

ELMWOOD PARK BOARD OF EDUCATION
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Elmwood Park, New Jersey

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

Elmwood Park Board of Education

Elmwood Park, New Jersey

For The Fiscal Year Ended June 30, 2021

Prepared by

Business Office

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INTRODUCTORY SECTION

ELMWOOD PARK PUBLIC SCHOOLS

OFFICE OF THE BOARD SECRETARY/BUSINESS ADMINISTRATOR

Anthony Iachetti
Superintendent
of Schools

60 EAST 53RD STREET
ELMWOOD PARK, NEW JERSEY 07407
TELEPHONE (201) 796-8700
Fax (201) 625-6370

John DiPaola
Business Administrator/
Board Secretary

February 3, 2022

Members of the Board of Education
Elmwood Park Public Schools
60 East 53rd Street
Elmwood Park, NJ 07407

Dear Board Members:

The comprehensive annual financial report (CAFR) of the Elmwood Park Board of Education (the Board) for the fiscal year ended June 30, 2021 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation (including all disclosures) rests with the management of the District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects, and is reported in a manner designed to present fairly the financial position and the respective changes in financial position of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The 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 the narrative. The District's MD&A can be found immediately following the "Independent Auditor's Report."

The comprehensive annual financial report (CAFR) is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the independent auditor's report, management's discussion and analysis (MD&A) and 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 financial statements, notes to the financial statements and required supplemental information (RSI). The statistical section includes selected financial and demographic information generally presented on a multi-year basis.

Every district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and the related U.S. Uniform Guidance and the State Treasury Circular OMB 15-08. 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.

1. REPORTING ENTITY AND ITS SERVICES

Our District provides a full range of educational services appropriate to grade levels K through 12. These include regular and special education for handicapped, school-aged individuals. The District completed with an average daily enrollment of 2,495. The following Average Daily Enrollment figures, reported in the School Summary Register, detail the changes in student enrollment over the last ten (10) years:

<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2020/21	2,495	-.027%
2019/20	2,563	.006%
2018/19	2,548	-.020%
2017/18	2,601	.011%
2016/17	2,572	.015%
2015/16	2,533	.0008%
2014/15	2,531	.0016%
2013/14	2,527	-0.41%
2012/13	2,537	2.24%
2011/12	2,482	3.31%

2. ECONOMIC CONDITION AND OUTLOOK

The Borough of Elmwood Park is almost fully developed with only a nominal amount of land that remains vacant. Most land use changes reflect the results of redevelopment. This has resulted in a static tax base, and this appears to be the picture for the immediate future as well.

The District's General Fund was in a deficit position at the end of the 2010-2011 and 2011-2012 school years. The District obtained a state aid advance loan in 2012-2013 in the amount of \$2,214,497, which was to be repaid over ten years. This loan was reflected as budgetary revenue pursuant to N.J.S.A. 18A:7A-56, and as another financing source on the GAAP basis governmental fund statements. As reflected in the June 2018 audit, the district identified funds to satisfy the loan. As of June 30, 2019, the district had paid off the outstanding amount in full.

3. MAJOR INITIATIVES

The Elmwood Park School District strives to meet the educational challenges of the various student population through a series of ambitious instructional initiatives. Planning is based upon a long-range District Professional Development Plan (2021-2022), which encompasses the growth of general education students, ELL/ ESL, students with IEPs and other specific initiatives based on NJDOE mandates. Curriculum advances and enhancements include the areas of English Language Arts, Mathematics, Foreign Language, 21st Century Skills, Technology, Social Studies, and Science.

During the 2021-2022 school year, in-service professional development training has focused on supporting the delivery of highly effective instruction at appropriate grade levels and for various content areas. This is including the delivery of instruction within in-person, hybrid or remote learning modules, as we prepare for the continued effects of the COVID-19 Pandemic. The district has provided formal and ongoing training in the proper utilization of our new district-wide benchmark program, LinkIt. This program will be used to assist the instructional staff in maximizing the school day by making data-driven decisions to differentiate and tier instruction based on the needs and proficiency of our students.

The district implemented a new SEL program during the 2020-2021 school year, and has continued for implementation within a traditional in-person setting. This program will allow the district to provide the additional supports necessary for students in grades K-12 who have been potentially impacted by the pandemic and require assistance the transition back to an in-person learning. Staff members have and will continue to be trained to evaluate and monitor the program periodically through the year, and provide the staff with avenues of support and resources regarding their students and their own emotional well-being.

In addition to the above professional development, training will continue to be provided to all staff members to continue the progress of rigorous instruction, implementation of effective assessments, and the application of 21st century technology. The district also continues to offer frequent PLC articulation time throughout the school year, after-school hours and during summer recess. The Quality School Assurance Continuum (QSAC) will provide a formal review in February 2022.

In addition to technology, in-service training has focused on balanced literacy, workshop models in both ELA and Mathematics, and specific technological platforms to assist in NJSLA and State Mandated Assessments preparation at all levels. Professional Development has also thoroughly addressed the assimilation of NGSS and NJ Student Learning Standards. District in-service days have focused on a diversified curriculum meeting the needs of each type of learner, as well as establishing Professional Learning Communities for our teachers throughout the district.

4. INTERNAL ACCOUNTING CONTROLS

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

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

5. BUDGETARY CONTROLS

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund and the special revenue fund. The final budget amount as amended for FY 2020/2021 is reflected in the budgetary comparison schedules of the required supplementary information.

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as assigned fund balance at June 30, 2021.

6. ACCOUNTING SYSTEM AND REPORTS

Our District accounting records reflect generally accepted accounting principles (GAAP), as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements."

7. DEBT ADMINISTRATION

On June 30, 2021, the District had \$21,485.00 outstanding in General Obligation Bonds. The proceeds of these bonds were used to provide funds for major capital improvements to the District's buildings and grounds.

8. CASH MANAGEMENT

The investment policy of the District is guided in large part by State statute as detailed in "Notes to the Financial Statements." The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). "GUDPA" was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed

banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

9. RISK MANAGEMENT

The Board carries various forms of insurance, including but not limited to general liability; automobile liability and comprehensive/collision; hazard and theft insurance on property and contents; and fidelity bonds.

10. OTHER INFORMATION


Independent Audit. State statute requires an annual audit by an independent certified public accountant or registered municipal accountant. The Board's Finance Committee selected the accounting firm of Lerch Vinci & Higgins, LLP, CPA's. In addition to meeting the requirements as set forth in State statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related U.S. Uniform Guidance and State Treasury Circular Letter OMB 15-08.

The auditor's report on the basic financial statements is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11. ACKNOWLEDGEMENTS

We would like to express our appreciation to the members of the Elmwood Park Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the District, as well as contributing their full support to the development and maintenance of our financial operations. Further, the preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff and other members in central office.

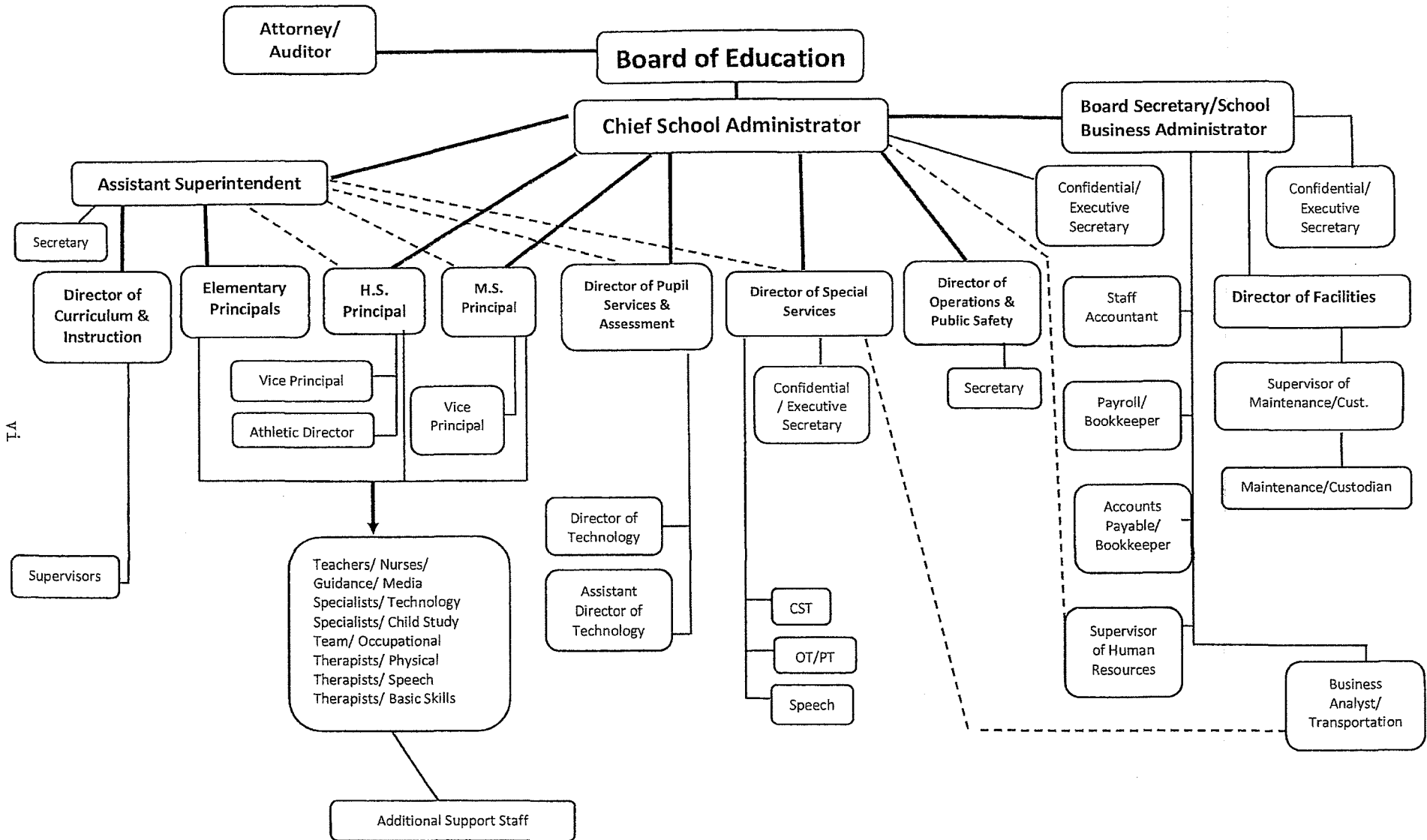
Respectfully submitted,



Anthony Iachetti
Superintendent of Schools
Elmwood Park Public Schools



John DiPaola
Business Administrator/Board Secretary
Elmwood Park Public Schools



**ELMWOOD PARK SCHOOL DISTRICT
ELMWOOD PARK, NEW JERSEY**

**Roster of Officials
June 30, 2021**

<u>Members of the Board of Education</u>	<u>Term Expires December 31</u>
George Luke, President	2021
Louise Gerardi, Vice President	2022
Dorin Aspras	2023
Keith Cannizzo	2021
Douglas DeMatteo	2023
Elizabeth Mierzejewski	2023
Carrie Paretta	2022
Karen Pena	2021
Daniel Zoltek	2022

Other Officials

Anthony Iachette, Superintendent

Jillian Torrento, Assistant Superintendent

John DiPaola, Board Secretary/Business Administrator

Joanne Wilson, Treasurer of School Monies

Cleary, Giacobbe, Alfieri, Jacobs, LLC., Board Attorney

ELMWOOD PARK BOARD OF EDUCATION
Consultants and Advisors
JUNE 30, 2021

ARCHITECT

DiCara Rubino
30 Galesi Drive
Wayne, New Jersey 07470

AUDIT FIRM

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

ATTORNEY

Cleary Giacobbe Alfieri Jacobs, LLC
169 Ramapo Valley Road
Upper Level – Suite 105
Oakland, NJ 07436

OFFICIAL DEPOSITORY

Spencer Savings
River Drive Center 3
611 River Drive
Elmwood Park, NJ 07407

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, 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, PSA
RALPH M. PICONE, III, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Elmwood Park Board of Education
Elmwood Park, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Elmwood Park Board of Education, as of and for the fiscal year ended June 30, 2021 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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 the Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Elmwood Park Board of Education as of June 30, 2021, 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.

Emphasis of Matter

Adoption of New Accounting Pronouncement

As discussed in Note 1 to the financial statements, in the fiscal year ended June 30, 2021, the Elmwood Park Board of Education adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities which provided guidance on identifying fiduciary activities and how they should be reported. The adoption of this standard resulted in a change to how previously reported fiduciary fund activities are currently reported in the financial statements. Our opinion is not modified with respect to this matter.

Other Matters

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, 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Elmwood Park Board of Education's basic financial statements. The introductory section, financial schedules, statistical section, 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 Elmwood Park Board of Education.

The schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated February 3, 2022 on our consideration of the Elmwood Park Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Elmwood Park Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Elmwood Park Board of Education's internal control over financial reporting and compliance.

Lerch, Vinci & Higgins, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
February 3, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2021

As management of the Elmwood Park Board of Education (the Board or District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the Elmwood Park Board of Education for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with the letter of transmittal, which can be found in the introductory section of this report and the District's financial statements and related notes to the financial statement which immediately follows this section.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2020-2021 fiscal year include the following:

- The assets and deferred outflows of resources of the Elmwood Park Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$31,468,817 (Net Position)
- The District's total net position increased by \$7,764,872 or 33%.
- Overall District revenues were \$63,577,846. General revenues accounted for \$44,607,822 or 70% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$18,970,024 or 30% of total revenues.
- The school district had \$54,990,547 in expenses for governmental activities; only \$17,896,292 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$44,607,822 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 \$18,515,114. Of this amount, \$13,069,166 is restricted for capital projects, \$1,574,570 is restricted for required maintenance of District facilities, \$2,200,000 is restricted for excess surplus, \$914,955 is restricted or assigned for other purposes and the remaining amount is the unassigned fund balance of \$756,423.
- The General Fund fund balance at June 30, 2021 was \$18,246,910, an increase of \$6,299,978 compared to the ending fund balance at June 30, 2020 of \$11,946,932.
- The General Fund unassigned budgetary fund balance at June 30, 2021 was \$2,810,793, which represents an increase of \$1,336,424 when compared to the ending unassigned budgetary fund balance at June 30, 2020 of \$1,474,369.
- The District's total outstanding long-term liabilities decreased by \$2,301,794 during the current fiscal year.

ELMWOOD PARK BOARD OF EDUCATION

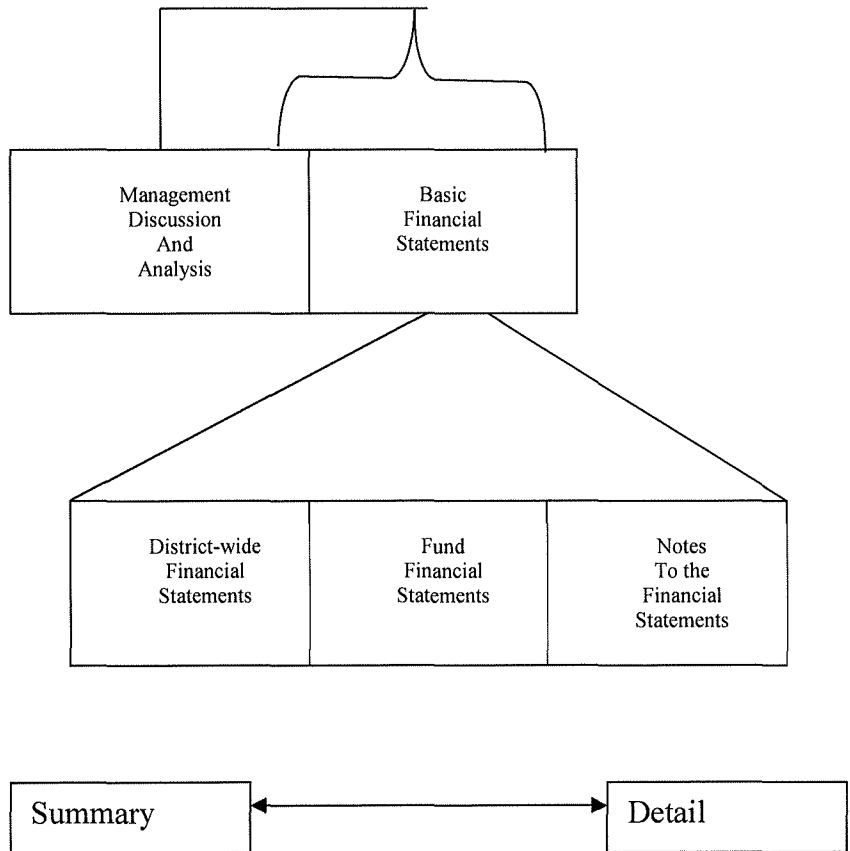
Management’s Discussion and Analysis
Fiscal Year Ended June 30, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The basic financial statements also include notes that explain some of the information in the statements and provide more detailed data. The following shows how the various parts of this Annual Report are arranged and related to one another.



ELMWOOD PARK BOARD OF EDUCATION

Management’s Discussion and Analysis Fiscal Year Ended June 30, 2021

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

Major Features of the District-Wide and Fund Financial Statements

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

District-Wide Statements

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

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

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

ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2021

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

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

Fund Financial Statements

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

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

The District has two kinds of funds:

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

ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis
Fiscal Year Ended June 30, 2021

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. The District's *combined* net position was \$31,468,817 and \$23,703,945 on June 30, 2021 and 2020, respectively as follows:

**Net Position
As of June 30, 2021 and 2020**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Assets						
Current and Other Assets	\$ 19,859,517	\$ 13,871,149	\$ 436,387	\$ 174,130	\$ 20,295,904	\$ 14,045,279
Capital Assets	43,969,667	44,800,354	148,714	161,155	44,118,381	44,961,509
Total Assets	<u>63,829,184</u>	<u>58,671,503</u>	<u>585,101</u>	<u>335,285</u>	<u>64,414,285</u>	<u>59,006,788</u>
Total Deferred Outflows of Resources	<u>976,477</u>	<u>1,219,789</u>	<u>-</u>	<u>-</u>	<u>976,477</u>	<u>1,219,789</u>
Total Assets and Deferred Outflows of Resources	<u>64,805,661</u>	<u>59,891,292</u>	<u>585,101</u>	<u>335,285</u>	<u>65,390,762</u>	<u>60,226,577</u>
Liabilities						
Long-Term Liabilities	29,523,952	31,825,746	14,037		29,537,989	31,825,746
Other Liabilities	1,750,737	2,076,029	-	15,526	1,750,737	2,091,555
Total Liabilities	<u>31,274,689</u>	<u>33,901,775</u>	<u>14,037</u>	<u>15,526</u>	<u>31,288,726</u>	<u>33,917,301</u>
Deferred Inflows of Resources	<u>2,633,219</u>	<u>2,605,311</u>	<u>-</u>	<u>-</u>	<u>2,633,219</u>	<u>2,605,311</u>
Total Liabilities and Deferred Inflows of Resources	<u>33,907,908</u>	<u>36,507,086</u>	<u>14,037</u>	<u>15,526</u>	<u>33,921,945</u>	<u>36,522,612</u>
Net Position						
Net Investment in Capital Assets	21,268,336	20,286,423	148,714	161,155	21,417,050	20,447,578
Restricted	14,774,083	10,163,345			14,774,083	10,163,345
Unrestricted	(5,144,666)	(7,065,582)	422,350	158,604	(4,722,316)	(6,906,978)
Total Net Position	<u>\$ 30,897,753</u>	<u>\$ 23,384,186</u>	<u>\$ 571,064</u>	<u>\$ 319,759</u>	<u>\$ 31,468,817</u>	<u>\$ 23,703,945</u>

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Restricted net position represents amounts reserved for specific purposes by outside parties or state laws and regulations. Unrestricted net position represents amounts available to the government that are neither restricted nor invested in capital assets.

ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis
Fiscal Year Ended June 30, 2021

The District's total net position of \$31,468,817 at June 30, 2021 represents a \$7,764,872 or 33%, increase from the prior year. The following presents the changes in net position for the fiscal years ended June 30, 2021 and 2020.

Changes in Net Position
For the Fiscal Years Ended June 30, 2021 and 2020

	Governmental		Business-Type		Total	
	Activities		Activities			
	2021	2020	2021	2020	2021	2020
Revenues						
Program Revenues						
Charges for Services and Sales	\$ 133,370	\$ 190,837		\$ 344,755	\$ 133,370	\$ 535,592
Operating Grants and Contributions	17,762,922	13,395,095	1,073,732	476,420	18,836,654	13,871,515
General Revenues						-
Property Taxes, Levied	37,171,512	36,837,699			37,171,512	36,837,699
State Aid - Unrestricted	7,088,273	6,297,003			7,088,273	6,297,003
Miscellaneous Income	348,037	367,604	-	-	348,037	367,604
Total Revenues	62,504,114	57,088,238	1,073,732	821,175	63,577,846	57,909,413
Expenses						
Instruction						
Regular	19,980,393	17,840,223			19,980,393	17,840,223
Special	11,729,724	11,693,525			11,729,724	11,693,525
Other Instruction	899,777	1,177,948			899,777	1,177,948
School Sponsored Activities and Athletics	780,801	932,553			780,801	932,553
Support Services						
Student and Instruction Related Services	8,016,637	7,687,696			8,016,637	7,687,696
General Administrative Services	1,519,874	1,478,353			1,519,874	1,478,353
School Administrative Services	3,905,484	3,402,486			3,905,484	3,402,486
Central Administrative Services	1,524,447	1,468,876			1,524,447	1,468,876
Plant Operations and Maintenance	3,919,240	3,684,940			3,919,240	3,684,940
Pupil Transportation	1,906,103	2,500,364			1,906,103	2,500,364
Interest on Long-Term Debt	808,067	858,132			808,067	858,132
Food Services			822,427	873,687	822,427	873,687
Summer Session	-	-	-	33,793	-	33,793
Total Expenses	54,990,547	52,725,096	822,427	907,480	55,812,974	53,632,576
Increase (Decrease) in Net Position	7,513,567	4,363,142	251,305	(86,305)	7,764,872	4,276,837
Net Position, Beginning of Year	23,384,186	19,021,044	319,759	406,064	23,703,945	19,427,108
Net Position, End of Year	\$ 30,897,753	\$ 23,384,186	\$ 571,064	\$ 319,759	\$ 31,468,817	\$ 23,703,945

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$62,504,114 for the fiscal year ended June 30, 2021, property taxes of \$37,171,512 represented 59% of revenues. Another significant portion of revenues came from grants and contributions and unrestricted state aid which totaled \$24,851,195 and represented 40% of revenues. In addition, charges for services from tuition and student activities, as well as, general revenue from miscellaneous income such as interest, prior year refunds and other miscellaneous items represented 1% of revenues.

