

HACKENSACK BOARD OF EDUCATION
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Hackensack, New Jersey

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

of the

Hackensack Board of Education

Hackensack New Jersey

For The Fiscal Year Ended June 30, 2024

Prepared by

Business Office

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INTRODUCTORY SECTION

Date: December 11, 2024

Honorable President and
Members of the Board of Education
Hackensack School District
Hackensack, New Jersey 07601
Dear Board Members:

The Annual Comprehensive Financial Report of the Hackensack School District for the Fiscal Year ended June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the Basic Financial Statements and results of Operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four (4) Sections as follows:

- The Introductory Section includes this transmittal letter, the District's Organizational Chart, list of professional advisors and a list of principal officials.
- The Financial Section includes the basic Financial Statements and Schedules, required supplementary information, Management's Discussion and Analysis, as well as the Auditor's Report thereon.
- The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.
- The Single Audit Section includes the Auditor's report on the internal control structure and compliance with applicable laws and regulations and finding(s) and recommendations. The District is required to undergo an Annual Single Audit in conformity with the provisions of the Title 2 U.S. Code of Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey States Office of Management and Budget Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this Single Audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the Single Audit section of this report.

1. REPORTING ENTITY and ITS SERVICES:

The Hackensack School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by the National Council on Governmental Accounting (NCGA) Statement No. 14. All funds and account groups of the District are included in this Report. The Hackensack 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 12. These include regular academic, technological, vocational, as well as special education for handicapped students. This District is also a receiving school District from Maywood, Rochelle Park and South Hackensack.

The District completed the 2023-24 fiscal year with an Average Daily Enrollment of 5,334 students, which is 248 students above the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years:

<i>Fiscal Year</i>	<i>ADE</i>	<i>Number Change</i>	<i>Percent Change</i>
2023/24	5,334	248	4.88%
2022/23	5,086	(257)	-4.81%
2021/22	5,343	(129)	-2.36%
2020/21	5,473	(144)	-2.57%
2019/20	5,617	(112)	-1.95%
2018/19	5,729	56	0.99%
2017/18	5,673	28	-0.50%
2016/17	5,645	(17)	-0.30%
2015/16	5,662	31	0.55%
2014/15	5,631	168	3.08%

For the 2023-24 school year, the District was configured as follows:

- Early Childhood Developmental Center Grades Pre-K through K
- Fairmount Elementary School Grades Pre-K through 4
- Fanny M. Hillers Elementary School Grades Pre-K through 4
- Jackson Avenue Elementary School Grades Pre-K through 4
- Nellie K. Parker Elementary School Grades Pre-K through 4
- Hackensack Middle School Grades 5 through 8
- Hackensack High School Grades 9 through 12

Based on Demographic Projections prepared in April 2019, by Whitehall Associates, the Hackensack Board of Education determined that the District faced the need to expand in order to meet the projected growth in enrollment. However, since that demographic study was completed, there is a consistent decline in the enrollment numbers. The withdrawal of the receiving high school students from Maywood is a contributing factor to this. However, there is still a need for additional space. In 2013, the Hackensack Board of Education approved an initial five (5) year lease for a school located in Hackensack from the

Archdiocese of Newark to help alleviate the immediate need for space. This facility is referred to as the Hackensack Early Childhood Development Center and houses Pre-K general education and students with disabilities. This lease was since renewed and then extended to June 30, 2025 with a three one-year option to renew up to June 30, 2028. The district is currently exploring options and hopes to have a district owned replacement facility by the time the lease expires.

2. MAJOR INITIATIVES 2023-2024

Educational Programs, Grades Pre-K-12

Our District serves students in Pre-K - 12, with a Preschool Program, four (4) elementary schools, a middle school and one high school, with a total student population of over 5,400 students. Our program of instruction follows the New Jersey Students Learning Standards (NJSLS) and aims to provide for personalized learning, supporting the needs of individual students to address gaps. Teachers provide for engaging and rigorous learning in classroom environments that privilege culturally relevant pedagogy, inquiry, problem-solving, digital learning, career-readiness skills, to prepare all students to be College and Career Ready.

The 2023-2024 school year saw our Pre-K full-day program maintain enrollment with 189 full day general education preschool students, which includes students in one local provider location, with a second location opening in September of 2024. The district was able to provide additional inclusion opportunities for students, and expand a preschool disabled class at Fanny M. Hillers School. Preschool teachers received training in Gold Assessments and aligning units of study to preschool teaching and learning standards, which assisted with aligning instruction.

In the area of Mathematics, during the 2023-24 school year, a major focus for elementary and middle schools was the implementation of a new math curriculum program resource. Pacing charts and unit benchmark assessments were revised to be more standards-based aligned. Professional Learning via math coaches focused on utilizing student focused instruction, use of manipulatives, and introducing math intervention resources for instructional programs. A new Algebra course was restructured at the high school level to provide more access for students to be eligible for advanced courses.

In the area of English Language Arts during the 2023-2024 school year, the major focus for the elementary schools was on a Year 4 continuum to focus on Guided Reading, Running Records, Small-Group Instruction and Conferencing. The major instructional professional development focus for the Middle School was on the implementation of a Balanced Literacy approach to instruction including Reading Workshop (year 3) for grade 5 and year 1 for grade 6. The focus for the grade 5 professional development has been on coaching and demonstration lessons, extending classroom libraries, creating and implementing teaching tools including conferencing, modeling, providing small group instruction and writing pre and post assessments for each unit. Teachers in Grades 7 - 12 worked with a literacy consultant to support student independent choice reading on the secondary level using read-alouds, conferences, book clubs, text sets, and

assessment of reading skills while incorporating culturally relevant teaching strategies and materials into the instruction.

Kindergarten to fifth grade Bilingual/ESL teachers delivered standards-based instruction using the home language as support for students to access content and English to support English Language Development. A literacy consultant was hired to provide an overview of reading processes for multilingual students that Bilingual teachers need to consider as they deliver literacy instruction. Professional learning on how to use reading assessments to create small group instruction was also provided. We continued to purchase instructional reading materials in English and Spanish to support whole group and small group settings. At both the Middle School and High School the professional learning focus for ESL teachers was individualized writing instruction via writing units of study and writing conferences. Learning, modeling and coaching sessions were provided by a writing consultant. With the specific goal of increasing students' writing levels, we also implemented writing benchmark assessments at the Middle and High School levels. Additionally, we extended high-interest and culturally-relevant classroom libraries to support independent reading programs in Bilingual ELA, ESL and Heritage language classes.

In the area of Science in SY 2023-2024 the focus continued to be assessment alignment with NJSL-S. In response to data, the district hired a consultant to help teachers align NJSLS instruction with NJSLA-S expected outcomes. The result of these meetings were presentation and practice sessions for teachers on scientific modeling and a complete set of benchmarks and practice prompts. Teachers will also continue to receive training in Inquiry Hub Biology and Inquiry Hub Chemistry in preparation to support our initiative for detracting biology and chemistry at the high school.

Facility/District Upgrades included:

The district has initiated a massive plan to update and upgrade its school facilities, which have an average age of >75 years. There are several capital projects underway funded either through ESIP, Capital Projects, ESSER II and ARP ESSER III. Some of these projects are still in various stages of completion. Most of the completion issues were related to the impact of the pandemic, such as staff, supply chain and other similar tangential effects. Fewer contractors bid and pricing came in above estimates. The following lists these improvements which were completed in 2023-24 or still under way in 2024-25 School Year:

At Various Schools (through the ESIP Program):

- Solar Panels on roof tops - Ongoing
- Solar Carports - Ongoing
- HVAC/Uninvent Replacement – Completed
- Building Controls Upgrade – Completed
- Air Handling Replacement – Completed
- Pool Chiller Replacement – Completed
- Steam Boiler Replacement (Fairmount) – Completed
- Lighting retrofit – Completed

Through ESSER II & III:

All HVAC controls will be upgraded and/or replaced in the following schools. The goal is to have classroom spaces fully air conditioned by summer of 2025.

Hackensack Middle School Systems Upgrade - Ongoing

Fairmont Elementary School Systems Upgrade - Completed

Improvements at all Schools funded from Capital and General Fund:

Fairmount Avenue

- Elevator – Completed
- Bathroom Renovations – Completed
- New Playground – Completed
- Gymnasium Renovation including new floor and bleachers - Completed

Jackson Avenue

- Elevator – Completed
- Boiler Replacement - Completed
- Bathroom Renovations - Completed

Fanny Meyers Hillers

- Window Replacement - Completed
- Replace Rooftop Units to expand A/C -Completed
Kindergarten classrooms and cafeteria – Completed
- Partial Roof Replacement – Completed
- New Playground - Completed

Hackensack High School

- Canopy/Portico/Security Improvements at front entry - Completed
- Cafeteria Improvements (funded from surplus food service enterprise funds) – Completed.
- Fully Upgrade Auditorium including HVAC System - Completed
- Field House Renovation including HVAC System - Completed
- Fitness Center Renovation including new equipment - Completed
- High School Track Improvements – Completed
- Partial roof Replacement – Completed
- All Parking Lots Upgraded – Completed
- East wing New Gymnasium Floor - Completed

Hackensack Middle School

- Cafeteria Improvements (funded from surplus food service enterprise funds) – Completed
- New Field Turf - Completed

- . Roof Replacement at 5/6 Wing - Completed
- . New Bleachers - Completed

Nellie K. Parker

- . Entry Stairway Reconstruction – Completed
- . New security Vestibule - Ongoing
- . Back Steps Renovation - Completed

3. 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 the adequate accounting data are compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

- (1) The cost of a control should not exceed the benefits likely to be derived; and
- (2) The valuation of costs and benefits requires estimates and judgments by management.

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

As part of the District's Single Audit described earlier, tests are made to determine the adequacy of the internal control 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.

4. BUDGETARY CONTROLS:

In addition to internal accounting controls which now includes the prerequisite that all requisitions confirm the use of Ed Data, NJESC, State Contracts etc., the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated Budgets are adopted for the General Fund, Special Revenue Fund, and Debt Service Fund. Project-length budgets are approved for the capital improvements accounted for in the Capital Projects Fund. The final Budget amount as amended for the fiscal year is reflected in the financial section.

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

5. ACCOUNTING SYSTEM AND REPORTS:

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

6. DEBT ADMINISTRATION

At June 30, 2024, the District had outstanding bonds of \$10,105,000, capital financing agreements of \$483,848 other financing agreements of \$362,935 and leases payable of \$618,382. Additional information regarding the District's debt is contained in the "Notes to the Financial Statements", Note 7.

7. FINANCIAL INFORMATION AT FISCAL YEAR-END

The Board developed its 2023-24 budget under the State's funding formula. An analysis of the expenditures in the financial section of this report will show that the Board was prudent in presenting the community with an accurate picture of educational needs.

8. CASH MANAGEMENT

The investment policy of the District is guided in large part by State statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a Cash Management Plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

9. RISK MANAGEMENT

The Board continues to be a member of the New Jersey School Boards Association Insurance Group, which self-insures Workers' Compensation and purchases general liability, auto and property insurance on a volume basis (Joint Insurance Fund).


10. OTHER INFORMATION

Independent Audit - State statutes require an annual audit by independent certified public accountants (CPA) or registered municipal accountants. The accounting firm of Lerch, Vinci & Bliss, LLC was selected by the Board. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award (Uniform Guidance) and State Treasury Circular Letter 15-08 OMB. The Auditor's Report on the basic financial statements and specific required supplemental information is included in the financial section of this report. The auditor's reports related specifically to the Single Audit are included in the Single Audit section of this report.

11. ACKNOWLEDGMENTS

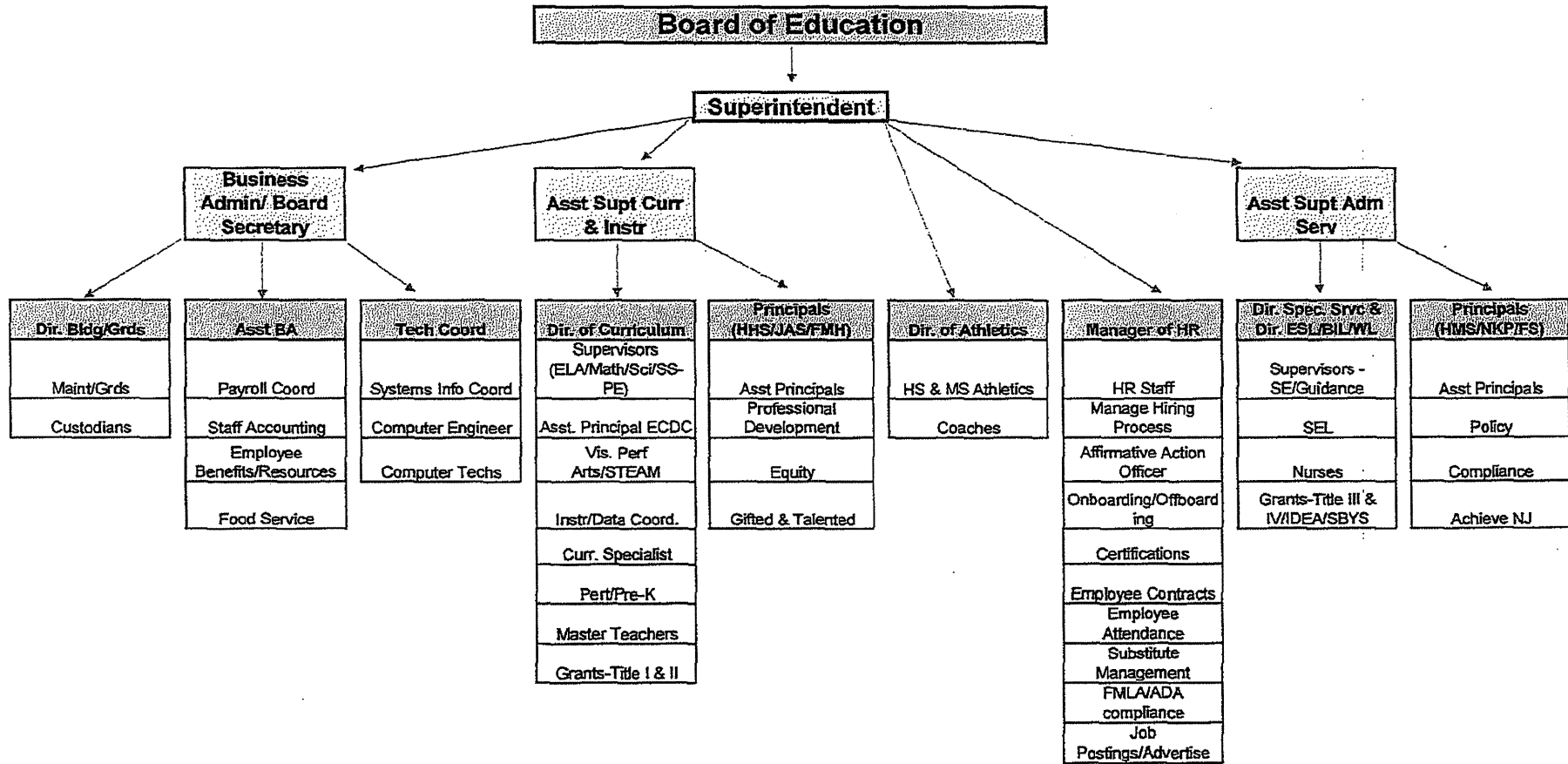
We would like to express our appreciation to the members of the Hackensack School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school District and thereby contributing their full support to the development and maintenance of our financial operation.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

Sincerely,



Dr. Thomas McBryde, Jr.
Superintendent of Schools

Lydia Singh
Business Administrator/Board Secretary



HACKENSACK BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2024

Members of the Board of Education

Term Expires

Scott James-Vickery, President	2025
Lisette Cordero-Outen, Vice President	2025
Demetrius Carroll	2025
Jennifer Harris	2024
Kenneth Martin	2026
Shivonnie Pringle	2026
Lancelot Powell	2024
Marlene Somerville	2024
Mark Stein	2026
Julio Bendezu (Maywood Rep)	

Other Officials

Dr Thomas McBryde, Jr, Superintendent

Rosemary Marks, Assistant Superintendent

Andrea Parchment, Assistant Superintendent

Lydia Singh, School Business Administrator/Board Secretary

HACKENSACK BOARD OF EDUCATION

CONSULTANTS & ADVISORS

JUNE 30, 2024

Board Attorney

Inglesino, Webster, Wyciskala and Taylor, LLC
600 Parsippany Road #204
Parsippany, NJ 07054

Risk Manager

Alamo Insurance Group, Inc
55 Flanagan Way
Secaucus, New Jersey 07094

Insurance Broker

Alamo Insurance Group, Inc.
55 Flanagan Way
Secaucus, NJ 07094

District Auditor

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

Official Depository

TD Bank
1000 MacArthur Blvd
Mahwah, NJ 07430

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
Hackensack Board of Education
Hackensack, New Jersey

Report on the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Hackensack 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 Hackensack 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 Hackensack 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 Hackensack 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 Hackensack 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 Hackensack 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.

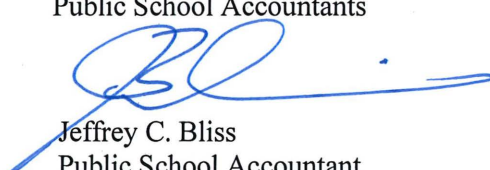
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, 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 December 11, 2024 on our consideration of the Hackensack 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 Hackensack 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 Hackensack Board of Education's internal control over financial reporting and compliance.

Lerch, Vinci & Bliss, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
December 11, 2024

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

HACKENSACK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

As management of the Hackensack Board of Education (the Board or District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the Hackensack Board of Education for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with the letter of transmittal, which can be found in the introductory section of this report and the District's financial statements and related notes to the financial statement which immediately follows this section.

FINANCIAL HIGHLIGHTS

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

- The assets and deferred outflows of resources of the Hackensack Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$49,939,614. (Net Position)
- The District's total net position increased by \$6,200,934, or 14%.
- Overall District revenues were \$170,695,448. General revenues accounted for \$119,966,485, or 70%, of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$50,728,963 or 30% of total revenues.
- The school district had \$160,368,572 in expenses for governmental activities; only \$46,582,819 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of 119,966,485 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 \$22,632,796. Of this amount, \$9,347,564 is restricted for capital projects, \$1,082,125 is restricted for required maintenance of District facilities, \$1,029,005 is restricted for unemployment compensation claims, \$5,326,683 is restricted for excess surplus, \$875,913 is restricted for other purposes, \$7,508,347 is committed or assigned for year-end encumbrances and the subsequent years budget and the remaining amount is the unassigned fund deficit of (\$2,536,841).
- The General Fund fund balance at June 30, 2024 was \$21,263,428, a decrease of \$6,449,766 compared to the ending fund balance at June 30, 2023 of \$27,713,194.
- The General Fund unassigned budgetary fund balance at June 30, 2024 was \$3,390,513, which represents an increase of \$31,327 when compared to the ending unassigned budgetary fund balance at June 30, 2023 of \$3,359,186.

HACKENSACK BOARD OF EDUCATION

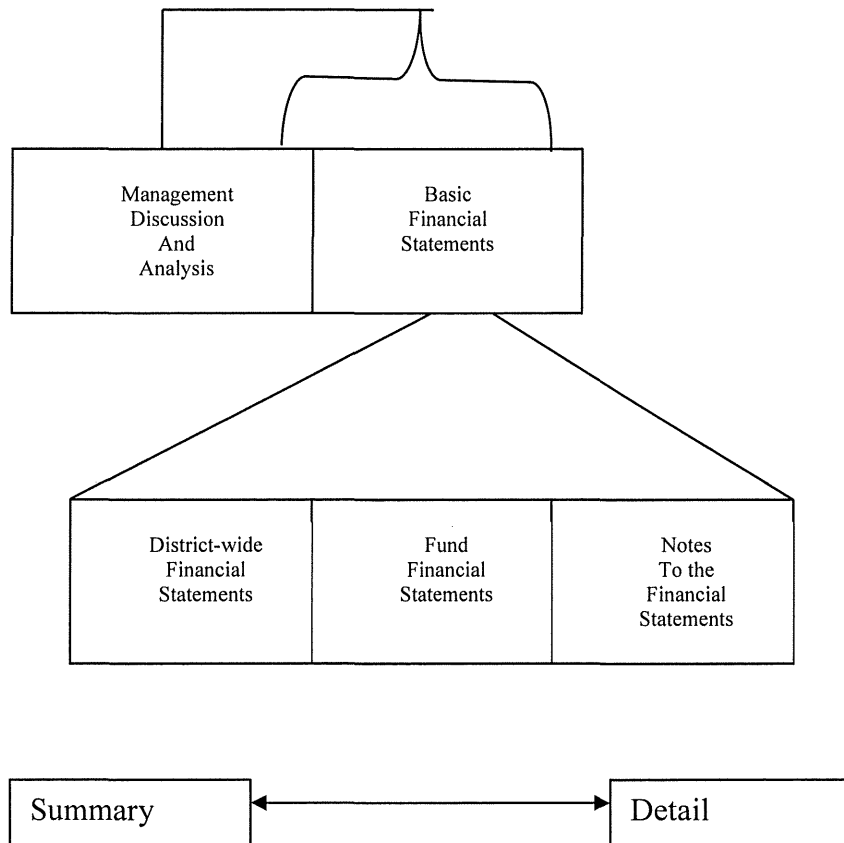
Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are *district wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual* parts of the District, reporting the District's operations in *more detail* than the district-wide statements.
- The *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 basic financial statements also include notes that explain some of the information in the statements and provide more detailed data. The following shows how the various parts of this Annual Report are arranged and related to one another.



HACKENSACK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

The table below summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights 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 (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as instruction, building maintenance, transportation, and administration.	Activities the district operates similar to private businesses: Enterprise Funds
Required financial Statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenue, Expenditures and Changes in Fund Balances	Statement of Net position Statement of Revenue, Expenses, and Changes in Fund 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 and deferred inflows/outflows information	All assets, deferred outflows, liabilities, and 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 there after; no capital assets or long-term liabilities included	All assets, deferred outflows, liabilities and 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.

District-Wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the District's assets, deferred 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 is an indicator of whether its financial condition 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.

HACKENSACK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

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 and special education, transportation, administration, and plant operation and maintenance. Property taxes and Federal and State aid finance most of these activities.
- *Business type activities* – These are activities for operations that are financed and operated in a manner similar to private business enterprises. The District's food services (cafeteria) program is included under this category.

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).

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 resources* 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.
- *Enterprise Funds* – This 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. The District currently has one enterprise fund, for its food service (cafeteria) program.

Notes to the Financial Statements

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

Other Information

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

HACKENSACK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

Other Information (Continued)

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

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. The District's *combined* net position was \$49,939,614 and \$43,738,680 on June 30, 2024 and 2023, respectively as follows:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current Assets	\$ 34,519,040	\$ 44,118,973	\$ 1,027,403	\$ 3,796,310	\$ 35,546,443	\$ 47,915,283
Capital Assets, net of accumulated depreciation	58,411,106	48,699,336	4,550,245	1,848,647	62,961,351	50,547,983
Total Assets	<u>92,930,146</u>	<u>92,818,309</u>	<u>5,577,648</u>	<u>5,644,957</u>	<u>98,507,794</u>	<u>98,463,266</u>
Deferred Outflows of Resources	<u>904,604</u>	<u>1,953,126</u>	<u>-</u>	<u>-</u>	<u>904,604</u>	<u>1,953,126</u>
Liabilities						
Long-Term liabilities	34,791,490	39,044,046	-	-	34,791,490	39,044,046
Other Liabilities	11,958,664	13,493,312	258,811	352,186	12,217,475	13,845,498
Total Liabilities	<u>46,750,154</u>	<u>52,537,358</u>	<u>258,811</u>	<u>352,186</u>	<u>47,008,965</u>	<u>52,889,544</u>
Deferred Inflows of Resources	<u>2,454,854</u>	<u>3,785,067</u>	<u>8,965</u>	<u>3,101</u>	<u>2,463,819</u>	<u>3,788,168</u>
Net Position						
Net Investment in Capital Assets	46,463,829	36,846,303	4,550,245	1,848,647	51,014,074	38,694,950
Restricted	11,208,946	10,362,360			11,208,946	10,362,360
Unrestricted	(13,043,033)	(8,759,653)	759,627	3,441,023	(12,283,406)	(5,318,630)
Total Net Position	<u>\$ 44,629,742</u>	<u>\$ 38,449,010</u>	<u>\$ 5,309,872</u>	<u>\$ 5,289,670</u>	<u>\$ 49,939,614</u>	<u>\$ 43,738,680</u>

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. Restricted net position represents amounts reserved for specific purposes by outside parties or state laws and regulations. Unrestricted net position represents amounts available to the government that are neither restricted nor invested in capital assets.

HACKENSACK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

The District's total net position of \$49,939,614 at June 30, 2024 represents a \$6,200,934, or 14%, increase from the prior year. The following presents the changes in net position for the fiscal years ended June 30, 2024 and 2023.

