

Annual
Financial Report

of the

New Jersey School Boards Association

for the

Years Ended

June 30, 2025 and 2024

Prepared by

New Jersey School Boards Association

Finance Department

NEW JERSEY SCHOOL BOARDS ASSOCIATION

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FINANCIAL SECTION



SUPLEE, CLOONEY & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

INDEPENDENT AUDITOR'S REPORT

New Jersey School Boards Association
413 West State Street
Trenton, New Jersey 08618

Report on the Financial Statements

We have audited the accompanying financial statements of the New Jersey School Boards Association, which comprises the statements of net position as of June 30, 2025 and 2024 and the related statements of revenue, expenses and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the New Jersey School Boards Association, for the years ended June 30, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 New Jersey School Boards Association 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 opinion.

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 misstatement, 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 New Jersey School Boards Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the 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 opinion. 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, we:

- Exercise professional judgment 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 New Jersey School Boards Association'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 New Jersey School Boards Association'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.

SUPLEE, CLOONEY & COMPANY LLC

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* and the schedules related to accounting and reporting for pensions in Schedules R-1 through R-3 and the schedules related to accounting and reporting for OPEB in Schedules S-1 through S-3 identified in the table of contents be presented to supplement the basic financial statements. Such information, 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2025, on our consideration of the New Jersey School Boards Association'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 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 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 New Jersey School Boards Association's internal control over financial reporting and compliance.

November 14, 2025





SUPLEE, CLOONEY & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

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

New Jersey School Boards Association
413 West State Street
Trenton, New Jersey 08618

We have audited, in accordance with the auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of New Jersey School Boards Association as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise New Jersey School Boards Association's financial statements, and have issued our report thereon dated November 14, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered New Jersey School Boards Association's 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 New Jersey School Boards Association's internal control. Accordingly, we do not express an opinion on the effectiveness of New Jersey School Boards Association'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 Association'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.

SUPLEE, CLOONEY & COMPANY LLC

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether New Jersey School Boards Association'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 determination of financial statement amounts. 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*.

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 Association'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 Association's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

November 14, 2025



MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

In this section of the annual report, management of the New Jersey School Boards Association (the "Association") presents a narrative discussion and analysis of the Association's financial activities for the years ended June 30, 2025, and June 30, 2024. This section of the report should be read in conjunction with the Association's audited financial statements and supplementary information for the years ended June 30, 2025 and 2024. The Association's audited financial statements are presented in conformity with U.S. generally accepted accounting principles.

Audit Assurance

The unmodified opinion of our independent auditors, Suplee Clooney & Company, is included in this report.

Financial Highlights

Total assets and deferred outflow of resources as of June 30, 2025 were \$28.5 million, an decrease of \$489 thousand from the prior year's total assets of \$27.0 million. The change was comprised of an increase in cash of \$638 thousand, an increase in net accounts receivable of \$131 thousand, and a reduction in property, plant, and equipment and other assets of \$125 thousand, due to depreciation and amortization of these assets of \$500 thousand, offset by property additions of \$404 thousand and a decrease in prepaid expenses of \$10 thousand. Current liabilities were \$2.6 million in 2025 and \$2.5 million in 2024, with the increase primarily due to the rise of unearned revenue.

Membership dues and programs increased \$209 thousand from 2024 as a result of a \$155 thousand increase in members' dues and higher charter school memberships of \$50 thousand, while net membership expenditures increased by \$88 thousand due to the increased use of consultants to fill several vacancies.

Overhead expenditures increased \$1.1 million in 2024-2025 due primarily to an increase in Wages as a result of the annual merit increases and an increase in health care benefit costs for our employees.

The October 2024 net Workshop accounts resulted in an overall increase of \$168 thousand compared to the October 2023 Workshop. This increase is a result of higher registration and sponsorship revenues, partially offset by the increased costs driven by inflation and an effort to improve our members' Workshop experience.

Net Fee-Based Services decreased by \$143 thousand, or 22.0%, compared to the previous year total of \$652 thousand. NJSBA experienced drops in the amount of Superintendent Searches and Strategic Plans performed, though these decreases were partially offset by an increase in BoardDocs' subscriptions.

Net conference receipts and expenditures increased by \$62K from the previous year, as new programs such as the Women's Leadership Conference and the Artificial Intelligence Conference proved to be very popular.

Net Miscellaneous Receipts increased by \$119 thousand based on a higher level of members' participation in the NJSBA Cooperative Purchasing Program.

Investment income increased by \$113 thousand primarily as a result of negotiating a higher rate of return with the bank and a higher average cash balance.

Unrestricted cash and Investments of \$9.4 million was \$671 thousand higher in 2025 than in 2024 primarily due to the cash surplus that the Association generated in 2024 – 2025 and the higher level of deposits collected for Workshop 2025 sponsorships. Additionally, our rate of return on investable cash was higher, as noted in the previous paragraph. Cash provided by operating activities was \$695 thousand in 2025 and \$1.8 million in 2024. Net cash flows provided by/(used in) investing activities were \$(56) thousand in 2025 versus \$61 thousand in 2024. The majority of the funds used in investing activities related to upgrades of our website and our Information Technology systems.

Overview of Annual Financial Report

Management's Discussion and Analysis (MD&A) serves as an introduction to, and should be read in conjunction with, the basic audited financial statements and supplementary information. The MD&A represents management's examination and analysis of the Association's financial condition and performance. Summary financial statement data, and key financial and operational indicators used in the Association's budget, were used for this analysis.

The financial statements report information about the Association using full accrual accounting methods as utilized by similar business activities in the private sector. The financial statements include Statements of Net Position; Statements of Revenues, Expenses and Changes in Net Position; Statements of Cash Flows; and notes to the financial statements.

The Statements of Net Position present the financial position of the Association on a full accrual, historical cost basis. These statements present information on all of the Association's assets and liabilities, with the differences reported as net position. Over time, increases and decreases in net position are indicators of whether the financial position of the Association is improving or deteriorating.

While the Statements of Net Position provide information about the nature and amount of resources and obligations at year-end, the Statements of Revenues, Expenses and Changes to Net Position present the results of the business activities over the course of the fiscal year and information as to how the net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

The Statements of Cash Flows present changes in cash and cash equivalents, resulting from operational, financing, and investing activities. These statements present cash receipts and cash disbursement information, without consideration of the earnings event, when an obligation arises, or depreciation of capital assets occurs.

The Government Accounting Standards Board (GASB) Statement 68 requires state and local governmental entities to disclose their unfunded pension liabilities. The Association participates in the pension plan sponsored by the State of New Jersey, which has a much-publicized, large unfunded liability. Although the Association is not responsible for making pension payments to employees when they retire, GASB 68 dictates that the pro-rata share represented by Association employees participating in PERS (Public Employee Retirement System) be reported in the audited financial statements to promote better financial clarity. Understandably, the net pension liability of \$8.4 million and \$8.7 million – shown within long-term liabilities – is a significant amount at June 30, 2025 and 2024, respectively.