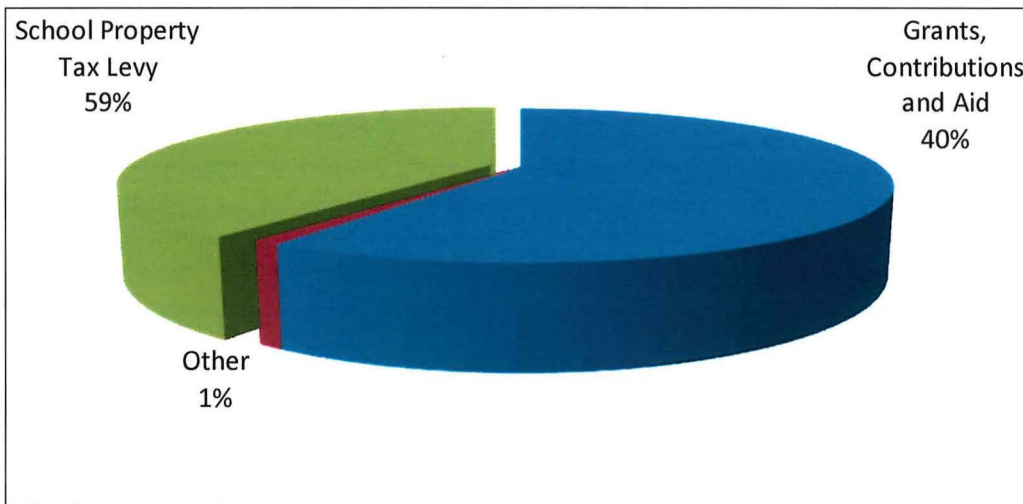
ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2021

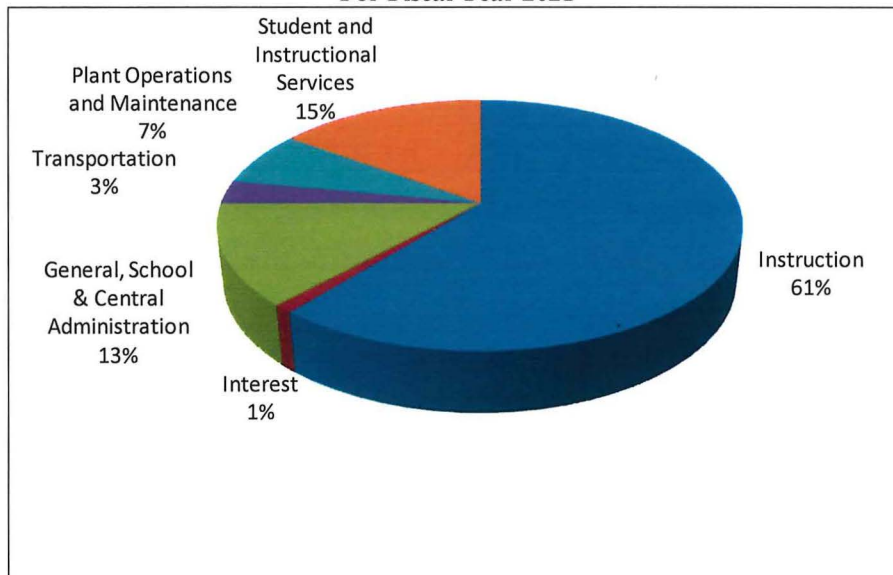
The total cost of all governmental activities programs and services was \$54,990,547 for the fiscal year ended June 30, 2021. The District's expenses are predominantly related to educating and caring for students. Instruction costs were \$33,390,695 (61%) of total expenses. Support services costs were \$20,791,785 (38%) of total expenses and interest on debt totaled \$808,067 (1%) of total expenses.

For fiscal year 2021, total governmental activities revenues exceeded expenses increasing net position for governmental activities by \$7,513,567 from the previous year.

Revenues by Sources – Governmental Activities For Fiscal Year 2021



Expenses by Use – Governmental Activities For Fiscal Year 2021



ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis
Fiscal Year Ended June 30, 2021

Total and Net Cost of Governmental Activities. The District's total cost of services was \$54,990,547. After applying program revenues, derived from operating grants and contributions of \$17,762,922 and charges for services of \$133,370 the net cost of services of the District is \$37,094,255 for the fiscal year ended June 30, 2021.

Total and Net Cost of Governmental Activities

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Instruction:				
Regular	\$ 19,980,393	\$ 17,840,223	\$ 13,433,715	\$ 13,409,843
Special Education	11,729,724	11,693,525	6,132,088	6,932,343
Other Instruction	899,777	1,177,948	607,544	888,337
School Sponsored Activities and Athletics	780,801	932,553	685,638	762,277
Support Services:				
Student & Instruction Related Services	8,016,637	7,687,696	5,780,534	6,139,919
General Administrative Services	1,519,874	1,478,353	1,372,119	1,340,004
School Administrative Services	3,905,484	3,402,486	2,852,122	2,742,645
Central Administrative Services	1,524,447	1,468,876	1,266,696	1,374,192
Plant Operations and Maintenance	3,919,240	3,684,940	2,947,198	2,876,496
Pupil Transportation	1,906,103	2,500,364	1,300,534	1,918,617
Interest on Long Term Debt	<u>808,067</u>	<u>858,132</u>	<u>716,067</u>	<u>754,491</u>
Total	<u>\$ 54,990,547</u>	<u>\$ 52,725,096</u>	<u>\$ 37,094,255</u>	<u>\$ 39,139,164</u>

Business-Type Activities – The District's total business-type activities revenues were \$1,073,732 for the fiscal year ended June 30, 2021. Operating grants and contributions of \$1,073,732 accounted for 100% of total revenues.

Total cost of all business-type activities programs and services was \$822,427 for the fiscal year ended June 30, 2021. Food service expenses of \$822,427 represented all of the total expenses as the summer session program was suspended as a result of the COVID-19 pandemic.

For fiscal year 2021, total business-type activities revenues were more than expenses increasing net position by \$251,305 or 79% from the previous year.

ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis
Fiscal Year Ended June 30, 2021

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$18,515,114 at June 30, 2021, an increase of \$6,286,327 from last year's fund balance of \$12,228,787. The District restricted fund balances increased \$5,710,738 and assigned fund balances decreased \$146,403 while the unassigned fund balance of the governmental funds increased \$721,992 at June 30, 2021.

Revenues for the District's governmental funds were \$57,999,574 while total expenditures were \$51,713,247 for the fiscal year ended June 30, 2021.

GENERAL FUND

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

The following schedule presents a summary of General Fund Revenues.

	<u>Year Ended</u> <u>June 30, 2021</u>	<u>Year Ended</u> <u>June 30, 2020</u>	<u>Amount of</u> <u>Increase</u> <u>(Decrease)</u>	<u>Percent</u> <u>Change</u>
Local Sources:				
Property Tax Levy	\$ 34,765,194	\$ 34,446,269	\$ 318,925	1%
Tuition and Fees	98,992	26,350	72,642	276%
Miscellaneous	348,024	366,279	(18,255)	-5%
State Sources	17,653,987	15,285,029	2,368,958	15%
Federal Sources	10,813	8,671	2,142	25%
Total General Fund Revenues	<u>\$ 52,877,010</u>	<u>\$ 50,132,598</u>	<u>\$ 2,744,412</u>	5%

For fiscal year 2021, total General Fund revenues increased \$2,744,412 or 5% from the previous year. Property taxes increased only \$318,925 or 1%. As indicated, State aid increased \$2,368,958 or 15% mainly due to increases in equalization formula aid and on behalf TPAF pension and post-retirement medical benefit contributions made by the State for the District's teaching professionals. Tuition and fees increased \$72,642 due to an increase in out of district student enrollment.

The following schedule presents a summary of General Fund expenditures.

	<u>Year Ended</u> <u>June 30, 2021</u>	<u>Year Ended</u> <u>June 30, 2020</u>	<u>Amount of</u> <u>Increase</u> <u>(Decrease)</u>	<u>Percent</u> <u>Change</u>
Instruction	\$ 27,283,914	\$ 27,018,383	\$ 265,531	1%
Support Services	17,985,644	18,428,526	(442,882)	-2%
Capital Outlay	1,281,987	870,570	411,417	47%
Total Expenditures	<u>\$ 46,551,545</u>	<u>\$ 46,317,479</u>	<u>\$ 234,066</u>	1%

ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis
Fiscal Year Ended June 30, 2021

GENERAL FUND (Continued)

For fiscal year 2021, total General Fund expenditures increased \$234,066 or 1% from the previous year. Increases in regular education instructional costs and school administrative support service costs were offset by decreases in special education instructional costs, student and instruction related support service costs and capital outlay project costs were the major factors for the change in expenditures for the current fiscal year.

In fiscal year 2021 General Fund revenues and other financing sources exceeded expenditures and other financing uses by \$6,299,978. Therefore, the total fund balance at June 30, 2020 of \$11,946,932 increased to a fund balance of \$18,246,910 at June 30, 2021. After deducting restricted and assigned fund balances, the unassigned fund balance increased from \$34,431 at June 30, 2020 to \$756,423 at June 30, 2021. Restricted fund balances for capital reserve, maintenance reserve and other purposes increased \$5,724,389 at June 30, 2021.

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of fiscal year 2021, the District had \$43,969,667 invested in land, buildings, furniture, equipment and vehicles for governmental activities and \$148,714 for business type activity. The following is a comparison of the June 30, 2021 and 2020 balances:

**Capital Assets at June 30, 2021 and 2020
(Net of Accumulated Depreciation)**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 443,610	\$ 11,790			\$ 443,610	\$ 11,790
Construction in Progress	175,459	57,500			175,459	57,500
Land Improvements	1,792,559	1,712,132			1,792,559	1,712,132
Buildings and Improvements	40,895,033	42,481,542	\$ 79,434	\$ 84,107	40,974,467	42,565,649
Furniture, Equipment and Vehicles	663,006	537,390	69,280	77,048	732,286	614,438
Total Capital Assets, Net	\$ 43,969,667	\$ 44,800,354	\$ 148,714	\$ 161,155	\$ 44,118,381	\$ 44,961,509

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

LONG TERM LIABILITIES

At June 30, 2021 the District had \$29,523,952 of total outstanding long term liabilities. Of this amount, \$23,140,746 is for serial bonds, \$749,341 is for compensated absences, and \$5,633,865 is for net pension liability. For fiscal year 2020/2021 total outstanding long-term liabilities decreased by 2,301,794. The following is a comparison of the June 30, 2021 and 2020 balances:

**Outstanding Long-Term Debt
as of June 30, 2021 and 2020**

	<u>Governmental Activities</u>	
	<u>2021</u>	<u>2020</u>
Serial Bonds (including unamortized premium)	\$ 23,140,746	\$ 25,001,506
Compensated Absences	749,341	728,925
Net Pension Liability	5,633,865	6,095,315
Total	\$ 29,523,952	\$ 31,825,746

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

ELMWOOD PARK BOARD OF EDUCATION

Management's Discussion and Analysis Fiscal Year Ended June 30, 2021

GENERAL FUND BUDGETARY HIGHLIGHTS

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

For fiscal year 2021 General Fund budgetary revenues and other financing sources exceeded budgetary expenditures and other financing uses increasing budgetary fund balance \$6,914,410. After deducting fund balances restricted and assigned, the unassigned budgetary fund balance increased \$1,336,424 from an unassigned fund balance of \$1,474,369 at June 30, 2020 to \$2,810,793 at June 30, 2021. The increase in unassigned budgetary fund balance is the result of a change in the law permitting school district to maintain a 4% maximum unassigned budgetary fund balance at June 30, 2021 from a 2% maximum at June 30, 2020. In addition, the District increased its capital reserve by \$4,749,389 to a balance of \$13,069,166 at June 30, 2021, of which \$2,960,000 was designated in the 2021-2022 budget for capital outlay projects.

FACTORS BEARING ON THE DISTRICT'S FUTURE

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

Many factors were considered by the District's administration during the process of developing the fiscal year 2021-2022 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2021-2022. Budgeted expenditures in the General Fund increased approximately 9% to \$52,998,726 for fiscal year 2021-2022. Budgeted special education instruction costs, as well as, transfers to Charter Schools and capital outlay project costs were the main factors for the increase. This increase was primarily funded by additional state aid and capital reserve.

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, Elmwood Park Board of Education, 60 East 53rd Street, Elmwood Park, NJ 07407.

FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

ELMWOOD PARK BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 19,320,607	\$ 196,261	\$ 19,516,868
Receivables, Net	538,910	237,110	776,020
Inventory		3,016	3,016
Capital Assets, Not Being Depreciated	619,069		619,069
Capital Assets, Being Depreciated, Net	43,350,598	148,714	43,499,312
Total Assets	63,829,184	585,101	64,414,285
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Refunding of Debt	301,558		301,558
Deferred Amounts on Net Pension Liability	674,919	-	674,919
Total Deferred Outflows of Resources	976,477	-	976,477
Total Assets and Deferred Outflows of Resources	64,805,661	585,101	65,390,762
LIABILITIES			
Accounts Payable and Other Current Liabilities	1,221,142		1,221,142
Payable to Other Governments	113,828		113,828
Accrued Interest Payable	406,334		406,334
Unearned Revenue	9,433	14,037	23,470
Noncurrent Liabilities			
Due Within One Year	1,740,000		1,740,000
Due Beyond One Year	27,783,952	-	27,783,952
Total Liabilities	31,274,689	14,037	31,288,726
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	2,633,219	-	2,633,219
Total Deferred Inflows of Resources	2,633,219	-	2,633,219
Total Liabilities and Deferred Inflows of Resources	33,907,908	14,037	33,921,945
NET POSITION			
Net Investment in Capital Assets	21,268,336	148,714	21,417,050
Restricted for:			
Capital Projects	13,069,166		13,069,166
Plant Maintenance	1,574,570		1,574,570
Student Activities	130,347		130,347
Unrestricted	(5,144,666)	422,350	(4,722,316)
Total Net Position	\$ 30,897,753	\$ 571,064	\$ 31,468,817

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

**ELMWOOD PARK BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		<u>Total</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	
Governmental Activities:							
Instruction:							
Regular	\$ 19,980,393	\$ 98,992	\$ 6,447,686		\$ (13,433,715)		\$ (13,433,715)
Special Education	11,729,724		5,597,636		(6,132,088)		(6,132,088)
Other Instruction	899,777		292,233		(607,544)		(607,544)
School Sponsored Activities and Athletics	780,801	34,378	60,785		(685,638)		(685,638)
Support Services:							
Student & Instruction Related Services	8,016,637		2,236,103		(5,780,534)		(5,780,534)
General Administrative Services	1,519,874		147,755		(1,372,119)		(1,372,119)
School Administrative Services	3,905,484		1,053,362		(2,852,122)		(2,852,122)
Central Administrative Services	1,524,447		257,751		(1,266,696)		(1,266,696)
Plant Operations and Maintenance	3,919,240		972,042		(2,947,198)		(2,947,198)
Pupil Transportation	1,906,103		605,569		(1,300,534)		(1,300,534)
Interest on Long Term Debt	808,067	-	92,000	-	(716,067)	-	(716,067)
Total Governmental Activities	<u>54,990,547</u>	<u>133,370</u>	<u>17,762,922</u>	<u>-</u>	<u>(37,094,255)</u>	<u>-</u>	<u>(37,094,255)</u>
Business-Type Activities:							
Food Service	822,427	-	1,073,732			\$ 251,305	251,305
Summer Session Program	-	-	-	-	-	-	-
Total Business-Type Activities	<u>822,427</u>	<u>-</u>	<u>1,073,732</u>	<u>-</u>	<u>-</u>	<u>251,305</u>	<u>251,305</u>
Total Primary Government	<u>\$ 55,812,974</u>	<u>\$ 133,370</u>	<u>\$ 18,836,654</u>	<u>\$ -</u>	<u>(37,094,255)</u>	<u>251,305</u>	<u>(36,842,950)</u>

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

(Continued)

**ELMWOOD PARK BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Net (Expense) Revenue and Changes in Net Position		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General Revenues:			
Property Taxes:			
Levied for General Purposes	\$ 34,765,194		\$ 34,765,194
Levied for Debt Service	2,406,318		2,406,318
State Aid - Unrestricted	6,938,591		6,938,591
State Aid for Debt Service Principal	149,682		149,682
Interest Earnings	100,510		100,510
Miscellaneous Income	<u>247,527</u>	\$ -	<u>247,527</u>
 Total General Revenues and Transfers	 <u>44,607,822</u>	 -	 <u>44,607,822</u>
 Change in Net Position	 7,513,567	 251,305	 7,764,872
Net Position, Beginning of Year, (Restated)	<u>23,384,186</u>	<u>319,759</u>	<u>23,703,945</u>
 Net Position, End of Year	 <u>\$ 30,897,753</u>	 <u>\$ 571,064</u>	 <u>\$ 31,468,817</u>

FUND FINANCIAL STATEMENTS

**ELMWOOD PARK BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2021**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 19,052,403	\$ 130,347	\$ 137,857		\$ 19,320,607
Receivables From Other Governments	132,852	406,058			538,910
Due from Other Funds	<u>94,042</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,042</u>
Total Assets	<u>\$ 19,279,297</u>	<u>\$ 536,405</u>	<u>\$ 137,857</u>	<u>\$ -</u>	<u>\$ 19,953,559</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 54,836	\$ 188,801			\$ 243,637
Accrued Salaries and Wages	102,752				102,752
Compensated Absences Payable	47,996				47,996
Payroll Deductions and Withholdings Payable	7,324				7,324
Employee Deposits Payable	819,434				819,434
Payable to State Government	45	113,782			113,827
Due to Other Funds		94,042			94,042
Unearned Revenue	<u>-</u>	<u>9,433</u>	<u>-</u>	<u>-</u>	<u>9,433</u>
Total Liabilities	<u>1,032,387</u>	<u>406,058</u>	<u>-</u>	<u>-</u>	<u>1,438,445</u>
Fund Balances:					
Restricted					
Capital Reserve	10,109,166				10,109,166
Capital Reserve - Designated for Subsequent Year's Expenditures	2,960,000				2,960,000
Maintenance Reserve	1,574,570				1,574,570
Emergency Reserve	450,000				450,000
Reserved Excess Surplus	1,100,000				1,100,000
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	1,100,000				1,100,000
Student Activities		130,347			130,347
Debt Service			\$ 137,857		137,857
Assigned					
Year End Encumbrances	196,751				196,751
Unassigned	<u>756,423</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>756,423</u>
Total Fund Balances	<u>18,246,910</u>	<u>130,347</u>	<u>137,857</u>	<u>-</u>	<u>18,515,114</u>
Total Liabilities and Fund Balances	<u>\$ 19,279,297</u>	<u>\$ 536,405</u>	<u>\$ 137,857</u>	<u>\$ -</u>	<u>\$ 19,953,559</u>

**ELMWOOD PARK BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2021**

Total Fund Balances (Exhibit B-1) **\$ 18,515,114**

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 \$67,838,984 and the accumulated depreciation is \$23,869,317.

