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# BERGEN COUNTY Special Services School District

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## Annual Comprehensive Financial Report For The Fiscal Year Ended June 30, 2025

BERGEN COUNTY, NEW JERSEY

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**of the  
Bergen County Special Services**

**School District**

**Bergen County, New Jersey**

**For The Fiscal Year Ended June 30, 2025**

**Prepared by**

**Bergen County Special Services  
School District  
Business Department**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
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## **INTRODUCTORY SECTION**



BERGEN COUNTY TECHNICAL SCHOOLS / SPECIAL SERVICES

District Administration Office

540 Farview Avenue, Paramus, New Jersey 07652 • Tel. (201) 343-6000 • Fax (201) 225-9067

January 6, 2026

Honorable President and  
Members of the Board of Education  
Bergen County Special Services School District  
County of Bergen, New Jersey

Dear Board Members:

State Department of Education statutes require that all general-purpose local governments publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive finance statement of the Bergen County Special Services for the fiscal year ended June 30, 2025.

This report consists of management's representations concerning the finances of the Bergen County Special Services School District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Bergen County Special Services School District has established a comprehensive internal control framework that is designed both to protect the School District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Bergen County Special Services School District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Bergen County Special Services School District's comprehensive framework or internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Bergen County Special Services School District's financial statements have been audited by Lerch, Vinci & Bliss, LLP, a firm of licensed certified public accountants and public school accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Bergen County Special Services School District for the fiscal year ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts

and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Bergen County Special Services School District's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, and a list of principal officials. The financial section includes the independent auditors' report, management's discussion and analysis (MD&A), the basic financial statements including the district-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual fund financial statements, notes to the basic financial statements and required supplemental information (RSI). The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act, as amended, and *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the state Treasury Circular Letter 15-08 OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*". Information related to this single audit, including the auditors' report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

**REPORTING ENTITY AND ITS SERVICES:** The District provides unique services throughout the County for individuals with severe, profound, complex or unmet needs for students ranging in age from birth to 21 years; others we serve are adults over age 21. Students are served in one of our continua, each of which is organized around broad categories in order to address severe, profound, unique and complex special needs.

The School District's revenue source is primarily tuition paid by local school districts. A small portion of overall district revenues comes from county taxes through the Bergen County Board of Chosen Freeholders. The school district operates programs in Bergen, Passaic, and Morris counties on 31 different program sites. Students who live in 10 or more counties in New Jersey are either serviced in District operated programs or receive services from the District while still attending programs in their home school.

The District completed the 2024-25 fiscal year with an average daily enrollment of 598.6 students, which is 2.2 students more than the previous year's enrollment. The following details the changes in the average daily enrollment over the last ten years.

<u>Fiscal Year</u>	<u>Average Daily Enrollment (ADE)</u>	<u>Percent Change</u>
2024-25	598.6	0.36%
2023-24	596.4	1.14%
2022-23	589.7	2.0%
2021-22	578.1	(2.4%)
2020-21	592.3	(3.7%)
2019-20	615.1	4.60%
2018-19	588.0	(2.37%)
2017-18	602.3	(6.24%)
2016-17	642.4	(2.0%)
2015-16	655.0	(2.96%)

**ECONOMIC CONDITION AND OUTLOOK:** Located in Northeastern New Jersey in close proximity to New York City, Bergen County is an important economic entity. Although Bergen County comprises only 3% of New Jersey's total land area, it has the largest number of workers, private-sector jobs, and highest per capita income in the state. Its 900,000+ residents live in 70 municipalities, which include 56 boroughs, 9 townships, 3 cities, and 2 villages.

According to the Bergen County Economic Development Corporation, Bergen has over 14% of the states jobs (500,000) and over 14% of New Jersey's manufacturing jobs - both records for the state, at \$15 billion. Hackensack, the County Seat, is home to Bergen's top employer, Hackensack University Medical Center. This state-of-the-art teaching and research hospital is the largest provider of inpatient and outpatient services in the state. The Valley Hospital System and Bio-Reference Laboratories round out the top three employers in the county. Other leading employers include: Express Scripts, Quest Diagnostics, KMPG LLP, Englewood Hospital & Medical Center, Englewood Hospital Home Health Care Services, Unilever Best Foods and Stryker.

**MAJOR INITIATIVES:** During this past year, the District has increased the number of sites in which it operates programs for students. Going forward, the major initiatives of the District include the following:

- a. Continued expansion of Educational Enterprises, a division in which the District provides supports and services to local school districts, enabling students with disabilities to attend class with regular education students. This expansion also includes provision of child study team services.
- b. Establishing new programs to service elementary/middle/high school students with behavioral disorders, autism, and auditory impairments.
- c. Continued expansion of community-based learning experiences and transition services to master workplace readiness skills.
- d. Expansion and enhancement of community outreach programs.
- e. Expansion and enhancement of support services for School District families and community members.

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

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

**BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of School Estimates. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the internal service funds for the Regional Day School. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2025.

**ACCOUNTING SYSTEM REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "*Notes to the Basic Financial Statements*".

**DEBT ADMINISTRATION:** At June 30, 2025 the District does not have any debt service. All bonded long-term debt is included in the County of Bergen's Financial Statements.

**CASH MANAGEMENT:** The investment policy of the district is guided in large part by state statute as detailed in "*Notes to the Basic Financial Statements*". The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. 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.

**RISK MANAGEMENT:** The Board carries various forms of insurance including but not limited to general liability, automobile liability and comprehensive insurance and property damage on buildings and contents, fidelity bonds, workers' compensation, and a self-insured unemployment fund.

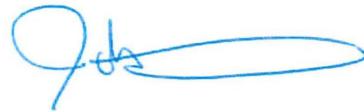
**ACKNOWLEDGMENTS:**

We would like to express our appreciation to the members of the Bergen County Special Services School Board for their concern in providing fiscal accountability to the Bergen County Executive and Board of Commissioners and to the Local Educational Agencies 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 accounting staff.

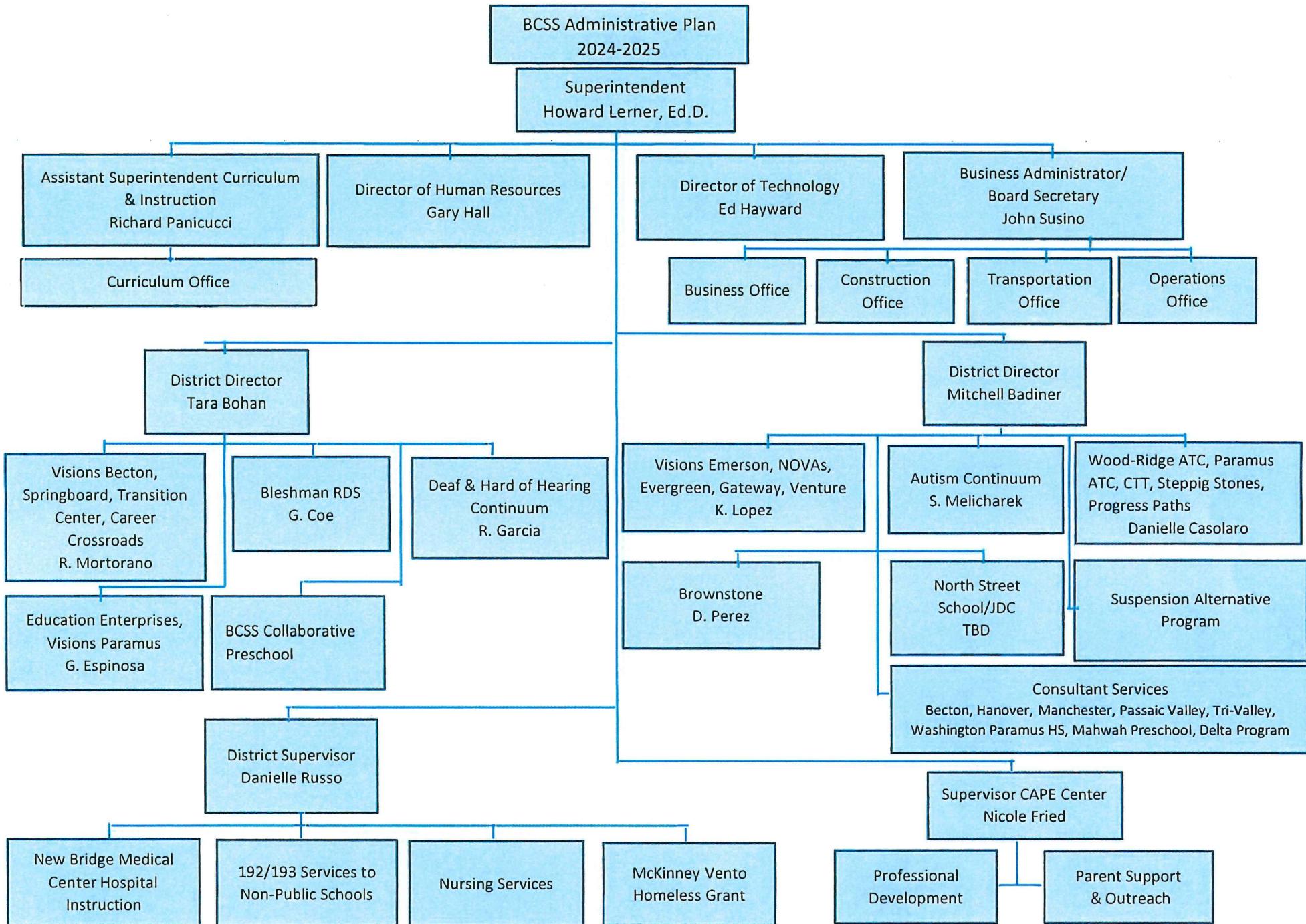
Respectfully submitted,



Dr. Howard Lerner  
Superintendent



John Susino  
Business Administrator/Board Secretary



**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
BERGEN COUNTY, NEW JERSEY  
ROSTER OF OFFICIALS  
JUNE 30, 2025**

**COUNTY EXECUTIVE**

James J. Tedesco III

**MEMBERS OF THE BOARD OF COMMISSIONERS**

Mary J. Amoroso – Chairwoman  
Steven A. Tanelli – Vice-Chairman  
Dr. Joan M. Voss – Chair Pro Tempore  
Rafael Marte  
Germaine M. Ortiz  
Thomas J. Sullivan  
Tracey S. Zur

**BOARD OF EDUCATION**

President – Gary Lentini

Vice-President – William Barnaskas

Members of the Board

Kelly Epstein  
Ana Marti  
Michael McCarthy  
Patrick Fletcher  
Executive County Superintendent  
Bergen County Office of Education

**OTHER OFFICIALS**

Superintendent	Dr. Howard Lerner
Business Administrator/Board Secretary	John Susino
Director of Personnel	Gary Hall
District Director of Instruction	Mitchell Badiner
District Director of Instruction	Tara Bohan
Supervisor of Instruction 192/193	Danielle Russo
Principal, Bleshman	Gail Coe
Supervisor, North Street School	Loren Ginty
Principal, Brownstone	David Perez
Principal, Washington Programs	Sandra Melicharek
Principal, Nova, Emerson, Evergreen, Venture, Gateway	Kelly Lopez
Principal, Hearing Impaired	Rasheda Garcia
Principal, Springboard, Transition Center, Visions	Robert Mortorano

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

Consultants and Advisors

Architects

DMR Architects

Rivardo, Schnitzer and Capazzi

DiCara, Rubino Architects

Netta Architects

Audit Firm

Lerch, Vinci and Bliss, LLP

Attorneys

Law office of John Schettino, LLC (John Schettino, Esq.)

Engineers

Remington and Vernick

T&M Associates

Construction Management

Mast Construction

Official Depositories

Santander Bank

TD Bank

## **FINANCIAL SECTION**

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  
Bergen County Special Services School District  
Paramus, New Jersey

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

##### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Special Services School District, a component unit of the County of Bergen as of and for the fiscal year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Special Services School District as of June 30, 2025, 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 Bergen County Special Services School District 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 Bergen County Special Services School District'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 Bergen County Special Services School District'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 Bergen County Special Services School District'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 Bergen County Special Services School District's basic financial statements. The accompanying combining fund financial statements, schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and 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 Bergen County Special Services School District. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund financial statements, schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

### ***Other Information***

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

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

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

In accordance with Government Auditing Standards, we have also issued our report dated January 6, 2026 on our consideration of the Bergen County Special Services School District'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 Bergen County Special Services School District'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 Bergen County Special Services School District's internal control over financial reporting and compliance.

*Lerch, Vinci & Bliss LLP*  
LERCH, VINCI & BLISS, LLP  
Certified Public Accountants  
Public School Accountants

*DP*  
Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
January 6, 2026

**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

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

## **BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

### **Management's Discussion and Analysis** **Fiscal Year Ended June 30, 2025**

This section of Bergen County Special Services School District's annual comprehensive financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2025. The intent of this section is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement. Certain comparative information between the current year (2024-2025) and the prior year (2023-2024) is required to be presented in the MD&A.

### **FINANCIAL HIGHLIGHTS**

Key financial highlights for the 2024-2025 fiscal year include the following:

- The assets and deferred outflows of resources of the Bergen County Special Services School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$35,875,463 (net position).
- Overall District revenues were \$133,073,147. General revenues accounted for \$13,089,440 or 10% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$119,983,707 of total revenues or 90%.
- The School District had \$130,979,133 in expenses for governmental activities; \$119,612,668 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly county property taxes) of \$13,089,440 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 \$19,904,371 an increase of \$392,712 when compared to the ending fund balance at June 30, 2024 of \$19,511,659.
- The General Fund unassigned fund balance at June 30, 2025 was \$3,300,193, a decrease of \$64,505 when compared with the ending fund balance of \$3,364,698 at June 30, 2024.

# BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

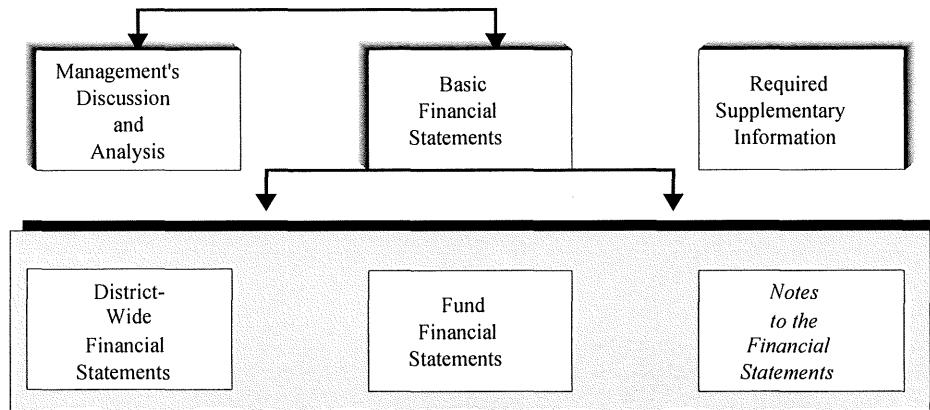
## Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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



# BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

### OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

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

Major Features of the District-Wide and Fund Financial Statements

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

# BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

### District-Wide Financial Statements

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

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

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

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

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

### Fund Financial Statements

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

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

# BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

### Fund Financial Statements (Continued)

The District has two kinds of funds:

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

### Notes to the Financial Statements

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

### Other Information

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

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

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

# BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

### DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$35,875,463 and \$33,781,449 as of June 30, 2025 and 2024, respectively, as shown below.

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

#### Net Position as of June 30, 2025 and 2024

	Governmental Activities		Business-Type Activities		Total	
	2025	2024 (Restated)	2025	2024	2025	2024 (Restated)
<b>Assets</b>						
Current and Other Assets	\$ 30,746,064	\$ 29,070,326	\$ 127,872	\$ 60,548	\$ 30,873,936	\$ 29,130,874
Capital Assets	<u>59,647,368</u>	<u>60,133,243</u>	<u>17,073</u>	<u>7,485</u>	<u>59,664,441</u>	<u>60,140,728</u>
<b>Total Assets</b>	<b><u>90,393,432</u></b>	<b><u>89,203,569</u></b>	<b><u>144,945</u></b>	<b><u>68,033</u></b>	<b><u>90,538,377</u></b>	<b><u>89,271,602</u></b>
Deferred Outflows	<u>3,231,791</u>	<u>4,245,339</u>	<u>-</u>	<u>-</u>	<u>3,231,791</u>	<u>4,245,339</u>
<b>Total Assets and Deferred Outflows</b>	<b><u>93,625,223</u></b>	<b><u>93,448,908</u></b>	<b><u>144,945</u></b>	<b><u>68,033</u></b>	<b><u>93,770,168</u></b>	<b><u>93,516,941</u></b>
<b>Liabilities</b>						
Long-Term Liabilities	<u>47,208,639</u>	<u>49,918,380</u>	<u>-</u>	<u>-</u>	<u>47,208,639</u>	<u>49,918,380</u>
Other Liabilities	<u>6,761,916</u>	<u>5,030,183</u>	<u>102,797</u>	<u>4,588</u>	<u>6,864,713</u>	<u>5,034,771</u>
<b>Total Liabilities</b>	<b><u>53,970,555</u></b>	<b><u>54,948,563</u></b>	<b><u>102,797</u></b>	<b><u>4,588</u></b>	<b><u>54,073,352</u></b>	<b><u>54,953,151</u></b>
Deferred Inflows	<u>3,819,003</u>	<u>4,781,767</u>	<u>2,350</u>	<u>574</u>	<u>3,821,353</u>	<u>4,782,341</u>
<b>Total Liabilities and Deferred Inflows</b>	<b><u>57,789,558</u></b>	<b><u>59,730,330</u></b>	<b><u>105,147</u></b>	<b><u>5,162</u></b>	<b><u>57,894,705</u></b>	<b><u>59,735,492</u></b>
<b>Net Position</b>						
Net Investment in Capital Assets	<u>59,647,368</u>	<u>60,133,243</u>	<u>17,073</u>	<u>7,485</u>	<u>59,664,441</u>	<u>60,140,728</u>
Restricted	<u>11,340,090</u>	<u>11,334,553</u>	<u>-</u>	<u>-</u>	<u>11,340,090</u>	<u>11,334,553</u>
Unrestricted	<u>(35,151,793)</u>	<u>(37,749,218)</u>	<u>22,725</u>	<u>55,386</u>	<u>(35,129,068)</u>	<u>(37,693,832)</u>
<b>Total Net Position</b>	<b><u>\$ 35,835,665</u></b>	<b><u>\$ 33,718,578</u></b>	<b><u>\$ 39,798</u></b>	<b><u>\$ 62,871</u></b>	<b><u>\$ 35,875,463</u></b>	<b><u>\$ 33,781,449</u></b>

# BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

The changes in net position for fiscal years ended 2025 and 2024 are as follows:

	Governmental Activities		Business-Type Activities		<u>2025</u>	<u>2024</u>	<u>Total</u>
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>			
<b>Revenues</b>							
Program Revenues							
Charges for Services	\$ 93,183,683	\$ 87,286,683	\$ 65,083	\$ 69,537	\$ 93,248,766	\$ 87,356,220	
Operating Grants and Contributions	25,214,788	24,786,792	305,956	280,317	25,520,744	25,067,109	
Capital Grants and Contributions	1,214,197	1,718,049	-	-	1,214,197	1,718,049	
General Revenues							
County Property Taxes	11,498,988	11,273,518	-	-	11,498,988	11,273,518	
Investment Earnings	462,851	451,329	-	-	462,851	451,329	
Miscellaneous	1,127,601	1,045,144	-	-	1,127,601	1,045,144	
<b>Total Revenues</b>	<b><u>132,702,108</u></b>	<b><u>126,561,515</u></b>	<b><u>371,039</u></b>	<b><u>349,854</u></b>	<b><u>133,073,147</u></b>	<b><u>126,911,369</u></b>	
<b>Expenses</b>							
Instruction							
Special Education	79,511,382	67,159,841	-	-	79,511,382	67,159,841	
Support Services							
Student and Instruction Related Services	29,397,593	36,665,043	-	-	29,397,593	36,665,043	
General Administration Services	1,207,680	1,093,676	-	-	1,207,680	1,093,676	
School Administration Services	4,999,959	4,815,450	-	-	4,999,959	4,815,450	
Plant Operation and Maintenance	10,998,429	10,092,333	-	-	10,998,429	10,092,333	
Pupil Transportation	1,567,247	1,444,797	-	-	1,567,247	1,444,797	
Business Services	2,752,731	2,453,478	-	-	2,752,731	2,453,478	
Food Service	-	-	544,112	478,821	544,112	478,821	
<b>Total Expenses</b>	<b><u>130,435,021</u></b>	<b><u>123,724,618</u></b>	<b><u>544,112</u></b>	<b><u>478,821</u></b>	<b><u>130,979,133</u></b>	<b><u>124,203,439</u></b>	
<b>Increase (Decrease) in Net Position</b>							
Before Transfers	<b><u>2,267,087</u></b>	<b><u>2,836,897</u></b>	<b><u>(173,073)</u></b>	<b><u>(128,967)</u></b>	<b><u>2,094,014</u></b>	<b><u>2,707,930</u></b>	
Transfers	<b><u>(150,000)</u></b>	<b><u>(75,000)</u></b>	<b><u>150,000</u></b>	<b><u>75,000</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	
Change in Net Position	<b><u>2,117,087</u></b>	<b><u>2,761,897</u></b>	<b><u>(23,073)</u></b>	<b><u>(53,967)</u></b>	<b><u>2,094,014</u></b>	<b><u>2,707,930</u></b>	
<b>Net Position, Beginning of Year</b>	<b><u>33,718,578</u></b>	<b><u>34,094,552</u></b>	<b><u>62,871</u></b>	<b><u>116,838</u></b>	<b><u>33,781,449</u></b>	<b><u>34,211,390</u></b>	
Prior Period Adjustment	<b><u>-</u></b>	<b><u>(3,137,871)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>(3,137,871)</u></b>	
<b>Net Position, End of Year</b>	<b><u>\$ 35,835,665</u></b>	<b><u>\$ 33,718,578</u></b>	<b><u>\$ 39,798</u></b>	<b><u>\$ 62,871</u></b>	<b><u>\$ 35,875,463</u></b>	<b><u>\$ 33,781,449</u></b>	

### Governmental Activities

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

# BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

**Total and Net Cost of Governmental Activities.** The following schedule presents the District's total costs of services provided by major activity. After applying program revenues, derived from charges for services, operating grants and contributions and capital grants and contributions, the net cost of these services is presented. The following is a comparative analysis of the total and the net cost of governmental activities for the fiscal years ended June 30, 2025 and 2024.

