

**SCHOOL DISTRICT OF THE  
BOROUGH OF CLIFFSIDE PARK  
COUNTY OF BERGEN, NEW JERSEY  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2021**

**School District  
of**

# **BOROUGH OF CLIFFSIDE PARK**

**BOROUGH OF CLIFFSIDE PARK BOARD OF EDUCATION  
Cliffside Park, New Jersey**

**Comprehensive Annual Financial Report  
Year Ended June 30, 2021**

# Comprehensive Annual Financial Report

of the

**BOROUGH OF CLIFFSIDE PARK  
BOARD OF EDUCATION  
Cliffside Park, New Jersey**

**Year Ended June 30, 2021**

**Prepared by**

**Louis Alfano  
Business Administrator/Board Secretary**

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## **INTRODUCTORY SECTION**



*CLIFFSIDE PARK PUBLIC SCHOOLS  
THE MUNICIPAL COMPLEX  
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Fax: 201-943-7050*

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Superintendent of Schools  
E-Mail: [mjr@cliffsidepark.edu](mailto:mjr@cliffsidepark.edu)*

*Louis Alfano  
Business Administrator/Board Secretary  
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February 1, 2022

Honorable President and Members of the  
Cliffside Park Board of Education  
525 Palisade Avenue  
Cliffside Park, New Jersey 07010

Dear Board Members,

State Department of Education statutes require that all school districts prepare a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the Cliffside Park Board of Education for the fiscal year ended June 30, 2021.

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

The Cliffside Park Board of Education's financial statements have been audited by Wielkott and Company, LLC, a firm of licensed certified public accountants and public school accountants. The goal of the independent audit was to provide reasonable assurance the financial statements Cliffside Park Board of Education for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

*Equal Opportunity/Affirmative Action Employer*

The independent audit of the financial statements of the Cliffside Park Board of Education was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards and state financial assistance. These reports are available in the Single Audit Section of the Cliffside Park Board of Education’s CAFR.

GAAP 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 compliment the MD&A and should be read in conjunction with it. The Cliffside Park Board of Education’s MD&A can be found immediately following the independent auditors’ report.

**REPORTING ENTITY AND ITS SERVICES:** The Cliffside Park School District is an independent reporting entity within the criteria adopted by Governmental Accounting Standards Board (GASB) as established by GASB No. 14. All funds of the District are included in this report. The Cliffside Park Board of Education and all its schools constitute the District’s reporting entity.

The District provides a full range of educational services appropriate to grade level PK through 12. These include regular, vocational as well as special education for disabled youngsters. The District completed the 2020/2021 fiscal year with 3,107 students, which is 96 students less than the previous year’s enrollment. The following details the changes in the student enrollment of the District over the last ten years.

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Percent Change</u>
2009-2010	2,760	4.2
2010-2011	2,740	(2.0)
2011-2012	2,779	1.4
2012-2013	2,839	2.1
<b>2013-2014</b>	<b>2,901</b>	<b>2.1</b>
<b>2014-2015</b>	<b>2,968</b>	<b>2.2</b>
<b>2015-2016</b>	<b>3,000</b>	<b>1.1</b>
<b>2016-2017</b>	<b>3,074</b>	<b>2.5</b>
<b>2017-2018</b>	<b>3,164</b>	<b>2.9</b>
<b>2018-2019</b>	<b>3,154</b>	<b>(.03)</b>
<b>2019-2020</b>	<b>3,203</b>	<b>1.5</b>
<b>2020-2021</b>	<b>3,107</b>	<b>(3.0)</b>

**ECONOMIC CONDITION AND OUTLOOK:** The local economy of the Cliffside Park area is relatively stable and is expected to continue at that level. The Borough’s economy is mainly comprised of retail stores and light industry. The present structure is expected to remain unchanged in the future.