43,969,667

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

301,558

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
Deferred Inflows of Resources

\$ 674,919
(2,633,219)

(1,958,300)

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

(406,334)

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

General Obligation Bonds (including unamortized premium)
Compensated Absences
Net Pension Liability

23,140,746
749,341
5,633,865

(29,523,952)

Total Net Assets of Governmental Activities (Exhibit A-1) **\$ 30,897,753**

**ELMWOOD PARK BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources:					
Property Tax Levy	\$ 34,765,194			\$ 2,406,318	\$ 37,171,512
Tuition	98,992				98,992
Miscellaneous	348,024	\$ 44,390	\$ 13	-	392,427
Total - Local Sources	35,212,210	44,390	13	2,406,318	37,662,931
State Sources	17,653,987	160,529	-	241,682	18,056,198
Federal Sources	10,813	2,269,632	-	-	2,280,445
Total Revenues	52,877,010	2,474,551	13	2,648,000	57,999,574
EXPENDITURES					
Current Expenditures					
Instruction					
Regular	15,995,125	1,098,167			17,093,292
Special Education	9,926,961	689,970			10,616,931
Other Instruction	733,383	20,203			753,586
School Sponsored Activities and Athletics	628,445	73,529			701,974
Support Services					
Student and Instruction Related Services	6,416,718	631,833			7,048,551
General Administrative Services	1,407,681				1,407,681
School Administrative Services	3,289,526				3,289,526
Central Administrative Services	1,334,285				1,334,285
Plant Operations and Maintenance	3,638,309				3,638,309
Pupil Transportation	1,899,125				1,899,125
Debt Service					
Principal				1,640,000	1,640,000
Interest				1,008,000	1,008,000
Capital Outlay	1,281,987	-	\$ -	-	1,281,987
Total Expenditures	46,551,545	2,513,702	-	2,648,000	51,713,247
Excess (Deficiencies) of Revenues					
Over/(Under) Expenditures	6,325,465	(39,151)	13	-	6,286,327
OTHER FINANCING SOURCES (USES)					
Transfers In	13	25,500			25,513
Transfers Out	(25,500)	-	(13)	-	(25,513)
Total Other Financing Sources (Uses)	(25,487)	25,500	(13)	-	-
Net Change in Fund Balances	6,299,978	(13,651)	-	-	6,286,327
Fund Balance, Beginning of Year, (Restated)	11,946,932	143,998	137,857	-	12,228,787
Fund Balance, End of Year	\$ 18,246,910	\$ 130,347	\$ 137,857	\$ -	\$ 18,515,114

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

**ELMWOOD PARK BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ 6,286,327

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

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

Capital Outlays	\$ 1,281,987	
Depreciation Expense	<u>(2,112,674)</u>	(830,687)

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

Principal Repayments:		1,640,000
-----------------------	--	-----------

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

Deferred Amounts on Refunding of Debt	(48,160)	
Original Issue Premium	<u>220,760</u>	172,600

In the statement of activities, certain operating expenses - compensated absences and pension expense - are measured by the amounts earned or incurred during the year. In the governmental funds however, expenditures for these items are measured by the amount of financial resources used (paid): When the earned or incurred amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.

Increase in Compensated Absences	(20,416)	
Decrease in Pension Expense	<u>238,410</u>	217,994

In the Statement of Activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The decrease in accrued interest is an addition in the reconciliation.

		<u>27,333</u>
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Change in Net Position of Governmental Activities (Exhibit A-2) \$ 7,513,567

**ELMWOOD PARK BOARD OF EDUCATION
 PROPRIETARY FUND
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2021**

	Business-Type Activities		
	Enterprise Funds		
	Food Service	Non-Major Summer Session Program	Total
ASSETS			
Cash and Cash Equivalents	\$ 175,958	\$ 20,303	\$ 196,261
Intergovernmental Receivable	213,443		213,443
Other Accounts Receivable, Net	23,667		23,667
Inventories	3,016	-	3,016
	<u>416,084</u>	<u>20,303</u>	<u>436,387</u>
Capital Assets			
Building Improvements	93,453		93,453
Equipment	370,020		370,020
Accumulated Depreciation	(314,759)	-	(314,759)
	<u>148,714</u>	<u>-</u>	<u>148,714</u>
Total Capital Assets, Net	<u>148,714</u>	<u>-</u>	<u>148,714</u>
Total Assets	<u>564,798</u>	<u>20,303</u>	<u>585,101</u>
LIABILITIES			
Current Liabilities			
Unearned Revenue	14,037	-	14,037
	<u>14,037</u>	<u>-</u>	<u>14,037</u>
Total Current Liabilities	<u>14,037</u>	<u>-</u>	<u>14,037</u>
NET POSITION			
Investment in Capital Assets	148,714		148,714
Unrestricted	402,047	20,303	422,350
	<u>402,047</u>	<u>20,303</u>	<u>422,350</u>
Total Net Position	<u>\$ 550,761</u>	<u>\$ 20,303</u>	<u>\$ 571,064</u>

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

**ELMWOOD PARK BOARD OF EDUCATION
 PROPRIETARY FUND
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Business-Type Activities		
	Enterprise Funds		
	Food Service	Non-Major Summer Session Program	Total
OPERATING REVENUES			
Local Sources			
Daily Sales - Reimbursable Programs			\$ -
Daily Sales - Non-Reimbursable Programs			-
Program Fees	-	\$ -	-
	-----	-----	-----
Total Operating Revenues	-	-	-
	-----	-----	-----
OPERATING EXPENSES			
Salaries and Benefits	54,505		54,505
Cost of Sales - Reimbursable Programs	724,489		724,489
Purchased Professional and Technical Services	17,021		17,021
Purchased Property Services	4,074		4,074
Supplies and Materials	1,447		1,447
Bad Debt Expense	4,455		4,455
Depreciation	16,436	-	16,436
	-----	-----	-----
Total Operating Expenses	822,427	-	822,427
	-----	-----	-----
Operating (Loss)	(822,427)	-	(822,427)
	-----	-----	-----
Nonoperating Revenues			
State Sources			
State School Lunch Program	31,739		31,739
Federal Sources			
School Breakfast Program	372,529		372,529
National School Lunch Program	590,739		590,739
Food Distribution Program	78,725	-	78,725
	-----	-----	-----
Total Nonoperating Revenues	1,073,732	-	1,073,732
	-----	-----	-----
Change in Net Position	251,305	-	251,305
	-----	-----	-----
Total Net Position, Beginning of Year	299,456	20,303	319,759
	-----	-----	-----
Total Net Position, End of Year	\$ 550,761	\$ 20,303	\$ 571,064
	-----	-----	-----

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

ELMWOOD PARK BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Business-Type Activities

Enterprise Funds

	Enterprise Funds		
	Food Service	Non-Major Summer Session Program	Total
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 132		\$ 132
Cash Payments for Employees Salaries and Benefits	(54,505)	-	(54,505)
Cash Payments to Suppliers for Goods and Services	(652,967)	-	(652,967)
Cash Payments to Customers - Refunds	(150)	-	(150)
Net Cash (Used for) Operating Activities	(707,490)	-	(707,490)
Cash Flows from Noncapital Financing Activities			
Cash Received from State and Federal Subsidy Reimbursements	794,124	-	794,124
Net Cash Provided by Noncapital Financing Activities	794,124	-	794,124
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(3,995)	-	(3,995)
Net Cash (Used For) Capital and Related Financing Activities	(3,995)	-	(3,995)
Net Increase in Cash and Cash Equivalents	82,639	-	82,639
Cash and Cash Equivalents, Beginning of Year	93,319	20,303	113,622
Cash and Cash Equivalents, End of Year	\$ 175,958	\$ 20,303	\$ 196,261
Reconciliation of Operating (Loss) to Net Cash (Used for) Operating Activities			
Operating (Loss)	\$ (822,427)	\$ -	(822,427)
Adjustments to Reconcile Operating (Loss) to Net Cash (Used for) Operating Activities			
Depreciation	16,436		16,436
Non-Cash Federal Assistance-Food Distribution Program	78,725		78,725
Change in Assets, Liabilities and Deferred Inflows			
(Increase)/Decrease in Accounts Receivable	5,927		5,927
(Increase)/Decrease in Inventory	15,338		15,338
Increase/(Decrease) in Unearned Revenue	(1,489)	-	(1,489)
Total Adjustments	114,937	-	114,937
Net Cash (Used For) Operating Activities	\$ (707,490)	\$ -	\$ (707,490)
Non-Cash Investing, Capital and Financing Activities:			
Value Received - Food Distribution Program	\$ 78,725		

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

NOTES TO THE FINANCIAL STATEMENTS

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent 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 Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent 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 Elmwood Park Board of Education this includes general operations, food service and student related activities of the District.

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

B. New Accounting Standards

During fiscal year 2021, the District adopted the following GASB statement:

- GASB No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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 No. 87, *Leases*, implementation postponed will be effective beginning with the fiscal year ending June 30, 2022. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
- GASB No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*, implementation postponed will be effective beginning with the fiscal year ending June 30, 2022. The objectives of this Statement is to improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities.
- GASB No. 92, *Omnibus 2020*, implementation postponed will be effective beginning with the fiscal year ending June 30, 2022 except requirements related to GASB No. 87 and Implementation Guide No. 2019-3 are effective upon issuance. The objective of this Statement is to enhance comparability in the application of accounting and financial reporting requirements and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics.
- GASB No. 96, *Subscription – Based Information Technology Arrangements*, will be effective beginning with the fiscal year ending June 30, 2023. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.
- GASB No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No.84, and a Supersession of GASB Statement No. 32*, the section that maybe applicable to the District will be effective beginning with the fiscal year ending June 30, 2022. The objective of this Statement is to provide more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

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 the food service enterprise funds to be major funds.

The District reports the following major governmental funds:

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

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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, lease purchases and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

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

The District reports the following 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.

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

The *summer session fund* accounts for the activities of the District's middle school summer school programs which provides classroom instruction during the summer recess.

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

3. Inventories

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

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.

**ELMWOOD PARK BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

4. Capital Assets

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

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	50
Building Improvements	15-20
Machinery and Equipment	5-10
Vehicles	10

5. Deferred Outflows/Inflows of Resources

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

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

5. *Deferred Outflows/Inflows of Resources (Continued)*

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

6. *Compensated Absences*

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

7. *Pensions*

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

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

8. *Long-Term Obligations*

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

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

ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. *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).

Capital Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2021/2022 District budget certified for taxes.

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

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

Reserved Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2021 audited excess surplus that is required to be appropriated in the 2022/2023 original budget certified for taxes.

Reserved Excess Surplus – Designated for Subsequent Year's Expenditures – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2020 audited excess surplus that was appropriated in the 2021/2022 original budget certified for taxes.

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

Debt Service – Represents fund balance from unspent bond proceeds on completed projects in the capital projects fund restricted specifically for the repayment of long-term debt principal and interest in accordance with NJAC 6A:26-4.1.

ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. *Net Position/Fund Balance (Continued)*

Governmental Fund Statements (Continued)

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

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

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

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

10. *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 government 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 government's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the government that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. The District has no committed fund balances at year end.

Amounts in the assigned fund balance classification are intended to be used by the government 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.

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses

1. Program Revenues

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

2. Property Taxes

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

3. Tuition Revenues and Expenditures

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

Tuition Expenditures - Tuition charges for the fiscal years 2019-2020 and 2020-2021 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

4. 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 and summer session enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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. Capital lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district’s annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2020/2021. Also, during 2020/2021 the Board increased the original budget by a net amount of \$2,007,221. The increase was funded by the additional appropriation of unassigned fund balance, grant awards, student activity revenues and the reappropriation of prior year general fund encumbrances. During the fiscal year the Board authorized and approved additional fund balance appropriations of \$590,193 from the general fund. In addition, the Board also approved to reduce general fund appropriations by \$536,188 and appropriated an additional \$1,100,000 of unassigned fund balance to offset the reduction of budgeted state aid.

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.

**ELMWOOD PARK BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve

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

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

The activity of the capital reserve for the fiscal year ended June 30, 2021 is as follows:

Balance, July 1, 2020		\$ 8,319,777
Increased by:		
Deposits Approved by Board Resolution	\$ 5,585,094	
Return of Unexpended Budget Appropriations Funded by Capital Reserve	214,295	
		<u>5,799,389</u>
		14,119,166
Decreased by:		
Withdrawals Approved in District Budget		<u>1,050,000</u>
Balance, June 30, 2021		<u>\$ 13,069,166</u>

The June 30, 2021 LRFP balance of local support costs of uncompleted capital projects is \$30,219,482. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan. \$2,960,000 of the capital reserve balance at June 30, 2021 was designated and appropriated for use in the 2021/2022 original budget certified for taxes.

C. Maintenance Reserve

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

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

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Maintenance Reserve (Continued)

The activity of the maintenance reserve for the fiscal year ended June 30, 2021 is as follows:

Balance, July 1, 2020	\$ 1,699,570
Decreased by:	
Withdrawals Approved by Board Resolution	<u>125,000</u>
Balance, June 30, 2021	<u>\$ 1,574,570</u>

The June 30, 2021 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,111,853.

D. Emergency Reserve

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

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

The activity of the emergency reserve for the fiscal year ended June 30, 2021 is as follows:

Balance, July 1, 2020	<u>\$ 450,000</u>
Balance, June 30, 2021	<u>\$ 450,000</u>

E. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 4% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2021 is \$2,200,000. Of this amount, \$1,100,000 was designated and appropriated in the 2021/2022 original budget certified for taxes and the remaining amount of \$1,100,000 will be appropriated in the 2022/2023 original budget certified for taxes.

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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 all deposits not covered by the FDIC and NCUSIF.

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, 2021, the book value of the Board's deposits were \$19,516,868 and bank and brokerage firm balances of the Board's deposits amounted to \$21,509,965. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ <u>21,509,965</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, 2021 none of the Board's bank balance was exposed to custodial credit risk.

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, 2021, the Board had no outstanding investments.

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

**ELMWOOD PARK BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

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

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

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

B. Receivables

Receivables as of June 30, 2021 for the district’s individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Intergovernmental				
State	\$ 132,852		\$ 5,241	\$ 138,093
Federal	-	\$ 406,058	208,202	614,260
	<hr/>		<hr/>	<hr/>
Gross Receivables	132,852	406,058	213,443	752,353
Less: Allowance for Uncollectibles	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net Total Receivables	<u>\$ 132,852</u>	<u>\$ 406,058</u>	<u>\$ 213,443</u>	<u>\$ 752,353</u>

C. Unearned Revenue

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

	<u>Unearned</u>
Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 9,433
	<hr/>
Total Deferred Revenue for Governmental Funds	<u>\$ 9,433</u>

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2021 was as follows:

	Balance, July 1, 2020	Increases	Decreases	Balance, June 30, 2021
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 11,790	\$ 431,820		\$ 443,610
Construction in Progress	<u>57,500</u>	<u>175,459</u>	\$ (57,500)	<u>175,459</u>
Total Capital Assets, Not Being Depreciated	<u>69,290</u>	<u>607,279</u>	<u>(57,500)</u>	<u>619,069</u>
Capital Assets, Being Depreciated:				
Land Improvements	2,165,254	194,377		2,359,631
Building and Building Improvements	62,100,666	219,612		62,320,278
Machinery and Equipment	<u>2,276,887</u>	<u>318,219</u>	<u>(55,100)</u>	<u>2,540,006</u>
Total Capital Assets Being Depreciated	<u>66,542,807</u>	<u>732,208</u>	<u>(55,100)</u>	<u>67,219,915</u>
Less Accumulated Depreciation for:				
Land Improvements	(453,122)	(113,950)		(567,072)
Buildings and Improvements	(19,619,124)	(1,806,121)		(21,425,245)
Machinery and Equipment	<u>(1,739,497)</u>	<u>(192,603)</u>	<u>55,100</u>	<u>(1,877,000)</u>
Total Accumulated Depreciation	<u>(21,811,743)</u>	<u>(2,112,674)</u>	<u>55,100</u>	<u>(23,869,317)</u>
Total Capital Assets, Being Depreciated, Net	<u>44,731,064</u>	<u>(1,380,466)</u>	<u>-</u>	<u>43,350,598</u>
Governmental Activities Capital Assets, Net	<u>\$ 44,800,354</u>	<u>\$ (773,187)</u>	<u>\$ (57,500)</u>	<u>\$ 43,969,667</u>

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	<u>Balance, July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2021</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Building Improvements	\$ 93,453			93,453
Equipment	<u>366,025</u>	<u>3,995</u>	<u>-</u>	<u>370,020</u>
Total Capital Assets Being Depreciated	<u>459,478</u>	<u>3,995</u>	<u>-</u>	<u>463,473</u>
Less Accumulated Depreciation for:				
Building Improvements	(9,346)	(4,673)		(14,019)
Equipment	<u>(288,977)</u>	<u>(11,763)</u>	<u>-</u>	<u>(300,740)</u>
Total Accumulated Depreciation	<u>(298,323)</u>	<u>(16,436)</u>	<u>-</u>	<u>(314,759)</u>
Total Capital Assets, Being Depreciated, Net	<u>161,155</u>	<u>(12,441)</u>	<u>-</u>	<u>148,714</u>
Business-Type Activities Capital Assets, Net	<u>\$ 161,155</u>	<u>\$ (12,441)</u>	<u>\$ -</u>	<u>\$ 148,714</u>

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

Governmental Activities:	
Instruction	
Regular	\$ 878,764
Special Education	358,606
Other Instruction	44,296
School Sponsored Activities and Athletics	<u>37,759</u>
Total Instruction	<u>1,319,425</u>
Support Services	
Student and Instruction Related Services	328,906
General Administrative Services	44,654
School Administrative Services	202,850
Central Administrative Services	74,410
Plant Operations and Maintenance	138,977
Student Transportation	<u>3,452</u>
Total Support Services	<u>793,249</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,112,674</u>
Business-Type Activities:	
Food Service Fund	<u>\$ 16,436</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 16,436</u>

**ELMWOOD PARK BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2021, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	<u>\$ 94,042</u>

The above balances are the result of expenditures paid by one fund on behalf of another fund.

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

Interfund Transfers

	<u>Transfer In:</u>		
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
<u>Transfer Out:</u>			
General Fund		\$ 25,500	\$ 25,500
Capital Projects Fund	\$ 13	-	13
Total	<u>\$ 13</u>	<u>\$ 25,500</u>	<u>\$ 25,513</u>

The above transfers are the result of revenues earned or received in one fund to finance expenditures in another fund.

F. Leases

Operating Leases

The District leases copiers under noncancelable operating leases. Lease payments for the fiscal year ended June 30, 2021 were \$23,232. The future minimum lease payments for these operating leases are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>
2022	\$ 23,232
2023	23,232
2024	23,232
2025	<u>13,552</u>
Total Minimum Lease Payments	<u>\$ 83,248</u>

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets or other purposes permitted by statute. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2021 are comprised of the following issues:

\$9,290,000, 2014 Bonds, due in annual installments of \$375,000 to \$600,000 through August 1, 2034, interest at 4.00% to 5.00%	\$7,210,000
\$21,275,000, 2014 Refunding Bonds, due in annual installments of \$1,340,000 to \$1,950,000 through August 1, 2029, interest at 4.00% to 5.00%	<u>14,275,000</u>
Total	<u>\$21,485,000</u>

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Year Ended June 30,	Serial Bonds		Total
	Principal	Interest	
2022	\$ 1,715,000	\$ 932,325	\$ 2,647,325
2023	1,800,000	844,450	2,644,450
2024	1,890,000	752,200	2,642,200
2025	1,970,000	655,700	2,625,700
2026	2,055,000	555,075	2,610,075
2027-2031	9,655,000	1,334,850	10,989,850
2032-2036	<u>2,400,000</u>	<u>192,000</u>	<u>2,592,000</u>
Totals	<u>\$ 21,485,000</u>	<u>\$ 5,266,600</u>	<u>\$ 26,751,600</u>

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2021 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 93,657,747
Less: Net Debt Issued	<u>21,485,000</u>
Remaining Borrowing Power	<u>\$ 72,172,747</u>

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds Payable	\$ 23,125,000		\$ 1,640,000	\$ 21,485,000	\$ 1,715,000
Add: Unamortized Premium	1,876,506	-	220,760	1,655,746	-
	25,001,506	-	1,860,760	23,140,746	1,715,000
Compensated Absences	728,925	\$ 68,412	47,996	749,341	25,000
Net Pension Liability	6,095,315	-	461,450	5,633,865	-
Governmental Activity Long-Term Liabilities	<u>\$ 31,825,746</u>	<u>\$ 68,412</u>	<u>\$ 2,370,206</u>	<u>\$ 29,523,952</u>	<u>\$ 1,740,000</u>

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 Comprehensive Annual Financial Report.

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

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

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

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

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

B. Contingent Liabilities

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

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2021, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2021, the District has not estimated its arbitrage earnings due to the IRS, if any.

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

**ELMWOOD PARK BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Public Employees' Retirement System (PERS) (Continued)

The following represents the membership tiers for PERS:

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

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

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

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

The following represent the membership tiers for TPAF:

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

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

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

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

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

Other Pension Funds

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

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

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

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

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

The authority to amend the provisions of the above plans rests with new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for TPAF and PERS, once a Target Funded Ratio (TFR) is met. The Pension Plan Design Committees will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation of final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period.

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

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

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2020 is \$16.4 billion and the plan fiduciary net position as a percentage of the total pension liability is 58.32%. The collective net pension liability of the State funded TPAF at June 30, 2020 is \$66.0 billion and the plan fiduciary net position as a percentage of total pension liability is 24.60%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2019 which were rolled forward to June 30, 2020.

Actuarial Methods and Assumptions

In the July 1, 2019 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 2021.

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, 2021 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 less 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 2021, 2020 and 2019 were equal to the required contributions.

During the fiscal years ended June 30, 2021, 2020 and 2019 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and unfunded accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2021	\$ 377,938	\$ 3,999,926	\$ 43,774
2020	329,049	2,858,971	51,648
2019	354,608	2,556,095	39,591

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2021, 2020 and 2019 the District contributed \$0, \$1,182 and \$1,455 respectively for PERS and the State contributed \$3,579, \$3,594 and \$3,890, 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 \$1,151,781 during the fiscal year ended June 30, 2021 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2019 through June 30, 2020. Employer allocation percentages have been rounded for presentation purposes.

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

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2020 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2020.

At June 30, 2021, the District reported in the statement of net position (accrual basis) a liability of \$5,633,865 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019. 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, 2020. At June 30, 2020, the District's proportionate share was .03455 percent, which was an increase of .00072 percent from its proportionate share measured as of June 30, 2019 of .03383 percent.

