscal year ended June 30, 2023 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 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 River Vale Board of Education as of June 30, 2023, 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 River Vale 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 River Vale 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 River Vale 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 River Vale 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 River Vale Board of Education’s basic financial statements. The accompanying schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the River Vale Board of Education. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

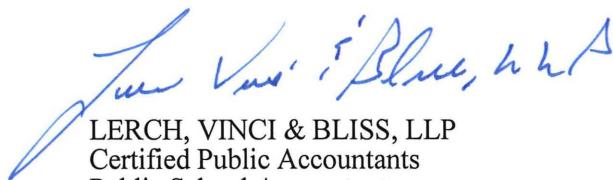
**Other Information**

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

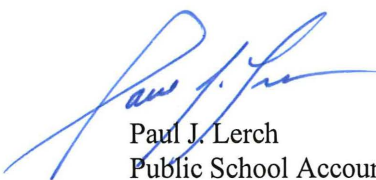
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If,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

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated January 8, 2024 on our consideration of the River Vale 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 River Vale 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 River Vale Board of Education’s internal control over financial reporting and compliance.



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



Paul J. Lerch  
Public School Accountant  
PSA Number CS01118

Fair Lawn, New Jersey  
January 8, 2024

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

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

# RIVER VALE BOARD OF EDUCATION

## Management's Discussion and Analysis

This section of River Vale 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, 2023. 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 (2022-2023) and the prior year (2021-2022) is required to be presented in the MD&A.

### FINANCIAL HIGHLIGHTS

Key financial highlights for the 2022-2023 fiscal year include the following:

- The assets and deferred outflows of resources of the River Vale Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$29,110,299 (net position).
- Overall District revenues were \$32,401,913. General revenues accounted for \$26,429,840 or 82% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$5,972,073 of total revenues.
- The School District had \$28,760,306 in expenses for governmental activities; only \$5,946,716 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$26,429,840 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 \$26,596,267 a decrease of \$14,610,703 when compared to the ending fund balance at June 30, 2022 of \$41,206,970.
- The General Fund unassigned fund balance at June 30, 2023 was in a surplus position of \$377,983, a decrease of \$401,559 when compared with the ending fund balance surplus of \$779,542 at June 30, 2022.
- The General Fund unassigned budgetary fund balance at June 30, 2023 was \$777,693 which represents a decrease of \$131,623 when compared to the ending unassigned fund balance at June 30, 2022 of \$909,316.

# RIVER VALE BOARD OF EDUCATION

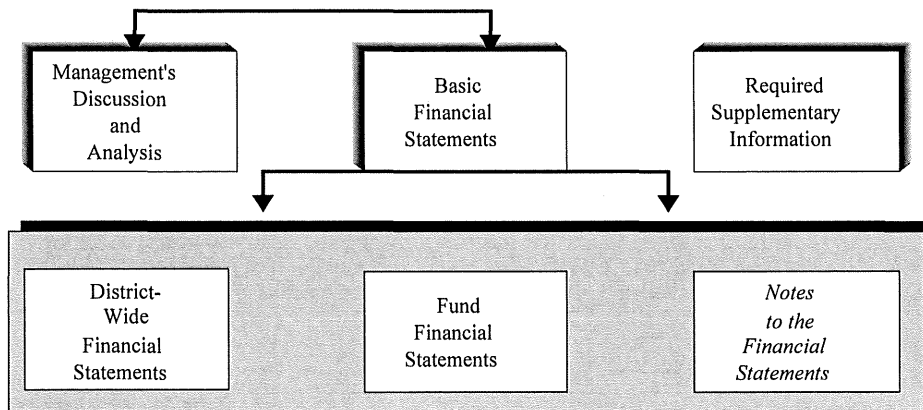
## Management's Discussion and Analysis

### 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.





# RIVER VALE 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.

# RIVER VALE BOARD OF EDUCATION

## Management's Discussion and Analysis

### District-Wide Financial Statements

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

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

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

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

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

### Fund Financial Statements

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

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

# RIVER VALE 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.

# RIVER VALE 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 \$29,110,299 and \$25,487,116 as of June 30, 2023 and 2022, respectively, as shown below.

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

#### Net Position as of June 30, 2023 and 2022

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets</b>						
Current and Other Assets	\$ 30,064,619	\$ 43,504,512	\$ 5,674	\$ 5,952	\$ 30,070,293	\$ 43,510,464
Capital Assets	<u>39,537,842</u>	<u>23,583,785</u>	<u>10,267</u>	<u>3,056</u>	<u>39,548,109</u>	<u>23,586,841</u>
<b>Total Assets</b>	<u>69,602,461</u>	<u>67,088,297</u>	<u>15,941</u>	<u>9,008</u>	<u>69,618,402</u>	<u>67,097,305</u>
<b>Deferred Outflows of Resources</b>						
Deferred Amounts on Net Pension Liability	<u>508,996</u>	<u>419,475</u>	<u>-</u>	<u>-</u>	<u>508,996</u>	<u>419,475</u>
<b>Total Deferred Outflows</b>	<u>508,996</u>	<u>419,475</u>	<u>-</u>	<u>-</u>	<u>508,996</u>	<u>419,475</u>
<b>Total Assets and Deferred Outflows</b>	<u>70,111,457</u>	<u>67,507,772</u>	<u>15,941</u>	<u>9,008</u>	<u>70,127,398</u>	<u>67,516,780</u>
<b>Liabilities</b>						
Long-Term Liabilities	36,725,361	37,443,689			36,725,361	37,443,689
Other Liabilities	<u>3,493,352</u>	<u>2,325,537</u>	<u>-</u>	<u>-</u>	<u>3,493,352</u>	<u>2,325,537</u>
<b>Total Liabilities</b>	<u>40,218,713</u>	<u>39,769,226</u>	<u>-</u>	<u>-</u>	<u>40,218,713</u>	<u>39,769,226</u>
<b>Deferred Inflows of Resources</b>						
Deferred Amounts on Net Pension Liability	<u>798,386</u>	<u>2,260,438</u>	<u>-</u>	<u>-</u>	<u>798,386</u>	<u>2,260,438</u>
<b>Total Deferred Inflows</b>	<u>798,386</u>	<u>2,260,438</u>	<u>-</u>	<u>-</u>	<u>798,386</u>	<u>2,260,438</u>
<b>Total Liabilities and Deferred Inflows</b>	<u>41,017,099</u>	<u>42,029,664</u>	<u>-</u>	<u>-</u>	<u>41,017,099</u>	<u>42,029,664</u>
<b>Net Position</b>						
Net Investment in Capital Assets	26,538,911	25,605,013	10,267	3,056	26,549,178	25,608,069
Restricted	5,775,030	4,245,266			5,775,030	4,245,266
Unrestricted	<u>(3,219,583)</u>	<u>(4,372,171)</u>	<u>5,674</u>	<u>5,952</u>	<u>(3,213,909)</u>	<u>(4,366,219)</u>
<b>Total Net Position</b>	<u>\$ 29,094,358</u>	<u>\$ 25,478,108</u>	<u>\$ 15,941</u>	<u>\$ 9,008</u>	<u>\$ 29,110,299</u>	<u>\$ 25,487,116</u>

# RIVER VALE BOARD OF EDUCATION

## Management's Discussion and Analysis

The changes in net position for fiscal years ended 2023 and 2022 are as follows:

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 377,229	\$ 141,632	\$ 14,908	\$ 12,886	\$ 392,137	\$ 154,518
Operating Grants and Contributions	5,569,487	6,413,102	10,449	7,058	5,579,936	6,420,160
General Revenues						
Property Taxes	24,673,439	24,290,434			24,673,439	24,290,434
State Aid	809,585	-			809,585	-
Investment Earnings	766,571	79,660	-	-	766,571	79,660
Miscellaneous	180,245	201,152	-	-	180,245	201,152
<b>Total Revenues</b>	<u>32,376,556</u>	<u>31,125,980</u>	<u>25,357</u>	<u>19,944</u>	<u>32,401,913</u>	<u>31,145,924</u>
<b>Expenses</b>						
Instruction						
Regular	11,999,933	12,532,920			11,999,933	12,532,920
Special Education	3,563,516	3,457,580			3,563,516	3,457,580
Other Instruction	1,189,123	1,047,043			1,189,123	1,047,043
School Sponsored Activities and Athletics	473,242	262,095			473,242	262,095
Support Services						
Student and Instruction Related Services	4,198,890	4,051,921			4,198,890	4,051,921
General Administration Services	673,531	586,428			673,531	586,428
School Administration Services	1,155,574	1,255,106			1,155,574	1,255,106
Plant Operation and Maintenance	2,914,469	2,674,242			2,914,469	2,674,242
Pupil Transportation	747,735	400,854			747,735	400,854
Central Services	1,226,075	1,217,788			1,226,075	1,217,788
Interest and Other Chgs on Long-Term Debt	618,218	587,468			618,218	587,468
Food Service	-	-	18,424	15,035	18,424	15,035
<b>Total Expenses</b>	<u>28,760,306</u>	<u>28,073,445</u>	<u>18,424</u>	<u>15,035</u>	<u>28,778,730</u>	<u>28,088,480</u>
Change in Net Position	3,616,250	3,052,535	6,933	4,909	3,623,183	3,057,444
<b>Net Position, Beginning of Year</b>	<u>25,478,108</u>	<u>22,425,573</u>	<u>9,008</u>	<u>4,099</u>	<u>25,487,116</u>	<u>22,429,672</u>
<b>Net Position, End of Year</b>	<u>\$ 29,094,358</u>	<u>\$ 25,478,108</u>	<u>\$ 15,941</u>	<u>\$ 9,008</u>	<u>\$ 29,110,299</u>	<u>\$ 25,487,116</u>

# RIVER VALE BOARD OF EDUCATION

## Management's Discussion and Analysis

### Governmental Activities

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

**Total and Net Cost of Governmental Activities.** The following schedule presents the District's total costs of services provided by major activity. After applying program revenues, derived from charges for services, operating grants and contributions and capital grants and contributions, the net cost of these services is presented. The following is a comparative analysis of the total and the net cost of governmental activities for the fiscal years ended June 30, 2023 and 2022.

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Instruction				
Regular	\$ 11,999,933	\$ 12,532,920	\$ 9,664,066	\$ 9,498,057
Special Education	3,563,516	3,457,580	1,704,367	1,698,429
Other Instruction	1,189,123	1,047,043	769,140	708,073
School Sponsored Activities and Athletics	473,242	262,095	172,891	160,499
Support Services				
Student and Instruction Related Services	4,198,890	4,051,921	3,655,492	3,407,813
General Administration	673,531	586,428	669,038	348,174
School Administration Services	1,155,574	1,255,106	979,257	1,222,152
Plant Operation and Maintenance	2,914,469	2,674,242	2,810,094	2,544,034
Pupil Transportation	747,735	400,854	607,417	263,491
Business Services	1,226,075	1,217,788	1,163,610	1,080,521
Interest and Other Charges on Long-Term Debt	<u>618,218</u>	<u>587,468</u>	<u>618,218</u>	<u>587,468</u>
<b>Total</b>	<b><u>\$ 28,760,306</u></b>	<b><u>\$ 28,073,445</u></b>	<b><u>\$ 22,813,590</u></b>	<b><u>\$ 21,518,711</u></b>

# RIVER VALE 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 \$26,596,267, a decrease of \$14,610,703 from last year's fund balance of \$41,206,970.

Revenues and other financing sources for the District's governmental funds were \$34,934,253; total expenditures and other financing uses were \$49,544,956.

**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 and other financing sources of the General Fund were \$31,641,799 for the fiscal year ended June 30, 2023. State revenue sources amounted to \$7,256,293 and local revenue sources were \$23,963,679.

Expenditures of the General Fund were \$29,616,200. Instructional expenditures were \$18,450,378, support services were \$10,824,539, debt services were \$116,507, and capital expenditures totaled \$224,776 for the fiscal year ended June 30, 2023.

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

Revenues of the Special Revenue Fund were \$1,048,857 for the fiscal year ended June 30, 2023. State sources amounted to \$6,660, federal sources totaled \$734,108 and local sources were \$308,089.

Expenditures of the Special Revenue Fund were \$1,052,368. Instructional expenditures were \$865,293 and support services were \$187,075 for the fiscal year ended June 30, 2023.

**Capital Projects** - The capital projects expenditures and other financing uses exceeded revenues by \$16,635,007 decreasing the fund balance from \$35,452,801 at June 30, 2022 to \$18,817,794 at June 30, 2023.

#### Proprietary Funds

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

# RIVER VALE BOARD OF EDUCATION

## Management's Discussion and Analysis

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

### GENERAL FUND BUDGETARY HIGHLIGHTS

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

- Implementing budgets for specially funded projects, which include both federal and state grants.
- Reappropriation of June 30, 2022 encumbrances.
- Appropriation of Fund Balance

### CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2023 amounts to \$39,537,842 and \$10,267 (net of accumulated depreciation), respectively. The capital assets consist of land, land improvements, buildings, building improvements, machinery and various other types of equipment. Depreciation charges for the fiscal year 2022-2023 amounted to \$905,726 for governmental activities and \$1,179 for the Business-Type activities.

The following is a comparative analysis of capital assets at June 30, 2023 and 2022.

	Governmental		Business- Type		Total	
	<u>Activities</u>		<u>Activities</u>			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	\$ 31,805	\$ 31,805	\$ -	\$ -	\$ 31,805	\$ 31,805
Construction in Progress	21,989,712	5,354,705			21,989,712	5,354,705
Buildings and Building Improvements	16,258,478	16,926,124			16,258,478	16,926,124
Machinery and Equipment	653,941	625,168	\$ 10,267	\$ 3,057	664,208	628,225
Land Improvements	<u>603,906</u>	<u>1,085,262</u>	<u>-</u>	<u>-</u>	<u>603,906</u>	<u>1,085,262</u>
<b>Total</b>	<b><u>\$ 39,537,842</u></b>	<b><u>\$ 24,023,064</u></b>	<b><u>\$ 10,267</u></b>	<b><u>\$ 3,057</u></b>	<b><u>\$ 39,548,109</u></b>	<b><u>\$ 24,026,121</u></b>

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



# **RIVER VALE BOARD OF EDUCATION**

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

### **LONG TERM LIABILITIES**

At June 30, 2023, the District's long-term liabilities consisted of compensated absences payable of \$872,776, serial bonds of \$31,700,958 (including Bond Premium), capital financing agreements of \$110,655, and net pension liability of \$4,040,972, totaling \$36,725,361. This is in comparison to long-term liabilities at June 30, 2022 of \$37,443,689 or a decrease of \$718,328.

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 School Business Administrator at the River Vale Board of Education, 609 Westwood Ave., River Vale, NJ 07675.

**BASIC FINANCIAL STATEMENTS**

**RIVER VALE BOARD OF EDUCATION**  
**STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2023**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 29,680,359	\$ 5,674	\$ 29,686,033
Receivables, net			
Receivables from Other Governments	374,260	-	374,260
Other	10,000		10,000
Capital Assets, Not Being Depreciated	22,021,517		22,021,517
Capital Assets, Being Depreciated, Net	17,516,325	10,267	17,526,592
Total Assets	69,602,461	15,941	69,618,402
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amounts on Net Pension Liability	508,996	-	508,996
Total Deferred Outflows of Resources	508,996	-	508,996
Total Assets and Deferred Outflows of Resources	70,111,457	15,941	70,127,398
<b>LIABILITIES</b>			
Accounts Payable and Other Current Liabilities	3,410,793		3,410,793
Accrued Interest Payable	25,000		25,000
Unearned Revenue	30,975		30,975
Intergovernmental Payable	26,584		26,584
Noncurrent Liabilities			
Due Within One Year	1,237,795		1,237,795
Due Beyond One Year	35,487,566	-	35,487,566
Total Liabilities	40,218,713	-	40,218,713
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Amounts on Net Pension Liability	798,386	-	798,386
Total Deferred Inflows of Resources	798,386	-	798,386
Total Liabilities and Deferred Inflows of Resources	41,017,099	-	41,017,099
<b>NET POSITION</b>			
Net Investment in Capital Assets	26,538,911	10,267	26,549,178
Restricted for			
Capital Projects	4,053,045		4,053,045
Maintenance	759,616		759,616
Other Purposes	962,369		962,369
Unrestricted	(3,219,583)	5,674	(3,213,909)
Total Net Position	\$ 29,094,358	\$ 15,941	\$ 29,110,299

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

RIVER VALE BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities</b>							
Instruction							
Regular	\$ 11,999,933	\$ 79,140	\$ 2,256,727		\$ (9,664,066)		\$ (9,664,066)
Special Education	3,563,516		1,859,149		(1,704,367)		(1,704,367)
Other Instruction	1,189,123		419,983		(769,140)		(769,140)
School Sponsored Activities and Athletics	473,242	298,089	2,262		(172,891)		(172,891)
Support Services							
Student and Instruction Related Services	3,871,393		543,398		(3,327,995)		(3,327,995)
Attendance and Social Work	117,168				(117,168)		(117,168)
Educational Media/School Library	210,329				(210,329)		(210,329)
School Administrative Services	1,155,574		176,317		(979,257)		(979,257)
General Administrative Services	673,531		4,493		(669,038)		(669,038)
Plant Operations and Maintenance	2,914,469		104,375		(2,810,094)		(2,810,094)
Pupil Transportation	747,735		140,318		(607,417)		(607,417)
Central Services	1,226,075		62,465		(1,163,610)		(1,163,610)
Interest on Long-Term Debt	618,218	-	-	-	(618,218)	-	(618,218)
Total Governmental Activities	28,760,306	377,229	5,569,487	-	(22,813,590)	-	(22,813,590)
<b>Business-Type Activities</b>							
Food Service - Non-Major	18,424	14,908	10,449	-	-	\$ 6,933	6,933
Total Business-Type Activities	18,424	14,908	10,449	-	-	6,933	6,933
<b>Total Primary Government</b>	<b>\$ 28,778,730</b>	<b>\$ 392,137</b>	<b>\$ 5,579,936</b>	<b>\$ -</b>	<b>(22,813,590)</b>	<b>6,933</b>	<b>(22,806,657)</b>
<b>General Revenues</b>							
<b>Taxes</b>							
Property Taxes Levied for General Purposes					23,471,606		23,471,606
Property Taxes Levied for Debt Services					1,201,833		1,201,833
State Aid Restricted for Debt Service					809,585		809,585
Interest on Deposits					766,571	-	766,571
Miscellaneous Income					180,245	-	180,245
Total General Revenues					26,429,840	-	26,429,840
Change in Net Position					3,616,250	6,933	3,623,183
Net Position, Beginning of Year					25,478,108	9,008	25,487,116
Net Position, End of Year					\$ 29,094,358	\$ 15,941	\$ 29,110,299