	Total Cost of Services		Net Cost (Revenues) of Services	
	2025	2024	2025	2024
Instruction				
Special Education Services	\$ 79,511,382	\$ 67,159,841	\$ (16,457,256)	\$ (13,556,791)
Support Services				
Student and Instruction Related Services	29,397,593	36,665,043	12,309,745	10,461,190
School Administration Services	1,207,680	1,093,676	1,049,143	961,286
General Administration	4,999,959	4,815,450	3,181,003	2,940,963
Plant Operation and Maintenance	10,998,429	10,092,333	8,525,368	7,160,644
Pupil Transportation	1,567,247	1,444,797	1,461,355	1,339,545
Other Support Services-Business/Central Svc./Admin Info. Tech.	2,752,731	2,453,478	752,995	626,257
<b>Total</b>	<b><u>\$ 130,435,021</u></b>	<b><u>\$ 123,724,618</u></b>	<b><u>\$ 10,822,353</u></b>	<b><u>\$ 9,933,094</u></b>

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

### Governmental Funds

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$19,904,371, an increase of \$392,712 from last year's fund balance of \$19,511,659.

Revenues for the District's governmental funds were \$87,198,822, total expenditures were \$86,656,110, and transfers out were \$150,000.

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

Revenues of the General Fund were \$70,727,241 for the fiscal year ended June 30, 2025. State sources amounted to \$8,424,124, federal sources totaled \$327,064 and other sources were \$61,976,053.

Expenditures of the General Fund were \$70,109,492. Instructional expenditures were \$37,911,624, support services were \$29,802,067 and capital expenditures totaled \$2,395,801 for the fiscal year ended June 30, 2025.

## BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

### Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

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

Revenues of the Special Revenue Fund were \$15,271,581 for the fiscal year ended June 30, 2025. State sources amounted to \$1,839,727, federal sources totaled \$3,718,419 and local sources were \$9,713,435.

Expenditures of the Special Revenue Fund were \$15,265,565. Instructional expenditures were \$7,447,457, and support services were \$7,803,911 and capital expenditures totaled \$14,197 for the fiscal year ended June 30, 2025.

**Capital Projects** - The capital projects expenditures exceeded revenues by \$81,053 decreasing the fund balance from \$2,700,363 at June 30, 2024 to \$2,619,310 at June 30, 2025.

### Proprietary Funds

The District maintains both an Enterprise Fund and Internal Service Fund to account for activities which are supported in part through user fees.

- *Enterprise Fund* - The District uses an Enterprise Fund to report activities related to the District's Food services program. The District's Enterprise Fund provides the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.
- *Internal Service Fund* – The District uses internal service funds to report activities that provide services and supplies for the District's other programs and activities, as well as services provided on behalf of other districts. The internal service fund is also utilized to account for the District's liabilities relating to compensated absences.

The District also operates the Norman A. Bleshman Regional Day School. The related operations for this school are also accounted for in the internal service fund.

The internal service fund revenues were less than expenditures by \$504,003 resulting in a fund balance of \$5,580,572 at June 30, 2025 down from \$6,084,575 at June 30, 2024.

### GENERAL FUND BUDGETARY HIGHLIGHTS

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

- Implementing budgets for specially funded projects, which include both federal and state grants.
- Reappropriation of June 30, 2024 encumbrances.
- Appropriation of Capital Reserve

# BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT

## Management's Discussion and Analysis Fiscal Year Ended June 30, 2025

### CAPITAL ASSETS

By the end of June 30, 2025, the District had invested \$59,664,441 in a range of capital assets for its governmental and business-type activities. This includes leasehold improvements to buildings, computers, specialized machinery and various other types of equipment. The District is a county-wide school district and all properties but one were acquired and constructed by the County of Bergen. The District also operates certain state owned facilities. Title to all real property utilized by the District with the exception of the Montesano School remains with the County of Bergen or State of New Jersey.

The following is a comparative analysis of capital assets at June 30, 2025 and 2024.

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Buildings	\$ 76,280,646	\$ 73,524,833			\$ 76,280,646	\$ 73,524,833
Improvements Other Than Buildings	1,549,093	1,246,472			1,549,093	1,246,472
Leasehold Improvements	7,565,113	7,565,113			7,565,113	7,565,113
Machinery and Equipment	15,485,582	16,533,176	\$ 37,377	\$ 25,724	15,522,959	16,558,900
<b>Total Capital Assets</b>	<b>100,880,434</b>	<b>98,869,594</b>	<b>37,377</b>	<b>25,724</b>	<b>100,917,811</b>	<b>98,895,318</b>
Less Accumulated Depreciation	(41,233,066)	(38,736,351)	(20,304)	(18,239)	(41,253,370)	(38,754,590)
<b>Capital Assets, Net</b>	<b>\$ 59,647,368</b>	<b>\$ 60,133,243</b>	<b>\$ 17,073</b>	<b>\$ 7,485</b>	<b>\$ 59,664,441</b>	<b>\$ 60,140,728</b>

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

### LONG TERM LIABILITIES

At year-end, the District's long-term liabilities for its governmental activities consisted of compensated absences payable of \$5,202,936 and net pension liability payable of \$42,005,703.

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

## **BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**

### **Management's Discussion and Analysis Fiscal Year Ended June 30, 2025**

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

Many factors were considered by the District's administration during the process of developing the fiscal year 2025-2026 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing labor and related employee benefit costs.

These indicators were considered when adopting the budget for fiscal year 2025-2026.

Three goals served as the foundation for the development of the 2025/2026 budget. The goals balanced fiscal and program issues. The goals were: 1) maintain and improve program excellence; 2) maintain a balance between tuition charged and services provided; and 3) infuse technology into the instructional programs. The budget program priorities for 2025/2026 continue to include program site consolidation and expansion of the autistic programs for students, as well as program improvements to meet state and federal mandates covering instruction and services to physically, behaviorally and cognitively challenged students.

#### **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, Bergen County Special Services, 540 Fairview Avenue, Paramus, NJ 07652.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2025**

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 17,115,377		\$ 17,115,377
Receivables, net	13,377,718	\$ 36,343	13,414,061
Due to Bergen County Technical Schools	91,987		91,987
Internal Balances	97,182	75,000	172,182
Prepaid Expenses	63,800		63,800
Inventories		16,529	16,529
Capital Assets, net of accumulated depreciation	<u>59,647,368</u>	<u>17,073</u>	<u>59,664,441</u>
 Total Assets	 <u>90,393,432</u>	 <u>144,945</u>	 <u>90,538,377</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred Amounts on Net Pension Liability	3,231,791	-	3,231,791
 Total Assets and Deferred Outflow of Resources	 <u>93,625,223</u>	 <u>144,945</u>	 <u>93,770,168</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Current Liabilities	3,227,439	1,208	3,228,647
Internal Balances	75,000	97,182	172,182
Unearned Revenue	3,459,477	4,407	3,463,884
Noncurrent Liabilities			
Due within one year	200,000		200,000
Due beyond one year	<u>47,008,639</u>	-	<u>47,008,639</u>
 Total Liabilities	 <u>53,970,555</u>	 <u>102,797</u>	 <u>54,073,352</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred Commodities Revenue		2,350	2,350
Deferred Amounts on Net Pension Liability	<u>3,819,003</u>	-	<u>3,819,003</u>
 Total Deferred Inflows of Resources	 <u>3,819,003</u>	 <u>2,350</u>	 <u>3,821,353</u>
 Total Liabilities and Deferred Inflow of Resources	 <u>57,789,558</u>	 <u>105,147</u>	 <u>57,894,705</u>
<b>NET POSITION</b>			
Investment in Capital Assets	59,647,368	17,073	59,664,441
Restricted			
Capital Projects	9,639,156		9,639,156
Plant Maintenance	995,770		995,770
Other Purposes	705,164		705,164
Unrestricted	<u>(35,151,793)</u>	<u>22,725</u>	<u>(35,129,068)</u>
 Total Net Position	 <u>\$ 35,835,665</u>	 <u>\$ 39,798</u>	 <u>\$ 35,875,463</u>

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
<b>Governmental activities</b>							
Instruction:							
Special Education	\$ 79,511,382	\$ 81,410,702	\$ 14,543,739	\$ 14,197	\$ 16,457,256		\$ 16,457,256
Support Services:							
Student & Instruction Related Services	29,397,593	7,282,028	9,805,820		(12,309,745)		(12,309,745)
General Administration Services	1,207,680	114,625	43,912		(1,049,143)		(1,049,143)
School Administration Services	4,999,959	1,345,333	473,623		(3,181,003)		(3,181,003)
Plant Operations and Maintenance	10,998,429	1,034,865	238,196	1,200,000	(8,525,368)		(8,525,368)
Pupil Transportation	1,567,247	41,732	64,160		(1,461,355)		(1,461,355)
Support Services - Business/Central Svc/ Admin Info. Tech.	2,752,731	1,954,398	45,338	-	(752,995)	-	(752,995)
Total Governmental Activities	<u>130,435,021</u>	<u>93,183,683</u>	<u>25,214,788</u>	<u>1,214,197</u>	<u>(10,822,353)</u>	<u>-</u>	<u>(10,822,353)</u>
<b>Business - Type Activities</b>							
Food Service	544,112	65,083	305,956	-	-	\$ (173,073)	(173,073)
Total Business Type Activities	<u>544,112</u>	<u>65,083</u>	<u>305,956</u>	<u>-</u>	<u>-</u>	<u>(173,073)</u>	<u>(173,073)</u>
Total Primary Government	<u>\$ 130,979,133</u>	<u>\$ 93,248,766</u>	<u>\$ 25,520,744</u>	<u>\$ 1,214,197</u>	<u>\$ (10,822,353)</u>	<u>\$ (173,073)</u>	<u>\$ (10,995,426)</u>
General Revenues:							
County Property Tax Levy					11,498,988		11,498,988
Investment Earnings					462,851		462,851
Miscellaneous					1,127,601		1,127,601
Transfers					(150,000)	150,000	-
Total General Revenues and Transfers					<u>12,939,440</u>	<u>150,000</u>	<u>13,089,440</u>
Change in Net Position							
Net Position - Beginning of Year, Restated					2,117,087	(23,073)	2,094,014
Net Position - End of Year					<u>\$ 35,835,665</u>	<u>\$ 39,798</u>	<u>\$ 35,875,463</u>

## **FUND FINANCIAL STATEMENTS**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**AS OF JUNE 30, 2025**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Assets				
Cash and Cash Equivalents	\$ 16,329,760	\$ 148,981	\$ 3,065,130	\$ 16,478,741
Intergovernmental Receivables	1,266,433	1,747,131	-	6,078,694
Other Accounts Receivable	45,268	-	-	45,268
Due from Other Funds	5,695,789	-	-	5,695,789
Prepaid Expenses	63,800	-	-	63,800
<b>Total Assets</b>	<b><u>\$ 23,401,050</u></b>	<b><u>\$ 1,896,112</u></b>	<b><u>\$ 3,065,130</u></b>	<b><u>\$ 28,362,292</u></b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts Payable and Other Liabilities	\$ 722,586	\$ 253,437	\$ 241,670	\$ 1,217,693
Payroll Deductions and Withholdings Payable	1,609,680	-	-	1,609,680
Other Liabilities	175,344	-	-	175,344
Due to Other Funds	1,791,577	-	204,150	1,995,727
Unearned Revenue	1,915,109	1,544,368	-	3,459,477
<b>Total Liabilities</b>	<b><u>6,214,296</u></b>	<b><u>1,797,805</u></b>	<b><u>445,820</u></b>	<b><u>8,457,921</u></b>
Fund Balances				
Restricted				
Capital Reserve	7,019,846	-	-	7,019,846
Maintenance Reserve	795,770	-	-	795,770
Maintenance Reserve - Designated for Subsequent Year's Expenditures	200,000	-	-	200,000
Unemployment Compensation Reserve	606,857	-	-	606,857
Student Activities	-	36,327	-	36,327
Scholarship Awards	-	61,980	-	61,980
Capital Projects	-	-	2,619,310	2,619,310
Committed				
Year End Encumbrances	2,024,585	-	-	2,024,585
Assigned				
Year End Encumbrances	2,339,503	-	-	2,339,503
Designated for Subsequent Year's Expenditures	900,000	-	-	900,000
Unassigned	3,300,193	-	-	3,300,193
<b>Total Fund Balances</b>	<b><u>17,186,754</u></b>	<b><u>98,307</u></b>	<b><u>2,619,310</u></b>	<b><u>19,904,371</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 23,401,050</u></b>	<b><u>\$ 1,896,112</u></b>	<b><u>\$ 3,065,130</u></b>	<b><u>\$ 28,362,292</u></b>

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**AS OF JUNE 30, 2025**

**Total Fund Balance - Governmental Funds (Exhibit B-1)** \$ 19,904,371

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 \$95,876,123 and the accumulated depreciation is \$39,601,157.

56,274,966

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

Deferred Outflows of Resources	\$ 3,231,791
Deferred Inflows of Resources	<u>(3,819,003)</u>
	(587,212)

Long term liabilities, are not due and payable in the current period and therefore are not reported as liabilities in the fund

Net Pension Liability	\$ (42,005,703)
Compensated Absences	<u>(3,331,329)</u>
	(45,337,032)

The assets and liabilities of the Internal Service funds are included with governmental activities

5,580,572

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

\$ 35,835,665

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Local Sources				
County Property Tax Levy	\$ 11,498,988			\$ 11,498,988
County Aid			\$ 1,200,000	1,200,000
Tuition - LEA's	47,628,770			47,628,770
Non-Resident Fees	1,257,843			1,257,843
Interest on Investments	462,851			462,851
Miscellaneous	<u>1,127,601</u>	<u>\$ 9,713,435</u>	-	<u>10,841,036</u>
	61,976,053	9,713,435	1,200,000	72,889,488
State Sources	8,424,124	1,839,727		10,263,851
Federal Sources	<u>327,064</u>	<u>3,718,419</u>	-	<u>4,045,483</u>
Total Revenues	<u>70,727,241</u>	<u>15,271,581</u>	1,200,000	<u>87,198,822</u>
<b>EXPENDITURES</b>				
Instruction				
Special Education Instruction	37,911,624	7,447,457		45,359,081
Support Services				
Student & Instruction Related Services	16,016,658	7,764,249		23,780,907
School Administration Services	3,870,025			3,870,025
Support Services General Administration	1,141,962			1,141,962
Plant Operations and Maintenance	6,821,349		321,449	7,142,798
Pupil Transportation	1,128,338	39,662		1,168,000
Other Support Services - Business (Central Services/Admin Info Tech)	823,735			823,735
Capital Outlay	<u>2,395,801</u>	<u>14,197</u>	<u>959,604</u>	<u>3,369,602</u>
Total Expenditures	<u>70,109,492</u>	<u>15,265,565</u>	<u>1,281,053</u>	<u>86,656,110</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	617,749	6,016	(81,053)	542,712
<b>OTHER FINANCING SOURCES(USES)</b>				
Transfers In	-			
Transfers Out	<u>(150,000)</u>	<u>-</u>	<u>-</u>	<u>(150,000)</u>
Total Other Financing Sources and Uses	<u>(150,000)</u>	<u>-</u>	<u>-</u>	<u>(150,000)</u>
Net Change in Fund Balances	467,749	6,016	(81,053)	392,712
Fund Balance - Beginning of Year	<u>16,719,005</u>	<u>92,291</u>	<u>2,700,363</u>	<u>19,511,659</u>
Fund Balance - End of Year	<u>\$ 17,186,754</u>	<u>\$ 98,307</u>	<u>\$ 2,619,310</u>	<u>\$ 19,904,371</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**Total Net Change in Fund Balances - Governmental Funds (B-2)** \$ 392,712

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

Capital Outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay additions in the period

Depreciation Expense	\$ (3,800,181)
Capital Outlays	<u>3,369,602</u>
	(430,579)

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

Decrease in Pension Expenses	\$ 2,338,509
Decrease in Compensated Absences	<u>320,448</u>
	2,658,957

Internal Service Funds are used by the District's management to charge the costs of various programs/ services to other governmental entities. The net revenue of the Internal Service Funds is reported with governmental activities

Change in Net Position	<u>(504,003)</u>
------------------------	------------------

**Change in net position of governmental activities (Exhibit A-2)** \$ 2,117,087

EXHIBIT B-4

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 AS OF JUNE 30, 2025

	<u>Business Type</u>		<u>Governmental</u>
	<u>Activities</u>		<u>Activities</u>
	<u>Enterprise</u>		<u>Internal</u>
	<u>Fund</u>		<u>Service Funds</u>
	<u>Food</u>		
	<u>Service</u>		
<b>ASSETS</b>			
Current Assets			
Cash and Cash Equivalents	-	\$ 636,636	
Due from Bergen County Technical Schools	91,987		
Intergovernmental Accounts Receivable	\$ 24,052		7,253,756
Other Accounts Receivable	12,291		
Due from Other Funds	75,000		1,716,577
Inventories	<u>16,529</u>		-
Total Current Assets	<u>127,872</u>		<u>9,698,956</u>
Capital Assets			
Furniture, Machinery & Equipment	37,377		5,004,311
Less: Accumulated Depreciation	<u>(20,304)</u>		<u>(1,631,909)</u>
Total Capital Assets, Net	<u>17,073</u>		<u>3,372,402</u>
Total Assets	<u>144,945</u>		<u>13,071,358</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	1,208		224,722
Due to Other Funds	97,182		5,394,457
Unearned Revenue	<u>4,407</u>		-
Total Current Liabilities	<u>102,797</u>		<u>5,619,179</u>
Noncurrent Liabilities			
Compensated Absences	-		1,871,607
Total Noncurrent Liabilities	-		1,871,607
Total Liabilities	<u>102,797</u>		<u>7,490,786</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred Commodities Revenue	<u>2,350</u>		-
Total Liabilities and Deferred Inflow of Resources	<u>105,147</u>		<u>7,490,786</u>
<b>NET POSITION</b>			
Investment in Capital Assets	17,073		3,372,402
Unrestricted	<u>22,725</u>		<u>2,208,170</u>
Total Net Position	<u>\$ 39,798</u>		<u>\$ 5,580,572</u>

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

**EXHIBIT B-5**  
**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<b>Business- Type</b>	
	<b>Activities</b>	<b>Governmental</b>
	<b>Enterprise</b>	<b>Activities</b>
	<b>Fund</b>	<b>Internal</b>
	<b>Food</b>	<b>Service Funds</b>
	<b>Service</b>	
<b>OPERATING REVENUES</b>		
Charges for Services		
Daily sales - reimbursable programs	\$ 34,306	
Daily sales - nonreimbursable programs	30,777	
Tuition from LEAS		\$ 8,057,712
Charges and Fees		36,239,358
On-Behalf State Aid	-	4,797,936
 Total Operating Revenues	 65,083	 49,095,006
<b>OPERATING EXPENSES</b>		
Cost of Sales - reimbursable programs	180,307	
Cost of Sales - nonreimbursable programs	12,311	
Salaries	222,270	31,141,724
Employee Benefits	58,286	16,087,182
Purchased Services		1,094,199
Supplies and Materials	19,708	124,634
Management/Admin Fee	37,006	428,859
Miscellaneous Expenses	12,159	437,581
Depreciation	2,065	284,830
 Total Operating Expenses	 544,112	 49,599,009
 Operating Income (Loss)	 (479,029)	 (504,003)
<b>NON-OPERATING REVENUES</b>		
State Sources		
State School Lunch Program	14,428	
Federal Sources		
National School Lunch Program	171,808	
National School Breakfast Program	89,862	
USDA Commodity	29,858	-
 Total Non-Operating Revenues	 305,956	 -
 Net Income(Loss) Before Operating Transfers	 (173,073)	 (504,003)
 Other Financing Sources(Uses)		
Transfers In	 150,000	 -
 Change in Net Position	 (23,073)	 (504,003)
 Total Net Position - Beginning of Year, Restated	 62,871	 6,084,575
 Total Net Position - Ending of Year	 \$ 39,798	 \$ 5,580,572

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Enterprise Fund</b>	
	<b>Food Service</b>	<b>Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Customers	\$ 62,730	\$ 45,125,838
Payments to Employees	(280,556)	(31,141,724)
Payments to Suppliers	<u>(231,423)</u>	<u>(13,950,087)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(449,249)</u>	<u>34,027</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State Sources	7,105	
Federal Sources	259,746	
Transfers To/From Other Funds	<u>172,182</u>	<u>(89,998)</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>439,033</u>	<u>(89,998)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchases of Capital Assets	<u>(11,653)</u>	<u>(229,534)</u>
Net Cash Provided by (Used for) for Capital and Related Financing Activities	<u>(11,653)</u>	<u>(229,534)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(21,869)	(285,505)
Cash and Cash Equivalents - Beginning of Year	<u>21,869</u>	<u>922,141</u>
Cash and Cash Equivalents - End of Year	<u>\$ -</u>	<u>\$ 636,636</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>		
Operating Income(Loss)	\$ (479,029)	\$ (504,003)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities		
Depreciation	2,065	284,830
Food Distribution (USDA Commodities)-National School Lunch Program		
Changes in Assets, Liabilities and Deferred Inflows of Resources	31,634	
(Increase) Decrease in Accounts Receivable, net	(3,948)	828,768
Increase (Decrease) in Other Current Liabilities		-
Increase (Decrease) in Accounts Payable	1,208	(575,568)
Increase (Decrease) in Unearned Revenue	(181)	
Increase (Decrease) in Deferred Commodities Revenue	1,776	
(Increase) Decrease in Inventories	<u>(2,774)</u>	<u>-</u>
Total Adjustments	<u>29,780</u>	<u>538,030</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (449,249)</u>	<u>\$ 34,027</u>
Non-Cash Financing Activities		
National School Lunch Program (Food Distribution)	\$ 31,634	

**NOTES TO THE FINANCIAL STATEMENTS**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Bergen County Special Services School District (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of seven officials appointed by the County of Bergen Board of Commissioners 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 special services 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 Bergen County Special Services School District 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. The District would be includable as a component unit of the County of Bergen (the “County”) on the basis of such criteria.