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$139,528 for PERS. The pension contribution made by the District during the current 2020/2021 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, 2021 with a measurement date of the prior fiscal year end of June 30, 2020. 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, 2021 for contributions made subsequent to the measurement date. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 102,583	\$ 19,924
Changes of Assumptions	182,769	2,358,953
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	192,570	
Changes in Proportion and Differences Between Borough Contributions and Proportionate Share of Contributions	<u>196,997</u>	<u>254,342</u>
Total	<u>\$ 674,919</u>	<u>\$ 2,633,219</u>

At June 30, 2021, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense/(benefit) as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2022	\$ (562,699)
2023	(523,668)
2024	(440,500)
2025	(365,681)
2026	<u>(65,752)</u>
	<u>\$ (1,958,300)</u>

**ELMWOOD PARK BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District's total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>PERS</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00-6.00% Based on Years of Service
Thereafter	3.00%-7.00% Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	Pub-2010

Assumptions for mortality improvements are based on Society of Actuaries Scale MP-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2020) 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, 2020 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%	3.40%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Investment Grade Credit	8.00%	2.67%
US Equity	27.00%	7.71%
Non-US Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
High Yield	2.00%	5.95%
Real Assets	3.00%	9.73%
Private Credit	8.00%	7.59%
Real Estate	8.00%	9.56%
Private Equity	13.00%	11.42%

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2021	June 30, 2020	7.00%
2020	June 30, 2019	6.28%

**ELMWOOD PARK BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

There was no crossover period for the PERS defined benefit plan. Therefore the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of Net Pension Liability

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

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>7,092,096</u>	\$ <u>5,633,865</u>	\$ <u>4,396,516</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, 2020. A sensitivity analysis specific to the District's net pension liability at June 30, 2020 was not provided by the pension system.

Pension Plan Fiduciary Net Position

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

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2019 through June 30, 2020. 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, 2020, the State's pension contribution was less 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, 2021, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$5,243,343 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, 2021 the State's proportionate share of the net pension liability attributable to the District is \$84,319,464. The net pension liability was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019. 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, 2020. At June 30, 2020, the State's share of the net pension liability attributable to the District was .12805 percent, which was an increase of .00075 percent from its proportionate share measured as of June 30, 2019 of .12730 percent.

**ELMWOOD PARK BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55-4.55%
	Based on Years of Service
Thereafter	2.75%-5.65%
	Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	Pub-2010

Assumptions for mortality improvements are based on Society of Actuaries Scale MP-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2020) 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, 2020 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%	3.40%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Investment Grade Credit	8.00%	2.67%
US Equity	27.00%	7.71%
Non-US Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
High Yield	2.00%	5.95%
Real Assets	3.00%	9.73%
Private Credit	8.00%	7.59%
Real Estate	8.00%	9.56%
Private Equity	13.00%	11.42%

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

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

The discount rate used to measure the total pension liabilities of the TPAF plan was as follows:

Fiscal Year	Measurement Date	Discount Rate
2021	June 30, 2020	5.40%
2020	June 30, 2019	5.60%

The following table represents the crossover period, if applicable, for the TPAF defined benefit plan:

Period of Projected Benefit

Payments for which the Following
 Rates were Applied:

Long-Term Expected Rate of Return Through June 30, 2062

Municipal Bond Rate * From July 1, 2062
 and Thereafter

* The municipal bond return rate used is 2.21% as of the measurement date of June 30, 2020. 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.

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 5.40%, 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 (4.40 percent) or 1-percentage-point higher (6.40 percent) than the current rate:

	1% Decrease (4.40%)	Current Discount Rate (5.40%)	1% Increase (6.40%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 99,043,086</u>	<u>\$ 84,319,464</u>	<u>\$ 72,093,968</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at as of the measurement date of June 30, 2020. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2020 was not provided by the pension system.

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in an Agency Fund in the New Jersey Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a 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.

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 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. Certain local participating employers also provide post-retirement medical coverage to their employees. 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.

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

E. Post-Retirement Medical Benefits (Continued)

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

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2019:

Active Plan Members	216,804
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	149,304
Inactive Plan Members Entitled to but not yet Receiving Benefits	<u> -</u>
 Total	 <u>366,108</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 plans. 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

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2020 is \$67.8 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2019 which were rolled forward to June 30, 2020.

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the June 30, 2019 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 \$1.18 billion to the OPEB plan in fiscal year 2020.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2021, 2020 and 2019 were \$1,253,514, \$1,060,626 and \$1,159,440, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2019 through June 30, 2020. Nonemployer allocation percentages have been rounded for presentation purposes.

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

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$4,514,637. 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, 2021 the State's proportionate share of the OPEB liability attributable to the District is \$71,986,333. 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, 2020 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2020. At June 30, 2020, the state's share of the OPEB liability attributable to the District was .10616 percent, which was an increase of .00036 percent from its proportionate share measured as of June 30, 2019 of .10580 percent.

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

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions

The OPEB liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%
Salary Increases*	
PERS:	
Initial Fiscal Year Applied Through	2026
Rate	2.00% to 6.00%
Rate Thereafter	3.00% to 7.00%
TPAF:	
Initial Fiscal Year Applied Through	2026
Rate	1.55% to 4.45%
Rate Thereafter	1.55% to 4.45%
Mortality:	
PERS	Pre-retirement and Post-retirement based on Pub-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.
TPAF	Pre-retirement and Post-retirement based on Pub-2010 Healthy "Teachers" and "General" classifications respectively, headcount-weighted mortality tables with fully generational mortality improvement projections from the central year using Scale MP-2020.

*Salary increases are based on the defined benefit pension plan that the member is enrolled in and the members years of service.

For the June 30, 2020 measurement date healthcare cost trend rates for pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

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

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions (Continued)

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2015 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

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

Discount Rate

The discount rate used to measure the total OPEB liabilities of the plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2021	June 30, 2020	2.21%
2020	June 30, 2019	3.50%

The discount rate 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.

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

E. Post-Retirement Medical Benefits (Continued)

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

Changes in the Total OPEB Liability

The change in the State’s proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2021 (measurement date June 30, 2020) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2019 Measurement Date	\$ 44,150,016
Changes Recognized for the Fiscal Year:	
Service Cost	2,534,947
Interest on the Total OPEB Liability	1,612,890
Differences Between Expected and Actual Experience	11,754,289
Changes of Assumptions	13,149,429
Gross Benefit Payments	(1,253,223)
Contributions from the Member	37,985
Net Changes	<u>\$ 27,836,317</u>
Balance, June 30, 2020 Measurement Date	<u>\$ 71,986,333</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.50 % percent in 2019 to 2.21% percent in 2020.

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, 2020.

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 2.21%, 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 (1.21 percent) or 1-percentage-point higher (3.21 percent) than the current rate:

	1% Decrease <u>(1.21%)</u>	Current Discount Rate <u>(2.21%)</u>	1% Increase <u>(3.21%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 86,783,240</u>	<u>\$ 71,986,333</u>	<u>\$ 60,416,577</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	<u>\$ 58,109,796</u>	<u>\$ 71,986,333</u>	<u>\$ 88,510,205</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2020. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2020 were not provided by the pension system.

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

F. Tax Abatements

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

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

NOTE 5 RESTATEMENT

On July 1, 2020, the Elmwood Park Board of Education implemented GASB Statement No. 84 "Fiduciary Activities". The Elmwood Park Board of Education has determined that the effect of implementing this accounting change on the financial statements previously reported as of and for the fiscal year ended June 30, 2020 are as follows:

Governmental Activities

The financial statements of the governmental activities as of June 30, 2020 have been restated to reflect the reclassification of certain activities related to student activities and payroll related activities which were previously reported as fiduciary activities to governmental activities. The effect of this restatement is to increase net position of governmental activities by \$143,998 from \$23,240,188 as previously reported to \$23,384,186 as of June 30, 2020.

Governmental Funds

The financial statements of the governmental funds as of June 30, 2020 have been restated to reflect the reclassification of certain activities related to student activities and payroll activities previously reported as fiduciary funds to governmental funds. The effect of this restatement is to increase fund balances of governmental funds by \$143,998 from \$12,084,789 as previously reported to \$12,228,787 as of June 30, 2020. Special Revenue Fund fund balance increased \$143,998 from \$0 as previously reported to \$143,998 as of June 30, 2020.

Fiduciary Funds

The financial statements of the fiduciary funds as of June 30, 2020 have been restated to reflect the reclassification of certain activities to governmental funds as noted above. The effect of this restatement is to eliminate the fiduciary funds (Agency Fund) as of June 30, 2020.

NOTE 6 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the "Pandemic") by the World Health Organization and has been affecting many parts of the world, including the United States and the State of New Jersey. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President's Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States.

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 6 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC (Continued)

Governor Phil Murphy (the “Governor”) of the State of New Jersey (the “State”) declared a state of emergency and a public health emergency on March 9, 2020 due to the outbreak of COVID-19, which spread to the State and to all counties within the State. The Governor also instituted mandatory measures via various executive orders to contain the spread of the virus. These measure, which altered the behaviors of businesses and people, had negative impacts on regional, state and local economies. The Governor, pursuant to various executive orders, then implemented a multi-stage approach to restarting New Jersey’s economy. The declaration of the state of emergency and of a public health emergency was terminated by the Governor, by executive order, on June 4, 2021. Also, on June 4, 2021, the Governor signed into law Assembly Bill No. 5820 which terminates most of the governor’s pandemic-related executive orders in early July. The remaining executive orders (dealing with coronavirus testing and vaccinations, moratoriums on evictions and utility shutoffs and various other matters) will terminate on January 1, 2022. In the event of substantial increases in COVID-19 hospitalizations, spot positivity or rates of transmission, the Governor is empowered to impose more restrictive measures than currently in place.

Recently, the United States Congress has passed relief and stimulus legislations including the American Rescue Plan Act signed into law by President Biden on March 12, 2021, comprising of \$1.9 trillion in funding to address the COVID-19 Pandemic. This legislation is intended to address the financial impact of the pandemic on the U.S. economy and alleviate the health effects of the COVID-19 pandemic. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes \$350 billion in relief funds to public entities, such as the School District. It is too early to predict if the legislation will have its intended affect.

The largest portion of the School District’s revenues is derived from local tax revenues levied by the Borough. In that regard, under applicable State statutes, the Borough annually is required to pay 100% of the amount levied for operations and debt service to the School District regardless of delinquencies in applicable property tax collections. The ability of the Borough to fully collect property taxes on a timely basis may be affected by the economic impact of the Pandemic; however, the District does not anticipate an interruption in the timely collection of property taxes from the Borough.

Because of the evolving nature of the outbreak and federal, state and local responses thereto, the Board cannot predict how the outbreak will impact the financial condition or operations of the School District, or if there will be any impact on the assessed values of property within the School District or deferral of tax payments to municipalities. The Board cannot predict costs associated with this or any other potential infectious disease outbreak, including whether there will be any reduction in State funding or an increase in operational costs incurred to clean, sanitize and maintain it facilities either before or after an outbreak of an infectious disease.

REQUIRED SUPPLEMENTARY INFORMATION - PART II
BUDGETARY COMPARISON SCHEDULES

**ELMWOOD PARK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 34,765,194	\$ -	\$ 34,765,194	\$ 34,765,194	
Tuition from Other LEA's / Within State				98,992	\$ 98,992
Interest Earned in Maintenance Reserve	140		140	-	(140)
Interest Earned in Capital Reserve Funds	560		560	-	(560)
Unrestricted Miscellaneous	175,000	-	175,000	348,024	173,024
Total Local Revenues	<u>34,940,894</u>	<u>-</u>	<u>34,940,894</u>	<u>35,212,210</u>	<u>271,316</u>
State Sources					
Special Education Aid	2,318,383	-	2,318,383	2,318,383	-
Equalization Aid	8,665,567	(1,636,188)	7,029,379	7,029,379	-
Security Aid	760,674	-	760,674	760,674	-
Transportation Aid	547,120	-	547,120	547,120	-
Extraordinary Special Education Costs Aid				1,148,673	1,148,673
Nonpublic School Transportation Costs				55,390	55,390
On-Behalf TPAF Contributions (Non-Budgeted)					
Pension Benefit Contribution				3,925,243	3,925,243
Pension - NCGI Premium				74,683	74,683
Post Retirement Medical Benefit Contribution				1,253,514	1,253,514
Long Term Disability Insurance				3,579	3,579
Reimbursed Social Security Contribution	-	-	-	1,151,781	1,151,781
Total State Revenues	<u>12,291,744</u>	<u>(1,636,188)</u>	<u>10,655,556</u>	<u>18,268,419</u>	<u>7,612,863</u>
Federal Sources					
Special Education Medicaid Initiative Reimbursement	40,242	-	40,242	10,813	(29,429)
Total Federal Revenues	<u>40,242</u>	<u>-</u>	<u>40,242</u>	<u>10,813</u>	<u>(29,429)</u>
Total Revenues	<u>47,272,880</u>	<u>(1,636,188)</u>	<u>45,636,692</u>	<u>53,491,442</u>	<u>7,854,750</u>
CURRENT EXPENDITURES					
Regular Programs - Instruction					
Salaries of Teachers					
Kindergarten	478,546	\$ 29,578	508,124	502,916	5,208
Grades 1-5	3,879,797	(299,756)	3,580,041	3,259,276	320,765
Grades 6-8	2,165,651	-	2,165,651	1,900,613	265,038
Grades 9-12	2,988,764	(48,000)	2,940,764	2,621,573	319,191
Regular Programs - Home Instruction					
Salaries of Teachers	15,000	-	15,000		15,000
Purchased Professional-Educational Services	12,000	-	12,000	4,126	7,874
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	122,115	-	122,115	101,666	20,449
Purchased Professional-Educational Services	15,000	-	15,000	8,056	6,944
Purchased Technical Services	83,000	-	83,000	64,412	18,588
Other Purchased Services	115,950	1,750	117,700	70,994	46,706
General Supplies	630,178	(123,165)	507,013	383,756	123,257
Textbooks	74,819	(47,900)	26,919	8,069	18,850
Total Regular Programs	<u>10,580,820</u>	<u>(487,493)</u>	<u>10,093,327</u>	<u>8,925,457</u>	<u>1,167,870</u>

**ELMWOOD PARK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Special Education					
Learning / Language Disabilities					
Salaries of Teachers	\$ 427,418	\$ 200	\$ 427,618	\$ 295,032	\$ 132,586
Other Salaries for Instruction	175,200	(7,200)	168,000	73,147	94,853
Total Learning / Language Disabilities	<u>602,618</u>	<u>(7,000)</u>	<u>595,618</u>	<u>368,179</u>	<u>227,439</u>
Behavioral Disabilities					
Salaries of Teachers	100,448	-	100,448	95,176	5,272
Other Salaries for Instruction	17,400	-	17,400	-	17,400
Total Behavioral Disabilities	<u>117,848</u>	<u>-</u>	<u>117,848</u>	<u>95,176</u>	<u>22,672</u>
Multiple Disabilities					
Salaries of Teachers	379,997	(139,617)	240,380	227,710	12,670
Other Salaries for Instruction	34,800	-	34,800	15,660	19,140
General Supplies	2,000	-	2,000	800	1,200
Total Multiple Disabilities	<u>416,797</u>	<u>(139,617)</u>	<u>277,180</u>	<u>244,170</u>	<u>33,010</u>
Resource Room / Resource Center					
Salaries of Teachers	1,330,840	397,000	1,727,840	1,681,151	46,689
Other Salaries for Instruction	116,000	-	116,000	63,672	52,328
General Supplies	1,000	-	1,000	324	676
Total Resource Room / Resource Center	<u>1,447,840</u>	<u>397,000</u>	<u>1,844,840</u>	<u>1,745,147</u>	<u>99,693</u>
Autism					
Salaries of Teachers	524,854	-	524,854	427,012	97,842
Other Salaries for Instruction	166,000	180,000	346,000	289,383	56,617
General Supplies	15,000	-	15,000	2,105	12,895
Total Autism	<u>705,854</u>	<u>180,000</u>	<u>885,854</u>	<u>718,500</u>	<u>167,354</u>
Preschool Disabilities - Part - Time					
Salaries of Teachers	179,069	(3,000)	176,069	168,518	7,551
Other Salaries for Instruction	52,200	(16,400)	35,800	27,311	8,489
Total Preschool Disabilities - Part - Time	<u>231,269</u>	<u>(19,400)</u>	<u>211,869</u>	<u>195,829</u>	<u>16,040</u>
Preschool Disabilities - Full - Time					
Salaries of Teachers	55,123	58,000	113,123	112,765	358
Other Salaries for Instruction	69,600	21,400	91,000	76,906	14,094
Total Preschool Disabilities - Full - Time	<u>124,723</u>	<u>79,400</u>	<u>204,123</u>	<u>189,671</u>	<u>14,452</u>
Home Instruction					
Salaries of Teachers	40,000	-	40,000	2,250	37,750
Purchased Professional and Educational Services	299	-	299	-	299
Total Home Instruction	<u>40,299</u>	<u>-</u>	<u>40,299</u>	<u>2,250</u>	<u>38,049</u>
Total Special Education	<u>3,687,248</u>	<u>490,383</u>	<u>4,177,631</u>	<u>3,558,922</u>	<u>618,709</u>

**ELMWOOD PARK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Basic Skills/Remedial					
Salaries of Teachers	\$ 387,858	\$ (165,289)	\$ 222,569	\$ 203,967	\$ 18,602
Total Basic Skills/Remedial	387,858	(165,289)	222,569	203,967	18,602
Bilingual Education					
Salaries of Teachers	261,499	(25,202)	236,297	218,742	17,555
Total Bilingual Education	261,499	(25,202)	236,297	218,742	17,555
School Sponsored Co-Curricular Activities					
Salaries	136,149	3,832	139,981	89,255	50,726
Purchased Services	3,000	-	3,000	-	3,000
Supplies and Materials	6,000	21,651	27,651	21,651	6,000
Total School Sponsored Co-Curricular Activities	145,149	25,483	170,632	110,906	59,726
School Sponsored Athletics - Instruction					
Salaries	330,391	16,400	346,791	285,137	61,654
Purchased Services	88,750	(11,810)	76,940	28,487	48,453
Supplies and Materials	53,995	(13,690)	40,305	26,111	14,194
Other Objects	15,604	-	15,604	12,884	2,720
Total School Sponsored Athletics - Instruction	488,740	(9,100)	479,640	352,619	127,021
Other Suppl./At Risk Program - Instruction					
Salaries of Teacher Tutors	50,000	-	50,000	16,058	33,942
Total Other Suppl./At Risk Program - Instruction	50,000	-	50,000	16,058	33,942
Total - Instruction	15,601,314	(171,218)	15,430,096	13,386,671	2,043,425
Undistributed Expenditures					
Instruction (Tuition)					
Tuition - Other LEA's Within State - Special	495,060	(49,430)	445,630	347,410	98,220
Tuition to County Vocational School District-Reg.	663,210	-	663,210	593,674	69,536
Tuition to County Vocational School/Dist.-Spec.	1,191,456	-	1,191,456	780,054	411,402
Tuition to County Special Services School Districts & Regional Day Schools	1,842,768	(74,503)	1,768,265	1,590,633	177,632
Tuition to Private Schools - Disabled Within State	2,710,449	(493,767)	2,216,682	1,431,926	784,756
Tuition - Other	-	13,000	13,000	7,610	5,390
Total Undistributed - Instruction (Tuition)	6,902,943	(604,700)	6,298,243	4,751,307	1,546,936
Attendance and Social Work Services					
Salaries	190,251	-	190,251	158,580	31,671
Supplies and Materials	1,600	(1,050)	550	550	-
Total Attendance and Social Work Services	191,851	(1,050)	190,801	159,130	31,671

**ELMWOOD PARK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
CURRENT EXPENDITURES (Continued)					
Health Services					
Salaries	\$ 358,570	\$ 40,980	\$ 399,550	\$ 323,058	\$ 76,492
Purchased Professional and Technical Services	34,000	-	34,000	22,905	11,095
Supplies and Materials	6,520	10,373	16,893	16,660	233
Total Health Services	<u>399,090</u>	<u>51,353</u>	<u>450,443</u>	<u>362,623</u>	<u>87,820</u>
Speech, OT, PT and Related Services					
Salaries	568,182	-	568,182	459,126	109,056
Purchased Professional - Educational Services	400,000	10,768	410,768	336,523	74,245
Supplies and Materials	4,000	2,000	6,000	4,229	1,771
Total Speech, OT, PT and Related Services	<u>972,182</u>	<u>12,768</u>	<u>984,950</u>	<u>799,878</u>	<u>185,072</u>
Other Support Services-Students-Extra Services					
Salaries	975,800	(148,000)	827,800	506,911	320,889
Purchased Professional-Educational Services	1,113,174	(78,000)	1,035,174	832,956	202,218
Supplies and Materials	2,000	-	2,000	-	2,000
Total Other Support Services-Extra Services	<u>2,090,974</u>	<u>(226,000)</u>	<u>1,864,974</u>	<u>1,339,867</u>	<u>525,107</u>
Guidance					
Salaries of Other Professional Staff	394,755	96,970	491,725	427,773	63,952
Salaries of Secretarial and Clerical Assistants	44,257	1,030	45,287	45,287	-
Other Purchased Services	8,800	-	8,800	2,323	6,477
Supplies and Materials	1,000	-	1,000	818	182
Total Guidance	<u>448,812</u>	<u>98,000</u>	<u>546,812</u>	<u>476,201</u>	<u>70,611</u>
Child Study Team					
Salaries of Other Professional Staff	925,693	-	925,693	780,039	145,654
Salaries of Secretarial and Clerical Assistants	43,497	-	43,497	42,972	525
Other Purchased Professional and Technical Services	60,000	-	60,000	9,610	50,390
Other Purchased Services	6,000	-	6,000	2,323	3,677
Supplies and Materials	15,000	-	15,000	9,392	5,608
Total Child Study Team	<u>1,050,190</u>	<u>-</u>	<u>1,050,190</u>	<u>844,336</u>	<u>205,854</u>
Improvement of Instruction Services					
Salaries of Supervisor of Instruction	196,067	(65,000)	131,067	109,210	21,857
Other Purchased Professional and Technical Services	68,000	13,750	81,750	81,439	311
Other Purchased Services	10,000	-	10,000	2,323	7,677
Supplies and Materials	1,500	24,979	26,479	25,291	1,188
Total Improvement of Instruction Services	<u>275,567</u>	<u>(26,271)</u>	<u>249,296</u>	<u>218,263</u>	<u>31,033</u>