**MAJOR INITIATIVES:** The Cliffside Park Board of Education recognizes its responsibility to provide a broad educational program consistent with the mental and physical potential of every child in our community. The Board believes that each individual should be accepted into our educational program as he/she is and be provided with a stimulating environment and opportunities for learning experiences designed to promote behavioral changes that will affect satisfactory adjustments to life. In addition to meeting the special needs of our students the high school offers preparation for entrance to college, technical and sub-professional schools. The high school also offers college courses that focus on the sciences, mathematics, foreign languages and social studies. Many accelerated and advanced placement courses are also available in all subject areas.

Cliffside Park is a charter member of the Bergen County ITV Consortium and is accredited by the New Jersey Department of Education. Our students consistently test above the state and national averages and have been accepted into colleges throughout the United States.

A full range of educational support services are available to all students i.e. guidance services, health services in each school, certified nurses, full Child Study Team, in addition to a PK through 12 ESL program.

The Superintendent has received and initiated, with the Board's approval, the following programs:

**EARLY CHILDHOOD:** Will continue with full-day Pre K handicap programs as well as half-day programs for regular education students.

**MATH CURRICULUM:** The Cliffside Park School District uses the Envision Math Mathematics 2.0 series which parallels the Content Standards. This series emphasizes open-ended questions and critical thinking problems that are key components to state assessments.

**READING CURRICULUM:** The Cliffside Park School District uses the Pearson Reading series which parallels the Content Standards with emphasis on writing and literacy. This series enables teachers to meet individual needs of all students at all levels. The District continues to utilize a balanced literacy curriculum.

**GIFTED AND TALENTED:** A Gifted and Talented program is available in the Cliffside Park Schools with an emphasis on computer technology. The program begins on a pull-out basis in grades three through eight and is completed at the high school level (grades 9-12) in our advanced placement and other accelerated offerings.

**TESTING:** NJSLA Testing (grades three through eleven) is required under NCLB. Other standardized tests given within the District include NJPass, Boehm Test, and the Otis Lennon Ability Test.

**PROFESSIONAL DEVELOPMENT:** The District's teaching staffs are currently undertaking professional development in reading and writing literacy, technology, teacher evaluations, substance abuse program, violence/vandalism prevention and affirmative action guidelines.

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

benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

**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 budgets are adopted for the General, Special Revenue and Debt Service Funds. The final budget amounts as amended for the fiscal year are reflected in the financial section.

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

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 a re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as a reservation of fund balance at June 30.

**PROPRIETARY FUND:** The Enterprise Food Service fund provides for the operation of food services in all schools within the school district, including full service breakfast and lunch programs.

**FIDUCIARY FUNDS:** Fiduciary Funds consist of assets held by the district as agent for student organizations, private organizations, other governments and other funds.

**DEBT ADMINISTRATION:** On July 15, 1999 the District issued \$5,400,000 of bonds to finance a capital improvement referendum approved by the District's voters on December 8, 1998 which were refunded on July 15, 2006. At June 30, 2021 \$0 of the school bonds were outstanding.

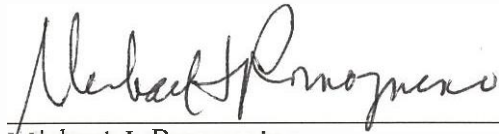
**CASH MANAGEMENT:** The investment policy of the District is guided in large part by the state statute as detailed in the "Notes to the Basic Financial Statements", the District has adopted has a cash management plan which requires it to deposit public funds in public depositories protected from loss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

**RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents and fidelity bonds. The District provides its employee full medical insurance through traditional health insurance plan.

**OTHER INFORMATION:** A. Independent Audit –State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Wielkottz and Company, LLC, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related [Title 2 U.S. Code of Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards \(Uniform Guidance\)](#) and [New Jersey State Office of Management and Budget Circular 15-08](#). The auditors' report on the basic financial statements is included in the financial section of this report. The auditors' report related specifically to the Single Audit is included in the Single Audit Section of this report.