Change in Net Position For The Fiscal Years Ended June 30, 2024 and 2023

	Governmental Activities		Business- Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenue						
Charges for Services	\$ 3,535,177	\$ 4,307,218	\$ 571,455	\$ 587,637	\$ 4,106,632	\$ 4,894,855
Operating Grants and Contributions	36,871,479	35,544,467	3,574,689	3,512,873	40,446,168	39,057,340
Capital Grants and Contributions	6,176,163	3,503,316			6,176,163	3,503,316
General Revenues						
Property Taxes	89,151,864	87,403,788			89,151,864	87,403,788
Unrestricted State Aid	28,793,069	28,081,548			28,793,069	28,081,548
Other	2,021,552	1,678,879	-	-	2,021,552	1,678,879
Total Revenues	166,549,304	160,519,216	4,146,144	4,100,510	170,695,448	164,619,726
Expenses						
Instruction						
Regular	66,130,344	60,923,251			66,130,344	60,923,251
Special Education	28,940,320	27,974,763			28,940,320	27,974,763
Other Instruction	4,587,740	3,742,134			4,587,740	3,742,134
School Sponsored Activities and Athletics	2,112,273	2,091,248			2,112,273	2,091,248
Support Services						
Student and Instruction Related Services	26,605,532	23,943,312			26,605,532	23,943,312
General Administrative Services	1,316,758	1,465,301			1,316,758	1,465,301
School Administrative Services	7,284,794	6,850,925			7,284,794	6,850,925
Central Services and Info. Technology	3,393,212	3,265,515			3,393,212	3,265,515
Plant Operations and Maintenance	14,627,509	13,983,109			14,627,509	13,983,109
Pupil Transportation	5,021,659	4,623,733			5,021,659	4,623,733
Interest on Long-Term Debt	348,431	322,624			348,431	322,624
Food Services	-	-	4,125,942	3,780,798	4,125,942	3,780,798
Total Expenses	160,368,572	149,185,915	4,125,942	3,780,798	164,494,514	152,966,713
Increase in Net Position	6,180,732	11,333,301	20,202	319,712	6,200,934	11,653,013
Net Position, Beginning of Year	38,449,010	27,115,709	5,289,670	4,969,958	43,738,680	32,085,667
Net Position, End of Year	\$ 44,629,742	\$ 38,449,010	\$ 5,309,872	\$ 5,289,670	\$ 49,939,614	\$ 43,738,680

HACKENSACK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$166,549,304 for the fiscal year ended June 30, 2024, property taxes of \$89,151,864 represented 54% of revenues. Another significant portion of revenues came from grants and contributions and unrestricted state aid which totaled \$71,840,711 and represented 43% of revenues.

The total cost of all governmental activities programs and services was \$160,368,572 for the fiscal year ended June 30, 2024. The District's expenses are predominantly related to educating and caring for students. Instruction costs were \$101,770,677 (63%) of total expenses and support services costs were \$58,249,464 (36%) of total expenses for the fiscal year ended June 30, 2023.

For fiscal year 2024, total governmental activities revenues exceeded expenses increasing net position for governmental activities by \$6,180,732 from the previous year.

Total and Net Cost of Governmental Activities. The District's total cost of services was \$160,368,572. After applying program revenues, derived from operating and capital grants and contributions of \$43,047,642 and charges for services of \$3,535,177 the net cost of services of the District is \$113,785,753 for the fiscal year ended June 30, 2024.

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

	Total Cost of Services		Net Cost (Revenue) of Services	
	2024	2023	2024	2023
Instruction				
Regular	\$ 66,130,344	\$ 60,923,251	\$ 50,663,318	\$ 45,385,177
Special Education	28,940,320	27,974,763	17,263,103	16,397,982
Other Instruction	4,587,740	3,742,134	3,616,790	2,979,660
School Sponsored Activities and Athletics	2,112,273	2,091,248	1,806,028	1,759,194
Support Services				
Student and Instruction Related Services	26,605,532	23,943,312	19,168,940	16,735,529
General Administrative Services	1,316,758	1,465,301	1,192,421	1,331,654
School Administrative Services	7,284,794	6,850,925	6,213,723	5,712,093
Central Services and Info. Technology	3,393,212	3,265,515	3,306,655	3,160,508
Plant Operations and Maintenance	14,627,509	13,983,109	6,308,689	8,108,504
Pupil Transportation	5,021,659	4,623,733	4,307,005	3,937,989
Interest on Long-Term Debt	348,431	322,624	(60,919)	322,624
Total	\$ 160,368,572	\$ 149,185,915	\$ 113,785,753	\$ 105,830,914

Business-Type Activities – The District's total business-type activities revenues were \$4,146,144 for the fiscal year ended June 30, 2024. Operating grants and contributions accounted for 86% of total revenues and the remaining 14% of revenues was from charges for services and sales.

Total cost of all business-type activities programs and services was \$4,125,942 for the fiscal year ended June 30, 2024. Food service expenses represented 100% of the total expenses.

For fiscal year 2024, total business-type activities revenues exceeded expenses increasing net position by \$20,202, or 4% from the previous year.

HACKENSACK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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 \$22,632,796 at June 30, 2024, a decrease of \$8,074,023 from last year's fund balance of \$30,706,819. 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.

Revenues for the District's governmental funds were \$179,233,260 while total expenditures were \$187,307,283 for the fiscal year ended June 30, 2024.

GENERAL FUND

The General Fund includes the primary operations of the District in providing educational services to students from grades K through 12 including pupil transportation, extra-curricular activities and plant operation and maintenance costs.

The following schedule presents a summary of General Fund Revenues.

	Fiscal Year Ended <u>June 30, 2024</u>	Fiscal Year Ended <u>June 30, 2023</u>	Amount of Increase (Decrease)	Percent Increase (Decrease)
Local Sources				
Property Taxes	\$ 89,151,864	\$ 87,403,788	\$ 1,748,076	2%
Tuition	3,212,743	4,003,944	(791,201)	-20%
Other	1,991,644	1,397,153	594,491	43%
State Sources	67,779,274	65,775,852	2,003,422	3%
Federal Sources	<u>303,444</u>	<u>391,519</u>	<u>(88,075)</u>	-22%
Total General Fund Revenues	<u>\$ 162,438,969</u>	<u>\$ 158,972,256</u>	<u>\$ 3,466,713</u>	2%

For fiscal year 2024, total General Fund revenues increased \$3,433,713, or 2% from the previous year.

The following schedule presents a summary of General Fund expenditures.

	Fiscal Year Ended <u>June 30, 2024</u>	Fiscal Year Ended <u>June 30, 2023</u>	Amount of Increase (Decrease)	Percent Increase (Decrease)
Instruction	\$ 105,161,467	\$ 98,463,921	\$ 6,697,546	7%
Support Services	55,913,201	52,940,119	2,973,082	6%
Capital Outlay	5,681,271	6,637,018	(955,747)	-14%
Debt Service	<u>1,418,089</u>	<u>2,526,143</u>	<u>(1,108,054)</u>	100%
Total Expenditures	<u>\$ 168,174,028</u>	<u>\$ 160,567,201</u>	<u>\$ 7,606,827</u>	5%

HACKENSACK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

GENERAL FUND (Continued)

For fiscal year 2024, total General Fund expenditures increased \$7,606,827, or 5% from the previous year.

In fiscal year 2024, General Fund expenditures and other financing uses exceeded revenues and other financing sources by \$6,449,766. Therefore, the total fund balance at June 30, 2023 of \$27,713,194 decreased to a fund balance of \$21,263,428 at June 30, 2024.

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of fiscal year 2023, the District had \$58,411,106 invested in land, buildings, furniture, equipment and vehicles for governmental activities and \$4,550,245 for business type activity. The following is a comparison of the June 30, 2024 and 2023 balances:

Capital Assets as of June 30, 2024 and 2023 (Net of Accumulated Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land and Land Improvements	\$ 1,359,756	\$ 1,492,393		
Building and Building Improvements	25,975,695	23,793,437	\$ 241,335	\$ 260,946
Right-to-use Leased Buildings	693,658	1,195,080		
Machinery and Equipment	2,843,274	2,696,040	585,086	214,292
Construction in Progress	<u>27,538,723</u>	<u>19,522,386</u>	<u>3,723,824</u>	<u>1,373,409</u>
Total Capital Assets, Net	<u>\$ 58,411,106</u>	<u>\$ 48,699,336</u>	<u>\$ 4,550,245</u>	<u>\$ 1,848,647</u>

Additional information on the District's capital assets is presented in Note 3 of this report.

LONG TERM LIABILITIES

At June 30, 2024 the District had \$34,791,490 of total outstanding long-term liabilities. For fiscal year 2023/2024 total outstanding long-term liabilities decreased by \$4,252,556. The following is a comparison of the June 30, 2024 and 2023 balances:

Outstanding Long-Term Liabilities as of June 30, 2024 and 2023

	<u>Governmental Activities</u>	
	<u>2024</u>	<u>2023</u>
Serial Bonds (including unamortized premium)	\$ 11,654,605	\$ 12,524,085
Capital Financing Agreements	483,848	635,382
Other Financing Agreements	362,935	980,993
Compensated Absences	1,238,397	1,259,831
Leases Payable	618,382	1,195,080
Net Pension Liability	<u>20,433,323</u>	<u>22,448,675</u>
Total Long-Term Liabilities	<u>\$ 34,791,490</u>	<u>\$ 39,044,046</u>

Additional information of the District's long-term liabilities is presented in Note 3 of this report.

HACKENSACK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2024

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made through budget transfers to prevent over expenditures in specific line item accounts and the appropriation of restricted fund balances.

For fiscal year 2024 General Fund budgetary expenditures and other financing uses exceeded budgetary revenues decreasing budgetary fund balance \$6,230,876. After deducting fund balances restricted committed and assigned, the unassigned budgetary fund balance increased \$31,327 from an unassigned fund balance of \$3,359,186 at June 30, 2023 to \$3,390,513 at June 30, 2024. In addition at June 30, 2024 the District had balances in its capital reserve of \$8,538,006, maintenance reserve of \$1,082,125, emergency reserve of \$316,109, unemployment compensation reserve of \$1,029,005 and reserved excess surplus of \$5,326,683.

FACTORS BEARING ON THE DISTRICT'S FUTURE

While many factors influence the district's future, the availability of funding for increased enrollment, staffing needs special education costs and the economy will have the most impact on educational and fiscal decisions in the future.

Many factors were considered by the District's administration during the process of developing the fiscal year 2024-2025 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2024-2025. Budgeted expenditures in the General Fund increased less than 1% to \$147,454,541 for fiscal year 2024-2025. Budgeted special education tuition costs, as well as, employee benefits and Charter School costs were the main factors for the increase.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Hackensack Board of Education, 191 Second Street, Hackensack, NJ 07601.

FINANCIAL STATEMENTS

HACKENSACK BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2024

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 27,379,279	\$ 342,022	\$ 27,721,301
Receivables, net	7,093,094	636,762	7,729,856
Other Assets	46,667	-	46,667
Inventory		48,619	48,619
Capital Assets, Not Being Depreciated	27,607,523	3,723,824	31,331,347
Capital Assets, Being Depreciated, Net	<u>30,803,583</u>	<u>826,421</u>	<u>31,630,004</u>
Total Assets	<u>92,930,146</u>	<u>5,577,648</u>	<u>98,507,794</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>904,604</u>	<u>-</u>	<u>904,604</u>
Total Deferred Outflows of Resources	<u>904,604</u>	<u>-</u>	<u>904,604</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	7,430,361	249,108	7,679,469
Accrued Interest Payable	72,420		72,420
Unearned Revenue	4,455,883	9,703	4,465,586
Noncurrent Liabilities			
Due Within One Year	1,632,624		1,632,624
Due Beyond One Year	<u>33,158,866</u>	<u>-</u>	<u>33,158,866</u>
Total Liabilities	<u>46,750,154</u>	<u>258,811</u>	<u>47,008,965</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Commodities Revenues		8,965	8,965
Deferred Amounts on Net Pension Liability	<u>2,454,854</u>	<u>-</u>	<u>2,454,854</u>
Total Deferred Inflows of Resources	<u>2,454,854</u>	<u>8,965</u>	<u>2,463,819</u>
NET POSITION			
Net Investment in Capital Assets	46,463,829	4,550,245	51,014,074
Restricted for			
Capital Projects	8,538,006		8,538,006
Plant Maintenance	1,082,125		1,082,125
Unemployment Compensation	1,029,005		1,029,005
Student Activities	358,694		358,694
Other Purposes	201,116		201,116
Unrestricted	<u>(13,043,033)</u>	<u>759,627</u>	<u>(12,283,406)</u>
Total Net Position	<u>\$ 44,629,742</u>	<u>\$ 5,309,872</u>	<u>\$ 49,939,614</u>

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 66,130,344	\$ 2,802,304	\$ 12,648,497	\$ 16,225	\$ (50,663,318)		\$ (50,663,318)
Special Education	28,940,320	410,439	11,266,778		(17,263,103)		(17,263,103)
Other Instruction	4,587,740		970,950		(3,616,790)		(3,616,790)
School Sponsored Activities and Athletics	2,112,273	292,108	14,137		(1,806,028)		(1,806,028)
Support Services							
Student and Instruction Related Services	26,605,532		7,416,092	20,500	(19,168,940)		(19,168,940)
General Administrative Services	1,316,758		124,337		(1,192,421)		(1,192,421)
School Administrative Services	7,284,794		1,071,071		(6,213,723)		(6,213,723)
Central Services and Info. Technology	3,393,212		86,557		(3,306,655)		(3,306,655)
Plant Operations and Maintenance	14,627,509		2,179,382	6,139,438	(6,308,689)		(6,308,689)
Pupil Transportation	5,021,659	30,326	684,328		(4,307,005)		(4,307,005)
Interest on Long Term Debt	348,431	-	409,350	-	60,919	-	60,919
Total Governmental Activities	160,368,572	3,535,177	36,871,479	6,176,163	(113,785,753)	-	(113,785,753)
Business-Type Activities							
Food Service	4,125,942	571,455	3,574,689	-	-	\$ 20,202	20,202
Total Business-Type Activities	4,125,942	571,455	3,574,689	-	-	20,202	20,202
Total Primary Government	\$ 164,494,514	\$ 4,106,632	\$ 40,446,168	\$ 6,176,163	(113,785,753)	20,202	(113,765,551)
General Revenues							
Taxes:							
Property Taxes, levied for general purposes, net					89,151,864		89,151,864
Unrestricted State Aid					28,793,069		28,793,069
Investment Earnings					1,426,214	-	1,426,214
Miscellaneous Income					595,338	-	595,338
Total General Revenues and Transfers					119,966,485	-	119,966,485
Change in Net Position					6,180,732	20,202	6,200,934
Net Position, Beginning of Year					38,449,010	5,289,670	43,738,680
Net Position, End of Year					\$ 44,629,742	\$ 5,309,872	\$ 49,939,614

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

FUND FINANCIAL STATEMENTS

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and Cash Equivalents	\$ 25,637,431	\$ 559,810	\$ 1,182,038	\$ 27,379,279
Receivables from Other Governments	1,028,962	6,064,132		7,093,094
Due from Other Funds	749,168			749,168
Security Deposit	46,667	-	-	46,667
	<u>27,462,228</u>	<u>6,623,942</u>	<u>1,182,038</u>	<u>35,268,208</u>
Total Assets	<u>\$ 27,462,228</u>	<u>\$ 6,623,942</u>	<u>\$ 1,182,038</u>	<u>\$ 35,268,208</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 5,151,179	\$ 990,982	\$ 63,277	\$ 6,205,438
Accrued Salaries and Wages	169,346	25,244		194,590
Payable to State Government	7,855	144,559		152,414
Payable to Federal Government		7,499		7,499
Payroll Deductions and Withholdings Payable	685,858			685,858
Due to Other Funds		439,965	309,203	749,168
Other Liabilities	184,562			184,562
Unearned Revenue	-	4,455,883	-	4,455,883
	<u>6,198,800</u>	<u>6,064,132</u>	<u>372,480</u>	<u>12,635,412</u>
Total Liabilities	<u>6,198,800</u>	<u>6,064,132</u>	<u>372,480</u>	<u>12,635,412</u>
Fund Balances				
Restricted Fund Balance				
Capital Reserve	6,038,006			6,038,006
Capital Reserve-Designated for Subsequent Year's Expenditures	2,500,000			2,500,000
Maintenance Reserve	1,082,125			1,082,125
Emergency Reserve	316,103			316,103
Unemployment Compensation Reserve	1,029,005			1,029,005
Excess Surplus	2,672,121			2,672,121
Excess Surplus-Designated for Subsequent Year's Expenditures	2,654,562			2,654,562
Student Activities		358,694		358,694
Scholarships		201,116		201,116
Capital Projects			809,558	809,558
Committed Fund Balance				
Year End Encumbrances	1,879,145			1,879,145
Assigned Fund Balance				
Year End Encumbrances	709,730			709,730
Designated for Subsequent Year's Expenditures	4,919,472			4,919,472
Unassigned Fund Balance	(2,536,841)	-	-	(2,536,841)
	<u>21,263,428</u>	<u>559,810</u>	<u>809,558</u>	<u>22,632,796</u>
Total Fund Balances	<u>21,263,428</u>	<u>559,810</u>	<u>809,558</u>	<u>22,632,796</u>
Total Liabilities and Fund Balances	<u>\$ 27,462,228</u>	<u>\$ 6,623,942</u>	<u>\$ 1,182,038</u>	<u>\$ 35,268,208</u>

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

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

Total Fund Balances (Exhibit B-1) **\$ 22,632,796**

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 \$107,481,753 and the accumulated depreciation is \$49,070,647.

58,411,106

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

Deferred Outflows of Resources	\$	904,604	
Deferred Inflows of Resources		<u>(2,454,854)</u>	(1,550,250)

The district has financed capital assets and certain computer items through the issuance of capital leases and lease-purchase agreements. The interest accrual at year end is:

(72,420)

Long-term liabilities, including bonds payable, financing agreements and net pension liability are not due and payable in the current period and therefore are not reported as liabilities in the funds.

Bonds Payable, Net	\$	(11,654,605)	
Capital Financing Agreements		(483,848)	
Other Financing Agreements		(362,935)	
Compensated Absences		(1,238,397)	
Leases Payable		(618,382)	
Net Pension Liability		<u>(20,433,323)</u>	<u>(34,791,490)</u>

Net Position of Governmental Activities (Exhibit A-1) **\$ 44,629,742**

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local Sources				
Property Taxes	\$ 89,151,864			\$ 89,151,864
Tuition	3,212,743			3,212,743
Transportation	30,326			30,326
Interest	1,365,980		\$ 60,234	1,426,214
Miscellaneous	595,338	\$ 306,263	28,370	929,971
	<hr/>	<hr/>	<hr/>	<hr/>
Total - Local Sources	94,356,251	306,263	88,604	94,751,118
State Sources	67,779,274	3,750,122	-	71,529,396
Federal Sources	303,444	12,649,302	-	12,952,746
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	162,438,969	16,705,687	88,604	179,233,260
	<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURES				
Current				
Instruction				
Regular Instruction	68,755,317	4,429,519		73,184,836
Special Education Instruction	29,589,220	1,684,843		31,274,063
Other Instruction	4,961,062	234,081		5,195,143
School-Sponsored Activities and Athletics	1,855,868	279,954		2,135,822
Support Services				
Student and Instruction Related Services	25,004,513	4,167,155		29,171,668
General Administrative Services	1,419,760			1,419,760
School Administrative Services	8,291,421			8,291,421
Central Services and Info. Technology	3,472,072			3,472,072
Plant Operations and Maintenance	12,714,903			12,714,903
Pupil Transportation	5,010,532			5,010,532
Debt Service				
Principal	1,325,790	745,500		2,071,290
Interest	92,299	409,350	-	501,649
Capital Outlay	5,681,271	5,402,293	1,780,560	12,864,124
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	168,174,028	17,352,695	1,780,560	187,307,283
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (Deficiency) of Revenues Over Expenditures	(5,735,059)	(647,008)	(1,691,956)	(8,074,023)
	<hr/>	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)				
Transfers In		714,707	-	714,707
Transfers Out	(714,707)	-	-	(714,707)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Sources and Uses	(714,707)	714,707	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net Change in Fund Balances	(6,449,766)	67,699	(1,691,956)	(8,074,023)
Fund Balance, Beginning of Year	27,713,194	492,111	2,501,514	30,706,819
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balance , End of Year	\$ 21,263,428	\$ 559,810	\$ 809,558	\$ 22,632,796
	<hr/>	<hr/>	<hr/>	<hr/>

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

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

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ (8,074,023)**

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	\$ 12,864,124	
Depreciation Expense	<u>(3,152,354)</u>	
		9,711,770

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

Net Decrease in Compensated Absences	21,434	
Net Decrease in Pension Expense	<u>2,297,043</u>	
		2,318,477

Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not affect the statement of activities.

Principal Repayments		
Bond Principal	725,000	
Capital Financing Agreements	151,534	
Other Financing Agreements	618,058	
Leases Payable	<u>576,698</u>	
		2,071,290

In the statement of activities, certain amounts related to the issuance of long term debt are deferred and amortized over the term of the debt. In the governmental funds, these amounts either provide or use current resources. These amounts represent the current year amortization of the costs related to the issuance of long term debt.

Original Issue Premium		144,480
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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>8,738</u>
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Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 6,180,732**

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

	Business-Type Activities <u>Enterprise Fund</u> <u>Food Services</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 342,022
Intergovernmental Receivable	255,095
Other Accounts Receivable	381,667
Inventory	<u>48,619</u>
Total Current Assets	<u>1,027,403</u>
Capital Assets	
Building and Building Improvements	392,221
Machinery and Equipment	1,116,161
Construction in Progress	3,723,824
Less: Accumulated Depreciation	<u>(681,961)</u>
Total Capital Assets, Net	<u>4,550,245</u>
Total Assets	<u>5,577,648</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	247,939
Accrued Salaries and Wages	1,169
Unearned Revenue	<u>9,703</u>
Total Current Liabilities	<u>258,811</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Commodities Revenue	<u>8,965</u>
Total Deferred Inflows of Resources	<u>8,965</u>
NET POSITION	
Investment in Capital Assets	4,550,245
Unrestricted	<u>759,627</u>
Total Net Position	<u>\$ 5,309,872</u>

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

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

	Business-Type Activities <u>Enterprise Fund</u> <u>Food Services</u>
OPERATING REVENUES	
Charges for Services	
Daily Sales:	
Reimbursable Programs - Child Nutrition Programs	\$ 284,935
Non-Reimbursable Programs	<u>286,520</u>
Total Operating Revenues	<u>571,455</u>
OPERATING EXPENSES	
Salaries and Benefits	1,983,261
Cost of Sales - Reimbursable Programs	1,433,431
Cost of Sales - Non-Reimbursable Programs	117,565
Insurance	181,375
Other Purchased Services	39,976
Purchased Management Services	149,008
Repairs and Maintenance	9,363
Supplies	87,458
Miscellaneous	25,300
Depreciation	<u>99,205</u>
Total Operating Expenses	<u>4,125,942</u>
Operating Loss	<u>(3,554,487)</u>
NONOPERATING REVENUES	
State Sources	
School Breakfast Program	26,930
After the Bell Breakfast	26,451
School Lunch Program	88,803
Federal Sources	
National School Breakfast Program	982,528
National School Lunch Program	1,947,060
Snack Program	72,198
Pandemic EBT Administrative Costs	3,256
Supply Chain Assistance	121,525
Local Food for School Cooperative Aid	2,666
Food Distribution Program	<u>303,272</u>
Total Nonoperating Revenues	<u>3,574,689</u>
Change in Net Position	20,202
Net Position, Beginning of Year	<u>5,289,670</u>
Net Position, End of Year	<u>\$ 5,309,872</u>

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

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

	Business-Type Activities <u>Enterprise Fund</u> <u>Food Services</u>
Cash Flows from Operating Activities	
Cash Received from Customers	\$ 431,568
Cash Payment for Salaries and Benefits	(1,982,092)
Cash Payments to Suppliers for Goods and Services	<u>(1,841,572)</u>
Net Cash Used by Operating Activities	<u>(3,392,096)</u>
Cash Flows from Noncapital Financing Activities	
Cash Received from State and Federal Subsidy Reimbursements and Grants	<u>3,342,053</u>
Net Cash Provided by Noncapital Financing Activities	<u>3,342,053</u>
Cash Flows from Capital and Related Financial Activities	
Acquisition and Construction of Capital Assets	<u>(2,800,803)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(2,800,803)</u>
Net Decrease in Cash and Cash Equivalents	(2,850,846)
Cash and Cash Equivalents, Beginning of Year	<u>3,192,868</u>
Cash and Cash Equivalents, End of Year	<u>\$ 342,022</u>
Reconciliation of Operating Loss to Net Cash	
Used by Operating Activities	
Operating Loss	\$ <u>(3,554,487)</u>
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities	
Depreciation	99,205
Non Cash Federal Assistance -	
Food Distribution Program (USDA Commodities)	303,272
Change in Assets, Liabilities and Deferred Inflows of Resources	
(Increase)/Decrease in Other Accounts Receivable	(142,178)
(Increase)/Decrease in Inventory	(10,397)
Increase/(Decrease) in Accounts Payable	(96,835)
Increase/(Decrease) in Accrued Salaries and Wages	1,169
Increase (Decrease) in Unearned Revenue	2,291
Increase/(Decrease) in Deferred Commodities Revenue	<u>5,864</u>
Total Adjustments	<u>162,391</u>
Net Cash Used by Operating Activities	<u>\$ (3,392,096)</u>
Non-Cash Investing, Capital and Financing Activities	
Value Received for Food Distribution Program	\$ 309,136

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

NOTES TO THE FINANCIAL STATEMENTS

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Hackensack Board of Education (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade twelve (12) 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 Hackensack Board of Education this includes general operations, food service, and student related activities of the District.

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

B. New Accounting Standards

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

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

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

- GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

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

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt, 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, transportation fees, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

3. Inventories

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

4. Capital Assets

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, except for intangible right-to-use leased assets, the measurement of which is discussed in Note 1. E.8 and intangible right-to-use IT subscription assets. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	8-10
Buildings	40
Building Improvements	7-20
Right-to-use Leased Buildings	12
Furniture, Equipment and Vehicles	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 future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has one item which arises only under the accrual basis of accounting that qualifies for reporting in this category. It is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two types of items, which arise only under the accrual basis of accounting that qualify for reporting in this category. One 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. The other item which qualifies for reporting in this category is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. *Compensated Absences*

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused personal and sick leave benefits. A long-term liability of accumulated personal 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. Proprietary Funds accrue accumulated vacation, personal and sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

7. *Pensions*

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

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

8. *Leases*

Leases Payable

Non-cancellable leases for the use of another entity's buildings are recognized as a lease liability and an intangible right-to-use lease asset in the district-wide and proprietary fund type financial statements. The District recognizes lease liabilities with an initial, individual value of \$2,000 or more. The lease liability is subsequently reduced by the principal portion of lease payments made each year. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the asset's useful life. Leases are monitored for changes in circumstances that would require a remeasurement of the lease and the lease assets and liabilities are remeasured if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities on the statement of net position.