GASB has also issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". This plan is a cost-sharing multiple employer defined benefit other postemployment benefit (OPEB) plan with a special funding solution. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Association adopted a resolution to provide post-retirement health benefits to employees who retire with 25 years or more of service within the system by December 1, 2001. Eleven retirees meet this requirement and are receiving benefits. The net OPEB liability was \$13.1 million and \$10.7 million – shown within long-term liabilities at June 30, 2025 and 2024, respectively.

The Notes to the Financial Statements provide required disclosures and other information that are essential to a full understanding of material data provided in the statements. The notes present information about the Association's accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any.

Summary of Organization and Business

The New Jersey School Boards Association was created by the State of New Jersey N.J.S.A. 18A:6-45 in 1914. The Association is a federation of all of the state's boards of education. Each district is required to pay dues annually to the Association. The mission of the Association is to provide training, advocacy and support to advance public education and promote the achievement of all students through effective governance.

The Association's Associate Membership Program for Charter Schools is designed to help charter school trustees and lead persons successfully carry out their responsibilities in policy, governance, finance and negotiations.

Use of Surplus

The balance of the Future Ready Technology Replacement Fund as of June 30, 2024 was \$241,592. At the Board's September 2024 meeting the Board approved a transfer of \$120,000 into the fund for technology upgrades. During the current year, portions of these funds were used for new website development, technology upgrades in the first floor conference room, migration of the Association's network to a third party's cloud, and for new computers and other equipment. This left a balance of \$71,099 in the Future Ready Technology Replacement Fund as of June 30, 2025.

The Building Needs Allocation Fund had a balance of \$318,050 as of June 30, 2024. During 2024 – 2025 this fund invested in a new boiler for our Headquarters' facility, new furniture, a new burglar alarm panel, and a new vehicle, resulting in a fund balance of \$204,116 as of June 30, 2025.

Contacting the Association's Management

If there are any questions concerning the Association's report or if additional information is needed, please contact Dr. Timothy Purnell, Executive Director; New Jersey School Boards Association, 413 West State Street, Trenton, New Jersey 08618.

Financial Analysis

The following comparative, condensed financial statements and other selected information serve as key financial data and indicators for management, monitoring and planning.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

CONDENSED FINANCIAL STATEMENTS

CONDENSED STATEMENTS OF NET POSITION

	June 30		Variance		2023
	2025	2024	Dollars	%	
Assets and Deferred Outflow of Resources					
Cash and Cash Equivalents	\$ 9,527,749	\$ 8,889,199	\$ 638,550	7.2%	\$ 7,074,900
Accounts Receivable - Net	688,595	557,552	131,043	23.5%	671,955
Property, Plant and Equipment - Net	6,534,165	6,629,527	(95,362)	-1.4%	6,907,402
Other Assets	350,849	380,418	(29,569)	-7.8%	284,864
Deferred Outflow of Resources	11,413,595	12,547,908	(1,134,313)	-9.0%	12,858,225
Total Assets and Deferred Outflow of Resources	<u>\$ 28,514,953</u>	<u>\$ 29,004,604</u>	<u>\$ (489,651)</u>	<u>-1.7%</u>	<u>\$ 27,797,446</u>
Liabilities and Deferred Inflow of Resources					
Current Liabilities	\$ 2,631,567	\$ 2,493,202	\$ 138,365	5.5%	\$ 2,124,952
Long-Term Liabilities	21,637,433	19,512,919	2,124,514	10.9%	20,192,238
Total Liabilities	<u>24,269,000</u>	<u>22,006,121</u>	<u>2,262,879</u>	<u>10.3%</u>	<u>22,317,190</u>
Deferred Inflow of Resources	9,784,155	13,784,137	(3,999,982)	-29.0%	15,708,100
Net Position					
Board Designated	275,215	559,642	(284,427)	-50.8%	434,193
Unrestricted - Undesignated	7,596,973	6,691,268	905,705	13.5%	5,370,713
Unrestricted - Net Pension Liability	(9,525,023)	(9,660,823)	135,800	-1.4%	(11,005,255)
Unrestricted - OPEB Liability	(10,419,532)	(11,005,268)	585,736	-5.3%	(11,934,900)
Net Investment in Facilities	6,534,165	6,629,527	(95,362)	-1.4%	6,907,402
Total Net Position	<u>(5,538,202)</u>	<u>(6,785,654)</u>	<u>1,247,452</u>	<u>-18.4%</u>	<u>(10,227,844)</u>
Total Liabilities, Deferred Inflow of Resources and Net Position	<u>\$ 28,514,953</u>	<u>\$ 29,004,604</u>	<u>\$ (489,651)</u>	<u>-1.7%</u>	<u>\$ 27,797,446</u>