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

Respectfully submitted,



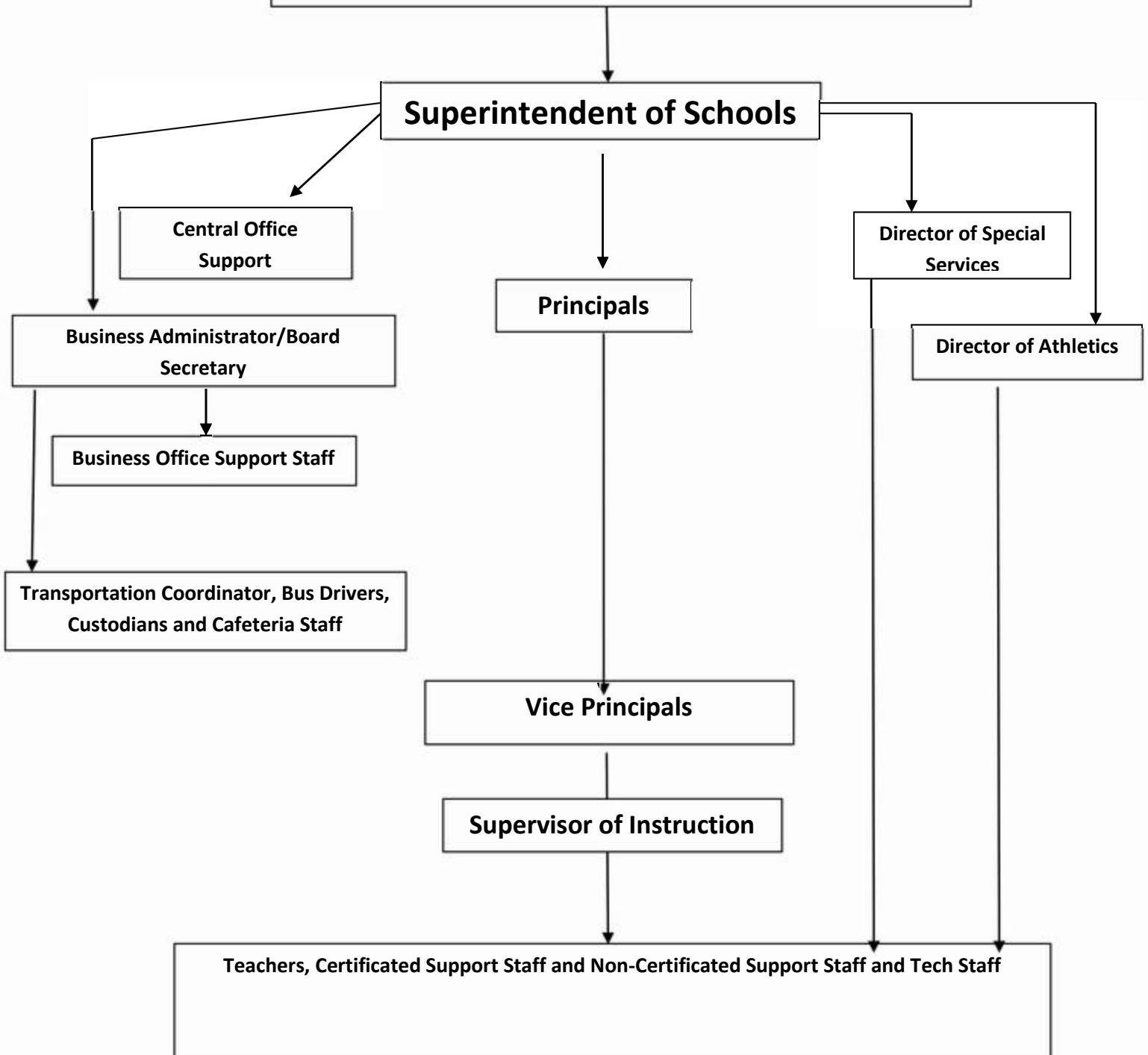
Michael J. Romagnino  
Superintendent of Schools



Louis Alfano  
Business Administrator  
Board Secretary

## ORGANIZATIONAL CHART

### CLIFFSIDE PARK BOARD OF EDUCATION



**CLIFFSIDE PARK BOARD OF EDUCATION**

**ROSTER OF OFFICIALS**

**JUNE 30, 2021**

**Members of the Board of Education**

**Term Expires**

James Shelley - President	2023
Joseph Capano - Vice President	2021
Michael Russo	2021
Marcos Garciga	2021
Lisa Frato	2022
Judith Abreu	2023
Neville C. Raincourt	2022
Teddy F. Tarabokija	2023
Dr. Letizia Pantoliano	2022