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

**FUND FINANCIAL STATEMENTS**

**RIVER VALE BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF JUNE 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 7,539,891	\$ 118,978	\$ 21,953,697	\$ 67,793	\$ 29,680,359
Due from Other Funds	392,915		-	1,004	393,919
Other Receivables	-	10,000			10,000
Receivables from Other Governments	54,288	319,972	-	-	374,260
	<u>7,987,094</u>	<u>448,950</u>	<u>21,953,697</u>	<u>68,797</u>	<u>30,458,538</u>
Total Assets					
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts Payable	314,850	-	3,042,981		3,357,831
Accrued Salaries and Wages Payable	8,072				8,072
Payroll Deductions and Withholdings Payable	7,212				7,212
Employee Flex Spending Deposits Payable	8,974				8,974
Unemployment Employee Contributions Payable	28,704				28,704
Due to Other Funds	-	300,997	92,922	-	393,919
Due to Other Governments	26,584				26,584
Unearned Revenue	2,000	28,975	-	-	30,975
	<u>396,396</u>	<u>329,972</u>	<u>3,135,903</u>	<u>-</u>	<u>3,862,271</u>
Total Liabilities					
Fund Balance					
Restricted:					
Excess Surplus	600,000				600,000
Excess Surplus - Designated for					
Subsequent Year's Expenditures (2023/24 Budget)	387,955				387,955
Capital Reserve	4,053,045				4,053,045
Maintenance Reserve	759,616				759,616
Emergency Reserve	181,412				181,412
Emergency Reserve - Designated for Subsequent					
Years Expenditures	72,000				72,000
Capital Projects			18,817,794		18,817,794
Debt Service				68,797	68,797
Unemployment Compensation Reserve	774,594				774,594
Co-Curricular Student Activities		118,978			118,978
Assigned:					
Year-End Encumbrances	113,293				113,293
Designated for Subsequent Year's Expenditures	270,800				270,800
Unassigned Fund Balance	377,983	-	-	-	377,983
	<u>7,590,698</u>	<u>118,978</u>	<u>18,817,794</u>	<u>68,797</u>	<u>26,596,267</u>
Total Fund Balances					
Total Liabilities and Fund Balances	<u>\$ 7,987,094</u>	<u>\$ 448,950</u>	<u>\$ 21,953,697</u>	<u>\$ 68,797</u>	<u>\$ 30,458,538</u>

**RIVER VALE BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF JUNE 30, 2023**

**Total Fund Balances (Exhibit B-1)** \$ 26,596,267

**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 \$54,299,840 and the accumulated depreciation is \$14,793,803.

39,537,842

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is:

(25,000)

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

\$ 508,996

Deferred Inflows of Resources

(798,386)

(289,390)

Long-term liabilities, including bonds payable, and net pension liability are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:

General Obligation Bonds Payable, Including Unamortized Premium

31,700,958

Capital Financing Agreements Payable

110,655

Compensated Absences

4,040,972

Net Pension Liability

872,776

(36,725,361)

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

\$ 29,094,358

**RIVER VALE BOARD OF EDUCATION**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Local Sources					
Local Property Tax Levy	\$ 23,471,606			\$ 1,201,833	\$ 24,673,439
Tuition	79,140				79,140
Interest on Deposits	271,992		\$ 494,579	-	766,571
Miscellaneous	140,941	\$ 308,089	-	-	449,030
Total - Local Sources	23,963,679	308,089	494,579	1,201,833	25,968,180
State Sources	7,256,293	6,660		809,585	8,072,538
Federal Sources	-	734,108	-	-	734,108
Total Revenues	31,219,972	1,048,857	494,579	2,011,418	34,774,826
<b>EXPENDITURES</b>					
Current					
Regular Instruction	13,567,913	42,660			13,610,573
Special Education Instruction	3,590,515	289,343			3,879,858
Other Instruction	1,097,929	231,690			1,329,619
School-Sponsored Activities and Athletics	194,021	301,600			495,621
Support Services					
Student and Instruction Related Services	4,017,597	187,075			4,204,672
Attendance and Social Work	124,340				124,340
Educational Media/School Library	226,323				226,323
School Administrative Services	1,314,070				1,314,070
General Administrative Services	686,939				686,939
Plant Operations and Maintenance	2,345,235				2,345,235
Pupil Transportation	747,735				747,735
Central Services	1,362,300				1,362,300
Debt Service					
Principal	111,629			1,625,000	1,736,629
Interest and Other Charges	4,878			616,381	621,259
Capital Outlay	224,776	-	16,635,007	-	16,859,783
Total Expenditures	29,616,200	1,052,368	16,635,007	2,241,381	49,544,956
Excess (Deficiency) of Revenues Over/ (Under) Expenditures	1,603,772	(3,511)	(16,140,428)	(229,963)	(14,770,130)
Other Financing Sources and (Uses)					
Capital Financing	121,827				121,827
Other Sources			-	37,600	37,600
Transfers In	300,000		-	194,579	494,579
Transfers Out	-	-	(494,579)	-	(494,579)
Total Other Financing Sources and Uses	421,827	-	(494,579)	232,179	159,427
Net Change in Fund Balances	2,025,599	(3,511)	(16,635,007)	2,216	(14,610,703)
Fund Balance, Beginning of Year	5,565,099	122,489	35,452,801	66,581	41,206,970
Fund Balance, End of Year	\$ 7,590,698	\$ 118,978	\$ 18,817,794	\$ 68,797	\$ 26,596,267

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



**RIVER VALE BOARD OF EDUCATION  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
WITH THE DISTRICT-WIDE STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2)** **\$ (14,610,703)**

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

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

Capital Outlay	\$ 16,859,783	
Depreciation Expense	<u>(905,726)</u>	15,954,057

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

Decrease in Compensated Absences, Net	4,642	
Decrease in Pension Expense	<u>650,411</u>	655,053

Repayment of bond and financing agreement principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities. Including the issuance of serial bonds.

Principal Repayments:		
Serial Bond	1,625,000	
Capital Financing	<u>111,629</u>	1,736,629

The issuance of refunding bonds provides current financial resources to the governmental funds, while the repayment of the refunded bonds uses those current financial resources of governmental funds. Neither transactions, however, has any effect on net position. Also, governmental funds report the effect of premiums and other such items related to the refunding bonds when they are first issued, whereas these amounts are deferred and amortized in the statement of activities.

Amortization of Bond Premium		46
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The issuance of long-term debt provides current financial resources to the governmental funds, while the repayment of long-term debt uses those current financial resources of governmental funds, Neither transaction, however, has an effect on net position

Capital Financing Agreement Proceeds		(121,827)
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Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Decrease in Accrued Interest		<u>2,995</u>
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**Change in Net Position of Governmental Activities (Exhibit A-2)** **\$ 3,616,250**

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

**RIVER VALE BOARD OF EDUCATION  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 AS OF JUNE 30, 2023**

	<b>Business- Type Activities</b>
	<b><u>Non-Major Food Service</u></b>
<b>ASSETS</b>	
Current Assets	
Cash and Cash Equivalents	\$ <u>5,674</u>
Total Current Assets	<u>5,674</u>
Capital Assets	
Equipment	27,043
Less: Accumulated Depreciation	<u>(16,776)</u>
Total Capital Assets, Net	<u>10,267</u>
Total Assets	<u>15,941</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	10,267
Unrestricted	<u>5,674</u>
Total Net Position	<u>\$ 15,941</u>

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

**RIVER VALE BOARD OF EDUCATION  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Business- Type Activities</b>
	<b><u>Non-Major Food Service</u></b>
<b>OPERATING REVENUE</b>	
Charges for Services	
Daily Sales - Milk	\$ 14,908
Total Operating Revenues	14,908
<b>OPERATING EXPENSES</b>	
Cost of Sales	16,963
Miscellaneous Expenditures	283
Depreciation	1,178
	18,424
Total Operating Expenses	18,424
Operating Income/(Loss)	(3,516)
 <b>NONOPERATING REVENUE</b>	
Federal Sources	
Special Milk Program	10,449
	10,449
Total Nonoperating Revenues	10,449
Change in Net Position	6,933
Total Net Position, Beginning of Year	9,008
Total Net Position, End of Year	\$ 15,941

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

**RIVER VALE BOARD OF EDUCATION  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Business- Type Activities</b>
	<b><u>Non-Major Food Service</u></b>
<b>Cash Flows from Operating Activities</b>	
Cash Received from Customers	\$ 14,908
Cash Payments to Suppliers for Goods and Services	<u>(17,246)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(2,338)</u>
<b>Cash Flows from Noncapital Financing Activities</b>	
Cash Received from State and Federal Subsidy Reimbursements	<u>11,953</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>11,953</u>
<b>Cash Flows from Investing Activities</b>	
Purchase of Fixed Assets	<u>(8,389)</u>
Net Cash Provided by (Used for) Investing Activities	<u>(8,389)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	1,226
Cash and Cash Equivalents, Beginning of Year	<u>4,448</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 5,674</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities</b>	
Operating Income (Loss)	<u>\$ (3,516)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used for Operating Activities	
Depreciation	<u>1,178</u>
Total Adjustments	<u>1,178</u>
Net Cash (Used for) Operating Activities	<u><u>\$ (2,338)</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The River Vale 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 River Vale Board of Education this includes general operations, food service and student related activities of the District.

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

**B. New Accounting Standards**

During fiscal year 2023, the District adopted the following GASB statements:

- GASB Statement No. 96, *Subscription – Based Information Technology Arrangements*. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

- GASB Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

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

- 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.
- 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.

**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.

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**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 considers its Food Service Fund to be a nonmajor enterprise fund.

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 food service to students as well as a la carte and catering services for teachers and special events.

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

**Reclassifications**

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

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

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

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund 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.



**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

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

***3. Inventories***

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

**RIVER VALE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	45-50
Building Improvements	20
Machinery and Equipment	5-20

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

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

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

**6. *Compensated Absences***

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

**7. *Pensions***

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

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

**7. *Pensions (Continued)***

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

**8. *Financing Agreements***

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

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

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

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

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**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, 2023 audited excess surplus that is required to be appropriated in the 2024/2025 original budget certified for taxes.

*Excess Surplus – Designated for Subsequent Year's Expenditures* - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2022 audited excess surplus that was appropriated in the 2023/2024 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 2 ).

*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 2 ).

*Emergency Reserve* – This restriction was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education. (See Note 2).

*Emergency Reserve Designated for Subsequent Year's Expenditures* – This designation was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education. (See Note 2).

*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 4).

*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.

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

*Debt Service* – Represents fund balance restricted specifically for the repayment of long-term debt principal and interest in the Debt Service 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.

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

*Designated for Subsequent Year's Expenditures* – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2023/2024 District budget certified for taxes.

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**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)***

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

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

***11. Fund Balance Policies***

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

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

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

**F. Revenues and Expenditures/Expenses**

***1. Program Revenues***

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

***2. Property Taxes***

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

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

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

**Tuition Expenditures** - Tuition charges for the fiscal years 2021-2022 and 2022-2023 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.

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

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

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

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

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

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. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2022/2023. Also, during 2022/2023 the Board increased the original budget of the general fund by \$402,279 and the special revenue fund by \$1,270,521. The increases were funded by the additional appropriation of unassigned fund balance, grant awards, student activity revenues, scholarship donations and the reappropriation of prior year general fund encumbrances. During the fiscal year the Board authorized and approved additional fund balance appropriations of unassigned fund balance of \$310,873 from the general fund.

**RIVER VALE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

**A. Budgetary Information (Continued)**

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of 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.

The activity of the capital reserve for the fiscal year ended June 30, 2023 is as follows:

Balance, July 1, 2022	\$ 2,539,290
Increased by	
Interest Earnings	\$ 106,442
Deposits Approved by Board Resolution	<u>1,407,313</u>
Total Increases	<u>1,513,755</u>
Balance, June 30, 2023	<u>\$ 4,053,045</u>

The June 30, 2023 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be \$40,795,494. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan.

**RIVER VALE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

**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, 2023 is as follows:

Balance, July 1, 2022	\$ 759,616
Balance, June 30, 2023	<u>\$ 759,616</u>

The June 30, 2023 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$759,616.

**D. Emergency Reserve**

An emergency reserve account was established by the District. The accumulation of funds will be used to finance unanticipated General Fund current expenditures required for a thorough and efficient education in subsequent fiscal years.

Funds placed in the emergency reserve are restricted to finance reasonably unforeseeable costs and shall not include additional costs due to poor planning. A District may appropriate funds into the emergency 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. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent or the withdrawal is included in the original budget certified for taxes to finance school security improvements to school facilities pursuant to 18A:7G-6(c)1. Pursuant to NJAC 6A:23A-14.4(A), the balance in the reserve cannot at any time exceed the greater of \$250,000 or one percent of the school district's General Fund budget as certified for taxes up to a maximum of \$1,000,000.

The activity of the emergency reserve for the fiscal year ended June 30, 2023 is as follows:

Balance, July 1, 2022	\$ 250,000
Increased by	
Deposits Approved by Board Resolution	<u>3,412</u>
Balance, June 30, 2023	<u>\$ 253,412</u>

\$72,000 of the emergency reserve balance at June 30, 2023 was designated and appropriated for use in the 2023/2024 original budget certified for taxes.



**RIVER VALE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

**E. 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, 2023 is \$987,955. Of this amount, \$387,955 was designated and appropriated in the 2023/2024 original budget certified for taxes and the remaining amount of \$600,000 will be appropriated in the 2024/2025 original budget certified for taxes.

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits and Investments**

**Cash Deposits**

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2023, the book value of the Board's deposits was \$29,686,033 and bank and brokerage firm balances of the Board’s deposits amounted to \$30,703,507. The Board's deposits which are displayed on the various fund balance sheets as "cash" or “cash and cash equivalents” are categorized as:

**Depository Account**

Insured	\$ 30,648,256
Uninsured and Collateralized	<u>55,251</u>
	<u>\$ 30,703,507</u>

**RIVER VALE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 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, 2023 the Board’s bank balance of \$55,251 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	\$ 55,251
	<u>\$ 55,251</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, 2023, 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.

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.

Investment and interest earnings in the Capital Projects Fund are assigned to the General Fund in accordance with Board policy.

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

**B. Receivables**

Receivables as of June 30, 2023 for the district’s individual major funds and nonmajor funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
Receivables:			
Intergovernmental-			-
Federal		\$ 319,972	\$ 319,972
State	\$ 54,288	-	54,288
Local	-	10,000	10,000
	<u>          </u>	<u>          </u>	<u>          </u>
Gross Receivables	54,288	329,972	384,260
Less: Allowance for Uncollectibles	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
Net Total Receivables	<u>\$ 54,288</u>	<u>\$ 329,972</u>	<u>\$ 384,260</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:

General Fund	
Prepaid Preschool Tuition	\$ 2,000
Special Revenue Fund	
Grant Draw Downs for Year-End Encumbrances	<u>28,975</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 30,975</u>

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

**D. Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2023 was as follows:

	Balance, <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2023</u>
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 31,805			\$ 31,805
Construction in Progress	<u>5,354,705</u>	<u>\$ 16,635,007</u>	<u>-</u>	<u>21,989,712</u>
Total Capital Assets, Not Being Depreciated	<u>5,386,510</u>	<u>16,635,007</u>	<u>-</u>	<u>22,021,517</u>
Capital Assets, Being Depreciated:				
Building and Building Improvements	28,272,963	21,281		28,294,244
Machinery and Equipment	2,796,068	203,495	\$ (111,018)	2,888,545
Land Improvements	<u>1,127,339</u>	<u>-</u>	<u>-</u>	<u>1,127,339</u>
Total Capital Assets Being Depreciated	<u>32,196,370</u>	<u>224,776</u>	<u>(111,018)</u>	<u>32,310,128</u>
Less Accumulated Depreciation for:				
Building and Building Improvements	(11,346,839)	(688,927)		(12,035,766)
Machinery and Equipment	(2,170,900)	(174,722)	111,018	(2,234,604)
Land Improvements	<u>(481,356)</u>	<u>(42,077)</u>	<u>-</u>	<u>(523,433)</u>
Total Accumulated Depreciation	<u>(13,999,095)</u>	<u>(905,726)</u>	<u>111,018</u>	<u>(14,793,803)</u>
Total Capital Assets, Being Depreciated, Net	<u>18,197,275</u>	<u>(680,950)</u>	<u>-</u>	<u>17,516,325</u>
Governmental Activities Capital Assets, Net	<u>\$ 23,583,785</u>	<u>\$ 15,954,057</u>	<u>\$ -</u>	<u>\$ 39,537,842</u>
	Balance, <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2023</u>
<b>Business-Type Activities:</b>				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 18,654	\$ 8,389	-	\$ 27,043
Total Capital Assets Being Depreciated	<u>18,654</u>	<u>8,389</u>	<u>-</u>	<u>27,043</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	<u>(15,598)</u>	<u>(1,178)</u>	<u>-</u>	<u>-</u> <u>(16,776)</u>
Total Accumulated Depreciation	<u>(15,598)</u>	<u>(1,178)</u>	<u>-</u>	<u>(16,776)</u>
Total Capital Assets, Being Depreciated, Net	<u>3,056</u>	<u>7,211</u>	<u>-</u>	<u>10,267</u>
Business-Type Activities Capital Assets, Net	<u>\$ 3,056</u>	<u>\$ 7,211</u>	<u>\$ -</u>	<u>\$ 10,267</u>

**RIVER VALE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

**D. Capital Assets (Continued)**

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

**Governmental Activities:**

Instruction	
Regular	\$ <u>26,571</u>
 Total Instruction	 <u>26,571</u>
 Support Services	
Student and Instruction Related Services	81,742
General Administrative Services	10,633
School Administrative Services	31,045
Plant Operations and Maintenance	<u>755,735</u>
 Total Support Services	 <u>879,155</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 905,726</u>

**Business-Type Activities:**

Food Service Fund	\$ <u>1,178</u>
 Total Depreciation Expense-Business-Type Activities	 <u>\$ 1,178</u>

**Construction and Other Significant Commitments**

The District has the following active construction projects as of June 30, 2023:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Bond Referendum Project	\$ 21,982,318	\$ <u>18,813,176</u>
 Total		 <u>\$ 18,813,176</u>

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

**E. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2023, is as follows:

**Due To/From Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 300,997
General Fund	Capital Projects Fund	91,918
Debt Service	Capital Projects Fund	<u>1,004</u>
Total		<u>\$ 393,919</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.