**ELMWOOD PARK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Educational Media Services/School Library					
Salaries	\$ 166,640	\$ 15,750	\$ 182,390	\$ 176,495	\$ 5,895
Other Purchased Services	7,500	-	7,500	5,113	2,387
Supplies and Materials	7,290	(500)	6,790	3,056	3,734
Total Educational Media Services/School Library	<u>181,430</u>	<u>15,250</u>	<u>196,680</u>	<u>184,664</u>	<u>12,016</u>
Instructional Staff Training Services					
Salaries of Supervisor of Instruction	120,663	19,165	139,828	94,594	45,234
Total Instructional Staff Training Services	<u>120,663</u>	<u>19,165</u>	<u>139,828</u>	<u>94,594</u>	<u>45,234</u>
Support Services General Administration					
Salaries	497,082	(30,000)	467,082	442,757	24,325
Legal Services	95,000	(18,687)	76,313	44,858	31,455
Audit Fees	65,000	12,950	77,950	40,600	37,350
Architectural/Engineering Services	22,000	160,901	182,901	117,407	65,494
Other Purchased Professional Services	24,430	-	24,430	9,035	15,395
Communications/Telephone	203,300	70,494	273,794	215,587	58,207
Miscellaneous Purchased Services	315,153	(35,313)	279,840	261,976	17,864
General Supplies	9,110	1,170	10,280	7,503	2,777
Miscellaneous Expenditures	2,000	-	2,000	1,220	780
BOE Membership Dues and Fees	25,205	-	25,205	21,416	3,789
Total Support Services General Administration	<u>1,258,280</u>	<u>161,515</u>	<u>1,419,795</u>	<u>1,162,359</u>	<u>257,436</u>
Support Services School Administration					
Salaries of Principals/Asst. Principals/Prog. Dir.	1,645,009	38,850	1,683,859	1,596,432	87,427
Salaries of Secretarial and Clerical Assistants	424,886	10,800	435,686	414,889	20,797
Other Purchased Services	59,792	(3,500)	56,292	22,899	33,393
Supplies and Materials	43,618	1,421	45,039	27,392	17,647
Other Objects	600	(200)	400	-	400
Total Support Services School Administration	<u>2,173,905</u>	<u>47,371</u>	<u>2,221,276</u>	<u>2,061,612</u>	<u>159,664</u>
Central Services					
Salaries	564,113	(5,000)	559,113	540,559	18,554
Purchased Professional Services	53,000	5,000	58,000	57,147	853
Purchased Technical Services	17,000	3,000	20,000	18,808	1,192
Miscellaneous Purchased Services	16,581	-	16,581	11,208	5,373
Supplies and Materials	10,768	-	10,768	8,132	2,636
Total Central Services	<u>661,462</u>	<u>3,000</u>	<u>664,462</u>	<u>635,854</u>	<u>28,608</u>

**ELMWOOD PARK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Administration Information Technology					
Salaries	\$ 235,586	\$ 20,000	\$ 255,586	\$ 197,238	\$ 58,348
Purchased Technical Services	89,385	13,273	102,658	92,594	10,064
Other Purchased Services	44,052	20,000	64,052	3,980	60,072
Supplies and Materials	28,236	12,148	40,384	13,616	26,768
Total Administration Information Technology	397,259	65,421	462,680	307,428	155,252
Required Maintenance for School Facilities					
Salaries	225,585	-	225,585	212,879	12,706
Cleaning, Repair & Maintenance Services	291,877	192,068	483,945	459,593	24,352
General Supplies	75,404	3,000	78,404	47,464	30,940
Other Objects	580	-	580	545	35
Total Required Maintenance for School Facilities	593,446	195,068	788,514	720,481	68,033
Custodial Services					
Salaries	1,352,338	(2,848)	1,349,490	1,114,169	235,321
Salaries of Non-Instructional Aides	90,000	(3,000)	87,000	5,204	81,796
Cleaning, Repair and Maintenance Services	94,497	4,000	98,497	51,648	46,849
Other Purchased Property Services	37,886	-	37,886	25,996	11,890
Insurance	168,175	1,000	169,175	168,761	414
General Supplies	92,633	41,775	134,408	88,286	46,122
Energy (Natural Gas)	195,000	(6,000)	189,000	127,879	61,121
Energy (Electricity)	627,000	(52,000)	575,000	432,176	142,824
Energy (Gasoline)	10,000	-	10,000	-	10,000
Total Custodial Services	2,667,529	(17,073)	2,650,456	2,014,119	636,337
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	84,573	79,000	163,573	136,572	27,001
General Supplies	17,325	7,000	24,325	15,696	8,629
Total Care and Upkeep of Grounds	101,898	86,000	187,898	152,268	35,630
Security					
Salaries	44,414	1,400	45,814	45,746	68
Purchased Professional and Technical Services	119,120	(1,400)	117,720	98,687	19,033
General Supplies	5,000	-	5,000	-	5,000
Total Security	168,534	-	168,534	144,433	24,101
Student Transportation Services					
Salaries for Pupil Transportation (Between Home and School) - Regular	15,000	-	15,000	13,596	1,404
Salaries for Pupil Transportation (Between Home and School) - Special	15,000	-	15,000	13,596	1,404
Salaries for Pupil Transportation (Other Than Between Home & School)	22,000	-	22,000	7,040	14,960
Cleaning, Repair and Maintenance Services	9,500	-	9,500	556	8,944
Contracted Services - Aid-in-Lieu-Nonpublic Schools	200,000	-	200,000	108,834	91,166
Contracted Services (Other Than Between Home and School) - Vendors	65,000	-	65,000	11,157	53,843
Contracted Services (Regular) - ESC's & CTSA's	356,574	-	356,574	269,862	86,712
Contracted Services (Spec Ed) - ESC's & CTSA's	2,372,466	108,394	2,480,860	1,459,255	1,021,605
Miscellaneous Purchased Services - Transportation	1,393	-	1,393	150	1,243
Total Student Transportation Services	3,056,933	108,394	3,165,327	1,884,046	1,281,281

**ELMWOOD PARK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Unallocated Benefits					
Social Security Contributions	\$ 467,500	-	\$ 467,500	\$ 364,512	\$ 102,988
Other Retirement Contributions - PERS	381,800	-	381,800	377,938	3,862
Other Retirement Contributions - DCRP	62,000	-	62,000	43,774	18,226
Unemployment Compensation	95,000	\$ 10,000	105,000	70,632	34,368
Workmen's Compensation	262,827	-	262,827	177,941	84,886
Health Benefits	5,752,141	(32,000)	5,720,141	5,105,698	614,443
Tuition Reimbursement	64,260	-	64,260	45,000	19,260
Other Employee Benefits	125,086	(5,134)	119,952	119,880	72
Unused Sick Payment to Terminated/Retired Staff	-	53,086	53,086	47,996	5,090
Total Unallocated Benefits	7,210,614	25,952	7,236,566	6,353,371	883,195
On Behalf TPAF Contributions (Non Budgeted)					
Pension Benefit Contribution	-	-	-	3,925,243	(3,925,243)
Pension -NCGI Premium	-	-	-	74,683	(74,683)
Post Retirement Medical Benefit Contribution	-	-	-	1,253,514	(1,253,514)
Long Term Disability Insurance	-	-	-	3,579	(3,579)
Reimbursed Social Security Contribution	-	-	-	1,151,781	(1,151,781)
Total On-Behalf Contributions	-	-	-	6,408,800	(6,408,800)
Total Undistributed Expenditures	30,923,562	14,163	30,937,725	31,075,634	(137,909)
Interest on Maintenance Reserve	140	-	140	-	140
Total Expenditures - Current Expenditures	46,525,016	(157,055)	46,367,961	44,462,305	1,905,656
CAPITAL OUTLAY					
Equipment					
School Sponsored and Other Instructional Program	-	17,300	17,300	12,560	4,740
Undistributed Expenditures - Admin Info Technology	-	2,000	2,000	-	2,000
Undistributed Expenditures -Req. Maint for School Fac.	-	55,900	55,900	13,056	42,844
Undistributed Expenditures - Custodial Services	-	9,800	9,800	9,800	-
School Buses - Regular	-	200,000	200,000	121,123	78,877
Total Equipment	-	285,000	285,000	156,539	128,461
Facilities Acquisition and Construction Services					
Legal Services	25,000	-	25,000	-	25,000
Architectural/Engineering Services	80,000	5,609	85,609	60,746	24,863
Other Purchased Professional and Technical Services	25,000	-	25,000	24,615	385
Construction Services	370,000	146,675	516,675	333,706	182,969
Buildings Other Than Lease Purchase Agreements	550,000	-	550,000	549,900	100
Assessment for Debt Service on SDA Funding	170,358	-	170,358	170,358	-
Total Facilities Acquisition and Construction Services	1,220,358	152,284	1,372,642	1,139,325	233,317
Interest on Capital Reserve	560	-	560	-	560
Total Capital Outlay	1,220,918	437,284	1,658,202	1,295,864	362,338
Transfer of Funds to Charter Schools	701,946	91,430	793,376	793,376	-
Total Expenditures	48,447,880	371,659	48,819,539	46,551,545	2,267,994
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,175,000)	(2,007,847)	(3,182,847)	6,939,897	10,122,744

**ELMWOOD PARK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
Other Financing Sources/(Uses)					
Transfers In - Capital Projects Fund	-	\$ -	\$ -	\$ 13	13
Transfers Out - Special Revenue Fund	\$ -	(25,500)	(25,500)	(25,500)	-
Total Other Financing Sources/(Uses)	-	(25,500)	(25,500)	(25,487)	13
Net Change in Fund Balances	\$ (1,175,000)	(2,033,347)	(3,208,347)	6,914,410	\$ 10,122,757
Fund Balances Beginning of Year	13,386,870	-	13,386,870	13,386,870	-
Fund Balances, End of Year	<u>\$ 12,211,870</u>	<u>\$ (2,033,347)</u>	<u>\$ 10,178,523</u>	<u>\$ 20,301,280</u>	<u>\$ 10,122,757</u>
Recapitulation of Fund Balance					
Restricted					
Capital Reserve				\$ 10,109,166	
Capital Reserve - Designated for Subsequent Year's Expenditures				2,960,000	
Maintenance Reserve				1,574,570	
Emergency Reserve				450,000	
Reserved Excess Surplus				1,100,000	
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures				1,100,000	
Assigned					
Year End Encumbrances				196,751	
Unassigned					
				<u>2,810,793</u>	
Fund Balance Per State Budgetary Basis of Accounting				20,301,280	
Reconciliation to Governmental Funds Statements (GAAP)					
Less State Aid Revenue Not Recognized on GAAP Basis				<u>(2,054,370)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 18,246,910</u>	

**ELMWOOD PARK BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 186,856	\$ 87,455	\$ 274,311	\$ 160,529	\$ (113,782)
Federal	1,203,756	1,429,636	2,633,392	2,269,632	(363,760)
Local Sources					
Miscellaneous	-	92,971	92,971	44,390	(48,581)
Total Revenues	<u>1,390,612</u>	<u>1,610,062</u>	<u>3,000,674</u>	<u>2,474,551</u>	<u>(526,123)</u>
EXPENDITURES					
Instruction					
Salaries	532,950	(186,294)	346,656	343,694	2,962
Purchased Services		6,404	6,404		6,404
Purchased Professional / Technical Services		7,632	7,632	7,632	-
Purchased Professional & Educational Services		4,111	4,111		4,111
Tuition	588,333	101,637	689,970	689,970	-
General Supplies	22,915	748,814	771,729	616,872	154,857
Textbooks	6,494	3,830	10,324	10,317	7
Miscellaneous		250	250	250	-
Co-curricular/Extracurricular Activities		47,532	47,532	47,532	-
Athletic Activities	-	25,997	25,997	25,997	-
Total Instruction	<u>1,150,692</u>	<u>759,913</u>	<u>1,910,605</u>	<u>1,742,264</u>	<u>168,341</u>
Support Services					
Salaries		128,545	128,545	121,103	7,442
Purchased Professional / Technical Services		91,754	91,754	43,062	48,692
Purchased Professional / Educational Service	187,476	121,658	309,134	169,547	139,587
Other Purchased Services	52,444	81,682	134,126	35,531	98,595
Supplies and Materials	-	237,710	237,710	213,396	24,314
Total Support Services	<u>239,920</u>	<u>661,349</u>	<u>901,269</u>	<u>582,639</u>	<u>318,630</u>
Unallocated Employee Benefits	-	188,800	188,800	188,799	1
Total Expenditures	<u>1,390,612</u>	<u>1,610,062</u>	<u>3,000,674</u>	<u>2,513,702</u>	<u>486,972</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	(39,151)	(39,151)
OTHER FINANCING SOURCES (USES)					
Transfers In - General Fund	-	-	-	25,500	25,500
Net Change in Fund Balances	-	-	-	(13,651)	(13,651)
Fund Balance, Beginning of Year, (Restated)	<u>143,998</u>	-	<u>143,998</u>	<u>143,998</u>	-
Fund Balance, End of Year	<u>\$ 143,998</u>	<u>\$ -</u>	<u>\$ 143,998</u>	<u>\$ 130,347</u>	<u>\$ (13,651)</u>
Recapitulation of Fund Balance					
Restricted					
Student Activities				<u>\$ 130,347</u>	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**ELMWOOD PARK BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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.

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 53,491,442	\$ 2,474,551
Difference - Budget to GAAP:		
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements.(2020-2021)	(2,054,370)	
State Aid payments recognized for GAAP statements, not recognized for budgetary purposes (2019-2020)	1,439,938	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	<u>-</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 52,877,010</u>	<u>\$ 2,474,551</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 46,551,545	\$ 2,513,702
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for financial reporting purposes.	<u>-</u>	<u>-</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 46,551,545</u>	<u>\$ 2,513,702</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

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

Public Employees Retirement System

Last Eight Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	.03455%	.03383%	.03565%	.03542%	0.03524%	0..03370%	0.03506%	0.03396
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 5,633,865	\$ 6,095,315	\$ 7,019,420	\$ 8,244,092	\$ 10,437,473	\$ 7,565,220	\$ 6,564,359	\$ 6,489,881
District's Covered-Employee Payroll	\$ 2,486,928	\$ 2,417,083	\$ 2,441,484	\$ 2,449,487	\$ 2,336,786	\$ 2,268,342	\$ 2,464,462	\$ 2,399,581
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	226.54%	252.18%	287.51%	336.56%	446.66%	333.51%	266.36%	270.46%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

ELMWOOD PARK BOARD OF EDUCATION
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees Retirement System

Last Eight Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 377,938	\$ 329,049	\$ 354,608	\$ 328,084	\$ 313,079	\$ 289,739	\$ 289,037	\$ 255,860
Contributions in Relation to the Contractually Required Contribution	<u>377,938</u>	<u>329,049</u>	<u>354,608</u>	<u>328,084</u>	<u>313,079</u>	<u>289,739</u>	<u>289,037</u>	<u>255,860</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 2,573,752	\$ 2,486,928	\$ 2,417,083	\$ 2,441,484	\$ 2,449,487	\$ 2,336,786	\$ 2,268,342	\$ 2,464,462
Contributions as a Percentage of Covered-Employee Payroll	14.68%	13.23%	14.52%	13.44%	12.78%	12.40%	12.74%	10.38%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

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

Teachers Pension and Annuity Fund

Last Eight Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 84,319,464</u>	<u>\$ 78,125,309</u>	<u>\$ 78,909,522</u>	<u>\$ 79,894,315</u>	<u>\$ 91,219,332</u>	<u>\$ 72,022,972</u>	<u>\$ 63,892,836</u>	<u>\$ 63,489,527</u>
Total	<u>\$ 84,319,464</u>	<u>\$ 78,125,309</u>	<u>\$ 78,909,522</u>	<u>\$ 79,894,315</u>	<u>\$ 91,219,332</u>	<u>\$ 72,022,972</u>	<u>\$ 63,892,836</u>	<u>\$ 63,489,527</u>
District's Covered Payroll	\$ 15,245,371	\$ 14,606,965	\$ 13,693,149	\$ 13,506,891	\$ 12,040,919	\$ 11,393,763	\$ 11,250,968	\$ 11,244,012
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%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**ELMWOOD PARK BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Change of Benefit Terms: None.

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

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

Postemployment Health Benefit Plan

Last Four Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service Cost	\$ 2,534,947	\$ 2,223,563	\$ 2,427,458	\$ 2,960,139
Interest on Total OPEB Liability	1,612,890	1,920,201	2,006,606	1,713,733
Differences Between Expected and Actual Experience	11,754,289	(7,382,258)	(3,872,671)	-
Changes of Assumptions	13,149,429	658,280	(5,513,442)	(7,165,584)
Gross Benefit Payments	(1,253,223)	(1,355,274)	(1,284,715)	(1,649,441)
Contribution from the Member	<u>37,985</u>	<u>40,174</u>	<u>44,402</u>	<u>60,737</u>
Net Change in Total OPEB Liability	27,836,317	(3,895,314)	(6,192,362)	(4,080,416)
Total OPEB Liability - Beginning	<u>\$ 44,150,016</u>	<u>\$ 48,045,330</u>	<u>\$ 54,237,692</u>	<u>58,318,108</u>
Total OPEB Liability - Ending	<u>\$ 71,986,333</u>	<u>\$ 44,150,016</u>	<u>\$ 48,045,330</u>	<u>\$ 54,237,692</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>71,986,333</u>	<u>48,045,330</u>	<u>48,045,330</u>	<u>54,237,692</u>
Total OPEB Liability - Ending	<u>\$ 71,986,333</u>	<u>\$ 48,045,330</u>	<u>\$ 48,045,330</u>	<u>\$ 54,237,692</u>
District's Covered Payroll	<u>\$ 17,819,123</u>	<u>\$ 17,093,893</u>	<u>\$ 16,110,232</u>	<u>\$ 15,948,375</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	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.

**ELMWOOD PARK BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Changes in Benefit Terms:

None.