In the fund financial statements leases payable are recognized as other financing sources at the initial amount of the lease liability. Intangible right-to-use leased assets are reported as capital outlay expenditures.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. *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.

10. *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 are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported with the unamortized bond premium. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

In the fund financial statements, governmental fund types recognize bond premiums, 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

11. *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.

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.

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

11. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

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

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

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 2E).

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 4A).

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

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

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.

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

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

Committed Fund Balance – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustee's 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

11. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

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

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

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

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

In the general operating fund and other governmental funds (special revenue, 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.

12. 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.

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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses

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 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual “in rem” tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. *Tuition Revenues and Expenditures*

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

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

4. *On-Behalf Payments*

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues 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.

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

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 and special revenue 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 2023/2024. Also, during 2023/2024 the Board increased the original budget of the general fund by \$7,010,661 and the special revenue fund by \$14,897,236. The increases were funded by the additional, grant awards, student activity revenues, scholarship donations, other financing sources and the reappropriation of prior year general fund encumbrances.

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Deficit Fund Equity

The District has an unassigned fund deficit of \$2,536,841 in the General Fund as of June 30, 2024 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2023/2024 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General Fund deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) general fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District deficit in the GAAP (fund) financial statements of \$2,536,841 in the General Fund is less than the delayed state aid payments at June 30, 2024.

C. 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.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve (Continued)

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

Balance, July 1, 2023		\$	6,079,679
Increased by			
Interest Earnings	\$	207,301	
Deposits Approved by Board Resolution		2,500,000	
Return of Unencumbered Budget Withdrawals		<u>2,751,026</u>	
Total Increases			<u>5,458,327</u>
			11,538,006
Decreased by:			
Withdrawals Approved in District Budget		<u>(3,000,000)</u>	
			<u>(3,000,000)</u>
Balance, June 30, 2024		\$	<u>8,538,006</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the District's Long Range Facilities Plan. \$2,500,000 of the capital reserve balance at June 30, 2024 was designated and appropriated for use in the 2024/2025 original budget certified for taxes.

D. 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.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Maintenance Reserve (Continued)

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

Balance, July 1, 2023		\$	2,807,095
Increased by			
Interest Earnings	\$	75,030	
			<u>75,030</u>
			2,882,125
Decreased by:			
Withdrawals Approved in District Budget	(1,800,000)		
			<u>(1,800,000)</u>
Balance, June 30, 2024		\$	<u>1,082,125</u>

The June 30, 2024 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$4,228,144. The withdrawals from the maintenance reserve were for use in required maintenance activities for school facilities.

E. 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, 2024 is as follows:

Balance, July 1, 2023	\$	304,710
Increased by		
Interest Earnings		<u>11,393</u>
Balance, June 30, 2024	\$	<u>316,103</u>

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

F. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2024 is \$5,326,683. Of this amount, \$2,654,562 was designated and appropriated in the 2024/2025 original budget certified for taxes and the remaining amount of \$2,672,121 will be appropriated in the 2025/2026 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, 2024, the book value of the Board's deposits was \$26,545,034 and bank and brokerage firm balances of the Board's deposits amounted to \$27,698,777. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

Depository Account

Insured	\$ 26,901,423
Uninsured and Collateralized	<u>797,354</u>
	<u>\$ 27,698,777</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2024 the Board’s bank balance of \$797,354 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	\$ 797,354
	<u>\$ 797,354</u>

Investments

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

As of June 30, 2024, the Board had the following investments:

<u>Investment Type:</u>	<u>Fair Value</u>
NJ ARM Managed Account - Local Government Investment Pool (cash equivalent)	<u>\$ 1,176,267</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial credit risk. As of June 30, 2024, \$1,176,267 of the Board’s investments was exposed to custodial credit risk as follows:

	<u>Fair Value</u>
Uninsured and Collateralized:	
Collateral held by pledging financial institutions' trust department or agent but not in the Board's name	<u>\$ 1,176,267</u>

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. As of June 30, 2024, the Board’s investment in NJ ARM was rated AAAm by Standard and Poor’s.

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. More than five (5) percent of the Board’s investments are in the NJ ARM Rebate Management Program (NJARM). These investments are 100% of the District’s total investments.

Fair Value of Investments. The Hackensack Board of Education measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than those in Level 1; and
- *Level 3:* Unobservable inputs.

Investments are valued based on price data obtained from observed transactions and market price quotations provided by NJ ARM. Since the value is not obtained from a quoted price in an active market the investments held by the District at June 30, 2024 are categorized as Level 2.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

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

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Food Service</u>	<u>Total</u>
Receivables:					
Intergovernmental-					
Federal		\$ 6,046,723		\$ 243,062	\$ 6,289,785
State	\$ 666,529	17,409		12,033	695,971
Local	362,433			381,667	744,100
Accounts	-	-	-	-	-
Gross Receivables	1,028,962	6,064,132	-	636,762	7,729,856
Less: Allowance for Uncollectibles	-	-	-	-	-
Net Total Receivables	<u>\$ 1,028,962</u>	<u>\$ 6,064,132</u>	<u>\$ -</u>	<u>\$ 636,762</u>	<u>\$ 7,729,856</u>

C. Unearned Revenue

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

Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 1,383,844
Grant Draw Downs for Year-End Encumbrances	<u>3,072,039</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 4,455,883</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Balance, <u>July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2024</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 68,800	-	-	\$ 68,800
Construction in Progress	<u>19,522,386</u>	<u>\$ 10,391,542</u>	<u>\$ (2,375,205)</u>	<u>27,538,723</u>
Total Capital Assets, Not Being Depreciated	<u>19,591,186</u>	<u>10,391,542</u>	<u>(2,375,205)</u>	<u>27,607,523</u>
Capital Assets, Being Depreciated:				
Land Improvements	2,084,915	107,877		2,192,792
Buildings and Building Improvements	57,710,181	3,856,615		61,566,796
Right-to-use Leased Buildings	6,209,299			6,209,299
Machinery and Equipment	<u>9,022,048</u>	<u>883,295</u>	<u>-</u>	<u>9,905,343</u>
Total Capital Assets Being Depreciated	<u>75,026,443</u>	<u>4,847,787</u>	<u>-</u>	<u>79,874,230</u>
Less Accumulated Depreciation for:				
Land Improvements	(661,322)	(240,514)		(901,836)
Buildings and Building Improvements	(33,916,744)	(1,674,357)		(35,591,101)
Right-to-use Leased Buildings	(5,014,219)	(501,422)		(5,515,641)
Machinery and Equipment	<u>(6,326,008)</u>	<u>(736,061)</u>	<u>-</u>	<u>(7,062,069)</u>
Total Accumulated Depreciation	<u>(45,918,293)</u>	<u>(3,152,354)</u>	<u>-</u>	<u>(49,070,647)</u>
Total Capital Assets, Being Depreciated, Net	<u>29,108,150</u>	<u>1,695,433</u>	<u>-</u>	<u>30,803,583</u>
Governmental Activities Capital Assets, Net	<u>\$ 48,699,336</u>	<u>\$ 12,086,975</u>	<u>\$ (2,375,205)</u>	<u>\$ 58,411,106</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, <u>July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2024</u>
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 1,373,409	\$ 2,350,415	-	\$ 3,723,824
Total Capital Assets, Not Being Depreciated	<u>1,373,409</u>	<u>2,350,415</u>	<u>-</u>	<u>3,723,824</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	392,221			392,221
Equipment	<u>665,773</u>	<u>450,388</u>	<u>-</u>	<u>1,116,161</u>
Total Capital Assets Being Depreciated	<u>1,057,994</u>	<u>450,388</u>	<u>-</u>	<u>1,508,382</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(131,275)	(19,611)		(150,886)
Equipment	<u>(451,481)</u>	<u>(79,594)</u>	<u>-</u>	<u>(531,075)</u>
Total Accumulated Depreciation	<u>(582,756)</u>	<u>(99,205)</u>	<u>-</u>	<u>(681,961)</u>
Total Capital Assets, Being Depreciated, Net	<u>475,238</u>	<u>351,183</u>	<u>-</u>	<u>826,421</u>
Business-Type Activities Capital Assets, Net	<u>\$ 1,848,647</u>	<u>\$ 2,701,598</u>	<u>\$ -</u>	<u>\$ 4,550,245</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

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

Governmental Activities:

Instruction

Regular Instruction	\$ 145,192
Special Education Instruction	63,691
Other Instruction	8,015
School-Sponsored Activities and Athletics	<u>119,869</u>
Total Instruction	<u>336,767</u>

Support Services

Student and Instruction Related Services	48,355
General Administrative Services	2,850
School Administrative Services	17,769
Central Services and Info. Technology	201,488
Plant Operations and Maintenance	2,510,601
Pupil Transportation	<u>34,524</u>
Total Support Services	<u>2,815,587</u>

Total Governmental Funds	<u>\$ 3,152,354</u>
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Business-Type Activities:

Food Service Fund	<u>\$ 99,205</u>
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Total Depreciation Expense-Business-Type Activities	<u>\$ 99,205</u>
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**HACKENSACK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects and other significant commitments as of June 30, 2024:

<u>Project</u>	<u>Remaining Commitment</u>
District-Wide Energy Savings Improvement Project	\$ 50,645
High School and Middle School Cafeteria Upgrades	185,475
Fairmount Avenue Univent Systems Upgrades	279,050
High School Auditorium Project	248,715
Middle School HVAC System Upgrade	2,851,484
Emergency Roof Repair at Middle School	281,625
Emergency Gym Floor Repair	113,491
Nellie Park Vestibule Project	<u>1,192,640</u>
Total	<u>\$ 3,615,369</u>

E. Interfund Receivables, Payables, and Transfers

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

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 439,965
General Fund	Capital Projects Fund	<u>309,203</u>
Total		<u>\$ 749,168</u>

The above balances are the result of expenditures paid by one fund on behalf of another fund and to cover cash balances which were in an overdraft position.

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

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

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

Interfund Transfers

	<u>Transfer In:</u>
	Special <u>Revenue</u>
Transfer Out:	
General Fund	<u>\$ 714,707</u>

The above transfers are the result of appropriations budgeted in one fund to finance expenditures in another fund.

F. Leases

Leases Payable

On June 28, 2013, the District entered into a five year lease agreement as lessee for the use of a school building. On December 18, 2018 the lease agreement was amended and extended five more year for an amended lease term of 10 years through June 30, 2023. The December 18, 2018 amended lease liability was recorded in the amount of \$5,014,219. The December 18, 2018 lease had an interest rate of 4.00%. On March 27, 2023 the lease agreement was amended and extended for an additional two year term through June 30, 2025. The amended lease liability was recorded in the additional amount of \$1,195,080. The March 27, 2023 lease extension has an interest rate of 5.02%. The District is required to make monthly payment of \$53,058 to \$54,119. As of June 30, 2024 the value of the lease liability was \$618,382. The building has a twelve year estimated useful life. The value of the right-to-use asset as of June, 30, 2023 is \$6,209,299 and had accumulated depreciation of \$5,515,641.

The future principal and interest lease payments as of June 30, 2024 are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	<u>\$ 618,382</u>	<u>\$ 31,043</u>	<u>\$ 649,425</u>
Total	<u>\$ 618,382</u>	<u>\$ 31,043</u>	<u>\$ 649,425</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements

Capital Financing Agreements

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

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

\$800,000, fiscal year 2023 Agreement for the acquisition of a interactive flat panels for a term of 5 years due in annual principal installments of \$156,307 to \$166,310 through December 1, 2026, interest rate at 3.15%	\$ 483,848
Total	\$ 483,848

The unexpended proceeds from the capital financing agreement, including interest earned on balances which remain on deposit are held with the respective fiscal agent. The following is a summary of balances by account type as June 30, 2024:

Webster Bank Escrow Account	\$5,771
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Other Financing Agreements

The District entered into the following agreements to finance the purchase of certain equipment that does not meet the threshold of a capital asset and therefore are classified as expendable supplies. The repayments under these financing agreements are subject to the annual appropriation of funds in the District’s approved budget.

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

\$1,445,265, fiscal year 2022 Agreement for the purchase of chrombooks for a term of of 3 years due in a final annual principal installment of \$362,935 on July 14, 2024, interest at 0.909%	\$ 362,935
Total	\$ 362,935

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Financing Agreements (Continued)

Other 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>Other Financing Agreements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2025	\$ 156,307	\$ 15,241	\$ 362,935	\$ 3,297	\$ 537,780
2026	161,231	10,318			171,549
2027	166,310	5,239	-	-	171,549
Total	<u>\$ 483,848</u>	<u>\$ 30,798</u>	<u>\$ 362,935</u>	<u>\$ 3,297</u>	<u>\$ 880,878</u>

H. 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, 2024 are comprised of the following issues:

\$11,275,000, 2021 ESIP Refunding Bonds, due in annual installments of \$345,000 to \$795,000 through May 1, 2042, interest at 3.00% to 4.00% \$10,105,000

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>	
2025	\$ 345,000	\$ 380,350	\$ 725,350
2026	405,000	366,550	771,550
2027	435,000	350,350	785,350
2028	435,000	332,950	767,950
2029	465,000	315,550	780,550
2030-2034	2,880,000	1,269,950	4,149,950
2035-2039	3,305,000	623,150	3,928,150
2040-2042	1,835,000	112,050	1,947,050
Total	<u>\$ 10,105,000</u>	<u>\$ 3,750,900</u>	<u>\$ 13,855,900</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

I. 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, 2024 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 278,649,378
Less: Net Debt Issued and Authorized But Not Issued	<u>10,105,000</u>
Remaining Borrowing Power	<u>\$ 268,544,378</u>

ESIP Refunding Bonds are exempt from the District's debt limitation.

J. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	Balance, <u>July 1, 2023</u>	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2024</u>	Due Within <u>One Year</u>
Governmental Activities:					
ESIP Bonds Payable	\$ 10,830,000		\$ 725,000	\$ 10,105,000	\$ 345,000
Add: Unamortized Premium	<u>1,694,085</u>	<u>-</u>	<u>144,480</u>	<u>1,549,605</u>	<u>-</u>
Total Bonds Payable	12,524,085	-	869,480	11,654,605	345,000
Capital Financing Agreements	635,382		151,534	483,848	\$ 156,307
Other Financing Agreements	980,993		618,058	362,935	362,935
Compensated Absences	1,259,831	120,567	142,001	1,238,397	150,000
Leases Payable	1,195,080		576,698	618,382	618,382
Net Pension Liability	<u>22,448,675</u>	<u>-</u>	<u>2,015,352</u>	<u>20,433,323</u>	<u>-</u>
Governmental Activity Long-Term Liabilities	<u>\$ 39,044,046</u>	<u>\$ 120,567</u>	<u>\$ 4,373,123</u>	<u>\$ 34,791,490</u>	<u>\$ 1,632,624</u>

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

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

NOTE 4 OTHER INFORMATION

A. Risk Management

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

The District is a member of the New Jersey School Insurance Groups (NJSIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

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

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

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

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

<u>Fiscal Year Ended June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024	None	\$ 110,262	\$ 45,530	\$ 78,014	\$ 1,029,005
2023	None	101,095	19,856	-	983,475
2022	None	97,878	1,204	45,331	963,620

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

NOTE 4 OTHER INFORMATION (Continued)

B. Contingent Liabilities

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

Pending Litigation – A complaint was filed against the District on November 19, 2020 alleging sexual abuse by a former District employee. Plaintiffs filed a statement of damages on April 27, 2021 alleging \$75 million in damages. An answer was filed, followed by a motion to dismiss which was denied on July 23, 2021. Insurance coverage was denied. Discovery was closed on January 16, 2023, with both parties having completed a number of depositions as well as having exchanged reports of experts. Prior to the court-ordered mediation on October 25, 2023, plaintiff reduced their demand to \$1.5 million.

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

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2024, the District 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.

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.

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

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

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

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

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

Other Pension Funds

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

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

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

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

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

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

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

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

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

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

Actuarial Methods and Assumptions

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

Employer and Employee Pension Contributions

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

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

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

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2024	\$ 1,880,460	\$ 19,383,902	\$ 128,515
2023	1,877,856	18,792,870	99,658
2022	1,708,969	19,223,180	76,616

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2024, 2023 and 2022 the State contributed \$5,393, \$4,705 and \$4,903, 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 \$4,051,133 during the fiscal year ended June 30, 2024 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

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

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

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

At June 30, 2024, the District reported in the statement of net position (accrual basis) a liability of \$20,433,323 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2023. At June 30, 2023, the District's proportionate share was .14107 percent, which was a decrease of .00768 percent from its proportionate share measured as of June 30, 2021 of .14875 percent.

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

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, 2024, the District recognized in the district-wide statement of activities (accrual basis) pension expense (benefit) of \$(416,583) for PERS. The pension contribution made by the District during the current 2023/2024 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2024 with a measurement date of the prior fiscal year end of June 30, 2023. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2024 for contributions made subsequent to the measurement date. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 195,369	\$ 83,525
Changes of Assumptions	44,888	1,238,347
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	94,098	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>570,249</u>	<u>1,132,982</u>
Total	<u>\$ 904,604</u>	<u>\$ 2,454,854</u>

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

<u>Year Ending June 30,</u>	<u>Total</u>
2024	\$ (1,355,411)
2025	(487,650)
2026	790,009
2027	(475,480)
2028	(21,718)
Thereafter	<u>-</u>
	<u>\$ (1,550,250)</u>

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

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-6.55%
	Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rates

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

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

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

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

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

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

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, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Sensitivity of Net Pension Liability

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

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>26,599,839</u>	\$ <u>20,433,323</u>	\$ <u>15,184,803</u>

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

Pension Plan Fiduciary Net Position

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

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

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 based on a measurement date no earlier than the end of the employer's prior fiscal year. The non-employer allocation percentages presented are based on the ratio of the State's actual contributions made as an employer and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2022 through June 30, 2023. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2022, the State's pension contribution was more than the actuarial determined amount.

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

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$5,684,521 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2024 the State's proportionate share of the net pension liability attributable to the District is \$231,387,645. The net pension liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2023. At June 30, 2023, the State's share of the net pension liability attributable to the District was .45341 percent, which was a decrease of .00705 percent from its proportionate share measured as of June 30, 2022 of .46046 percent.

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

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-4.25%
	Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rates

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

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

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

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

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

Discount Rate

The discount rate used to measure the total pension liability for TPAF was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

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

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:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 272,848,022</u>	<u>\$ 231,387,645</u>	<u>\$ 196,468,153</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, 2023. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2023 was not provided by the pension system.

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

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

Plan Description and Benefits Provided

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

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

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.

Plan Membership

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

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

Measurement Focus and Basis of Accounting

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Collective Net OPEB Liability

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

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

Actuarial Methods and Assumptions

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

Post-Retirement Medical Benefits Contributions

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

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, 2024, 2023 and 2022 were \$5,275,589, \$4,936,842 and \$4,491,312, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

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

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

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)

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

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$6,291,014. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2024 the State's proportionate share of the OPEB liability attributable to the District is \$191,454,690. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2023 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2023. At June 30, 2023, the state's share of the OPEB liability attributable to the District was .36564 percent, which was an increase of .00328 percent from its proportionate share measured as of June 30, 2022 of .36236 percent.

Actuarial Assumptions

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

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

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

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

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

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

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)**

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is, increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is, increasing to 17.4% in fiscal year 2026 and decreases to 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate for June 30, 2023 was 3.65%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the Total OPEB Liability

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

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2022 Measurement Date	\$ 183,523,984
Changes Recognized for the Fiscal Year:	
Service Cost	7,634,727
Interest on the Total OPEB Liability	6,742,800
Differences Between Expected and Actual Experience	(1,749,385)
Changes of Assumptions	385,893
Gross Benefit Payments	(5,256,123)
Contributions from the Member	172,794
Net Changes	<u>\$ 7,930,706</u>
Balance, June 30, 2023 Measurement Date	<u>\$ 191,454,690</u>

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

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

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

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

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

	1% Decrease <u>(2.65%)</u>	Current Discount Rate <u>(3.65%)</u>	1% Increase <u>(4.65%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 224,447,756</u>	<u>\$ 191,454,690</u>	<u>\$ 164,965,089</u>

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

	1% Decrease <u></u>	Healthcare Cost Trend Rates	1% Increase <u></u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 158,936,910</u>	<u>\$ 191,454,690</u>	<u>\$ 234,004,289</u>

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

F. Tax Abatements

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

For Hackensack Board of Education, the District's share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

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

NOTE 4 OTHER INFORMATION (Continued)

G. Subsequent Events

Capital Financing Agreements

On July 24, 2024 the District approved a lease-purchase agreement for Nutanix Hyper coverage in the principal amount of \$211,308 at an interest rate of 4.23%. The term is for 5 years with the first annual payment due August 15, 2024.

On July 24, 2024 the District approved a lease-purchase agreement for chromebooks in the principal amount of \$991,690 at an interest rate of 4.36%. The term is for 4 years with the first annual payment due August 23, 2024.

Subscription-Based Information Technology Arrangements (SBITAs)

On July 24, 2024 the District entered into a SBITA with Houghton Mifflin Harcourt for the use of certain curricular resource software at a cost not to exceed \$1,263,051. The SBITA is for a term of 3 years with the first annual payment due August 15, 2024.

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 \$16,215,957 in federal aid to address the effects of the COVID-19 pandemic.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
REVENUES					
Local Sources					
Property Taxes	\$ 89,151,864		\$ 89,151,864	\$ 89,151,864	
Tuition from Other LEA's	3,755,052		3,755,052	3,212,743	\$ (542,309)
Transportation Fees				30,326	30,326
Interest on Emergency Reserve	500		500	11,393	10,893
Interest on Maintenance Reserve	1,000		1,000	75,030	74,030
Interest on Unemployment Reserve				45,530	45,530
Interest on Capital Reserve	5,000		5,000	207,301	202,301
Interest on Investments				1,026,726	1,026,726
Unrestricted Miscellaneous	400,000	-	400,000	595,338	195,338
Total Local Sources	93,313,416	-	93,313,416	94,356,251	1,042,835
State Sources					
Transportation Aid	682,382		682,382	682,382	
Special Education Aid	5,019,157	-	5,019,157	5,019,157	-
Equalization Aid	28,808,278	-	28,808,278	28,808,278	
Security Aid	2,121,557	-	2,121,557	2,121,557	
Extraordinary Aid	1,800,000	-	1,800,000	2,387,059	587,059
Payment for Institutionalized Children (Homeless Tuition Reimbursement)				263,714	263,714
On-behalf TPAF Pension System Contributions-Normal Costs & Accrued Liabilities (Non-Budget)				19,165,332	19,165,332
On-behalf TPAF Pension System Contributions-NCGI (Non-Budget)				218,570	218,570
On-behalf TPAF Contributions-Post Retirement Medical Contributions (Non-Budget)				5,275,589	5,275,589
On-behalf TPAF Contributions-Long-Term Disability Insurance Contributions (Non-Budget)				5,393	5,393
Reimbursed TPAF Social Security Payments (Non-Budget)	-	-	-	4,051,133	4,051,133
Total State Sources	38,431,374	-	38,431,374	67,998,164	29,566,790
Federal Sources					
Medicaid Reimbursement	218,150	-	218,150	303,444	85,294
Total Federal Sources	218,150	-	218,150	303,444	85,294
Total Revenues	131,962,940	-	131,962,940	162,657,859	30,694,919
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	1,494,600	41,296	1,535,896	1,517,359	18,537
Grades 1-5	10,057,434	(303,811)	9,753,623	9,712,188	41,435
Grades 6-8	7,136,514	257,963	7,394,477	7,394,477	-
Grades 9-12	11,665,480	68,990	11,734,470	11,734,470	-
Regular Program - Home Instruction					
Salaries of Teachers	200,000	31,755	231,755	231,755	-
Purchased Professional-Educational Services	25,000	31,064	56,064	51,753	4,311
Regular Programs - Undistributed Instruction					
Other Salaries	-	115,000	115,000	108,719	6,281
Other Salaries for Instruction	632,505	272,677	905,182	898,196	6,986
Purchased Professional and Technical Services		384,808	384,808	377,273	7,535
Purchased Professional-Educational Services	2,234,032	461,350	2,695,382	2,564,242	131,140
Purchased Technical Services	206,267	(84,064)	122,203	59,194	63,009
Other Purchased Services	1,660,095	(37,632)	1,622,463	1,450,754	171,709
General Supplies	2,608,216	188,930	2,797,146	2,133,439	663,707
Textbooks	572,703	(169,073)	403,630	232,099	171,531
Other Objects	73,140	17,084	90,224	46,634	43,590
Total Regular Programs	38,565,986	1,276,337	39,842,323	38,512,552	1,329,771