**Interfund Transfers**

	<u>Transfer In:</u>		
	<u>Debt Service</u>	<u>General Fund</u>	<u>Total</u>
Transfer Out:			
Capital Projects Fund	<u>\$ 194,579</u>	<u>\$ 300,000</u>	<u>\$ 494,579</u>
Total Transfers	<u>\$ 194,579</u>	<u>\$ 300,000</u>	<u>\$ 494,579</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. Financing Agreements**

**Capital Financing Agreements**

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

Capital financing agreements at June 30, 2023 are comprised of the following:

\$121,827, fiscal year 2023 Agreement for the acquisition of copiers for a term of 5 years due in annual principal installments of \$1,883 to \$2,218 through January 1, 2028 interest at 3.790%	<u>\$ 110,655</u>
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**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

**F. Financing Agreements (Continued)**

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

**Governmental Activities:**

Fiscal Year Ending June 30,	<u>Capital Agreements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 22,988	\$ 3,797	\$ 26,785
2025	23,875	2,911	26,786
2026	24,795	1,990	26,785
2027	25,751	1,034	26,785
2028	<u>13,246</u>	<u>147</u>	<u>13,393</u>
Total	<u>\$ 110,655</u>	<u>\$ 9,879</u>	<u>\$ 120,534</u>

**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.

Bonds payable at June 30, 2023 are comprised of the following issues:

\$32,325,000, 2021 Bonds, due in annual installments of \$1,130,000 to \$3,325,000 through June 15, 2046, interest at 1.00% to 2.250%	<u>\$ 31,700,000</u>
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The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

**Governmental Activities:**

Fiscal Year Ending June 30,	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 1,130,000	\$ 600,131	\$ 1,730,131
2025	1,140,000	588,831	1,728,831
2026	1,165,000	577,431	1,742,431
2027	1,185,000	565,781	1,750,781
2028	1,205,000	553,931	1,758,931
2029-2043	20,935,000	5,169,069	26,104,069
2044-2045	3,265,000	183,944	3,448,944
2046	<u>1,675,000</u>	<u>37,688</u>	<u>1,712,688</u>
Total	<u>\$ 31,700,000</u>	<u>\$ 8,276,806</u>	<u>\$ 39,976,806</u>

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

**G. Long-Term Debt (Continued)**

**Statutory Borrowing Power**

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2023 was as follows:

3% of Equalized Valuation Basis (Municipal)	\$ 66,042,201
Less: Net Debt Issued and Authorized But Not Issued	<u>31,701,442</u>
Remaining Borrowing Power	<u>\$ 34,340,759</u>

**H. Other Long-Term Liabilities**

**Changes in Long-Term Liabilities**

Long-term liability activity for the fiscal year ended June 30, 2023, was as follows:

	Balance, July 1, 2022	Additions	Reductions	Balance, June 30, 2023	Due Within One Year
<b>Governmental Activities:</b>					
Bonds Payable	\$ 33,325,000		\$ 1,625,000	\$ 31,700,000	\$ 1,130,000
Add: Premium	<u>1,004</u>	<u>-</u>	<u>46</u>	<u>958</u>	<u>-</u>
Total Bonds Payable	33,326,004	-	1,625,046	31,700,958	1,130,000
Capital Financing Agreements	100,457	\$ 121,827	111,629	110,655	\$ 22,988
Compensated Absences	877,418		4,642	872,776	84,807
Net Pension Liability	<u>3,139,810</u>	<u>1,238,829</u>	<u>337,667</u>	<u>4,040,972</u>	<u>-</u>
Governmental Activity Long-Term Liabilities	<u>\$ 37,443,689</u>	<u>\$ 1,360,656</u>	<u>\$ 2,078,984</u>	<u>\$ 36,725,361</u>	<u>\$ 1,237,795</u>

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



**RIVER VALE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION**

**A. Risk Management**

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

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

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

The relationship between the Board and the insurance fund 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.

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:

Fiscal Year Ended <u>June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023		\$ 45,578	\$ 17,303	\$ 40,288	\$ 774,594
2022		61,492	1,498	41,285	757,290
2021		60,874	1,840	57,665	755,792

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**B. Contingent Liabilities**

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

**Federal and State Awards** – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2023, 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, 2023, the District has not estimated its arbitrage earnings due to the IRS, if any.

**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](http://www.state.nj.us/treasury/pensions).

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

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

The following represents the membership tiers for PERS:

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

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

**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, which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions. For additional information about TPAF, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

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

The following represent the membership tiers for TPAF:

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

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement for his/her 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](http://www.state.nj.us/treasury/pensions).

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

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

**Plan Amendments**

The authority to amend the provisions of the above plans rests with 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. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

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

**RIVER VALE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 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, 2022 is \$15.2 billion and the plan fiduciary net position as a percentage of the total pension liability is 62.91% . The collective net pension liability of the State funded TPAF at June 30, 2022 is \$51.7 billion and the plan fiduciary net position as a percentage of total pension liability is 32.29%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2021 which were rolled forward to June 30, 2022.

**Actuarial Methods and Assumptions**

In the July 1, 2021 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 2023, 2022 and 2021 were equal to the required contributions.

During the fiscal years ended June 30, 2023, 2022 and 2021 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>	On-behalf		
	<u>PERS</u>	<u>TPAF</u>	<u>DCRP</u>
2023	\$ 337,667	\$ 3,980,162	\$ 41,758
2022	310,394	3,894,257	44,656
2021	270,721	2,763,185	38,121

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

In addition for fiscal years 2023, 2022 and 2021 the State contributed \$971, \$799 and \$800, 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 \$813,442 during the fiscal year ended June 30, 2023 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. 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, 2021 through June 30, 2022. Employer allocation percentages have been rounded for presentation purposes.

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, 2022 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2022.

At June 30, 2023, the District reported in the statement of net position (accrual basis) a liability of \$4,040,972 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. 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, 2022. At June 30, 2022, the District's proportionate share was .02678 percent, which was an increase of .00028 percent from its proportionate share measured as of June 30, 2021 of .02650 percent.

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

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

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

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

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension (benefit) of (\$312,274) for PERS. The pension contribution made by the District during the current 2022/2023 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, 2023 with a measurement date of the prior fiscal year end of June 30, 2022. 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, 2023 for contributions made subsequent to the measurement date. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 29,166	\$ 25,720
Changes of Assumptions	12,520	605,094
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	167,252	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>300,058</u>	<u>167,572</u>
Total	<u>\$ 508,996</u>	<u>\$ 798,386</u>

At June 30, 2023, 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>
2023	\$ (319,798)
2024	(147,131)
2025	(25,698)
2026	203,259
2027	(22)
Thereafter	<u>-</u>
	<u>\$ (289,390)</u>



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

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

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

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

*Actuarial Assumptions*

The District's total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. 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, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

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

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2022) 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, 2022 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%	4.91%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Investment Grade Credit	7.00%	3.38%
US Equity	27.00%	8.12%
Non-US Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
High Yield	4.00%	4.95%
Real Assets	3.00%	7.60%
Private Credit	8.00%	8.10%
Real Estate	8.00%	11.19%
Private Equity	13.00%	11.80%

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

***Discount Rate***

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

***Sensitivity of Net Pension Liability***

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

	<b>1% Decrease <u>6.00%</u></b>	<b>Current Discount Rate <u>7.00%</u></b>	<b>1% Increase <u>8.00%</u></b>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>5,191,465</u>	\$ <u>4,040,972</u>	\$ <u>3,061,856</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability as of the measurement date of June 30, 2022. A sensitivity analysis specific to the District's net pension liability at June 30, 2022 was not provided by the pension system.

***Pension Plan Fiduciary Net Position***

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

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2021 through June 30, 2022. 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.

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, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$1,295,260 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, 2023 the State's proportionate share of the net pension liability attributable to the District is \$48,128,051. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. 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, 2022. At June 30, 2022, the State's share of the net pension liability attributable to the District was .09328 percent, which was no change from its proportionate share measured as of June 30, 2021 of .09328 percent.

**RIVER VALE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

**Actuarial Assumptions**

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-5.65%
	Based on Years of Service
Investment Rate of Return	7.00%

***Mortality Rates***

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

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

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2022) 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, 2022 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%	4.91%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Investment Grade Credit	7.00%	3.38%
US Equity	27.00%	8.12%
Non-US Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
High Yield	4.00%	4.95%
Real Assets	3.00%	7.60%
Private Credit	8.00%	8.10%
Real Estate	8.00%	11.19%
Private Equity	13.00%	11.80%

***Discount Rate***

The discount rate used to measure the total pension liability for TPAF was 7.00% as of June 30, 2022. 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.

**RIVER VALE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

*Sensitivity of Net Pension Liability*

The following presents the State’s proportionate share of the TPAF net pension liability attributable to the District 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:

	<b>1% Decrease <u>(6.00%)</u></b>	<b>Current Discount Rate <u>(7.00%)</u></b>	<b>1% Increase <u>(8.00%)</u></b>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 56,431,163</u>	<u>\$ 48,128,051</u>	<u>\$ 41,133,723</u>

The sensitivity analysis was based on the State’s proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2022. A sensitivity analysis specific to the State’s proportionate share of the net pension liability attributable to the District at June 30, 2022 was not provided by the pension system.

***Pension Plan Fiduciary Net Position***

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

**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, 2022. 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.

**RIVER VALE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

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

**Plan Membership**

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2021:

Active Plan Members	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>151,669</u>
Total	<u>364,817</u>

**Measurement Focus and Basis of Accounting**

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

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

**Collective Net OPEB Liability**

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2022 is \$50.6 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, 2022 were determined based on actuarial valuations as of June 30, 2021 which were rolled forward to June 30, 2022.



**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

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

**Actuarial Methods and Assumptions**

In the June 30, 2021 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 \$1.33 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 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, 2023, 2022 and 2021 were \$1,045,579, \$909,865 and \$865,939, 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. 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, 2021 through June 30, 2022. Nonemployer allocation percentages have been rounded for presentation purposes.

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

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$1,294,611. 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, 2023 the State's proportionate share of the OPEB liability attributable to the District is \$40,850,559. 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, 2022 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2022. At June 30, 2022 and June 30, 2021 the state's share of the OPEB liability attributable to the District was .08 percent.

**RIVER VALE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

**Actuarial Assumptions**

The OPEB liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

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

Preretirement mortality rates were based on the Pub-2010 Health “Teachers” (TPAF) and “General” (PERS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled 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, 2021 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2018 to June 30, 2021.

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

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**Discount Rate**

The discount rate for June 30, 2022 was 3.54%. 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.

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

**Changes in the Total OPEB Liability**

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2021 Measurement Date	\$ <u>48,411,098</u>
Changes Recognized for the Fiscal Year:	
Service Cost	2,067,118
Interest on the Total OPEB Liability	1,082,585
Differences Between Expected and Actual Experience	1,306,218
Changes of Assumptions	(10,958,529)
Gross Benefit Payments	(1,072,332)
Contributions from the Member	<u>14,401</u>
Net Changes	\$ <u>(7,560,539)</u>
Balance, June 30, 2022 Measurement Date	\$ <u>40,850,559</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.16% in 2021 to 3.54% in 2022.

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, 2022.

**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 3.54%, 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 (2.54% percent) or 1-percentage-point higher (4.54% percent) than the current rate:

	1% Decrease <u>(2.54%)</u>	Current Discount Rate <u>(3.54%)</u>	1% Increase <u>(4.54%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>48,015,535</u>	\$ <u>40,850,559</u>	\$ <u>35,108,189</u>

**RIVER VALE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

**Sensitivity of OPEB Liability (Continued)**

*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:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 33,765,484	\$ 40,850,559	\$ 50,157,235

The sensitivity analyses were based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2022. Sensitivity analyses specific to the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2022 were not provided by the pension system.

**NOTE 5 RECENT HEALTHCARE DEVELOPMENTS**

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

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

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

The Board has been awarded a total of \$1,071,250 in federal aid to address the effects of the COVID-19 pandemic.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**BUDGETARY COMPARISON SCHEDULES**

**RIVER VALE BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>REVENUES</b>					
Local Sources					
Property Taxes	\$ 23,471,606		\$ 23,471,606	\$ 23,471,606	
Interest on Deposits				148,247	\$ 148,247
Interest on Capital Reserve	5,000		5,000	106,442	101,442
Interest - Restricted for Unemployment	-			17,303	17,303
Tuition (Pre-K)	24,000		24,000	30,200	6,200
Tuition from Others				48,940	48,940
Building Rental	103,055		103,055	92,195	(10,860)
Miscellaneous	6,000	-	6,000	48,746	42,746
	<u>23,609,661</u>	<u>-</u>	<u>23,609,661</u>	<u>23,963,679</u>	<u>354,018</u>
Total - Local Sources					
State Sources					
Special Education Aid	895,617		895,617	895,617	
Transportation Aid	126,476		126,476	126,476	
Security Aid	86,869		86,869	86,869	
Extraordinary Aid				290,257	290,257
Nonpublic School Transportation Aid				14,352	14,352
Lead Testing				1,704	1,704
On-behalf TPAF Payments -					
Pension Contribution (Non-Budget)				3,925,697	3,925,697
NCGI Premium (Non-Budget)				54,465	54,465
Post Retirement Medical Benefits (Non-Budget)				1,045,579	1,045,579
Long-Term Disability Insurance Contributions (Non-Budget)				971	971
Reimbursed TPAF Social Security Payments (Non-Budget)	-	-	-	813,442	813,442
	<u>1,108,962</u>	<u>-</u>	<u>1,108,962</u>	<u>7,255,429</u>	<u>6,146,467</u>
Total - State Sources					
Total Revenues					
	<u>24,718,623</u>	<u>-</u>	<u>24,718,623</u>	<u>31,219,108</u>	<u>6,500,485</u>
<b>EXPENDITURES</b>					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	627,930	\$ 4,326	632,256	629,584	2,672
Grades 1-5	3,932,306	(194,853)	3,737,453	3,723,969	13,484
Grades 6-8	3,190,896	(9,339)	3,181,557	3,163,009	18,548
Instruction - Home					
Salaries of Teachers	15,000	1,393	16,393	9,525	6,868
Purchased Professional - Educational Services	8,000	(5,500)	2,500	-	2,500
	<u>7,774,132</u>	<u>(203,973)</u>	<u>7,570,159</u>	<u>7,526,087</u>	<u>44,072</u>
Total Instruction - Regular					
Regular Programs - Undistributed Instruction					
Purchased Professional-Educational Services	150,376	131,720	282,096	282,038	58
Other Purchased Services	201,292	(20,779)	180,513	70,152	110,361
General Supplies	639,013	(174,299)	464,714	330,503	134,211
Textbooks	9,200	(5,450)	3,750	2,731	1,019
Other Objects	2,650	862	3,512	1,859	1,653
	<u>1,002,531</u>	<u>(67,946)</u>	<u>934,585</u>	<u>687,283</u>	<u>247,302</u>
Total Regular Programs					

**RIVER VALE BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>EXPENDITURES</b>					
CURRENT EXPENDITURES (Continued)					
Learning and/or Language Disabilities					
Salaries of Teachers	\$ 216,755		\$ 216,755	\$ 216,755	
Other Salaries for Instruction	218,435	\$ (59,641)	158,794	139,172	\$ 19,622
Other Purchased Services	-	2,500	2,500	-	2,500
Purchased Professional - Educational Services	2,500	2,500	5,000	5,000	-
General Supplies	3,000	55	3,055	2,394	661
<b>Total Learning and/or Language Disabilities</b>	<u>440,690</u>	<u>(54,586)</u>	<u>386,104</u>	<u>363,321</u>	<u>22,783</u>
Resource Room					
Salaries of Teachers	1,067,161	(86,976)	980,185	979,888	297
Purchased Professional-Educational Services	15,000	(1,415)	13,585	2,432	11,153
General Supplies	5,460	(500)	4,960	1,767	3,193
Textbooks	800	-	800	-	800
<b>Total Resource Room</b>	<u>1,088,421</u>	<u>(88,891)</u>	<u>999,530</u>	<u>984,087</u>	<u>15,443</u>
Preschool Disabilities - Part Time					
Salaries of Teachers	90,985	-	90,985	90,985	-
Other Salaries for Instruction	61,557	12,549	74,106	65,341	8,765
Purchased Professional - Educational Services	2,500	-	2,500	-	2,500
General Supplies	1,233	-	1,233	-	1,233
<b>Total Preschool Disabilities - Part Time</b>	<u>156,275</u>	<u>12,549</u>	<u>168,824</u>	<u>156,326</u>	<u>12,498</u>
<b>Total Special Education</b>	<u>1,685,386</u>	<u>(130,928)</u>	<u>1,554,458</u>	<u>1,503,734</u>	<u>50,724</u>
Basic Skills/Remedial					
Salaries of Teachers	499,034	92,201	591,235	584,913	6,322
Purchased Professional - Educational Services	4,000	(161)	3,839	-	3,839
Textbooks	800	-	800	692	108
<b>Total Basic Skills/Remedial</b>	<u>503,834</u>	<u>92,040</u>	<u>595,874</u>	<u>585,605</u>	<u>10,269</u>
Bilingual Education					
Salaries of Teachers	54,592	864	55,456	55,137	319
Purchased Professional - Educational Services	5,500	(2,168)	3,332	-	3,332
Other Purchased Services	500	-	500	-	500
General Supplies	50	40	90	39	51
Textbooks	250	(40)	210	-	210
<b>Total Bilingual Education</b>	<u>60,892</u>	<u>(1,304)</u>	<u>59,588</u>	<u>55,176</u>	<u>4,412</u>
School Sponsored Co/Extra Curricular Activities					
Salaries	69,808	2,900	72,708	68,328	4,380
<b>Total School Sponsored Co/Extra Curricular Activities</b>	<u>69,808</u>	<u>2,900</u>	<u>72,708</u>	<u>68,328</u>	<u>4,380</u>
School Sponsored Athletics - Instruction					
Salaries	70,092	-	70,092	67,490	2,602
Purchased Services	7,210	-	7,210	-	7,210
Supplies and Materials	2,724	5,300	8,024	5,873	2,151
<b>Total School Sponsored Athletics - Instruction</b>	<u>80,026</u>	<u>5,300</u>	<u>85,326</u>	<u>73,363</u>	<u>11,963</u>
<b>Total - Instruction</b>	<u>11,176,609</u>	<u>(303,911)</u>	<u>10,872,698</u>	<u>10,499,576</u>	<u>373,122</u>