Changes of Assumptions

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

SCHOOL LEVELS SCHEDULES

GENERAL FUND

NOT APPLICABLE

SPECIAL REVENUE FUND

ELMWOOD PARK BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	ESEA Title I	ESEA Title I SIA	ESEA Title I Reallocated	ESEA Title II A	ESEA Title III	ESEA Title III Immigrant	ESEA Title IV	(Exhibit) E-1a)	(Exhibit) E-1b)	Total 2021
REVENUES										
Intergovernmental										
State										
Federal	\$ 533,514	\$ 9,678	\$ 6,768	\$ 30,101	\$ 25,114	\$ 17,686	\$ 18,014	\$ 1,628,757	\$ 160,529	\$ 2,269,632
Other Sources	-	-	-	-	-	-	-	44,390	-	44,390
Total Revenues	\$ 533,514	\$ 9,678	\$ 6,768	\$ 30,101	\$ 25,114	\$ 17,686	\$ 18,014	\$ 1,673,147	\$ 160,529	\$ 2,474,551
EXPENDITURES										
Instruction										
Salaries	\$ 327,194				\$ 16,500					\$ 343,694
Purchased Professional / Technical Services								\$ 7,632		7,632
Tuition								689,970		689,970
General Supplies	70,292	\$ 7,836	\$ 6,768		1,537	\$ 13,126		517,313	\$ -	616,872
Textbooks									10,317	10,317
Miscellaneous	-	-	-	-	-	-	-	250	-	250
Co-curricular/Extra-curricular Activities								47,532		47,532
Athletic Activities	-	-	-	-	-	-	-	25,997	-	25,997
Total Instruction	397,486	7,836	6,768	-	18,037	13,126	-	1,288,694	10,317	1,742,264
Support Services										
Salaries		1,842				4,560		114,701		121,103
Personnel Services - Employee Benefits	132,528				7,077			49,194		188,799
Purchased Professional / Technical Services								26,308	16,754	43,062
Purchased Professional/Educational Services							\$ 18,014	18,075	133,458	169,547
Other Purchased Services	3,500			30,101				1,930	-	35,531
Supplies and Materials	-	-	-	-	-	-	-	213,396	-	213,396
Total Support Services	136,028	1,842	-	30,101	7,077	4,560	18,014	423,604	150,212	771,438
Total Expenditures	\$ 533,514	\$ 9,678	\$ 6,768	\$ 30,101	\$ 25,114	\$ 17,686	\$ 18,014	\$ 1,712,298	\$ 160,529	\$ 2,513,702
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	(39,151)	-	(39,151)
OTHER FINANCING SOURCES (USES)										
Transfers In	-	-	-	-	-	-	-	25,500	-	25,500
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	25,500	-	25,500
Net Changes in Fund Balances	-	-	-	-	-	-	-	(13,651)	-	(13,651)
Fund Balance, Beginning of Year, (Restated)	-	-	-	-	-	-	-	143,998	-	143,998
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,347	\$ -	\$ 130,347

ELMWOOD PARK BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Local Grants	IDEA Basic	IDEA PreK	CARES Emergency Relief Fund	Bergen County Corona Relief Fund	Corona Relief Fund	Digital Divide	Digital Divide Non-Public	Student Activities	Total Exhibit E-1a
REVENUES										
Intergovernmental										
State										
Federal		684,511	23,534	422,290	145,390	219,801	125,879	7,352		1,628,757
Other Sources	\$ 10,012	-	-	-	-	-	-	-	34,378	44,390
Total Revenues	\$ 10,012	\$ 684,511	\$ 23,534	\$ 422,290	\$ 145,390	\$ 219,801	\$ 125,879	\$ 7,352	\$ 34,378	\$ 1,673,147
EXPENDITURES										
Instruction										
Salaries				114,701						114,701
Purchased Professional / Technical Services				49,194		7,632				7,632
Tuition		666,436	23,534	26,308						689,970
General Supplies	\$ 663			18,075	102,278	67,059	125,879	7,352		517,313
Textbooks				18,005						-
Miscellaneous	250									250
Co-curricular/Extra-curricular Activities									47,532	47,532
Athletic Activities	-	-	-	-	-	-	-	-	25,997	25,997
Total Instruction	913	666,436	23,534	214,082	102,278	74,691	125,879	7,352	73,529	1,288,694
Support Services										
Salaries				114,701						114,701
Personnel Services - Employee Benefits				49,194						49,194
Purchased Professional / Technical Services				26,308						26,308
Purchased Professional/Educational Services		18,075								18,075
Other Purchased Services	\$ 1,930									1,930
Supplies and Materials	7,169	-	-	18,005	43,112	145,110	-	-	-	213,396
Total Expenditures	\$ 10,012	\$ 684,511	\$ 23,534	\$ 422,290	\$ 145,390	\$ 219,801	\$ 125,879	\$ 7,352	\$ 73,529	\$ 1,712,298
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	(39,151)	(39,151)
OTHER FINANCING SOURCES (USES)										
Transfers In	-	-	-	-	-	-	-	-	25,500	25,500
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	25,500	25,500
Net Changes in Fund Balances	-	-	-	-	-	-	-	-	(13,651)	(13,651)
Fund Balance, Beginning of Year, (Restated)	-	-	-	-	-	-	-	-	143,998	143,998
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,347	\$ 130,347

**ELMWOOD PARK BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Chapter 192 Services		Chapter 193 Services			Nonpublic Textbooks	Nonpublic Nursing	Nonpublic Security	Total Exhibit E-1b
	Compensatory Services	ESL	Examination & Classification	Corrective Speech	Supplemental Instruction				
REVENUES									
Intergovernmental									
State	\$ 64,011	\$ 5,329	\$ 27,680	\$ 12,213	\$ 18,942	\$ 10,317	\$ 5,283	\$ 16,754	\$ 160,529
Federal									-
Other Sources	-	-	-	-	-	-	-	-	-
Total Revenues	<u>\$ 64,011</u>	<u>\$ 5,329</u>	<u>\$ 27,680</u>	<u>\$ 12,213</u>	<u>\$ 18,942</u>	<u>\$ 10,317</u>	<u>\$ 5,283</u>	<u>\$ 16,754</u>	<u>\$ 160,529</u>
EXPENDITURES									
Instruction									
Salaries									-
Purchased Professional / Technical Services									-
Tuition									-
General Supplies									-
Textbooks						\$ 10,317			\$ 10,317
Miscellaneous									-
Co-curricular/Extra-curricular Activities									-
Athletic Activities	-	-	-	-	-	-	-	-	-
Total Instruction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,317</u>	<u>-</u>	<u>-</u>	<u>10,317</u>
Support Services									
Salaries									-
Personnel Services - Employee Benefits								\$ 16,754	16,754
Purchased Professional / Technical Services									-
Purchased Professional/Educational Services	\$ 64,011	\$ 5,329	\$ 27,680	\$ 12,213	\$ 18,942		\$ 5,283		133,458
Other Purchased Professional Services									-
Supplies and Materials	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>\$ 64,011</u>	<u>\$ 5,329</u>	<u>\$ 27,680</u>	<u>\$ 12,213</u>	<u>\$ 18,942</u>	<u>\$ 10,317</u>	<u>\$ 5,283</u>	<u>\$ 16,754</u>	<u>\$ 160,529</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-
Net Changes in Fund Balances	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year, (Restated)	-	-	-	-	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ELMWOOD PARK BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL AID EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOT APPLICABLE

CAPITAL PROJECTS FUND

**ELMWOOD PARK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>Issue/Project Title</u>	<u>Appropriation</u>	<u>Expenditures to Date</u>		<u>Cancelled</u>	<u>Balance June 30, 2021</u>
		<u>Prior Years</u>	<u>Current Year</u>		
2014 Referendum Projects- Various Improvements to Memorial MS/HS, Gantner Ave School, Gilbert Avenue School, and Sixteenth Avenue School	\$ 9,854,393	\$ 9,854,393	\$ -	\$ -	\$ -
	<u>\$ 9,854,393</u>	<u>\$ 9,854,393</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Recapitulation to GAAP</u>					
Project Balance, June 30, 2021					\$ -
Add: Fund Balance Restricted for Debt Service					<u>137,857</u>
Fund Balance, June 30, 2021 - GAAP Basis					<u>\$ 137,857</u>
<u>Recapitulation of Fund Balance</u>					
Restricted for Debt Service - Designated for Subsequent Year's Expenditures					<u>\$ 137,857</u>

**ELMWOOD PARK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Revenues and Other Financing Sources

Revenues:

Miscellaneous-Interest on Investments	\$ 13
---------------------------------------	-------

Total Revenues and Other Financing sources	13
--	----

Expenditures and Other Financing Uses

Other Financing Uses:

Transfer to General Fund	13
--------------------------	----

Total Expenditures and Other Financing Uses	13
---	----

Excess of Revenues and Other Financing Sources

Over Expenditures and Other Financing Uses	-
--	---

Fund Balance, Beginning of Year	137,857
---------------------------------	---------

Fund Balance, End of Year	\$ 137,857
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Reconciliation to GAAP

Fund Balance, June 30, 2021 - Budgetary Basis	\$ 137,857
---	------------

Fund Balance, June 30, 2021 - GAAP Basis	\$ 137,857
--	------------

**ELMWOOD PARK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
2014 REFERNDUM PROJECTS-VARIOUS IMPROVEMENTS TO MEMORIAL MS/HS,
GANTNER AVENUE SCHOOL, GILBERT AVENUE SCHOOL AND SIXTEENTH AVENUE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 9,152,143		\$ 9,152,143	\$ 9,290,000
Premium on Bonds	<u>702,250</u>	<u>-</u>	<u>702,250</u>	<u>702,250</u>
Total Revenues and Other Financing Sources	<u>9,854,393</u>	<u>-</u>	<u>9,854,393</u>	<u>9,992,250</u>
Expenditures and Other Financing Uses				
Salaries	42,342		42,342	37,954
Legal Services	27,649		27,649	26,369
Architectural / Engineering Services	846,154		846,154	1,105,039
Construction Services	8,679,217		8,679,217	8,532,549
Supplies	20,425		20,425	20,425
Other Objects	230,943		230,943	262,214
Equipment	<u>7,663</u>	<u>-</u>	<u>7,663</u>	<u>7,700</u>
Total Expenditures and Other Financing Uses	<u>9,854,393</u>	<u>-</u>	<u>9,854,393</u>	<u>9,992,250</u>
Excess (deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Additional project information:

Project Number	N/A
Grant Date	N/A
Referendum Authorization Date	1/28/2014
Bonds Authorized	\$ 9,992,250
Bonds Issued	9,290,000
Original Authorized Cost	9,992,250
Reduction Authorized Cost	-
Revised Authorized Cost	\$ 9,992,250

Percentage Increase(Decrease) Over Original

Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	June 30, 2016
Revised Target Completion Date	June 30, 2019

PROPRIETARY FUNDS

**ELMWOOD PARK BOARD OF EDUCATION
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

**COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

ELMWOOD PARK BOARD OF EDUCATION
 SCHEDULE OF SERIAL BONDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2020</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2021</u>				
School Bonds	7/9/2014	\$ 9,290,000	8/1/2021	\$ 375,000	5.000								
			8/1/2022	405,000	5.000								
			8/1/2023	445,000	5.000								
			8/1/2024	470,000	5.000								
			8/1/2025	500,000	5.000								
			8/1/2026	545,000	5.000								
			8/1/2027	555,000	4.000								
			8/1/2028	545,000	4.000								
			8/1/2029	370,000	4.000								
			8/1/2030	600,000	4.000								
			8/1/2031	600,000	4.000								
			8/1/2032	600,000	4.000								
			8/1/2033	600,000	4.000								
			8/1/2034	600,000	4.000					\$ 7,560,000	\$ 350,000	\$ 7,210,000	
Refunding Schools Bonds	7/9/2014	\$ 21,275,000	8/1/2021	\$ 1,340,000	5.000								
			8/1/2022	1,395,000	5.000								
			8/1/2023	1,445,000	5.000								
			8/1/2024	1,500,000	5.000								
			8/1/2025	1,555,000	5.000								
			8/1/2026	1,605,000	5.000								
			8/1/2027	1,700,000	4.000								
			8/1/2028	1,785,000	4.000								
			8/1/2029	1,950,000	4.000					15,565,000	-	1,290,000	14,275,000
										\$ 23,125,000	\$ -	\$ 1,640,000	\$ 21,485,000
					Paid by Budget	\$ 1,640,000							

ELMWOOD PARK BOARD OF EDUCATION
SCHEDULE OF CAPITAL LEASES AND LEASE - PURCHASES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2020</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2021</u>
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NOT APPLICABLE

**ELMWOOD PARK BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local Sources					
Local Tax Levy	\$ 2,406,318		\$ 2,406,318	\$ 2,406,318	
State Sources					
Debt Service State Aid	<u>241,682</u>	<u>-</u>	<u>241,682</u>	<u>241,682</u>	<u>-</u>
Total Revenues	<u>2,648,000</u>	<u>-</u>	<u>2,648,000</u>	<u>2,648,000</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Principal	1,640,000		1,640,000	1,640,000	-
Interest	<u>1,008,000</u>	<u>-</u>	<u>1,008,000</u>	<u>1,008,000</u>	<u>-</u>
Total Expenditures	<u>2,648,000</u>	<u>-</u>	<u>2,648,000</u>	<u>2,648,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
OTHER FINANCING SOURCES					
Transfer from Capital Projects Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances					-
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

This part of the Elmwood Park Board of Education's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents

Exhibits

Financial Trends

These schedules contain trend information to help the reader understand how the government'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 government'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 government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. J-16 to J-20

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

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

	2012		2013		2014 (1)		2015		Fiscal Year Ended June 30, 2016		2017		2018		2019		2020		2021		
Governmental activities																					
Net Investment in Capital Assets	\$	15,092,220	\$	14,516,671	\$	15,208,895	\$	15,057,857	\$	17,710,996	\$	18,431,982	\$	19,137,424	\$	19,729,688	\$	20,286,423	\$	21,268,336	
Restricted		447		250,777		2,445,347		3,078,731		3,091,934		3,970,740		5,191,524		7,184,290		10,163,345		14,774,083	
Unrestricted		(3,718,193)		(3,083,523)		(10,703,259)		(10,022,879)		(9,819,821)		(9,905,619)		(8,515,481)		(8,028,871)		(7,065,582)		(5,144,666)	
Total governmental activities net position	\$	<u>11,374,474</u>	\$	<u>11,683,925</u>	\$	<u>6,950,983</u>	\$	<u>8,113,709</u>	\$	<u>10,983,109</u>	\$	<u>12,497,103</u>	\$	<u>15,813,467</u>	\$	<u>18,885,107</u>	\$	<u>23,384,186</u>	\$	<u>30,897,753</u>	
Business-type activities																					
Net Investment in Capital Assets	\$	170,511	\$	27,671	\$	17,135	\$	9,466	\$	23,456	\$	79,223	\$	121,482	\$	177,929	\$	161,155	\$	148,714	
Restricted																					
Unrestricted		25,811		238,928		468,708		668,874		277,869		299,291		308,253		228,135		158,604		422,350	
Total business-type activities net position	\$	<u>196,322</u>	\$	<u>266,599</u>	\$	<u>485,843</u>	\$	<u>678,340</u>	\$	<u>301,325</u>	\$	<u>378,514</u>	\$	<u>429,735</u>	\$	<u>406,064</u>	\$	<u>319,759</u>	\$	<u>571,064</u>	
District-wide																					
Net Investment in Capital Assets	\$	15,262,731	\$	14,544,342	\$	15,226,030	\$	15,067,323	\$	17,734,452	\$	18,511,205	\$	19,258,906	\$	19,907,617	\$	20,447,578	\$	21,417,050	
Restricted		447		250,777		2,445,347		3,078,731		3,091,934		3,970,740		5,191,524		7,184,290		10,163,345		14,774,083	
Unrestricted		(3,692,382)		(2,844,595)		(10,234,551)		(9,354,005)		(9,541,952)		(9,606,328)		(8,207,228)		(7,800,736)		(6,906,978)		(4,722,316)	
Total district net position	\$	<u>11,570,796</u>	\$	<u>11,950,524</u>	\$	<u>7,436,826</u>	\$	<u>8,792,049</u>	\$	<u>11,284,434</u>	\$	<u>12,875,617</u>	\$	<u>16,243,202</u>	\$	<u>19,291,171</u>	\$	<u>23,703,945</u>	\$	<u>31,468,817</u>	

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

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

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

	2012	2013	2014	2015	Fiscal Year Ended June 30,		2018	2019	2020	2021
					2016	2017				
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 9,953,651	\$ 11,906,542	\$ 12,396,434	\$ 14,999,220	\$ 15,783,095	\$ 17,305,932	\$ 18,591,827	\$ 17,907,427	\$ 17,840,223	\$ 19,980,393
Special Education	2,608,782	9,041,608	8,781,930	9,844,230	9,663,299	10,436,257	10,273,035	10,659,067	11,693,525	11,729,724
Other Instruction	482,506	243,800	387,071	575,702	569,196	625,591	1,130,913	1,159,106	1,177,948	899,777
School Sponsored	666,997	565,044	541,451	572,849	613,296	672,594	603,415	801,019	932,553	780,801
Support Services:										
Tuition	5,221,404									
Student & instruction Related Services	4,548,825	5,134,658	4,658,155	5,439,445	5,600,381	6,667,445	6,933,736	7,896,193	7,687,696	8,016,637
General Administrative Services	920,605	1,119,619	1,409,617	1,807,366	1,272,670	1,256,669	1,201,790	1,063,522	1,478,353	1,519,874
School Administrative Services	1,699,593	2,382,539	2,484,316	2,801,552	2,890,800	3,438,947	3,649,080	3,653,932	3,402,486	3,905,484
Central Services and Admin. Info. Technology	711,822	1,183,844	1,205,590	1,515,178	1,322,865	1,371,526	1,413,974	1,372,111	1,468,876	1,524,447
Plant Operations and Maintenance	3,587,272	2,884,042	3,554,579	3,700,896	3,669,476	3,754,899	3,776,579	4,076,207	3,684,940	3,919,240
Pupil Transportation	1,983,856	1,726,171	1,583,747	1,621,563	1,886,266	2,060,894	2,109,614	2,608,161	2,500,364	1,906,103
Unallocated Benefits	2,676,385			443,134						-
Charter Schools	149,739									
Interest on Long-Term Debt	1,139,256	1,113,954	1,072,951		913,382	912,312	916,101	900,330	858,132	808,067
Capital Outlay - Non-Depreciable	629,529									
Unallocated Depreciation	1,179,784									
Total Governmental Activities Expenses	<u>38,160,006</u>	<u>37,301,821</u>	<u>38,075,841</u>	<u>43,321,135</u>	<u>44,184,726</u>	<u>48,503,066</u>	<u>50,600,064</u>	<u>52,097,075</u>	<u>52,725,096</u>	<u>54,990,547</u>
Business-Type Activities:										
Food service	1,006,654	933,142	887,284	891,617	947,926	931,821	1,003,913	1,098,382	873,687	822,427
Before/After Care Program	329,677	143,731	137,066	129,686						
Summer Session Program		138,823	24,837	24,818	36,945	36,415	19,719	38,069	33,793	
Total Business-Type Activities Expense	<u>1,336,331</u>	<u>1,215,696</u>	<u>1,049,187</u>	<u>1,046,121</u>	<u>984,871</u>	<u>968,236</u>	<u>1,023,632</u>	<u>1,136,451</u>	<u>907,480</u>	<u>822,427</u>
Total District Expenses	<u>\$ 39,496,337</u>	<u>\$ 38,517,517</u>	<u>\$ 39,125,028</u>	<u>\$ 44,367,256</u>	<u>\$ 45,169,597</u>	<u>\$ 49,471,302</u>	<u>\$ 51,623,696</u>	<u>\$ 53,233,526</u>	<u>\$ 53,632,576</u>	<u>\$ 55,812,974</u>
Program Revenues										
Governmental Activities:										
Charges for Services		\$ 164,664	\$ 260,002	\$ 213,843	\$ 197,399	\$ 124,088	\$ 228,599	\$ 79,676	\$ 190,837	\$ 133,370
Operating Grants and Contributions	\$ 1,485,896	5,703,017	6,437,292	9,327,421	10,694,109	12,918,625	14,414,893	14,028,415	13,395,095	17,762,922
Capital Grants and Contributions		12,679	6,963		77,000	9,410	31,182			
Total Governmental Activities Program Revenues	<u>1,485,896</u>	<u>5,880,360</u>	<u>6,704,257</u>	<u>9,541,264</u>	<u>10,968,508</u>	<u>13,052,123</u>	<u>14,674,674</u>	<u>14,108,091</u>	<u>13,585,932</u>	<u>17,896,292</u>

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

	2012	2013	2014	2015	Fiscal Year Ended June 30,		2018	2019	2020	2021
					2016	2017				
Business-Type Activities:										
Charges for Services										
Food Service	609,506	465,300	471,320	432,590	398,561	415,325	466,259	497,685	332,230	
Before/After CARE Program	153,421	290,311	272,047	245,354	2,245					
Summer Session Program	165,009	148,497	22,547	17,667	22,656	16,149	8,998	27,570	12,525	
Operating Grants and Contributions	508,293	504,652	502,374	531,571	566,237	588,951	574,596	577,525	476,420	1,073,732
Total Business Type Activities Program Revenues	1,436,229	1,408,760	1,268,288	1,227,182	989,699	1,020,425	1,049,853	1,102,780	821,175	1,073,732
Total District Program Revenues	\$ 2,922,125	\$ 7,289,120	\$ 7,972,545	\$ 10,768,446	\$ 11,958,207	\$ 14,072,548	\$ 15,724,527	\$ 15,210,871	\$ 14,407,107	\$ 18,970,024
Net (Expense)/Revenue										
Governmental Activities	\$ (36,674,110)	\$ (31,421,461)	\$ (31,371,584)	\$ (33,779,871)	\$ (33,216,218)	\$ (35,450,943)	\$ (35,925,390)	\$ (37,988,984)	\$ (39,139,164)	\$ (37,094,255)
Business-Type Activities	99,898	193,064	219,101	181,061	4,828	52,189	26,221	(33,671)	(86,305)	251,305
Total District-Wide Net Expense	\$ (36,574,212)	\$ (31,228,397)	\$ (31,152,483)	\$ (33,598,810)	\$ (33,211,390)	\$ (35,398,754)	\$ (35,899,169)	\$ (38,022,655)	\$ (39,225,469)	\$ (36,842,950)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes	\$ 27,480,103	\$ 28,789,793	\$ 29,579,684	\$ 31,160,280	\$ 31,783,486	\$ 32,973,746	\$ 33,692,252	\$ 33,770,852	\$ 34,446,269	\$ 34,765,194
Taxes Levied for Debt Service	2,105,580	2,114,918	2,123,084	2,128,740	2,292,850	2,390,209	2,394,530	2,141,484	2,391,430	2,406,318
Unrestricted Federal and State Aid	4,640,263	723,691	1,176,221	1,269,440	1,232,660	1,241,807	2,743,495	4,643,921	6,144,774	6,938,591
State Aid for Debt Service Principal					169,176	140,550	142,780	146,519	152,229	149,682
Tuition Received	66,508									
Cancellation Accounts Receivable/Payable				82,582	-					
Investment earnings	3,219	7,306	16,581		90,730	64,241	124,589	196,359	157,171	100,510
Miscellaneous Income	31,850	95,204	232,953	312,991	134,873	179,384	169,108	171,489	210,433	247,527
Transfers	281,073			(11,436)	381,843	(25,000)	(25,000)	(10,000)		
Total Governmental Activities	34,608,596	31,730,912	33,128,523	34,942,597	36,085,618	36,964,937	39,241,754	41,060,624	43,502,306	44,607,822
Business-Type Activities:										
Investment Earnings	348	279	143							
Transfers	(281,073)			11,436	(381,843)	25,000	25,000	10,000		
Total Business-Type Activities	(280,725)	279	143	11,436	(381,843)	25,000	25,000	10,000	-	-
Total District-Wide	\$ 34,327,871	\$ 31,731,191	\$ 33,128,666	\$ 34,954,033	\$ 35,703,775	\$ 36,989,937	\$ 39,266,754	\$ 41,070,624	\$ 43,502,306	\$ 44,607,822
Change in Net Position										
Governmental Activities	\$ (2,065,514)	\$ 309,451	\$ 1,756,939	\$ 1,162,726	\$ 2,869,400	\$ 1,513,994	\$ 3,316,364	\$ 3,071,640	\$ 4,363,142	\$ 7,513,567
Business-Type Activities	(180,827)	193,343	219,244	192,497	(377,015)	77,189	51,221	(23,671)	(86,305)	251,305
Total District	\$ (2,246,341)	\$ 502,794	\$ 1,976,183	\$ 1,355,223	\$ 2,492,385	\$ 1,591,183	\$ 3,367,585	\$ 3,047,969	\$ 4,276,837	\$ 7,764,872

Note 1 - Changes in Net Position for the year ended June 30, 2020 is restated to reflect the implementation of GASB No. 84 "Fiduciary Activities".