**B. New Accounting Standards**

During fiscal year 2025, the District adopted the following GASB statements:

- GASB Statement No. 101, *Compensated Absences*, was 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.
- GASB Statement No. 102, *Certain Risk Disclosures*, was 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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

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

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

- 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.
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*, will be effective beginning with the fiscal year ending June 30, 2026. The objective of this Statement is to provide user of governmental financial statements with essential information about certain types of capital assets. The requirements of this Statement will improve financial reporting by provided users of the financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments.

**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 and internal service 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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

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

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.

**Fund Financial Statements**

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

The District reports the following major governmental funds:

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

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

The *capital projects fund* accounts for the proceeds from the sale of bonds by the County, lease purchases, 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.

Additionally, the District reports the following fund type:

The *internal service fund* accounts for financing of goods and services provided to other departments or agencies of the District, or to other Boards of Education, on a cost reimbursement basis. These activities include services related to the Norman A. Bleshman Regional Day School, one to one aides, extended school year programs, career crossroads, project search, ETTC, interlocal agreements, home hospital teaching services, teachers educational services programs, school management services and compensated absences program.

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".

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

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

**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.

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.

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

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

**Use of Estimates**

The preparation of financial statements requires management of the District to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of accrued revenues and expenses/expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

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

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

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

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

***2. Receivables***

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

***3. Inventories***

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

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

***4. Prepaid Items***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both district-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

***5. Capital Assets***

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings	50
Improvements Other Than Buildings	20
Leasehold Improvements	20
Heavy Equipment	10-20
Office Equipment and Furniture	5-10
Vehicles	8
Computer Equipment	5

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

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

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

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two types of items which arise only under the accrual basis of accounting that qualify for reporting in this category. The first 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 that 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.

**7. *Compensated Absences***

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused vacation, personal, and sick leave benefits. A long-term liability of accumulated vacation, 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.

**8. *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.

BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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

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

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

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

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

**District-Wide Statements**

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

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

**Governmental Fund Statements**

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

**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 2B).

*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 2C).

*Maintenance Reserve - Designated for Subsequent Year's Expenditures* – This designation was created to dedicate the portion of maintenance reserve fund balance appropriated in the 2025/2026 original budget certified for taxes.

*Unemployment Compensation Reserve* – This restriction was created in accordance with R.S. 43:21-7.3 to reserve funds for unemployment compensation claims reimbursable to the State under the District's election for payment in lieu of contributions (benefit reimbursement method). (See Note 4).

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

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

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

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

**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.

**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 2025/2026 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 and capital projects fund types), it is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

**11. *Fund Balance Policies***

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

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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***

County property taxes are levied pursuant to law and are collected by the County Treasurer and are transferred to the District as requested. County tax revenue is recognized in the year they are levied and become available. County 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 by the County Treasurer and are levied and due in four quarterly installments on February 15, May 15, August 15 and December 1. The County has the ability to charge interest on payments remitted after these due dates. State statutes do not permit liens to be placed against the municipalities by the County for unpaid property taxes.

**3. *Tuition Revenues***

*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.

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

Revenues and expenditures of the general and special revenue funds 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, including on-behalf payments for post-retirement medical contributions for District employees enrolled in the Public Employees Retirement System (PERS).

Revenues and expenses of governmental activities, business-type activities and proprietary funds include the State's proportionate share of the on-behalf actuarial determined pension and post-retirement medical benefit amounts attributable to the District for District employees enrolled in the TPAF retirement system, including the on-behalf actuarial determined post-retirement medical benefit amounts attributable to the District for District employees enrolled in the PERS 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 and of the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

**A. Budgetary Information (Continued)**

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.

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 2024/2025. Also, during 2024/2025 the Board increased the original budget by \$10,555,631. The increase was funded by the additional appropriations of capital reserve, grant awards, tuition revenues, 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.

**B. Capital Reserve**

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

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

**B. Capital Reserve (Continued)**

The activity of the capital reserve for the fiscal year ended June 30, 2025 is as follows:

Balance, July 1, 2024	\$ 6,971,257
<b>Increased:</b>	
Interest	\$ 243,626
Deposit per Board Resolution	<u>150,000</u>
	<u>393,626</u>
	7,364,883
<b>Decreased by:</b>	
Withdrawals approved by Board Resolution	<u>345,037</u>
Balance, June 30, 2025	<u>\$ 7,019,846</u>

The capital reserve balance is consistent with the District's Long Range Facilities Plan as estimated by management.

**C. Maintenance Reserve**

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

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

The activity of the maintenance reserve for the fiscal year ended June 30, 2025 is as follows:

Balance, July 1, 2024	\$ 991,313
<b>Increased by</b>	
Deposits Approved by Board Resolution	<u>150,000</u>
	1,141,313
<b>Decreased by:</b>	
Withdrawals approved by Board Resolution	45,543
Withdrawals approved in District Budget	<u>100,000</u>
Balance, June 30, 2025	<u>\$ 995,770</u>

The June 30, 2025 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$1,286,525. \$200,000 of the maintenance reserve balance at June 30, 2025 was designated and appropriated for use in the 2025/2026 original budget certified for taxes.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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, 2025, the book value of the Board's deposits was \$17,115,377 and bank and brokerage firm balances of the Board's deposits amounted to \$19,563,703. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

**Depository Account**

Insured	\$ 18,242,733
Uninsured and Collateralized	<u>1,320,970</u>
	<u>\$ 19,563,703</u>

**Custodial Credit Risk – Deposits** – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2025 the Board's bank balance of \$1,320,970 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

\$ 1,320,970

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

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

**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, 2025, the Board had no outstanding investments.

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

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

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

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

**B. Receivables**

Receivables as of June 30, 2025 for the District's individual major funds and internal service 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>Internal Service Funds</u>	<u>Total</u>
Receivables:						
Accounts	\$ 45,268			\$ 12,291		\$ 57,559
Intergovernmental						
State	123,099			1,319		124,418
Federal		\$ 412,873		22,733		435,606
Local	1,143,334	1,334,258	\$ 3,065,130	-	\$ 7,253,756	12,796,478
	1,311,701	1,747,131	3,065,130	36,343	7,253,756	13,414,061
Gross Receivables						
Less: Allowance for Uncollectibles	-	-	-	-	-	-
Net Total Receivables	\$ 1,311,701	\$ 1,747,131	\$ 3,065,130	\$ 36,343	\$ 7,253,756	\$ 13,414,061

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

**C. Unearned Revenue**

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

General Fund

Tuition Charges - Prior Year Credits	\$ 1,915,109
Special Revenue Fund	
Unencumbered Grant Draw Downs	1,313,827
Grant Draw Downs Reserved for Encumbrances	<u>230,541</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 3,459,477</u>

**D. Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2025 was as follows:

	<u>Balance, July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2025</u>
<b>Governmental activities:</b>				
Capital assets, being depreciated:				
Buildings	\$ 73,524,833	\$ 2,755,813		\$ 76,280,646
Improvements Other Than Buildings	1,246,472	302,621		1,549,093
Leasehold Improvements	7,565,113			7,565,113
Machinery and Equipment	<u>16,533,176</u>	<u>540,702</u>	<u>\$ (1,588,296)</u>	<u>15,485,582</u>
Total capital assets being depreciated	<u>98,869,594</u>	<u>3,599,136</u>	<u>(1,588,296)</u>	<u>100,880,434</u>
 Less accumulated depreciation for:				
Buildings	(20,141,612)	(2,503,717)		(22,645,329)
Improvements Other Than Buildings	(378,063)	(79,729)	-	(457,792)
Leasehold Improvements	(6,441,771)	(214,919)	-	(6,656,690)
Machinery and Equipment	<u>(11,774,905)</u>	<u>(1,286,646)</u>	<u>1,588,296</u>	<u>(11,473,255)</u>
Total accumulated depreciation	<u>(38,736,351)</u>	<u>(4,085,011)</u>	<u>1,588,296</u>	<u>(41,233,066)</u>
 Total capital assets, being depreciated, net	<u>60,133,243</u>	<u>(485,875)</u>	<u>-</u>	<u>59,647,368</u>
 Governmental activities capital assets, net	<u>\$ 60,133,243</u>	<u>\$ (485,875)</u>	<u>\$ -</u>	<u>\$ 59,647,368</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

**D. Capital Assets (Continued)**

	<u>Balance, July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2025</u>
<b>Business-type activities:</b>				
Capital assets, being depreciated:				
Machinery and equipment	\$ 25,724	\$ 11,653	-	\$ 37,377
Total capital assets being depreciated	<u>25,724</u>	<u>11,653</u>	<u>-</u>	<u>37,377</u>
Less accumulated depreciation for:				
Machinery and equipment	(18,239)	(2,065)	-	(20,304)
Total accumulated depreciation	<u>(18,239)</u>	<u>(2,065)</u>	<u>-</u>	<u>(20,304)</u>
Total capital assets, being depreciated, net	<u>7,485</u>	<u>9,588</u>	<u>-</u>	<u>17,073</u>
Business-type activities capital assets, net	<u>\$ 7,485</u>	<u>\$ 9,588</u>	<u>\$ -</u>	<u>\$ 17,073</u>

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

**Governmental activities:**

Instruction			
Special Education			\$ 541,878
Total Instruction			<u>541,878</u>

Support Services

School Administration Services	217,666
Plant Operations and Maintenance	2,932,004
Pupil transportation	<u>393,463</u>
Total Support Services	<u>3,543,133</u>
Total Governmental Activities	<u>\$ 4,085,011</u>

**Business-Type Activities**

Food Service Fund	\$ 2,065
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**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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 as of June 30, 2025:

<u>Project</u>	<u>Remaining Commitment</u>
Washington Elementary Window Replacement	\$ 766,592
Wood-Ridge Interior and Exterior Improvements	366,000
Springboard-Garfield Interior Renovations and Improvements	<u>275,000</u>
Total	<u>\$ 1,407,592</u>

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

The composition of interfund balances as of June 30, 2025, is as follows:

**Due To/From Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects Fund	\$ 204,150
General Fund	One to One Aides - Internal Service Fund	2,010,666
General Fund	Management Agreement - Internal Service Fund	89,240
General Fund	Education Enterprises - Internal Svc. Fund	1,216,275
General Fund	Interlocal Agreement-Internal Service Fund	2,011,610
General Fund	Extended Year-Internal Service Fund	66,666
General Fund	Food Service Fund	97,182
Food Service Fund	General Fund	75,000
Compensated Absences - Internal Svc. Fund	General Fund	<u>1,716,577</u>
		<u>\$ 7,487,366</u>

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

The District expects all interfund balances to be liquidated within one year except between the General Fund and the Compensated Absences Internal Service Fund.

**Interfund Transfers**

**Transfer In:**

	<u>Enterprise -Food Service</u>	<u>Total</u>
Transfer Out: General Fund	\$150,000	\$150,000

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

**F. Other Long-Term Liabilities**

**Changes in Long-Term Liabilities**

Long-term liability activity for the fiscal year ended June 30, 2025, was as follows:

	Balance, July 1, 2024	Additions	Reductions	Balance, June 30, 2025	Due Within One Year
<b>Governmental activities:</b>					
Compensated Absences (Restated)	\$ 5,523,384		\$ (320,448)	\$ 5,202,936	200,000
Net Pension Liability	<u>44,394,996</u>	<u>-</u>	<u>\$ (2,389,293)</u>	<u>42,005,703</u>	<u>-</u>
Governmental activity					
Long-term liabilities	<u>\$ 49,918,380</u>	<u>\$ -</u>	<u>\$ (2,709,741)</u>	<u>\$ 47,208,639</u>	<u>\$ 200,000</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. Also, for the governmental activities, the liabilities for compensated absences and net pension liability are generally liquidated by the general fund.

**NOTE 4 OTHER INFORMATION**

**A. Risk Management**

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial 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 County of Bergen Self Insurance Pool for general liability/automobile coverage and worker's compensation insurance.

The relationship between the Board and the County of Bergen is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The District has agreed to pay an annual installment based on a computation of the District's Share of the County's premium as provided by the County. In return, the County of Bergen administers the District's insurance.

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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

**A. Risk Management (Continued)**

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 year:

<b>Fiscal Year Ended June 30,</b>	<b>Interest Earnings</b>	<b>Employee Contributions</b>	<b>Amount Reimbursed</b>	<b>Ending Balance</b>
2025	\$ 27,528	\$ 130,667	\$ 76,274	\$ 606,857
2024	224	111,604	80,766	579,329
2023	340	112,952	125,187	579,105

**B. Contingent Liabilities**

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

**Federal and State Awards** – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2025, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**C. Employee Retirement Systems and Pension Plans**

**Plan Descriptions and Benefits Provided**

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

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

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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

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

The following represents the membership tiers for PERS:

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

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

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

The following represent the membership tiers for TPAF:

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon 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 PERS 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.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions).

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

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

**Collective Net Pension Liability**

The collective net pension liability of the participating employers for local PERS at June 30, 2024 is \$13.7 billion and the plan fiduciary net position as a percentage of the total pension liability is 68.22%. The collective net pension liability of the State funded TPAF at June 30, 2024 is \$49.5 billion and the plan fiduciary net position as a percentage of total pension liability is 37.99%.

The total pension liabilities for the June 30, 2024 measurement date were determined based on actuarial valuations as of July 1, 2023 which were rolled forward to June 30, 2024.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

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

**Actuarial Methods and Assumptions**

In the July 1, 2023 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 2025.

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, 2025 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 2025, 2024 and 2023 were equal to the required contributions.

During the fiscal years ended June 30, 2025, 2024 and 2023 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 accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

<b>Fiscal Year Ended <u>June 30,</u></b>	<b>On-behalf</b>		
	<b>PERS</b>	<b>TPAF</b>	<b>DCRP</b>
2025	\$ 4,206,537	\$ 11,679,215	\$ 78,336
2024	4,096,495	11,557,538	61,333
2023	3,727,058	10,797,296	53,525

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

In addition for fiscal years 2025, 2024 and 2023 the State contributed \$4,743, \$4,051 and \$3,633, 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 \$2,445,666 during the fiscal year ended June 30, 2025 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, 2024. 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/(benefit) 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, 2024 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2024.

For the fiscal year ended June 30, 2025, the District reported in the statement of net position (accrual basis) a liability of \$42,005,703 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. 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, 2024. At June 30, 2024, the District's proportionate share was 0.30914 percent, which was an increase of 0.00264 from its proportionate share measured as of June 30, 2023 of 0.30650 percent.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

For the fiscal year ended June 30, 2025, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$1,925,342 for PERS. The pension contribution made by the District during the current 2024/2025 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, 2025 with a measurement date of the prior fiscal year end of June 30, 2024. 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, 2025 for contributions made subsequent to the measurement date. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<b>2024</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference Between Expected and Actual Experience	\$ 841,452	\$ 111,831
Changes of Assumptions	52,184	477,928
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	1,947,689
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>2,338,155</u>	<u>1,281,555</u>
Total	<u>\$ 3,231,791</u>	<u>\$ 3,819,003</u>

At June 30, 2025, 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:

<b>Year Ending <u>June 30,</u></b>	<b>Total</b>
2026	\$ (1,166,319)
2027	1,379,431
2028	(442,176)
2029	(375,267)
2030	17,119
Thereafter	-
	<u>\$ (587,212)</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

***Actuarial Assumptions***

The District's total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. 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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

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

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

**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, 2024) 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, 2024 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%	7.10%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Investment Grade Credit	7.00%	5.37%
US Equity	28.00%	8.63%
Non-US Developed Markets Equity	12.75%	8.85%
Emerging Markets Equity	5.50%	10.66%
High Yield	4.50%	6.74%
Real Assets	3.00%	8.20%
Private Credit	8.00%	8.90%
Real Estate	8.00%	10.95%
Private Equity	13.00%	12.40%
International Small Cap Equity	1.25%	8.85%

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

***Discount Rate***

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 2024. 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 as of the June 30, 2024 measurement date calculated using the discount rate of 7.00 percent, as well as what the District's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	<b>1%</b> <b>Decrease</b> <b><u>(6.00%)</u></b>	<b>Current</b> <b>Discount Rate</b> <b><u>(7.00%)</u></b>	<b>1%</b> <b>Increase</b> <b><u>(8.00%)</u></b>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>55,815,252</u>	\$ <u>42,005,703</u>	\$ <u>30,253,853</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability as of the measurement date of June 30, 2024. A sensitivity analysis specific to the District's net pension liability at June 30, 2024 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.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions).

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The non-employer allocation percentages presented are based on the ratio of the State's actual contributions made as an employer and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2023 through June 30, 2024. 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, 2024, 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, 2025, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$483,481 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, 2025 the State's proportionate share of the net pension liability attributable to the District is \$132,538,647. The net pension liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. 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, 2024. At June 30, 2024, the State's share of the net pension liability attributable to the District was 0.26816 percent, which was an increase of 0.00766 percent from its proportionate share measured as of June 30, 2023 of 0.26050 percent.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

**Actuarial Assumptions**

The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

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

***Mortality Rates***

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

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2024) 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, 2024 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%	7.10%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Investment Grade Credit	7.00%	5.37%
US Equity	28.00%	8.63%
Non-US Developed Markets Equity	12.75%	8.85%
Emerging Markets Equity	5.50%	10.66%
High Yield	4.50%	6.74%
Real Assets	3.00%	8.20%
Private Credit	8.00%	8.90%
Real Estate	8.00%	10.95%
Private Equity	13.00%	12.40%
International Small Cap Equity	1.25%	8.85%

**Discount Rate**

The discount rate used to measure the total pension liability for TPAF was 7.00% as of June 30, 2024. 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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

***Sensitivity of Net Pension Liability***

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District as of the June 30, 2024 measurement date calculated using the discount rate of 7.00%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00% percent) or 1-percentage-point higher (8.00% percent) than the current rate:

	<b>1% Decrease <u>(6.00%)</u></b>	<b>Current Discount Rate <u>(7.00%)</u></b>	<b>1% Increase <u>(8.00%)</u></b>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 157,540,945</u>	<u>\$ 132,538,647</u>	<u>\$ 111,481,986</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, 2024. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2024 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.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions).