**RIVER VALE BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>EXPENDITURES</b>					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State-Special	\$ 1,116,300	\$ (62,075)	\$ 1,054,225	\$ 992,009	\$ 62,216
Tuition to CSSD and Regional Day Schools		43,205	43,205	37,353	5,852
Tuition to APSSD Within the State	70,409	3,170	73,579	58,949	14,630
Total Undistributed Expenditures - Instruction	<u>1,186,709</u>	<u>(15,700)</u>	<u>1,171,009</u>	<u>1,088,311</u>	<u>82,698</u>
Attendance and Social Work Services					
Salaries	95,685	381	96,066	84,024	12,042
Purchased Professional and Technical Services	500	-	500	-	500
Other Purchased Services	13,848	768	14,616	14,616	-
Total Attendance and Social Work Services	<u>110,033</u>	<u>1,149</u>	<u>111,182</u>	<u>98,640</u>	<u>12,542</u>
Health Services					
Salaries	284,753	(12,614)	272,139	272,113	26
Salaries for Instruction		279	279		279
Other Salaries	-	3,936	3,936	3,936	-
Purchased Professional - Educational Services		6,000	6,000	6,000	-
Purchased Professional and Technical Services	87,870	105,620	193,490	143,980	49,510
Other Purchased Services	3,600	-	3,600	1,589	2,011
Supplies and Materials	6,170	6,296	12,466	11,594	872
Total Health Services	<u>382,393</u>	<u>109,517</u>	<u>491,910</u>	<u>439,212</u>	<u>52,698</u>
Speech, OT, PT & Related Services					
Salaries	150,911	-	150,911	141,760	9,151
Purchased Professional - Educational Services	499,850	71,665	571,515	514,727	56,788
Supplies and Materials	2,650	(830)	1,820	761	1,059
Total Speech, OT, PT and Related Services	<u>653,411</u>	<u>70,835</u>	<u>724,246</u>	<u>657,248</u>	<u>66,998</u>
Other Support Services - Students - Extra. Service					
Salaries	633,201	(10,159)	623,042	509,831	113,211
Purchased Professional - Educational Services	36,950	(19,053)	17,897	17,219	678
Supplies and Materials	2,100	(600)	1,500	1,426	74
Total Other Support Svcs.-Students-Extra. Service.	<u>672,251</u>	<u>(29,812)</u>	<u>642,439</u>	<u>528,476</u>	<u>113,963</u>
Guidance					
Salaries of Other Professional Staff	417,328	(1,245)	416,083	410,750	5,333
Other Purchased Professional & Technical Services	5,000	(2,769)	2,231	2,189	42
Supplies and Materials	3,310	-	3,310	650	2,660
Total Guidance	<u>425,638</u>	<u>(4,014)</u>	<u>421,624</u>	<u>413,589</u>	<u>8,035</u>
Child Study Team					
Salaries of Other Professional Staff	431,426	6,228	437,654	433,989	3,665
Salaries of Secretarial and Clerical Assistants	71,274	-	71,274	69,216	2,058
Purchased Professional-Educational Services	7,500	3,550	11,050	10,600	450
Other Purchased Prof. and Technical Services	70,000	(5,000)	65,000	64,718	282
Other Purchased Services	21,450	4,380	25,830	21,495	4,335
Supplies and Materials	5,000	-	5,000	3,586	1,414
Total Child Study Team	<u>606,650</u>	<u>9,158</u>	<u>615,808</u>	<u>603,604</u>	<u>12,204</u>

**RIVER VALE BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>EXPENDITURES</b>					
CURRENT EXPENDITURES (Continued)					
Improvement of Inst. Serv.					
Salaries of Supervisors of Instruction	\$ 130,456	\$ 63	\$ 130,519	\$ 130,519	
Salaries of Other Professional Staff	45,500	-	45,500	31,785	\$ 13,715
Purchased Professional-Educational Services	55,500	(2,100)	53,400	17,116	36,284
Other Purchased Services	4,500	-	4,500	1,031	3,469
Supplies and Materials	10,000	(4,700)	5,300	5,212	88
Other Objects	2,000	2,100	4,100	4,054	46
	<u>247,956</u>	<u>(4,637)</u>	<u>243,319</u>	<u>189,717</u>	<u>53,602</u>
Educational Media Services/School Library					
Salaries	185,454	(40,744)	144,710	135,962	8,748
Other Salaries for Instructions		30,744	30,744	26,959	3,785
Other Purchased Services	14,504	(6,400)	8,104	8,095	9
Supplies and Materials	7,497	-	7,497	5,476	2,021
	<u>207,455</u>	<u>(16,400)</u>	<u>191,055</u>	<u>176,492</u>	<u>14,563</u>
Instructional Staff Training Services					
Other Salaries	1,750	-	1,750	551	1,199
Purchased Professional - Educational Services	15,000	(700)	14,300	13,577	723
Other Purchased Prof and Tech Services	8,000	(8,000)	-	-	-
Other Purchased Services	10,500	(1,100)	9,400	2,623	6,777
Supplies and Materials	2,050	(50)	2,000	-	2,000
Other Objects	500	-	500	125	375
	<u>37,800</u>	<u>(9,850)</u>	<u>27,950</u>	<u>16,876</u>	<u>11,074</u>
Support Services General Administration					
Salaries	267,482	2,800	270,282	269,782	500
Legal Services	16,000	10,113	26,113	21,185	4,928
Audit Fees	10,000	50,358	60,358	35,358	25,000
Architectural/Engineering Services	-	605	605	605	-
Other Purchased Professional Services	14,000	20,805	34,805	34,805	-
Communications/Telephone	34,792	2,408	37,200	35,631	1,569
BOE Other Purchased Services	5,000	(1,000)	4,000	732	3,268
Miscellaneous Purchased Services	66,903	30,659	97,562	91,543	6,019
General Supplies	10,000	5,865	15,865	15,437	428
Judgements Against the School	52,471	(43,185)	9,286	7,699	1,587
Miscellaneous Expenditures	18,967	(9,000)	9,967	7,462	2,505
BOE Membership Dues and Fees	12,550	-	12,550	12,223	327
	<u>508,165</u>	<u>70,428</u>	<u>578,593</u>	<u>532,462</u>	<u>46,131</u>
Support Services School Administration					
Salaries of Principals/Asst. Principals	432,453	124,511	556,964	555,964	1,000
Salaries of Other Professional Staff	30,785	896	31,681	31,681	-
Salaries of Secretarial and Clerical Assistants	227,153	(6,500)	220,653	206,640	14,013
Other Purchased Services	18,699	835	19,534	9,808	9,726
Supplies and Materials	15,824	(6,366)	9,458	3,586	5,872
Other Objects	12,245	2,739	14,984	9,868	5,116
	<u>737,159</u>	<u>116,115</u>	<u>853,274</u>	<u>817,547</u>	<u>35,727</u>

**RIVER VALE BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>EXPENDITURES</b>					
CURRENT EXPENDITURES (Continued)					
Central Services					
Salaries	\$ 465,176	\$ 485	\$ 465,661	\$ 465,661	
Purchased Professional Services	-	3,075	3,075	2,075	\$ 1,000
Purchased Technical Services	10,794	10,400	21,194	527	20,667
Misc. Purchased Services	22,948	(3,385)	19,563	12,836	6,727
Supplies and Materials	10,000	1,800	11,800	9,698	2,102
Interest on Lease Purchase Agreements	4,523	-	4,523	2,523	2,000
Miscellaneous Expenditures	4,325	(400)	3,925	2,634	1,291
	<u>517,766</u>	<u>11,975</u>	<u>529,741</u>	<u>495,954</u>	<u>33,787</u>
Admin. Info. Tech.					
Salaries	300,105	7,417	307,522	306,522	1,000
Purchased Professional Services	16,223	57,778	74,001	64,919	9,082
Purchased Technical Services	27,484	(2,482)	25,002	23,578	1,424
Other Purchased Services	12,244	2,171	14,415	9,498	4,917
Supplies and Materials	2,400	116,014	118,414	109,369	9,045
Other Objects	1,550	-	1,550	1,215	335
	<u>360,006</u>	<u>180,898</u>	<u>540,904</u>	<u>515,101</u>	<u>25,803</u>
Required Maintenance for School Facilities					
Salaries	142,605	(2,000)	140,605	118,100	22,505
Cleaning, Repair and Maintenance Service	113,400	26,126	139,526	98,369	41,157
Lead Testing of Drinking Water	6,000	-	6,000	2,310	3,690
General Supplies	35,000	(3,000)	32,000	26,806	5,194
	<u>297,005</u>	<u>21,126</u>	<u>318,131</u>	<u>245,585</u>	<u>72,546</u>
Custodial Services					
Salaries	930,440	(803,484)	126,956	119,836	7,120
Salaries of Non-Instructional Aides	108,330	(17,203)	91,127	80,203	10,924
Other Salaries	-	802,435	802,435	754,061	48,374
Purchased Professional and Technical Services	28,210	16,100	44,310	19,810	24,500
Cleaning, Repair, and Maintenance Services	116,751	(4,908)	111,843	51,516	60,327
Rental of Land & Bldg. Other Than Leas Purchase Agree.	-	4,737	4,737	4,623	114
Other Purchased Property Services	23,250	3,000	26,250	25,012	1,238
Insurance	200,100	13,325	213,425	213,424	1
Miscellaneous Purchased Services	20,900	52,226	73,126	61,626	11,500
General Supplies	120,200	(15,446)	104,754	44,302	60,452
Energy (Natural Gas)	132,500	(21,122)	111,378	51,538	59,840
Energy (Electricity)	249,000	(56,397)	192,603	184,772	7,831
Other Objects	10,000	-	10,000	7,800	2,200
	<u>1,939,681</u>	<u>(26,737)</u>	<u>1,912,944</u>	<u>1,618,523</u>	<u>294,421</u>
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Service	14,000	-	14,000	7,765	6,235
General Supplies	10,000	-	10,000	4,566	5,434
	<u>24,000</u>	<u>-</u>	<u>24,000</u>	<u>12,331</u>	<u>11,669</u>

**RIVER VALE BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>EXPENDITURES</b>					
CURRENT EXPENDITURES (Continued)					
Security					
Purchased Professional and Technical Services	\$ 3,900	\$ 18,466	\$ 22,366	\$ 16,345	\$ 6,021
Cleaning, Repair and Maintenance Service	12,000	-	12,000	5,203	6,797
General Supplies	6,800	30,212	37,012	34,133	2,879
Total Security	<u>22,700</u>	<u>48,678</u>	<u>71,378</u>	<u>55,681</u>	<u>15,697</u>
Student Transportation Services					
Contracted Services-Aid in Lieu of Pymts-Non-Public Schools					
	40,000	11,000	51,000	48,238	2,762
Contracted Services (Between Home and School) - Vendors					
	170,000	58,223	228,223	228,223	-
Contracted Services (Other Than Between Home and School) - Vendors					
	24,210	(21,974)	2,236	2,236	-
Contracted Services (Spec. Ed. Students) - Joint Agreement					
	<u>275,000</u>	<u>194,039</u>	<u>469,039</u>	<u>469,038</u>	<u>1</u>
Total Student Transportation Services	<u>509,210</u>	<u>241,288</u>	<u>750,498</u>	<u>747,735</u>	<u>2,763</u>
Employee Benefits - Unallocated					
Social Security Contributions	290,000	-	290,000	284,772	5,228
Other Retirement Contributions - PERS	300,506	37,161	337,667	337,667	-
Other Retirement Contributions - Regular	67,500	-	67,500	41,758	25,742
Workmen's Compensation	129,898	(70,253)	59,645	58,295	1,350
Health Benefits	2,946,833	(175,179)	2,771,654	2,734,367	37,287
Tuition Reimbursement	29,900	-	29,900	5,908	23,992
Other Employee Benefits	108,800	-	108,800	94,765	14,035
Unused Sick Payment to Terminated / Retired Staff	<u>20,240</u>	<u>83,504</u>	<u>103,744</u>	<u>103,730</u>	<u>14</u>
Total Employee Benefits - Unallocated	<u>3,893,677</u>	<u>(124,767)</u>	<u>3,768,910</u>	<u>3,661,262</u>	<u>107,648</u>
On-behalf TPAF Payments -					
Pension Contribution				3,925,697	(3,925,697)
NCGI Premium (Non-Budget)				54,465	(54,465)
Post Retirement Medical Benefits (Non-Budget)				1,045,579	(1,045,579)
Long-Term Disability Insurance Contributions (Non-Budget)				971	(971)
Reimbursed TPAF Social Security Payments (Non-Budget)					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>813,442</u>	<u>(813,442)</u>
Total On-behalf TPAF Pension Payments	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,840,154</u>	<u>(5,840,154)</u>
Total Undistributed Expenditures	<u>13,339,665</u>	<u>649,250</u>	<u>13,988,915</u>	<u>18,754,500</u>	<u>(4,765,585)</u>
Total Current Expenditures	<u>24,516,274</u>	<u>345,339</u>	<u>24,861,613</u>	<u>29,254,076</u>	<u>(4,392,463)</u>

**RIVER VALE BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>EXPENDITURES</b>					
CURRENT EXPENDITURES (Continued)					
<b>CAPITAL OUTLAY</b>					
Interest Deposit to Capital Reserve	\$ 5,000		\$ 5,000		\$ 5,000
Equipment					
Admin. Info. Tech.		\$ 21,315	21,315	\$ 21,146	169
Custodial Services	60,000	(60,000)	-	-	-
Total Undistributed Expenditures - Instruction	65,000	(38,685)	26,315	21,146	5,169
Total Equipment	65,000	(38,685)	26,315	21,146	5,169
Facilities Acquisition and Construction Services					
Other Purchased Professional and Technical Services		95,625	95,625	81,803	13,822
Financing Agreements - Principal	86,818	-	86,818	86,817	1
Assessment for Debt Service on SDA Funding	50,531	-	50,531	50,531	-
Total Facilities Acquisition and Construction Svcs.	137,349	95,625	232,974	219,151	13,823
Assets Acquired Under Capital Financing (Nonbudgeted)					
Equipment					
Non-Instructional Equipment (Copiers)	-	-	-	121,827	(121,827)
Total Assets Acquired Under Capital Financing	-	-	-	121,827	(121,827)
Total Capital Outlay	202,349	56,940	259,289	362,124	(102,835)
Total Expenditures - General Fund	24,718,623	402,279	25,120,902	29,616,200	(4,495,298)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(402,279)	(402,279)	1,602,908	2,005,187
Other Financing Sources/(Uses)					
Transfer from Capital Projects				300,000	300,000
Capital Financing (Non-Budget)	-	-	-	121,827	121,827
Total Other Financing Sources	-	-	-	421,827	421,827
Net Change in Fund Balance	-	(402,279)	(402,279)	2,024,735	2,427,014
Fund Balances, Beginning of Year	5,965,673	-	5,965,673	5,965,673	-
Fund Balances, End of Year	\$ 5,965,673	\$ (402,279)	\$ 5,563,394	\$ 7,990,408	\$ 2,427,014

RIVER VALE BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>Recapitulation</b>					
Restricted Fund Balance:					
Excess Surplus				\$ 600,000	
Excess Surplus - Designated for Subsequent Year's Expenditures				387,955	
Capital Reserve				4,053,045	
Maintenance Reserve				759,616	
Emergency Reserve				181,412	
Emergency Reserve - Designated for Subsequent Years				72,000	
Unemployment Compensation Reserve				774,594	
Assigned Fund Balance					
Year-End Encumbrances				113,293	
Designated for Subsequent Year's Expenditures				270,800	
Unassigned Fund Balance				<u>777,693</u>	
				7,990,408	
Reconciliation to Governmental Funds Statements (GAAP)					
State Aid Public			\$ 109,453		
Extraordinary Aid Payment			<u>290,257</u>		
				<u>399,710</u>	
Fund Balances Per Governmental Funds (GAAP)				<u>\$ 7,590,698</u>	

**RIVER VALE BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>			<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Adjustments</u>	<u>Final</u>		<u>Final to Actual</u>
<b>REVENUES</b>					
Intergovernmental					
Local		\$ 312,100	\$ 312,100	\$ 308,089	\$ (4,011)
State		6,660	6,660	6,660	-
Federal	\$ 162,962	951,761	1,114,723	762,583	(352,140)
Total Revenues	<u>162,962</u>	<u>1,270,521</u>	<u>1,433,483</u>	<u>1,077,332</u>	<u>(356,151)</u>
<b>EXPENDITURES</b>					
Instruction					
Salaries		10,000	10,000	10,000	-
Tuition	142,832	207,863	350,695	289,343	61,352
General Supplies		381,244	381,244	264,350	116,894
Co-Curricular/Extra-Curricular Activities	-	301,600	301,600	301,600	-
Total Instruction	<u>142,832</u>	<u>900,707</u>	<u>1,043,539</u>	<u>865,293</u>	<u>178,246</u>
Support Services					
Purchased Professional/Educational Services	12,130	237,942	250,072	212,812	37,260
General Supplies	8,000	131,872	139,872	2,738	137,134
Total Support Services	<u>20,130</u>	<u>369,814</u>	<u>389,944</u>	<u>215,550</u>	<u>174,394</u>
Total Expenditures	<u>162,962</u>	<u>1,270,521</u>	<u>1,433,483</u>	<u>1,080,843</u>	<u>352,640</u>
Net Change in Fund Balance	-	-	-	(3,511)	(3,511)
Fund Balances, Beginning of Year	<u>122,489</u>	<u>-</u>	<u>122,489</u>	<u>122,489</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 122,489</u>	<u>\$ -</u>	<u>\$ 122,489</u>	<u>\$ 118,978</u>	<u>\$ (3,511)</u>
<b>Recapitulation of Fund Balance</b>					
Restricted Fund Balances					
Student Activities				<u>\$ 118,978</u>	