**Other Officials**

Michael J. Romangnino, Superintendent of Schools

Louis Alfano, Business Administrator/Board Secretary

Frank Berardo, Treasurer of School Monies

Nick Morin, Fairview Representative

Fogarty & Hara, Board Attorney

**CLIFFSIDE PARK BOARD OF EDUCATION**

**CONSULTANTS & ADVISORS**

**June 30, 2021**

**Attorney**

FOGARTY & HARA  
21-00 Route 208 South  
Fair Lawn, NJ 07410

RUBENSTEIN, MEYERSON, FOX,  
MANCINELLI, CONTE & BERN, PA  
1 Paragon Drive #240  
Montvale, NJ 07645

**District Auditor**

STEVEN D. WIELKOTZ, C.P.A.  
401 Wanaque Avenue  
Pompton Lakes, New Jersey 07442

**Official Depositories**

TD BANK NORTH  
354 Palisade Avenue  
Cliffside Park, NJ 07010



## **FINANCIAL SECTION**



**WIELKOTZ & COMPANY, P.C.**  
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA  
MATTHEW B. WIELKOTZ, CPA, PSA  
PAUL J. CUVA, CPA, RMA, PSA  
JAMES J. CERULLO, CPA, RMA, PSA  
THOMAS M. FERRY, CPA, RMA, PSA

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**INDEPENDENT AUDITOR'S REPORT**

Honorable President and  
Members of the Board of Education  
Borough of Cliffside Park School District  
County of Bergen, New Jersey  
Cliffside 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 Board of Education of the Borough of Cliffside Park School District, in the County of Bergen, State of New Jersey, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District'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 misstatements, 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 audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Borough of Cliffside Park Board of Education, in the County of Bergen, State of New Jersey, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

#### ***Change in Accounting Principle***

As discussed in Note 1 to the basic financial statements, in fiscal year 2021, the Board adopted Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities. As a result, prior year balances were restated (Note 16) to reflect the implementation of this Statement. Our opinions are 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, Schedules Related to Accounting and Reporting for Pensions, and Other Post Employment Benefits identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting



Standards Board who considers it to be an essential part of the 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 Borough of Cliffside Park Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and 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 the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and the introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the 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 the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates 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 combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Honorable President and  
Members of the Board of Education  
Page 4.

The introductory section and statistical data section has not been subject 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 it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 1, 2022 on our consideration of the Borough of Cliffside 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Cliffside Park Board of Education's internal control over financial reporting and compliance.

*Steven D. Wielkotz*

Steven D. Wielkotz, C.P.A.  
Licensed Public School Accountant  
No. 816

*Wielkotz & Company, LLC*

WIELKOTZ & COMPANY, LLC  
Certified Public Accountants  
Pompton Lakes, New Jersey

February 1, 2022

**REQUIRED SUPPLEMENTARY  
INFORMATION - PART I**

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

As management of the Borough of Cliffside Park School District (the “School District”), we offer readers of the School District’s financial statements this narrative overview and analysis of the financial activities of the Borough of Cliffside Park School District for the fiscal year ended June 30, 2021.

The management’s discussion and analysis is provided at the beginning of the audit to provide an overall review of the past and current position of the School District’s financial condition. This summary should not be taken as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the School District’s revenues and expenditures by program for the General Fund, Special Revenue Fund, Capital Projects Fund, Debt Service Fund and Enterprise Fund.

**FINANCIAL HIGHLIGHTS**

- In total, net position increased \$3,707,552. Net position of governmental activities increased \$3,785,075 while net position of business-type activity decreased by \$(77,523).
- General revenues accounted for \$68,136,126 in revenue or 94 percent of all district revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$4,689,505 or 6 percent of total revenues of \$72,825,631.
- The School District had \$67,763,338 in expenses related to governmental activities; only \$3,412,287 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily grants, entitlements and property taxes) of \$68,136,126 were adequate to provide for these programs.