**D. Post-Retirement Medical Benefits**

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. 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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

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

**State Health Benefit Program Fund – Local Education Retired Employees Plan** (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS, the Police and Firemen Retirement System (PFRS), and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. 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.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions).

**Plan Membership**

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2023:

Active Plan Members	219,185
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>153,556</u>
Total	<u>372,741</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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. 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, 2024 is \$59.7 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, 2024 were determined based on actuarial valuations as of July 1, 2023 which were rolled forward to June 30, 2024.

**Actuarial Methods and Assumptions**

In the June 30, 2024 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 \$1.50 billion to the OPEB plan in fiscal year 2024.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2025, 2024 and 2023 were \$3,412,676, \$3,145,539 and \$2,836,424, 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, 2023 through June 30, 2024. Nonemployer allocation percentages have been rounded for presentation purposes.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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, 2025, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$9,253,453. 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, 2025 the State's proportionate share of the OPEB liability attributable to the District is \$210,808,795. The State's proportionate share of the OPEB liability attributable to the District was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. 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, 2024 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2024. At June 30, 2024, the state's share of the OPEB liability attributable to the District was 0.35341 percent, which was an increase of 0.00431 from its proportionate share measured as of June 30, 2023 of 0.34910 percent.

**Actuarial Assumptions**

The OPEB liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. 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 5.65%
	Based on Years of Service	Based on Years of Service

**Mortality Rates**

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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

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

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

**Mortality Rates (Continued)**

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2018 to June 30, 2021.

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

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 7.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is, increasing to 19.36% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For HMO the trend is, increasing to 22.88% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.25% and decreases to a 4.50% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**Discount Rate**

The discount rate for June 30, 2024 was 3.93%. 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, 2025 (measurement date June 30, 2024) is as follows:

<u>Total OPEB Liability (State Share 100%)</u>	
Balance, June 30, 2023 Measurement Date	\$ 182,795,108
Changes Recognized for the Fiscal Year:	
Service Cost	7,804,421
Interest on the Total OPEB Liability	6,939,326
Differences Between Expected and Actual Experience	2,616,848
Changes of Assumptions	15,771,302
Gross Benefit Payments	(5,299,676)
Contributions from the Member	181,466
Net Changes	\$ 28,013,687
Balance, June 30, 2024 Measurement Date	\$ 210,808,795

Changes of assumptions and other inputs reflect a change in the discount rate from 3.65% in 2023 to 3.93% in 2024.

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, 2024.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

**Sensitivity of OPEB Liability**

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the State's proportionate share of the OPEB liability attributable to the District as of the June 30, 2024 measurement date calculated using the discount rate of 3.93%, 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 (2.93%) or 1-percentage-point higher (4.93%) than the current rate:

	<b>1% Decrease <u>(2.93%)</u></b>	<b>Current Discount Rate <u>(3.93%)</u></b>	<b>1% Increase <u>(4.93%)</u></b>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 246,902,247</u>	<u>\$ 210,808,795</u>	<u>\$ 181,782,168</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 as of the June 30, 2024 measurement date calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 175,605,261</u>	<u>\$ 210,808,795</u>	<u>\$ 256,663,721</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2024. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2024 were not provided by the pension system.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 5 RESTATEMENT**

During fiscal year 2025, the Bergen County Special Services School District implemented GASB Statement No. 101 "Compensated Absences". The Bergen County Special Services School District has determined that the effect of this accounting change on the financial statements previously reported as of and for the fiscal year ended June 30, 2024 are as follows:

**Governmental Activities**

The financial statements of the governmental activities as of June 30, 2024 have been restated to reflect certain activities related to compensated absences. The effect of this restatement is to decrease net position of governmental activities by \$3,137,871 from \$36,856,449 as previously reported to \$33,718,578 as of June 30, 2024.

	<u>District-wide</u> <u>Net Position</u>
	<u>Governmental</u> <u>Activities</u>
Balance July 1, 2024 - As Reported	\$ 36,856,449
Change in Accounting Principle (Adoption of GASB No. 101)	<u>(3,137,871)</u>
	<u><u>\$ 33,718,578</u></u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**BUDGETARY COMPARISON SCHEDULES**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>REVENUES</b>					
Local Sources					
County Aid	\$ 11,498,988		\$ 11,498,988	\$ 11,498,988	-
Tuition	46,018,203	\$ 1,000,000	47,018,203	47,628,770	610,567
Non Resident Fees	1,341,250		1,341,250	1,257,843	(83,407)
Interest on Investments	300,000		300,000	191,697	(108,303)
Interest on Capital Reserve	10,000		10,000	243,626	233,626
Interest on Unemployment				27,528	27,528
Miscellaneous	1,680,000	-	1,680,000	1,127,601	(552,399)
Total Local Sources	60,848,441	1,000,000	61,848,441	61,976,053	127,612
State Sources (*See Note)					
On-Behalf TPAF Pension System Contributions -					
Post Retirement Medical (Non-Budgeted)				1,629,980	1,629,980
On-Behalf TPAF Pension System Contributions -					
Normal Cost (Non-Budgeted)				5,510,032	5,510,032
On-Behalf TPAF Pension System Contributions -					
Non-Contributory Group Insurance (Non-Budgeted)				68,255	68,255
On-Behalf TPAF Pension System Contributions -					
Long-Term Disability Insurance (Non-Budgeted)				2,265	2,265
Reimbursed TPAF Social Security Contributions					
(Non-Budgeted)				1,213,592	1,213,592
Total State Sources	-	-	-	8,424,124	8,424,124
Federal Sources:					
Medicaid Reimbursement	400,000	-	400,000	327,064	(72,936)
Total Federal Sources	400,000	-	400,000	327,064	(72,936)
Total Revenues	61,248,441	1,000,000	62,248,441	70,727,241	8,478,800
<b>EXPENDITURES</b>					
Current					
Special Education					
Auditory Impairments - Instruction					
Salaries of Teachers	2,277,753	(140,000)	2,137,753	2,110,276	27,477
Other Salaries for Instruction	1,718,420	(110,000)	1,608,420	1,602,567	5,853
Purchased Prof. - Educ. Services	1,115,000	-	1,115,000	981,856	133,144
Lease and Rentals	6,500	340	6,840	6,840	-
Other Purchased Services	51,500	2,787	54,287	6,855	47,432
Travel	6,800	(340)	6,460	1,448	5,012
General Supplies	205,500	162,534	368,034	138,615	229,419
Textbooks	1,500	-	1,500	420	1,080
Other Objects	8,850	-	8,850	1,819	7,031
Total Auditory Impairments - Instruction	5,391,823	(84,679)	5,307,144	4,850,696	456,448
Emotional Regulation Impairment - Instruction					
Salaries of Teachers	2,904,474	(314,881)	2,589,593	2,480,369	109,224
Other Salaries for Instruction	1,093,780	(155,000)	938,780	927,604	11,176
Purchased Prof. - Educ. Service	320,000	(1,767)	318,233	261,210	57,023
Leases and Rentals	2,000	388	2,388	2,388	-
Travel	14,800	(8,823)	5,977	5,595	382
General Supplies	94,000	18,281	112,281	65,026	47,255
Textbooks	8,500	(6,200)	2,300	2,144	156
Other Objects	8,450	(1,935)	6,515	6,463	52
Total Behavioral Disabilities - Instruction	4,446,004	(469,937)	3,976,067	3,750,799	225,268

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>EXPENDITURES (Continued)</b>					
Current (Continued)					
Psychiatric					
Salaries of Teachers	\$ 410,962	\$ (37,919)	\$ 373,043	\$ 355,333	\$ 17,710
Other Salaries for Instruction	91,680	31,000	122,680	122,349	331
Purchased Prof. - Educ. Service	570,000	1,767	571,767	571,767	-
Travel	300	(300)	-	-	-
General Supplies	20,000	5,891	25,891	21,763	4,128
Textbooks	100	4,320	4,420	4,320	100
Other Objects	3,500	786	4,286	2,025	2,261
Total Psychiatric	<u>1,096,542</u>	<u>5,545</u>	<u>1,102,087</u>	<u>1,077,557</u>	<u>24,530</u>
Multiple Disabilities - Instruction					
Salaries of Teachers	1,617,384	43,500	1,660,884	1,660,883	1
Other Salaries for Instruction	925,998	31,745	957,743	956,383	1,360
Purchased Prof. - Educ. Service	255,000	5,340	260,340	260,340	-
Lease and Rentals	6,500	(44)	6,456	6,456	-
Travel	6,150	2,343	8,493	8,493	-
General Supplies	98,500	58,562	157,062	147,402	9,660
Textbooks	3,250	14,455	17,705	3,006	14,699
Other Objects	6,650	(3,335)	3,315	3,265	50
Total Multiple Disabilities	<u>2,919,432</u>	<u>152,566</u>	<u>3,071,998</u>	<u>3,046,228</u>	<u>25,770</u>
Autism - Instruction					
Salaries of Teachers	4,431,366	(297,850)	4,133,516	4,121,313	12,203
Other Salaries for Instruction	3,483,742	(331,200)	3,152,542	3,073,800	78,742
Purchased Prof. - Educ. Service	525,500	-	525,500	525,000	500
Lease and Rentals	15,900	-	15,900	15,828	72
Travel	5,350	-	5,350	2,982	2,368
General Supplies	261,000	(26,526)	234,474	132,762	101,712
Other Objects	9,500	-	9,500	7,150	2,350
Total Autistic	<u>8,732,358</u>	<u>(655,576)</u>	<u>8,076,782</u>	<u>7,878,835</u>	<u>197,947</u>
Preschool Disabilities - Full Time - Instruction					
Salaries of Teachers	453,814	-	453,814	429,120	24,694
Other Salaries for Instruction	266,001	-	266,001	198,815	67,186
Other Purchased Services	500	-	500	-	500
General Supplies	15,750	3,333	19,083	5,182	13,901
Other Objects	1,000	-	1,000	356	644
Total Preschool Disabilities - Full-Time	<u>737,065</u>	<u>3,333</u>	<u>740,398</u>	<u>633,473</u>	<u>106,925</u>
Total Special Education - Instruction	<u>23,323,224</u>	<u>(1,048,748)</u>	<u>22,274,476</u>	<u>21,237,588</u>	<u>1,036,888</u>
School Sponsored Co curricular Activities					
Travel	1,500	1,090	2,590	277	2,313
Other Objects	71,950	8,108	80,058	66,242	13,816
Total School Sponsored Co curricular Activities	<u>73,450</u>	<u>9,198</u>	<u>82,648</u>	<u>66,519</u>	<u>16,129</u>
Other Instructional Programs					
Salaries	104,907	2,300	107,207	107,203	4
Purchased Prof. - Educ. Service	2,000	-	2,000	-	2,000
General Supplies	7,500	-	7,500	2,159	5,341
Other Objects	500	(450)	50	-	50
Total Other Instructional Programs	<u>114,907</u>	<u>1,850</u>	<u>116,757</u>	<u>109,362</u>	<u>7,395</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>EXPENDITURES (Continued)</b>					
Current (Continued)					
Community Services Programs/ Operations					
Salaries	\$ 129,250	\$ 1,001	\$ 130,251	\$ 130,250	\$ 1
Other Purchased Services	50,000	1,040	51,040	50,217	823
Travel	800	(441)	359	326	33
Supplies and Materials	6,500	658	7,158	4,887	2,271
Other Objects	2,000	-	2,000	1,240	760
Total Community Services Programs/ Operations	<u>188,550</u>	<u>2,258</u>	<u>190,808</u>	<u>186,920</u>	<u>3,888</u>
Total Instruction	<u>23,700,131</u>	<u>(1,035,442)</u>	<u>22,664,689</u>	<u>21,600,389</u>	<u>1,064,300</u>
Health Services					
Salaries	836,160		836,160	775,970	60,190
Purchased Professional and Technical Services	25,000	-	25,000	7,769	17,231
Other Professional Services	30,000	-	30,000	30,000	-
Supplies and Materials	12,250	(750)	11,500	3,655	7,845
Other Objects	30,100	-	30,100	15,102	14,998
Total Health Services	<u>933,510</u>	<u>(750)</u>	<u>932,760</u>	<u>832,496</u>	<u>100,264</u>
Speech, OT,PT and Related Services					
Salaries	4,635,322	(62,555)	4,572,767	4,365,986	206,781
Purchased Professional-Educational Services	425,000	48,330	473,330	473,325	5
Supplies and Materials	2,000	975	2,975	2,975	-
Total Other Support Services-Students Related Serv.	<u>5,062,322</u>	<u>(13,250)</u>	<u>5,049,072</u>	<u>4,842,286</u>	<u>206,786</u>
Child Study Team					
Salaries of Other Professional Staff	2,156,101	11,400	2,167,501	2,167,469	32
Total Child Study Team	<u>2,156,101</u>	<u>11,400</u>	<u>2,167,501</u>	<u>2,167,469</u>	<u>32</u>
Improvement of Instruction Services					
Salaries	537,416	5,135	542,551	542,551	-
Other Purchased Services	47,000	(1,000)	46,000	45,756	244
Travel	3,000	1,100	4,100	4,099	1
Supplies and Materials	7,500	4,650	12,150	-	12,150
Other Objects	2,000	(185)	1,815	1,815	-
Total Improvement of Instruction Services	<u>596,916</u>	<u>9,700</u>	<u>606,616</u>	<u>594,221</u>	<u>12,395</u>
Educational Media Service/School Library					
Salaries	569,016	(9,755)	559,261	559,260	1
Purchased Professional-Educational Services	630,000	116,079	746,079	676,763	69,316
Travel	1,500	(625)	875	874	1
Supplies and Materials	275,000	935,502	1,210,502	262,961	947,541
Total Educational Media Services/School Library	<u>1,475,516</u>	<u>1,041,201</u>	<u>2,516,717</u>	<u>1,499,858</u>	<u>1,016,859</u>
Instructional Staff Training Services					
Travel	22,000	1,774	23,774	6,355	17,419
Other Objects	66,250	3,700	69,950	55,325	14,625
Total Instructional Staff Training Services	<u>88,250</u>	<u>5,474</u>	<u>93,724</u>	<u>61,680</u>	<u>32,044</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>EXPENDITURES (Continued)</b>					
Current (Continued)					
Support Services General Administration					
Salaries	\$ 183,107	\$ (1,000)	\$ 182,107	\$ 178,621	\$ 3,486
Legal Services	150,000	(12,500)	137,500	48,010	89,490
Audit Fees	70,000	(135)	69,865	69,000	865
Expenditure and Internal Control	5,000		5,000	2,701	2,299
Architect/Engineering Fees	135,000	16,350	151,350	132,103	19,247
Other Purchased Professional Services	58,500		58,500	55,988	2,512
Communications/Telephone	224,700	(5,650)	219,050	177,118	41,932
Travel	1,000		1,000		1,000
Other Purchased Services	290,000		290,000	288,074	1,926
BOE Other Purchased Services	7,500		7,500	2,367	5,133
Supplies and Materials	15,000	87	15,087	13,975	1,112
Judgements Against School District					
Miscellaneous Expenditures	30,000	1,010	31,010	31,006	4
Total Support Services General Administration	1,169,807	(1,838)	1,167,969	998,963	169,006
Support Services School Administration					
Salaries of Principals/ Assistant Principals	1,504,340	(11,950)	1,492,390	1,418,226	74,164
Salaries of Secretarial and Clerical Assistants	712,423	71,950	784,373	782,911	1,462
Other Purchased Professional Services	80,000		80,000	80,000	-
Travel	15,300	(1,166)	14,134	3,691	10,443
Supplies and Materials	5,650	2,328	7,978	4,375	3,603
Other Objects	18,450	890	19,340	8,873	10,467
Total Support Services School Administration	2,336,163	62,052	2,398,215	2,298,076	100,139
Central Services					
Salaries	504,251		504,251	444,484	59,767
Purchased Professional Services	30,000	(9,890)	20,110	20,000	110
Purchased Technical Services	73,000	9,700	82,700	82,695	5
Leases and Rentals	5,600	(30)	5,570	5,556	14
Travel	3,500		3,500	529	2,971
Other Purchased Services	3,000		3,000		3,000
Supplies and Materials	16,000	128	16,128	7,408	8,720
Miscellaneous Expenditures	15,000	220	15,220	15,217	3
Total Central Services	650,351	128	650,479	575,889	74,590
Required Maintenance for School Facilities					
Salaries	412,652	(60,000)	352,652	350,219	2,433
Cleaning, Repair and Maintenance Services	230,000	130,220	360,220	335,496	24,724
General Supplies	105,000	24,860	129,860	71,519	58,341
Total Required Maintenance for School Facilities	747,652	95,080	842,732	757,234	85,498