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



**RIVER VALE BOARD OF EDUCATION  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

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

		<b>General Fund</b>		<b>Special Revenue Fund</b>
<b>Sources/inflows of resources</b>				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	(C-1)	\$ 31,219,108	(C-2)	\$ 1,077,332
Difference - Budget to GAAP				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized				
Encumbrances, June 30, 2023				(28,475)
Encumbrances, June 30, 2022				-
State Aid payment and Extraordinary Aid (2021/2022) recognized for GAAP statements, not recognized for budgetary statements		400,574		
State Aid payments and Extraordinary Aid (2022/2023) recognized for budgetary purposes, not recognized for GAAP statements		<u>(399,710)</u>		<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures	(B-2)	<u>\$ 31,219,972</u>	(B-2)	<u>\$ 1,048,857</u>
<b>Uses/outflows of resources</b>				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	(C-1)	<u>\$ 29,616,200</u>	(C-2)	<u>\$ 1,080,843</u>
Difference - Budget to GAAP				
Encumbrances for supplies ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.				
Encumbrances, June 30, 2023				\$ (28,475)
Encumbrances, June 30, 2022		<u>-</u>		<u>-</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	(B-2)	<u>\$ 29,616,200</u>	(B-2)	<u>\$ 1,052,368</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**PENSION INFORMATION**

**AND**

**OTHER POST-EMPLOYMENT BENEFITS INFORMATION**

**RIVER VALE 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>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>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	.02678%	.02650%	.02474%	0.02626%	0.02579%	0.02677%	0.02783%	0.02804%	0.02752%	0.02743%
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 4,040,972</u>	<u>\$ 3,139,810</u>	<u>\$ 4,035,608</u>	<u>\$ 4,732,145</u>	<u>\$ 5,078,572</u>	<u>\$ 6,232,396</u>	<u>\$ 8,241,189</u>	<u>\$ 6,293,457</u>	<u>\$ 5,152,885</u>	<u>\$ 5,242,077</u>
District's Covered Payroll	<u>\$ 2,019,504</u>	<u>\$ 1,911,052</u>	<u>\$ 1,849,973</u>	<u>\$ 1,770,233</u>	<u>\$ 1,809,116</u>	<u>\$ 1,743,573</u>	<u>\$ 1,734,025</u>	<u>\$ 1,866,029</u>	<u>\$ 1,836,183</u>	<u>\$ 1,882,947</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	200.10%	164.30%	218.14%	267.32%	280.72%	357.45%	475.26%	337.26%	280.63%	278.40%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

RIVER VALE BOARD OF EDUCATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees Retirement System

Last Ten Fiscal Years

	<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>	<u>2014</u>
Contractually Required Contribution	\$ 337,667	\$ 310,394	\$ 270,721	\$ 255,461	\$ 256,560	\$ 248,026	\$ 247,200	\$ 241,032	\$ 226,888	\$ 206,666
Contributions in Relation to the Contractually Required Contribution	<u>337,667</u>	<u>310,394</u>	<u>270,721</u>	<u>255,461</u>	<u>256,560</u>	<u>248,026</u>	<u>247,200</u>	<u>241,032</u>	<u>226,888</u>	<u>206,666</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	<u>\$ 1,970,770</u>	<u>\$ 2,019,504</u>	<u>\$ 1,911,052</u>	<u>\$ 1,849,973</u>	<u>\$1,770,233</u>	<u>\$1,809,116</u>	<u>\$ 1,743,573</u>	<u>\$1,734,025</u>	<u>\$ 1,866,029</u>	<u>\$ 1,836,183</u>
Contributions as a Percentage of Covered Payroll	17.13%	15.37%	14.17%	13.81%	14.49%	13.71%	14.18%	13.90%	12.16%	11.26%

**RIVER VALE 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>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>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	-	-	-	-	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 48,128,051</u>	<u>\$ 44,845,469</u>	<u>\$ 61,016,475</u>	<u>\$ 57,676,492</u>	<u>\$ 58,052,253</u>	<u>\$ 61,697,988</u>	<u>\$ 71,350,794</u>	<u>\$ 55,506,801</u>	<u>\$ 51,226,575</u>	<u>\$ 49,439,450</u>
Total	<u>\$ 48,128,051</u>	<u>\$ 44,845,469</u>	<u>\$ 61,016,475</u>	<u>\$ 57,676,492</u>	<u>\$ 58,052,253</u>	<u>\$ 61,697,988</u>	<u>\$ 71,350,794</u>	<u>\$ 55,506,801</u>	<u>\$ 51,226,575</u>	<u>\$ 49,439,450</u>
District's Covered Payroll	<u>\$ 11,207,398</u>	<u>\$ 10,690,979</u>	<u>\$ 10,607,084</u>	<u>\$ 10,294,021</u>	<u>\$ 9,894,490</u>	<u>\$ 9,664,566</u>	<u>\$ 9,369,586</u>	<u>\$ 9,194,904</u>	<u>\$ 9,186,308</u>	<u>\$ 8,961,183</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

**RIVER VALE 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, 2023**

**Change of Benefit Terms:** None.

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

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

**Postemployment Health Benefit Plan**

**Last Six Fiscal Years\***

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>						
Service Cost	\$ 2,067,118	\$ 2,330,897	\$ 1,282,861	\$ 1,258,818	\$ 1,457,312	\$ 1,746,924
Interest on Total OPEB Liability	1,082,585	1,255,835	1,189,141	1,460,927	1,523,146	1,318,863
Differences Between Expected and Actual Experience	1,306,218	(8,737,545)	9,862,958	(6,058,007)	(2,363,678)	-
Changes of Assumptions	(10,958,529)	47,761	9,959,445	494,252	(4,243,670)	(5,490,916)
Gross Benefit Payments	(1,072,332)	(989,246)	(949,197)	(1,017,571)	(988,839)	(927,976)
Contribution from the Member	14,401	32,106	28,770	30,164	34,176	34,170
Changes of Benefit Terms	-	(51,528)	-	-	-	-
<b>Net Change in Total OPEB Liability</b>	<u>(7,560,539)</u>	<u>(6,111,720)</u>	<u>21,373,978</u>	<u>(3,831,417)</u>	<u>(4,581,553)</u>	<u>(3,318,935)</u>
<b>Total OPEB Liability - Beginning</b>	<u>48,411,098</u>	<u>54,522,818</u>	<u>33,148,840</u>	<u>36,980,257</u>	<u>41,561,810</u>	<u>44,880,745</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 40,850,559</u>	<u>\$ 48,411,098</u>	<u>\$ 54,522,818</u>	<u>\$ 33,148,840</u>	<u>\$ 36,980,257</u>	<u>\$ 41,561,810</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>40,850,559</u>	<u>48,411,098</u>	<u>54,522,818</u>	<u>33,148,840</u>	<u>36,980,257</u>	<u>41,561,810</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 40,850,559</u>	<u>\$ 48,411,098</u>	<u>\$ 54,522,818</u>	<u>\$ 33,148,840</u>	<u>\$ 36,980,257</u>	<u>\$ 41,561,810</u>
District's Covered-Employee Payroll	<u>\$ 12,602,031</u>	<u>\$ 12,457,057</u>	<u>\$ 12,064,254</u>	<u>\$ 11,703,606</u>	<u>\$ 11,703,606</u>	<u>\$ 11,408,139</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%	0%

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

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

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

**RIVER VALE 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, 2023**

**Changes in Benefit Terms:**

None.

**Changes of Assumptions**

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



**SCHOOL LEVEL SCHEDULES**

**(General Fund)**

**NOT APPLICABLE**

**SPECIAL REVENUE FUND**

RIVER VALE BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	IDEA Basic	IDEA Preschool	ESEA Title II	ESSER II		ESSER III					FCC Emerg Connectivity	Climate Awareness Grant	IACE Grant	Student Activities	Total
				CRRSA Act	Learning Acceleration	ARP Non-Title I	Accelerated Learning	Summer Learning	Comprehensive Beyond	Mental Health					
<b>REVENUES</b>															
Intergovernmental															
Local															
State												\$ 6,660	\$ 10,000	\$ 298,089	\$ 308,089
Federal	\$ 14,471	\$ 277,610	\$ 16,962	\$ 76,274	\$ 18,750	\$ 155,416	\$ 52,100	\$ 40,000	\$ 40,000	\$ 45,000	\$ 26,000	-	-	-	6,660
Total Revenues	\$ 14,471	\$ 277,610	\$ 16,962	\$ 76,274	\$ 18,750	\$ 155,416	\$ 52,100	\$ 40,000	\$ 40,000	\$ 45,000	\$ 26,000	\$ 6,660	\$ 10,000	\$ 298,089	\$ 1,077,332
<b>EXPENDITURES</b>															
Instruction															
Salaries														10,000	10,000
Tuition	14,471	274,872													289,343
General Supplies				76,274		155,416					26,000	6,660			264,350
Co-Curricular/Extra-Curricular Activities														301,600	301,600
Total Instruction	14,471	274,872		76,274		155,416					26,000	6,660	10,000	301,600	865,293
Support Services															
Purchased Professional/Educational Services			16,962		18,750		52,100	40,000	40,000	45,000					212,812
General Supplies		2,738													2,738
Total Support Services		2,738	16,962		18,750		52,100	40,000	40,000	45,000					215,550
Total Expenditures	14,471	277,610	16,962	76,274	18,750	155,416	52,100	40,000	40,000	45,000	26,000	6,660	10,000	301,600	1,080,843
Net Change in Fund Balances	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,511)	(3,511)
Fund Balances, Beginning of Year														122,489	122,489
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 118,978	\$ 118,978

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**RIVER VALE BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
PRESCHOOL EDUCATION PROGRAM AID  
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOT APPLICABLE

**RIVER VALE BOARD OF EDUCATION  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Balance, July 1, <u>2022</u></b>	<b>Cash <u>Receipts</u></b>	<b>Cash <u>Disbursements</u></b>	<b>Balance, June 30, <u>2023</u></b>
<b>SCHOOLS</b>				
Roberge Elementary	\$ 15,298	\$ 12,305	\$ 12,275	\$ 15,328
Woodside Elementary	16,667	12,546	17,844	11,369
Holdrum Middle School	90,523	114,514	117,059	87,978
Merchant Account	<u>1</u>	<u>158,724</u>	<u>154,422</u>	<u>4,303</u>
 Total All Schools	 <u>\$ 122,489</u>	 <u>\$ 298,089</u>	 <u>\$ 301,600</u>	 <u>\$ 118,978</u>

**CAPITAL PROJECTS FUND**

**RIVER VALE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Issue/Project Title</u>	<u>Appropriation</u>	<u>Expenditures To Date</u>		<u>Transfer Out</u>	<u>Balance June 30, 2023</u>
		<u>Prior Years</u>	<u>Current Year</u>		
Facilities Acquisitions and Construction Services at Holdrum, Woodside and Roberge Schools*	\$ 19,646,038	\$ 19,645,090			\$ 948
Roberge Upgrade 2 Gang Bathrooms and 2 Staff Bathrooms	238,805	239,405			(600)
Technology Project **	301,518	302,252			(734)
Emergency Generator Project	650,000	643,554			6,446
Fiscal Year 2021 School Bond Referendum - Proposal #1 and #2 Various Upgrades and Renovations	<u>40,795,494</u>	<u>5,347,311</u>	\$ 16,635,007	-	<u>18,813,176</u>
82 Total	<u>\$ 61,631,855</u>	<u>\$ 26,177,612</u>	<u>\$ 16,635,007</u>	<u>\$ -</u>	<u>\$ 18,819,236</u>
Project Balances, June 30, 2023					\$ 18,819,236
Less: Debt Authorized But Not Issued					<u>(1,442)</u>
Fund Balance, GAAP Basis					<u>\$ 18,817,794</u>
<b>Reconciliation to Governmental Funds Statements (GAAP):</b>					
Fund Balance, Budgetary Basis					<u>\$ 18,817,794</u>
Fund Balance Per Governmental Funds (GAAP)					<u>\$ 18,817,794</u>
Analysis of Restricted Fund Balance					
Year End Encumbrances					\$ 9,709,476
Restricted Fund Balance					<u>9,108,318</u>
Fund Balance Per Governmental Funds (GAAP)					<u>\$ 18,817,794</u>

\* - Modified Appropriation for transfer from Capital Reserve \$800,000.

\*\* Modified Appropriation for interest earning.

**RIVER VALE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Revenues and Other Financing Sources**

Revenues:

Other Financing Sources:

Interest on Deposit	\$ <u>494,579</u>
---------------------	-------------------

Total Revenues and Other Financing Sources	<u>494,579</u>
--	----------------

**Expenditures and Other Financing Uses**

Architectural/Engineering Services	1,175,555
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Construction Services	15,073,715
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Other Professional Services	385,737
-----------------------------	---------

Other Financing Uses

Transfer to General Fund	300,000
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Transfer to Debt Service Fund	<u>194,579</u>
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Total Expenditures and Other Financing Uses	<u>17,129,586</u>
---	-------------------

Net Change in Fund Balance	(16,635,007)
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Fund Balance, Beginning of Year	<u>35,452,801</u>
---------------------------------	-------------------

Fund Balance, End of Year - Budgetary Basis	<u>\$ 18,817,794</u>
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Fund Balance, End of Year - GAAP Basis	<u>\$ 18,817,794</u>
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**RIVER VALE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
IMPROVEMENTS TO THE MIDDLE SCHOOL AND ELEMENTARY SCHOOLS  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grants	\$ 6,115,052		\$ 6,115,052	\$ 6,115,052
Bond Proceeds	12,834,000		12,834,000	12,834,948
Transfer from Capital Reserve	800,000		800,000	800,000
	<hr/>		<hr/>	<hr/>
Total Revenues	19,749,052	-	19,749,052	19,750,000
	<hr/>		<hr/>	<hr/>
<b>Expenditures and Other Financing Uses</b>				
Construction Services	19,645,090		19,645,090	19,646,038
Transfer Out	103,962		103,962	103,962
	<hr/>		<hr/>	<hr/>
Total Expenditures	19,749,052	-	19,749,052	19,750,000
	<hr/>		<hr/>	<hr/>
Excess (deficiency) or Revenues over (under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>Additional project information:</b>				
Project Number	4430-050-01-0393-00	Add: Authorized		
	4430-060-01-0395-00	Debt Not		
	4430-070-01-0394-00	Issued	<u>948</u>	
Grant Date	11/9/2001		<u>\$ 948</u>	
Bond Authorization Date	9/27/2000			
Bonds Authorized	\$ 12,834,948			
Bonds Issued	12,834,000			
Original Authorized Cost	18,950,000			
Additional Authorized Cost	800,000			
Revised Authorized Cost	19,750,000			
Percentage Increase over Original Authorized Cost	4.00%			
Percentage completion	100%			
Original target completion date	9/1/2004			
Revised target completion date	12/1/2005			

**RIVER VALE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
ROBERGE ELEMENTARY SCHOOL - UPGRADE 2 GANG BATHROOMS AND 2 STAFF BATHROOMS  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
SDA Grant Proceeds	\$ 95,280		\$ 95,280	\$ 95,280
Transfer from Capital Reserve	1,085		1,085	1,085
Transfer from Capital Outlay	142,440		142,440	142,440
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	238,805	-	238,805	238,805
<b>Expenditures and Other Financing Uses</b>				
Professional Services	23,005		23,005	23,005
Construction Services	216,400		216,400	215,800
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	239,405	-	239,405	238,805
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) or Revenues over (under) Expenditures	\$ (600)	\$ -	\$ (600)	\$ -
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Additional project information:</b>				
Project Number	DOE Project #	4430-060-14-1001		
	SDA Project #	4430-060-14-G1GS		
	Grant #	G5-4920		
Grant Date		3/5/2014		
Bond Authorization Date		N/A		
Bonds Authorized		N/A		
Bonds Issued		N/A		
Original Authorized Cost	\$	292,200		
Reduced Authorized Cost		(53,395)		
Revised Authorized Cost		238,805		
Percentage Decrease over Original Authorized Cost		-18.27%		
Percentage completion		100.00%		
Original target completion date		Dec 2014		
Revised target completion date		June 2015		

**RIVER VALE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
TECHNOLOGY PROJECT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Lease Proceeds	\$ 294,500		\$ 294,500	\$ 294,500
Interest Earnings	7,018		7,018	7,018
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	301,518	-	301,518	301,518
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditures and Other Financing Uses</b>				
Equipment	294,792		294,792	294,500
Transfer Out - General Fund	7,460		7,460	7,018
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	302,252	-	302,252	301,518
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) or Revenues over (under) Expenditures	<u>\$ (734)</u>	<u>\$ -</u>	<u>\$ (734)</u>	<u>\$ -</u>
<b>Additional project information:</b>				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 294,500			
Additional Authorized Cost	7,018			
Revised Authorized Cost	301,518			
Percentage Increase over Original Authorized Cost	2.38%			
Percentage completion	100%			
Original target completion date	June 2019			
Revised target completion date	June 2021			

**RIVER VALE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
EMERGENCY GENERATOR PROJECT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	\$ 650,000	_____	\$ 650,000	\$ 650,000
Total Revenues	650,000	-	650,000	650,000
<b>Expenditures and Other Financing Uses</b>				
Professional Services	12,596	_____	12,596	17,780
Construction Services	630,958	_____	630,958	632,220
Total Expenditures	643,554	-	643,554	650,000
Excess (deficiency) or Revenues over (under) Expenditures	<u>\$ 6,446</u>	<u>\$ -</u>	<u>\$ 6,446</u>	<u>\$ -</u>
<b>Additional project information:</b>				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 650,000			
Additional Authorized Cost	N/A			
Revised Authorized Cost	N/A			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	99.01%			
Original target completion date	September 2019			
Revised target completion date	June 2022			