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

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Restricted	\$ 1	\$ 250,777	\$ 2,445,347	\$ 3,074,002	\$ 3,087,205	\$ 3,970,740	\$ 6,216,903	\$ 7,375,172	\$ 11,569,347	\$ 17,293,756
Committed		171,441								
Assigned		42,337	34,400	29,600	65,719	31,442	166,540	551,627	343,154	196,751
Unassigned	<u>(2,295,555)</u>	<u>184,084</u>	<u>(48,023)</u>	<u>29,177</u>	<u>104,031</u>	<u>88,167</u>	<u>308,597</u>	<u>203,689</u>	<u>34,431</u>	<u>756,403</u>
Total General Fund	<u>\$ (2,295,554)</u>	<u>\$ 648,639</u>	<u>\$ 2,431,724</u>	<u>\$ 3,132,779</u>	<u>\$ 3,256,955</u>	<u>\$ 4,090,349</u>	<u>\$ 6,692,040</u>	<u>\$ 8,130,488</u>	<u>\$ 11,946,932</u>	<u>\$ 18,246,910</u>
All Other Governmental Funds										
Restricted for:										
Student Activities									\$ 143,998	\$ 130,347
Capital Projects				\$ 6,969,798	\$ 2,300,730	\$ 1,186,862	\$ 122,365			
Debt Service	\$ 446			4,729	4,729			\$ 137,857	137,857	137,857
Unassigned	<u>-</u>	<u>-</u>	<u>\$ (765,913)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 446</u>	<u>\$ -</u>	<u>\$ (765,913)</u>	<u>\$ 6,974,527</u>	<u>\$ 2,305,459</u>	<u>\$ 1,186,862</u>	<u>\$ 122,365</u>	<u>\$ 137,857</u>	<u>\$ 281,855</u>	<u>\$ 268,204</u>

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

ELMWOOD PARK BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Tax Levy	\$ 29,585,683	\$ 30,904,711	\$ 31,702,768	\$ 33,289,020	\$ 34,076,336	\$ 35,363,955	\$ 36,086,782	\$ 35,912,336	\$ 36,837,699	\$ 37,171,512
Tuition	50,831	162,103	260,002	213,843	197,399	124,088	228,599	79,676	26,350	98,992
Miscellaneous	74,007	128,125	262,683	413,670	302,922	293,649	352,359	403,502	557,626	392,428
State Sources	4,892,190	5,242,835	6,117,289	6,340,110	7,098,021	7,393,918	9,520,545	13,639,212	15,704,588	18,056,198
Federal Sources	1,210,708	1,173,498	1,490,038	1,416,690	1,528,353	1,345,434	1,375,067	1,471,857	1,496,113	2,280,444
Total revenue	35,813,419	37,611,272	39,832,780	41,673,333	43,203,031	44,521,044	47,563,352	51,506,583	54,622,376	57,999,574
Expenditures										
Instruction										
Regular Instruction	8,213,620	11,377,399	12,025,350	12,904,644	13,187,793	13,749,348	14,562,038	15,296,139	15,761,241	17,093,292
Special Education Instruction	2,261,707	8,698,198	8,534,760	9,123,082	8,884,888	9,268,202	9,005,598	9,762,852	10,951,825	10,616,931
Other Instruction	374,630	232,598	387,071	499,891	477,517	480,301	859,341	974,417	1,024,832	753,586
School Sponsored/Other Instructional	547,661	539,793	541,451	565,270	598,011	615,310	558,829	719,556	883,562	701,974
Support Services:										
Instruction - Tuition	5,221,404									
Student & Inst. Related Services	3,836,671	4,928,362	4,441,742	4,818,144	4,922,487	5,600,004	5,684,434	6,964,271	6,907,532	7,048,551
General Administration	844,668	1,074,436	1,334,462	1,106,989	1,204,673	1,134,287	1,125,445	1,030,356	1,389,431	1,407,681
School Administration	1,339,609	2,271,932	2,394,816	2,434,687	2,419,779	2,695,700	2,832,222	3,076,687	2,992,220	3,289,526
Central Administrative Services	534,170	1,109,333	1,146,524	1,429,273	1,227,405	1,194,069	1,183,349	1,220,314	1,363,533	1,334,285
Operations and Maintenance	3,186,256	2,756,848	3,310,981	3,462,358	3,399,914	3,284,256	3,324,884	3,695,230	3,511,625	3,638,309
Student Transportation	1,965,964	1,665,612	1,572,649	1,615,070	1,881,373	2,050,381	2,095,373	2,598,333	2,494,200	1,899,125
Employee Benefits	6,854,988									
Transfer to Charter Schools	149,739									
Capital Outlay	789,390	207,441	787,583	3,110,577	6,748,440	1,604,646	1,724,284	876,407	870,570	1,281,987
Debt Service										
Principal	950,000	1,142,748	1,493,782	1,658,332	1,945,688	1,906,088	1,877,373	2,699,866	1,575,000	1,640,000
Interest and Other Charges	1,155,584	1,127,311	1,089,891	542,893	1,231,798	1,198,655	1,167,988	1,128,215	1,072,300	1,008,000
Payment to Escrow Agent				736,846						
Cost of Issuance				604,928	-	-	-	-	-	-
Total Governmental Fund Expenditures	38,226,061	37,132,011	39,061,062	44,612,984	48,129,766	44,781,247	46,001,158	50,042,643	50,797,871	51,713,247
Excess (Deficiency) of revenues over (under) expenditures	(2,412,642)	479,261	771,718	(2,939,651)	(4,926,735)	(260,203)	1,562,194	1,463,940	3,824,505	6,286,327

ELMWOOD PARK BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Financing Sources (Uses)										
Transfers in	281,073	1		44,539	416,843			250,000	1,325	25,513
Transfers out		(1)		(55,975)	(35,000)	(25,000)	(25,000)	(260,000)	(1,325)	(25,513)
Proceeds State Aid Advance Loan		2,214,497								
Proceeds from the Sale of Bonds				30,565,000						
Premium on Bonds				3,652,727						
Payments to Refunding Escrow				(23,382,000)						
Cancellation of Accounts Receivable										
Cancellation of Accounts Payable										
Capital Leases/Lease Purchase Proceeds	540,558	249,989	245,454	556,855	-	-	-	-		
Total other financing sources (uses)	<u>821,631</u>	<u>2,464,486</u>	<u>245,454</u>	<u>11,381,146</u>	<u>381,843</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>(10,000)</u>	-	-
Net change in fund balances	<u>\$ (1,591,011)</u>	<u>\$ 2,943,747</u>	<u>\$ 1,017,172</u>	<u>\$ 8,441,495</u>	<u>\$ (4,544,892)</u>	<u>\$ (285,203)</u>	<u>\$ 1,537,194</u>	<u>\$ 1,453,940</u>	<u>\$ 3,824,505</u>	<u>\$ 6,286,327</u>
Debt service as a percentage of noncapital expenditures	5.62%	6.15%	6.75%	5.30%	7.68%	7.19%	6.88%	7.79%	5.30%	5.25%

* Noncapital expenditures are total expenditures less capital outlay.

Note 1 - Changes in Fund Balances for the year ended June 30, 2020 is restated to reflect the implementation of GASB No. 84 "Fiduciary Activities".

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

Fiscal Year Ended June 30,	<u>Tuition</u>	<u>Interest on Investments</u>	<u>Transfer from Payroll Trust and Agency</u>	<u>E-Rate</u>	<u>Athletic Gate Receipts</u>	<u>Energy Credits</u>	<u>Rebates/ Refunds</u>	<u>Other Misc.</u>	<u>Total</u>
2012	\$ 50,831	\$ 3,219		\$ 15,677				\$ 31,850	\$ 101,577
2013	162,103	5,997		65,981			\$ 20,617	12,476	267,174
2014	260,002	16,581	\$ 60,367	69,544			1,668	101,374	509,536
2015	213,843	38,043		64,634				248,357	564,877
2016	197,399	90,730		76,982				57,891	423,002
2017	124,088	64,241	5,569	69,826	\$ 3,336		30,595	70,058	367,713
2018	228,599	127,589		73,914	4,914	\$ 10,686	44,794	31,800	522,296
2019	76,976	196,359		61,639	3,525	17,223	20,522	52,582	428,826
2020	26,350	154,521		84,609	7,975	10,573	15,339	93,262	392,629
2021	98,992	100,510		145,208		1,509	66,884	33,913	447,016

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2012	\$ 16,880,100	\$ 1,583,487,400		\$ 274,953,900	\$ 112,063,500	\$ 60,905,700	\$ 2,048,290,600	\$ 1,786,220	\$ 2,050,076,820	\$ 2,295,775,313	\$ 1.500
2013	14,564,100	1,589,876,300		267,590,000	116,242,400	60,905,700	2,049,178,500	96	2,049,178,596	2,162,263,204	1.530
2014	14,055,500	1,584,939,900		264,753,100	115,007,700	72,861,200	2,051,617,400	100	2,051,617,500	2,058,172,110	1.585
2015	12,807,700	1,586,494,000		260,312,600	114,720,800	76,758,700	2,051,093,800	100	2,051,093,900	2,097,262,176	1.657
2016	12,184,900	1,593,960,300		259,987,400	114,105,700	82,130,300	2,062,368,600	99	2,062,368,699	2,105,355,467	1.684
2017	11,813,900	1,605,280,300		258,841,400	114,292,500	82,130,300	2,072,358,400	100	2,072,358,500	2,117,435,483	1.724
2018	12,723,200	1,608,122,000		257,549,400	114,568,400	82,130,300	2,075,093,300	90	2,075,093,390	2,309,774,854	1.730
2019	13,299,200	1,612,285,000		255,198,700	114,568,400	80,915,300	2,076,266,600	100	2,076,266,700	2,317,059,270	1.760
2020	13,576,600	1,620,518,200		247,144,200	117,300,000	80,915,300	2,079,454,300	89	2,079,454,389	2,341,089,896	1.781
2021	12,021,700	1,626,447,500		245,653,600	117,300,000	80,915,300	2,082,338,100	100	2,082,338,200	2,436,053,084	1.781

Source: County Abstract of Ratables

^a Tax rates are per \$100

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

Calendar Year	Total Direct School Tax Rate	Overlapping Rates		Total Direct and Overlapping Tax Rate
	Elmwood Park Local School District	Municipality of Elmwood Park	County of Bergen	
2012	\$ 1.500	\$ 0.845	\$ 0.246	\$ 2.591
2013	1.530	0.864	0.242	2.636
2014	1.585	0.880	0.234	2.699
2015	1.657	0.881	0.245	2.783
2016	1.684	0.861	0.250	2.795
2017	1.724	0.908	0.257	2.889
2018	1.730	0.920	0.273	2.923
2019	1.760	0.919	0.272	2.951
2020	1.781	0.941	0.280	3.002
2021	1.781	0.953	0.292	3.026

Source: County Abstract of Ratables

* Includes Library

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

Taxpayer	2021		2013	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
RD Elmwood Assoc. c/o Ryan PTS	\$ 14,490,900	0.70%	\$ 23,373,500	1.14%
Riverfront Residential 2 LLC	14,000,000	0.67%		
Xchange Market Street LLC	11,700,000	0.56%		
LKD-1, LLC	9,750,000	0.47%	11,496,700	0.56%
Riverfront Residential 2 LLC	9,269,100	0.45%		
East Coast Elmwood Vill. LLC	9,107,900	0.44%	\$ 32,706,300	1.60%
SG National LLC	8,776,500	0.42%	9,676,500	0.47%
Accordia River Drive LLC	8,750,000	0.42%		
200 Riverfront Boulevard HP LLC	8,500,000	0.41%		
EF SBC REO	8,000,000	0.38%		
Elmwood Terrance Inc			13,600,000	0.66%
35 Market Street, L.P.			11,700,000	0.57%
LKD-3, LLOC			11,003,900	0.54%
RFC-1, LLC			10,954,500	0.53%
Bankers Financial Corp			9,467,000	0.46%
Alfred Sanzari Enterprises			9,053,300	0.44%
	<u>\$ 73,853,500</u>	<u>3.55%</u>	<u>\$ 143,031,700</u>	<u>6.98%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2012	\$ 29,585,683	\$ 29,585,683	100.00%	
2013	30,904,711	30,904,711	100.00%	
2014	31,702,768	31,702,768	100.00%	
2015	33,289,020	33,289,020	100.00%	
2016	34,076,336	34,076,336	100.00%	
2017	35,363,955	35,363,955	100.00%	
2018	36,086,782	36,086,782	100.00%	
2019	35,912,336	35,912,336	100.00%	
2020	36,837,699	36,837,699	100.00%	
2021	37,171,512	37,171,512	100.00%	

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

Fiscal Year Ended June 30,	Governmental Activities			Total District	Population	Per Capita
	General Obligation Bonds	Loans Payable	Capital Leases/Lease- Purchase			
2012	\$ 26,532,000		\$ 442,082	\$ 26,974,082	19,623	\$ 1,375
2013	25,532,000	\$ 2,214,497	549,323	28,295,820	19,681	1,438
2014	24,482,000	1,984,497	580,995	27,047,492	20,029	1,350
2015	30,565,000	1,754,497	809,518	33,129,015	20,062	1,651
2016	29,165,000	1,524,497	493,830	31,183,327	20,100	1,551
2017	27,705,000	1,294,497	277,742	29,277,239	20,081	1,458
2018	26,220,000	1,064,497	115,369	27,399,866	20,116	1,362
2019	24,700,000	-	-	24,700,000	20,036	1,233
2020	23,125,000	-	-	23,125,000	19,965	1,158
2021	21,485,000	-	-	21,485,000	19,863	1,082

Source: District records

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2012	\$ 26,532,000	-	\$ 26,532,000	1.29%	\$ 1,352
2013	25,532,000	-	25,532,000	1.25%	1,297
2014	24,482,000	-	24,482,000	1.19%	1,222
2015	30,565,000	-	30,565,000	1.49%	1,524
2016	29,165,000	-	29,165,000	1.41%	1,451
2017	27,705,000	-	27,705,000	1.34%	1,380
2018	26,220,000	-	26,220,000	1.26%	1,303
2019	24,700,000	\$ 137,857	24,562,143	1.18%	1,226
2020	23,125,000	137,857	22,987,143	1.11%	1,151
2020	21,485,000	137,857	21,347,143	1.03%	1,075

Source: District records

ELMWOOD PARK BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2020
(Unaudited)

	<u>Total Debt</u>
Municipal Debt: (1)	
Elmwood Park School District	\$ 21,485,000
Borough of Elmwood Park	<u>25,423,539</u>
 Total Direct Debt	 <u>46,908,539</u>
 Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	19,110,603
Passaic Valley Sewerage Commission (B)	<u>2,913,571</u>
 Total Overlapping Debt	 <u>22,024,174</u>
 Total Direct and Overlapping Debt	 <u>\$ 68,932,713</u>

Source:
(1) Borough's 2020 Annual Debt Statement

(A) The debt for this entity was apportioned to the municipality by dividing the municipality's 2020 equalized value by the total 2020 equalized value for Bergen County.
(B) The debt was computed based upon municipal flow to the Authority.

ELMWOOD PARK BOARD OF EDUCATION
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2021

	Equalized valuation basis
	2020 \$ 2,402,882,251
	2019 2,321,666,778
	2018 <u>2,299,782,002</u>
	<u>\$ 7,024,331,031</u>
Average equalized valuation of taxable property	<u>\$ 2,341,443,677</u>
Debt limit (4 % of average equalization value)	\$ 93,657,747
Total Net Debt Applicable to Limit	<u>21,485,000</u>
Legal debt margin	<u>\$ 72,172,747</u>

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	\$ 95,146,742	\$ 90,574,712	\$ 86,218,443	\$ 83,525,942	\$ 82,663,201	\$ 83,368,272	\$ 86,164,254	\$ 89,114,276	\$ 114,615,927	\$ 93,657,747
Total net debt applicable to limit	<u>23,532,000</u>	<u>25,532,000</u>	<u>34,474,250</u>	<u>30,565,000</u>	<u>29,165,000</u>	<u>27,705,000</u>	<u>26,220,000</u>	<u>24,700,000</u>	<u>23,125,000</u>	<u>21,485,000</u>
Legal debt margin	<u>\$ 71,614,742</u>	<u>\$ 65,042,712</u>	<u>\$ 51,744,193</u>	<u>\$ 52,960,942</u>	<u>\$ 53,498,201</u>	<u>\$ 55,663,272</u>	<u>\$ 59,944,254</u>	<u>\$ 64,414,276</u>	<u>\$ 91,490,927</u>	<u>\$ 72,172,747</u>
Total net debt applicable to the limit as a percentage of debt limit	24.73%	28.19%	39.98%	36.59%	35.28%	33.23%	30.43%	27.72%	20.18%	22.94%

Source: Annual Debt Statements

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

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2012	19,623	\$ 66,068	10.40%
2013	19,623	69,056	6.40%
2014	20,029	72,164	7.10%
2015	20,062	71,699	6.00%
2016	20,100	74,480	5.50%
2017	20,081	77,767	5.10%
2018	20,116	79,407	4.60%
2019	20,036	81,676	4.20%
2020	19,965	86,404	13.40%
2021	19,863	89,456	Not Available

Source: New Jersey State Department of Education

N/A - Not Available

* Estimated

ELMWOOD PARK BOARD OF EDUCATION
 PRINCIPAL EMPLOYERS,
 CURRENT YEAR AND NINE YEARS AGO
 (Unaudited)

	2021		2012	
	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment
Employer				

INFORMATION IS NOT AVAILABLE

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

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Instruction										
Regular	123.0	123.0	129.0	121.0	126.0	112.0	117.0	130.0	134.0	138.0
Special Education	44.0	54.0	65.0	65.0	65.0	65.0	70.3	73.2	76.8	72.1
Other Instruction	6.0	6.0	3.5	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Support Services:										
Tuition										
Student & instruction related services	59.5	50.5	53.0	56.0	55.3	56.8	59.7	65.9	63.5	65.5
General administrative Services	1.0	1.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
School Administrative Services	20.5	20.5	20.0	19.0	19.0	19.0	22.0	22.0	22.0	22.0
Business Administrative Services	9.5	9.5	13.0	11.6	10.6	13.8	12.3	12.3	10.8	11.8
Plant Operations and Maintenance	43.0	50.0	23.5	22.0	23.0	22.0	21.0	22.0	22.0	21.0
Pupil transportation	1.0	1.0	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Total	307.5	315.5	311.7	300.3	304.6	294.3	308.0	331.1	334.8	336.1

Source: District Personnel Records

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

Teacher/Pupil Ratio

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Teacher/Pupil Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Junior High School	High School				
2012	2,502	\$ 35,331,087	\$ 14,121	3.54%	307	1:16	1:18	1:16	2,481.5	2,367.6	3.31%	95.41%
2013	2,544	34,654,511	13,622	-3.53%	316	1:16	1:18	1:16	2,537.0	2,415.0	2.24%	95.19%
2014	2,519	35,689,806	14,168	4.01%	312	1:21	1:18	1:18	2,526.7	2,409.8	-0.41%	95.37%
2015	2,541	37,959,408	14,939	5.44%	300	1:14	1:15	1:17	2,530.8	2,422.1	0.16%	95.70%
2016	2,508	38,203,840	15,233	1.97%	305	1:15	1:15	1:13	2,532.5	2,429.0	0.07%	95.91%
2017	2,542	40,071,858	15,764	3.49%	294	1:16	1:18	1:16	2,571.2	2,455.5	1.53%	95.50%
2018	2,601	41,231,513	15,852	0.56%	308	1:15	1:15	1:17	2,601.3	2,476.2	1.17%	95.19%
2019	2,548	45,338,155	17,794	12.25%	331	1:13	1:14	1:17	2,548.1	2,430.7	-2.05%	95.39%
2020	2,563	47,280,001	18,447	3.67%	335	1:12	1:13	1:14	2,562.8	2,466.3	0.58%	96.23%
2021	2,495	47,783,260	19,152	3.82%	336	1:13	1:14	1:16	2,495.0	2,385.3	-2.65%	95.60%

Sources: District records

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

ELMWOOD PARK BOARD OF EDUCATION
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

<u>District Building</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Ganter Elementary School										
Square Feet	38,453	38,453	38,453	38,453	38,453	38,453	38,453	38,453	38,453	38,453
Enrollment	313	393	375	354	375	359	352	317	310	332
Gilbert Elementary School										
Square Feet	54,767	54,767	54,767	54,767	54,767	54,767	54,767	54,767	54,767	54,767
Enrollment	338	404	409	395	406	414	449	412	411	386
16th Avenue School										
Square Feet	63,525	63,525	53,525	53,525	53,525	53,525	53,525	53,525	53,525	53,525
Enrollment	302	474	462	325	467	466	485	470	470	422
High School/Middle School										
Square Feet	210,822	210,822	210,822	210,822	210,822	210,822	210,822	210,822	210,822	212,460
Enrollment	1,194	1,273	1,273	1,267	1,260	1,303	1,315	1,349	1,372	1,355

Number of Schools at June 30, 2021
 Elementary = 3
 High/Middle School = 1

Source: District Records

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

**UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES
11-000-261-XXX**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
School Facilities										
Memorial/Middle/High School	\$ 254,008	\$ 182,018	\$ 412,841	\$ 320,628	\$ 317,224	\$ 265,472	\$ 385,596	\$ 332,452	\$ 306,447	\$ 414,603
Gantner Avenue Elementary School	133,309	95,527	76,460	62,269	57,860	48,420	70,331	60,638	54,982	75,039
Gilbert Avenue Elementary School	113,709	81,482	129,661	60,464	82,414	68,964	100,170	86,364	73,309	106,874
Sixteenth Avenue Elementary School	<u>121,008</u>	<u>86,712</u>	<u>128,675</u>	<u>118,539</u>	<u>95,586</u>	<u>79,993</u>	<u>116,189</u>	<u>100,175</u>	<u>90,832</u>	<u>123,965</u>
Grand Total	<u>\$ 622,034</u>	<u>\$ 445,739</u>	<u>\$ 747,637</u>	<u>\$ 561,900</u>	<u>\$ 553,084</u>	<u>\$ 462,849</u>	<u>\$ 672,286</u>	<u>\$ 579,629</u>	<u>\$ 525,570</u>	<u>\$ 720,481</u>

Source: District Records

**ELMWOOD PARK BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2021
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy -(1)		
Building and Contents (All Locations)	\$ 89,572,100	\$ 5,000
Boiler and Machinery	Included	1,000
EDP Equipment	2,500,000	1,000
Automobile Liability Coverage	16,000,000	1,000
Comprehensive General Liability	16,000,000	1,000
School Leaders Errors & Omissions Liability	16,000,000	10,000
Workers Compensation and Employer's Liability	3,000,000	
Public Employee Dishonest with Faithful Performance	50,000	500
School Violent Act Coverage (2)	1,000,000	
Cyber Liability (3)	10,000,000	
Surety Bonds (4)		
Board Secretary/Business Administrator	300,000	
Treasurer of School Monies	300,000	
(1) New Jersey School Insurance Group		
(2) AIG/National Union Fire Insurance Company		
(3) Beazley Insurance Company		
(4) Hartford Fire Insurance Company		

Source: District records

Source: School District's records

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, 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, PSA
RALPH M. PICONE, III, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA

**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
Elmwood Park Board of Education
Elmwood Park, 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 Elmwood Park Board of Education as of and for the fiscal year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Elmwood Park Board of Education's basic financial statements and have issued our report thereon dated February 3, 2022..