NEW JERSEY SCHOOL BOARDS ASSOCIATION

CONDENSED FINANCIAL STATEMENTS

CONDENSED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	June 30		Variance		
	2025	2024	Dollars	%	2023
Membership Dues	\$ 7,761,299	\$ 7,606,382	\$ 154,917	2.0%	\$ 7,112,094
Membership Programs	416,250	362,102	54,148	15.0%	348,721
Total Memberships	<u>8,177,549</u>	<u>7,968,484</u>	<u>209,065</u>	<u>2.6%</u>	<u>7,460,815</u>
Membership Expenditures:					
Committees	45,400	43,267	2,133	4.9%	49,446
Conferences	32,053	47,616	(15,563)	-32.7%	26,416
Membership Services & Programs	97,466	41,901	55,565	132.6%	191,894
Publications included with Memberships, Net	29,170	(479)	29,649	-6189.8%	13,103
Travel & Liaison	132,253	115,480	16,773	14.5%	101,310
Total Memberships Expenditures	<u>336,342</u>	<u>247,785</u>	<u>88,557</u>	<u>35.7%</u>	<u>382,169</u>
Overhead:					
Salaries	6,873,174	6,117,619	755,555	12.4%	5,688,057
Personnel Administration & Training	2,624,877	2,364,739	260,138	11.0%	2,226,142
Headquarters Housing	369,794	382,370	(12,576)	-3.3%	359,388
Amortization & Depreciation Expense	499,790	452,428	47,362	10.5%	439,799
Insurance	120,414	113,111	7,303	6.5%	111,941
Office Expense	484,957	421,357	63,600	15.1%	343,885
Total Overhead Expenditures	<u>10,973,006</u>	<u>9,851,624</u>	<u>1,121,382</u>	<u>11.4%</u>	<u>9,169,212</u>
Net Memberships	(3,131,799)	(2,130,925)	(1,000,874)	47.0%	(2,090,566)
Workshop Receipts	3,149,906	2,902,884	247,022	8.5%	2,577,741
Workshop Expenditures	1,114,028	1,035,013	79,015	7.6%	882,496
Net Workshop	<u>2,035,878</u>	<u>1,867,871</u>	<u>168,007</u>	<u>9.0%</u>	<u>1,695,245</u>
Fee Based Service Receipts	531,624	660,555	(128,931)	-19.5%	616,298
Fee Based Service Expenditures	23,449	8,994	14,455	160.7%	47,662
Net Fee Based Services	<u>508,175</u>	<u>651,561</u>	<u>(143,386)</u>	<u>-22.0%</u>	<u>568,636</u>
Conference Receipts	191,338	122,938	68,400	55.6%	136,998
Conference Expenditures	52,154	45,643	6,511	14.3%	34,974
Net Conferences	<u>139,184</u>	<u>77,295</u>	<u>61,889</u>	<u>80.1%</u>	<u>102,024</u>
Net Publications	9,175	3,463	5,712	164.9%	4,329
Net ISTEAM, Sustainability and Other	44,451	10,389	34,062	327.9%	19,660
Net Miscellaneous Receipts	572,501	453,325	119,176	26.3%	576,222
Net PERS and OPEB Adjustment	721,536	2,274,064	(1,552,528)	-68.3%	3,453,201
Investment Income	348,351	235,147	113,204	48.1%	142,681
Net Income	1,247,452	3,442,190	(2,194,738)	63.8%	4,471,432
Net Position, Beginning of Year	<u>(6,785,654)</u>	<u>(10,227,844)</u>	<u>3,442,190</u>	<u>-33.7%</u>	<u>(14,699,276)</u>
Net Position, End of Year	<u>\$ (5,538,202)</u>	<u>\$ (6,785,654)</u>	<u>\$ 1,247,452</u>	<u>18.4%</u>	<u>\$ (10,227,844)</u>

BASIC FINANCIAL STATEMENTS

NEW JERSEY SCHOOL BOARDS ASSOCIATION

STATEMENTS OF NET POSITION

JUNE 30, 2025 AND 2024

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	<u>2025</u>	<u>2024</u>
<u>Current Assets:</u>		
Cash and Cash Equivalents	\$ 9,353,341	\$ 8,682,200
Cash - Restricted	174,408	206,999
Accounts Receivable-Net	688,595	557,552
Prepaid Expenses	287,411	297,361
<u>Total Current Assets</u>	<u>10,503,755</u>	<u>9,744,112</u>
<u>Non-current Assets:</u>		
Right of Use Asset- Lease	63,438	83,057
<u>Total Non-current Assets</u>	<u>63,438</u>	<u>83,057</u>
<u>Fixed Assets:</u>		
Land for HQ	1,686,534	1,686,534
Land	139,040	139,040
Building and Building Improvements	10,656,633	10,656,633
Furniture, Fixtures and Office Equipment	1,257,532	1,146,803
Computer Hardware and Software	1,681,862	1,429,147
Telephone System	47,026	47,026
Automobiles	103,218	62,235
	15,571,845	15,167,418
Less: Accumulated Depreciation and Amortization	(9,037,680)	(8,537,891)
<u>Net Fixed Assets</u>	<u>6,534,165</u>	<u>6,629,527</u>
<u>Total Assets</u>	<u>17,101,358</u>	<u>16,456,696</u>
<u>Deferred Outflow of Resources</u>		
Pension Related	370,863	1,124,626
OPEB Related	11,042,732	11,423,282
	11,413,595	12,547,908
<u>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</u>	<u>\$ 28,514,953</u>	<u>\$ 29,004,604</u>

The accompanying Notes are an integral part of these financial statements.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

STATEMENTS OF NET POSITION

JUNE 30, 2025 AND 2024

LIABILITIES, DEFERRED INFLOWS
OF RESOURCES AND NET POSITION

	<u>2025</u>	<u>2024</u>
<u>Current Liabilities:</u>		
Accounts Payable & Accrued Expenses	\$ 284,598	\$ 245,436
Unearned Revenue	1,705,113	1,640,215
Accrued Vacation Payable	641,856	607,551
<u>Total Current Liabilities</u>	<u>2,631,567</u>	<u>2,493,202</u>
<u>Long-term Liabilities:</u>		
Net Pension Liability	8,383,949	8,737,102
Net OPEB Liability	13,190,046	10,692,760
Lease Liability	63,438	83,057
<u>Total Long-term Liabilities</u>	<u>21,637,433</u>	<u>19,512,919</u>
<u>Total Liabilities</u>	<u>24,269,000</u>	<u>22,006,121</u>
<u>Deferred Inflow of Resources</u>		
Pension Related	1,511,937	2,048,347
OPEB Related	8,272,218	11,735,790
	<u>9,784,155</u>	<u>13,784,137</u>
<u>Net Position</u>		
Unrestricted - Board Designated:		
Building Needs Allocation	204,116	318,050
Future Ready Technology Replacement	71,099	241,592
Total Unrestricted - Board Designated	<u>275,215</u>	<u>559,642</u>
Unrestricted - Undesignated	7,596,973	6,691,268
Unrestricted - Net Pension Liability	(9,525,023)	(9,660,823)
Unrestricted - OPEB Liability	(10,419,532)	(11,005,268)
Net Investment in Capital Assets	6,534,165	6,629,527
<u>Total Net Position</u>	<u>(5,538,202)</u>	<u>(6,785,654)</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION</u>	<u>\$ 28,514,953</u>	<u>\$ 29,004,604</u>

The accompanying Notes are an integral part of these financial statements.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Membership Dues	\$ 7,761,299	\$ 7,606,382
Membership Programs	<u>416,250</u>	<u>362,102</u>
Total Memberships	<u>8,177,549</u>	<u>7,968,484</u>
Membership Expenditures:		
Committees	45,400	43,267
Conferences	32,053	47,616
Membership Services & Programs	97,466	41,901
Publications included with Memberships, Net	29,170	(479)
Travel & Liaison	<u>132,253</u>	<u>115,480</u>
Total Memberships Expenditures	<u>336,342</u>	<u>247,785</u>
Overhead:		
Salaries	6,873,174	6,117,619
Personnel Administration & Training	2,624,877	2,364,739
Headquarters Housing	369,794	382,370
Amortization & Depreciation Expense	499,790	452,428
Insurance	120,414	113,111
Office Expense	<u>484,957</u>	<u>421,357</u>
Total Overhead Expenditures	<u>10,973,006</u>	<u>9,851,624</u>
Net Memberships	<u>(3,131,799)</u>	<u>(2,130,925)</u>
Workshop Receipts	3,149,906	2,902,884
Workshop Expenditures	<u>1,114,028</u>	<u>1,035,013</u>
Net Workshop	<u>2,035,878</u>	<u>1,867,871</u>
Fee Based Service Receipts	531,624	660,555
Fee based Service Expenditures	<u>23,449</u>	<u>8,994</u>
Net Fee Based Services	<u>508,175</u>	<u>651,561</u>
Conference Receipts	191,338	122,938
Conference Expenditures	<u>52,154</u>	<u>45,643</u>
Net Conferences	<u>139,184</u>	<u>77,295</u>