Continued

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Special Education					
Learning and/or Language Disabilities					
Salaries of Teachers	\$ 1,660,185	\$ (87,700)	\$ 1,572,485	\$ 1,568,686	\$ 3,799
Other Salaries for Instruction	811,260	(32,000)	779,260	771,156	8,104
General Supplies	5,970	-	5,970	2,417	3,553
		-			
Total Learning and/or Language Disabilities	2,477,415	(119,700)	2,357,715	2,342,259	15,456
Emotional Regulation Impairment					
Salaries of Teachers	230,880	(8,000)	222,880	222,880	-
Other Salaries for Instruction	245,734	26,951	272,685	257,841	14,844
General Supplies	1,075	-	1,075	-	1,075
		-			-
Total Emotional Regulation Impairment	477,689	18,951	496,640	480,721	15,919
Multiple Disabilities					
Salaries of Teachers	944,860	87,570	1,032,430	1,018,844	13,586
Other Salaries for Instruction	768,593	(58,805)	709,788	695,846	13,942
General Supplies	1,050	-	1,050	496	554
Total Multiple Disabilities	1,714,503	28,765	1,743,268	1,715,186	28,082
Resource Room/ Resource Center					
Salaries of Teachers	5,285,195	(389,829)	4,895,366	4,887,534	7,832
Other Salaries for Instruction	1,434,167	(132,340)	1,301,827	1,237,068	64,759
General Supplies	10,994	626	11,620	5,867	5,753
Total Resource Room/Resource Center	6,730,356	(521,543)	6,208,813	6,130,469	78,344
Preschool Disabilities - Full Time					
Salaries of Teachers	1,011,030	85,571	1,096,601	1,087,225	9,376
Other Salaries for Instruction	713,143	(32,256)	680,887	678,131	2,756
General Supplies	51,350	(45,100)	6,250	1,134	5,116
Other Objects	500	(500)	-	-	-
Total Preschool Disabilities - Full Time	1,776,023	7,715	1,783,738	1,766,490	17,248
Home Instruction					
Salaries of Teachers	41,577	-	41,577	41,575	2
Purchased Professional-Educational Services	15,000	30,000	45,000	39,920	5,080
Total Home Instruction	56,577	30,000	86,577	81,495	5,082
Total Special Education	13,232,563	(555,812)	12,676,751	12,516,620	160,131
Bilingual Education					
Salaries of Teachers	2,523,637	344,089	2,867,726	2,778,323	89,403
Other Salaries for Instruction	100,963	25,362	126,325	114,609	11,716
Other Purchased Services	2,000	-	2,000	-	2,000
General Supplies	6,425	32,252	38,677	36,111	2,566
Textbooks	130,500	(32,252)	98,248	97,616	632
Total Bilingual Education	2,763,525	369,451	3,132,976	3,026,659	106,317
School Sponsored Co/Extra Curricular Activities					
Salaries	70,948	52,877	123,825	123,825	-
Purchased Services	18,900	(8,284)	10,616	10,021	595
Supplies and Materials	81,600	(12,456)	69,144	52,406	16,738
Other Objects	1,000	10,625	11,625	11,625	-
Total School Sponsored Co/Extra Curricular Activities	172,448	42,762	215,210	197,877	17,333

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
School-Sponsored Athletics - Instruction					
Salaries	\$ 960,677	\$ (36,236)	\$ 924,441	\$ 924,441	\$ -
Purchased Services	209,250	(75,890)	133,360	127,557	5,803
Supplies and Materials	224,900	(96,700)	128,200	127,060	1,140
Other Objects	56,800	1,856	58,656	52,566	6,090
Total School-Sponsored Athletics - Instruction	1,451,627	(206,970)	1,244,657	1,231,624	13,033
Summer School - Instruction					
Salaries of Teachers	370,000	(121,321)	248,679	248,679	-
Total Summer School - Instruction	370,000	(121,321)	248,679	248,679	-
Instructional Alternative Education Program - Instruction					
Salaries of Teachers	245,000	(107,452)	137,548	137,548	-
Total Instructional Alternative Education Program - Instruction	245,000	(107,452)	137,548	137,548	-
Total Instruction	56,801,149	696,995	57,498,144	55,871,559	1,626,585
Instruction					
Tuition to Other LEAs Within the State-Regular	15,000	47,128	62,128		62,128
Tuition to Other LEAs Within the State-Special	1,203,640	7,194	1,210,834	1,187,285	23,549
Tuition to County Vocational School District - Regular	897,933	(150,000)	747,933	635,447	112,486
Tuition to County Vocational School District - Special	567,000	(100,000)	467,000	367,591	99,409
Tuition to CSSD & Regional Day Schools	2,207,000	(91,188)	2,115,812	1,781,269	334,543
Tuition to APSSD Within the State	7,899,530	(161,500)	7,738,030	6,249,723	1,488,307
Tuition - State Facilities	27,414	-	27,414	27,414	-
Total Undistributed Expenditures - Instruction	12,817,517	(448,366)	12,369,151	10,248,729	2,120,422
Attendance and Social Work Services					
Salaries	-	-	-	-	-
Salaries of Drop-Out Prevention Officer/Coordinator	260,114	(5,752)	254,362	254,115	247
Total Attendance and Social Work Services	260,114	(5,752)	254,362	254,115	247
Health Services					
Salaries	1,018,340	(187,844)	830,496	824,238	6,258
Salaries of Secretaries and Clerical Assistants	-	107,395	107,395	107,395	-
Purchased Professional and Technical Services	75,800	-	75,800	41,050	34,750
Other Purchased Services	90,200	(36,000)	54,200	50,803	3,397
Supplies and Materials	37,402	(1,803)	35,599	33,946	1,653
Total Health Services	1,221,742	(118,252)	1,103,490	1,057,432	46,058
Speech, OT, PT & Related Services					
Salaries	1,594,210	(5,480)	1,588,730	1,581,764	6,966
Purchased Professional-Educational Services	1,940,000	1,037,880	2,977,880	2,817,643	160,237
Supplies and Materials	8,950	(4,659)	4,291	2,102	2,189
Total Speech, OT, PT & Related Services	3,543,160	1,027,741	4,570,901	4,401,509	169,392
Other Support Serv. Students- Extra Serv.					
Salaries	432,644	(30,632)	402,012	374,407	27,605
Purchased Professional-Educational Services	977,500	855,106	1,832,606	1,736,188	96,418
Supplies and Materials	8,850	(8,000)	850	-	850
Total Other Support Serv. Students- Extra Serv.	1,418,994	816,474	2,235,468	2,110,595	124,873
Guidance					
Salaries of Other Professional Staff	1,574,897	47,000	1,621,897	1,578,381	43,516
Salaries of Secretaries and Clerical Assistants	158,821	1,000	159,821	156,570	3,251
Other Purchased Professional and Technical Services	45,750	(20,114)	25,636	20,193	5,443
Other Purchased Services	4,300	1,000	5,300	4,770	530
Supplies and Materials	8,850	7,333	16,183	8,328	7,855
Other Objects	4,000	-	4,000	725	3,275
Total Guidance	1,796,618	36,219	1,832,837	1,768,967	63,870

Continued

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Child Study Teams					
Salaries of Other Professional Staff	\$ 3,701,438	\$ (3,210)	\$ 3,698,228	\$ 3,673,523	\$ 24,705
Salaries of Secretaries and Clerical Assistants	330,127	(15,001)	315,126	310,179	4,947
Purchased Professional-Educational Services	145,500	80,000	225,500	216,458	9,042
Other Purchased Professional and Technical Services	85,000	(21,895)	63,105	61,950	1,155
Other Purchased Services	-	152	152	152	-
Residential Costs	5,000	(5,000)			-
Supplies and Materials	56,875	(15,172)	41,703	32,818	8,885
Other Objects	6,000	-	6,000	2,232	3,768
Total Child Study Teams	4,329,940	19,874	4,349,814	4,297,312	52,502
Improvement of Instructional Services					
Salaries of Supervisor of Instruction	1,016,684	(289,990)	726,694	622,740	103,954
Salaries of Other Professional Staff	492,429	96,500	588,929	583,708	5,221
Salaries of Secretaries and Clerical Assistants	578,980	(50,000)	528,980	519,160	9,820
Purchased Professional-Educational Services		30,000	30,000	30,000	-
Other Purchased Services	102,300	67,130	169,430	164,396	5,034
Supplies and Materials	38,206	163	38,369	35,460	2,909
Other Objects	7,800	(3,640)	4,160	3,740	420
Total Improvement of Instructional Services	2,236,399	(149,837)	2,086,562	1,959,204	127,358
Educational Media Services/School Library					
Salaries	882,511	(275,000)	607,511	583,246	24,265
Other Purchased Services	28,000	(11,426)	16,574	14,846	1,728
Supplies and Materials	67,675	1,750	69,425	51,644	17,781
Total Educational Media Serv./School Library	978,186	(284,676)	693,510	649,736	43,774
Instructional Staff Training Services					
Salaries	-	5,000	5,000	1,388	3,612
Other Purchased Prof and Tech. Services	-	44,400	44,400	38,018	6,382
Purchased Professional-Educational Services	297,010	(22,010)	275,000	241,696	33,304
Other Purchased Services	61,150	8,607	69,757	31,933	37,824
Supplies and Materials	12,000	-	12,000	4,191	7,809
Total Instructional Staff Training Services	370,160	35,997	406,157	317,226	88,931
Support Services General Administration					
Salaries	260,000	244,753	504,753	504,753	-
Legal Services	375,000	192,881	567,881	382,230	185,651
Audit Fees	65,000	67,800	132,800	67,213	65,587
Architectural/Engineering	12,000	3,025	15,025		15,025
Other Purchased Professional Services	55,850	(45,000)	10,850	4,588	6,262
Communications/Telephone	72,470	(40,781)	31,689	12,683	19,006
BOE Other Purchased Services	35,500	(20,000)	15,500		15,500
Misc Purchased Services	65,000	(40,525)	24,475	7,492	16,983
General Supplies	26,000	(4,261)	21,739	14,002	7,737
BOE In-House Training/Meeting Supplies	5,500	-	5,500	5,309	191
Miscellaneous Expenditures	34,900	(6,736)	28,164	21,631	6,533
BOE Membership Dues and Fees	35,000	-	35,000	29,704	5,296
Total Support Services General Administration	1,042,220	351,156	1,393,376	1,049,605	343,771
Support Services School Administration					
Salaries of Principal/Asst. Principals	3,923,523	143,999	4,067,522	3,998,304	69,218
Salaries of Secretarial and Clerical Assistants	1,125,843	(42,999)	1,082,844	1,056,982	25,862
Other Purchased Services	28,000	(10,500)	17,500	2,509	14,991
Supplies and Materials	85,115	(25,044)	60,071	33,718	26,353
Other Objects	17,400	-	17,400	4,096	13,304
Total Support Services School Administration	5,179,881	65,456	5,245,337	5,095,609	149,728

Continued

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Central Services					
Salaries	\$ 746,792	\$ 233,324	\$ 980,116	\$ 978,845	\$ 1,271
Purchased Professional Services	6,500	4,945	11,445	8,905	2,540
Purchased Professional Services - Public Relations Costs	9,800	(9,800)	-	-	-
Purchased Technical Services	18,800	2,454	21,254	14,645	6,609
Travel	-	23,743	23,743	16,837	6,906
Miscellaneous Purchased Services	113,700	(79,989)	33,711	28,685	5,026
Supplies and Materials	22,500	(7,548)	14,952	13,508	1,444
Interest on Lease Purchase Agreements	25,000	(25,000)	-	-	-
Miscellaneous Expenditures	29,000	14,650	43,650	28,026	15,624
Total Central Services	972,092	156,779	1,128,871	1,089,451	39,420
Admin. Info. Technology					
Salaries	558,814	372,313	931,127	931,127	-
Purchased Professional Services	19,000	-	19,000	16,741	2,259
Other Purchased Services	569,386	29,399	598,785	561,949	36,836
Supplies and Material	41,700	(9,427)	32,273	30,229	2,044
Total Admin. Info. Technology	1,188,900	392,285	1,581,185	1,540,046	41,139
Required Maintenance for School Facilities					
Salaries	1,018,784	(93,377)	925,407	924,317	1,090
Cleaning, Repair and Maint. Serv.	3,413,000	71,123	3,484,123	2,294,345	1,189,778
Rentals	-	332	332	-	332
General Supplies	750,000	(315,316)	434,684	356,409	78,275
Total Required Maintenance for School Fac.	5,181,784	(337,238)	4,844,546	3,575,071	1,269,475
Custodial Services					
Salaries	3,120,220	132,430	3,252,650	3,252,650	-
Salaries of Non-Instructional Aides	54,354	(33,563)	20,791	20,791	-
Purchased Professional and Technical Services	105,000	(98,301)	6,699	6,698	1
Cleaning, Repair and Maint. Serv.	630,000	(431,186)	198,814	119,403	79,411
Rental of Land and Building Other Than Lease Purchase Agmt.	655,005	74,997	730,002	700,954	29,048
Lease Purchase Payments - Energy Savings Improvement Program	1,134,350	-	1,134,350	-	1,134,350
Other Purchased Property Services	175,000	-	175,000	114,892	60,108
Insurance	987,840	(52,991)	934,849	918,169	16,680
Miscellaneous Purchased Services	6,000	-	6,000	641	5,359
General Supplies	645,000	33,171	678,171	453,808	224,363
Energy (Natural Gas)	650,000	(126,859)	523,141	471,426	51,715
Energy (Electricity)	680,320	124,351	804,671	763,903	40,768
Other Objects	2,000	-	2,000	1,050	950
Total Custodial Services	8,845,089	(377,951)	8,467,138	6,824,385	1,642,753
Care and Upkeep of Grounds					
Salaries	138,485	34,582	173,067	173,065	2
Cleaning, Repair and Maint. Serv.	402,816	(246,259)	156,557	89,780	66,777
General Supplies	235,000	(198,591)	36,409	24,191	12,218
Total Care and Upkeep of Grounds	776,301	(410,268)	366,033	287,036	78,997
Security					
Purch. Professional and Technical Services	391,300	23,875	415,175	405,318	9,857
Cleaning, Repair, and Maintenance Services	274,500	107,547	382,047	281,324	100,723
General Supplies	131,050	81,680	212,730	180,190	32,540
Total Security	796,850	213,102	1,009,952	866,832	143,120

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Student Transportation Services					
Salaries for Pupil Trans (Other Than Between Home & School)	\$ 67,306	\$ 103,702	\$ 171,008	\$ 171,008	\$ -
Other Purchased Professional and Technical Services	5,000	-	5,000	2,000	3,000
Cleaning, Repair, and Maintenance Services	35,000	(34,794)	206	-	206
Contract Services-Aid in Lieu Payments - Charter School	365,000	(336,458)	28,542	26,212	2,330
Contract Services (Other Than Between Home and School)-Vendors	310,000	72,712	382,712	382,690	22
Contract Services (Between Home and School)-ESCs and CTSA's	331,950	(111,688)	220,262	155,987	64,275
Contract Services (Special Ed Students)-ESCs and CTSA's	3,316,498	1,243,643	4,560,141	4,202,930	357,211
Miscellaneous Purchased Services - Transportation	2,500	2,000	4,500	150	4,350
Other Objects	-	819	819	-	819
Total Student Transportation Services	<u>4,433,254</u>	<u>939,936</u>	<u>5,373,190</u>	<u>4,940,977</u>	<u>432,213</u>
Unallocated Benefits - Employee Benefits					
Social Security Contributions	1,488,375	(234,248)	1,254,127	1,149,930	104,197
Other Retirement Contributions-PERS	1,984,147	(75,000)	1,909,147	1,908,910	237
Other Retirement Contributions - DCRP	133,600	-	133,600	128,515	5,085
Workmen's Compensation	869,662	123,121	992,783	992,783	-
Health Benefits	15,364,675	(1,556,289)	13,808,386	13,808,386	-
Tuition Reimbursement	8,500	-	8,500	1,893	6,607
Other Employee Benefits	30,500	-	30,500	8,305	22,195
Unused Sick Payment to Terminated/Retired Staff	355,650	(203,309)	152,341	142,001	10,340
Total Unallocated Benefits - Employee Benefits	<u>20,235,109</u>	<u>(1,945,725)</u>	<u>18,289,384</u>	<u>18,140,723</u>	<u>148,661</u>
On-behalf TPAF Pension System Contributions- Normal Costs & Accrued Liability (Non-Budget)				19,165,332	(19,165,332)
On-behalf TPAF Pension System Contributions-NCGI Cost (Non-Budget)				218,570	(218,570)
On-behalf TPAF Contributions-Post Retirement Medical Contributions (Non-Budget)				5,275,589	(5,275,589)
On-behalf TPAF Contributions-Long-Term Disability Insurance Contributions (Non-Budget)				5,393	(5,393)
Reimbursed TPAF Social Security Payments (Non-Budget)	-	-	-	4,051,133	(4,051,133)
Total TPAF On-Behalf	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,716,017</u>	<u>(28,716,017)</u>
Total Undistributed Expenditures	<u>77,624,310</u>	<u>(23,046)</u>	<u>77,601,264</u>	<u>99,190,577</u>	<u>(21,589,313)</u>
Interest Earned on Maintenance Reserve	1,000	-	1,000	-	1,000
Interest Earned on Current Expense Emergency Reserve	500	-	500	-	500
Total Expenditures - Current Expenditures	<u>134,426,959</u>	<u>673,949</u>	<u>135,100,908</u>	<u>155,062,136</u>	<u>(19,961,228)</u>
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures-Instruction		204,650	204,650	204,650	-
Undistributed Expenditures-Administrative Information Technology	-	346,948	346,948	312,982	33,966
Undistributed Expenditures-Required Maint. For School Facilities	377,500	(270,500)	107,000	103,968	3,032
Undistributed Expenditures-Security	-	125,000	125,000	123,690	1,310
Undistributed Expenditures-Care and Upkeep of Grounds	-	61,732	61,732	60,673	1,059
Undistributed Expenditures-Non-Instructional Services	-	-	-	-	-
Total Equipment	<u>377,500</u>	<u>467,830</u>	<u>845,330</u>	<u>805,963</u>	<u>39,367</u>

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
EXPENDITURES					
CAPITAL OUTLAY (Continued)					
Facilities Acquisition and Construction Services					
Legal Services	\$ 500,000	\$ -	\$ 500,000		\$ 500,000
Architectural/Engineering Services	711,300	440,029	1,151,329	321,530	829,799
Other Purchased Prof. and Tech. Services		-			-
Construction Services	3,000,000	5,248,487	8,248,487	4,553,778	3,694,709
Assessment for Debt Service on SDA Funding	37,812	-	37,812	37,812	-
Total Facilities Acquisition and Construction Services	4,249,112	5,688,516	9,937,628	4,913,120	5,024,508
Interest Deposit to Capital Reserve	5,000	-	5,000	-	5,000
Total Capital Outlay	4,631,612	6,156,346	10,787,958	5,719,083	5,068,875
TRANSFER OF FUNDS TO CHARTER SCHOOL	7,262,443	130,366	7,392,809	7,392,809	-
Total Expenditures	146,321,014	6,960,661	153,281,675	168,174,028	(14,892,353)
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(14,358,074)	(6,960,661)	(21,318,735)	(5,516,169)	15,802,566
Other Financing Sources (Uses) Transfers Out - Special Revenue Fund	(664,707)	(50,000)	(714,707)	(714,707)	-
Total Other Financing Sources (Uses)	(664,707)	(50,000)	(714,707)	(714,707)	-
Net Change in Fund Balances	(15,022,781)	(7,010,661)	(22,033,442)	(6,230,876)	15,802,566
Fund Balance, Beginning of Year	33,421,658	-	33,421,658	33,421,658	-
Fund Balance, End of Year	\$ 18,398,877	\$ (7,010,661)	\$ 11,388,216	\$ 27,190,782	\$ 15,802,566
Recapitulation of Fund Balance					
Restricted Fund Balance					
Capital Reserve				\$ 6,038,006	
Capital Reserve - Designated for Subsequent Year's Expenditures (2024/25 Budget)				2,500,000	
Maintenance Reserve				1,082,125	
Emergency Reserve				316,103	
Unemployment Compensation Reserve				1,029,005	
Excess Surplus				2,672,121	
Excess Surplus - Designated for Subsequent Year's Expenditures (2024/25 Budget)				2,654,562	
Committed Fund Balance					
Year-End Encumbrances				1,879,145	
Assigned Fund Balance					
Year-End Encumbrances				709,730	
Designated for Subsequent Year's Expenditures (2024/25 Budget)				4,919,472	
Unassigned Fund Balance				3,390,513	
Reconciliation to Governmental Funds Statements (GAAP):				27,190,782	
Less: Final State Aid Payments Not Recognized on GAAP Basis				(5,927,354)	
Final Balance Per Governmental Fund (GAAP)				\$ 21,263,428	

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Intergovernmental					
Federal	\$ 3,026,483	\$ 13,439,412	\$ 16,465,895	\$ 7,522,190	\$ (8,943,705)
State	4,427,920	1,176,224	5,604,144	3,795,685	(1,808,459)
Local Sources					
Miscellaneous	-	231,600	231,600	306,263	74,663
Total Revenues	<u>7,454,403</u>	<u>14,847,236</u>	<u>22,301,639</u>	<u>11,624,138</u>	<u>(10,677,501)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	2,924,250	(1,064,631)	1,859,619	1,526,270	333,349
Other Salaries for Instruction	595,345	(41,980)	553,365	446,026	107,339
Purchased Professional Services & Technical Serv.	400,000	257,242	657,242	510,542	146,700
Other Purchased Services	307,500	2,391,652	2,699,152	2,629,597	69,555
General Supplies	428,808	154,260	583,068	541,630	41,438
Textbooks	5,781	-	5,781	5,769	12
Other Objects		3,263	3,263		3,263
Co-Curricular/Extra-Curricular Activities		210,988	210,988	210,988	-
Athletic Activities	-	68,966	68,966	68,966	-
Total Instruction	<u>4,661,684</u>	<u>1,979,760</u>	<u>6,641,444</u>	<u>5,939,788</u>	<u>701,656</u>
Support Services					
Salaries	597,671	937,585	1,535,256	1,101,625	433,631
Salaries of Program Directors	108,846	2,060	110,906	110,906	-
Salaries of Other Professional Staff	197,248	114,628	311,876	301,367	10,509
Secretary of Secretarial and Clerical Assistants		99,088	99,088	55,401	43,687
Salaries of Community Involvement Specialist	32,446	-	32,446	32,446	-
Salaries of Master Teachers	89,801	31,928	121,729	92,114	29,615
Other Salaries	84,473	52,698	137,171	53,902	83,269
Personnel Services - Employee Benefits	563,452	1,076,092	1,639,544	1,369,666	269,878
Purchased Professional and Technical Services		461,315	461,315	360,719	100,596
Purchased Ed Services - Contracted Pre-K	1,433,842	(161,864)	1,271,978	542,401	729,577
Other Purchased Professional-Education Services	63,716	106,943	170,659	132,814	37,845
Other Purchased Professional Service		-	-	-	-
Rentals	20,500	-	20,500	20,500	-
Purchased Property Service		441,227	441,227	441,227	-
Other Purchased Services	150,000	1,138,217	1,288,217	1,204,709	83,508
Contracted Services Transportation	13,581	104,205	117,786	111,109	6,677
Travel	8,000	27,986	35,986	5,128	30,858
Miscellaneous Purchased Services	8,000	-	8,000	7,900	100
Supplies and Materials	85,300	21,493	106,793	85,864	20,929
Other Objects	550	22,645	23,195	13,956	9,239
Scholarship Awards	-	-	-	7,000	(7,000)
Total Support Services	<u>3,457,426</u>	<u>4,476,246</u>	<u>7,933,672</u>	<u>6,050,754</u>	<u>1,882,918</u>

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Capital Outlay					
Construction Services		\$ 8,387,873	\$ 8,387,873	\$ 243,869	\$ 8,144,004
Instructional Equipment		19,485	19,485	16,235	3,250
Non Instructional Equipment	-	33,872	33,872	20,500	13,372
	<u>-</u>	<u>8,441,230</u>	<u>8,441,230</u>	<u>280,604</u>	<u>8,160,626</u>
Total Capital Outlay	-	8,441,230	8,441,230	280,604	8,160,626
Total Expenditures	\$ 8,119,110	14,897,236	23,016,346	12,271,146	10,745,200
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(664,707)	(50,000)	(714,707)	(647,008)	67,699
Other Financing Sources					
Transfers In- General Fund	664,707	50,000	714,707	714,707	-
Net Change in Fund Balances	-	-	-	67,699	67,699
Fund Balances, Beginning of Year	492,111	-	492,111	492,111	-
Fund Balances, End of Year	\$ 492,111	\$ -	\$ 492,111	\$ 559,810	\$ 67,699
Recapitulation of Fund Balances					
Restricted Fund Balance					
Student Activities				\$ 358,694	
Scholarships				<u>201,116</u>	
				<u>\$ 559,810</u>	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**HACKENSACK BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue"		
from the budgetary comparison schedule	(C-1) \$ 162,657,859	(C-2) \$ 11,624,138
Difference - Budget to GAAP:		
State Aid payments recognized for GAAP purposes, not recognized		
for Budgetary statements (2022/2023) State Aid and Extraordinary Aid)	5,708,464	
State Aid payment recognized for Budgetary purposes, not recognized		
for GAAP statements (2023/2024) State Aid and Extraordinary Aid)	(5,927,354)	
Grant accounting budgetary basis differs from GAAP in that		
encumbrances are recognized as expenditures, and the related revenue is		
recognized but are not recognized for financial reporting purposes until incurred		
Encumbrances, June 30, 2023, Net of Cancellations		8,153,588
Encumbrances, June 30, 2024	-	(3,072,039)
Total revenues as reported on the Statement of Revenues, Expenditures		
and Changes in Fund Balances - Governmental Funds.	(B-2) \$ <u>162,438,969</u>	(B-2) \$ <u>16,705,687</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the		
budgetary comparison schedule	(C-1) \$ 168,174,028	(C-2) \$ 12,271,146
Difference - Budget to GAAP:		
Encumbrances for supplies and equipment ordered by not received		
are reported in the year the order is place for budgetary purposes,		
but in the year the supplies are received for financial reporting purposes		
Encumbrances, June 30, 2023, Net of Cancellations		8,153,588
Encumbrances, June 30, 2024	-	(3,072,039)
Total expenditures as reported on the Statement of Revenues,		
Expenditures, and Changes in Fund Balances - Governmental Funds	(B-2) \$ <u>168,174,028</u>	(B-2) \$ <u>17,352,695</u>

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

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

Public Employees Retirement System

Last Ten Fiscal Years*

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Position Liability (Asset)	0.14107%	0.14875%	0.14593%	0.14321%	0.14501%	.14651%	.14778%	0.15253%	0.15729%	0.15186%
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 20,433,323</u>	<u>\$ 22,448,675</u>	<u>\$ 17,287,182</u>	<u>\$ 23,353,580</u>	<u>\$ 26,128,655</u>	<u>\$ 28,847,699</u>	<u>\$ 34,399,870</u>	<u>\$ 45,174,987</u>	<u>\$ 35,307,561</u>	<u>\$ 28,431,870</u>
District's Covered Payroll	\$ 10,796,204	\$ 10,467,526	\$ 10,700,604	\$ 10,491,446	\$ 10,345,276	\$ 10,242,211	\$ 10,236,731	\$ 10,162,144	\$ 10,591,162	\$ 10,591,162
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	189.26%	214.46%	161.55%	222.60%	252.57%	281.65%	336.04%	444.54%	333.37%	268.45%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

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

**HACKENSACK BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 1,880,460	\$ 1,877,856	\$ 1,708,969	\$ 1,566,632	\$ 1,410,529	\$ 1,457,332	\$ 1,368,986	\$ 1,355,054	\$ 1,352,238	\$ 1,251,891
Contributions in Relation to the Contractually Required Contribution	<u>1,880,460</u>	<u>1,877,856</u>	<u>1,708,969</u>	<u>1,566,632</u>	<u>1,410,529</u>	<u>1,457,332</u>	<u>1,368,986</u>	<u>1,355,054</u>	<u>1,352,238</u>	<u>1,251,891</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	\$ 11,184,566	\$ 10,796,204	\$ 10,467,526	\$ 10,700,604	\$ 10,491,446	\$ 10,345,276	\$ 10,242,211	\$ 10,236,731	\$ 10,162,144	#####
Contributions as a Percentage of Covered Payroll	16.81%	17.39%	16.33%	14.64%	13.44%	14.09%	13.37%	13.24%	13.31%	11.82%

**HACKENSACK 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*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 231,397,645</u>	<u>\$ 237,573,977</u>	<u>\$ 218,551,601</u>	<u>\$ 297,261,970</u>	<u>\$ 273,394,132</u>	<u>\$ 284,273,493</u>	<u>\$ 298,074,439</u>	<u>\$ 346,252,662</u>	<u>\$ 271,402,578</u>	<u>\$ 237,261,570</u>
Total	<u>\$ 231,397,645</u>	<u>\$ 237,573,977</u>	<u>\$ 218,551,601</u>	<u>\$ 297,261,970</u>	<u>\$ 273,394,132</u>	<u>\$ 284,273,493</u>	<u>\$ 298,074,439</u>	<u>\$ 346,252,662</u>	<u>\$ 271,402,578</u>	<u>\$ 237,261,570</u>
District's Covered Payroll	\$ 54,656,630	\$ 52,186,846	\$ 51,896,738	\$ 51,336,609	\$ 49,337,420	\$ 47,951,474	\$ 47,937,259	\$ 47,008,379	\$ 45,628,720	\$ 44,861,914
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

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

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

Change of Benefit Terms: None.