**USING THIS ANNUAL REPORT**

This discussion and analysis are intended to serve as an introduction to the Borough of Cliffside Park School District’s basic financial statements. The Borough of Cliffside Park School District’s basic financial statements are comprised of three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(CONTINUED)**

**USING THIS ANNUAL REPORT, (continued)**

**District-Wide Financial Statements**

The *district-wide financial statements* are designed to provide readers with a broad overview of the Borough of Cliffside Park School District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Borough of Cliffside Park School District's assets and liabilities using the accrual basis of accounting, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Borough of Cliffside Park School District is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the district-wide financial statements distinguish functions of the Borough of Cliffside Park School District that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Borough of Cliffside Park School District include instruction, support services and special schools. The business-type activities of the Borough of Cliffside Park School District include the food service program and the after school program.

**Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Borough of Cliffside Park School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of these funds of the Borough of Cliffside Park School District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.



**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(CONTINUED)**

**USING THIS ANNUAL REPORT, (continued)**

**Governmental Funds**

*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflow of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Borough of Cliffside Park School District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund, capital projects fund, and debt service fund which are all considered to be major funds.

The Borough of Cliffside Park School District adopts annual appropriated budgets for its governmental funds except for the capital projects fund. A budgetary comparison statement has been provided for the general fund, special revenue fund and debt service fund to demonstrate compliance with their budgets.

**Proprietary Funds**

The Borough of Cliffside Park School District maintains two proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the district-wide financial statements. The Borough of Cliffside Park School District uses enterprise funds to account for its food service program and after school program.

Proprietary funds provide the same type of information as the district-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the local district services operations.

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are *not* reflected in the district-wide financial statements because the resources of those funds are *not* available to support the Borough of Cliffside Park School District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(CONTINUED)**

**USING THIS ANNUAL REPORT, (continued)**

**Notes to the Financial Statements**

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

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary information for the District's major funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

**DISTRICT-WIDE FINANCIAL ANALYSIS**

The Statement of Net Position provides the perspective of the District as a whole. Net position may, over time, serve as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets and the depreciation of capital assets.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

The School District's net position was \$9,489,287 at June 30, 2021 and \$5,252,588 at June 30, 2020. Restricted items of net position are reported separately to show legal constraints that limit the School District's ability to use those items of net position for day-to-day operations. Our analysis below focuses on the net position for 2021 compared to 2020 (Table 1) and change in net position (Table 2) of the School District.

**Table 1**

**Net Position  
June 30,**

	<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>
<b>Assets</b>						
Current and Other Assets	11,115,772	7,219,381	425,340	501,683	11,541,112	7,721,064
Capital Assets	<u>10,933,573</u>	<u>9,897,935</u>	<u>142,237</u>	<u>114,879</u>	<u>11,075,810</u>	<u>10,012,814</u>
Total Assets	<u>22,049,345</u>	<u>17,117,316</u>	<u>567,577</u>	<u>616,562</u>	<u>22,616,922</u>	<u>17,733,878</u>
<b>Deferred Outflows</b>						
Deferred Outflows of Resources						
Related to PERS	<u>1,439,969</u>	<u>1,890,317</u>	_____	_____	<u>1,439,969</u>	<u>1,890,317</u>
Total Deferred Outflows	<u>1,439,969</u>	<u>1,890,317</u>	_____	_____	<u>1,439,969</u>	<u>1,890,317</u>
<b>Liabilities</b>						
Current Liabilities	1,837,307	567,395	105,961	77,423	1,943,268	644,818
Noncurrent Liabilities	<u>8,684,927</u>	<u>9,929,987</u>	_____	_____	<u>8,684,927</u>	<u>9,929,987</u>
Total Liabilities	10,522,234	<u>10,497,382</u>	<u>105,961</u>	<u>77,423</u>	<u>10,628,195</u>	<u>10,574,805</u>
<b>Deferred Inflow of Resources</b>						
Deferred Inflows of Resources						
Related to PERS	<u>3,939,409</u>	<u>3,796,802</u>	_____	_____	<u>3,939,409</u>	<u>3,796,802</u>
Total Deferred Inflows of Resources	<u>3,939,409</u>	<u>3,796,802</u>	_____	_____	<u>3,939,409</u>	<u>3,796,802</u>
<b>Net Position</b>						
Invested in Capital Assets	10,868,227	9,777,608	142,237	114,879	11,010,464	9,892,487
Restricted	7,869,371	6,645,780			7,869,371	6,645,780
Unrestricted	<u>(9,709,927)</u>	<u>(11,709,939)</u>	<u>319,379</u>	<u>424,260</u>	<u>(9,390,548)</u>	<u>(11,285,679)</u>
Total Net Position	<u>9,027,671</u>	<u>4,713,449</u>	<u>461,616</u>	<u>539,139</u>	<u>9,489,287</u>	<u>5,252,588</u>