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>EXPENDITURES (Continued)</b>					
Current (Continued)					
Custodial Services					
Salaries	\$ 1,627,092	\$ (30,000)	\$ 1,597,092	\$ 1,596,180	\$ 912
Purchased Professional and Technical Services	150,000	19,800	169,800	169,796	4
Cleaning, Repair and Maintenance Services	250,000	(32,951)	217,049	212,982	4,067
Rental of Land and Bldgs. Other Than Lease Purch	1,330,760	(23,615)	1,307,145	1,307,142	3
Other Purchased Property Services	41,200	(11,990)	29,210	29,206	4
Insurance	115,500	(3,500)	112,000	112,000	-
Travel	-	260	260	223	37
General Supplies	340,000	(83,570)	256,430	222,770	33,660
Energy (Natural Gas)	200,000	(108,000)	92,000	91,116	884
Energy (Electricity)	563,000	74,900	637,900	637,862	38
Energy (Gasoline)	100,000	(16,935)	83,065	83,061	4
Other Objects	12,000	(2,330)	9,670	9,669	1
Total Custodial Services	<u>4,729,552</u>	<u>(217,931)</u>	<u>4,511,621</u>	<u>4,472,007</u>	<u>39,614</u>
Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	75,000	100,720	175,720	175,226	494
General Supplies	10,000	(8,712)	1,288	888	400
Total Upkeep of Grounds	<u>85,000</u>	<u>92,008</u>	<u>177,008</u>	<u>176,114</u>	<u>894</u>
Security					
Cleaning, Repair and Maintenance Services	120,060	-	120,060	119,177	883
Total Security	<u>120,060</u>	<u>-</u>	<u>120,060</u>	<u>119,177</u>	<u>883</u>
Student Transportation Services					
Salaries for Pupil Transp (Other than Bet. Home & School)	613,154	15,860	629,014	629,009	5
Cleaning, Repair and Maintenance Services	10,000	(5,711)	4,289	3,888	401
Contr Serv (Other Than Between Home & School) - Vendors	8,000	(7,875)	125	125	-
Miscellaneous Purchased Services-Transportation	59,000	59,000	59,000	59,000	-
Supplies and Materials	75,000	(1,099)	73,901	59,169	14,732
Miscellaneous Expenditures	25,000	4,910	29,910	26,410	3,500
Total Student Transportation Services	<u>790,154</u>	<u>6,085</u>	<u>796,239</u>	<u>777,601</u>	<u>18,638</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>EXPENDITURES (Continued)</b>					
Current (Continued)					
Unallocated Benefits					
Social Security Contributions	\$ 1,035,000	\$ (58,615)	\$ 976,385	\$ 972,233	\$ 4,152
Other Retirement Contributions- Regular	2,500,000	(378,250)	2,121,750	2,115,572	6,178
Unemployment Compensation	10,000	(955)	9,045	9,041	4
Workmen's Compensation	1,200,000	(13,900)	1,186,100	1,186,100	-
Health Benefits	10,057,518	66,020	10,123,538	10,123,536	2
Tuition Reimbursement	110,000	86,000	196,000	194,157	1,843
Other Employee Benefits	200,000	46,450	246,450	246,448	2
<b>Total Unallocated Benefits</b>	<b>15,112,518</b>	<b>(253,250)</b>	<b>14,859,268</b>	<b>14,847,087</b>	<b>12,181</b>
On-Behalf TPAF Pension System Contributions - Post Retirement Medical (Non-Budgeted)				1,629,980	(1,629,980)
On-Behalf TPAF Pension System Contributions - Normal Cost (Non-Budgeted)				5,510,032	(5,510,032)
On-Behalf TPAF Pension System Contributions - Non-Contributory Group Insurance (Non-Budgeted)				68,255	(68,255)
On-Behalf TPAF Pension System Contributions - Long-Term Disability Insurance (Non-Budgeted)				2,265	(2,265)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,213,592	(1,213,592)
<b>Total On-Behalf TPAF Contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,424,124</b>	<b>(8,424,124)</b>
<b>Total Undistributed Expenditures</b>	<b>36,053,872</b>	<b>836,109</b>	<b>36,889,981</b>	<b>43,444,282</b>	<b>(6,554,301)</b>
<b>Total Expenditures - Current</b>	<b>59,754,003</b>	<b>(199,333)</b>	<b>59,554,670</b>	<b>65,044,671</b>	<b>(5,490,001)</b>
<b>CAPITAL OUTLAY</b>					
Equipment					
Special Education - Instruction					
Auditory Impairments	4,250	4,250	3,540	710	
Emotional Regulation Impairment	90,850	90,850	4,036	86,814	
Multiple Disabilities	6,800	6,800	6,760	40	
Autism	30,000	30,000	29,777	223	
Educational Media and School Library	379,359	379,359	209,689	169,670	
Central Support Services	6,490	6,490	6,490	-	
Custodial Services	97,800	97,800	97,800	97,800	
School Buses	-	-	-	-	
Special Schools	280,173	280,173	264,137	16,036	
Other	10,000	-	10,000	-	10,000
<b>Total Equipment</b>	<b>10,000</b>	<b>895,722</b>	<b>905,722</b>	<b>524,429</b>	<b>381,293</b>
Facilities Acquisition and Construction Services					
Construction Services	-	4,480,067	4,480,067	2,082,872	2,397,195
<b>Total Facilities Acquisition and Construction Services</b>	<b>-</b>	<b>4,480,067</b>	<b>4,480,067</b>	<b>2,082,872</b>	<b>2,397,195</b>
<b>Total Capital Outlay</b>	<b>10,000</b>	<b>5,375,789</b>	<b>5,385,789</b>	<b>2,607,301</b>	<b>2,778,488</b>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>SPECIAL SCHOOLS</b>					
Other Special Schools - Instruction					
Salaries of Teachers	\$ 322,736	\$ (60,405)	\$ 262,331	\$ 262,330	\$ 1
Other Salaries for Instruction	691,363	(56,915)	634,448	634,444	4
Other Purchased Services	475,000	3,120	478,120	478,120	-
Travel					
General Supplies	6,000	45,004	51,004	50,744	260
Other Objects	9,500	(1,020)	8,480	8,475	5
Total Other Special Schools - Instruction	<u>1,504,599</u>	<u>(70,216)</u>	<u>1,434,383</u>	<u>1,434,113</u>	<u>270</u>
Other Special Schools - Support Services					
Salaries	339,939	(38,780)	301,159	301,157	2
Personal Services - Employee Benefits	541,000	143,910	684,910	684,871	39
Purchased Professional and Technical Services		22,605	22,605	22,600	5
Rental	8,400	(155)	8,245	8,244	1
Travel					
Other Purchased Services	7,500	(295)	7,205	4,200	3,005
Supplies and Materials	8,000	(5,540)	2,460	2,335	125
Other Objects					
Total Other Special Schools - Support Services	<u>904,839</u>	<u>121,745</u>	<u>1,026,584</u>	<u>1,023,407</u>	<u>3,177</u>
Total Other Special Schools	<u>2,409,438</u>	<u>51,529</u>	<u>2,460,967</u>	<u>2,457,520</u>	<u>3,447</u>
Total Expenditures	<u>62,173,441</u>	<u>5,227,985</u>	<u>67,401,426</u>	<u>70,109,492</u>	<u>(2,708,066)</u>
Excess(Deficiency) of Revenues Over(Under) Expenditures	<u>(925,000)</u>	<u>(4,227,985)</u>	<u>(5,152,985)</u>	<u>617,749</u>	<u>5,770,734</u>
Other Financing Sources(Uses):					
Transfer to Food Service Fund - Board Contribution	(75,000)	(75,000)	(150,000)	(150,000)	-
Total Other Financing Sources/(Uses)	<u>(75,000)</u>	<u>(75,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Excess(Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(1,000,000)</u>	<u>(4,302,985)</u>	<u>(5,302,985)</u>	<u>467,749</u>	<u>5,770,734</u>
Fund Balances, July 1, 2024	<u>16,719,005</u>	<u>-</u>	<u>16,719,005</u>	<u>16,719,005</u>	<u>-</u>
Fund Balances, June 30, 2025	<u>\$ 15,719,005</u>	<u>\$ (4,302,985)</u>	<u>\$ 11,416,020</u>	<u>\$ 17,186,754</u>	<u>\$ 5,770,734</u>
<b>Recapitulation:</b>					
<b>Restricted Fund Balance</b>					
Capital Reserve				7,019,846	
Maintenance Reserve				795,770	
Maintenance Reserve - Designated for Subsequent Year's Expenditures				200,000	
Unemployment Compensation Reserve				606,857	
<b>Committed Fund Balance</b>					
Year End Encumbrances				2,024,585	
<b>Assigned Fund Balance</b>					
Year End Encumbrances				2,339,503	
Designated for Subsequent Year's Expenditures				900,000	
<b>Unassigned Fund Balance</b>					
Undesignated				<u>3,300,193</u>	
				<u>\$ 17,186,754</u>	

\* Note: The On-Behalf TPAF contributions per Exhibit K-4 are allocated to the General, Special Revenue and Internal Service Funds

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**BUDGET (NON-GAAP) AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final Budget to Actual</b>
<b>REVENUES</b>					
State Sources	-	\$ 11,562	\$ 11,562	\$ 1,839,727	\$ 1,828,165
Federal Sources	\$ 1,995,000	2,906,049	4,901,049	3,931,226	(969,823)
Other Sources	<u>8,402,000</u>	<u>2,335,035</u>	<u>10,737,035</u>	<u>9,706,644</u>	<u>(1,030,391)</u>
Total Revenues	<u>10,397,000</u>	<u>5,252,646</u>	<u>15,649,646</u>	<u>15,477,597</u>	<u>(172,049)</u>
<b>EXPENDITURES</b>					
Instruction					
Salaries of Teachers	10,395,000	(4,408,963)	5,986,037	4,822,313	1,163,724
Other Salaries for Instruction	-	1,222,005	1,222,005	974,642	247,363
General Supplies	-	165,405	165,405	147,805	17,600
Other Objects	-	27,192	27,192	3,945	23,247
Total Instruction	<u>10,395,000</u>	<u>(2,994,361)</u>	<u>7,400,639</u>	<u>5,949,825</u>	<u>1,450,814</u>
Support Services					
Salaries	-	1,523,317	1,523,317	1,426,424	96,893
Personnel Services Employee Benefits	-	2,770,963	2,770,963	2,455,488	315,475
On-Behalf Benefits (Non-Budget)	-	-	-	1,828,165	(1,828,165)
Cleaning, Repair, and Maintenance Service	-	21,870	21,870	11,870	10,000
Purchased Professional Education Services	-	2,542,655	2,542,655	2,469,562	73,093
Communication and Telephone	-	15,940	15,940	15,940	-
Energy	-	2,269	2,269	2,269	-
Rental	-	3,228	3,228	3,228	-
Travel	-	10,580	10,580	10,193	387
Other Purchased Services	-	1,298,311	1,298,311	1,266,273	32,038
Supplies and Materials	-	24,362	24,362	10,224	14,138
Miscellaneous Expenditures	-	10,333	10,333	8,688	1,645
Scholarships Awarded (Non-Budget)	1,500	-	1,500	4,850	(3,350)
Student Activities (Non-Budget)	500	-	500	6,364	(5,864)
Total Support Services	<u>2,000</u>	<u>8,223,828</u>	<u>8,225,828</u>	<u>9,519,538</u>	<u>(1,293,710)</u>
Facilities Acquisition and Construction					
Instructional Equipment	-	23,179	23,179	2,218	20,961
Total Facilities Acquisition and Construction	<u>-</u>	<u>23,179</u>	<u>23,179</u>	<u>2,218</u>	<u>20,961</u>
Total Expenditures	<u>10,397,000</u>	<u>5,252,646</u>	<u>15,649,646</u>	<u>15,471,581</u>	<u>178,065</u>
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	-	-	-	6,016	6,016
Fund Balance July 1, 2024	<u>92,291</u>	<u>-</u>	<u>92,291</u>	<u>92,291</u>	<u>-</u>
Fund Balance, June 30, 2025	<u>\$ 92,291</u>	<u>\$ -</u>	<u>\$ 92,291</u>	<u>\$ 98,307</u>	<u>\$ 6,016</u>
<b>Recapitulation:</b>					
<b>Restricted Fund Balance</b>					
Student Activities				\$ 36,327	
Scholarships				<u>61,980</u>	
				<u>\$ 98,307</u>	

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>
<b>Source/Inflows of Resources</b>		
Actual Amounts (budgetary basis) "revenue"		
From the budgetary comparison schedule	\$ 70,727,241	\$ 15,477,597
Difference - budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2025	-	(230,541)
Encumbrances, June 30, 2024	<u>-</u>	<u>24,525</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 70,727,241</u>	<u>\$ 15,271,581</u>
<b>Uses/Outflows of Resources</b>		
Actual amounts(budgetary basis) "total expenditure" from the budgetary comparison schedule		
\$ 70,109,492	\$ 15,471,581	
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		
Encumbrances, June 30, 2025	-	(230,541)
Encumbrances, June 30, 2024	<u>-</u>	<u>24,525</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 70,109,492</u>	<u>\$ 15,265,565</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**PENSION INFORMATION  
AND  
OTHER POST-EMPLOYMENT BENEFITS INFORMATION**

**SCHEDULES RELATED TO ACCOUNTING  
AND REPORTING FOR PENSIONS**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Public Employees Retirement System**

**Last Ten Fiscal Years\***

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's Proportion of the Net Position Liability (Asset)	0.30914 %	0.30650 %	0.29555 %	0.31219 %	0.29442 %	0.28633 %	0.28259 %	0.29004 %	0.23653 %	0.23923 %
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 42,005,703	\$ 44,394,996	\$ 44,602,929	\$ 36,984,570	\$ 48,012,973	\$ 51,593,332	\$ 55,640,770	\$ 67,518,565	\$ 70,053,677	\$ 53,702,644
District's Covered Payroll	\$ 24,861,175	\$ 24,027,593	\$ 22,169,134	\$ 21,876,745	\$ 22,421,850	\$ 20,562,178	\$ 19,815,633	\$ 19,833,888	\$ 18,564,076	\$ 16,100,179
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	168.96%	184.77%	201.19%	169.06%	214.13%	250.91%	280.79%	340.42%	377.36%	333.55%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.22 %	65.23 %	62.91 %	70.33 %	58.32 %	56.27 %	53.60 %	48.10 %	40.14 %	47.93 %

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF DISTRICT CONTRIBUTIONS**

**Public Employees Retirement System**

**Last Ten Fiscal Years**

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Contractually Required Contribution	\$ 4,206,537	\$ 4,096,495	\$ 3,727,058	\$ 3,656,205	\$ 3,220,858	\$ 2,785,215	\$ 2,810,868	\$ 2,686,986	\$ 2,101,307	\$ 2,056,748
Contributions in Relation to the Contractually Required Contribution	<u>4,206,537</u>	<u>4,096,495</u>	<u>3,727,058</u>	<u>3,656,205</u>	<u>3,220,858</u>	<u>2,785,215</u>	<u>2,810,868</u>	<u>2,686,986</u>	<u>2,101,307</u>	<u>2,056,748</u>
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 26,703,518	\$ 24,861,175	\$ 24,027,593	\$ 22,169,134	\$ 21,876,745	\$ 22,421,850	\$ 20,562,178	\$ 19,815,633	\$ 19,833,888	\$ 18,564,076
Contributions as a Percentage of Covered Payroll	15.75%	16.48%	15.51%	16.49%	14.72%	12.42%	13.67%	13.56%	10.59%	11.08%

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Teachers Pension and Annuity Fund**

**Last Ten Fiscal Years\***

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
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>132,538,647</u>	<u>132,941,952</u>	<u>139,271,636</u>	<u>132,340,904</u>	<u>181,809,352</u>	<u>179,295,192</u>	<u>194,573,003</u>	<u>184,883,757</u>	<u>229,394,946</u>	<u>186,708,043</u>
<b>Total</b>	<b><u>\$ 132,538,647</u></b>	<b><u>\$ 132,941,952</u></b>	<b><u>\$ 139,271,636</u></b>	<b><u>\$ 132,340,904</u></b>	<b><u>\$ 181,809,352</u></b>	<b><u>\$ 179,295,192</u></b>	<b><u>\$ 194,573,003</u></b>	<b><u>\$ 184,883,757</u></b>	<b><u>\$ 229,394,946</u></b>	<b><u>\$ 186,708,043</u></b>
District's Covered Payroll	\$ 33,527,945	\$ 32,454,690	\$ 30,986,184	\$ 29,224,888	\$ 30,017,973	\$ 29,726,170	\$ 29,502,394	\$ 31,206,801	\$ 30,067,644	\$ 27,950,082
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
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, 2025**

**Change of Benefit Terms:** None.

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

**SCHEDULES RELATED TO ACCOUNTING  
AND REPORTING FOR OTHER  
POST-EMPLOYMENT BENEFITS**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF**  
**TOTAL OPEB LIABILITY**

**Postemployment Health Benefit Plan**

**Last Eight Fiscal Years\***

	2025	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>								
Service Cost	\$ 7,804,421	\$ 7,625,360	\$ 9,764,373	\$ 11,148,306	\$ 6,170,780	\$ 6,321,260	\$ 7,244,613	\$ 8,697,404
Interest on Total OPEB Liability	6,939,326	6,437,820	4,612,497	5,266,564	5,021,020	5,970,670	6,469,943	5,529,097
Changes in Benefit Terms	-	-	-	(216,091)	-	-	-	-
Differences Between Expected and Actual Experiences	2,616,848	(832,363)	7,764,476	(38,163,876)	40,474,525	(21,032,606)	(18,013,330)	-
Changes of Assumptions	15,771,302	368,439	(46,690,275)	200,295	41,793,746	2,075,507	(17,214,760)	(22,162,909)
Gross Benefit Payments	(5,299,676)	(5,018,386)	(4,568,815)	(4,148,577)	(3,983,205)	(4,273,073)	(4,011,298)	(4,062,621)
Contribution from the Member	181,466	164,979	146,570	134,640	120,731	126,666	138,637	149,596
Net Change in Total OPEB Liability	28,013,687	8,745,849	(28,971,174)	(25,778,739)	89,597,597	(10,811,576)	(25,386,195)	(11,849,433)
Total OPEB Liability - Beginning	182,795,108	174,049,259	203,020,433	228,799,172	139,201,575	150,013,151	175,399,346	187,248,779
Total OPEB Liability - Ending	<u>\$ 210,808,795</u>	<u>\$ 182,795,108</u>	<u>\$ 174,049,259</u>	<u>\$ 203,020,433</u>	<u>\$ 228,799,172</u>	<u>\$ 139,201,575</u>	<u>\$ 150,013,151</u>	<u>\$ 175,399,346</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	210,808,795	182,795,108	174,049,259	203,020,433	228,799,172	139,201,575	150,013,151	175,399,346
Total OPEB Liability - Ending	<u>\$ 210,808,795</u>	<u>\$ 182,795,108</u>	<u>\$ 174,049,259</u>	<u>\$ 203,020,433</u>	<u>\$ 228,799,172</u>	<u>\$ 139,201,575</u>	<u>\$ 150,013,151</u>	<u>\$ 175,399,346</u>
District's Covered Payroll	\$ 58,389,120	\$ 56,482,283	\$ 53,155,318	\$ 51,101,633	\$ 52,439,823	\$ 50,288,348	\$ 49,318,027	\$ 51,040,689
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**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, 2025**

**Changes in Benefit Terms:**

None.

**Changes of Assumptions**

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

**OTHER SUPPLMENTARY INFORMATION**

**SCHOOL LEVEL FUNDS**

**NOT APPLICABLE**

**SPECIAL REVENUE FUND**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES-BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES-BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
**COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES-BUDGETARY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>On Behalf TPAF</u>	<u>Student Activity Funds</u>	<u>Scholarship Funds</u>	<u>Nonpublic IDEA Flow-thru</u>	<u>Nonpublic IDEA Flow-thru Carryover</u>	<u>Max Post School Outcomes for Stud with Disab Comp</u>	<u>Total Exhibit E-1b</u>
<b>REVENUES</b>							
Intergovernmental							
State	\$ 1,828,165						\$ 1,828,165
Federal	-	\$ 11,084	\$ 6,146	\$ 1,357,713	\$ 1,100,120	\$ 342,144	\$ 342,144
Other	-					\$ -	\$ 2,475,063
<b>Total Revenues</b>	<b>\$ 1,828,165</b>	<b>\$ 11,084</b>	<b>\$ 6,146</b>	<b>\$ 1,357,713</b>	<b>\$ 1,100,120</b>	<b>\$ 342,144</b>	<b>\$ 4,645,372</b>
<b>EXPENDITURES</b>							
Instruction							
Salaries of Teachers							
Other Salaries for Instruction							
Purchased Professional Services							
Other Purchased Services							
General Supplies							
Co-Curricular Student Activities							
Other Objects							
<b>Total Instruction</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 39,882</b>	<b>1,015</b>	<b>32,328</b>	<b>73,225</b>
Support Services							
Salaries							
Personnel Services Employee Benefits							
On-Behalf Benefits							
Cleaning, Repair, and Maintenance Services							
Purchased Professional Education Services							
Other Purchased Professional Services							
Communication and Telephone							
Energy (Heat & Electricity)							
Rental							
Travel							
Other Purchased Services							
Supplies and Materials							
Miscellaneous Expenditures							
Scholarships Awarded							
Student Activities							
<b>Total Support Services</b>	<b>\$ 1,828,165</b>	<b>\$ 6,364</b>	<b>\$ 4,850</b>	<b>\$ 1,092,945</b>	<b>226,311</b>	<b>\$ 73,855</b>	<b>\$ 3,232,490</b>
Facilities Acquisition and Construction							
Buildings							
Instructional Equipment							
<b>Total Facilities Acquisition and Construction</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Expenditures</b>	<b>\$ 1,828,165</b>	<b>\$ 6,364</b>	<b>\$ 4,850</b>	<b>\$ 1,357,713</b>	<b>\$ 1,100,120</b>	<b>\$ 342,144</b>	<b>\$ 4,639,356</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	4,720	1,296	-	-	-	6,016
Other Financing Sources/(Uses)							
Transfer from General Fund	-	-	-	-	-	-	-
Fund Balance July 1	-	31,607	60,684	-	-	-	92,291
Fund Balance, End of Year	<b>\$ -</b>	<b>\$ 36,327</b>	<b>\$ 61,980</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 98,307</b>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
PRESCHOOL EDUCATION PROGRAM AID  
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOT APPLICABLE**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
SCHEDULE OF STUDENT ACTIVITY RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<b>Balance July 1, <u>2024</u></b>	<b>Receipts</b>	<b>Disburse- ments</b>	<b>Balance June 30, <u>2025</u></b>
<b>SCHOOLS</b>				
District Student Activity	\$ 31,607	\$ 11,084	\$ 6,364	\$ 36,327
	<u>\$ 31,607</u>	<u>\$ 11,084</u>	<u>\$ 6,364</u>	<u>\$ 36,327</u>

## **CAPITAL PROJECTS FUND**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY STATEMENT OF PROJECT EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

<u>Issue/Project Title</u>	<u>Adjusted Appropriation</u>	<u>Expenditures to Date</u>			<u>Balance June 30, 2025</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Cancelled</u>	
Facilities Bond #26 (2015)	\$ 522,000	\$ 508,645	\$ 13,295	\$ (60)	-
Facilities Bond #28 (2017)	850,000	850,000	(62)		\$ 62
Facilities Bond #29 (2018)	1,151,000	1,126,614	15,018	(11)	9,357
Facilities Bond #31 (2020)	1,200,000	1,195,580	4,360	(60)	-
Facilities Bond #32 (2021)	1,200,000	1,014,140	162,253		23,607
Facilities Bond #33 (2022)	1,150,000	352,658	394,292		403,050
Vehicle Bond #34 (2024)	250,000				250,000
Technology Bond #35 (2024)	225,000		208,858		16,142
Facilities Bond #36 (2024)	1,200,000		482,908		717,092
Facilities Bond #37 (2025)	<u>1,200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,200,000</u>
	<u>\$ 8,948,000</u>	<u>\$ 5,047,637</u>	<u>\$ 1,280,922</u>	<u>\$ (131)</u>	<u>\$ 2,619,310</u>
			Fund Balance, June 30, 2025		\$ 2,619,310
			<u>Analysis</u>		
			Year End Encumbrances		\$ 895,085
			Available for Capital Projects		<u>1,724,225</u>
					<u>\$ 2,619,310</u>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
CAPITAL PROJECTS FUND**  
**SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGETARY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**Revenues and Other Financing Sources**

County Aid	<u>\$ 1,200,000</u>
Total Revenues and Other Financing Sources	<u>1,200,000</u>

**Expenditures and Other Financing Uses**

Purchased Professional and Technical Services	49,000
Facilities Acquisition and Construction Services	623,941
Equipment	286,663
Supplies and Materials	<u>321,449</u>
Total Expenditures and Other Financing Uses	<u>1,281,053</u>

Excess of Revenues Over Expenditures	(81,053)
Fund Balance - Beginning of Year	<u>2,700,363</u>
Fund Balance - End of Year	<u>\$ 2,619,310</u>