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

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

Postemployment Health Benefit Plan

Last Seven Fiscal Years*

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability							
Service Cost	\$ 7,634,727	\$ 9,941,297	\$ 11,137,456	\$ 6,166,632	\$ 6,060,784	\$ 6,786,487	\$ 8,179,939
Interest on Total OPEB Liability	6,742,800	4,863,588	5,646,343	5,269,367	6,472,383	6,750,033	5,836,471
Changes of Benefit Terms		-	(231,673)			-	
Differences Between Expected and Actual Experience	(1,749,385)	4,953,502	(36,449,772)	43,740,760	(27,290,290)	(11,082,850)	
Changes of Assumptions	385,893	(49,231,955)	214,739	44,140,571	2,182,968	(18,744,553)	(24,707,925)
Gross Benefit Payments	(5,256,123)	(4,817,528)	(4,447,737)	(4,206,872)	(4,494,315)	(4,367,763)	(4,258,398)
Contribution from the Member	172,794	154,549	144,349	127,510	133,224	150,957	156,805
Net Change in Total OPEB Liability	<u>7,930,706</u>	<u>(34,136,547)</u>	<u>(23,986,295)</u>	<u>95,237,968</u>	<u>(16,935,246)</u>	<u>(20,507,689)</u>	<u>(14,793,108)</u>
Total OPEB Liability - Beginning	<u>183,523,984</u>	<u>217,660,531</u>	<u>241,646,826</u>	<u>146,408,858</u>	<u>163,344,104</u>	<u>183,851,793</u>	<u>198,644,901</u>
Total OPEB Liability - Ending	<u>\$ 191,454,690</u>	<u>\$ 183,523,984</u>	<u>\$ 217,660,531</u>	<u>\$ 241,646,826</u>	<u>\$ 146,408,858</u>	<u>\$ 163,344,104</u>	<u>\$ 183,851,793</u>
 District's Proportionate Share of OPEB Liability	 \$0	 \$0	 \$0	 \$0	 \$0	 \$0	 \$0
State's Proportionate Share of OPEB Liability	<u>191,454,690</u>	<u>183,523,984</u>	<u>217,660,531</u>	<u>146,408,858</u>	<u>146,408,858</u>	<u>163,344,104</u>	<u>183,851,793</u>
Total OPEB Liability - Ending	<u>\$ 191,454,690</u>	<u>\$ 183,523,984</u>	<u>\$ 217,660,531</u>	<u>\$ 146,408,858</u>	<u>\$ 146,408,858</u>	<u>\$ 163,344,104</u>	<u>\$ 183,851,793</u>
 District's Covered Payroll	 \$ 65,452,834	 \$ 62,654,372	 \$ 62,597,342	 \$ 61,828,055	 \$ 59,682,696	 \$ 58,193,685	 \$ 58,173,990
 District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	 0%	 0%	 0%	 0%	 0%	 0%	 0%

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

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

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

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

Changes in Benefit Terms:

None.

Changes of Assumptions

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

SCHOOL LEVEL SCHEDULES

(General Fund)

NOT APPLICABLE

SPECIAL REVENUE FUND

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

	ESEA Title I	ESEA Title I SIA-A	ESEA Title II-A	ESEA Title III	ESEA Title III Immigrant	ESEA Title IV	IDEA Basic	IDEA Preschool	Emergency Relief ARP Basic	Subtotal
REVENUES										
Local										
State										
Federal	\$ 1,622,171	\$ 137,299	\$ 141,906	\$ 211,702	\$ 59,808	\$ 76,562	\$ 1,660,344	\$ 58,607	\$ 2,402	\$ -
Total Revenues	\$ 1,622,171	\$ 137,299	\$ 141,906	\$ 211,702	\$ 59,808	\$ 76,562	\$ 1,660,344	\$ 58,607	\$ 2,402	\$ 3,970,801
EXPENDITURES										
Instruction										
Salaries of Teachers	\$ 351,279	\$ 10,413		\$ 7,333	\$ 1,369	\$ 1,328				\$ 371,722
Other Salaries for Instruction										-
Purchased Professional and Technical Services	129,874	6,800	\$ 5,000	4,616	15,000	68,353				229,643
Other Purchased Services	352,648	56,902		54,886			\$ 1,626,236	\$ 58,607		2,149,279
General Supplies	57,829	30,227		116,749	33,532				-	238,337
Textbooks										-
Co-Curricular/Extra-Curricular Activities										-
Athletic Activities	-	-	-	-	-	-	-	-	-	-
Total Instruction	891,630	104,342	5,000	183,584	49,901	69,681	1,626,236	58,607	-	2,988,981
Support Services										
Salaries	228,281		74,089	1,703	4,000	6,392				314,465
Salaries of Program Directors										-
Salaries of Other Professional Staff										-
Secretary of Secretarial and Clerical Assistants										-
Salaries of Community Involvement Specialist										-
Salaries of Master Teachers										-
Other Salaries										-
Personnel Services - Employee Benefits	276,333	797	12,421	691	306	489				291,037
Purchased Professional and Technical Services	166,715	32,160	46,641	17,243			34,108		2,402	299,269
Purchased Ed Services - Contracted Pre-K										-
Other Purchased Professional-Education Services										-
Rentals										-
Other Purchased Services	11,842		3,755	2,348						17,945
Contracted Services Transportation										-
Travel										-
Miscellaneous Purchased Services										-
Supplies and Materials	47,370			6,133	\$ 5,601					59,104
Other Objects										-
Scholarship Awards	-	-	-	-	-	-	-	-	-	-
Total Support Services	730,541	32,957	136,906	28,118	9,907	6,881	34,108	-	2,402	981,820
Capital Outlay										
Construction Services										-
Instructional Equipment	-	-	-	-	-	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 1,622,171	\$ 137,299	\$ 141,906	\$ 211,702	\$ 59,808	\$ 76,562	\$ 1,660,344	\$ 58,607	\$ 2,402	\$ 3,970,801
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	-	-
Other Financing Sources										
Transfers In- General Fund	-	-	-	-	-	-	-	-	-	-
Net Changes in Fund Balances	-	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	CRRSA			ARP						
	ESSER II	Learning Acceleration	Mental Health	ESSER III	Accelerated Learning Coach	Evidence Based Beyond the School Day	NJTSS Mental Health Support Staffing	ARP Homeless	NJ High Impact Tutoring	Subtotal
REVENUES										
Local										\$ -
State										
Federal	\$ 156,069	\$ 18,228	\$ 2,149	\$ 270,871	\$ 543,513	\$ 16,148	\$ 45,000	\$ 4,930	248,372	1,305,280
Total Revenues	\$ 156,069	18,228	2,149	270,871	543,513	16,148	45,000	4,930	248,372	\$ 1,305,280
EXPENDITURES										
Instruction										
Salaries of Teachers		\$ 16,436				\$ 15,000			\$ 64,171	\$ 95,607
Other Salaries for Instruction										-
Purchased Professional and Technical Services				\$ 12,897					142,333	155,230
Other Purchased Services				44,904						44,904
General Supplies		535		20,622					20,907	42,064
Textbooks										-
Co-Curricular/Extra-Curricular Activities										-
Athletic Activities	-	-	-	-	-	-	-	-	-	-
Total Instruction	-	16,971	-	78,423	-	15,000	-	-	227,411	337,805
Support Services										
Salaries				59,707	289,662					349,369
Salaries of Program Directors										-
Salaries of Other Professional Staff										-
Secretary of Secretarial and Clerical Assistants										-
Salaries of Community Involvement Specialist										-
Salaries of Master Teachers										-
Other Salaries										-
Personnel Services - Employee Benefits		1,257		44,941	252,288	1,148			4,511	304,145
Purchased Professional and Technical Services				-			45,000		16,450	61,450
Purchased Ed Services - Contracted Pre-K										-
Other Purchased Professional-Education Services										-
Rentals										-
Other Purchased Services								\$ 4,930		4,930
Contracted Services Transportation										-
Travel										-
Miscellaneous Purchased Services										-
Supplies and Materials			2,149		1,563					3,712
Other Objects										-
Scholarship Awards	-	-	-	-	-	-	-	-	-	-
Total Support Services	-	1,257	2,149	104,648	543,513	1,148	45,000	4,930	20,961	723,606
Capital Outlay										
Construction Services	156,069			87,800						243,869
Instructional Equipment	-	-	-	-	-	-	-	-	-	-
Total Capital Outlay	156,069	-	-	87,800	-	-	-	-	-	243,869
Total Expenditures	\$ 156,069	\$ 18,228	\$ 2,149	\$ 270,871	\$ 543,513	\$ 16,148	\$ 45,000	\$ 4,930	\$ 248,372	\$ 1,305,280
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	-	-
Other Financing Sources										
Transfers In- General Fund	-	-	-	-	-	-	-	-	-	-
Net Changes in Fund Balances	-	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	<u>ACSERS</u>	<u>Mental Health Program</u>	<u>CARES Act</u>	<u>Non-Public Chapter 192 / 193</u>					<u>Preschool Education Aid</u>	<u>Subtotal</u>
				<u>Comp. Education</u>	<u>ESL</u>	<u>Examination and Classification</u>	<u>Corrective Speech</u>	<u>Supplemental Instruction</u>		
REVENUES										
Local				\$ 41,898	\$ 1,831	\$ 12,509	\$ 13,020	\$ 9,416	\$ 3,103,958	\$ 3,182,632
State				-	-	-	-	-	-	797,140
Federal	554,757	230,717	11,666	-	-	-	-	-	-	-
Total Revenues	\$ 554,757	\$ 230,717	\$ 11,666	\$ 41,898	\$ 1,831	\$ 12,509	\$ 13,020	\$ 9,416	\$ 3,103,958	\$ 3,979,772
EXPENDITURES										
Instruction										
Salaries of Teachers									\$ 986,748	\$ 986,748
Other Salaries for Instruction									443,456	443,456
Purchased Professional and Technical Services		\$ 12,000		\$ 41,898	\$ 1,831		\$ 13,020		44,920	113,669
Other Purchased Services	\$ 421,299		\$ 1,670						12,445	435,414
General Supplies		12,144	9,996						222,368	244,508
Textbooks										-
Co-Curricular/Extra-Curricular Activities										-
Athletic Activities	-	-	-	-	-	-	-	-	-	-
Total Instruction	421,299	24,144	11,666	41,898	1,831	-	13,020	-	1,709,937	2,223,795
Support Services										
Salaries		\$ 136,789								136,789
Salaries of Program Directors									\$ 110,906	110,906
Salaries of Other Professional Staff									301,367	301,367
Secretary of Secretarial and Clerical Assistants									55,401	55,401
Salaries of Community Involvement Specialist									32,446	32,446
Salaries of Master Teachers									92,114	92,114
Other Salaries									53,902	53,902
Personnel Services - Employee Benefits		48,275							697,563	745,838
Purchased Professional and Technical Services						-		-		-
Purchased Ed Services - Contracted Pre-K									542,401	542,401
Other Purchased Professional-Education Services	\$ 29,252					\$ 12,509		\$ 9,416	80,300	131,477
Rentals									20,500	20,500
Other Purchased Services		14,059							17,150	31,209
Contracted Services Transportation	104,206								6,903	111,109
Travel									5,128	5,128
Miscellaneous Purchased Services									7,900	7,900
Supplies and Materials		263							18,512	18,775
Other Objects		7,187								7,187
Scholarship Awards	-	-	-	-	-	-	-	-	-	-
Total Support Services	133,458	206,573	-	-	-	12,509	-	9,416	2,042,493	2,404,449
Capital Outlay										
Construction Services										-
Equipment										-
Instructional Equipment									16,235	16,235
Non-Instructional Equipment	-	-	-	-	-	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-	-	-	-	16,235	16,235
Total Expenditures	\$ 554,757	\$ 230,717	\$ 11,666	\$ 41,898	\$ 1,831	\$ 12,509	\$ 13,020	\$ 9,416	\$ 3,768,665	\$ 4,644,479
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	(664,707)	(664,707)
Other financing sources										
Transfers In- General Fund	-	-	-	-	-	-	-	-	664,707	664,707
Net Changes in Fund Balances	-	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	Nonpublic Textbook	Nonpublic Nursing	Nonpublic Security	Nonpublic Technology	Mental Health Screening	Nonpublic STEM	Family Friendly	School Based Youth Services	Emergent & Capital Maint Needs	Total
REVENUES										
Local										\$ -
State	5,769	12,000	20,500	4,880	16,275	48,411	48,473	330,137	126,608	613,053
Federal	-	-	-	-	-	-	-	-	-	-
Total Revenues	5,769	12,000	20,500	4,880	16,275	48,411	48,473	330,137	126,608	613,053
EXPENDITURES										
Instruction										
Salaries of Teachers						44,971	26,722			71,693
Other Salaries for Instruction							2,570			2,570
Purchased Professional and Technical Services		12,000								12,000
Other Purchased Services										-
General Supplies				4,880			11,731			16,611
Textbooks	5,769									5,769
Co-Curricular/Extra-Curricular Activities										-
Athletic Activities	-	-	-	-	-	-	-	-	-	-
Total Instruction	5,769	12,000	-	4,880	-	44,971	41,023	-	-	108,643
Support Services										
Salaries							4,839	295,163		300,002
Salaries of Program Directors										-
Salaries of Other Professional Staff										-
Secretary of Secretarial and Clerical Assistants										-
Salaries of Community Involvement Specialist										-
Salaries of Master Teachers										-
Other Salaries										-
Personnel Services - Employee Benefits						3,440	2,611	22,595		28,646
Purchased Professional and Technical Services										-
Purchased Ed Services - Contracted Pre-K										-
Other Purchased Professional-Education Services								1,337		1,337
Rentals										-
Purchased Property Service									126,608	126,608
Other Purchased Services					16,275				-	16,275
Contracted Services Transportation										-
Travel										-
Miscellaneous Purchased Services										-
Supplies and Materials								4,273		4,273
Other Objects								6,769		6,769
Scholarship Awards	-	-	-	-	-	-	-	-	-	-
Total Support Services	-	-	-	-	16,275	3,440	7,450	330,137	126,608	483,910
Capital Outlay										
Construction Services										-
Instructional Equipment	-	-	-	-	-	-	-	-	-	-
Non-Instructional Equipment	-	-	20,500	-	-	-	-	-	-	20,500
Total Capital Outlay	-	-	20,500	-	-	-	-	-	-	20,500
Total Expenditures	5,769	12,000	20,500	4,880	16,275	48,411	48,473	330,137	126,608	613,053
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	-	-
Other Financing Sources										
Transfers In- General Fund	-	-	-	-	-	-	-	-	-	-
Net Changes in Fund Balances	-	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-	-
Fund Balance, End of Year	-	-	-	-	-	-	-	-	-	-

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

	<u>School & Small Business</u>	<u>Local</u>	<u>Student Activities</u>	<u>Student Scholarship</u>	<u>Page 1 Subtotal</u>	<u>Page 2 Subtotal</u>	<u>Page 3 Subtotal</u>	<u>Page 4 Subtotal</u>	<u>Total</u>
REVENUES									
Intergovernmental									
Local		\$ 1,610	292,108	\$ 12,545	\$ -	-	-	\$ -	\$ 306,263
State					-	-	3,182,632	613,053	3,795,685
Federal	1,448,969	-	-	-	3,970,801	1,305,280	797,140	-	7,522,190
Total Revenues	\$ 1,448,969	\$ 1,610	\$ 292,108	\$ 12,545	3,970,801	1,305,280	3,979,772	613,053	\$ 11,624,138
EXPENDITURES									
Instruction									
Salaries of Teachers		\$ 500			371,722	95,607	986,748	71,693	\$ 1,526,270
Other Salaries for Instruction					-	-	443,456	2,570	446,026
Purchased Professional and Technical Services					229,643	155,230	113,669	12,000	510,542
Other Purchased Services					2,149,279	44,904	435,414	-	2,629,597
General Supplies		110			238,337	42,064	244,508	16,611	541,630
Textbooks					-	-	-	5,769	5,769
Co-Curricular/Extra-Curricular Activities			210,988	-	-	-	-	-	210,988
Athletic Activities	-	-	68,966	-	-	-	-	-	68,966
Total Instruction	-	610	279,954	-	2,988,981	337,805	2,223,795	108,643	5,939,788
Support Services									
Salaries		\$ 1,000			314,465	349,369	136,789	300,002	1,101,625
Salaries of Program Directors					-	-	110,906	-	110,906
Salaries of Other Professional Staff					-	-	301,367	-	301,367
Secretary of Secretarial and Clerical Assistants					-	-	55,401	-	55,401
Salaries of Community Involvement Specialist					-	-	32,446	-	32,446
Salaries of Master Teachers					-	-	92,114	-	92,114
Other Salaries					-	-	53,902	-	53,902
Personnel Services - Employee Benefits					291,037	304,145	745,838	28,646	1,369,666
Purchased Professional and Technical Services					299,269	61,450	-	-	360,719
Purchased Ed Services - Contracted Pre-K					-	-	542,401	-	542,401
Other Purchased Professional-Education Services					-	-	131,477	1,337	132,814
Rentals					-	-	20,500	-	20,500
Purchased Property Service	\$ 314,619				-	-	-	126,608	441,227
Other Purchased Services	1,134,350				17,945	4,930	31,209	16,275	1,204,709
Contracted Services Transportation					-	-	111,109	-	111,109
Travel					-	-	5,128	-	5,128
Miscellaneous Purchased Services					-	-	7,900	-	7,900
Supplies and Materials					59,104	3,712	18,775	4,273	85,864
Other Objects					-	-	7,187	6,769	13,956
Scholarship Awards	-	-	-	7,000	-	-	-	-	7,000
Total Support Services	1,448,969	1,000	-	7,000	981,820	723,606	2,404,449	483,910	6,050,754
Capital Outlay									
Construction Services					-	243,869	-	-	243,869
Instructional Equipment		-	-	-	-	-	16,235	-	16,235
Non-Instructional Equipment	-	-	-	-	-	-	-	20,500	20,500
Total Capital Outlay	-	-	-	-	-	243,869	16,235	20,500	280,604
Total Expenditures	\$ 1,448,969	\$ 1,610	\$ 279,954	\$ 7,000	\$ 3,970,801	\$ 1,305,280	\$ 4,644,479	613,053	\$ 12,271,146
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	12,154	5,545	-	-	(664,707)	-	(647,008)
Other Financing Sources									
Transfers In- General Fund	-	-	50,000	-	-	-	664,707	-	714,707
Net Changes in Fund Balances	-	-	62,154	5,545	-	-	-	-	67,699
Fund Balance, Beginning of Year	-	-	296,540	195,571	-	-	-	-	492,111
Fund Balance, End of Year	\$ -	\$ -	\$ 358,694	\$ 201,116	\$ -	\$ -	\$ -	\$ -	\$ 559,810

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

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	\$ 1,493,809	\$ (301,869)	\$ 1,191,940	986,748	\$ 205,192
Other Salaries for Instruction	527,025	23,653	550,678	443,456	107,222
Purchased Professional-Educational Services	10,000	(10,000)			-
Purchased Professional and Technical Services			46,225	44,920	1,305
Other Purchased Services	10,000	33,973	43,973	12,445	31,528
General Supplies	54,358	171,022	225,380	222,368	3,012
Total Instruction	2,095,192	(83,221)	2,058,196	1,709,937	348,259
Support Services					
Salaries of Program Directors	104,846	6,060	110,906	110,906	-
Salaries of Other Professional Staff	143,678	168,198	311,876	301,367	10,509
Salaries of Secretarial and Clerical Assistants	53,570	45,518	99,088	55,401	43,687
Other Salaries	84,473	52,698	137,171	53,902	83,269
Salaries of Community Involvement Spec	32,446	-	32,446	32,446	-
Salaries of Master Teachers	89,801	31,928	121,729	92,114	29,615
Personal Services - Employee Benefits	537,978	391,000	928,978	697,563	231,415
Purchased Ed Services - Contracted Pre-K	1,379,242	(107,264)	1,271,978	542,401	729,577
Other Purchased Professional - Education Servi	40,000	53,000	93,000	80,300	12,700
Rentals	20,698	(198)	20,500	20,500	-
Other Purchased Services		17,150	17,150	17,150	-
Contracted Services Transportation	27,000	(13,419)	13,581	6,903	6,678
Travel	8,000	(280)	7,720	5,128	2,592
Miscellaneous Purchased Services	8,000	-	8,000	7,900	100
Supplies and Materials	20,000	(1,353)	18,647	18,512	135
Total Support Services	2,549,732	643,038	3,192,770	2,042,493	1,150,277
Capital Outlay					
Instructional Equipment	-	19,485	19,485	16,235	3,250
Total Capital Outlay	-	19,485	19,485	16,235	3,250
Total Expenditures	\$ 4,644,924	\$ 579,302	\$ 5,270,451	3,768,665	\$ 1,501,786

Calculation of Budget Carryover

Total revised 2023-2024 Preschool Education Aid Allocation	\$ 3,881,217
Cancelled Prior Year Accounts Payable	-
General Fund Contribution	664,707
Add: Actual ECPA/PEA Carryover (June 30, 2023)	695,404
Total Preschool Ed. Aid Funds Available for 2023-2024 Budget	5,241,328
Less: 2023-2024 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	5,270,451
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2024	(29,123)
Add: June 30, 2024 Unexpended Preschool Education Aid	1,501,786
2023-2024 C/O - Preschool Education Aid Programs	\$ 1,472,663
2023-24 Preschool Education Aid C/O Budgeted in 2024-2025	\$ 115,000

CAPITAL PROJECTS FUND

**HACKENSACK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Issue/ Project Title</u>	<u>Modified Appropriation</u>	<u>Expenditures to Date</u>		<u>Unexpended Project Balance June 30, 2024</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Energy Savings Improvement Program	\$ 14,425,062	\$ 11,840,715	\$ 1,780,560	\$ 803,787
Acquisition of Interactive Flat Panels	<u>800,710</u>	<u>794,939</u>	<u>-</u>	<u>5,771</u>
	<u>\$ 15,225,772</u>	<u>\$ 12,635,654</u>	<u>\$ 1,780,560</u>	<u>\$ 809,558</u>
Fund Balance, June 30, 2024- GAAP Basis				<u>\$ 809,558</u>

Reconciliation to Fund Balance

Restricted for Capital Projects	
Year End Encumbrances	\$ 50,646
Available for Capital Projects	<u>758,912</u>
Total Fund Balance - Restricted for Capital Projects	<u>\$ 809,558</u>

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

Revenues and Other Financing Sources

Investment Earning	\$ 60,234
Local Sources - Rebates	28,370

Total Revenues and Other Financing Sources	88,604
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Expenditures and Other Financing Uses

Capital Outlay	
Other Professional Services	60,500
Construction Services	1,720,060

Total Expenditures and Other Financing Uses	1,780,560
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Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,691,956)
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Fund Balance, Beginning of Year	2,501,514
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Fund Balance, End of Year	\$ 809,558
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Reconciliation to GAAP