**RIVER VALE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
FISCAL YEAR 2021 BOND REFERENDUM - PROPOSAL #1 AND #2 - VARIOUS UPGRADES AND  
RENOVATIONS TO ALL DISTRICT SCHOOLS  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Bond Proceeds	33,325,000		\$ 33,325,000	\$ 33,325,494
Note Proceeds	700,000		700,000	700,000
Transfer from Capital Reserve	6,770,000	-	6,770,000	6,770,000
	<u>40,795,000</u>	<u>-</u>	<u>40,795,000</u>	<u>40,795,494</u>
<b>Expenditures and Other Financing Uses</b>				
Other Professional Services	\$ 416,942	385,737	802,679	1,275,031
Architectural/Engineering Services	1,434,053	1,175,555	2,609,608	3,520,463
Construction Services	3,496,316	15,073,715	18,570,031	36,000,000
	<u>5,347,311</u>	<u>16,635,007</u>	<u>21,982,318</u>	<u>40,795,494</u>
Excess (deficiency) or Revenues over (under) Expenditures	<u>\$ 35,447,689</u>	<u>\$ (16,635,007)</u>	18,812,682	<u>\$ -</u>
<b>Additional project information:</b>				
Project Number	4430-050-20-1000	Add: Authorized		
	4430-060-20-1000	Debt Not		
	4430-070-20-1000	Issued	<u>494</u>	
Grant Date	N/A		<u>\$ 18,813,176</u>	
Bond Authorization Date	8/11/2021			
Bonds Authorized	\$ 33,325,494			
Bonds Issued	33,325,000			
Original Authorized Cost	40,795,494			
Additional Authorized Cost	-			
Revised Authorized Cost	40,795,494			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	13.11%			
Original target completion date	6/30/2024			
Revised target completion date	6/30/2024			

**PROPRIETARY FUNDS**

**NOT APPLICABLE**

**FIDUCIARY FUNDS**

**NOT APPLICABLE**

**LONG-TERM DEBT**



RIVER VALE BOARD OF EDUCATION  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2022</u>	<u>Decreased</u>	<u>Balance, June 30, 2023</u>
School District Bonds - 2021	8/11/2021	\$ 33,325,000	6/15/2024	\$ 1,130,000	1.000 %			
			6/15/2025	1,140,000	1.000			
			6/15/2026	1,165,000	1.000			
			6/15/2027	1,185,000	1.000			
			6/15/2028	1,205,000	2.000			
			6/15/2029	1,225,000	2.000			
			6/15/2030	1,245,000	2.000			
			6/15/2031	1,260,000	2.000			
			6/15/2032	1,280,000	2.000			
			6/15/2033	1,300,000	2.000			
			6/15/2034	1,330,000	2.000			
			6/15/2035	1,365,000	2.000			
			6/15/2036	1,390,000	2.000			
			6/15/2037	1,420,000	2.000			
			6/15/2038	1,445,000	2.000			
			6/15/2039	1,470,000	2.000			
			6/15/2040	1,500,000	2.000			
			6/15/2041	1,535,000	2.000			
			6/15/2042	1,570,000	2.000			
			6/15/2043	1,600,000	2.125			
			6/15/2044	1,615,000	2.125			
			6/15/2045	1,650,000	2.250			
			6/15/2046	1,675,000	2.250			
						\$ 33,325,000	\$ 1,625,000	\$ 31,700,000
						<u>\$ 33,325,000</u>	<u>\$ 1,625,000</u>	<u>\$ 31,700,000</u>

**RIVER VALE BOARD OF EDUCATION  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCING AGREEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**CAPITAL FINANCING AGREEMENTS**

<u>Description</u>	<u>Interest Rate</u>	<u>Amount of Original Obligation</u>	<u>Balance, July 1, 2022</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance, June 30, 2023</u>
Boiler and Generator Project - 2018	2.910%	\$ 430,540	\$ 86,817		\$ 86,817	-
Copiers - 2018	3.360%	126,983	13,640		13,640	-
Copiers - 2023	3.790%	121,827	-	\$ 121,827	11,172	\$ 110,655
Total			<u>\$ 100,457</u>	<u>\$ 121,827</u>	<u>\$ 111,629</u>	<u>\$ 110,655</u>

**RIVER VALE BOARD OF EDUCATION  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES</b>					
Local Sources					
Local Property Tax Levy	\$ 1,201,833	-	\$ 1,201,833	\$ 1,201,833	-
State Sources					
Debt Service Aid	809,585	-	809,585	809,585	-
Total Revenues	<u>2,011,418</u>	<u>-</u>	<u>2,011,418</u>	<u>2,011,418</u>	<u>-</u>
<b>EXPENDITURES</b>					
Regular Debt Service					
Principal	1,625,000		1,625,000	1,625,000	-
Interest	658,757	-	658,757	616,381	\$ 42,376
Total Expenditures	<u>2,283,757</u>	<u>-</u>	<u>2,283,757</u>	<u>2,241,381</u>	<u>42,376</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(272,339)	-	(272,339)	(229,963)	42,376
Other Financing Sources:					
Transfers In - Capital Projects Fund	272,339	-	272,339	194,579	(77,760)
Other Financing Source	-	-	-	37,600	37,600
Net Change in Fund Balance	-	-	-	2,216	2,216
Fund Balance, Beginning of Year	<u>66,581</u>	<u>-</u>	<u>66,581</u>	<u>66,581</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 66,581</u>	<u>\$ -</u>	<u>\$ 66,581</u>	<u>\$ 68,797</u>	<u>\$ 2,216</u>
			Analysis of Balance		
			Restricted for Debt Service	<u>\$ 68,797</u>	

## STATISTICAL SECTION

This part of the River Vale 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 government's overall financial health.

### Contents

### Exhibits

#### **Financial Trends**

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

J-1 to J-5

#### **Revenue Capacity**

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

J-6 to J-9

#### **Debt Capacity**

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

J-10 to J-13

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

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

J-14 and J-15

#### **Operating Information**

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

J-16 to J-20

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

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

	2014	2015	2016	2017	Fiscal Year Ended June 30,		2020	2021	2022	2023
					2018	2019				
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 13,275,640	\$ 13,584,567	\$ 14,277,535	\$ 15,262,477	\$ 16,285,030	\$ 17,400,881	\$ 18,233,200	\$ 18,918,368	\$ 25,605,013	\$ 26,538,911
Restricted	1,055,866	2,484,162	3,256,802	4,094,443	5,162,107	5,292,572	7,037,414	8,739,902	4,245,266	5,775,030
Unrestricted	(4,342,704)	(4,364,121)	(4,320,483)	(4,889,344)	(5,064,138)	(4,783,153)	(4,414,881)	(5,232,697)	(4,372,171)	(3,219,583)
<b>Total Governmental Activities Net Position</b>	<b>\$ 9,988,802</b>	<b>\$ 11,704,608</b>	<b>\$ 13,213,854</b>	<b>\$ 14,467,576</b>	<b>\$ 16,382,999</b>	<b>\$ 17,910,300</b>	<b>\$ 20,855,733</b>	<b>\$ 22,425,573</b>	<b>\$ 25,478,108</b>	<b>\$ 29,094,358</b>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 880	\$ 491	\$ 153						\$ 3,056	\$ 10,267
Restricted										
Unrestricted	5,515	6,825	3,035	\$ 4,560	\$ 5,038	\$ 7,100	\$ 4,088	\$ 4,099	5,952	5,674
<b>Total Business-Type Activities Net Position</b>	<b>\$ 6,395</b>	<b>\$ 7,316</b>	<b>\$ 3,188</b>	<b>\$ 4,560</b>	<b>\$ 5,038</b>	<b>\$ 7,100</b>	<b>\$ 4,088</b>	<b>\$ 4,099</b>	<b>\$ 9,008</b>	<b>\$ 15,941</b>
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ 13,276,520	\$ 13,585,058	\$ 14,277,688	\$ 15,262,477	\$ 16,285,030	\$ 17,400,881	\$ 18,233,200	\$ 18,918,368	\$ 25,608,069	\$ 26,549,178
Restricted	1,055,866	2,484,162	3,256,802	4,094,443	5,162,107	5,292,572	7,037,414	8,739,902	4,245,266	5,775,030
Unrestricted	(4,337,189)	(4,357,296)	(4,317,448)	(4,884,784)	(5,059,100)	(4,776,053)	(4,410,793)	(5,228,598)	(4,366,219)	(3,213,909)
<b>Total District Net Position</b>	<b>\$ 9,995,197</b>	<b>\$ 11,711,924</b>	<b>\$ 13,217,042</b>	<b>\$ 14,472,136</b>	<b>\$ 16,388,037</b>	<b>\$ 17,917,400</b>	<b>\$ 20,859,821</b>	<b>\$ 22,429,672</b>	<b>\$ 25,487,116</b>	<b>\$ 29,110,299</b>

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

Note 2 - Net Position at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities".

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

	2014	2015	2016	2017	Fiscal Year Ended June 30,		2020	2021	2022	2023
					2018	2019				
<b>Expenses</b>										
<b>Governmental Activities</b>										
<b>Instruction</b>										
Regular	\$ 10,345,903	\$ 12,155,828	\$ 12,956,831	\$ 14,660,861	\$ 14,844,590	\$ 13,879,320	\$ 13,398,018	\$ 14,410,133	\$ 12,532,920	\$ 11,999,933
Special Education	2,573,541	3,012,413	2,833,926	3,307,958	3,197,258	3,289,415	3,292,070	3,569,347	3,457,580	3,563,516
Other Instruction	619,745	777,249	826,581	735,632	778,351	831,455	801,974	978,042	1,047,043	1,189,123
School Sponsored Activities and Athletics	136,012	165,731	187,152	195,003	197,371	192,072	178,731	204,361	262,095	473,242
<b>Support Services:</b>										
Student & Instruction Related Services	2,661,439	2,969,688	3,101,326	3,520,859	3,755,883	3,613,041	3,543,222	4,279,542	3,657,856	3,871,393
Attendance and Social Work	98,199	95,684	101,908	93,463	115,397	89,686	92,537	136,034	130,305	117,168
Educational Media/School Library	275,962	245,608	252,636	281,046	404,105	372,292	276,629	294,785	263,760	210,329
School Administrative Services	1,183,983	1,191,048	1,315,095	1,398,509	1,389,406	1,292,720	1,270,239	999,130	586,428	1,155,574
General Administration	619,558	609,048	630,874	627,090	683,631	685,570	796,618	693,937	1,255,106	673,531
Central Services	1,299,740	1,068,917	1,175,357	1,274,128	1,283,092	1,265,156	1,210,459	1,441,212	2,674,242	2,914,469
Plant Operations and Maintenance	2,275,527	2,220,141	2,213,141	2,263,671	2,176,186	2,537,756	2,373,660	3,367,557	400,854	747,735
Pupil Transportation	390,519	435,775	391,112	351,882	384,269	398,892	301,420	289,116	1,217,788	1,226,075
Interest on Long-Term Debt	211,850	196,130	166,924	135,810	106,258	80,291	54,290	14,403	587,468	618,218
<b>Total Governmental Activities Expenses</b>	<b>22,691,978</b>	<b>25,143,260</b>	<b>26,152,863</b>	<b>28,845,912</b>	<b>29,315,797</b>	<b>28,527,666</b>	<b>27,589,867</b>	<b>30,677,599</b>	<b>28,073,445</b>	<b>28,760,306</b>
<b>Business-Type Activities:</b>										
Food Service	19,770	16,722	21,783	20,537	19,648	16,579	19,980	25	15,035	18,424
Park Academy	4,013	2,151	3,446	3,436	1,107	952	331	-	-	-
<b>Total Business-Type Activities Expense</b>	<b>23,783</b>	<b>18,873</b>	<b>25,229</b>	<b>23,973</b>	<b>20,755</b>	<b>17,531</b>	<b>20,311</b>	<b>25</b>	<b>15,035</b>	<b>18,424</b>
<b>Total District Expenses</b>	<b>\$ 22,715,761</b>	<b>\$ 25,162,133</b>	<b>\$ 26,178,092</b>	<b>\$ 28,869,885</b>	<b>\$ 29,336,552</b>	<b>\$ 28,545,197</b>	<b>\$ 27,610,178</b>	<b>\$ 30,677,624</b>	<b>\$ 28,088,480</b>	<b>\$ 28,778,730</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
<b>Charges for Services:</b>										
Instruction (Tuition)	\$ 27,350	\$ 17,801	\$ 18,785	\$ 20,155	\$ 31,540	\$ 34,867	\$ 25,617	\$ 7,500	\$ 56,211	\$ 79,140
School-Sponsored Activities and Athletics								53,373	85,421	298,089
Operating Grants and Contributions	2,940,129	2,778,294	5,183,923	5,921,273	7,968,230	8,471,792	6,956,169	8,583,355	6,413,102	5,569,487
Capital Grants and Contributions	100,000	22,260	304,130	298	-	2,975	150,000	59,626		
<b>Total Governmental Activities Program Revenues</b>	<b>3,067,479</b>	<b>2,818,355</b>	<b>5,506,838</b>	<b>5,941,726</b>	<b>7,999,770</b>	<b>8,509,634</b>	<b>7,131,786</b>	<b>8,703,854</b>	<b>6,554,734</b>	<b>5,946,716</b>

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

	2014	2015	2016	2017	Fiscal Year Ended June 30,		2020	2021	2022	2023
					2018	2019				
<b>Business-Type Activities:</b>										
Charges for Services										
Food Service	\$ 17,169	\$ 12,666	\$ 11,318	\$ 11,826	\$ 14,623	\$ 13,149	\$ 12,168	\$ 25	\$ 12,886	\$ 14,908
Park Academy	7,865	4,013	2,151	3,446	3,436	1,107	952			
Operating Grants and Contributions	8,147	5,793	6,279	5,800	7,258	6,938	6,349		7,058	10,449
<b>Total Business Type Activities Program Revenues</b>	<b>33,181</b>	<b>22,472</b>	<b>19,748</b>	<b>21,072</b>	<b>25,317</b>	<b>21,194</b>	<b>19,469</b>	<b>25</b>	<b>19,944</b>	<b>25,357</b>
<b>Total District Program Revenues</b>	<b>\$ 3,100,660</b>	<b>\$ 2,840,827</b>	<b>\$ 5,526,586</b>	<b>\$ 5,962,798</b>	<b>\$ 8,025,087</b>	<b>\$ 8,530,828</b>	<b>\$ 7,151,255</b>	<b>\$ 8,703,879</b>	<b>\$ 6,574,678</b>	<b>\$ 5,972,073</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (19,624,499)	\$ (22,324,905)	\$ (20,646,025)	\$ (22,904,186)	\$ (21,316,027)	\$ (20,018,032)	\$ (20,458,081)	\$ (21,973,745)	\$ (21,518,711)	\$ (22,813,590)
Business-Type Activities	9,398	3,599	(5,481)	(2,901)	4,562	3,663	(842)	-	4,909	6,933
<b>Total district-wide net expense</b>	<b>\$ (19,615,101)</b>	<b>\$ (22,321,306)</b>	<b>\$ (20,651,506)</b>	<b>\$ (22,907,087)</b>	<b>\$ (21,311,465)</b>	<b>\$ (20,014,369)</b>	<b>\$ (20,458,923)</b>	<b>\$ (21,973,745)</b>	<b>\$ (21,513,802)</b>	<b>\$ (22,806,657)</b>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Property Taxes Levied for General Purposes, net	\$ 20,258,781	\$ 20,804,887	\$ 21,175,835	\$ 21,563,660	\$ 21,917,688	\$ 22,280,759	\$ 22,655,917	\$ 23,409,896	\$ 24,290,434	\$ 24,673,439
Unrestricted Grants and Contributions			11,300	12,382	12,375	12,366	1,097			
Net Gain(Loss) on Contributed Asset										809,585
State Aid Restricted for Debt Service	14,022	14,063	10,456	15,330	19,941	33,464	113,273	27,716	79,660	766,571
Investment Earnings	163,404	123,918	154,637	129,011	149,860	394,997	152,894	105,973	201,152	180,245
Miscellaneous Income										
<b>Total Governmental Activities</b>	<b>20,436,207</b>	<b>20,942,868</b>	<b>21,352,228</b>	<b>21,720,383</b>	<b>22,099,864</b>	<b>22,721,586</b>	<b>22,923,181</b>	<b>23,543,585</b>	<b>24,571,246</b>	<b>26,429,840</b>
Business-Type Activities:										
Transfer to Participating Districts	(147,126)	-	-							
Investment Earnings	86	86	46	29	28	39	124	11		
<b>Total Business-Type Activities</b>	<b>(147,040)</b>	<b>86</b>	<b>46</b>	<b>29</b>	<b>28</b>	<b>39</b>	<b>124</b>	<b>11</b>	<b>-</b>	<b>-</b>
<b>Total District-Wide</b>	<b>\$ 20,289,167</b>	<b>\$ 20,942,954</b>	<b>\$ 21,352,274</b>	<b>\$ 21,720,412</b>	<b>\$ 22,099,892</b>	<b>\$ 22,721,625</b>	<b>\$ 22,923,305</b>	<b>\$ 23,543,596</b>	<b>\$ 24,571,246</b>	<b>\$ 26,429,840</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 811,708	\$ (1,382,037)	\$ 706,203	\$ (1,183,803)	\$ 783,837	\$ 2,703,554	\$ 2,465,100	\$ 1,569,840	\$ 3,052,535	\$ 3,616,250
Business-Type Activities	(137,642)	3,685	(5,435)	(2,872)	4,590	3,702	(718)	11	4,909	6,933
<b>Total District</b>	<b>\$ 674,066</b>	<b>\$ (1,378,352)</b>	<b>\$ 700,768</b>	<b>\$ (1,186,675)</b>	<b>\$ 788,427</b>	<b>\$ 2,707,256</b>	<b>\$ 2,464,382</b>	<b>\$ 1,569,851</b>	<b>\$ 3,057,444</b>	<b>\$ 3,623,183</b>