NEW JERSEY SCHOOL BOARDS ASSOCIATION
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Net Publications	9,175	3,463
Net iSTEAM & Sustainability	44,451	10,389
Net Miscellaneous Receipts	572,501	453,325
Net PERS and OPEB Adjustment	<u>721,536</u>	<u>2,274,064</u>
Net Operating Income	<u>899,101</u>	<u>3,207,043</u>
Investment Income	<u>348,351</u>	<u>235,147</u>
Net Income	<u>1,247,452</u>	<u>3,442,190</u>
Net Position, Beginning of Year	<u>(6,785,654)</u>	<u>(10,227,844)</u>
Net Position, End of Year	<u>\$ (5,538,202)</u>	<u>\$ (6,785,654)</u>

The accompanying Notes are an integral part of these financial statements.

NEW JERSEY SCHOOL BOARDS ASSOCIATIONSTATEMENTS OF CASH FLOWFOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Cash Flows from Operating Activities:		
Collections from Customers	\$ 13,024,895	\$ 12,553,976
Payments to Vendors and Employees	<u>(12,330,269)</u>	<u>(10,800,271)</u>
Net Cash Provided by Operating Activities	<u>694,626</u>	<u>1,753,705</u>
Cash Flows from Investing Activities:		
Purchases of Equipment	(404,427)	(174,553)
Investment Income	<u>348,351</u>	<u>235,147</u>
Net Cash Used in Investing Activities	<u>(56,076)</u>	<u>60,594</u>
Net Change in Cash and Cash Equivalents	638,550	1,814,299
Cash and Cash Equivalents, Beginning of Year	<u>8,889,199</u>	<u>7,074,900</u>
Cash and Cash Equivalents, End of Year	<u>\$ 9,527,749</u>	<u>\$ 8,889,199</u>
Reconciliation of Operating Income to:		
Net Cash Provided by Operating Activities:		
Operating Income	\$ 899,101	\$ 3,207,043
Depreciation	374,853	373,864
Amortization	124,936	78,564
Changes in Operating Assets and Liabilities:		
Accounts Receivable	(131,043)	114,403
Prepaid Expenses	9,950	(114,355)
Accounts Payable and Accrued Expenses	73,467	50,715
Other Liabilities	<u>(656,638)</u>	<u>(1,956,529)</u>
Net Cash Provided by Operating Activities	<u>\$ 694,626</u>	<u>\$ 1,753,705</u>

The accompanying Notes are an integral part of these financial statements.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

The New Jersey School Boards Association (the "Association") was created by the State of New Jersey N.J.S.A. 18A:6-45 in 1914. The Association is a state federation of all district boards of education. Each district is required to annually pay dues to the Association. The mission of the Association is to provide training, advocacy and support to advance public education and promote the achievement of all students through effective governance.

Reporting Entity

The Association's financial statements include all operations and management of the organization. The Board of Directors consists of the officers of the Association and 26 members as follows:

- a. One from each county of the State, who shall be elected by the district boards of education acting through the school boards association of each county;
- b. Three members elected by the members of the Urban Boards Committee, provided that no member elected pursuant to this subsection be a member of a local board on which another member of the Board of Directors already serves;
- c. One member who shall be appointed by the president with the advice and consent of the Board of Directors, and who shall be a member of a county vocational board of education, provided that no member appointed pursuant to this subsection may be a member of a local board on which another member of the Board of Directors already serves;
- d. One member elected by the members of the County Association Leadership, provided that no member elected pursuant to this subsection may be a member of a local board on which another member of the Board of Directors already serves; and
- e. Any board of education member who is elected as an officer or board of directors member of the National School Boards Association, and whose district board of education is in good standing with the Association, shall serve as a non-voting member of the Board of Directors for the duration of his or her NSBA term of office.

Regular members of the Board of Directors other than officers shall be elected or appointed for a term of three years. There is one alternate for each director, selected in the same manner as the director by the same authority, for a three-year term. The officers are elected for a two-year term. Among other duties and authority, the Board of Directors implements the purposes of the Association and exercises general supervision over its affairs, between meetings of the delegates; they adopt the annual budget and approve the annual audit of the Association; and are authorized to transact the business of the Association and enter into contracts on behalf of the Association. There are no additional entities required to be included in the reporting entity, and the Association is not included in any other reporting entity.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting and Financial Reporting for Pensions

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68 "Accounting and Financial Reporting for Public Employees Pensions", which requires the State of New Jersey to calculate and allocate the unfunded net pension liability of Public Employees Retirement System (PERS) of the participating employers as of June 30, 2025. The statement does not alter the amounts of funds that must be budgeted for pension payments under existing state law.

Statement 68 requires a state or local government employer (or non-employer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or non-employer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or non-employer contributing entity that arise from other types of events.

Under Generally Accepted Accounting Principles ("GAAP"), the Association is required to recognize the pension liability in the Statement of Net Position and the Statement of Revenues, Expenses, Changes in Net Position and the Notes to the Financial Statements in accordance with GASB 68. The liability required to be displayed by GASB 68 is displayed as a separate line item on the Statement of Net Position.

Basis of Accounting

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for proprietary funds as prescribed by the GASB. Proprietary fund revenues and expenses are recognized on the accrual basis. Accordingly, revenues are recognized in the accounting period in which they are earned and become measurable. Membership dues collected in the current fiscal year, which are due in the next fiscal year, are recorded as unearned revenue. Expenses are recognized in the period incurred if measurable. Under GASB Statement No. 34, for financial reporting purposes, the Association is considered a special-purpose government entity engaged only in business-type activities.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"* (OPEB). This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions. It also requires the State of New Jersey to calculate and allocate to each participating member, for note disclosure purposes only, the OPEB net liability of New Jersey Health Benefits Local Government Retiree Plan (the Plan). The statement does not alter the amount of funds that must be budgeted for OPEB payment under existing state law.

Under GAAP, the Association is required to recognize the OPEB liability in the Statement of Net Position and the Statement of Revenues, Expenses, Changes in Net Position and the Notes to the Financial Statements in accordance with GASB 75. The liability required to be displayed by GASB 75 is displayed as a separate line item on the Statement of Net Position.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Association has only two items that qualify for reporting in this category, deferred amounts related to pensions and OPEB.