Fund Balance, End of Year - Budgetary Basis	\$ 809,558
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Fund Balance, June 30, 2024 - GAAP Basis	\$ 809,558
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HACKENSACK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
ENERGY SAVINGS IMPROVEMENT PROGRAM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Energy Savings Program Bond Proceeds	\$ 11,275,000		\$ 11,275,000	\$ 11,275,000
Premium on Energy Savings Bond Proceeds	1,986,791		1,986,791	1,986,791
Investment Earnings	294,486	\$ 60,220	354,706	354,706
Local Sources - Rebates	29,059	28,370	57,429	57,429
State Sources - NJ Clean Energy Program	89,931		89,931	89,931
Federal Sources - School and Small Business Grant	661,205		661,205	661,205
Transfer from Capital Reserve	-	-	-	-
Total Revenues and Other Financing Sources	<u>14,336,472</u>	<u>88,590</u>	<u>14,425,062</u>	<u>14,425,062</u>
Expenditures and Other Financing Uses				
Capital Outlay				
Other Professional Services - Architectural/Engineering	217,986	60,500	278,486	500,000
Construction Services	11,055,795	1,720,060	12,775,855	12,578,732
General Supplies	-		-	779,396
Debt Service				
Other Purchased Services - Cost of Issuance	152,836		152,836	152,836
Interest on ESIP Bonds	<u>414,098</u>	<u>-</u>	<u>414,098</u>	<u>414,098</u>
Total Expenditures and Other Financing Uses	<u>11,840,715</u>	<u>1,780,560</u>	<u>13,621,275</u>	<u>14,425,062</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 2,495,757</u>	<u>\$ (1,691,970)</u>	<u>\$ 803,787</u>	<u>\$ -</u>

HACKENSACK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
ACQUISITION OF INTERACTIVE FLAT PANELS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Other Financing Agreement Proceeds	\$ 800,000		\$ 800,000	\$ 800,000
Investment Earnings	<u>696</u>	<u>14</u>	<u>710</u>	<u>710</u>
Total Revenues and Other Financing Sources	<u>800,696</u>	<u>14</u>	<u>800,710</u>	<u>800,710</u>
Expenditures and Other Financing Uses				
Instruction				
Instructional Equipment	<u>794,939</u>	<u>-</u>	<u>794,939</u>	<u>800,710</u>
Total Expenditures and Other Financing Uses	<u>794,939</u>	<u>-</u>	<u>794,939</u>	<u>800,710</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 5,757</u>	<u>\$ 14</u>	<u>\$ 5,771</u>	<u>\$ -</u>

ENTERPRISE FUND

EXHIBIT G-1

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

EXHIBIT G-2

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

EXHIBIT G-3

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

**HACKENSACK BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, June 30, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2024</u>		
2021 Energy Savings Incentive Program (ESIP) Refunding Bonds	5/12/2021	\$ 11,275,000	5/1/2025	345,000	4.00	%					
			5/1/2026	405,000	4.00						
			5/1/2027	435,000	4.00						
			5/1/2028	435,000	4.00						
			5/1/2029	465,000	4.00						
			5/1/2030	500,000	4.00						
			5/1/2031	535,000	4.00						
			5/1/2032	575,000	4.00						
			5/1/2033	615,000	4.00						
			5/1/2034	655,000	4.00						
			5/1/2035	700,000	4.00						
			5/1/2036	745,000	4.00						
			5/1/2037	795,000	4.00						
			5/1/2038	515,000	4.00						
			5/1/2039	550,000	3.00						
			5/1/2040	580,000	3.00						
			5/1/2041	610,000	3.00						
			5/1/2042	645,000	3.00						

HACKENSACK BOARD OF EDUCATION
SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCING AGREEMENTS, OTHER FINANCING AGREEMENTS AND LEASES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance July 1, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2024</u>
<u>Capital Financing Agreements</u>						
Interactive Flat Panels	800,000	3.15%	<u>635,382</u>	<u>-</u>	<u>151,534</u>	<u>483,848</u>
Total Capital Financing Agreements			<u>\$ 635,382</u>	<u>\$ -</u>	<u>\$ 151,534</u>	<u>\$ 483,848</u>
<u>Other Financing Agreements</u>						
2020 Chromebooks and Various Information Technology Items	1,027,407	1.056%	\$ 258,390		\$ 258,390	\$ -
2022 Chromebook Lease	1,445,265	0.909%	<u>722,603</u>	<u>\$ -</u>	<u>359,668</u>	<u>362,935</u>
Total Other Financing Agreements			<u>\$ 980,993</u>	<u>\$ -</u>	<u>\$ 618,058</u>	<u>\$ 362,935</u>
<u>Leases Payable</u>						
School Building (Pre-K through K at St Francis School)	1,195,080	5.020%	<u>\$ 1,195,080</u>	<u>-</u>	<u>\$ 576,698</u>	<u>\$ 618,382</u>
Total Leases Payable			<u>\$ 1,195,080</u>	<u>\$ -</u>	<u>\$ 576,698</u>	<u>\$ 618,382</u>

**HACKENSACK BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOT APPLICABLE

STATISTICAL SECTION

This part of the Hackensack's 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 government 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.

HACKENSACK BOARD OF EDUCATION
NET POSITION BY COMPONENT,
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2015	2016	2017	2018	as of June 30,		2021	2022	2023	2024
				(Restated)	2019	2020				
Governmental Activities										
Net Investment in Capital Assets	\$ 17,953,621	\$ 18,092,071	\$ 17,223,376	\$ 17,704,621	\$ 23,002,316	\$ 23,194,990	\$ 25,156,982	\$ 28,524,036	\$ 36,846,303	\$ 46,463,829
Restricted	8,136,312	10,816,135	12,657,948	15,616,934	8,518,737	11,523,490	10,918,345	14,041,254	10,362,360	11,208,946
Unrestricted	(26,614,963)	(30,453,813)	(33,999,979)	(35,568,264)	(32,987,323)	(26,565,637)	(19,455,481)	(15,449,581)	(8,759,653)	(13,043,033)
Total Governmental Activities Net Position	\$ (525,030)	\$ (1,545,607)	\$ (4,118,655)	\$ (2,246,709)	\$ (1,466,270)	\$ 8,152,843	\$ 16,619,846	\$ 27,115,709	\$ 38,449,010	\$ 44,629,742
Business-type Activities										
Net Investment in Capital Assets	\$ 318,696	\$ 291,668	\$ 326,094	\$ 326,579	\$ 382,705	\$ 571,561	\$ 522,703	\$ 644,847	\$ 1,848,647	\$ 4,550,245
Unrestricted	442,639	575,117	733,272	980,188	1,086,974	613,193	3,416,546	4,325,111	3,441,023	759,627
Total Business-Type Activities Net Position	\$ 761,335	\$ 866,785	\$ 1,059,366	\$ 1,306,767	\$ 1,469,679	\$ 1,184,754	\$ 3,939,249	\$ 4,969,958	\$ 5,289,670	\$ 5,309,872
District-wide										
Net Investment in Capital Assets	\$ 18,272,317	\$ 18,383,739	\$ 17,549,470	\$ 18,031,200	\$ 23,385,021	\$ 23,766,551	\$ 25,679,685	\$ 29,168,883	\$ 38,694,950	\$ 51,014,074
Restricted	8,136,312	10,816,135	12,657,948	15,616,934	8,518,737	11,523,490	10,918,345	14,041,254	10,362,360	11,208,946
Unrestricted	(26,172,324)	(29,878,696)	(33,266,707)	(34,588,076)	(31,900,349)	(25,952,444)	(16,038,935)	(11,124,470)	(5,318,630)	(12,283,406)
Total District Net Position	\$ 236,305	\$ (678,822)	\$ (3,059,289)	\$ (939,942)	\$ 3,409	\$ 9,337,597	\$ 20,559,095	\$ 32,085,667	\$ 43,738,680	\$ 49,939,614

Note 1 - Net Position at June 30, 2015 reflects the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions".

Note 2 - Net Position at June 30, 2020 was restated to reflect the implementation of GASB Statement No. 84 "Fiduciary Activities" and a correction of an error for compensated absences liability.

Note 3 - Net Position at June 30, 2021 was restated to reflect the implementation of GASB Statement No. 87 "Leases".

Source: District financial statements

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

	For the Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 39,560,046	\$ 45,499,116	\$ 48,403,666	\$ 47,378,571	\$ 61,409,161	\$ 58,774,895	\$ 66,549,132	\$ 60,077,285	\$ 60,923,251	\$ 66,130,344
Special Education	12,925,784	15,010,597	17,289,908	16,621,434	27,386,726	27,125,449	28,951,522	26,598,436	27,974,763	28,940,320
Other Instruction	2,753,555	3,224,878	3,449,483	3,210,306	3,738,828	3,589,091	3,747,029	3,729,509	3,742,134	4,587,740
School Sponsored Activities and Athletics	1,744,437	1,970,847	2,227,997	2,269,278	2,267,830	1,768,094	1,858,461	1,806,271	2,091,248	2,112,273
Support Services:										
Tuition	5,300,618	6,044,410	6,678,148	7,000,963	-	-	-	-	-	-
Student & Instruction Related Services	15,296,922	17,791,998	19,302,967	17,540,603	21,465,340	20,689,562	23,316,910	22,052,393	23,943,312	26,605,532
General Administrative Services	4,824,863	1,065,390	1,177,771	1,330,245	1,774,589	1,123,138	1,827,057	1,327,663	1,465,301	1,316,758
School Administrative Services	1,231,913	5,356,535	6,175,303	6,182,749	7,551,630	7,524,095	7,361,203	6,586,164	6,850,925	7,284,794
Central Administration and Info. Technology	2,229,429	2,377,684	2,489,029	2,475,056	2,563,278	3,190,296	3,392,599	2,817,535	3,265,515	3,393,212
Plant Operations and Maintenance	9,401,587	9,758,225	10,227,734	9,730,533	11,594,792	12,201,920	12,303,949	12,678,112	13,983,109	14,627,509
Pupil Transportation	2,407,699	2,794,002	3,087,134	2,505,866	3,023,372	2,943,653	1,622,672	3,537,667	4,623,733	5,021,659
Unallocated Benefits	9,993,897	12,469,212	15,852,579	22,686,341	-	-	-	-	-	-
Allocated Benefits	8,032,117	-	-	-	-	-	-	-	-	-
Special Schools										
Charter Schools	2,990,864	2,637,660	3,185,751	3,287,937	-	-	-	-	-	-
Interest on Long-Term Debt	145,108	127,381	114,440	82,095	57,839	28,078	78,081	352,369	322,624	348,431
Unallocated Depreciation	1,161,461	1,115,703	1,142,749	1,143,311	-	-	-	-	-	-
Amortization and Capital Lease Obligations	(33,956)	(33,956)	(33,956)	(33,956)	-	-	-	-	-	-
Capital Outlay - Nondepreciable	64,638	37,814	1,128,571	836,338	-	-	-	-	-	-
Total Governmental Activities Expenses	120,030,982	127,247,496	141,899,274	144,247,670	142,833,385	138,958,271	151,008,615	141,563,404	149,185,915	160,368,572
Business-Type Activities:										
Food service	2,336,040	2,422,862	2,400,207	2,427,100	2,737,472	2,484,552	2,610,116	3,815,723	3,780,798	4,125,942
Total Business-Type Activities Expense	2,336,040	2,422,862	2,400,207	2,427,100	2,737,472	2,484,552	2,610,116	3,815,723	3,780,798	4,125,942
Total District Expenses	\$ 122,367,022	\$ 129,670,358	\$ 144,299,481	\$ 146,674,770	\$ 145,570,857	\$ 141,442,823	\$ 153,618,731	\$ 145,379,127	\$ 152,966,713	\$ 164,494,514
Program Revenues										
Governmental Activities:										
Charges for Services					\$ 7,089,863	\$ 7,183,378	\$ 5,900,740	\$ 5,257,746	\$ 4,307,218	\$ 3,535,177
Operating Grants and Contributions	3,778,533	4,368,622	3,852,009	4,537,785	40,793,399	38,377,215	52,107,989	39,174,595	35,544,467	36,871,479
Capital Grants and Contributions	9,112	4,254	4,285	2,875	27,500	13,058	143,431	132,919	3,503,316	6,176,163
Total Governmental Activities Program Revenues	\$ 3,787,645	\$ 4,372,876	\$ 3,856,294	\$ 4,540,660	\$ 47,910,762	\$ 45,573,651	\$ 58,152,160	\$ 44,565,260	\$ 43,355,001	\$ 46,582,819
Business-Type Activities:										
Charges for services										
Food Service	\$ 438,598	\$ 335,273	\$ 437,568	\$ 427,223	\$ 471,145	\$ 303,497	\$ 16,181	\$ 88,688	\$ 587,637	\$ 571,455
Operating Grants and Contributions	2,138,555	2,187,382	2,155,209	2,241,332	2,429,239	1,896,130	5,334,755	4,757,744	3,512,873	3,574,689
Capital Grants and Contributions	-	-	-	-	-	-	-	-	3,574,689	-
Total Business Type Activities Program Revenues	2,577,153	2,522,655	2,592,777	2,668,555	2,900,384	2,199,627	5,350,936	4,846,432	7,675,199	4,146,144
Total District Program Revenues	\$ 6,364,798	\$ 6,895,531	\$ 6,449,071	\$ 7,209,215	\$ 50,811,146	\$ 47,773,278	\$ 63,503,096	\$ 49,411,692	\$ 51,030,200	\$ 50,728,963
Net (Expense)/Revenue										
Governmental Activities	\$ (116,243,337)	\$ (122,874,620)	\$ (138,042,980)	\$ (139,707,010)	\$ (94,922,623)	\$ (93,384,620)	\$ (92,856,455)	\$ (96,998,144)	\$ (105,830,914)	\$ (113,785,753)
Business-Type Activities	241,113	99,793	192,570	241,455	162,912	(284,925)	2,740,820	1,030,709	3,894,401	20,202
Total District-Wide Net Expense	\$ (116,002,224)	\$ (122,774,827)	\$ (137,850,410)	\$ (139,465,555)	\$ (94,759,711)	\$ (93,669,545)	\$ (90,115,635)	\$ (95,967,435)	\$ (101,936,513)	\$ (113,765,551)

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

	For the Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property taxes levied for general purposes, net	\$ 73,389,592	\$ 74,857,383	\$ 79,062,039	\$ 81,256,564	\$ 82,865,444	\$ 84,522,752	\$ 85,283,457	\$ 86,136,292	\$ 87,403,788	\$ 89,151,864
Property taxes levied for debt service	757,906	725,525	696,645	664,813	635,813	623,263				
Unrestricted grants and contributions	33,950,195	38,124,112	47,401,576	51,319,112	11,552,967	14,254,090	15,654,463	20,925,184	28,081,548	28,793,069
Tuition Received	8,492,535	7,943,156	8,129,712	7,651,040						
Investment earnings	4,241	10,786	16,446	33,630	210,977	210,699	59,378	51,680	904,747	1,426,214
Miscellaneous income	697,352	198,585	161,514	973,876	437,861	328,663	608,440	380,851	774,132	595,338
Transfers	(21,554)	(5,504)					(13,675)	-		
Total Governmental Activities	<u>117,270,267</u>	<u>121,854,043</u>	<u>135,467,932</u>	<u>141,899,035</u>	<u>95,703,062</u>	<u>99,939,467</u>	<u>101,592,063</u>	<u>107,494,007</u>	<u>117,164,215</u>	<u>119,966,485</u>
Business-Type Activities:										
Investment earnings	152	153	11		-	-	-	-	-	-
Miscellaneous Income	2,648			5,946						
Transfers	21,554	5,504					13,675	-		
Total Business-Type Activities	<u>24,354</u>	<u>5,657</u>	<u>11</u>	<u>5,946</u>	<u>-</u>	<u>-</u>	<u>13,675</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total District-Wide	<u>\$ 117,294,621</u>	<u>\$ 121,859,700</u>	<u>\$ 135,467,943</u>	<u>\$ 141,904,981</u>	<u>\$ 95,703,062</u>	<u>\$ 99,939,467</u>	<u>\$ 101,605,738</u>	<u>\$ 107,494,007</u>	<u>\$ 117,164,215</u>	<u>\$ 119,966,485</u>
Change in Net Position										
Governmental Activities	\$ 1,026,930	\$ (1,020,577)	\$ (2,575,048)	\$ 2,192,025	\$ 780,439	\$ 6,554,847	\$ 8,735,608	\$ 10,495,863	\$ 11,333,301	\$ 6,180,732
Business-Type Activities	265,467	105,450	192,581	247,401	162,912	(284,925)	2,754,495	1,030,709	3,894,401	20,202
Total District	<u>\$ 1,292,397</u>	<u>\$ (915,127)</u>	<u>\$ (2,382,467)</u>	<u>\$ 2,439,426</u>	<u>\$ 943,351</u>	<u>\$ 6,269,922</u>	<u>\$ 11,490,103</u>	<u>\$ 11,526,572</u>	<u>\$ 15,227,702</u>	<u>\$ 6,200,934</u>

Source: District financial statements

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

	As of June 30									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	\$ 8,136,294	\$ 10,200,658	\$ 11,020,459	\$ 13,418,250	\$ 13,184,269	\$ 16,877,653	\$ 18,024,782	\$ 20,192,032	\$ 15,731,707	\$ 16,291,922
Committed					-	688,720			5,523,895	1,879,145
Assigned	2,613,807	615,459	1,637,489	2,198,684	1,170,127	2,634,393	5,807,549	8,214,794	8,806,870	5,629,202
Unassigned	843,264	1,089,606	935,090	793,394	(261,120)	(508,601)	1,582,140	473,514	(2,349,278)	(2,536,841)
Total General Fund	<u>\$ 11,593,365</u>	<u>\$ 11,905,723</u>	<u>\$ 13,593,038</u>	<u>\$ 16,410,328</u>	<u>\$ 14,093,276</u>	<u>\$ 19,692,165</u>	<u>\$ 25,414,471</u>	<u>\$ 28,880,340</u>	<u>\$ 27,713,194</u>	<u>\$ 21,263,428</u>
All Other Governmental Funds										
Restricted					\$ 158,040	\$ 379,832	\$ 9,526,183	\$ 6,212,608	\$ 2,993,625	\$ 1,369,368
Committed										
Assigned	18	18								
Unassigned										
Total All Other Governmental Funds	<u>\$ 18</u>	<u>\$ 18</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158,040</u>	<u>\$ 379,832</u>	<u>\$ 9,526,183</u>	<u>\$ 6,212,608</u>	<u>\$ 2,993,625</u>	<u>\$ 1,369,368</u>

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

Source: District financial statements

HACKENSACK BOARD OF EDUCATION
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)

(modified accrual basis of accounting)

	2015	2016	2017	2018	For the Fiscal Year Ended June 30		2021	2022	2023	2024
					2019	2020				
Revenues										
Property Taxes	\$ 74,147,498	\$ 75,582,908	\$ 79,758,684	\$ 81,921,377	\$ 83,501,257	\$ 85,146,015	\$ 85,283,457	\$ 86,136,292	\$ 87,403,788	\$ 89,151,864
Tuition	8,492,535	7,943,156	8,129,712	7,651,040	6,989,382	7,083,222	5,713,794	5,040,477	4,003,944	3,212,743
Transportation										30,326
Interest Earnings	4,241	10,786	16,446	33,630	210,977	210,699	59,378	51,680	904,747	1,426,214
Miscellaneous	697,352	198,585	161,514	973,876	538,342	428,819	795,386	788,159	1,125,084	929,971
State Sources	23,976,186	25,595,547	27,118,735	31,428,514	37,373,225	42,912,755	49,201,328	60,898,634	69,503,426	71,529,396
Federal Sources	3,316,277	3,853,908	3,097,730	3,456,224	3,445,154	3,421,997	5,404,278	4,637,069	8,000,227	12,952,746
Total Revenues	110,634,089	113,184,890	118,282,821	125,464,661	132,058,337	139,203,507	146,457,621	157,552,311	170,941,216	179,233,260
Expenditures										
Instruction										
Regular Instruction	32,526,740	33,726,562	33,224,664	34,661,348	54,798,763	55,407,509	59,902,853	64,129,873	66,899,758	73,184,836
Special Education Instruction	10,245,356	10,450,990	10,962,493	11,313,451	25,412,935	26,255,293	27,018,176	28,294,207	30,349,075	31,274,063
Other Instruction	2,178,302	2,234,337	2,193,068	2,176,804	3,290,741	3,375,233	3,321,597	4,044,096	4,220,313	5,195,143
School Sponsored Activities and Athletics	1,476,210	1,510,947	1,599,235	1,725,248	2,110,886	1,713,625	1,753,382	1,881,155	2,202,091	2,135,822
Support Services:										
Instruction - Tuition	5,300,618	6,044,410	6,678,148	7,000,963						
Attendance and Social Work Services	10,000	10,000	10,025	12,500						
Health Services	941,811	966,533	967,420	927,182						
Student & Inst. Related Services	11,652,786	12,227,179	12,395,976	11,999,909	19,260,335	19,630,380	21,210,950	23,662,603	26,315,327	29,171,668
General Administrative Services	3,822,606	872,452	929,077	1,091,233	1,727,546	1,102,718	1,613,581	1,395,189	1,549,320	1,419,760
School Administrative Services	1,120,063	3,705,997	3,906,676	4,195,262	6,707,138	7,140,247	6,614,034	7,217,171	7,767,629	8,291,421
Central Services and Info. Technology	1,844,386	1,706,302	1,682,347	1,794,776	2,327,566	3,079,091	3,150,977	2,974,403	3,509,833	3,472,072
Plant Operations and Maintenance	8,396,580	8,065,046	7,958,977	7,981,821	10,091,133	10,832,833	10,569,301	11,395,560	12,748,314	12,714,903
Pupil Transportation	2,394,399	2,768,977	3,063,355	2,483,988	3,003,297	2,924,892	1,598,929	3,533,250	4,625,877	5,010,532
Allocated Employee Benefits	8,032,117									
Unallocated Employee Benefits	5,321,619	13,556,417	14,129,465	15,227,477						
TPAF Pension/Social Security	9,428,672	10,994,683	12,463,706	14,511,019	-					
Charter Schools	2,990,864	2,637,660	3,185,751	3,287,937						
Capital Outlay	600,172	663,011	1,472,478	2,391,640	4,864,802	2,288,208	8,020,887	8,289,360	14,463,745	12,864,124
Debt service:										
Principal	610,000	595,000	585,000	580,000	1,344,054	1,558,183	904,501	1,549,600	2,198,946	2,071,290
Interest and other charges	148,025	130,525	111,663	84,813	87,097	66,528	32,483	478,815	472,197	501,649
Cost of Issuance							152,836	-		
Total Expenditures	109,041,326	112,867,028	117,519,524	123,447,371	135,026,293	135,374,740	145,864,487	158,845,282	177,322,425	187,307,283
Excess (Deficiency) of Revenues over (under) Expenditures	1,592,763	317,862	763,297	2,017,290	(2,967,956)	3,828,767	593,134	(1,292,971)	(6,381,209)	(8,074,023)
Other Financing sources (uses)										
Transfers in	461,344	388,929	377,450	411,499	411,499	413,376	789,652	582,814	767,283	714,707
Transfers out	(482,898)	(394,433)	(377,450)	(411,499)	(411,499)	(413,376)	(803,327)	(582,814)	(767,283)	(714,707)
ESIP Bond Proceeds							11,275,000	-		
Premium on Issuance of ESIP Bonds							1,986,791			
Capital Financing Agreement Proceeds			924,000	800,000		616,116			800,000	-
Other Financing Agreement Proceeds							1,027,407	1,445,265		
Leases Issued									1,195,080	-
Total Other Financing Sources (Uses)	(21,554)	(5,504)	924,000	800,000	-	616,116	14,275,523	1,445,265	1,995,080	-
Net Change in Fund Balances	\$ 1,571,209	\$ 312,358	\$ 1,687,297	\$ 2,817,290	\$ (2,967,956)	\$ 4,444,883	\$ 14,868,657	\$ 152,294	\$ (4,386,129)	\$ (8,074,023)
Debt service as a percentage of noncapital expenditures	0.70%	0.65%	0.60%	0.55%	1.10%	1.22%	0.68%	1.35%	1.64%	1.47%

* Noncapital expenditures are total expenditures less capital outlay and debt service.