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Elmwood Park Board of Education's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Elmwood Park Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Elmwood Park Board of Education's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

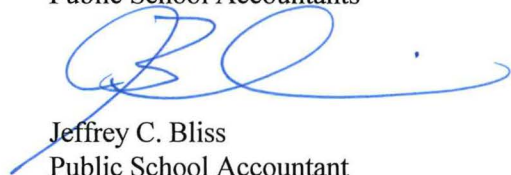
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Elmwood Park Board of Education's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Elmwood Park Board of Education's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lerch, Vinci & Higgins, LLP

LERCH, VINCI & HIGGINS, LLP

Certified Public Accountants

Public School Accountants



Jeffrey C. Bliss

Public School Accountant

PSA Number CS00932

Fair Lawn, New Jersey
February 3, 2022



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
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MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA

**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
Elmwood Park Board of Education
Elmwood Park, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Elmwood Park Board of Education's compliance with the types of compliance requirements described 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 Elmwood Park Board of Education's major federal and state programs for the fiscal year ended June 30, 2021. The Elmwood Park Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal awards and state financial assistance applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Elmwood Park Board of Education's major federal and state programs based on our audit of the types of compliance requirements referred to above. 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 as prescribed by the Office of School Finance, Department of Education, State of New Jersey; 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 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, U.S. Uniform Guidance and New Jersey Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Elmwood Park Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Elmwood Park Board of Education's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Elmwood Park Board of Education complied, in all material respects, with the types of 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, 2021.

Report on Internal Control Over Compliance

Management of the Elmwood Park Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Elmwood Park Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Elmwood Park Board of Education's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 the 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 the 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 Elmwood Park Board of Education, as of and for the fiscal year ended June 30, 2021, 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 February 3, 2022, 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 & HIGGINS, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
February 3, 2022

ELMWOOD PARK BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2020			Carryover/ (Walkover) Amount Def. Rev.	Carryover/ (Walkover) Amount A/R	Cash Received	Budgetary Expenditures	Balance, June 30, 2021			Memo GAAP Receivable
						(Account Receivable)	Deferred Revenue	Due to Grantor					(Account Receivable)	Deferred Revenue	Due to Grantor	
U.S. Department of Education																
Passed-through State Department of Education																
Enterprise Fund																
School Breakfast Program	10.553	211NJ304N1099	N/A	7/1/20-6/30/21	\$ 372,529					\$ 326,475	\$ 372,529	\$ (46,054)			\$ (46,054)	
School Breakfast Program	10.553	201NJ304N1099	N/A	7/1/19-6/30/20	49,467	(4,818)				4,818						
National School Lunch Program	10.555	211NJ304N1099														
Cash Assistance			N/A	7/1/20-6/30/21	590,739					428,591	590,739	(162,148)			(162,148)	
Cash Assistance			N/A	7/1/19-6/30/20	351,089	(7,621)				7,621					-	
Non-Cash Assistance (Food Distribution)			N/A	7/1/20-6/30/21	78,725	-	-	-	-	78,725	78,725	-	-	-	-	
Total Child Nutrition Cluster/Enterprise Fund						(12,439)	-	-	-	846,230	1,041,993	(208,202)	-	-	(208,202)	
Special Revenue Fund																
ESEA																
Title I	84.010	S010A200030	ESEA031345-21	7/1/20-9/30/21	605,953			\$ 15,785	\$ (15,785)	347,285	533,514	(274,453)	\$ 88,224		(186,229)	
Title I	84.010	S010A190030	ESEA031345-20	7/1/19-9/30/20	602,763	(215,310)	15,785	(15,785)	15,785	199,525		-	-		-	
Title I SIA	84.010	S010A200030	ESEA031345-21	7/1/20-9/30/21	16,300			42	(42)	2,325	2,325	(14,017)	14,017		-	
Title I SIA	84.010	S010A190030	ESEA031345-20	7/1/19-9/30/20	13,900	(19,523)	7,395	(42)	42	19,481	7,353	-	-		-	
Title I Reallocated	84.010	S010A190030	ESEA031345-21	7/1/20-9/30/21	17,194							(17,194)	17,194		-	
Title I Reallocated	84.010	S010A180030	ESEA031345-20	7/1/19-9/30/20	11,682	(11,682)	11,682	-	-	6,768	6,768	-	-		-	
Total ESEA Title I						(246,515)	34,862	-	-	575,384	549,960	(305,664)	119,435	-	(186,229)	
Title II, Part A	84.367A	S367A200029	ESEA031345-21	7/1/20-9/30/21	77,764			460	(460)	2,302	8,698	(75,922)	69,526		(6,396)	
Title II, Part A	84.367A	S367A200029	ESEA031345-20	7/1/19-9/30/20	65,555	(21,863)	21,863	(460)	460	21,403	21,403	-	-		-	
Total ESEA Title II, Part A						(21,863)	21,863	-	-	23,705	30,101	(75,922)	69,526	-	(6,396)	
Title III	84.365	S365A200030	ESEA031345-21	7/1/20-9/30/21	24,570			2,289	(2,289)	14,025	25,114	(12,834)	1,745		(11,089)	
Title III	84.365	S365A190030	ESEA031345-20	7/1/19-9/30/20	25,891	(9,877)	2,289	(2,289)	2,289	7,588		-	-		-	
Title III, Immigrant	84.365	S365A200030	ESEA031345-21	7/1/20-9/30/21	12,639			177	(177)	3,660	5,348	(9,156)	7,468		(1,688)	
Title III, Immigrant	84.365	S365A190030	ESEA031345-20	7/1/19-9/30/20	11,982	(12,995)	12,545	(177)	177	12,788	12,338	-	-		-	
Total Title III						(22,872)	14,834	-	-	38,061	42,800	(21,990)	9,213	-	(12,777)	
ESEA Title IV	84.424	S424A200031	ESEA031345-21	7/1/20-9/30/21	44,513			847	(847)	5,270	18,014	(40,090)	27,346		(12,744)	
ESEA Title IV	84.424	S424A190031	ESEA031345-20	7/1/19-9/30/20	37,536	(45,667)	847	(847)	847	44,820	-	-	-		-	
Total ESEA Title IV						(45,667)	847	-	-	50,090	18,014	(40,090)	27,346	-	(12,744)	
I.D.E.A. Part B, Basic Regular	84.027	H027A200100	IDEA-1345-21	7/1/20-9/30/21	677,028			23,406	(23,406)	669,233	684,511	(31,201)	15,923		(15,278)	
I.D.E.A. Part B, Basic Regular	84.027	H027A190100	IDEA-1345-20	7/1/19-9/30/20	629,940	(35,131)	23,406	(23,406)	23,406	11,725		-	-		-	
I.D.E.A. Part B, Preschool	84.173	H173A200114	IDEA-1345-21	7/1/20-9/30/21	23,534			-	-	23,534	23,534	-	-		-	
I.D.E.A. Part B, Preschool	84.173	H173A190114	IDEA-1345-20	7/1/19-9/30/20	23,335	(1,768)	-	-	-	1,768	-	-	-		-	
Total Special Education Cluster IDEA						(36,899)	23,406	-	-	706,260	708,045	(31,201)	15,923	-	(15,278)	
Elementary and Secondary School Emergency Relief (ESSER)																
Coronavirus Aid, Relief, and Economic Security (CARES) Act																
CARES Emergency Relief Fund	84.425D	S425D200027	N/A	3/13/20-9/30/22	544,606	(544,606)	544,606			249,656	422,290	(294,950)	122,316		(172,634)	
Digital Divide	84.425D	S425D200027	N/A	7/16/20-10/31/20	125,879					125,879	125,879	-	-		-	
Elementary and Secondary School Emergency Relief (ESSER II)																
Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act																
ESSER II	84.425D	S425D210027		3/13/20-9/30/23	1,986,094							(1,986,094)	1,986,094		-	
Learning Acceleration	84.425D	S425D210027		3/13/20-9/30/23	127,458							(127,458)	127,458		-	
Mental Health	84.425D	S425D210027		3/13/20-9/30/23	45,000							(45,000)	45,000		-	
Total ESSER Cluster						(544,606)	544,606	-	-	375,535	548,169	(2,453,502)	2,280,868	-	(172,634)	

ELMWOOD PARK BOARD OF EDUCATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2020			Carryover/ (Walkover) Amount Def. Rev.	Carryover/ (Walkover) Amount A/R	Cash Received	Budgetary Expenditures	Balance, June 30, 2021			Memo GAAP Receivable
						(Account Receivable)	Deferred Revenue	Due to Grantor					(Account Receivable)	Deferred Revenue	Due to Grantor	
Corona Relief Fund (CRF) (Passed through County of Bc	21.019	N/A	N/A	3/1/20-12/31/21	145,390	-	-	-	-	\$ 145,390	\$ 145,390	-	-	-	-	
Corona Relief Fund (CRF)	21.019	N/A	N/A	3/1/20-12/31/21	219,801	-	-	-	-	219,801	219,801	-	-	-	-	
Digital Divide for Non-Public Schools	21.019	5377A130031	N/A	7/16/20-10/31/20	7,352	-	-	-	-	7,352	7,352	-	-	-	-	
Total CRF Cluster						-	-	-	-	372,543	372,543	-	-	-	-	
Total Special Revenue Fund						\$ (918,422)	\$ 640,418	-	-	2,141,578	2,269,632	\$ (2,928,369)	\$ 2,522,311	-	\$ (406,058)	
U.S. Department of Health and Human Services																
General Fund																
Medical Assistance Program	93.778	12005NJ5MAP	N/A	7/1/20-6/30/21	10,813	-	-	-	-	10,813	10,813	-	-	-	-	
Total General Fund						-	-	-	-	10,813	10,813	-	-	-	-	
Total Federal Awards						\$ (930,861)	\$ 640,418	\$ -	\$ -	\$ 2,998,621	\$ 3,322,438	\$ (3,136,571)	\$ 2,522,311	\$ -	\$ (614,260)	

ELMWOOD PARK BOARD OF EDUCATION
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2020	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Balance, June 30, 2021			Memo	
								(Accounts Receivable)	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education												
Current Expense:												
Equalization Aid	21-495-034-5120-078	7/1/20-6/30/21	\$ 7,029,379		\$ 6,431,898	\$ 7,029,379		\$ (597,481)				\$ 7,029,379
Equalization Aid	20-495-034-5120-078	7/1/19-6/30/20	6,267,216	\$ (506,693)	506,693			-				-
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	2,318,383		2,121,326	2,318,383		(197,057)				2,318,383
Special Education Aid	20-495-034-5120-089	7/1/19-6/30/20	2,318,383	(187,437)	187,437			-				-
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	760,674		696,019	760,674		(64,655)				760,674
Security Aid	20-495-034-5120-084	7/1/19-6/30/20	760,674	(61,499)	61,499			-				-
Total State Aid Public Cluster			19,454,709	(755,629)	10,004,872	10,108,436		(859,193)				10,108,436
Transportation Aid												
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	547,120		500,616	547,120		(46,504)				547,120
Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	547,120	(44,234)	44,234			-				-
Nonpublic Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	55,390			55,390		(55,390)			\$ (55,390)	55,390
Nonpublic Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	8,394	(8,394)	8,394			-				-
Extraordinary Aid	21-495-034-5120-473	7/1/20-6/30/21	1,148,673			1,148,673		(1,148,673)				1,148,673
Extraordinary Aid	20-495-034-5120-473	7/1/19-6/30/20	640,075	(640,075)	640,075			-				-
On Behalf Payments												
TPAF Social Security	21-495-034-5094-003	7/1/20-6/30/21	1,151,781		1,151,826	1,151,781				45		1,151,781
TPAF Social Security	20-495-034-5094-003	7/1/19-6/30/20	1,099,291	35			35					-
TPAF Pension and OPEB												
Pension - NCGI Premium	21-495-034-5094-004	7/1/20-6/30/21	74,683		74,683	74,683						74,683
Pension Benefit Contribution	21-495-034-5094-002	7/1/20-6/30/21	3,925,243		3,925,243	3,925,243						3,925,243
Post Retirement Medical Benefit Contribution	21-495-034-5094-001	7/1/20-6/30/21	1,253,514		1,253,514	1,253,514						1,253,514
Long Term Disability Insurance	21-495-034-5094-004	7/1/20-6/30/21	3,579		3,579	3,579						3,579
Total General Fund				(1,448,297)	17,607,036	18,268,419	35	(2,109,760)		45	(55,390)	18,268,419
Special Revenue:												
Auxiliary Services Chpt 192:												
Compensatory Education	21-100-034-5120-067	7/1/20-6/30/21	74,027		74,027	64,011				10,016		64,011
Compensatory Education	20-100-034-5120-067	7/1/19-6/30/20	70,574	10,416	7,057		\$ 17,473					-
English as a Second Language	21-100-034-5120-067	7/1/20-6/30/21	7,994		7,994	5,329				2,665		5,329
English as a Second Language	20-100-034-5120-067	7/1/19-6/30/20	3,309	1,820	331		2,151					-
Transportation	21-100-034-5120-067	7/1/20-6/30/21	34,125		34,125					34,125		-
Transportation	20-100-034-5120-067	7/1/19-6/30/20	31,785	3,235	3,178		6,413					-
Total Auxiliary Services (Chpt 192) Cluster				15,471	126,712	69,340	26,037			46,806		69,340
Handicapped Services Chpt 193:												
Examination and Classification	21-100-034-5120-066	7/1/20-6/30/21	60,922		60,922	27,680				33,242		27,680
Examination and Classification	20-100-034-5120-066	7/1/19-6/30/20	32,142	3,750	4,444		8,194					-
Corrective Speech	21-100-034-5120-066	7/1/20-6/30/21	18,228		18,228	12,213				6,015		12,213
Corrective Speech	20-100-034-5120-066	7/1/19-6/30/20	23,696	11,386	1,944		13,330					-
Supplemental Instruction	21-100-034-5120-066	7/1/20-6/30/21	21,047		21,047	18,942				2,105		18,942
Supplemental Instruction	20-100-034-5120-066	7/1/19-6/30/20	21,856	4,197	1,793		5,990					-
Total Handicapped Services (Chpt 193) Cluster				19,333	108,378	58,835	27,514			41,362		58,835
New Jersey Nonpublic Aid:												
Textbook Aid	21-100-034-5120-064	7/1/20-6/30/21	10,324		10,324	10,317				7		10,317
Textbook Aid	20-100-034-5120-064	7/1/19-6/30/20	8,117	488			488					-
Nursing Services	21-100-034-5120-070	7/1/20-6/30/21	17,544		17,544	5,283				12,261		5,283
Nursing Services	20-100-034-5120-070	7/1/19-6/30/20	14,938	2,799			2,799					-
Nonpublic Technology	20-100-034-5120-373	7/1/19-6/30/20	5,544	84			84					-
Nonpublic Security	21-100-034-5120-084	7/1/20-6/30/21	30,100		30,100	16,754				13,346		16,754
Nonpublic Security	20-100-034-5120-084	7/1/19-6/30/20	23,100	14,450			14,450					-
Total Special Revenue Fund				52,625	293,058	160,529	71,372			113,782		160,529

**ELMWOOD PARK BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2020	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Balance, June 30, 2021			Memo	
								(Accounts Receivable)	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Agriculture												
Food Service:												
National School Lunch Program												
(State Share)	21-100-010-3350-023	7/1/20-6/30/21	\$ 28,748		\$ 23,507	\$ 28,748	-	(5,241)	-	-	(5,241)	28,748
(State Share)	20-100-010-3350-023	7/1/19-6/30/20	8,543	\$ (121)	3,112	2,991	-	-	-	-	-	2,991
Total Food Service Fund				(121)	26,619	31,739	-	(5,241)	-	-	(5,241)	31,739
Debt Service Fund												
Type II Debt Service Aid	21-495-034-5120-075	7/1/20-6/30/21	255,870	-	241,682	241,682	-	-	-	-	-	241,682
Total State Financial Assistance Subject to Single Audit Determination				\$ (1,395,793)	18,168,395	18,702,369	\$ 71,407	\$ (2,115,001)	-	\$ 113,827	\$ (60,631)	18,702,369
State Financial Assistance												
Not Subject to Major Program Determination												
General Fund												
On-Behalf TPAF Pension System												
Contributions-NCGI	21-100-034-5094-004	7/1/20-6/30/21	74,683		(74,683)	(74,683)						(74,683)
On-Behalf TPAF Pension System												
Contributions- Normal	21-100-034-5094-002	7/1/20-6/30/21	3,925,243		(3,925,243)	(3,925,243)						(3,925,243)
On-Behalf TPAF Post-Retirement Medical												
Contribution	21-100-034-5094-001	7/1/20-6/30/21	1,253,514		(1,253,514)	(1,253,514)						(1,253,514)
On-Behalf TPAF Long Term												
Disability Insurance	21-100-034-5094-004	7/1/20-6/30/21	3,579	-	(3,579)	(3,579)	-	-	-	-	-	(3,579)
Total State Financial Assistance Subject to Major Program Determination				\$ (1,395,793)	\$ 12,911,376	\$ 13,445,350	\$ 71,407	\$ (2,115,001)	\$ -	\$ 113,827	\$ (60,631)	\$ 13,445,350

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Elmwood Park Board of Education. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying 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 Notes 1(C) to the Board's financial statements. The information in these schedules is 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 (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 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 \$614,432 for the general 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	\$ 10,813	\$ 17,653,987	\$ 17,664,800
Special Revenue Fund	2,269,632	160,529	2,430,161
Debt Service Fund		241,682	241,682
Food Service Fund	<u>1,041,993</u>	<u>31,739</u>	<u>1,073,732</u>
Total Financial Assistance	<u>\$ 3,322,438</u>	<u>\$ 18,087,937</u>	<u>\$ 21,410,375</u>

**ELMWOOD PARK BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 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 5 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 \$1,151,781 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, 2021. The amount reported as TPAF Pension System Contributions in the amount of \$3,999,926, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,253,514 and TPAF Long-Term Disability Insurance in the amount of \$3,579 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2021.

NOTE 6 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 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 7 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.

ELMWOOD PARK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Part II – Schedule of Financial Statement Findings

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with paragraph 5.18 of *Government Auditing Standards*.

There are none.

**ELMWOOD PARK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

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

CURRENT YEAR FEDERAL AWARDS

There are none.

**ELMWOOD PARK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Part III – 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.

**ELMWOOD PARK BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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. OMB Circular A-133 (section .315(a)(b)) and New Jersey OMB's Circular 15-08.

There were none.