In addition to liabilities, the statement of net position will sometimes report a separate section or deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Association has two items that qualify in this category, deferred amounts related to pensions and OPEB.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Concentration of Credit Risk

The Association maintains its cash balances in financial institutions, which are insured by the Federal Deposit Insurance Corporation up to \$250,000 each and the remaining bank balance is covered by the New Jersey Governmental Unit Deposit Protection Act (GUDPA). Our bank, Citizens Bank, is certified by the Department of Banking and Insurance for participation in the GUDPA system.

Cash Equivalents

Cash equivalents consist of short-term, highly liquid investments, which are readily convertible into cash within 3 months of purchase. Balances may exceed FDIC limits. The Association believes it is not exposed to any significant credit risks.

Accounts Receivable

Accounts receivable consists of various amounts receivable from member boards of education and corporate partners for conferences, fee-based services, advertising, and other member program services.

Investments

Investments are stated at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. The Association classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments and are stated at cost.

Authorized investments include the following:

- a. Certificates of Deposit or other interest-bearing deposits of New Jersey financial institutions, which are certified as Public Depositories for accepting public funds by the State Commissioner of Banking, according to the provisions of the GUDPA. There is no dollar limitation on funds placed in GUDPA depositories.
- b. Money market funds of authorized financial institutions (GUDPA depositories).
- c. The State of New Jersey Cash Management Fund.
- d. Obligations of the U.S. Government or obligations guaranteed by the U.S. Government.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

Lease liabilities represent obligations to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of the expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Payments for short-term leases with a term of 12 months or less are expensed as incurred and these leases are not included as lease liabilities or right -to-use assets on the statements of net position.

Right to Use Assets

Right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized in a systematic and rational manner over the life of the related lease.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using the straight-line method based on the estimated useful lives of the related assets. Asset lives used in the calculation of depreciation are as follows:

Buildings and Improvements	33 ½ years
Office Equipment	5 years
Furniture and Fixtures	10 years
Telephone System	10 years
Computer Hardware and Software	3 years
Vehicles	3 years

Estimates and Uncertainties

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Association is a governmental unit as described in Section 170(c) (1) of the Internal Revenue Code and in accordance with Section 115 of the Code, is not subject to income taxes.

Recently Adopted Accounting Pronouncements

Beginning with the year ended June 30, 2023, the Association has implemented GASB Statement 87, *Leases*. GASB Statement 87 establishes criteria for accounting and financial reporting for leases. It creates a single model for lease accounting and requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. A Lessee is required to recognize a lease liability and an intangible right to use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

(2) CASH- RESTRICTED

The Association's cash restricted accounts consisted of the following at June 30:

	<u>2025</u>	<u>2024</u>
Trust - ACES	<u>\$174,408</u>	<u>\$206,999</u>

(3) INVESTMENTS

At June 30, 2025 and 2024, the Association's cash was invested in a money market and an interest-bearing account.

(4) DESIGNATED NET POSTITION

The Association has designated certain funds as restricted by the Board of Directors. \$173,000 was spent from the Future Ready Technology Fund during 2023 – 2024 – primarily on the new website development and several new computers – resulting in a fund balance of \$241,592 as of June 30, 2024. At the Board's September 2024 meeting the Board approved a transfer of \$120,000 into the fund for technology upgrades. \$131,000 was spent on the development of the Association's new website; \$41,000 was spent on technology upgrades in the first floor conference room; \$84,000 was spent to migrate the Association's network to a third party's cloud; and the remaining \$35,000 was spent on new computers and equipment. These investments resulted in a Future Ready Technology fund balance of \$71,099 as of June 30, 2025.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(4) DESIGNATED NET POSITION (CONTINUED)

At the Board's September 2023 meeting the Board approved a transfer of \$300,000 into the Building Needs Allocation fund for the replacement of an old boiler as well as office renovations in connection with the Association's new organizational structure. \$2,000 was invested in new equipment for the field service representatives and county coordinators in 2023 – 2024, which resulted in a \$318,051 fund balance as of June 30, 2024. During 2024 – 2025 the Association invested \$73,000 in upgrades at our Headquarters' facility, including a new boiler, new furniture and a new burglar alarm panel. Additionally, a vehicle was purchased for \$41,000. These investments resulted in Building Needs Allocation fund balance of \$204,116 as of June 30, 2025.

(5) PROPERTY AND EQUIPMENT - GROSS

Property and equipment are summarized as follows for June 30:

	<u>2025</u>	<u>2024</u>
Property and Equipment:		
Land in Hamilton, NJ	\$ 1,686,534	\$ 1,686,534
Land in Trenton, NJ	139,040	139,040
Building and Improvements	10,656,633	10,656,633
Furniture and Fixtures	792,464	767,351
Computer Hardware and Software	1,681,862	1,429,148
Office Equipment	465,068	379,451
Telephone System	47,026	47,026
Vehicles	103,218	62,235
Total Property and Equipment	<u>\$ 15,571,845</u>	<u>\$ 15,167,418</u>
 Total Accumulated Depreciation and Amortization	 <u>9,037,680</u>	 <u>8,537,891</u>
 Total Property and Equipment, Net	 <u>\$ 6,534,165</u>	 <u>\$ 6,629,527</u>

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(6) PENSION AND OTHER DEFERRED COMPENSATION PLANS

Deferred Compensation Plan

The Association's deferred compensation program is offered to all Association employees. The program was created in accordance with Sections 403(b) and 457 of the Internal Revenue Code. The program is offered by the Association through two program administrators, The Variable Annuity Life Insurance Company ("VALIC") and The Metropolitan Life Insurance Company ("MetLife"). Amounts deferred under this plan are to be held for the exclusive benefit of participating employees and are not accessible by the Association or its creditors.

The Association has a Deferred Compensation Plan pursuant to Section 403(b) of the Internal Revenue Code. The Association does not contribute to the Plan. All amounts deferred under the 403(b) plan are the property of the employees.

(7) PENSION AND OTHER DEFERRED COMPENSATION PLANS

Public Employees' Retirement System (PERS)

The Public Employees' Retirement System was 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 board or public agency provided the employee is not a member of another state-administered retirement system.