Source: District financial statements

**HACKENSACK BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Interest Earned	Tuition	Transportation Fees	Rentals	E-Rate	Refunds	Miscellaneous	Total
2015	\$ 4,241	\$ 8,492,535		\$ 30,450		\$ 14,087	\$ 652,815	\$ 9,194,128
2016	56,293	4,943,156		141,642			10,356	5,151,447
2017	52,652	8,129,712		122,978		647		8,305,989
2018	126,613	7,651,040		62,300		11,535	807,058	8,658,546
2019	210,247	6,989,382		100,481			437,861	7,737,971
2020	208,636	7,083,222		100,156		121,652	207,011	7,720,677
2021	58,761	5,713,794		90,489	\$ 56,465	94,644	366,842	6,380,995
2022	38,488	5,040,477		50,040	54,304	159,606	116,901	5,459,816
2023	623,021	4,003,944		139,732	299,981	209,226	125,193	5,401,097
2024	1,365,980	3,212,743	\$ 30,326	118,465	132,374	236,352	108,147	5,204,387

Source: District financial statements

HACKENSACK BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2015	\$ 48,420,800	\$ 1,964,113,450			\$ 1,721,451,400	\$ 277,317,000	\$ 862,744,900	\$ 4,874,047,550		\$ 4,874,047,550	\$ 5,508,010,175	1.551
2016	42,509,300	1,883,698,300			1,926,523,500	315,236,600	994,241,400	5,162,209,100		5,162,209,100	5,162,209,100	1.491
2017	57,910,900	1,941,114,800			1,913,353,700	322,384,000	1,025,760,400	5,260,523,800		5,260,523,800	5,260,253,800	1.537
2018	67,181,700	1,972,039,200			1,953,822,500	326,749,900	1,068,679,400	5,388,472,700		5,388,472,700	5,556,091,429	1.536
2019	61,899,700	2,014,583,100			1,974,594,400	323,042,200	1,169,973,000	5,544,092,400		5,544,092,400	5,741,485,756	1.521
2020	68,958,300	2,056,633,000			1,961,591,500	333,360,200	1,225,258,500	5,645,801,500		5,645,801,500	5,794,104,130	1.510
2021	73,784,300	2,103,579,500			1,917,220,650	326,401,500	1,155,682,200	5,576,668,150		5,576,668,150	5,968,392,164	1.537
2022	65,174,700	2,512,702,100			2,272,606,600	450,618,700	1,537,240,800	6,838,342,900	-	6,838,342,900	6,538,713,040	1.269
2023	42,272,300	2,571,153,300			2,195,701,900	484,790,700	1,522,091,100	6,816,009,300	-	6,816,009,300	7,137,002,994	1.296
2024	51,843,400	2,572,770,400			2,087,632,300	503,816,800	1,432,328,200	6,648,391,100	-	6,648,391,100	7,586,709,528	1.373

Source: County Abstract of Ratables

^a
Tax rates are per \$100

*

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

<u>Calendar Year</u>	<u>Total Direct School Tax Rate</u>	<u>City of Hackensack</u>	<u>Bergen County</u>	<u>Total Direct and Overlapping Tax Rate</u>
2015	\$ 1.550	\$ 1.690	\$ 0.260	\$ 3.500
2016	1.490	1.640	0.250	3.380
2017	1.540	1.640	0.240	3.420
2018	1.536	1.629	0.248	3.413
2019	1.521	1.585	0.251	3.357
2020	1.510	1.552	0.247	3.309
2021	1.537	1.565	0.256	3.358
2022	1.269	1.306	0.227	2.802
2023	1.296	1.339	0.244	2.879
2024	1.373	1.422	0.261	3.056

Source: Municipal Tax Collector

EXHIBIT J-8

**HACKENSACK BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND EIGHT YEARS AGO
(Unaudited)**

	2024		2016	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
<u>Taxpayer</u>				
20 Prospect Avenue (HUMC)	\$ 150,000,000	2.26%	\$ 135,422,800	2.62%
Riverside Squire LTD	136,000,000	2.05%	146,048,800	2.83%
300 Prospect - Prospect Place	99,500,000	1.50%		
Continental Plaza (401, 411 & 433 Hack Ave)	85,000,000	1.28%		
240 Prospect - JP Summit Apts.	79,200,000	1.19%		
Hackensack VF, LLC (Vornado)	75,000,000	1.13%	76,590,500	1.48%
Avalon - 414 Hackensack	60,151,400	0.90%		
Bloomingtondale's Inc	62,000,000	0.93%	41,221,500	0.80%
185 Prospect Ave. Co.	60,000,000	0.90%		
Stellar Capital Management			50,000,000	0.97%
DASA Company, LLC			46,172,300	0.89%
Sebring Excelsior Two	55,000,000	0.83%		
Equity One Riverfront			41,328,800	0.80%
GSG Residential Prospect Towers			45,035,100	0.87%
Pierre Towers			42,023,300	0.81%
10 Hackensack Avenue			25,000,000	0.48%
	<u>\$ 861,851,400</u>	<u>12.96%</u>	<u>\$ 648,843,100</u>	<u>12.57%</u>

Source: Municipal Tax Assessor

Note: GASB requires information to be provided for the current year and nine years ago. This Exhibit presents information from eight years ago as the information from nine year ago was unavailable.

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	74,147,498	74,147,498	100.00%	
2016	75,582,908	75,582,908	100.00%	
2017	79,758,684	79,758,684	100.00%	
2018	81,921,377	81,921,377	100.00%	
2019	83,501,257	83,501,257	100.00%	
2020	85,146,015	85,146,015	100.00%	
2021	85,283,457	85,277,183	99.99%	\$ 6,274
2022	86,136,292	86,130,018	99.99%	6,274
2023	87,403,788	87,397,504	99.99%	6,274
2024	89,151,864	89,145,590	99.99%	6,274

Source: District financial records

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

Fiscal Year Ended June 30,	Governmental Activities			Leases	Total District	Population	Per Capita
	General Obligation and ESIP Bonds	Capital and Other Financing Agreements					
2015	\$ 2,935,000	-			\$ 2,935,000	44,185	\$ 66
2016	2,340,000	-			2,340,000	44,286	53
2017	1,755,000	\$ 688,809			2,443,809	44,268	55
2018	1,175,000	1,262,399			2,437,399	44,519	55
2019	595,000	1,627,368			2,222,368	44,358	50
2020	-	1,280,301			1,280,301	44,189	29
2021	11,275,000	1,403,207			12,678,207	43,981	288
2022	11,275,000	1,915,353	\$ 654,968		13,845,321	45,646	303
2023	10,830,000	1,616,375	1,195,080		13,641,455	45,633	299
2024	10,105,000	846,783	618,382		11,570,165	45,736	253

Source: District records

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation and ESIP Bonds	Deductions			
2015	\$ 2,935,000		\$ 2,935,000	0.06%	\$ 66
2016	2,340,000		2,340,000	0.05%	53
2017	1,755,000		1,755,000	0.03%	40
2018	1,175,000		1,175,000	0.02%	26
2019	595,000		595,000	0.01%	13
2020	-		-	0.00%	-
2021	11,275,000		11,275,000	0.20%	256
2022	11,275,000		11,275,000	0.16%	247
2023	10,830,000		10,830,000	0.16%	237
2024	10,105,000		10,105,000	0.15%	221

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.

**HACKENSACK BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES BONDED DEBT
AS OF DECEMBER 31, 2023
(Unaudited)**

	<u>Total Debt</u>
Municipal Debt: (1)	
Hackensack Board of Education (As of June 30, 2024)	\$ 10,105,000
City of Hackensack	<u>143,617,892</u>
	<u>153,722,892</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	53,990,973
Bergen County Utilities Authority - Water Pollution (B)	<u>20,431,127</u>
	<u>74,422,100</u>
Total Direct and Overlapping Debt	<u><u>\$ 228,144,992</u></u>

Source:

(1) City of Hackensack's 2023 Annual Debt Statement

(A) The debt for this entity was apportioned to the City of Hackensack by dividing the municipality's 2023 equalized value by the total 2023 equalized value for Bergen County.

(B) Overlapping debt was computed based upon municipal flow to the Authority.

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

Legal Debt Margin Calculation for Fiscal Year 2023

	Equalized valuation basis	
	2023	\$ 7,568,298,135
	2022	7,120,307,060
	2021	6,210,098,163
	[A]	<u><u>\$ 20,898,703,358</u></u>
Average equalized valuation of taxable property	[A/3]	\$ 6,966,234,453
Debt limit (4 % of average equalization value)	[B]	278,649,378 ^a
Total Net Debt Applicable to Limit	[C]	<u>10,105,000</u>
Legal debt margin	[B-C]	<u><u>\$ 268,544,378</u></u>

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 218,298,105	\$ 223,061,645	\$ 227,501,240	\$ 229,364,335	\$ 228,279,753	\$ 233,145,744	\$ 236,738,705	\$ 241,439,387	\$ 257,028,133	\$ 278,649,378
Total net debt applicable to limit	<u>2,935,000</u>	<u>2,340,000</u>	<u>1,755,000</u>	<u>1,175,000</u>	<u>595,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,105,000</u>
Legal debt margin	<u><u>\$ 215,363,105</u></u>	<u><u>\$ 220,721,645</u></u>	<u><u>\$ 225,746,240</u></u>	<u><u>\$ 228,189,335</u></u>	<u><u>\$ 227,684,753</u></u>	<u><u>\$ 233,145,744</u></u>	<u><u>\$ 236,738,705</u></u>	<u><u>\$ 241,439,387</u></u>	<u><u>\$ 257,028,133</u></u>	<u><u>\$ 268,544,378</u></u>
Total net debt applicable to the limit as a percentage of debt limit	1.34%	1.05%	0.77%	0.51%	0.26%	0.00%	0.00%	0.00%	0.00%	3.63%

Note 1 - ESIP Refunding Bonds are an exception to the District's debt limitation.

Source: Annual Debt Statements

**HACKENSACK BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2015	44,185	\$ 71,286	5.50%
2016	44,286	73,883	5.00%
2017	44,268	77,323	4.70%
2018	44,519	78,836	4.30%
2019	44,358	81,024	3.70%
2020	44,189	85,191	11.40%
2021	43,981	88,241	7.30%
2022	45,646	91,972	3.90%
2023	45,633	97,343	4.90%
2024	45,736	97,138	N/A

N/A - Not Available

Source: New Jersey State Department of Education

**HACKENSACK BOARD OF EDUCATION
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

<u>2023</u>			<u>2014</u>	
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

NOT AVAILABLE

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

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 *</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Instruction										
Regular	280	526	427	438	444	327	302	380	389	476
Special Education	193	105	128	163	101	110	108	108	108	91
Other Special Education					70	60	113	60	53	50
Support Services:										
Student & instruction related services	89	60	86	40	86	133	84	92	85	82
General administrative services	4	3	4	5	18	6	7	7	7	9
School administrative services	37	36	38	39	49	41	35	42	43	45
Business Administrative Services	17	14	14	18	12	15	20	21	23	40
Plant operations and maintenance	65	51	62	56	76	58	55	55	52	63
Pupil transportation					1	1	1			4
Total	<u>685</u>	<u>795</u>	<u>759</u>	<u>759</u>	<u>857</u>	<u>751</u>	<u>726</u>	<u>765</u>	<u>760</u>	<u>860</u>

Source: District Personnel Records

* Count Discrepancy due to FTE's not properly recorded in prior years

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

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	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	High School			
2014	5,506	103,919,592	18,874	#DIV/0!	467	1:12	1:12	1:12	5,463	5,232	#DIV/0!
2015	5,673	107,704,683	18,985	0.59%	473	1:12	1:11	1:13	5,631	5,391	3.08%
2016	5,690	111,483,996	19,593	3.20%	631	1:8	1:09	1:11	5,662	5,444	0.55%
2017	5,657	115,350,383	20,391	4.07%	555	1:10	1:10	1:11	5,645	5,451	-0.30%
2018	5,678	120,390,918	21,203	3.98%	601	1:8	1:10	1:12	5,673	5,403	0.50%
2019	5,770	128,730,340	22,310	5.22%	545	1:11	1:10	1:10	5,729	5,451	0.99%
2020	5,626	131,461,821	23,367	4.74%	437	Not Provided	Not Provided	Not Provided	5,617	5,448	-1.95%
2021	5,491	136,753,780	24,905	6.58%	431	Not Provided	Not Provided	Not Provided	5,473	5,006	-2.57%
2022	5,817	148,527,507	25,533	2.52%	488	Not Provided	Not Provided	Not Provided	5,343	4,915	-2.37%
2023	5,316	160,187,537	30,133	18.01%	492	Not Provided	Not Provided	Not Provided	5,190	4,829	-2.86%
2024	5,344	171,870,220	32,161	6.73%	617	Not Provided	Not Provided	Not Provided	5,403	5,331	4.10%

Sources: District records

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

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>District Building</u>										
<u>Elementary</u>										
Nellie K. Parker School										
Square Feet	80,280	80,280	80,280	80,280	80,280	80,280	80,280	80,280	80,280	80,280
Capacity (students)	539	539	539	539	539	539	539	539	539	539
Enrollment	541	581	585	575	542	495	533	458	548	571
Fairmount School										
Square Feet	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000
Capacity (students)	611	611	611	611	611	611	611	611	611	611
Enrollment	601	579	581	557	560	603	617	546	577	521
Fanny M. Hillers School										
Square Feet	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Capacity (students)	526	526	526	526	526	526	526	526	526	526
Enrollment	504	569	583	575	532	519	571	435	482	452
Jackson Avenue School										
Square Feet	60,800	60,800	60,800	60,800	60,800	60,800	60,800	60,800	60,800	60,800
Capacity (students)	434	434	434	434	434	434	434	434	434	434
Enrollment	399	433	430	424	413	424	443	415	439	395
ECDC										
Square Feet	40,309	40,309	40,309	40,309	40,309	40,309	40,309	40,309	40,309	40,309
Capacity (students)	490	490	490	490	490	490	490	490	490	490
Enrollment	280	275	309	276	265	277	290	210	233	231
<u>Middle School</u>										
Middle School										
Square Feet	141,932	141,932	141,932	141,932	141,932	141,932	141,932	141,932	141,932	141,932
Capacity (students)	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161
Enrollment	1,406	1,395	1,401	1,415	1,465	1,509	1,571	1,570	1,535	1,430
<u>High School</u>										
Hackensack High School										
Square Feet	267,349	267,349	267,349	267,349	267,349	267,349	267,349	267,349	267,349	267,349
Capacity (students)	2,064	2,064	2,064	2,064	2,064	2,064	2,064	2,064	2,064	2,064
Enrollment	1,775	1,816	1,813	1,835	1,901	1,943	1,909	1,810	1,953	1,744

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>Other</u>										
Administration Building										
Square Feet	7,516	7,516	7,516	7,516	7,516	7,516	7,516	7,516	7,516	7,516

Number of Schools at June 30, 2022

Elementary = 5

Middle School = 1

High School = 2

Other School = 2

Source: District Records

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

	Project # (s)	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>School Facilities</u>											
Hackensack High School	N/A	\$ 406,956	\$ 289,651	\$ 311,184	\$ 345,441	\$ 455,351	\$ 632,489	\$ 782,478	\$ 1,135,347	\$ 1,458,523	\$ 1,293,103
Middle School	N/A	216,047	153,772	165,203	183,389	241,740	578,160	530,422	769,623	774,310	686,414
Nellie K. Parker School	N/A	122,201	86,977	93,443	103,730	136,734	144,363	237,705	344,901	437,968	388,253
Fairmount School	N/A	92,854	66,088	71,002	78,818	103,896	111,491	170,273	247,059	332,785	294,943
Fanny M. Hillers School	N/A	121,775	86,673	93,117	103,368	136,257	146,529	242,587	351,984	436,440	386,823
Jackson Avenue School	N/A	92,549	65,872	70,769	78,559	103,555	111,492	186,217	270,195	331,694	294,228
ECDC	N/A	61,358	43,672	46,918	52,083	68,655	91,984	131,056	190,158	219,906	194,841
Administration Building	N/A	11,441	8,143	8,748	9,712	12,801	15,963	27,072	39,280	41,003	36,466
Total School Facilities		<u>1,125,181</u>	<u>800,848</u>	<u>860,384</u>	<u>955,100</u>	<u>1,258,989</u>	<u>1,832,471</u>	<u>2,307,810</u>	<u>3,348,547</u>	<u>4,032,629</u>	<u>3,575,071</u>
Other Facilities		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Grand Total		<u>\$ 1,125,181</u>	<u>\$ 800,848</u>	<u>\$ 860,384</u>	<u>\$ 955,100</u>	<u>\$ 1,258,989</u>	<u>\$ 1,832,471</u>	<u>\$ 2,307,810</u>	<u>\$ 3,348,547</u>	<u>\$ 4,032,629</u>	<u>\$ 3,575,071</u>

Source: District Records

Source: School District's financial statements

HACKENSACK BOARD OF EDUCATION
SCHEDULE OF INSURANCE
JUNE 30, 2024
(Unaudited)

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
NJ School Board Association Insurance Group/North Jersey Educational Insurance Fund	Property -		
	Real and Personal Property	\$ 500,000,000	\$ 5,000
	Total Building and Content Insured Value	\$ 187,219,718	
	Extra Expense	\$ 50,000,000	\$ 5,000
	Valuable Papers and Records	\$ 10,000,000	\$ 5,000
	Demolition and Increased Cost of Construction	\$ 25,000,000	N/A
	Loss of Rents	Not Covered	N/A
	Loss of Business Income/Tuition	\$ 9,000,000	5,000
	Limited Builders Risk	\$ 10,000,000	5,000
	Fire Department Service Charge	\$ 10,000	N/A
	Arson Reward	\$ 10,000	N/A
	Pollutant Cleanup and Removal	\$ 250,000	N/A
	Sublimits: Special Flood Hazard Area Flood Zones	\$ 25,000,000	\$ 1,000,000
	Accounts Receivable	\$ 250,000	N/A
	All Flood Zones	75,000,000	\$ 10,000
	Earthquake	\$ 50,000,000	N/A
	Terrorism	\$ 1,000,000	N/A
	Electronic Data Processing -		
	Data Processing Equipment	Included	\$ 1,000
	Equipment -		
	Combined Single Limit per Accident for Property		
	Damage and Business Income	\$ 100,000,000	\$ 5,000
	Crime -		
	Public Employee Dishonesty with Faithful Performance	\$ 500,000	\$ 1,000
	Theft, Disappearance and Destruction - Loss of Money & Securities On or Off Premises	\$ 100,000	\$ 500
	Theft, Disappearance and Destruction - Money Orders & Counterfeit Paper Currency	\$ 100,000	\$ 500
	Forgery or Alteration	\$ 50,000	\$ 500
	Computer Fraud	\$ 50,000	\$ 500
	Comprehensive General Liability -		
	Bodily Injury and Property Damage	\$ 31,000,000	N/A
	Products and Completed Operations	\$ 31,000,000	N/A
	Sexual Abuse	\$ 15,000,000	N/A
	Personal Injury and Advertising Injury	\$ 31,000,000	N/A
	Employee Benefits Liability	\$ 31,000,000	\$ 1,000
	Terrorism	Included	N/A
	Automobile -		
	Bodily Injury and Property Damage	\$ 31,000,000	N/A
	Workers Compensation- Part 1 Statutory/ Part 2 \$3,000,000	Statutory	
	School Leaders' Errors and Omissions -		
	QBE coverage A and B (each policy period)	\$100,000/\$300,000	\$15,000
	NJSIG (each policy period)	\$30,000,000	N/A
TRAVELERS	Travelers Statutory Bond- Lydia Singh	\$550,000	N/A
BRIT	Cyber liability Insurance-	\$500,000	\$50,000
LIBERTY MUTUAL	Student Accident-		
	Base	25,000	\$0 per injury
	Catastrophe	5,000,000	\$25,000 per injury

Source: District Records

SINGLE AUDIT 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

EXHIBIT K-1
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
Hackensack Board of Education
Hackensack, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities and each major fund of the Hackensack Board of Education as of and for the fiscal year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Hackensack Board of Education's basic financial statements and have issued our report thereon dated December 11, 2024.

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

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

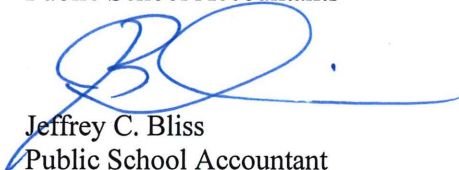
However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Hackensack Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated December 11, 2024.

Purpose of this Report

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

Lerch, Vinci & Bliss, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
December 11, 2024



LERCH, VINCI & BLISS, LLP

EXHIBIT K-2

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Hackensack Board of Education
Hackensack, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Hackensack 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 Hackensack Board of Education's major federal and state programs for the fiscal year ended June 30, 2024. The Hackensack 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 Hackensack Board of Education complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2024.

Basis for Opinion on Each Major Federal and State Program

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

We are required to be independent of the Hackensack 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 Hackensack 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 Hackensack 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 Hackensack 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 Hackensack 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 Hackensack 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 Hackensack 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 Hackensack Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with U.S. Uniform Guidance and New Jersey OMB Circular 15-08 which is described in the accompanying schedule of findings and questioned costs as item 2024-002, 2024-003 and 2024-004. Our opinion on each major federal and state program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

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 and each major fund of the Hackensack Board of Education, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated December 11, 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

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
December 11, 2024

**HACKENSACK BOARD OF EDUCATION
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Project Period	Award Amount	Balance, June 30, 2023			Carryover/ Unearned Revenue	Carryover/ (Accounts Receivable)	Cash Received	Budgetary Expenditures	Funds Released		Balance, June 30, 2024			Memo GAAP Receivable
					(Accounts Receivable)	Unearned Revenue	Due to Grantor					(Accounts Receivable)	Unearned Revenue	(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Agriculture Passed-through State Department of Education																	
Enterprise Fund																	
National School Breakfast Program	10.553	241NJ304N1099	7/1/23-6/30/24	\$982,528						\$ 901,836	\$ 982,528			\$ (80,692)			\$ (80,692)
National School Breakfast Program	10.553	231NJ304N1099	7/1/22-6/30/23	867,886	\$ (81,605)					81,605				-	-		-
National School Lunch Program	10.555													-			-
Non-Cash Assistance (Food Distribution)		241NJ304N1099	7/1/23-6/30/24	309,136						309,136	300,171				\$ 8,965		-
Non-Cash Assistance (Food Distribution)		231NJ304N1099	7/1/22-6/30/23	308,403		\$ 3,101					3,101				-		-
Cash Assistance		241NJ304N1099	7/1/23-6/30/24	1,947,060						1,788,902	1,947,060			(158,158)			(158,158)
Cash Assistance		231NJ304N1099	7/1/22-6/30/23	1,834,251	(162,385)					162,385				-	-		-
Afternoon Snack Program	10.555	241NJ304N1099	7/1/23-6/30/24	72,198						67,986	72,198			(4,212)			(4,212)
Afternoon Snack Program	10.555	231NJ304N1099	7/1/22-6/30/23	68,687	(4,712)					4,712				-	-		-
Supply Chain Assistance	10.555	231NJ344N8903	7/1/23-6/30/24	121,525						121,525	121,525			-	-		-
Local Food for School Cooperative Progr.	10.185	N/A	7/1/23-6/30/24	2,666						2,666	2,666						
Equipment Assistance Grant	10.579	231NJ354N8103	3/20/23-8/30/23	70,918	(66,808)					66,808				-	-		-
Pandemic EBT Administrative Costs	10.649	2022225900941	7/1/23-6/30/24	3,256	-	-	-	-	-	3,256	3,256	-	-	-	-	-	-
Total U.S. Department of Agriculture/Child Nutrition Cluster					(315,510)	3,101	-	-	-	3,510,817	3,432,505	-	-	(243,062)	8,965	-	(243,062)
Total Enterprise Fund					(315,510)	3,101	-	-	-	3,510,817	3,432,505	-	-	(243,062)	8,965	-	(243,062)
U.S. Department of Education Passed-through State Department of Education																	
Special Revenue Fund																	
IDEA Part B	84.027	H027A230100	7/1/23-9/30/24	1,550,215						1,136,396	1,544,857			(413,819)	5,358		(408,461)
IDEA Part B	84.027	H027A220100	7/1/22-9/30/23	1,490,006	(136,930)	115,487				136,930	115,487			-	-		-
IDEA Part B, APR Basic	84.027X	H027X210100	7/1/21-9/30/22	298,045	(4,126)	2,402				4,126	2,402			-	-		-
IDEA Preschool	84.173	H173A230114	7/1/23-9/30/24	58,389	-	-		\$ 218	\$ (218)	58,607	58,607			-	-		-
IDEA Preschool	84.173	H173A200114	7/1/22-9/30/23	59,346	(16,141)	218		(218)	218	15,923	-			-	-		-
IDEA Preschool, ARP	84.173	H173A200114	7/1/21-9/30/22	25,290	(25,290)	-	-	-	-	25,290	-	-	-	-	-	-	-
Total Special Education Cluster (IDEA)					(182,487)	118,107	-	-	-	1,377,272	1,721,353	-	-	(413,819)	5,358	-	(408,461)
ESEA Title I																	
ESEA Title I	84.010	S010A2300030	7/1/23-9/30/24	1,602,223	-	-		124,741	(124,741)	1,232,326	1,622,171			(494,638)	104,793		(389,845)
ESEA Title I	84.010	S010A2200030	7/1/22-9/30/23	1,392,022	(799,607)	124,741		(124,741)	124,741	674,866				-	-		-
ESEA Title I SIA Part A	84.010	S010A2300030	7/1/23-9/30/24	87,200	-	-	-	67,390	(67,390)	77,467	137,299	-		(77,123)	17,291	-	(59,832)
ESEA Title I SIA Part A	84.010	S010A2200030	7/1/22-9/30/23	76,600	(76,600)	67,390	-	(67,390)	67,390	9,210	-	-	-	-	-	-	-
Total Title I					(876,207)	192,131	-	-	-	1,993,869	1,759,470	-	-	(571,761)	122,084	-	(449,677)
ESEA Title II- A																	
ESEA Title II- A	84.367A	S367A2130029	7/1/23-9/30/24	201,676	-	-		18,546	(18,546)	94,225	141,906			(125,997)	78,316		(47,681)
ESEA Title II- A	84.367A	S367A220029	7/1/22-9/30/23	191,629	(59,142)	18,546	-	(18,546)	18,546	40,596	-	-	-	-	-	-	-
Total Title II					(59,142)	18,546	-	-	-	134,821	141,906	-	-	(125,997)	78,316	-	(47,681)
ESEA Title III																	
ESEA Title III	84.365	S365A230030	7/1/23-9/30/24	148,156	-	-		150,893	(150,893)	180,271	211,702			(118,778)	87,347		(31,431)
ESEA Title III	84.365	S365A220030	7/1/22-9/30/23	150,893	(172,513)	164,601		(150,893)	150,893	15,411		\$ 6,209	\$ (6,209)	-		\$ 7,499	-
ESSA Title III - Immigrant	84.365	S365A230030	7/1/23-9/30/24	44,329	-	-		31,529	(31,529)	16,292	59,808			(59,566)	16,050		(43,516)
ESSA Title III - Immigrant	84.365	S365A220030	7/1/22-9/30/23	44,070	(38,840)	31,529	-	(31,529)	31,529	7,311	-	-	-	-	-	-	-
Total Title III					(211,353)	196,130	-	-	-	219,285	271,510	6,209	(6,209)	(178,344)	103,397	7,499	(74,947)
ESEA Title IV																	
ESEA Title IV	84.424	S424A230031	7/1/23-9/30/24	97,893	-	-		1,328	(1,328)	71,081	76,562			(28,140)	22,659		(5,481)
ESEA Title IV	84.424	S424A220031	7/1/22-9/30/23	97,194	(5,486)	1,328	-	(1,328)	1,328	4,158	-	-	-	-	-	-	-
Total Title IV					(5,486)	1,328	-	-	-	75,239	76,562	-	-	(28,140)	22,659	-	(5,481)