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	\$ 1,732,799	\$ 3,297,639	\$ 4,058,596	\$ 4,333,422	\$ 4,907,058	\$ 6,145,276	\$ 8,179,548	\$ 9,009,703	\$ 4,964,951	\$ 6,828,622
Committed	111,222		252,989	866,013	433,214	69,351	403,700			
Assigned	215,128		159,884	157,805	424,344	337,241	443,635	64,529	91,406	384,093
Unassigned	389,383	361,755	369,795	383,236	406,324	391,227	365,009	867,179	508,742	377,983
<b>Total General Fund</b>	<b>\$ 2,448,532</b>	<b>\$ 3,659,394</b>	<b>\$ 4,841,264</b>	<b>\$ 5,740,476</b>	<b>\$ 6,170,940</b>	<b>\$ 6,943,095</b>	<b>\$ 9,391,892</b>	<b>\$ 9,941,411</b>	<b>\$ 5,565,099</b>	<b>\$ 7,590,698</b>
All Other Governmental Funds										
Restricted	\$ 801,566	\$ 225,580	\$ 102,963	\$ 372,827	\$ 1,345,598	\$ 491,326	\$ 126,538	\$ 17,274	\$ 35,641,871	\$ 19,005,569
<b>Total All Other Governmental Funds</b>	<b>\$ 801,566</b>	<b>\$ 225,580</b>	<b>\$ 102,963</b>	<b>\$ 372,827</b>	<b>\$ 1,345,598</b>	<b>\$ 491,326</b>	<b>\$ 126,538</b>	<b>\$ 17,274</b>	<b>\$ 35,641,871</b>	<b>\$ 19,005,569</b>

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



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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Tax Levy	\$ 20,804,887	\$ 21,175,835	\$ 21,563,660	\$ 21,917,688	\$ 22,280,759	\$ 22,655,917	\$ 23,029,689	\$ 23,409,896	\$ 24,290,434	\$ 24,673,439
Tuition Charges	17,801	18,785	20,155	31,540	34,867	25,617	29,359	7,500	56,211	79,140
Interest Earnings	14,063	10,456	15,330	19,941	33,464	113,273	114,399	27,716	79,660	766,571
Miscellaneous	128,009	163,898	187,308	156,073	407,341	311,894	166,121	159,346	298,073	449,030
State Sources	2,413,787	2,880,072	2,986,745	3,328,671	3,748,401	4,316,220	4,530,565	5,425,262	6,853,954	8,072,538
Federal Sources	382,676	328,343	225,904	313,986	224,497	252,485	322,915	347,984	610,992	734,108
<b>Total revenues</b>	<b>23,761,223</b>	<b>24,577,389</b>	<b>24,999,102</b>	<b>25,767,899</b>	<b>26,729,329</b>	<b>27,675,406</b>	<b>28,193,048</b>	<b>29,377,704</b>	<b>32,189,324</b>	<b>34,774,826</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	9,686,772	9,808,445	10,357,451	10,826,464	11,160,280	11,634,122	11,654,463	12,699,526	13,384,710	13,610,573
Special Education Instruction	2,590,164	2,833,105	2,644,651	2,955,284	2,821,276	3,067,943	3,149,235	3,319,748	3,662,142	3,879,858
Other Instruction	637,518	661,784	693,230	565,092	600,161	734,994	740,212	881,583	1,123,063	1,329,619
School Sponsored Activities and Athletics	134,096	165,731	178,420	172,983	176,024	185,496	181,660	189,474	280,767	495,621
<b>Support Services:</b>										
Student & Inst. Related Services	2,645,072	2,712,389	2,763,634	2,899,280	3,148,985	3,331,409	3,413,513	3,860,797	3,887,421	4,204,672
Attendance and Social Work	99,155	95,193	100,647	93,253	103,592	90,095	91,178	124,307	130,043	124,340
Educational Media/School Library	258,142	263,428	252,636	268,072	368,409	361,389	280,412	267,577	264,156	226,323
General Administration	617,850	606,474	610,702	580,032	633,979	665,759	798,855	678,011	643,581	1,314,070
School Administrative Services	1,149,939	1,063,175	1,140,969	1,127,609	1,125,295	1,119,180	1,161,050	924,239	1,282,881	686,939
Central Services	1,283,182	1,068,362	1,091,364	1,108,670	1,117,061	1,199,681	1,195,954	1,384,007	1,944,683	2,345,235
Plant Operations and Maintenance	2,254,127	2,171,232	2,115,705	2,079,883	1,999,126	2,464,373	2,363,436	2,601,253	400,854	747,735
Pupil Transportation	390,519	435,775	391,112	351,882	384,269	398,892	301,420	289,116	1,325,722	1,362,300
Capital Outlay	1,430,373	911,426	454,654	737,044	1,139,885	1,393,716	675,051	793,147	5,262,017	16,859,783
<b>Debt Service:</b>										
Principal	924,358	936,628	963,575	980,545	984,895	1,019,916	899,544	897,708	810,970	1,736,629
Interest and Other Charges	224,998	209,366	181,099	147,230	120,380	90,558	63,582	26,956	564,033	621,259
<b>Total Expenditures</b>	<b>24,326,265</b>	<b>23,942,513</b>	<b>23,939,849</b>	<b>24,893,323</b>	<b>25,883,617</b>	<b>27,757,523</b>	<b>26,969,565</b>	<b>28,937,449</b>	<b>34,967,043</b>	<b>49,544,956</b>

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Excess (Deficiency) of Revenues over (under) Expenditures	\$ (565,042)	\$ 634,876	\$ 1,059,253	\$ 874,576	\$ 845,712	\$ (82,117)	\$ 1,223,483	\$ 440,255	\$ (2,777,719)	\$ (14,770,130)
<b>Other Financing Sources (uses)</b>										
Capital Leases (non-budgeted)				294,500	557,523					121,827
Bond Proceeds									33,325,000	-
Premium on Bonds									1,004	-
Return of Overpayment										37,600
Note Proceeds									700,000	-
Transfers In	488,862	528	386	384	650,655	116,106	3,866	7,712	6,771,004	494,579
Transfers Out	(488,862)	(528)	(386)	(384)	(650,655)	(116,106)	(3,866)	(7,712)	(6,771,004)	(494,579)
<b>Total Other Financing Sources (uses)</b>	-	-	-	294,500	557,523	-	-	-	34,026,004	159,427
<b>Net Change in Fund Balances</b>	<u>\$ (565,042)</u>	<u>\$ 634,876</u>	<u>\$ 1,059,253</u>	<u>\$ 1,169,076</u>	<u>\$ 1,403,235</u>	<u>\$ (82,117)</u>	<u>\$ 1,223,483</u>	<u>\$ 440,255</u>	<u>\$ 31,248,285</u>	<u>\$ (14,610,703)</u>
Debt Service as a Percentage of Noncapital Expenditures	5.02%	4.98%	4.87%	4.67%	4.47%	4.21%	3.66%	3.29%	4.63%	7.21%

\* Noncapital expenditures are total expenditures less capital outlay.

**RIVER VALE SCHOOL DISTRICT  
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
(Unaudited)**

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<u>Ended June 30</u>	<u>Tuition</u>	<u>Interest on Deposits</u>	<u>Donations</u>	<u>E-Rate Rebate</u>	<u>Energy Rebate</u>	<u>Insurance Refund</u>	<u>Rentals</u>	<u>Miscellaneous</u>	<u>Total</u>
2014	17,801	13,161	300				102,900	20,718	154,880
2015	18,785	9,928		16,226			100,340	38,071	183,350
2016	20,155	14,944		15,727			103,055	10,229	164,110
2017	31,540	19,049	10,000	13,316			103,905	22,639	200,449
2018	34,867	30,638	225,000	14,665	\$ 33,842		103,055	18,435	460,502
2019	25,617	96,818		13,741	12,000		104,555	22,598	275,329
2020	29,359	110,118					103,055	54,796	297,328
2021	7,500	27,463		12,381	1,650		84,050	7,892	140,936
2022	56,211	16,241		36,578			117,535	47,039	273,604
2023	79,140	271,992		31,297	13,117		92,195	4,332	492,073

Source: School District's Financial Statements

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>a</sup>
2014	22,643,800	1,953,627,700		71,333,700		13,034,700	\$ 2,060,639,900		2,060,639,900	1,936,930,981	\$ 1.018
2015	17,521,400	1,964,593,300		71,228,200		13,034,700	2,066,377,600	\$ 1,351,396	2,067,728,996	1,956,461,720	1.034
2016	15,375,500	1,974,406,900		70,235,800		13,034,700	2,073,052,900	1,344,095	2,074,396,995	2,013,198,179	1.049
2017	15,467,100	1,974,720,200		71,521,600		13,034,700	2,074,743,600	1,333,316	2,076,076,916	2,052,142,618	1.065
2018	14,378,600	1,981,135,500		71,521,600		13,034,700	2,080,070,400	1,342,127	2,081,412,527	2,074,763,194	1.079
2019	14,094,200	1,987,790,600		71,459,800		13,034,700	2,086,379,300	1,348,864	2,087,728,164	2,078,144,276	1.095
2020	14,720,400	1,993,400,600		71,704,400		13,034,700	2,092,860,100	1,325,398	2,094,185,498	2,138,007,357	1.109
2021	35,273,200	1,997,201,900		67,991,100		13,034,700	2,113,500,900	1,353,096	2,114,853,996	2,114,110,802	1.112
2022	34,321,800	2,001,900,800		67,991,100		14,519,600	2,118,733,300	1,311,441	2,120,044,741	2,196,108,614	1.139
2023	47,487,736	2,020,729,200		67,816,100		14,519,600	2,150,552,636	1,238,232	2,151,790,868	2,366,132,216	1.153

66

Source: County Abstract of Ratables

<sup>a</sup> Tax rates are per \$100, includes local school district and regional school district.

**RIVER VALE BOARD OF EDUCATION  
PROPERTY TAX RATES  
PER \$100 OF ASSESSED VALUATION  
LAST TEN FISCAL YEARS  
(Unaudited)**

<b>Calendar Year</b>	<b><u>Total</u></b>	<b><u>Local School District</u></b>	<b><u>Regional School District</u></b>	<b><u>Municipality (2)</u></b>	<b><u>County (1)</u></b>
2014	2.272	1.018	0.534	0.500	0.220
2015	2.348	1.034	0.560	0.527	0.227
2016	2.417	1.049	0.581	0.548	0.239
2017	2.488	1.065	0.612	0.562	0.249
2018	2.525	1.079	0.634	0.567	0.245
2019	2.553	1.095	0.634	0.581	0.243
2020	2.613	1.109	0.655	0.595	0.254
2021	2.583	1.112	0.614	0.606	0.251
2022	2.645	1.139	0.633	0.623	0.250
2023	2.714	1.153	0.659	0.639	0.263

Source: Tax Duplicate, Township of River Vale

- (1) Includes County Open Space Tax  
(2) Includes Municipal Open Space and Library Tax

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

Taxpayer	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Toll NJ LCC	\$ 30,148,036	1.401%		
Edgewood Country Club, Inc.	17,522,100	0.814%	\$ 21,235,400	1.030%
River Vale Dev LLC % Garden Homes			8,585,800	0.420%
Gal-Ben Associates	7,672,000	0.357%	7,672,000	0.370%
Village on the Green			7,266,400	0.350%
Rivervale Collignon Vil Prty Owr LP	7,266,400	0.338%		
United Water Co of NJ	6,850,600	0.318%	6,850,600	0.330%
688 Westwood Ave LLC c/o V Luppino	5,548,200	0.258%	5,548,200	0.270%
Florentine, Inc.	5,187,100	0.241%	5,187,100	0.250%
Lindvale Gardens	4,875,400	0.227%	4,875,400	0.240%
MWD River Vale One LLC			3,222,800	0.160%
Rudd-O'Connor LLC NJ			2,514,600	0.120%
Powder Hill Holdings LLC	2,514,600	0.117%		
MWD River Vale One LLC	2,326,400	0.108%		
	<u>\$ 89,910,836</u>	<u>4.178%</u>	<u>\$ 72,958,300</u>	<u>3.540%</u>

Source: Municipal Tax Assessor

**RIVER VALE 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	
2014	\$ 20,804,887	\$ 20,804,887	100.00%	-
2015	21,175,835	21,175,835	100.00%	-
2016	21,563,660	21,563,660	100.00%	-
2017	21,917,688	21,917,688	100.00%	-
2018	22,280,759	22,280,759	100.00%	-
2019	22,655,917	22,655,917	100.00%	-
2020	23,029,689	23,029,689	100.00%	-
2021	23,409,896	23,409,896	100.00%	-
2022	24,290,434	24,290,434	100.00%	-
2023	24,673,439	24,673,439	100.00%	-

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

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Capital Financing Agreements			
2014	\$ 5,545,000	\$ 497,215	\$ 6,042,215	9,863	\$ 613
2015	4,780,000	325,587	5,105,587	9,902	516
2016	3,990,000	152,012	4,142,012	10,030	413
2017	3,185,000	270,967	3,455,967	10,049	344
2018	2,385,000	643,595	3,028,595	10,016	302
2019	1,585,000	423,679	2,008,679	9,985	201
2020	790,000	319,135	1,109,135	9,946	112
2021		211,427	211,427	9,840	21
2022	33,325,000	100,457	33,425,457	9,888	3,380
2023	31,700,000	110,655	31,810,655	9,888 *	3,217

Source: District records

Note: \* Estimate



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

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2014	\$ 5,545,000		\$ 5,545,000	0.27%	\$ 562
2015	4,780,000		4,780,000	0.23%	483
2016	3,990,000		3,990,000	0.19%	398
2017	3,185,000		3,185,000	0.15%	317
2018	2,385,000		2,385,000	0.11%	238
2019	1,585,000		1,585,000	0.08%	159
2020	790,000		790,000	0.04%	79
2021			-	0.00%	-
2022	33,325,000		33,325,000	1.58%	3,370
2023	31,700,000		31,700,000	1.50%	3,206

Source: District records

**RIVER VALE BOARD OF EDUCATION  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2022  
(Unaudited)**

	<u><b>Total Debt</b></u>
Municipal Debt: (1)	
Local and Regional School	\$ 36,061,423
Golf Course Utility	14,213,375
Borough of River Vale	<u>31,717,817</u>
	<u>81,992,615</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen	17,022,244
Bergen Utilities Authority - Water Pollution (B)	<u>2,941,234</u>
	<u>19,963,478</u>
 Total Direct and Overlapping Debt	 <u><u>\$ 101,956,093</u></u>

Source:

(1) Township of River Vale's 2022 Annual Debt Statement

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

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 61,266,214	\$ 58,813,253	\$ 58,985,263	\$ 59,966,599	\$ 61,151,919	\$ 61,803,814	\$ 62,613,861	\$ 62,854,569	\$ 64,043,649	\$ 66,042,201
Total net debt applicable to limit	<u>6,290,948</u>	<u>4,780,948</u>	<u>3,990,948</u>	<u>3,185,948</u>	<u>2,385,948</u>	<u>1,585,948</u>	<u>790,000</u>		<u>33,326,442</u>	<u>31,717,817</u>
Legal debt margin	<u>\$ 54,975,266</u>	<u>\$ 54,032,305</u>	<u>\$ 54,994,315</u>	<u>\$ 56,780,651</u>	<u>\$ 58,765,971</u>	<u>\$ 60,217,866</u>	<u>\$ 61,823,861</u>	<u>\$ 62,854,569</u>	<u>\$ 30,717,207</u>	<u>\$ 34,324,384</u>
Total net debt applicable to the limit as a percentage of debt limit	10.27%	8.13%	6.77%	5.31%	3.90%	2.57%	1.26%	0.00%	52.04%	48.03%

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

	Equalized valuation basis
	2022 \$ 2,327,511,040
	2021 2,186,983,547
	2020 2,089,725,512
	<u>\$ 6,604,220,099</u>
Average equalized valuation of taxable property	<u>\$ 2,201,406,700</u>
Debt limit (3 % of average equalization value)	\$ 66,042,201
Total Net Debt Applicable to Limit	<u>31,717,817</u>
Legal debt margin	<u>\$ 34,324,384</u>

Source: Annual Debt Statements

**RIVER VALE 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>
2014	9,863	\$ 71,286	4.3%
2015	9,902	73,883	4.0%
2016	10,030	77,323	3.8%
2017	10,049	78,836	3.5%
2018	10,016	81,024	3.0%
2019	9,985	85,191	2.5%
2020	9,946	88,241	8.1%
2021	9,840	97,343	5.5%
2022	9,888	97,343 *	3.1%
2023	9,888 *	97,343 *	3.1% *

Source: New Jersey State Department of Education

\* Estimate

**RIVER VALE BOARD OF EDUCATION  
PRINCIPAL EMPLOYERS,  
CURRENT YEAR AND TEN YEARS AGO  
(Unaudited)**

**NOT APPLICABLE**

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

<u>Function/Program</u>	<u>2014</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>
Instruction										
Regular	97	97	97	98	98	83	83	83	83	83
Special education	15	15	15	15	15	31	31	31	31	32
Support Services:										
Student & instruction related services	14	14	14	14	14	14	14	14	14	14
General administration	2	2	2	2	2	2	2	2	2	2
School administrative services	6	6	6	6	6	6	6	6	6	6
Administrative Information Technology	2	2	2	2	2	2	2	2	2	2
Plant operations and maintenance	16	16	16	16	16	16	16	17	17	17
Other support services	5	5	5	5	5	5	5	5	5	5
Total	<u>157</u>	<u>157</u>	<u>157</u>	<u>158</u>	<u>158</u>	<u>159</u>	<u>159</u>	<u>160</u>	<u>160</u>	<u>161</u>

Source: District Personnel Records

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

Fiscal Year	Enrollment <sup>a</sup>	Operating Expenditures <sup>b</sup>	Cost Per Pupil <sup>c</sup>	Percentage Change	Teacher/Pupil Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Middle School				
2014	1,285	\$ 21,746,536	\$ 16,923	1.50%	124	13.45	11.8	1,285	1,122.0	-0.62%	87.32%
2015	1,224	21,885,093	17,880	5.65%	124	13.45	11.8	1,224	1,122.0	-4.75%	91.66%
2016	1,180	22,340,521	18,933	5.89%	124	13.45	11.8	1,180	1,141.8	-3.59%	96.76%
2017	1,163	23,028,504	19,801	4.59%	113	10.86	10.14	1,163	1,114.7	-1.44%	95.85%
2018	1,147	23,638,457	20,609	4.08%	114	10.86	10.14	1,147	1,103.0	-1.38%	96.16%
2019	1,120	25,253,333	22,548	9.41%	114	10.86	10.14	1,120	1,073.5	-2.35%	95.85%
2020	1,104	25,331,388	22,945	1.76%	115	10.86	10.14	1,103	1,070.0	-1.52%	97.01%
2021	1,053	27,219,638	25,850	12.66%	115	10.86	10.14	665	653.8	-39.71%	98.32%
2022	1,016	28,330,023	27,884	7.87%	115	10.86	10.14	1,024	974.2	53.98%	95.14%
2023	1,014	30,327,285	29,909	7.26%	116	10.86	10.14	1,014	962.7	-0.98%	94.94%