Subsequent legislation has changed the enrollment and retirement criteria for PERS members enrolled as of certain dates and defined them as tiers in the following manner:

Tier 1 – Members who were enrolled prior to July 1, 2007

Tier 2 – Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008

Tier 3 - Members who were eligible to enroll on or after November 2, 2008 and on or before May 21, 2010

Tier 4 - Members who were eligible to enroll after May 21, 2010 and before June 28, 2011

Tier 5 - Members who were eligible to enroll on or after June 28, 2011

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(7) PENSION AND OTHER DEFERRED COMPENSATION PLANS (CONTINUED)

The minimum retirement age requirement for PERS members is age 60 for Tier 1 and Tier 2 members, age 62 for Tier 3 and Tier 4 members, and age 65 for Tier 5 members. The formula to calculate the maximum annual pension for Tier 1, Tier 2, and Tier 3 is:

$$\frac{\text{Years of Service}}{55} \times \text{Final Annual Average Salary} = \text{Retirement Allowance}$$

The formula to calculate the maximum annual pension for Tier 4 and Tier 5 is:

$$\frac{\text{Years of Service}}{60} \times \text{Final Annual Average Salary} = \text{Retirement Allowance}$$

Final Average Salary for Tier 1, Tier 2, and Tier 3 members means the average salary for the 36 months immediately preceding retirement. For Tier 4 and Tier 5 members the Final Average Salary is the average of their salary for the last 60 months immediately preceding retirement.

The Association made contributions of \$839,586 and \$806,205 to PERS for the fiscal years ended June 30, 2025 and 2024, respectively.

(8) ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68

Accounting and Financial Reporting for Pensions – GASB 68

The Governmental Accounting Standards Board (GASB) Statement No. 68 "Accounting and Financial Reporting for Public Employees Pensions" requires the State of New Jersey to calculate and allocate, for note disclosure purposes only, the unfunded net pension liability of Public Employees Retirement System (PERS) of the participating Association as of June 30, 2025. The statement does not alter the amounts of funds that must be budgeted for pension payments under existing state law.

Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, any unfunded net pension liability of the Association, allocated by the State of New Jersey, is not required to be reported in the financial statements as presented and any pension contributions required to be paid are raised in that year's budget and no liability is accrued at June 30, 2025.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(8) ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68 (CONT'D)

Public Employees Retirement System (PERS)

At June 30, 2024, the State reported a net pension liability of \$8,383,949 for the Association's proportionate share of the total net pension liability. 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. The Association's proportion of the net pension liability was based on a projection of the Association's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the Association's proportion was 0.0617009164 percent, which was an increase of 0.0013800367 percent from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the State recognized an actuarially determined pension benefit of \$102,428 for the Association's proportionate share of the total pension expense. The pension expense recognized in the Association's financial statements based on the April 1, 2024 billing was \$806,205.

At June 30, 2024, the State reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 167,946	\$ 22,320
Changes of assumptions	10,416	95,390
Net difference between projected and actual earnings on pension plan investments		388,741
Changes in proportion and differences between Association contributions and proportionate share of contributions	<u>192,501</u>	<u>1,005,486</u>
	\$ <u>370,863</u>	\$ <u>1,511,937</u>

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(8) ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68 (CONT'D)

Public Employees Retirement System (PERS) (Continued)

Other local amounts reported by the State as the Association's proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the State's actuarially calculated pension expense as follows:

Year Ended June 30,	Amount
2025	(\$518,559)
2026	\$112,836
2027	(\$321,059)
2028	(\$254,076)
2029	(\$160,216)
	<u>(\$1,141,074)</u>

Actuarial Assumption

The collective total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which rolled forward to June 30, 2024. These actuarial valuations used the following assumptions:

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

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 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.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(8) ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68 (CONT'D)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% 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 the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan 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 rates of return for each major assets class included in PERS's target assets allocation as of June 30, 2024 asset are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	28.00%	8.63%
Non-U.S. Developed Market Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Market Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasury's	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%

Discount Rate

The discount rate used to measure the total pension liability 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.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(8) ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68 (CONT'D)

Sensitivity of the Association's proportionate share of net pension liability to changes in the discount rate

The following presents the Association's proportionate share of the net pension liability of the participating employers as of June 30, 2024 respectively, calculated using the discount rate as disclosed above as well as what the Association's proportionate share of the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1- percentage point higher than the current rate:

	June 30, 2024		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Association's proportionate share of the pension liability	\$11,140,207	\$8,383,949	\$6,038,388

Special Funding Situation

In accordance with N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. For PERS, the legislation which legally obligates the State is found in Chapter 133, P.L. 2001. This special funding situation is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2024, there is no net pension liability associated with this special funding situation as there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date.

The amounts contributed by the State on behalf of the Association under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the Association does not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the Association related to this legislation.

The non-employer contributing entities' total proportionate share of the non-employer contribution that is associated with the Association as of June 30, 2024 was 0.0619859789% which was an increase of 0.0014360788% percent from its proportion measured as of June 30, 2023. The non-employer contributing entities' contribution and employer pension expense and related revenue for the years ended June 30, 2024 and June 30, 2023 \$27,030 and \$27,248 respectively.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(8) ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68 (CONT'D)

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>

(9) EMPLOYEE HEALTH INSURANCE

Contributions by Employees

Participating Association staff members contribute from 10 percent to 35 percent of the total premium cost. In the same law (Chapter 78, P.L. 2011) referred to above in the Funding Policy for PERS section, health care contributions are incrementally changing over time, effective June 28, 2011. This change is determined by type of coverage: single, family, member/spouse/partner/child coverage, and by salary.

In 2025 and 2024, the Association paid \$1,439,795 and \$1,183,694 for staff health care premiums. This was offset by contributions of \$410,486 and \$332,031, or 28.5 percent and 28.1 percent, respectively.

(10) POST RETIREMENT HEALTH INSURANCE

The Association provides post-retirement health benefits to employees who retired with 25 years or more of service within the system by December 1, 2001. Employees with ten (10) or more years of service may also qualify for benefits under the Disability Retirement Provisions of the Plan. Currently eleven retirees meet this requirement and are receiving benefits.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(10) POST RETIREMENT HEALTH INSURANCE (CONTINUED)

Plan Description

The Association contributes to the State Health Benefits Program (SHBP), a cost sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents. The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at <http://www.state.nj.us/treasury/pensions>.

Funding Policy

Contributions to pay for the health premiums of participating employees in the SHBP are billed to the Association on a monthly basis. Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. In accordance with Chapter 62, P.L. 1994, post-retirement medical benefits have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. The Association's contributions to the SHBP for the years ended June 30, 2025 and 2024 were \$93,408 and \$84,081, respectively, which equaled the required contributions for each year. Additionally, the Association reimbursed eleven retirees for Part B Federal Medicare premiums, for a cost of \$25,157 and \$26,512 for the years ended June 30, 2025 and 2024, respectively.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(11) ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS
OTHER THAN PENSIONS – GASB 75

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions. OPEB obligations are non-pension benefits that the Association has contractually or otherwise agreed to provide employees once they have retired and, in most instances, will be for retirement health, prescription and dental insurance coverage.