**HACKENSACK BOARD OF EDUCATION
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Project Period	Award Amount	Balance, June 30, 2023			Carryover/ Unearned Revenue	Carryover/ (Accounts Receivable)	Cash Received	Budgetary Expenditures	Funds Released		Balance, June 30, 2024			*	Memo GAAP Receivable
					(Accounts Receivable)	Unearned Revenue	Due to Grantor					(Accounts Receivable)	Unearned Revenue	(Accounts Receivable)	Unearned Revenue	Due to Grantor		
Elementary and Secondary School Emergency Relief (ESSER)																		
Coronavirus Aid, Relief, and Economic Security (CARES) Act																		
CARES Emergency Relief Grant	84.425D	S425D200027	3/13/20-9/30/22	\$ 1,045,357		\$ 2								-	\$ 2	-	*	
Elementary and Secondary School Emergency Relief (ESSER II)																		
Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act																		
ESSER II	84.425D	S425D210027	3/13/20-9/30/23	4,013,033	\$ (2,139,638)	156,069			\$ 2,139,638	\$ 156,069			-	-			*	-
Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	257,536	(103,911)	18,231			103,911	18,228			-	3			*	-
Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(16,825)	2,149			16,825	2,149			-	-			*	-
American Rescue Plan																		
ARP ESSER III	84.425U	S425U210027	3/13/20-9/30/24	9,019,032	(8,395,940)	272,405			3,771,465	270,871			\$ (4,624,475)	\$ 1,534			*	\$ (4,622,941)
Accelerated Learning Coach & Educator Sup	84.425U	S425U210027	3/13/20-9/30/24	550,973	(547,338)	547,212			385,651	543,513			(161,687)	3,699			*	(157,988)
Evidence Based Summer Learning & Enrich	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	-			40,000				-	-			*	-
Evidence Based Comprehensive Beyond the	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	16,148			39,999	16,148			(1)	-			*	(1)
NJTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000	(45,000)	45,000	-	-	45,000	45,000	-	-	-	-	-	-	*	-
ARP Homeless Children and Youth II	84.425D	S425W210031	4/23/21-9/30/24	59,139	(31,889)	4,930	-	-	26,959	4,930	-	-	(4,930)	-	-	-	*	(4,930)
ESSA / 21st Century Community Learning Centers Program																		
NJ High Impact Tutoring	84.425		10/11/23-8/31/24	306,000	-	-	-	-	248,827	248,372	-	-	(57,173)	57,628	-		*	-
Total ESSER Cluster																		
					(11,360,541)	1,062,146	-	-	6,818,275	1,305,280	-	-	(4,848,266)	62,866	-		*	(4,785,860)
COVID ARP SLFRF - ACSERS																		
	21.027	SLFRFDOE1SES	7/1/23-6/30/24	605,017	-	-	-	-	302,509	554,757	-	-	(302,508)	50,260	-		*	(252,248)
Mental Health Grant Program																		
School Based Mental Health Services	84.184	24E00629	12/1/23-12/31/24	387,635	-	-			132,050	145,834			(255,585)	241,801			*	(13,784)
Mental Health Training Grant	84.184	23E00464	6/5/23-11/30/23	292,531	(292,531)	292,531	-	-	79,512	84,883	-	-	(213,019)	207,648	-		*	(5,371)
Total Mental Health Program					(292,531)	292,531	-	-	211,562	230,717	-	-	(468,604)	449,449	-		*	(19,155)
Coronavirus Relief Fund																		
CARES Act - Bergen County Pass Thru	21.019	N/A	3/1/20-12/31/21	291,659	-	16,053	-	-		11,666	-	-	-	4,387	-		*	
Coronavirus Relief Fund	21.019	N/A	3/1/20-9/30/21	545,032	-	242	-	-	-	-	-	-	-	242	-		*	-
Total CRF Program Cluster					-	16,295	-	-	-	11,666	-	-	-	4,629	-		*	-
Project ACES																		
Project ACES	17.259	AA-26795-16-55-A-34	7/1/13-6/30/14	108,000	(414)	-	-	-	-	-	-	-	-	(414)	-		*	(414)
Project ACES	17.259	AA-26795-16-55-A-34	7/1/12-6/30/13	57,600	(2,799)	-	-	-	-	-	-	-	-	(2,799)	-	-	*	(2,799)
Total Project ACES Cluster					(3,213)	-	-	-	-	-	-	-	-	(3,213)	-	-	*	(3,213)
Total U.S. Department of Education																		
					(12,990,960)	1,897,214	-	-	11,132,832	6,073,221	\$ 6,209	\$ (6,209)	(6,940,652)	899,018	7,499		*	(6,046,723)
U.S. Department of Energy																		
Passed-through State Department of Treasury - Board of Public Utilities																		
School and Small Business Grant	81.000	N/A	7/1/23-6/30/24	1,448,969	-	-	-	-	1,448,969	1,448,969	-	-	-	-	-		*	-
Total Special Revenue Fund																		
					(12,990,960)	1,897,214	-	-	12,581,801	7,522,190	6,209	(6,209)	(6,940,652)	899,018	7,499		*	(6,046,723)

HACKENSACK BOARD OF EDUCATION
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Project Period	Award Amount	Balance, June 30, 2023			Carryover/ Unearned Revenue	Carryover/ (Accounts Receivable)	Cash Received	Budgetary Expenditures	Funds Released		Balance, June 30, 2024			Memo GAAP Receivable
					(Accounts Receivable)	Unearned Revenue	Due to Grantor					(Accounts Receivable)	Unearned Revenue	(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Energy																	
Passed-through State Department																	
of Treasury - Board of Public Utilities																	
Capital Projects Fund:																	
School and Small Business Grant	81.000	N/A	7/1/22-6/30/23	661,205	\$ (633,056)	-	-	-	-	\$ 633,056	-	-	-	-	-	-	-
Total Capital Projects Fund					(633,056)	-	-	-	-	633,056	-	-	-	-	-	-	-
U.S. Department of Health and Human Services																	
Medicaid Cluster																	
General Fund:																	
Medicaid Assistance Program (SEMI)	93.778	2005NJ5MAP	7/1/22-6/30/23	303,444	-	-	-	-	-	\$ 303,444	\$ 303,444	-	-	-	-	-	-
Total General Fund					-	-	-	-	-	303,444	303,444	-	-	-	-	-	-
Total Federal Awards					\$ (13,939,526)	\$ 1,900,315	\$ -	\$ -	\$ -	\$ 17,029,118	\$ 11,258,139	\$ 6,209	\$ (6,209)	\$ (7,183,714)	\$ 907,983	\$ 7,499	\$ (6,289,785)

HACKENSACK BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2023	Carryover Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Transfers / Adjustments	Balance, June 30, 2024			MEMO	
										(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education														
General Fund														
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	\$ 28,808,278			\$ 26,024,058	\$ 28,808,278			\$ (2,784,220)				\$ 28,808,278
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	28,808,278	\$ (2,769,011)		2,769,011				-				-
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	2,121,557			1,916,516	2,121,557			(205,041)				2,121,557
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	2,121,557	(203,921)		203,921				-				-
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	5,019,157			4,534,073	5,019,157			(485,084)				5,019,157
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	4,787,838	(460,200)	-	460,200	-	-	-	-	-	-	-	-
Total State Aid Public Cluster				(3,433,132)	-	35,907,779	35,948,992	-	-	(3,474,345)	-	-	-	35,948,992
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	682,382			616,432	682,382			(65,950)				682,382
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	682,382	(65,590)	-	65,590	-	-	-	-	-	-	-	-
Total Transportation Aid Cluster				(65,590)	-	682,022	682,382	-	-	(65,950)	-	-	-	682,382
Extraordinary Aid	24-495-034-5120-044	7/1/23-6/30/24	2,387,059				2,387,059			(2,387,059)				2,387,059
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	2,209,742	(2,209,742)		2,209,742				-				-
Payment for Institutionalized Children-Unknown District of Residence	24-495-034-5120-005	7/1/23-6/30/24	263,714				263,714			(263,714)			\$ (263,714)	263,714
Payment for Institutionalized Children-Unknown District of Residence	23-495-034-5120-005	7/1/22-6/30/23	272,470	(272,470)		272,470				-			-	-
On-Behalf TPAF Pension System Contributions NCGI	24-495-034-5094-004	7/1/23-6/30/24	218,570	-		218,570	218,570							218,570
On-Behalf TPAF Pension System Contributions Normal Costs and Accrued Liability	24-495-034-5094-002	7/1/23-6/30/24	19,165,332	-		19,165,332	19,165,332							19,165,332
On-Behalf TPAF Contributions Post Retirement Medical Benefits	24-495-034-5094-001	7/1/23-6/30/24	5,275,589			5,275,589	5,275,589							5,275,589
On-Behalf TPAF Contributions Long-Term Disability Insurance Premium	24-495-034-5094-004	7/1/23-6/30/24	5,393	-	-	5,393	5,393	-	-	-	-	-	-	5,393
Reimbursed TPAF Social Security Contributions	7/1/23-6/30/24		4,051,133	-	-	3,648,318	4,051,133	-	-	(402,815)	-	-	(402,815)	4,051,133
Total General Fund				(5,980,934)	-	67,385,215	67,998,164	-	-	(6,593,883)	-	-	(666,529)	67,998,164
Special Revenue:														
Preschool Education Aid	24-495-034-5120-086	7/1/23-6/30/24	3,881,217		\$ 695,404	3,493,095	3,768,665		\$ 664,707	(388,122)	\$ 1,472,663			3,768,665
Preschool Education Aid	23-495-034-5120-086	7/1/22-6/30/23	2,654,748	429,929	(695,404)	265,475								-
New Jersey Nonpublic Aid:														
Auxiliary Services:														
Compensatory Education	24-100-034-5120-067	7/1/23-6/30/24	107,890			107,890	41,898			-		\$ 65,992		41,898
Compensatory Education	23-100-034-5120-067	7/1/22-6/30/23	60,287	17,098				\$ 17,098			-			-
English as a Second Language	24-100-034-5120-067	7/1/23-6/30/24	7,325			7,325	1,831					5,494		1,831
English as a Second Language	23-100-034-5120-067	7/1/22-6/30/23	5,112	3,508	-	-	-	3,508	-	-	-	-	-	-
Total Auxiliary Services (Chapter 192) Cluster				20,606	-	115,215	43,729	20,606	-	-	-	71,486	-	43,729
Handicapped Services:														
Examination and Classification	24-100-034-5120-066	7/1/23-6/30/24	34,645			34,645	12,509					22,136		12,509
Examination and Classification	23-100-034-5120-066	7/1/22-6/30/23	23,498	15,913				15,913				-		-
Corrective Speech	24-100-034-5120-066	7/1/23-6/30/24	28,830			28,830	13,020					15,810		13,020
Corrective Speech	23-100-034-5120-066	7/1/22-6/30/23	15,531	5,115				5,115				-		-
Supplemental Instruction	24-100-034-5120-066	7/1/23-6/30/24	12,390			12,390	9,416					2,974		9,416
Supplemental Instruction	23-100-034-5120-066	7/1/22-6/30/23	11,151	5,286	-	-	-	5,286	-	-	-	-	-	-
Total Handicapped Services (Chapter 193) Cluster				26,314	-	75,865	34,945	26,314	-	-	-	40,920	-	34,945

HACKENSACK BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2023	Carryover Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Transfers / Adjustments	Balance, June 30, 2024			MEMO	
										(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education (continued)														
Nonpublic Textbook Aid	24-100-034-5120-064	7/1/23-6/30/24	\$ 5,781			\$ 5,781	\$ 5,769					\$ 12		\$ 5,769
Nonpublic Textbook Aid	23-100-034-5120-064	7/1/22-6/30/23	7,260	\$ 340				\$ 340				-		-
Nonpublic Nursing Services	24-100-034-5120-070	7/1/23-6/30/24	12,000			12,000	12,000					-		12,000
Nonpublic Nursing Services	23-100-034-5120-070	7/1/22-6/30/23	12,320	4,107				4,107				-		-
Nonpublic Technology	24-100-034-5120-373	7/1/23-6/30/24	4,900			4,900	4,880					20		4,880
Nonpublic Technology	23-100-034-5120-373	7/1/22-6/30/23	4,620	19				19				-		-
Nonpublic Security	24-100-034-5120-509	7/1/23-6/30/24	20,500			20,500	20,500					-		20,500
Nonpublic Security	23-100-034-5120-509	7/1/22-6/30/23	22,550	20				20				-		-
Mental Health Screening in Schools	24E00649	2/1/24-12/31/24	68,398			16,275	16,275			\$ (52,123)	\$ 52,123			16,275
Non-Public STEM	24-100-034-5068-051	7/1/23-6/30/24	83,792			31,002	48,411			(17,409)			\$ (17,409)	48,411
State Department of Children and Families														
Friendly Family	24-016-1620-100-007	7/1/23-6/30/24	51,891	-		51,891	48,473					3,418		48,473
Friendly Family	23-016-1620-100-007	7/1/22-6/30/23	45,257	6,134								6,134		-
Friendly Family	22-016-1620-100-007	7/1/21-6/30/22	53,648	3,025				1,917				1,108		-
School Based Youth Service Program	24-016-1630-100-013	7/1/23-6/30/24	342,355	-	-	342,355	330,137					12,218		330,137
School Based Youth Service Program	23-016-1630-100-013	7/1/22-6/30/23	312,855	8,331								8,331		-
School Based Youth Service Program	22-016-1630-100-013	7/1/21-6/30/22	353,940	17,137	-	-	-	16,225	-	-	-	912	-	-
Total SBYS Program Cluster				34,627	-	394,246	378,610	18,142	-	-	-	32,121	-	378,610
State Department of Education														
AP International Baccalaureate Course Expansion	N/A		65,419	-	-	-	-	-	-	(65,419)	65,419	-	-	-
AP African American Studies Grant	N/A		12,305	-	-	-	-	-	-	(12,305)	12,305	-	-	-
Schools Development Authority (SDA)														
Emergent and Capital Maintenance Needs	N/A		126,608			126,608	126,608							126,608
Emergent and Capital Maintenance Needs	N/A		132,338	132,338							132,338	-	-	-
Emergent and Capital Maintenance Needs	N/A		134,114	134,114	-	-					134,114	-	-	-
New Jersey School Development Authority														
Alyssa's Law School Security Grant	22-034-5120-588-001	N/A	313,241	13,371	-	-	-	-	-	-	13,371	-	-	-
Total Special Revenue Fund				795,785	-	4,560,962	4,460,392	69,548	\$ 664,707	(535,378)	1,882,333	144,559	(17,409)	4,460,392
State Department of Agriculture														
Enterprise Fund														
School Breakfast Program	24-100-010-3350-023	7/1/23-6/30/24	26,930			24,520	26,930			(2,410)			(2,410)	26,930
School Breakfast Program	23-100-010-3350-023	7/1/22-6/30/23	\$17,965	(1,644)		1,644				-				-
State After Bell Program	24-100-010-3350-023	7/1/23-6/30/24	\$26,451			24,182	26,451			(2,269)			(2,269)	26,451
State After Bell Program	23-100-010-3350-023	7/1/22-6/30/23	30,116	(2,879)		2,879				-				-
State School Lunch Program	24-100-010-3350-023	7/1/23-6/30/24	88,803	-		81,449	88,803			(7,354)			(7,354)	88,803
State School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	67,322	(5,698)	-	5,698	-	-	-	-	-	-	-	-
Total Enterprise Fund				(10,221)	-	140,372	142,184	-	-	(12,033)	-	-	(12,033)	142,184
Total State Financial Assistance Subject to Single Audit Determination														
				(5,195,370)	-	72,086,549	72,600,740	69,548	664,707	(7,141,294)	1,882,333	144,559	(695,971)	72,600,740

HACKENSACK BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2023	Carryover Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Transfers / Adjustments	Balance, June 30, 2024			MEMO	
										(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Financial Assistance														
Not Subject to Major Program Determination														
General Fund														
On-Behalf TPAF Pension System Contributions-NCGI	24-495-034-5094-004	7/1/23-6/30/24	\$ 218,570			\$ (218,570)	\$ (218,570)							\$ (218,570)
On-Behalf TPAF Normal Costs	24-495-034-5094-002	7/1/23-6/30/24	19,165,332			(19,165,332)	(19,165,332)							(19,165,332)
On-Behalf TPAF Post-Retirement Medical Contributions	24-495-034-5094-001	7/1/23-6/30/24	5,275,589			(5,275,589)	(5,275,589)							(5,275,589)
On-Behalf TPAF Long-Term Disability Ins. Contributions	24-495-034-5094-001	7/1/23-6/30/24	5,393	-	-	(5,393)	(5,393)	-	-	-	-	-	-	(5,393)
Total State Financial Assistance Subject to Major Program Determination				\$ (5,195,370)	\$ -	\$ 47,421,665	\$ 47,935,856	\$ 69,548	\$ 664,707	\$ (7,141,294)	\$ 1,882,333	\$ 144,559	\$ (695,971)	\$ 47,935,856

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

NOTE 1 REPORTING ENTITY

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

NOTE 2 BASIS OF PRESENTATION

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

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$218,890 for the general fund and an increase of \$5,081,549 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	\$ 303,444	\$ 67,779,274	\$ 68,082,718
Special Revenue Fund	12,649,302	3,750,122	16,399,424
Food Service Fund	<u>3,432,505</u>	<u>142,184</u>	<u>3,574,689</u>
Total Awards and Financial Assistance	<u>\$ 16,385,251</u>	<u>\$ 71,671,580</u>	<u>\$ 88,056,831</u>

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

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$4,051,133 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2024. The amount reported as TPAF Pension System Contributions in the amount of \$19,383,902, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$5,275,589 and TPAF Long-Term Disability Insurance in the amount of \$5,393 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2024.

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

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

NOTE 8 DE MINIMIS INDIRECT COST RATE

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

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

Part I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on financial statements Unmodified

Internal control over financial reporting:

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

2) Were significant deficiencies identified that are not considered to be material weakness(es)? yes X none reported

Noncompliance material to the 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 Title 2 Part 200 of U.S. Uniform Guidance? yes X no

Identification of major federal programs:

<u>AL Number(s)</u>	<u>FAIN</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027</u>	<u>H027A2301001</u>	<u>IDEA Part B, Basic - Special Education Cluster</u>
<u>84.027X</u>	<u>H027X210100</u>	<u>IDEA Part B, ARP Basic - Special Education Cluster</u>
<u>84.173</u>	<u>H173A230114</u>	<u>IDEA Preschool - Special Education Cluster</u>
<u>21.027</u>	<u>SLFRFDOE1SES</u>	<u>COVID ARP SLFRF - ACSERS</u>
<u> </u>	<u> </u>	<u> </u>

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

Auditee qualified as low-risk auditee? X yes no

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

Part I – Summary of Auditor's Results

State Awards Section

Internal Control over compliance:

(1) Material weaknesses identified?

_____ yes X no

2) Were significant deficiencies identified that are not considered to be material weakness(es)?

_____ 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 N.J. Circular Letter 15-08?

X yes _____ no

Identification of major state programs:

GMIS Number

Name of State Program or Cluster

24-495-034-5120-078

Equalization Aid-State Aid Public Cluster

24-495-034-5120-084

Security Aid-State Aid Public Cluster

24-495-034-5120-089

Special Education Aid-State Aid Public Cluster

24-495-034-5120-014

Transportation Aid

24-495-034-5120-086

Preschool Education Aid

Dollar threshold used to distinguish between Type A and Type B programs:

\$1,438,076

Auditee qualified as low-risk auditee?

X yes _____ no

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

Part 2 – Schedule of Financial Statement Findings

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

Finding 2024-001

With respect to the monthly financial reports of the Treasurer Designee:

- We noted the June 2024 Board Treasurer's report was not submitted to the County Superintendent by August 1 as required by N.J.S.A. 18A:17-36.
- Several accounts reflected on the monthly Treasurer's reports were not reconciled as the financial activity for several of these accounts reflected the bank statement activity and not the actual financial transactions of the District. In addition several invalid reconciling items were noted.

Criteria or Specific Requirement

N.J.S.A. 18A:17-36, "Accounting Monthly and Annual Reports"

Condition

See Finding 2024-001

Context

The June 2024 Board Treasurer's report was not submitted to County Superintendent by the required date. Activity for several accounts on the monthly Treasurer's reports for January 2024 through June 2024 did not accurately reflect the transactions of the District, nor were formal reconciliations prepared in certain instances.

Effect

Financial statements and transactions could be misstated without accurate and timely completion of the monthly Treasurer's report.

Cause

Unknown.

Recommendation

The year-end financial report of the Board Treasurer Designee be submitted to the County Superintendent in accordance with the requirements of N.J.S.A. 18A:17-36. In addition accounts reflected on the Board Treasurer's monthly report reflect all the financial transactions of the District and be supported by formal bank reconciliations.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and indicated it will revise its procedures to ensure corrective action is taken.

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

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

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

CURRENT YEAR FEDERAL AWARDS

There are none.

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

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

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

CURRENT YEAR STATE AWARDS

Finding 2024-002

Our audit of purchases and contract awards in excess of the bid threshold revealed the following as it related to compliance with the Public School Contracts Law and State procurement regulations:

- We noted certain purchases made which exceeded the bid threshold that were not awarded through a public bidding process. Board resolutions were not specific to indicated how contracts were procured.
- We noted approved professional services contract awards for which the post-award contract advertisement notices were not provided for audit.
- Our audit revealed certain instances where emergency purchases and contract awards were not submitted to the County Superintendent in a timely manner.
- We noted cooperative purchasing program contract award information was not on file in the District and not being reviewed to ensure amounts invoiced were goods and services and prices in the approved cooperative purchasing program award.
- We noted two contracts awarded that required a post award notice to the Office of the State Comptroller that were not filed as required.

State Program Information

Equalization Aid	495-034-5120-078
Special Education Aid	495-034-5120-089
Security Aid	495-034-5120-084

Criteria or Specific Requirement

State Grant Compliance Supplement – State Aid Public – Special Tests and Provisions
N.J.S.A. 18A:18A – Public School Contracts Law

Condition

Purchase of various goods and services were made which were not procured in accordance with the procedures specified in the Public School Contracts Law and State procurement guidelines.

Questioned Costs

Unknown.

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

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

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

CURRENT YEAR STATE AWARDS

Finding 2024-002 (Continued)

Context

- Two (2) contracts tested for fitness equipment and musical instruments (supplies) exceeded the bid threshold that were not awarded through public bidding. Contract payments totaled \$448,000 for fiscal year 2024. Board resolution indicated quote approved and/or proposal ratified.
- Two vendors indicated as professional service contract awards were not supported with the advertisement of the post-award notice in the official newspaper. One of these contracts, for security guard services did not appear to be a professional service contract.
- Emergency contracts for a boiler replacement and asbestos abatement which exceeded the bid threshold were not submitted to the County until year end. Work appeared to be completed in September 2023 and January 2024, respectively.
- Cooperative purchasing program contract award information was not on file in the District and therefore not reviewed to ensure goods or services purchased and prices paid were in agreement to the respective cooperative program approved contract award for five (5) vendors tested. Total vendor payment were \$1,100,000 for fiscal year 2024.
- Two (2) vendors tested were awarded contracts in excess of \$2,500,000, however the required post award notice was not submitted to the Office of the State Comptroller.

Effect

Noncompliance with requirements of the Public School Contracts Law.

Cause

Purchase and contract awards were made that were not procured in accordance with the procedures required by State statute and regulation.

Recommendation

Continued efforts be made over purchasing procedures to ensure all contract awards and purchases that exceed the bid threshold are procured in accordance with the requirements of the Public School Contracts Law and State procurement regulations. In addition, documentation be maintained on file to support the District's awards under cooperative purchasing programs.

Views of Responsible Officials and Planned Corrective Action Plan

Management has reviewed this finding and indicated it will revise its procedures to ensure corrective action is taken.

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

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

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

CURRENT YEAR STATE AWARDS

Finding 2024-003

With respect to the monthly financial reports of the Treasurer Designee:

- We noted the June 2024 Board Treasurer's report was not submitted to the County Superintendent by August 1 as required by N.J.S.A. 18A:17-36.
- Several accounts reflected on the monthly Treasurer's reports were not reconciled as the financial activity for several of these accounts reflected the bank statement activity and not the actual financial transactions of the District. In addition several invalid reconciling items were noted.

State Program Information

Equalization Aid	495-034-5120-078
Special Education Aid	495-034-5120-089
Security Aid	495-034-5120-084

Criteria or Specific Requirement

State Aid – Public Compliance Supplement

Condition

See Finding 2024-003.

Questioned Costs

None.

Context

The June 2024 Board Treasurer's report was not submitted to County Superintendent by the required date. Activity for several accounts on the monthly Treasurer's reports for January through June 2024 did not accurately reflect the transactions of the District, nor were formal reconciliations prepared in certain instances.

Effect

Financial statements and transactions could be misstated without accurate and timely completion of the monthly Treasurer's report.

Cause

Unknown.

Recommendation

The year-end financial report of the Board Treasurer Designee be submitted to the County Superintendent in accordance with the requirements of N.J.S.A. 18A:17-36. In addition accounts reflected on the Board Treasurer's monthly report reflect all the financial transactions of the District and be supported by formal bank reconciliations.

Views of Responsible Officials and Planned Corrective Action Plan

Management has reviewed this finding and indicated it will review and revise its procedures to ensure corrective action is taken.

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

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

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

CURRENT YEAR STATE AWARDS

Finding 2024-004

Our audit of the District report of transported resident students (DRTRS) indicated several students included in the pupil counts could not be verified to supporting documentation.

State Program Information

Transportation Aid 495-034-5120-014

Criteria or Specific Requirement

State Compliance Supplement – Transportation Aid - Eligibility

Condition

Documentation to support pupil counts on the DRTRS did not agree to number of students reported on the DRTRS.

Questioned Costs

Unknown.

Context

Of the fifty-four (54) students sampled nine (9) could not be verified to enrollment records of the indicated Charter School and four (4) could not be verified to the October 2023 tuition bill of the respective out-of-district school.

Effect

Non-compliance with the transportation compliance requirements.

Cause

Unknown.

Recommendation

Greater care be exercised when completing the DRTRS to ensure student counts reported agree to supporting documentation.

Views of Responsible Officials and Planned Corrective Action Plan

Management has reviewed this finding and indicated it will review and revise its procedures to ensure corrective action is taken.

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

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

STATUS OF PRIOR YEAR FINDINGS

Finding 2023-001

Condition

Our audit noted employees and the funding percentages of their respective salaries charged to Federal grant programs were not approved in the Board minutes.

Current Status

Corrective action has been taken