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

Table 2 below shows the changes in net position for fiscal year 2021 compared to 2020.

**Table 2  
Changes in Net Position  
Year Ended June 30,**

	<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>
<b>Revenues</b>						
Program Revenues:						
Charges for Services and						
Sales	207,611		77,646	560,132	285,257	560,132
Operating Grants and						
Contributions	3,204,676	2,395,627	1,199,572	1,142,808	4,404,248	3,538,435
Capital Grants and						
Contributions	136,795	24,865			136,795	24,865
General Revenues:						
Taxes:						
Property Taxes	36,270,179	35,610,540			36,270,179	35,610,540
Federal and State Aid						
Not Restricted	22,359,394	16,354,589			22,359,394	16,354,589
Tuition Received	8,369,899	8,386,082			8,369,899	8,386,082
Miscellaneous Income	999,859	951,233			999,859	951,233
Transfers		(327,945)		327,945	0	0
Total Revenues and Transfers	<u>71,548,413</u>	<u>63,394,991</u>	<u>1,277,218</u>	<u>2,030,885</u>	<u>72,825,631</u>	<u>65,425,876</u>

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

	<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>
<b>Functions/Program Expenses</b>						
Instruction:						
Regular	21,334,938	21,227,391			21,334,938	21,227,391
Special Education	9,558,558	9,207,827			9,558,558	9,207,827
Other Special Education	1,516,620	1,639,113			1,516,620	1,639,113
Other Instruction	935,429	1,017,733			935,429	1,017,733
Support Services:						
Tuition	3,196,468	3,007,701			3,196,468	3,007,701
Student & Instruction						
Related Services	7,182,517	6,432,039			7,182,517	6,432,039
School Administrative						
Services	2,368,883	2,339,403			2,368,883	2,339,403
General Administrative						
Services	1,249,815	1,267,315			1,249,815	1,267,315
Central Services and Admin.						
Info. Tech.	1,287,000	1,305,626			1,287,000	1,305,626
Plant Operations and						
Maintenance	3,388,335	3,251,822			3,388,335	3,251,822
Pupil Transportation	2,057,436	2,296,260			2,057,436	2,296,260
Unallocated Benefits	12,464,560	7,424,493			12,464,560	7,424,493
Food Service			1,285,310	1,664,282	1,285,310	1,664,282
After School Program			69,431	121,024	69,431	121,024
Charter Schools	37,512	21,757			37,512	21,757
Interest on Long-Term Debt		5,146			0	5,146
Unallocated Depreciation	486,272	396,350			486,272	396,350
Capital Outlay -						
Nondepreciable	<u>698,995</u>	<u>2,595,660</u>	<u>          </u>	<u>          </u>	<u>698,995</u>	<u>2,595,660</u>
Total Expenses and Transfers	<u>67,763,338</u>	<u>63,435,636</u>	<u>1,354,741</u>	<u>1,785,306</u>	<u>69,118,079</u>	<u>65,220,942</u>
Increase or (Decrease) in						
Net Position	<u>3,785,075</u>	<u>(40,645)</u>	<u>(77,523)</u>	<u>245,579</u>	<u>3,707,552</u>	<u>204,934</u>

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

**Governmental and Business-Type Activities**

As reported in the Statement of Activities the cost of all of our governmental and business-type activities this year was \$69,118,079. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$36,270,179 because some of the cost was paid by those who benefitted from the programs \$285,257, by other governments and organizations who subsidized certain programs with grants and contributions \$4,404,248, unrestricted federal and state aid \$22,359,394, federal, state and local aid capital outlay \$136,795, tuition received \$8,369,899, and by miscellaneous sources \$999,859.