Under current New Jersey budget and financial reporting requirements, the Association is not required to fund any amounts in excess of their current costs on a pay-as-you-go basis or to accrue funds, create a trust or issue debt to finance their other post-employment benefit liability. Additionally, the Association is not required to recognize any long-term obligations resulting from OPEB on their financial statements.

Plan Description and Benefits Provided

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*; therefore, assets are accumulated to pay associated benefits.

The Plan provides medical and prescription drug coverage to retirees and their covered dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(11) ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS
OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Plan Description and Benefits Provided (Continued)

Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations' agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A 52: 14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330.

The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

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.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(11) ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS
OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Total Net OPEB Liability

At June 30, 2024, the Plan reported a Liability of \$13,190,046 for the Association's proportionate share of the collective Net OPEB liability. The total Net OPEB Liability measured as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023, which was rolled forward to June 30, 2024.

The Association's proportion of the Net OPEB Liability was based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2023 through June 30, 2024.

At June 30, 2024, the Association's proportion was 0.073665 percent, which was a increase of 0.002411 percent from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the State reported OPEB benefit of \$251,690. This OPEB expense was based on the OPEB plans June 30, 2024 measurement date.

At June 30, 2024, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$667,983	\$2,234,848
Changes of assumptions	\$2,205,126	\$2,189,464
Net difference between projected and actual earnings on OPEB plan investments		\$5,971
Changes in proportion	<u>\$8,169,623</u>	<u>\$3,841,935</u>
	<u>\$11,042,732</u>	<u>\$8,272,218</u>

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(11) ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS
OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Other local amounts reported by the State as the Association's proportionate share of deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the State's actuarially calculated OPEB (benefit)/expense as follows:

Year Ended	
<u>June 30,</u>	<u>Amount</u>
2025	(\$30,545)
2026	\$440,964
2027	\$736,175
2028	\$470,849
2029	\$589,367
Thereafter	<u>\$223,174</u>
	<u>\$2,429,984</u>

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases*:

Public Employees Retirement System (PERS):

Initial fiscal year applied

Rate for all future years 2.75% to 6.55%

Police and Firemen's Retirement System (PFRS):

Rate for all future years 3.25% to 16.25%

* Salary increases are based on years of service within the respective plan.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(11) ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS
OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs (Continued)

Mortality

Pre-Retirement Mortality

PERS	Pub-2010 "General" classification headcount weighted mortality with fully generational mortality improvement projections from the central year using scale MP-2021
PFRS	Pub-2010 "Safety" classification headcount weighted mortality with fully generational mortality improvement projections from the central year using scale MP-2021

Post-Retirement Mortality

Chapter 330 Retirees	Pub-2010 "Safety" classification headcount weighted mortality with fully generational mortality improvement projections from the central year using scale MP-2021
Other Retirees	Pub-2010 "General" classification headcount weighted mortality with fully generational mortality improvement projections from the central year using scale MP-2021

Actuarial assumptions used in the July 1, 2023 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2018 to June 30, 2021.

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

Discount Rate

The discount rate for June 30, 2024 was 3.93%. This represents the municipal bond return rate as chosen by the State. 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.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(11) ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS
OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Health Care Trend Assumption

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 rate is increasing to 19.38% in fiscal year 2026 and decreases to 4.50% in fiscal year 2034. For HMO, the trend rate is increasing to 20.15% in fiscal year 2026 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Sensitivity of the Association's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the Net OPEB Liability associated with the Association as of June 30, 2024, calculated using the discount rate as disclosed above as well as what the Net OPEB Liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1-percentage point higher than the current rate:

	1.00% <u>Decrease</u> <u>(2.93%)</u>	At Discount <u>Rate (3.93%)</u>	1.00% <u>Increase (4.93%)</u>
Association's proportionate share of the Net OPEB Liability	\$15,364,980	\$13,190,046	\$11,448,120

Sensitivity of the Association's Proportionate Share of the Net OPEB Liability to Changes in Healthcare Trends

The following presents the total Net OPEB Liability associated with the Association as of June 30, 2024, calculated using the healthcare trend rate as disclosed above as well as what the Net OPEB Liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	1.00% <u>Decrease</u>	Healthcare Cost <u>Trend Rate</u>	1.00% <u>Increase</u>
Association's proportionate share of the Net OPEB Liability	\$11,156,090	\$13,190,046	\$15,805,150

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(11) ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS
OTHER THAN PENSIONS – GASB 75 (CONTINUED)

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey State Health Benefits Local Government Retired Employees Plan. The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>

(12) LEASE PAYABLE

The Association has entered into a lease for copier machines. The current lease term expires March 20, 2028, with no additional options to extend. The lease payable is measured as the present value of the future value of the minimum lease payments expected to be paid during the lease term at the discount rate. The discount rate is 3.73% and is equal to the incremental borrowing rate of the Lessor.

Total future minimum lease payments to be paid under the lease agreement under GASB 87 are as follows:

Year ended June 30,	Principal	Interest	Total Payment
2026	20,363	2,366	22,729
2027	21,136	1,593	22,729
2028	21,939	790	22,729
	<u>\$ 63,438</u>	<u>\$ 4,749</u>	<u>\$ 68,187</u>

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(13) RELATED ORGANIZATION

The Electric Discount and Energy Competition Act of 1999 designated the New Jersey School Boards Association ("NJSBA") as a "governmental aggregator" for school district purchasing of deregulated electricity and gas. The New Jersey School Boards Association, the New Jersey Association of School Business Officials ("NJASBO"), and the New Jersey Association of School Administrators ("NJASA") signed a formal agreement to co-sponsor the Alliance for Competitive Energy Services, ("ACES") for local school district joint purchasing of electricity and other energy services on the open market. Because of the legal designation of "governmental aggregator", NJSBA is prohibited from realizing excess revenues in its role as a sponsor of ACES. The financial records of ACES are maintained on a calendar-year basis and are subject to independent audit.

Gable Associates of Highland Park, New Jersey, an energy environmental and public utility consulting firm, is under contract to perform the administrative functions of ACES. All fees due to Gable Associates are contingent upon the successful performance of the Alliance in securing and delivering discounted energy.

The NJSBA, NJASBO, and NJASA formed a Trust that agreed to share equally the direct administrative costs and expenses that were incurred by ACES during the startup process.

(14) USE OF SURPLUS

The balance of the Future Ready Technology Replacement Fund as of June 30, 2024 was \$241,592. At the Board's September 2024 meeting the Board approved a transfer of \$120,000 into the fund for technology upgrades. During the current year, portions of these funds were used for new website development, technology upgrades in the first floor conference room, migration of the Association's network to a third party's cloud, and for new computers and other equipment. This left a balance of \$71,099 in the Future Ready Technology Replacement Fund as of June 30, 2025.