## **ENTERPRISE FUNDS**

**EXHIBIT G-1**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
ENTERPRISE FUND  
STATEMENT OF NET POSITION  
AS OF JUNE 30, 2025**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

**EXHIBIT G-2**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

**EXHIBIT G-3**

**STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

## **PROPRIETARY FUNDS**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**INTERNAL SERVICE FUND**  
**COMBINING STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2025**

	<b>Norman A. Bleszman Regional Day School</b>	<b>One to One Aides</b>	<b>Extended Year</b>	<b>Career Crossroads</b>	<b>Project Search</b>	<b>Home Hospital</b>	<b>Education Enterprises</b>	<b>Interlocal Agreements</b>	<b>ETTC</b>	<b>Management Agreement</b>	<b>Compensated Absences</b>	<b>Totals</b>
<b>ASSETS</b>												
Current Assets												
Cash and Cash Equivalents	\$ 413,995				\$ 9,613	\$ 120,770	\$ 11,825		\$ 80,433	\$ 91,987		\$ 636,636
Due from Bergen County Technical Schools												91,987
Accounts Receivable	1,345,572	\$ 2,246,669	\$ 73,804	15,290				\$ 1,322,643	\$ 2,249,778			7,253,756
Due from Other Funds	-	-	-	-				-	-			1,716,577
<b>Total Current Assets</b>	<b>1,759,567</b>	<b>2,246,669</b>	<b>73,804</b>	<b>24,903</b>	<b>120,770</b>	<b>11,825</b>	<b>1,322,643</b>	<b>2,249,778</b>	<b>80,433</b>	<b>91,987</b>	<b>1,716,577</b>	<b>9,698,956</b>
Capital Assets												
Furniture, Machinery & Equipment	4,698,508			5,382				78,082	2,331	155,073	64,935	5,004,311
Less: Accumulated Depreciation	(1,361,667)	-	-	(3,313)	-	-		(78,082)	(233)	(136,666)	(51,948)	(1,631,909)
<b>Total Capital Assets, Net</b>	<b>3,336,841</b>	<b>-</b>	<b>-</b>	<b>2,069</b>	<b>-</b>	<b>-</b>	<b>1,322,643</b>	<b>2,251,876</b>	<b>18,407</b>	<b>12,987</b>	<b>-</b>	<b>3,372,402</b>
<b>Total Assets</b>	<b>5,096,408</b>	<b>2,246,669</b>	<b>73,804</b>	<b>26,972</b>	<b>120,770</b>	<b>11,825</b>	<b>1,322,643</b>	<b>2,251,876</b>	<b>98,840</b>	<b>104,974</b>	<b>1,716,577</b>	<b>13,071,358</b>
<b>LIABILITIES</b>												
Current Liabilities												
Accounts Payable	111,765	343	5,487	4,318				54,817	47,856	136		224,722
Due to Other Funds	-	2,010,666	66,666	-	-	-		1,216,275	2,011,610	-	89,240	-
<b>Total Current Liabilities</b>	<b>111,765</b>	<b>2,011,009</b>	<b>72,153</b>	<b>4,318</b>	<b>-</b>	<b>-</b>	<b>1,271,092</b>	<b>2,059,466</b>	<b>136</b>	<b>89,240</b>	<b>-</b>	<b>5,619,179</b>
Noncurrent Liabilities												
Compensated Absences	155,030	-	-	-	-	-	-	-	-	-	1,716,577	1,871,607
<b>Total Noncurrent Liabilities</b>	<b>155,030</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,716,577</b>	<b>1,871,607</b>
<b>Total Liabilities</b>	<b>266,795</b>	<b>2,011,009</b>	<b>72,153</b>	<b>4,318</b>	<b>-</b>	<b>-</b>	<b>1,271,092</b>	<b>2,059,466</b>	<b>136</b>	<b>89,240</b>	<b>1,716,577</b>	<b>7,490,786</b>
<b>NET POSITION</b>												
Net Investment in Capital Assets	3,336,841			2,069					2,098	18,407	12,987	
Unrestricted	1,492,772	235,660	1,651	20,585	120,770	11,825	51,551	190,312	80,297	2,747	-	3,372,402
<b>Total Net Position</b>	<b>\$ 4,829,613</b>	<b>\$ 235,660</b>	<b>\$ 1,651</b>	<b>\$ 22,654</b>	<b>\$ 120,770</b>	<b>\$ 11,825</b>	<b>\$ 51,551</b>	<b>\$ 192,410</b>	<b>\$ 98,704</b>	<b>\$ 15,734</b>	<b>\$ -</b>	<b>\$ 5,580,572</b>

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**INTERNAL SERVICE FUND**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<b>Norman A. Blechman Regional Day School</b>	<b>On Behalf TPAF</b>	<b>One to One Aides</b>	<b>Extended Year</b>	<b>Career Crossroads</b>	<b>Project Search</b>	<b>Home Hospital</b>	<b>Education Enterprises</b>	<b>Interlocal Agreements</b>	<b>ETTC</b>	<b>Management Agreement</b>	<b>Compensated Absences</b>	<b>Totals</b>	
<b>REVENUES</b>														
Operating Revenues														
Tuition from LEAS	\$ 8,057,712												\$ 8,057,712	
Charges and Fees	13,860		\$ 10,503,429	\$ 4,204,846	\$ 232,760			\$ 6,447,822	\$ 13,940,409	\$ 18,023	\$ 878,209		36,239,358	
On-Behalf (Non-Budgeted)														
TPAF Pension System			\$ 3,734,009										3,734,009	
Reimbursed TPAF Social														
Security Contributions														
			1,063,927										1,063,927	
Total Operating Revenues	\$ 8,071,572	\$ 4,797,936	<u>10,503,429</u>	<u>4,204,846</u>	<u>232,760</u>	<u>-</u>	<u>-</u>	<u>6,447,822</u>	<u>13,940,409</u>	<u>18,023</u>	<u>878,209</u>	<u>-</u>	<u>49,095,006</u>	
<b>EXPENSES</b>														
Operating Expenses														
Instruction-Special Education	2,556,178		6,564,749	1,874,740	285,601	6	2,640	5,626,015	8,193,188	12,923			25,116,040	
Health Services	246,132			65,219					64,738				376,089	
Speech, OT, PT and Related Services	2,060,030		319,320	202,042					1,164,693				3,746,085	
Child Study Team	202,205			122,936					422,644				747,785	
Instructional Staff Training Services	1,309								599				1,908	
General Administration	44,900			28,129									76,687	
School Administration	217,490			188,942				208,226		285,405			900,063	
Operation and Maintenance of Plant	414,284			277,586	3,218			12,294		35,043			772,425	
Student Transportation				31,149									31,149	
Business/Central Services	73,251			334,163									1,433,766	
Admin. Info. Technology	25,000												25,000	
Unallocated Benefits	1,830,989		4,030,996	1,113,343	8,949	23	202	632,239	3,453,608				11,289,246	
On-behalf Benefits					538								4,797,936	
Depreciation	263,270								233	7,802	12,987		284,830	
Total Operating Expenses	\$ 7,935,038	\$ 4,797,936	<u>10,915,065</u>	<u>4,238,249</u>	<u>298,306</u>	<u>29</u>	<u>2,842</u>	<u>6,482,432</u>	<u>14,017,500</u>	<u>20,725</u>	<u>890,887</u>	<u>-</u>	<u>49,599,009</u>	
Operating Income (Loss)	\$ 136,534		<u>-</u>	<u>(411,636)</u>	<u>(33,403)</u>	<u>(65,546)</u>	<u>(29)</u>	<u>(2,842)</u>	<u>(34,610)</u>	<u>(77,091)</u>	<u>(2,702)</u>	<u>(12,678)</u>	<u>-</u>	<u>(504,003)</u>
Net Income (Loss) Before Operating Transfers	\$ 136,534		<u>-</u>	<u>(411,636)</u>	<u>(33,403)</u>	<u>(65,546)</u>	<u>(29)</u>	<u>(2,842)</u>	<u>(34,610)</u>	<u>(77,091)</u>	<u>(2,702)</u>	<u>(12,678)</u>	<u>-</u>	<u>(504,003)</u>
Other Financing Sources (Uses)														
Transfer In(out)														
Change in Net Position	\$ 136,534		<u>-</u>	<u>(411,636)</u>	<u>(33,403)</u>	<u>(65,546)</u>	<u>(29)</u>	<u>(2,842)</u>	<u>(34,610)</u>	<u>(77,091)</u>	<u>(2,702)</u>	<u>(12,678)</u>	<u>-</u>	<u>(504,003)</u>
Total Net Position - Beginning of Year,	\$ 4,693,079		<u>-</u>	<u>647,296</u>	<u>35,054</u>	<u>88,200</u>	<u>120,799</u>	<u>14,667</u>	<u>86,161</u>	<u>269,501</u>	<u>101,406</u>	<u>28,412</u>	<u>-</u>	<u>6,084,575</u>
Total Net Position - Ending of Year	\$ 4,829,613	\$ -	\$ 235,660	\$ 1,651	\$ 22,654	\$ 120,770	\$ 11,825	\$ 51,551	\$ 192,410	\$ 98,704	\$ 15,734	\$ -	\$ 5,580,572	

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**INTERNAL SERVICE FUND**  
**COMBINED STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<b>Norman A. Bleszman Regional Day School</b>	<b>One to Aides</b>	<b>Extended Year</b>	<b>Career Crossroads</b>	<b>Project Search</b>	<b>Home Hospital</b>	<b>Education Enterprises</b>	<b>Interlocal Agreement</b>	<b>ETTC</b>	<b>Management Agreement</b>	<b>Compensated Absences</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>												
Receipts from Customers	\$ 8,133,056	\$ 10,627,521	\$ 4,220,504	\$ 240,956	\$ 35,136	\$ 15,080	\$ 6,646,412	\$ 14,317,026	\$ 18,023	\$ 872,124		\$ 45,125,838
Payments to Employees	(5,490,479)	(6,782,124)	(2,454,112)	(266,142)		(2,640)	(5,621,109)	(9,896,115)		(629,003)		(31,141,724)
Payments to Suppliers for Goods and Services	(2,666,931)	(4,134,708)	(1,781,904)	(60,222)	(329)	(202)	(909,043)	(4,133,684)	(13,195)	(249,869)		(13,950,087)
Net Cash Provided by (Used for) Operating Activities	(24,354)	(289,311)	(15,512)	(85,408)	34,807	12,238	116,260	287,227	4,828	(6,748)		34,027
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>												
Transfers from (to) Other Funds		289,311	15,512			(413)	(116,260)	(284,896)		6,748		(89,998)
Net Cash Provided by (Used For) Noncapital Financing Activities		289,311	15,512			(413)	(116,260)	(284,896)		6,748		(89,998)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>												
Purchases of Capital Assets	(218,035)			(2,048)				(2,331)	(7,120)			(229,534)
Net Cash Provided by (Used) Capital and Related Financing Activities	(218,035)			(2,048)				(2,331)	(7,120)			(229,534)
Net Increase (Decrease) in Cash and Cash Equivalents	(242,389)	-	-	(87,456)	34,807	11,825	-	-	(2,292)	-	-	(285,505)
Balances - Beginning of Year	656,384			97,069	85,963				82,725			922,141
Balances - End of Year	\$ 413,995	\$ -	\$ -	\$ 9,613	\$ 120,770	\$ 11,825	\$ -	\$ -	\$ 80,433	\$ -	\$ -	\$ 636,636
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>												
Operating Income (Loss)	\$ 136,534	\$ (411,636)	(33,403)	\$ (65,546)	\$ (29)	\$ (2,842)	\$ (34,610)	\$ (77,091)	\$ (2,702)	\$ (12,678)		\$ (504,003)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities												
Depreciation	263,270			538				233	\$ 7,802	12,987		284,830
Changes in Assets and Liabilities												
(Increase) Decrease in Accounts Receivable, net	61,484	124,092	15,658	8,196	35,136	15,080	198,590	376,617	-	(6,085)		828,768
Increase(Decrease) in Other Current Liabilities												
Increase(Decrease) in Accounts Payable	(485,642)	(1,767)	2,233	(28,596)	(300)	-	(47,720)	(12,532)	(272)	(972)		(575,568)
Total Adjustments	(160,888)	122,325	17,891	(19,862)	34,836	15,080	150,870	364,318	7,530	5,930		538,030
Net Cash Provided (Used) by Operating Activities	\$ (24,354)	\$ (289,311)	\$ (15,512)	\$ (85,408)	\$ 34,807	\$ 12,238	\$ 116,260	\$ 287,227	\$ 4,828	\$ (6,748)		\$ 34,027

**FIDUCIARY FUNDS**

**NOT APPLICABLE**

**LONG-TERM DEBT**

**NOT APPLICABLE**

## STATISTICAL SECTION

This part of the Bergen County Special Services School District's annual comprehensive financial report (ACFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the district's overall financial health.

### **Contents**

### **Exhibits**

#### **Financial Trends**

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

J-1 to J-5

#### **Revenue Capacity**

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

J-6 to J-9

#### **Debt Capacity**

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

J-10 to J-13

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

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

J-14 and J-15

#### **Operating Information**

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

J-16 to J-20

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

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30.									
	2016	2017	2018	2019	2020 (As Restated)	2021	2022	2023	2024 (As Restated)	2025
<b>Governmental Activities</b>										
Net Investment In Capital Assets	\$ 58,293,757	\$ 56,894,523	\$ 57,165,713	\$ 57,033,773	\$ 56,576,886	\$ 58,851,054	\$ 60,553,573	\$ 59,465,689	\$ 60,133,243	\$ 59,647,368
Restricted	3,012,582	4,113,403	5,468,478	6,233,710	7,745,206	9,327,507	9,830,608	13,229,915	11,334,553	11,340,090
Unrestricted	(42,507,044)	(44,204,588)	(48,139,600)	(48,598,459)	(46,943,976)	(49,456,267)	(43,940,206)	(38,601,052)	(37,749,218)	(35,151,793)
<b>Total Governmental Activities Net Position</b>	<b>\$ 18,799,295</b>	<b>\$ 16,803,338</b>	<b>\$ 14,494,591</b>	<b>\$ 14,669,024</b>	<b>\$ 17,378,116</b>	<b>\$ 18,722,294</b>	<b>\$ 26,443,975</b>	<b>\$ 34,094,552</b>	<b>\$ 33,718,578</b>	<b>\$ 35,835,665</b>
<b>Business-Type Activities</b>										
Net Investment In Capital Assets								\$ 10,838	\$ 9,162	\$ 7,485
Unrestricted	\$ 11,496	\$ 70,389	\$ 94,678	\$ 117,004	\$ 68,133	\$ 74,772	\$ 110,770.00	\$ 107,676	\$ 55,386	\$ 22,725
<b>Total Business-Type Activities Net Position</b>	<b>\$ 11,496</b>	<b>\$ 70,389</b>	<b>\$ 94,678</b>	<b>\$ 117,004</b>	<b>\$ 68,133</b>	<b>\$ 74,772</b>	<b>\$ 121,608</b>	<b>\$ 116,838</b>	<b>\$ 62,871</b>	<b>\$ 39,798</b>
<b>S. District-Wide</b>										
Net Investment In Capital Assets	\$ 58,293,757	\$ 56,894,523	\$ 57,165,713	\$ 57,033,773	\$ 56,576,886	\$ 58,851,054	\$ 60,564,411	\$ 59,474,851	\$ 60,140,728	\$ 59,664,441
Restricted	3,012,582	4,113,403	5,468,478	6,233,710	7,745,206	9,327,507	9,830,608	13,229,915	11,334,553	11,340,090
Unrestricted	(42,495,548)	(44,134,199)	(48,044,922)	(48,481,455)	(46,875,843)	(49,381,495)	(43,829,436)	(38,493,376)	(37,693,832)	(35,129,068)
<b>Total District Net Position</b>	<b>\$ 18,810,791</b>	<b>\$ 16,873,727</b>	<b>\$ 14,589,269</b>	<b>\$ 14,786,028</b>	<b>\$ 17,446,249</b>	<b>\$ 18,797,066</b>	<b>\$ 26,565,583</b>	<b>\$ 34,211,390</b>	<b>\$ 33,781,449</b>	<b>\$ 35,875,463</b>

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

Note 2 - Net Position at June 30, 2024 have been restated to reflect the implementation of GASB No. 101 "Compensated Absences".

Source: District financial statements

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Expenses</b>										
Governmental Activities										
Instruction										
Special Education	\$ 67,247,123	\$ 68,922,293	\$ 75,172,372	\$ 71,260,464	\$ 70,448,783	\$ 74,805,566	\$ 68,974,993	\$ 61,904,648	\$ 67,159,841	\$ 79,754,454
Support Services:										
Student & Instruction Related Services	28,918,263	33,085,833	31,589,371	29,873,164	27,904,341	29,123,984	25,910,009	34,974,851	36,665,043	29,397,593
School Administration Services	5,079,817	5,708,571	5,480,247	5,036,095	5,161,235	5,552,701	4,883,343	4,408,224	4,815,450	4,999,959
General Administration	1,027,257	1,185,658	1,726,322	1,134,987	1,083,412	1,066,715	1,198,892	1,194,610	1,093,676	1,207,680
Plant Operations And Maintenance	8,570,967	8,418,619	9,476,019	9,377,404	9,786,159	9,786,931	9,094,816	9,143,141	10,092,333	10,998,429
Pupil Transportation	1,903,511	2,004,151	2,238,886	2,252,630	2,172,517	2,056,277	1,523,415	1,358,776	1,444,797	1,567,247
Support Svc-Central Svcs/Admin Info Tech	2,272,376	2,383,844	2,836,193	2,879,868	2,743,706	2,278,400	1,977,874	2,325,426	2,453,478	2,752,731
Total Governmental Activities Expenses	<u>115,019,314</u>	<u>121,708,969</u>	<u>128,519,410</u>	<u>121,814,612</u>	<u>119,300,153</u>	<u>124,670,574</u>	<u>113,563,342</u>	<u>115,309,676</u>	<u>123,724,618</u>	<u>130,678,093</u>
Business-Type Activities:										
Food Service	489,687	490,413	477,876	476,061	378,688	281,148	478,707	530,098	478,821	544,112
Total Business-Type Activities Expense	<u>489,687</u>	<u>490,413</u>	<u>477,876</u>	<u>476,061</u>	<u>378,688</u>	<u>281,148</u>	<u>478,707</u>	<u>530,098</u>	<u>478,821</u>	<u>544,112</u>
Total District Expenses	<u>\$ 115,509,001</u>	<u>\$ 122,199,382</u>	<u>\$ 128,997,286</u>	<u>\$ 122,290,673</u>	<u>\$ 119,678,841</u>	<u>\$ 124,951,722</u>	<u>\$ 114,042,049</u>	<u>\$ 115,839,774</u>	<u>\$ 124,203,439</u>	<u>\$ 131,222,205</u>
<b>Program Revenues</b>										
Governmental Activities:										
Charges For Services:										
Operating Grants And Contributions	\$ 74,884,156	\$ 78,638,703	\$ 76,676,974	\$ 77,794,212	\$ 80,317,082	\$ 77,810,241	\$ 78,806,893	\$ 83,242,048	\$ 87,286,683	\$ 93,183,683
Capital Grants And Contributions	24,011,839	29,847,566	37,738,856	31,572,505	27,335,258	34,748,201	29,067,911	25,461,291	24,786,792	25,214,788
Total Governmental Activities Program Revenues	<u>99,753,837</u>	<u>109,072,789</u>	<u>115,297,034</u>	<u>110,325,948</u>	<u>108,602,648</u>	<u>114,084,670</u>	<u>109,267,973</u>	<u>109,876,054</u>	<u>113,791,524</u>	<u>119,612,668</u>
Business-Type Activities:										
Charges For Services										
Food Service	126,777	147,180	147,380	137,665	102,783	2,818	14,660	70,264	69,537	65,083
Operating Grants And Contributions	201,509	202,126	204,785	210,722	152,034	184,969	498,368	380,064	280,317	305,956
Total Business-Type Activities Program Revenues	<u>328,286</u>	<u>349,306</u>	<u>352,165</u>	<u>348,387</u>	<u>254,817</u>	<u>187,787</u>	<u>513,028</u>	<u>450,328</u>	<u>349,854</u>	<u>371,039</u>
Total District Program Revenues	<u>\$ 100,082,123</u>	<u>\$ 109,422,095</u>	<u>\$ 115,649,199</u>	<u>\$ 110,674,335</u>	<u>\$ 108,857,465</u>	<u>\$ 114,272,457</u>	<u>\$ 109,781,001</u>	<u>\$ 110,326,382</u>	<u>\$ 114,141,378</u>	<u>\$ 119,983,707</u>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	<u>\$ (15,265,477)</u>	<u>\$ (12,636,180)</u>	<u>\$ (13,222,376)</u>	<u>\$ (11,488,664)</u>	<u>\$ (10,697,505)</u>	<u>\$ (10,585,904)</u>	<u>\$ (4,295,369)</u>	<u>\$ (5,433,622)</u>	<u>\$ (9,933,094)</u>	<u>\$ (11,065,425)</u>
Business-Type Activities	<u>(161,401)</u>	<u>(141,107)</u>	<u>(125,711)</u>	<u>(127,674)</u>	<u>(123,871)</u>	<u>(93,361)</u>	<u>34,321</u>	<u>(79,770)</u>	<u>(128,967)</u>	<u>(173,073)</u>
Total District-Wide Net Expense	<u><b>\$ (15,426,878)</b></u>	<u><b>\$ (12,777,287)</b></u>	<u><b>\$ (13,348,087)</b></u>	<u><b>\$ (11,616,338)</b></u>	<u><b>\$ (10,821,376)</b></u>	<u><b>\$ (10,679,265)</b></u>	<u><b>\$ (4,261,048)</b></u>	<u><b>\$ (5,513,392)</b></u>	<u><b>\$ (10,062,061)</b></u>	<u><b>\$ (11,238,498)</b></u>
<b>General Revenues And Other Changes In Net Position</b>										
Governmental Activities:										
Property Taxes Levied For General Purposes, Net	\$ 8,867,475	\$ 9,577,003	\$ 9,864,312	\$ 10,261,598	\$ 10,518,107	\$ 10,623,288	\$ 10,835,754	\$ 11,052,469	\$ 11,273,518	\$ 11,498,988
Federal And State Aid Restricted	50,791	158,326	10,449	6,990						
Investment Earnings	18,330	12,187	36,974	110,368	122,595	14,655	12,611	186,620	451,329	462,851
Miscellaneous Income	1,349,069	1,092,707	1,151,894	1,434,141	2,192,109	1,392,139	1,168,685	1,110,800	1,045,144	1,127,601
Disposal of Capital Assets, net	-	-	-	(150,000)	(75,000)	(100,000)	-	734,310	(75,000)	(150,000)
Transfers	(172,000)	(200,000)	(150,000)	(150,000)	(12,741,452)	11,930,082	12,017,050	13,084,199	12,694,991	12,939,440
Total Governmental Activities	<u>10,113,665</u>	<u>10,640,223</u>	<u>10,913,629</u>	<u>11,663,097</u>	<u>12,741,452</u>	<u>11,930,082</u>	<u>12,017,050</u>	<u>13,084,199</u>	<u>12,694,991</u>	<u>12,939,440</u>
Business-Type Activities:										
Investment Earnings										
Transfers	172,000	200,000	150,000	150,000	75,000	100,000	-	75,000	75,000	150,000
Total Business-Type Activities	<u>10,285,665</u>	<u>10,840,223</u>	<u>\$ 11,063,629</u>	<u>\$ 11,813,097</u>	<u>\$ 12,816,452</u>	<u>\$ 12,030,082</u>	<u>\$ 12,017,050</u>	<u>\$ 13,159,199</u>	<u>\$ 12,769,991</u>	<u>\$ 13,089,440</u>
<b>Change In Net Position</b>										
Governmental Activities	<u>\$ (5,151,812)</u>	<u>\$ (1,995,957)</u>	<u>\$ (2,308,747)</u>	<u>\$ 174,433</u>	<u>\$ 2,043,947</u>	<u>\$ 1,344,178</u>	<u>\$ 7,721,681</u>	<u>\$ 7,650,577</u>	<u>\$ 2,761,897</u>	<u>\$ 1,874,015</u>
Business-Type Activities	<u>10,599</u>	<u>58,893</u>	<u>24,289</u>	<u>22,326</u>	<u>(48,871)</u>	<u>6,639</u>	<u>34,321</u>	<u>(4,770)</u>	<u>(53,967)</u>	<u>(23,073)</u>
Total District	<u><b>\$ (5,141,213)</b></u>	<u><b>\$ (1,937,064)</b></u>	<u><b>\$ (2,284,458)</b></u>	<u><b>\$ 196,759</b></u>	<u><b>\$ 1,995,076</b></u>	<u><b>\$ 1,350,817</b></u>	<u><b>\$ 7,756,002</b></u>	<u><b>\$ 7,645,807</b></u>	<u><b>\$ 2,707,930</b></u>	<u><b>\$ 1,850,942</b></u>