Sources: District records

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

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>District Building</b>										
<u>Elementary</u>										
<u>Roberge Elementary</u>										
Square Feet	57,817	57,817	57,817	57,817	57,817	57,817	57,817	57,817	57,817	57,817
Capacity (students)	407	407	407	407	407	407	407	407	407	407
Enrollment			382	379	388	361	338	301	313	315
<u>Woodside Elementary</u>										
Square Feet	46,273	46,273	46,273	46,273	46,273	46,273	46,273	46,273	46,273	46,273
Capacity (students)	454	454	454	454	454	454	454	454	454	454
Enrollment <sup>a</sup>			344	348	357	350	353	343	347	338
<u>Middle School</u>										
Square Feet	62,133	62,133	62,133	62,133	62,133	62,133	62,133	62,133	62,133	62,133
Capacity (students)	363	363	363	363	363	363	363	363	363	363
Enrollment			454	436	402	409	413	409	356	361

Number of Schools at June 30, 2023

- Elementary = 2
- Middle School = 1
- Senior High School = None
- Other = None

Source: District Records



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

	<u>2014</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>
School Facilities										
Roberge Elementary School	\$ 97,818	\$ 88,691	\$ 104,673	\$ 111,777	\$ 99,546	\$ 94,283	\$ 105,995	\$ 203,171	\$ 80,360	\$ 85,421
Woodside Elementary School	119,010	70,982	83,773	89,460	54,601	95,206	128,738	272,541	64,315	68,366
Holdrum Middle School	<u>81,177</u>	<u>95,311</u>	<u>112,486</u>	<u>120,121</u>	<u>108,911</u>	<u>76,544</u>	<u>73,450</u>	<u>168,165</u>	<u>86,359</u>	<u>91,798</u>
Grand Total	<u>\$ 298,005</u>	<u>\$ 254,984</u>	<u>\$ 300,932</u>	<u>\$ 321,358</u>	<u>\$ 263,058</u>	<u>\$ 266,033</u>	<u>\$ 308,183</u>	<u>\$ 643,877</u>	<u>\$ 231,035</u>	<u>\$ 245,585</u>

Source: District Records

**RIVER VALE BOARD OF EDUCATION**  
**SCHEDULE OF INSURANCE**  
**JUNE 30, 2023**  
**(Unaudited)**

	Coverage	Deductible
Northeast Bergen County School Board Insurance Group (NESBIG):		
Package Policy - National Union Fire Ins. Co.		
Property	\$ 50,748,064	\$ 5,000
Earthquake/Flood (Outside Zones A & V)	5,000,000	50,000
Flood Zones A, V & N	7,500,000/15,000,000 agg	500,000
Flood Zones C or X	20,000,000/200,000,000 agg	50,000
Liability		
Automobile (Comprehensive & Collision)	1,000,000	1,000
Automobile Liability	1,000,000	2,500
Comprehensive General Liability	1,000,000	2,500
Worker's Compensation & Employer's Liability	Statutory	
	1,000,000	
Crime (Non-statutory Bonds) National Union		
Per Employee	500,000	5,000
Forgery and Alterations	250,000	5,000
Boiler & Machinery	Incl. Property Limit	5,000
Environmental - Chubb	2,000,000/4,000,000agg	25,000
Fund Aggregate	20,000,000	
Mold	50,000	
Educator's Legal Liability/ Employment Practices - XL	1,000,000 incl.	10,000 25,000
Commercial Umbrella -National Union Fire Ins. Co.	9,000,000	10,000
Excess Umbrella - Fireman's Fund	25,000,000	
Fund Aggregate (Shared 1/4 Fund)	25,000,000	
Excess Umbrella - Unshared	30,000,000	
Great American/Allied World/Hudson Ins.		
Cyber Liability - CFC	1,000,000	10,000
Accidental Death & Dismemberment - Gerber Life		
Business Administrator/Superintendent/Board Members	100,000	
Surety Bond Coverage:		
Business Administrator	150,000	
Treasurer of School Monies	300,000	
NESBIG Student Accident	1,000,000	
QBE Insurance/Bob McCloskey		

**SINGLE AUDIT SECTION**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

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

**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
River Vale Board of Education  
River Vale, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the River Vale Board of Education as of and for the fiscal year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the River Vale Board of Education's basic financial statements and have issued our report thereon dated January 8, 2024.

**Report on Internal Control Over Financial Reporting**

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

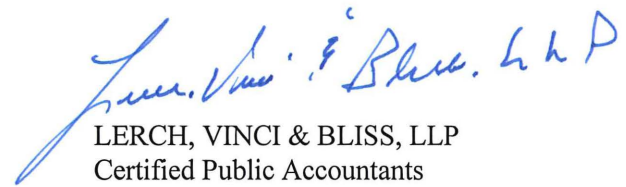
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

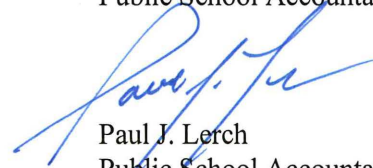
As part of obtaining reasonable assurance about whether the River Vale Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have 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 River Vale 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 River Vale Board of Education's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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



Paul J. Lerch  
Public School Accountant  
PSA Number CS01118

Fair Lawn, New Jersey  
January 8, 2024



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

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

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

**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
River Vale Board of Education  
River Vale, New Jersey

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

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

We have audited the River Vale Board of Education's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the River Vale Board of Education's major federal and state programs for the fiscal year ended June 30, 2023. The River Vale Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the River Vale Board of Education complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2023.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and audit requirements of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards, U.S. Uniform Guidance and New Jersey OMB Circular are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

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

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the River Vale 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 River Vale Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the River Vale Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

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

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

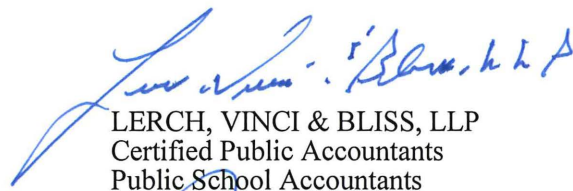
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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

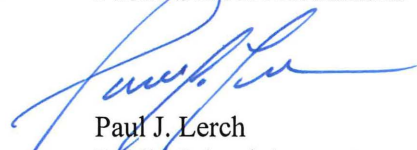
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the River Vale Board of Education, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated January 8, 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 federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



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



Paul J. Lerch  
Public School Accountant  
PSA Number CS01118

Fair Lawn, New Jersey  
January 8, 2024



**RIVER VALE BOARD OF EDUCATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal A.L. Number	Grant Period	Award Amount	Balance, July 1, 2022		Unearned Revenue Carryover Amount	Accounts Receivable Carryover Amount	Cash Received	Budgetary Expenditures	Balance, June 30, 2023		Memo GAAP Receivable
				Unearned Revenue	Accounts Receivable					(Account Receivable)	Unearned Revenue	
<b>U.S. Department of Agriculture</b>												
<b>Passed-through State Department of Agriculture</b>												
Special Milk Program	10.556	7/1/21-6/30/22	\$ 7,058		\$ (1,504)			\$ 1,504				*
Special Milk Program	10.556	7/1/22-6/30/23	10,449	-	-	-	-	10,449	\$ 10,449	-	-	*
<b>Total U.S. Department of Agriculture/Child Nutrition Cluster</b>				-	(1,504)	-	-	11,953	10,449	-	-	*
<b>U.S. Department of Education</b>												
<b>Passed-through State Department of Education</b>												
I.D.E.A. Part B, Basic	84.027A	7/1/21-9/30/22	229,427	\$ 108,557	(108,939)	\$ (108,557)	\$ 108,557	382		-	-	*
I.D.E.A. Part B, Basic	84.027A	7/1/22-9/30/23	230,404			108,557	(108,557)	231,423	277,610	\$ (107,538)	\$ 61,351	\$ (46,187)
I.D.E.A. Part B, Preschool	84.173A	7/1/22-9/30/23	14,471	-	-	-	-	14,471	14,471	-	-	*
<b>Total Special Education Cluster (IDEA)</b>				108,557	(108,939)	-	-	246,276	292,081	(107,538)	61,351	(46,187)
NCLB Title II	84.367A	7/1/21-9/30/22	23,775		(122)			122				*
NCLB Title II	84.367A	7/1/22-9/30/23	16,962	-	-	-	-	16,962	16,962	-	-	*
<b>Total Elementary and Secondary Education Act (ESEA)</b>				-	(122)	-	-	17,084	16,962	-	-	*
<b>Elementary and Secondary School Emergency Relief Fund (ESSER):</b>												
ESSER II - Coronavirus Response and Relief Supplem. Appropriations	84.425D	3/13/20-9/30/23	218,841	76,274	(168,996)			73,972	76,274	(95,024)	-	(95,024)
ESSER II - Learning Acceleration	84.425D	3/13/20-9/30/23	25,000	18,750	(18,750)			14,063	18,750	(4,687)	-	(4,687)
ESSER III - Non-Title I	84.425U	3/13/20-9/30/24	437,682	437,682	(437,682)			40,667	155,416	(397,015)	282,266	(114,749)
ESSER III - Accelerated Learning Coach and Educator Support	84.425U	3/13/20-9/30/24	86,622	86,622	(86,622)			50,400	52,100	(36,222)	34,522	(1,700)
ESSER III - Evidence Based Summer Learning and Enrichment	84.425U	3/13/20-9/30/24	40,000	40,000	(40,000)			40,000	40,000	-	-	-
ESSER III - Evidence Based Comprehensive Beyond the School Day	84.425U	3/13/20-9/30/24	40,000	40,000	(40,000)			4,375	40,000	(35,625)	-	(35,625)
ESSER III - NJTSS Mental Health Support Staffing	84.425U	3/13/20-9/30/24	45,000	45,000	(45,000)			23,000	45,000	(22,000)	-	(22,000)
<b>Total Elementary and Secondary School Emergency Relief Fund Cluster (ESSER)</b>				744,328	(837,050)	-	-	246,477	427,540	(590,573)	316,788	(273,785)
<b>Total U.S. Department of Education</b>				852,885	(946,111)	-	-	509,837	736,583	(698,111)	378,139	(319,972)
<b>Federal Communications Commission (FCC)</b>												
FCC Emergency Connectivity Fund Program	32.009	7/1/21-6/30/22	150,000		(150,000)			150,000				*
FCC Emergency Connectivity Fund Program	32.009	7/1/22-6/30/23	26,000	-	-	-	-	26,000	26,000	-	-	*
<b>Total Special Revenue Fund</b>				852,885	(1,096,111)	-	-	685,837	762,583	(698,111)	378,139	(319,972)
<b>Total Federal Awards</b>				\$ 852,885	\$ (1,097,615)	\$ -	\$ -	\$ 697,790	\$ 773,032	\$ (698,111)	\$ 378,139	\$ (319,972)

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RIVER VALE BOARD OF EDUCATION  
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2022		Cash Received	Budgetary Expenditures	Balance, June 30, 2023		Memo		
				(Accounts Receivable)	Unearned Revenue			(Accounts Receivable)	Unearned Revenue	GAAP Receivable	Cumulative Total Expenditures	
<b>State Department of Education</b>												
<i>General Fund</i>												
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	734,191	\$ (69,504)		\$ 69,504						
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	895,617			807,221	\$ 895,617	\$ (88,396)		\$	895,617	
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	86,869	(8,224)		8,224					-	
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	86,869		-	78,295	86,869	(8,574)		-	86,869	
<b>Total State Aid Public Cluster</b>							<u>982,486</u>					
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	126,476	(11,973)		11,973					-	
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	126,476			113,993	126,476	(12,483)			126,476	
Nonpublic School Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	11,020	(11,020)	-	11,020					-	
Nonpublic School Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	14,352				14,352	(14,352)	\$	(14,352)	14,352	
<b>Total Transportation Aid Cluster</b>							<u>140,828</u>					
Extraordinary Aid	22-495-034-5120-044	7/1/21-6/30/22	310,873	(310,873)		310,873					-	
Extraordinary Aid	22-495-034-5120-044	7/1/22-6/30/23	290,257				290,257	(290,257)			290,257	
Lead Testing for Schools Aid	13-495-034-5120-104	7/1/22-6/30/23	1,704	-		1,704	1,704	-			1,704	
On-Behalf TPAF Social Security Aid	22-495-034-5094-003	7/1/21-6/30/22	807,423	(39,604)		39,604					-	
On-Behalf TPAF Social Security Aid	23-495-034-5094-003	7/1/22-6/30/23	813,442			773,506	813,442	(39,936)	*	(39,936)	813,442	
TPAF Pension Benefit Contributions	23-495-034-5094-002	7/1/22-6/30/23	3,925,697			3,925,697	3,925,697		*		3,925,697	
TPAF Pension - NCGI Premium	23-495-034-5094-004	7/1/22-6/30/23	54,465			54,465	54,465		*		54,465	
TPAF - Post-Retirement Medical	23-495-034-5094-001	7/1/22-6/30/23	1,045,579			1,045,579	1,045,579		*		1,045,579	
TPAF - Long-Term Disability Insurance Contributions	23-495-034-5094-004	7/1/22-6/30/23	971	-	-	971	971	-	*	-	971	
<b>Total General Fund</b>				<u>(451,198)</u>	<u>-</u>	<u>7,252,629</u>	<u>7,255,429</u>	<u>(453,998)</u>	<u>-</u>	<u>*</u>	<u>(54,288)</u>	<u>7,255,429</u>
<i>Special Revenue Fund</i>												
Climate Change Pilot Grant	N/A	7/1/22-6/30/23	6,660	-	-	6,660	6,660	-	-	*	-	6,660
<b>Total Special Revenue Fund</b>				<u>-</u>	<u>-</u>	<u>6,660</u>	<u>6,660</u>	<u>-</u>	<u>-</u>	<u>*</u>	<u>-</u>	<u>6,660</u>
<i>Debt Service Fund</i>												
Debt Service Aid - Type II	23-495-034-5120-075	7/1/22-6/30/23	809,485	-	-	809,585	809,585	-	-	*	-	809,585
<b>Total Debt Service Fund</b>				<u>-</u>	<u>-</u>	<u>809,585</u>	<u>809,585</u>	<u>-</u>	<u>-</u>	<u>*</u>	<u>-</u>	<u>809,585</u>
<b>Total State Financial Assistance Subject to Single Audit Determination</b>				<u>(451,198)</u>	<u>-</u>	<u>8,068,874</u>	<u>8,071,674</u>	<u>(453,998)</u>	<u>-</u>	<u>*</u>	<u>(54,288)</u>	<u>8,071,674</u>
<b>State Financial Assistance</b>												
<b>Not Subject to Major Program Determination</b>												
<i>General Fund</i>												
TPAF Pension Benefit Contributions	23-495-034-5094-002	7/1/22-6/30/23	3,925,697			(3,925,697)	(3,925,697)			*		(3,925,697)
TPAF Pension - NCGI Premium	23-495-034-5094-004	7/1/22-6/30/23	54,465			(54,465)	(54,465)			*		(54,465)
TPAF - Post Retirement Medical	23-495-034-5094-001	7/1/22-6/30/23	1,045,579			(1,045,579)	(1,045,579)			*		(1,045,579)
TPAF - Long-Term Disability Insurance Contributions	23-495-034-5094-004	7/1/22-6/30/23	971	-	-	(971)	(971)	-	-	*	-	(971)
<b>Total State Financial Assistance Subject to Major Program Determination</b>				<u>\$ (451,198)</u>	<u>\$ -</u>	<u>\$ 3,042,162</u>	<u>\$ 3,044,962</u>	<u>\$ (453,998)</u>	<u>\$ -</u>	<u>*</u>	<u>\$ (54,288)</u>	<u>\$ 3,044,962</u>

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**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 REPORTING ENTITY**

The River Vale 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 Principals, 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 \$864 for the general fund and a decrease of \$28,475 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		\$ 7,256,293	\$ 7,256,293
Special Revenue Fund	\$ 734,108	6,660	740,768
Debt Service Fund		809,585	809,585
Food Service Fund	<u>10,449</u>	<u>-</u>	<u>10,449</u>
Total Awards and Financial Assistance	<u>\$ 744,557</u>	<u>\$ 8,072,538</u>	<u>\$ 8,817,095</u>

**RIVER VALE BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

**NOTE 6 OTHER INFORMATION**

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$813,442 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, 2023. The amount reported as TPAF Pension System Contributions in the amount of \$3,980,162, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,045,579 and TPAF Long-Term Disability Insurance in the amount of \$971 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2023.

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

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

**NOTE 8 DE MINIMIS INDIRECT COST RATE**

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

RIVER VALE BOARD OF EDUCATION  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Part I – Summary of Auditor’s Results

**Financial Statement Section**

A) Type of auditors' report issued: Unmodified

B) Internal control over financial reporting:

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

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

C) Noncompliance material to basic financial statements noted?            yes       X       no

**Federal Awards Section**

Internal Control over major programs:

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

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

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

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

Identification of major federal programs:

<u>AL Number(s):</u>	<u>Name of Federal Program or Cluster:</u>
84.425D/84.425U	Elementary and Secondary School Emergency Relief Fund (ESSER)

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

Auditee qualified as low-risk auditee?            yes       X       no

**RIVER VALE BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

*Part I – Summary of Auditor’s Results*

**State Awards Section**

Internal Control over compliance:

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

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

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

Identification of major programs:

<u>State Grant/Project Number</u>
23-495-034-5120-089
23-495-034-5120-084

<u>State Grant/Project Number</u>
Special Education Aid
Security Aid

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

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

**RIVER VALE BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

*Part 2 - Schedule of Financial Statement Findings*

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

There are none.

**RIVER VALE BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

**CURRENT YEAR FEDERAL AWARDS**

There are none.

**CURRENT YEAR STATE AWARDS**

There are none.



**RIVER VALE BOARD OF EDUCATION  
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

**STATUS OF PRIOR YEAR FINDINGS**

There were none.