The following schedules present a summary of governmental fund revenues and expenditures for the fiscal year ended June 30, 2021, and the amount and percentage of increases/(decreases) relative to the prior year.

**Schedule of Change in Governmental Fund Revenue and Expenditures**

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Local Source	\$45,871,994	70.5%	\$899,274	2.00%	\$44,972,720
State Source	16,017,630	24.6%	2,251,409	16.35%	13,766,221
Federal Source	<u>3,202,368</u>	<u>4.9%</u>	<u>987,760</u>	44.60%	<u>2,214,608</u>
Total	<u>\$65,091,992</u>	<u>100.0%</u>	<u>\$4,138,443</u>	6.79%	<u>\$60,953,549</u>
<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Current Expenditures:					
Instruction	\$25,738,348	40.9%	\$664,645	2.65%	\$25,073,703
Undistributed	35,122,025	55.8%	2,201,629	6.69%	32,920,396
Debt Service		0.0%	(389,500)	(100.00) %	389,500
Capital Outlay	<u>2,102,086</u>	<u>3.3%</u>	<u>(624,442)</u>	(22.90)%	<u>2,726,528</u>
Total	<u>\$62,962,459</u>	<u>100.0%</u>	<u>\$1,852,332</u>	3.03%	<u>\$61,110,127</u>

Changes in expenditures were the result of varying factors. Current expense undistributed increased due to significant health insurance cost increases combined with increased student special education enrollment.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(CONTINUED)**

**MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS**

The School District's budgets are prepared according to New Jersey law. The most significant budgeted funds are the general fund, the special revenue fund and the debt service fund. The capital projects fund is funded by the bond proceeds and state aid. Therefore no budget is presented.

During the fiscal year ended June 30, 2021, the School District amended the special revenue fund by \$977,668 for increases in local and federal, and decreases in state grants.

**General Fund**

The general fund actual revenue was \$61,384,349. That amount is \$8,943,488 above the final amended budget of \$52,432,505. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$9,058,653 for TPAF pension and social security reimbursements, an excess in other state and federal aid of \$414,624 and \$(529,789) deficit in miscellaneous anticipated revenues.

The actual expenditures of the general fund were \$59,355,026 including transfers which is \$2,788,437 above the final amended budget of \$56,566,589. The variance between the actual expenditures and final budget was due to non-budget on-behalf payments of \$9,058,653 for TPAF pension and social security reimbursements, and \$6,270,216 of unexpended budgeted funds.

General fund had total revenues and other financing sources of \$61,384,349 and total expenditures of \$59,355,026 and an ending fund balance of \$10,021,201 on the budgetary basis of accounting.

**Special Revenue Fund**

The special revenue fund actual revenue was \$3,158,489. That amount is \$(111,124) below the final amended budget of \$3,269,613. The variance between the actual revenues and the final budget was state and federal grant revenue that was anticipated to be spent by fiscal year end and the inclusion of student activity funds. The state and federal grant revenue will be received/realized in the next fiscal year.

The actual expenditures of the special revenue fund were \$3,183,492, which is \$86,121 below the final amended budget of \$3,269,613. The variance between the actual expenditures and the final budget was due to the anticipation of fully expending state and federal grant programs and the inclusion of student activity accounts. Expenditures will be incurred in the next fiscal year.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(CONTINUED)**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of fiscal year 2021 the School District had \$24,088,817 invested in sites, buildings, equipment and construction in progress. Of this amount \$13,013,007 in depreciation has been taken over the years. We currently have a net book value of \$11,075,810. Total additions for the year were \$1,707,062, the majority of which was for various technology and office equipment, transportation equipment, food service equipment and improvements to the District's facilities. Table 3 shows fiscal year 2021 balances compared to 2020.