Source: District financial statements

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**FUND BALANCES- GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(modified accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	(As Restated)									
<b>General Fund</b>										
<b>Restricted</b>	<b>\$ 2,256,492</b>	<b>\$ 3,939,961</b>	<b>\$ 4,907,092</b>	<b>\$ 5,643,187</b>	<b>\$ 7,271,649</b>	<b>\$ 8,276,990</b>	<b>\$ 8,650,917</b>	<b>\$ 10,504,401</b>	<b>\$ 8,541,899</b>	<b>\$ 8,622,473</b>
<b>Committed</b>			<b>1,125,621</b>	<b>-</b>			<b>1,754,007</b>	<b>-</b>	<b>2,468,330</b>	<b>2,024,585</b>
<b>Assigned</b>	<b>1,302,525</b>	<b>3,041,642</b>	<b>1,636,488</b>	<b>4,033,954</b>	<b>6,191,699</b>	<b>4,310,923</b>	<b>2,678,481</b>	<b>3,498,498</b>	<b>2,344,078</b>	<b>3,239,503</b>
<b>Unassigned</b>	<b>2,990,291</b>	<b>2,694,195</b>	<b>2,640,007</b>	<b>2,641,719</b>	<b>3,812,858</b>	<b>3,716,912</b>	<b>3,405,043</b>	<b>3,745,176</b>	<b>3,364,698</b>	<b>3,300,193</b>
<b>Total General Fund</b>	<b><u>\$ 6,549,308</u></b>	<b><u>\$ 9,675,798</u></b>	<b><u>\$ 10,309,208</u></b>	<b><u>\$ 12,318,860</u></b>	<b><u>\$ 17,276,206</u></b>	<b><u>\$ 16,304,825</u></b>	<b><u>\$ 16,488,448</u></b>	<b><u>\$ 17,748,075</u></b>	<b><u>\$ 16,719,005</u></b>	<b><u>\$ 17,186,754</u></b>
<b>All Other Governmental Funds</b>										
<b>Restricted</b>	<b>\$ 630,103</b>	<b>\$ 135,984</b>	<b>\$ 561,386</b>	<b>\$ 590,523</b>	<b>\$ 473,057</b>	<b>\$ 1,050,517</b>	<b>\$ 1,179,691</b>	<b>\$ 2,725,514</b>	<b>\$ 2,792,654</b>	<b>\$ 2,717,617</b>
<b>Total All Other Governmental Funds</b>	<b><u>\$ 630,103</u></b>	<b><u>\$ 135,984</u></b>	<b><u>\$ 561,386</u></b>	<b><u>\$ 590,523</u></b>	<b><u>\$ 473,057</u></b>	<b><u>\$ 1,050,517</u></b>	<b><u>\$ 1,179,691</u></b>	<b><u>\$ 2,725,514</u></b>	<b><u>\$ 2,792,654</u></b>	<b><u>\$ 2,717,617</u></b>

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

Source: District financial statements

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES- GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(modified accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Revenues</b>										
Tax Levy	\$ 8,867,475	\$ 9,577,003	\$ 9,864,312	\$ 10,261,598	\$ 10,518,107	\$ 10,623,288	\$ 10,835,754	\$ 11,052,469	\$ 11,273,518	\$ 11,498,988
County Aid	857,842	586,520	881,204	959,231	950,308	1,524,090	1,200,000	1,150,000	1,200,000	1,200,000
Tuition Charges	44,613,401	45,385,141	43,944,081	43,394,851	45,273,830	42,396,528	41,561,486	43,402,369	45,385,429	47,628,770
Non-Resident Fees	1,094,400	1,216,875	1,175,175	1,227,825	1,216,669	1,241,736	1,260,563	1,233,336	1,278,879	1,257,843
Interest Earnings	18,330	12,187	36,974	110,368	122,595	14,655	12,611	186,620	451,329	462,851
Miscellaneous	9,546,829	9,097,418	9,582,060	9,712,013	8,880,856	8,525,965	9,276,397	9,773,121	10,183,508	10,841,036
State Sources	6,225,441	6,901,917	7,794,656	7,711,831	7,472,244	9,400,961	9,873,029	9,329,283	9,994,576	10,263,851
Federal Sources	573,922	947,774	1,709,737	1,995,518	1,753,721	1,109,899	2,972,523	3,599,702	3,125,783	4,045,483
<b>Total Revenue</b>	<b>71,797,640</b>	<b>73,724,835</b>	<b>74,988,199</b>	<b>75,373,235</b>	<b>76,188,330</b>	<b>74,837,122</b>	<b>76,992,363</b>	<b>79,726,900</b>	<b>82,893,022</b>	<b>87,198,822</b>
<b>Expenditures</b>										
Instruction										
Special Education Instruction	40,375,830	38,636,682	38,079,430	38,096,767	37,108,889	36,563,510	40,500,078	41,794,952	44,843,515	45,359,081
Support Services:										
Student & Inst. Related Services	20,170,355	19,205,093	21,234,274	20,383,366	19,560,737	20,675,949	19,679,774	20,919,442	22,479,558	23,780,907
General Administration	952,238	1,086,849	1,332,370	1,014,696	935,666	981,512	1,086,752	1,146,971	1,043,858	1,141,962
School Administration Services	3,249,003	3,010,951	3,051,171	2,972,430	3,280,884	3,515,173	3,334,463	3,384,434	3,737,097	3,870,025
Plant Operations And Maintenan	5,529,177	4,890,153	5,450,506	5,690,062	6,337,409	6,231,565	6,155,106	5,994,668	6,522,928	7,142,798
Pupil Transportation	1,454,088	1,405,377	1,435,645	1,583,574	1,515,736	1,429,960	1,190,698	1,105,088	1,094,349	1,168,000
Other Support Services	786,212	736,493	755,584	693,787	656,368	776,183	610,479	668,826	688,099	823,735
Capital Outlay	5,330,637	1,420,866	2,440,407	2,749,764	2,542,906	4,957,191	4,122,216	2,611,379	3,845,548	3,369,602
<b>Total Expenditures</b>	<b>77,847,540</b>	<b>70,392,464</b>	<b>73,779,387</b>	<b>73,184,446</b>	<b>71,938,595</b>	<b>75,131,043</b>	<b>76,679,566</b>	<b>77,625,760</b>	<b>84,254,952</b>	<b>86,656,110</b>
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(6,049,900)	3,332,371	1,208,812	2,188,789	4,249,735	(293,921)	312,797	2,101,140	(1,361,930)	542,712
<b>Other Financing Sources (Uses)</b>										
Transfers In	1,476,505	437,276	969,529	180,291	40,536	-	-	-	-	-
Transfers Out	(1,148,505)	(1,137,276)	(1,119,529)	(330,291)	(115,536)	(100,000)	-	(105,000)	(75,000)	(150,000)
County Bonds								809,310	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>328,000</b>	<b>(700,000)</b>	<b>(150,000)</b>	<b>(150,000)</b>	<b>(75,000)</b>	<b>(100,000)</b>	<b>-</b>	<b>704,310</b>	<b>(75,000)</b>	<b>(150,000)</b>
<b>Net Change In Fund Balances</b>	<b>\$ (5,721,900)</b>	<b>\$ 2,632,371</b>	<b>\$ 1,058,812</b>	<b>\$ 2,038,789</b>	<b>\$ 4,174,735</b>	<b>\$ (393,921)</b>	<b>\$ 312,797</b>	<b>\$ 2,805,450</b>	<b>\$ (1,436,930)</b>	<b>\$ 392,712</b>
Debt Service As A Percentage Of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

\* Noncapital expenditures are total expenditures less capital outlay.

Source: District financial statements

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**GENERAL FUND OTHER LOCAL REVENUE BY SOURCE**  
**LAST TEN YEARS**  
**(Unaudited)**

<b>Fiscal Year Ended <u>June 30,</u></b>	<b>Interest Earned</b>	<b>Services Provided <u>Other LEAs</u></b>	<b>Refunds/ Reimbursements</b>	<b>Workshop Revenue</b>	<b>Miscellaneous</b>	<b>Total</b>
2016	\$ 18,330	\$ 1,119,853	\$ 108,856	\$ 6,013	\$ 114,347	\$ 1,367,399
2017	12,187	1,058,208	7,634	15,520	11,345	1,104,894
2018	36,974	1,120,456	3,416	2,300	25,722	1,188,868
2019	110,368	835,767	280,586	2,855	314,933	1,544,509
2020	122,595	628,088	18,947	250	328,155	1,098,035
2021	14,655	603,965	410,966	-	377,208	1,406,794
2022	12,611	750,811	-	-	417,874	1,181,296
2023	186,620	750,435		-	360,365	1,297,420
2024	451,329	672,961		-	372,183	1,496,473
2025	462,851	691,994		-	435,607	1,590,452

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN YEARS**  
**(Unaudited)**

Calendar Year	Land	Improvements	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value
2016	\$ 77,002,654,839	\$ 77,328,202,717	\$ 154,291,592,456	\$ 90,073,801	\$ 154,381,666,257	\$ 167,963,794,248
2017	77,502,137,732	79,190,477,789	156,692,615,521	90,385,516	156,783,001,037	172,030,836,227
2018	78,049,679,382	80,870,511,380	158,920,190,762	84,076,455	159,004,267,217	176,365,111,170
2019	78,392,045,418	82,037,285,718	160,429,331,136	79,624,118	160,508,955,254	180,143,991,705
2020	79,352,157,168	85,848,771,564	165,200,928,732	80,978,865	165,281,907,597	183,990,874,355
2021	79,736,547,168	86,929,813,322	166,666,360,490	84,305,337	166,750,665,827	186,043,057,570
2022	81,890,490,190	92,833,740,694	174,724,230,884	83,552,257	174,807,783,141	194,949,256,706
2023	84,121,594,136	96,848,485,130	180,970,079,266	68,068,000	181,038,147,266	211,006,053,376
2024	87,325,039,001	101,738,552,447	189,063,591,448	58,582,036	189,122,173,484	227,475,151,295
2025	92,689,094,475	107,734,659,178	200,423,753,653	59,539,530	200,483,293,183	244,777,970,432

Source: County Abstract of Ratables

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN YEARS**  
**(Unaudited)**  
*(rate per \$100 of true value)*

Assessment Year	General	Open Space	Total County Tax Rate
2016	0.2434	0.0025	0.2459
2017	0.2417	0.0100	0.2517
2018	0.2351	0.0100	0.2451
2019	0.2338	0.0100	0.2438
2020	0.2384	0.0100	0.2484
2021	0.2416	0.0100	0.2516
2022	0.2315	0.0100	0.2415
2023	0.2286	0.0100	0.2386
2024	0.2225	0.0100	0.2325
2025	0.2234	0.0100	0.2334

Source: County Abstract of Ratables

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**PRIOR YEAR AND NINE YEARS AGO**  
**(Unaudited)**

Taxpayer	2024		2015	
	Assessed Valuation	% of County's Estimated Actual (County Equalized) Value	Assessed Valuation	% of County's Estimated Actual (County Equalized) Value
Westland GSP	\$ 830,556,200	0.37%	\$ 739,346,600	0.45%
Valley Hospital	375,000,000	0.16%		
Vornado Bergen Mall, LLC	333,125,100	0.15%	247,730,300	0.15%
Westland GSP, LP	244,275,000	0.11%		
1266 Apartment Corp.	242,500,000	0.11%	278,000,000	0.17%
Fed Res Bank	221,810,800	0.10%	313,740,000	0.19%
IKEA Property, Inc	185,000,000	0.08%		
Becton Dickinson & Co.	156,547,900	0.07%	156,547,900	0.10%
LG Corporation, USA	172,039,700	0.08%		
1530 Owners Corp	168,241,000	0.07%	168,478,000	0.10%
Hackensack Hospital Assn.	145,000,000	0.06%	126,774,000	0.08%
Riverside Square Limited	0.00%		146,048,800	0.09%
ALX of Paramus, LLC	0.00%		142,000,000	0.09%
Edgewater Ret. Ptnrs.	0.00%		125,003,400	0.08%
	<b>\$ 3,074,095,700</b>	<b>1.35%</b>	<b>\$ 2,443,669,000</b>	<b>1.49%</b>

Source: Bergen County

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**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	
		Amount	Percentage of Levy
2016	\$ 8,867,475	\$ 8,867,475	100.00%
2017	9,577,003	9,577,003	100.00%
2018	9,864,312	9,864,312	100.00%
2019	10,261,598	10,261,598	100.00%
2020	10,518,107	10,518,107	100.00%
2021	10,623,288	10,623,288	100.00%
2022	10,835,754	10,835,754	100.00%
2023	11,052,469	11,052,469	100.00%
2024	11,273,518	11,273,518	100.00%
2025	11,498,988	11,498,988	100.00%

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

**Governmental Activities**

<u>Fiscal Year Ended June 30,</u>	<u>Capital Leases</u>	<u>Total District</u>	<u>Population</u>	<u>Per Capita</u>
2016	-	928,381	\$0	
2017	-	932,449	\$0	
2018	-	932,897	\$0	
2019	-	932,256	\$0	
2020	-	930,394	\$0	
2021	-	953,819	\$0	
2022	-	952,997	\$0	
2023	-	957,736	\$0	
2024	-	978,641 (1)	\$0	
2025	-	978,641 (1)	\$0	

Source: District records

(1) Estimated

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
(Unaudited)**

**NOT APPLICABLE**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2024  
(Unaudited)**

Net Direct Debt of School District  
as of June 30, 2025

Net Overlapping Debt of School District

Bergen County:

County of Bergen	\$ 1,042,720,595
Bergen County Utilities Authority - Water Pollution (100%)	<u>170,355,360</u>

\$ 1,213,075,955

Total Direct and Overlapping Debt

\$ 1,213,075,955

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

	<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>
<b>Legal Debt Margin Calculation as of December 31, (County Debt)</b>									
Average equalized valuation of taxable property (last three years)	\$ 166,824,155,204	\$ 171,055,311,950	\$ 175,460,099,760	\$ 179,773,454,707	\$ 182,930,168,861	\$ 187,397,717,934	\$ 196,252,922,450	\$ 209,966,156,157	\$ 227,183,185,143
Debt limit (2% of average equalization value)	3,336,483,104	3,421,106,239	3,509,201,995	3,595,469,094	3,658,603,377	3,747,954,359	3,925,058,449	4,199,323,123	4,543,663,703
Net Debt Issued Outstanding and Authorized	1,205,030,344	876,045,885	875,747,791	855,398,427	954,754,121	839,785,818	977,925,631	971,467,303	1,042,720,595
Remaining Borrowing Capacity	<u>\$ 2,131,452,760</u>	<u>\$ 2,545,060,354</u>	<u>\$ 2,633,454,204</u>	<u>\$ 2,740,070,667</u>	<u>\$ 2,703,849,256</u>	<u>\$ 2,908,168,541</u>	<u>\$ 2,947,132,818</u>	<u>\$ 3,227,855,820</u>	<u>\$ 3,500,943,108</u>

Source: Annual Debt Statements - County of Bergen

**EXHIBIT J-14**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS  
(Unaudited)**

<u>Year</u>	<u>Population</u>	County Per Capital Personal	Unemployment Income**	<u>Rate*</u>
2025	978,641	(1)	N/A	N/A
2024	978,641		N/A	3.7%
2023	957,736	\$	102,229	3.6%
2022	952,997		96,434	3.3%
2021	953,819		94,342	6.2%
2020	930,394		88,256	9.2%
2019	932,256		86,871	2.8%
2018	932,897		82,731	3.3%
2017	932,449		78,611	3.8%
2016	928,381		76,367	4.2%

### (1) Estimate

\*

Amounts noted are for Bergen County

\*\*

Amounts noted are for Bergen County - Source: Bureau of Economic Analysis

## Source

NJ Department of Labor, Bureau of Labor Force Statistics  
U.S. Department of Commerce, Bureau of Economic analysis  
New Jersey Department of Labor

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS,  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)**

<b>Employer</b>	<b>2025</b>		<b>2016</b>	
	<b>Employees</b>	<b>Percentage of Total Municipal Employment</b>	<b>Employees</b>	<b>Percentage of Total Municipal Employment</b>
	NOT AVAILABLE		NOT AVAILABLE	