The Building Needs Allocation Fund had a balance of \$318,050 as of June 30, 2024. During 2024 – 2025 this fund invested in a new boiler for our Headquarters' facility, new furniture, a new burglar alarm panel, and a new vehicle, resulting in a fund balance of \$204,116 as of June 30, 2025.

(15) COMMITMENTS AND CONTINGENCIES

In the opinion of management, claims or lawsuits incidental to the business of the Association have been adequately provided for in the financial statements.

(16) FUTURE COMMITMENTS

The Association has entered into contracts with vendors and facilities extending into the future. The values of these contracts at June 30, 2025 are \$1,708,835.

NEW JERSEY SCHOOL BOARDS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(17) SUBSEQUENT EVENTS

The Association has evaluated subsequent events occurring after the financial statement date through November 14, 2025, which is the date the financial statements were available to be issued. Based on this evaluation, the Association has determined that no subsequent events have occurred which require disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

NEW JERSEY SCHOOL BOARDS ASSOCIATION
SCHEDULE OF THE ASSOCIATION'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS

Fiscal Year Ending June 30,	Association's Proportionate Share of the Net Pension Liability (Asset)	Association's Proportionate Share of the Net Pension Liability (Asset)	Association's Covered-Employee Payroll	Association's Proportion Share of the Net Pension Liability (Asset) as a percentage of it's Covered- Employee Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2015	0.0675394347%	\$ 15,161,250	4,614,496	328.56%	42.74%
2016	0.0694470870%	\$ 20,568,235	5,032,005	408.75%	40.14%
2017	0.0732177222%	\$ 17,043,915	5,088,478	334.95%	36.78%
2018	0.0739339600%	\$ 14,557,228	4,980,783	292.27%	40.45%
2019	0.0688044885%	\$ 12,397,525	5,023,158	246.81%	56.27%
2020	0.0722710650%	\$ 11,785,521	5,123,621	230.02%	58.32%
2021	0.0699590683%	\$ 8,287,700	5,514,956	150.28%	42.18%
2022	0.0666536869%	\$ 10,058,959	4,932,985	203.91%	62.91%
2023	0.0603208797%	\$ 8,737,102	5,384,618	162.26%	65.23%
2024	0.0617009164%	\$ 8,383,949	5,930,505	141.37%	68.22%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

NEW JERSEY SCHOOL BOARDS ASSOCIATION
SCHEDULE OF THE ASSOCIATION'S CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS

<u>Fiscal Year</u> <u>Ending</u> <u>June 30,</u>	<u>Contractually</u> <u>Required</u> <u>Contribution</u>	<u>Contributions in</u> <u>Relation to the</u> <u>Contractually</u> <u>Required</u> <u>Contributions</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>Association's</u> <u>Covered-</u> <u>Employee</u> <u>Payroll</u>	<u>Contributions as</u> <u>a Percentage of</u> <u>Covered-</u> <u>Employee</u> <u>Payroll</u>
2015	\$ 580,658	\$ 580,658	\$ -0-	\$ 4,614,496	12.58%
2016	\$ 616,958	\$ 616,958	\$ -0-	\$ 5,032,005	12.26%
2017	\$ 678,284	\$ 678,284	\$ -0-	\$ 5,088,478	13.33%
2018	\$ 735,404	\$ 735,404	\$ -0-	\$ 4,980,783	14.76%
2019	\$ 669,265	\$ 669,265	\$ -0-	\$ 5,023,158	13.32%
2020	\$ 790,609	\$ 790,609	\$ -0-	\$ 5,123,621	15.43%
2021	\$ 790,609	\$ 790,609	\$ -0-	\$ 5,514,956	14.34%
2022	\$ 840,535	\$ 840,535	\$ -0-	\$ 4,932,985	17.04%
2023	\$ 806,205	\$ 806,205	\$ -0-	\$ 5,384,618	14.97%
2024	\$ 839,577	\$ 839,577	\$ -0-	\$ 5,930,505	14.16%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

NEW JERSEY SCHOOL BOARDS ASSOCIATION
SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSION (GASB 68)
NOTE TO RSI III
FOR THE YEAR ENDED JUNE 30, 2025

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms

None

Change in assumptions

The discount rate used to measure the total pension liability 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.

NEW JERSEY SCHOOL BOARDS ASSOCIATION
SCHEDULE OF THE ASSOCIATION'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN
LAST TEN YEARS

Fiscal Year Ending June 30,	Authority's Proportion Share of the Net OPEB Liability	Authority's Proportionate Share of the Net OPEB Liability (Asset)	Authority's Covered-Employee Payroll	Authority's Proportion Share of the Net OPEB Liability (Asset) as a percentage of it's Covered- Employee Payroll	Plan Fiduciary Net Position as a percentage of the total OPEB Liability
2017	0.0070532%	\$ 14,399,664	\$ 5,088,478	282.99%	1.03%
2018	0.0685570%	\$ 10,740,563	\$ 4,980,783	215.64%	1.97%
2019	0.0098360%	\$ 1,332,392	\$ 5,023,158	26.52%	1.98%
2020	0.0105570%	\$ 1,894,624	\$ 5,123,621	36.98%	0.91%
2021	0.0644250%	\$ 11,596,359	\$ 5,514,956	210.27%	0.28%
2022	0.0621150%	\$ 10,031,321	\$ 4,932,985	203.35%	-0.36%
2023	0.0712540%	\$ 10,692,760	\$ 5,384,618	198.58%	-0.79%
2024	0.0617009%	\$ 8,383,949	\$ 5,930,505	141.37%	-0.88%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

NEW JERSEY SCHOOL BOARDS ASSOCIATION
SCHEDULE OF THE ASSOCIATION'S CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS

Fiscal Year Ending June 30,	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Authority's Covered- Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
2017	\$ 306,728	\$ 306,728	\$ -0-	\$ 5,088,478	6.03%
2018	\$ 325,470	\$ 325,470	\$ -0-	\$ 4,980,783	6.53%
2019	\$ 38,387	\$ 38,387	\$ -0-	\$ 5,023,158	0.76%
2020	\$ 34,565	\$ 34,565	\$ -0-	\$ 5,123,621	0.67%
2021	\$ 233,782	\$ 233,782	\$ -0-	\$ 5,514,956	4.24%
2022	\$ 270,375	\$ 270,375	\$ -0-	\$ 4,932,985	5.48%
2023	\$ 347,008	\$ 347,008	\$ -0-	\$ 5,384,618	6.44%
2024	\$ 340,527	\$ 340,527	\$ -0-	\$ 5,930,505	5.74%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

NEW JERSEY SCHOOL BOARDS ASSOCIATION
SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OPEB (GASB 75)
NOTE TO RSI III
FOR THE YEAR ENDED JUNE 30, 2025

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms

None

Change in assumptions

The discount rate changed from 3.65% to 3.93% as of
June 30, 2024.