Source: County of Bergen

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

<u>Function/Program</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>2025</u>
Instruction										
Special education	304.9	313.0	293.4	262.0	267.3	274.2	263.0	261.0	263.3	262.6
Other special education	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Community Services	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Support Services:										
Student & instruction related services	72.7	69.6	71.4	68.4	67.3	67.9	67.8	68.7	67.9	66.5
Health Services	10.0	10.0	10.0	10.8	10.5	10.5	9.7	9.7	9.7	10.7
Educational Media Services	9.1	9.9	9.1	7.0	6.8	6.8	6.8	6.8	7.8	6.2
General administration	2.0	2.0	2.1	2.1	2.1	1.9	1.9	1.9	2.4	2.4
School administrative services	22.8	21.9	20.9	19.2	21.9	23.4	22.4	22.1	22.3	23.3
Central services	6.1	6.1	5.6	6.1	5.9	7.8	7.7	7.7	7.8	8.1
Plant operations and maintenance	20.5	24.0	23.4	24.4	26.4	26.4	27.4	27.9	27.4	29.3
Pupil transportation	12.4	11.9	10.4	11.5	11.5	12.0	12.0	12.0	11.0	10.0
Special Schools	31.4	32.4	32.2	27.7	21.6	16.0	16.1	18.6	17.6	20.7
Total	<u>494.4</u>	<u>503.3</u>	<u>480.8</u>	<u>441.6</u>	<u>443.8</u>	<u>449.4</u>	<u>437.3</u>	<u>438.9</u>	<u>439.7</u>	<u>442.3</u>

110

Source: District Personnel Records

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

Fiscal Year	Enrollment <sup>a</sup>	Operating Expenditures <sup>b</sup>		Cost Per Pupil <sup>c</sup>	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
		\$									
III	2016	653	\$ 69,522,614	\$ 106,466	5.40%	209	3.12	675	622	-44.00%	92.15%
	2017	658	\$ 72,516,903	\$ 110,208	3.51%	129	5.10	655	602	-2.96%	91.91%
	2018	663	\$ 68,971,598	\$ 104,030	-5.61%	127	5.22	642	590	-1.98%	91.90%
	2019	614	\$ 71,338,980	\$ 116,187	0.12	119	5.16	612	563	-4.67%	91.99%
	2020	595	\$ 70,434,682	\$ 118,378	1.89%	109	5.46	588	535	-3.92%	90.99%
	2021	594	\$ 69,395,689	\$ 116,828	-1.31%	109	5.45	603	561	2.55%	93.03%
	2022	555	\$ 72,557,350	\$ 130,734	11.90%	112	4.96	578	501	-4.15%	86.68%
	2023	584	\$ 75,014,381	\$ 128,449	-1.75%	113	5.17	590	517	2.08%	87.63%
	2024	573	\$ 80,409,404	\$ 140,331	9.25%	117	4.90	596	529	1.02%	88.76%
	2025	573	\$ 83,286,808	\$ 145,352	3.58%	113	5.07	599	537	0.50%	89.65%

Sources: District records

Note:

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

N/A - Not Available

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

<b><u>District Building</u></b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Union St. School- Hackensack										
Square Feet	8,060	8,060	8,060	8,060	8,060	8,060	8,060	8,060	8,060	8,060
Capacity (students)										
Enrollment	52	41	23	25	23	26	19	15	15	16
Woodridge Transition Center										
Square Feet	19,261	19,261	19,261	19,261	19,261	19,261	19,261	19,261	19,261	19,261
Capacity (students)										
Enrollment	43	44	37	36	33	29	27	29	29	22
Rocco Montesano, Paramus										
Square Feet	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Capacity (students)										
Enrollment	85	76	70	74	78	72	71	70	70	85
Brownstone, Saddle Brook										
Square Feet	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096	20,096
Capacity (students)										
Enrollment	55	66	72	88	73	80	80	79	79	74
Gateway/Venture, Hackensack										
Square Feet	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Capacity (students)										
Enrollment	38	31	29	34	30	28	26	26	26	25
Godwin, Midland Park										
Square Feet	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Capacity (students)										
Enrollment	102	96	76	76	124	125	134	132	132	117
Springboard										
Square Feet		4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300
Capacity (students)										
Enrollment		30	27	29	30	33	40	38	38	45
Washington New Bridges										
Square Feet	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Capacity (students)										
Enrollment	132	123	130	130	121	126	126	127	127	125

Number of Schools at June 30, 2024

Life Skills Continuum=2

Communication Skills Continuum=3

Behavioral Skills Continuum=6

Multiple Disabilities Continuum=4

Autism Continuum=3

Source: District Records

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**GENERAL FUND**  
**SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES**  
**LAST TEN YEARS**  
**(Unaudited)**

<u>School Facilities</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>2025</u>
Union St. - Hrg. Imp., Hackensack	\$ 11,122	\$ 12,483	\$ 18,863	\$ 18,489	\$ 16,083	\$ 21,551	\$ 18,883	\$ 15,493	\$ 20,550	\$ 27,144
Woodridge Transition Center	43,849	29,830	45,076	44,182	38,435	51,501	45,125	37,023	49,116	64,846
Rocco Montesano, Paramus	55,214	61,949	93,609	91,755	79,819	106,954	93,712	76,888	102,000	134,669
Brownstone, Saddle Brook	27,738	31,123	47,029	46,098	40,101	53,734	47,081	38,628	51,245	67,651
Gateway, Hackensack/Paramus	13,801	15,487	23,402	22,939	19,955	26,738	23,428	19,222	22,500	33,667
Godwin, Midland Park	3,450	3,872	5,851	5,735	4,989	6,685	5,857	4,805	6,042	8,417
Washington, New Bridges	169,095	193,592	292,529	286,735	249,433	334,231	292,849	240,275	322,089	420,840
Washington, Ridgewood	-	-	-	-	-	-	-	-	-	-
	<u>\$ 324,269</u>	<u>\$ 348,336</u>	<u>\$ 526,359</u>	<u>\$ 515,933</u>	<u>\$ 448,815</u>	<u>\$ 601,394</u>	<u>\$ 526,935</u>	<u>\$ 432,334</u>	<u>\$ 573,542</u>	<u>\$ 757,234</u>

Source: District records.

**EXHIBIT J-20**

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SCHEDULE OF INSURANCE  
JUNE 30, 2025  
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
Educators Legal Liability United National	\$ 2,000,000	\$ 50,000
Student Accident Policy People Benefit Life Insurance Company	Full Excess	
Commercial Crime Bond CNA	250,000	1,000

Source: School District's records

**SINGLE AUDIT SECTION**

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
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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  
Bergen County Special Services School District  
Paramus, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Special Services School District as of and for the fiscal year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the Bergen County Special Services School District's basic financial statements and have issued our report thereon dated January 6, 2026.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Bergen County Special Services School District'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 Bergen County Special Services School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bergen County Special Services School District'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 Bergen County Special Services School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bergen County Special Services School District'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 Bergen County Special Services School District'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

*DP*  
Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
January 6, 2026

DIETER P. LERCH, CPA, RMA, PSA  
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**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  
Bergen County Special Services School District  
Paramus, New Jersey

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

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

We have audited the Bergen County Special Services School District'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 Bergen County Special Services School District's major federal and state programs for the fiscal year ended June 30, 2025. The Bergen County Special Services School District'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 Bergen County Special Services School District 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, 2025.

***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 Bergen County Special Services School District 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 Bergen County Special Services School District'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 Bergen County Special Services School District'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 Bergen County Special Services School District'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 Bergen County Special Services School District'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 Bergen County Special Services School District'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 Bergen County Special Services School District'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 Bergen County Special Services School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

## Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Special Services School District, a component unit of the County of Bergen, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated January 6, 2026, 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  
  
*DP*  
Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
January 6, 2026

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

<b>Federal Grantor/Pass-Through Grantor Program Title</b>	<b>Federal AL Number</b>	<b>FAIN Number</b>	<b>Grant Period</b>	<b>Award Amount</b>	<b>Balance July 1, 2024</b>	<b>Carryover Amount</b>	<b>Cash Received</b>	<b>Budgetary Expenditures</b>	<b>Refund Prior Year's Balances</b>	<b>Balance June 30, 2025</b>											
										<b>(Accounts Receivable)</b>	<b>Unearned Revenues</b>	<b>Due to Grantor</b>	<b>Memo GAAP Receivable</b>								
<b>U.S. Department of Agriculture</b>																					
<b>Pass-through State Department of Agriculture</b>																					
<b>Enterprise Fund</b>																					
School Breakfast Program	10.553	251NJ304N1099	7/1/24-6/30/25	\$ 89,862			\$ 81,191	\$ 89,862		\$ (8,671)		\$ 8,671									
School Breakfast Program	10.553	241NJ304N1099	7/1/23-6/30/24	73,999	\$ (5,742)		5,742														
National School Lunch Program	10.555																				
Cash Assistance-PB Program		251NJ304N1099	7/1/24-6/30/25	4,308			3,973	4,308		(335)		335									
Cash Assistance-PB Program		241NJ304N1099	7/1/23-6/30/24	3,506	(228)		228			-											
Cash Assistance		251NJ304N1099	7/1/24-6/30/25	167,500			153,774	167,500		(13,727)		13,727									
Cash Assistance		241NJ304N1099	7/1/23-6/30/24	138,795	(9,440)		9,440			-		-									
Non-cash Assistance		251NJ304N1099	7/1/24-6/30/25	31,634	574	-	31,634	29,858			\$ 2,350	-									
<b>Total Enterprise Fund / Child Nutrition Cluster</b>					<b>(14,836)</b>	<b>-</b>	<b>285,982</b>	<b>291,528</b>	<b>-</b>	<b>(22,733)</b>	<b>2,350</b>	<b>-</b>									
<b>U.S. Department of Education</b>																					
<b>Pass-through State Department of Education</b>																					
<b>General Fund (Includes Internal Services)</b>																					
Medicaid Assistance Program	93.778	2005NJ5MAP	7/1/24-6/30/25	327,064	-	-	327,064	327,064	-	-	-	-									
<b>Total General Fund</b>					<b>-</b>	<b>-</b>	<b>327,064</b>	<b>327,064</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>									
<b>Special Revenue Fund</b>																					
Title I Part D	84.013A	S013A250030	7/1/24-9/30/25	77,134			32,436	38,415		(5,979)		5,979									
Title I Part D	84.013A	S013A240030	7/1/23-9/30/24	23,061	(540)	-	540	-	-	-	-	-									
<b>Total Title I Part D</b>					<b>(540)</b>	<b>-</b>	<b>32,976</b>	<b>38,415</b>	<b>-</b>	<b>(5,979)</b>	<b>-</b>	<b>5,979</b>									
Education for Homeless Children and Youth	84.196A	S196A250031	7/1/24-6/30/25	565,548			123,181	484,756		(361,575)		361,575									
Education for Homeless Children and Youth	84.196A	S196A240031	7/1/23-6/30/24	331,874	\$ (58,545)	-	277,519	218,974		-	-	-									
<b>Total Education for Homeless Children/Youth</b>					<b>(58,545)</b>	<b>-</b>	<b>400,700</b>	<b>703,730</b>	<b>-</b>	<b>(361,575)</b>	<b>-</b>	<b>361,575</b>									
<b>Coronavirus Aid, Relief and Economic American Rescue Plan</b>																					
ARP - Homeless I	84.425W	22E00185	6/1/21-9/30/24	540,655	(22,846)		195,893	173,047		-		-									
ARP - Homeless II	84.425W	S425W210031	4/23/21-9/30/24	739,068	(100,441)		259,389	158,948		-	-	-									
<b>Total ESSER Cluster</b>					<b>(123,287)</b>	<b>-</b>	<b>455,282</b>	<b>331,995</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>									
Max Post School Outcomes For Students with Disabilities		24E00757	6/1/24-5/31/26	1,071,420	-	-	296,825	342,144	-	(45,319)	-	45,319									
<b>Medicaid Assistance Programs</b>																					
Getting Us There (GUTS)	93.778	2005NJ5MAP	7/1/23-6/30/24		8,382	(8,382)		-													
Leisure Bridges	93.778	2005NJ5MAP	7/1/24-6/30/25	72,339	191,486	8,382	82,904	72,340			210,432										
Adult Rehab Woodridge	93.778	2005NJ5MAP	7/1/24-6/30/25	955,380	3,136		975,051	967,809			10,378										
Adult Rehab Paramus	93.778	2005NJ5MAP	7/1/24-6/30/25	1,486,722	42,932	-	1,970,571	1,474,793		-	538,710	-									
<b>Total Medicaid Assistance Programs Cluster</b>					<b>245,936</b>	<b>-</b>	<b>3,028,526</b>	<b>2,514,942</b>	<b>-</b>	<b>-</b>	<b>759,520</b>	<b>-</b>									
<b>Total Special Revenue Funds</b>					<b>63,564</b>	<b>-</b>	<b>4,214,309</b>	<b>3,931,226</b>	<b>-</b>	<b>(412,873)</b>	<b>759,520</b>	<b>-</b>									
<b>Total Federal Financial Assistance</b>					<b>\$ 48,728</b>	<b>\$ -</b>	<b>\$ 4,827,355</b>	<b>\$ 4,549,818</b>	<b>\$ -</b>	<b>\$ (435,606)</b>	<b>\$ 761,870</b>	<b>\$ -</b>									

The Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this statement.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

<b>Program Title</b>	<b>Grant or State Project Number</b>	<b>Grant Period</b>	<b>Award Amount</b>	<b>Balance July 1, 2024</b>	<b>Carryover Amount</b>	<b>Cash Received</b>	<b>Budgetary Expenditures</b>	<b>Refund Prior Year's Balance</b>	<b>Balance June 30, 2025</b>			<b>MEMO</b>		<b>Cumulative Total Expenditures</b>
									<b>(Accounts Receivable)</b>	<b>Unearned Revenues</b>	<b>Due to Grantor</b>	<b>GAAP Receivable</b>		
<b>State Department of Education</b>														
<u>General/Special Revenue and Internal Service Funds</u>														
Reimbursed Social Security Contributions	25-495-034-5094-003	7/1/24-6/30/25	\$ 2,540,887	\$ -		\$ 2,417,788	\$ 2,540,887	\$ (123,099)				\$ 123,099	\$ 2,540,887	
Reimbursed Social Security Contributions	24-495-034-5094-003	7/1/23-6/30/24	2,404,607	\$ (115,115)		115,115	-							
On Behalf Pension System Contributions - Post Retirement Medical	25-495-034-5094-001	7/1/24-6/30/25	3,412,676			3,412,676	3,412,676						3,412,676	
On Behalf Pension System Contributions - Normal Costs	25-495-034-5094-002	7/1/24-6/30/25	11,536,311			11,536,311	11,536,311						11,536,311	
On Behalf Pension System Contributions - Non-Contributory Group Insurance	25-495-034-5094-004	7/1/24-6/30/25	142,904			142,904	142,904						142,904	
On Behalf Pension System Contributions - Long Term Disability Insurance	25-495-034-5094-002	7/1/24-6/30/25	4,743	\$ -	\$ -	4,743	4,743	\$ -	\$ -	\$ -	\$ -		4,743	
Total General/Special Revenue and Internal Service Funds				\$ (115,115)	\$ -	17,629,537	17,637,521	\$ (123,099)	\$ -	\$ -	\$ -	\$ 123,099	\$ 17,637,521	
<u>Special Revenue Fund</u>														
Other State Sources														
New Jersey Dept of Developmental Disabilities														
Adult Training	01BS9N	7/1/24-6/30/25	11,562	\$ -	\$ -	11,562	11,562	\$ -	\$ -	\$ -	\$ -		11,562	
Adult Training	01BS9N	7/1/23-6/30/24	28,306	\$ (2,702)	\$ -	2,702	-	\$ -	\$ -	\$ -	\$ -			
Total NJ Dept of Developmental Disabilities-Special Revenue				\$ (2,702)	\$ -	14,264	11,562	\$ -	\$ -	\$ -	\$ -		11,562	
Total Special Revenue Fund				\$ (2,702)	\$ -	14,264	11,562	\$ -	\$ -	\$ -	\$ -		11,562	
<b>State Department of Agriculture</b>														
<u>Enterprise Fund</u>														
National School Breakfast Program State Share	25-100-010-3350-023	7/1/24-6/30/25	1,087			985	1,088		(103)			103	1,088	
National School Breakfast Program State Share	24-100-010-3350-023	7/1/23-6/30/24	6,724	(542)		542								
Breakfast After the Bell	25-100-010-3350-023	7/1/24-6/30/25	3,451			3,124	3,451		(327)			327	3,451	
New Jersey EIE Breakfast	25-100-010-3350-023	7/1/24-6/30/25	1,896			1,695	1,896		(201)			201	1,896	
New Jersey EIE Lunch	25-100-010-3350-023	7/1/24-6/30/25	2,999			2,694	2,999		(305)			305	2,999	
National School Lunch Program State Share	25-100-010-3350-023	7/1/24-6/30/25	4,994			4,611	4,994		(383)			383	4,994	
National School Lunch Program State Share	24-100-010-3350-023	7/1/23-6/30/24	8,572	\$ (629)	\$ -	629	-	\$ -	\$ -	\$ -	\$ -			
Total Enterprise Fund				\$ (1,171)	\$ -	14,280	14,428	\$ -	\$ (1,319)	\$ -	\$ -	1,319	14,428	
Total State Financial Assistance Subject to Single Audit Determination				\$ (118,988)	\$ -	17,658,081	17,663,511	\$ -	\$ (124,418)	\$ -	\$ -	124,418	17,663,511	
<b>State Financial Assistance Not Subject to Single Audit Determination</b>														
<u>Less Amounts Not Subject to Single Audit:</u>														
On Behalf Pension System Contributions - Post Retirement Medical	25-495-034-5094-001	7/1/24-6/30/25	3,412,676			(3,412,676)	(3,412,676)						(3,412,676)	
On Behalf Pension System Contributions - Normal Costs	25-495-034-5094-002	7/1/24-6/30/25	11,536,311			(11,536,311)	(11,536,311)						(11,536,311)	
On Behalf Pension System Contributions - Non-Contributory Group Insurance	25-495-034-5094-004	7/1/24-6/30/25	142,904			(142,904)	(142,904)						(142,904)	
On Behalf Pension System Contributions - Long Term Disability Insurance	25-495-034-5094-002	7/1/24-6/30/25	4,743	\$ -	\$ -	(4,743)	(4,743)	\$ -	\$ -	\$ -	\$ -		(4,743)	
Total State Financial Assistance Subject to Major Program Determination				\$ (118,988)	\$ -	\$ 2,561,447	\$ 2,566,877	\$ -	\$ (124,418)	\$ -	\$ -	\$ 124,418	\$ 2,566,877	

The Notes to the Schedules of Expenditures of Federal Assistance and State Financial Assistance are an integral part of this statement

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**NOTE 1 REPORTING ENTITY**

The Bergen County Special Services School District (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 ACCOUNTING**

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 \$206,016 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	\$ 327,064	\$ 8,424,124	\$ 8,751,188
Special Revenue Fund	3,718,419	1,839,727	5,558,146
Internal Service Fund		4,797,936	4,797,936
Food Service Fund	291,528	14,428	305,956
 Total Financial Assistance	 \$ 4,337,011	 \$ 15,076,215	 \$ 19,413,226

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**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 \$2,540,887 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, 2025. The amount reported as TPAF Pension System Contributions in the amount of \$11,679,215, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$3,412,676 and TPAF Long-Term Disability Insurance in the amount of \$4,743 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2025.

**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.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

*Part I – Summary of Auditor's Results*

**Financial Statements**

Type of auditors' report issued on financial statements	<u>Unmodified</u>	
Internal control over financial reporting:		
1) Were any significant deficiencies over internal control identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> X <input type="checkbox"/> no
2) If applicable, were any such significant deficiencies considered to be material weakness(es)?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> X <input type="checkbox"/> none reported
Noncompliance material to basic financial statements noted?		
	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> X <input type="checkbox"/> no

**Federal Awards Section**

Internal Control over major programs:		
1) Material weakness(es) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> X <input type="checkbox"/> no
2) Significant deficiencies identified that are not considered to be material weaknesses?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> X <input type="checkbox"/> none reported
Type of auditor's report issued on compliance for major programs:		
	<u>Unmodified</u>	

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of U.S. Uniform Guidance?

yes  X  no

Identification of major programs:

<u>AL Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.778	2005NJ5MAP	Adult Rehab Paramus
93.778	2005NJ5MAP	Adult Rehab Woodridge
93.778	2005NJ5MAP	Leisure Bridges

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

Auditee qualified as low-risk auditee?  X  yes  no

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

*Part I – Summary of Auditor's Results*

**State Awards Section**

Internal Control over major programs:

(1) Were any significant deficiencies in internal control over major programs identified? \_\_\_\_\_ yes  no

2) If applicable, were any such significant deficiencies considered to be material weakness(es)? \_\_\_\_\_ yes  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?

\_\_\_\_\_  no

Identification of major state programs:

GMIS Number

Name of State Program or Cluster

25-495-034-5094-003

Reimbursed Social Security Contributions

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

\$ 750,000

Auditee qualified as low-risk auditee?

yes \_\_\_\_\_ no

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

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

There are none.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

***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**

There are none.

**CURRENT YEAR FEDERAL AWARDS**

There are none.

**BERGEN COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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 Letter 15-08.

**STATUS OF PRIOR YEAR FINDINGS**

There were none.