**Table 3**  
**Capital Assets at June 30,**  
**(Net of Depreciation)**

	<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>
Land	\$188,668	\$188,668			\$188,668	\$188,668
Buildings and Improvements	9,155,654	8,469,380			9,155,654	8,469,380
Furniture, Equipment and Vehicles	674,658	506,585	\$142,237	\$114,879	816,895	621,464
Land Improvements	<u>914,593</u>	<u>733,302</u>	<u>          </u>	<u>          </u>	<u>914,593</u>	<u>733,302</u>
	<u>\$10,933,573</u>	<u>\$9,897,935</u>	<u>\$142,237</u>	<u>\$114,879</u>	<u>\$11,075,810</u>	<u>\$10,012,814</u>

For more detailed information, please refer to the Notes to Basic Financial Statements.

**Debt Administration**

At June 30, 2021, the District had \$8,684,927 of outstanding debt. Of this amount, \$696,763 is for compensated absences; \$65,346 for obligations under capital lease; and \$7,922,818 for net pension liability.



**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT  
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(CONTINUED)**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

The economy in the State of New Jersey is slowly improving. The current State of New Jersey revenue estimates have declined to the point that the legislature and governor have approved a State Aid funding bill for the 2021-2022 school year that is lower than the level of the 2020-2021 school year.

These factors were considered in preparing the Borough of Cliffside Park School District's budgets for the 2021-2022 fiscal year.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Borough of Cliffside Park School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Louis Alfano  
School Business Administrator  
Borough of Cliffside Park School District  
525 Palisade Avenue  
Cliffside Park, NJ 07010

## **BASIC FINANCIAL STATEMENTS**

## **DISTRICT-WIDE FINANCIAL STATEMENTS**

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Net Position**  
**June 30, 2021**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	2,197,875	288,538	2,486,413
Receivables, net	3,274,308	111,860	3,386,168
Internal balances	(8,258)	8,258	-
Inventory		16,684	16,684
Restricted assets:			
Capital reserve account - cash	4,469,137		4,469,137
Unemployment compensation account - cash	365,220		365,220
Payroll deductions and withholdings account - cash	644,315		644,315
Net payroll account - cash	3,500		3,500
Student activity accounts - cash	169,675		169,675
Capital assets:			
Land and construction in progress	188,668		188,668
Other capital assets, net	10,744,905	142,237	10,887,142
Total Assets	<u>22,049,345</u>	<u>567,577</u>	<u>22,616,922</u>
Deferred Outflow of Resources:			
Deferred Outflows of Resources Related to PERS	<u>1,439,969</u>		<u>1,439,969</u>
Total Deferred Outflows	<u>1,439,969</u>	-	<u>1,439,969</u>
	<u>23,489,314</u>	<u>567,577</u>	<u>24,056,891</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	1,158,513	105,961	1,264,474
Payable to federal government	16		16
Payable to state government	193		193
Unearned revenue	19		19
Payroll deductions and withholdings payable	647,815		647,815
Unemployment compensation claims payable	30,751		30,751
Noncurrent liabilities:			
Due within one year	56,287		56,287
Due beyond one year	8,628,640		8,628,640
Total liabilities	<u>10,522,234</u>	<u>105,961</u>	<u>10,628,195</u>
Deferred Inflow of Resources:			
Deferred Inflows of Resources Related to PERS	<u>3,939,409</u>		<u>3,939,409</u>
Total Deferred Inflows	<u>3,939,409</u>	-	<u>3,939,409</u>
	<u>14,461,643</u>	<u>105,961</u>	<u>14,567,604</u>
<b>NET POSITION</b>			
Invested in capital assets	10,868,227	142,237	11,010,464
Restricted for:			
Special Revenue	169,675		169,675
Capital projects	4,608,918		4,608,918
Other purposes	3,090,778		3,090,778
Unrestricted (Deficit)	<u>(9,709,927)</u>	<u>319,379</u>	<u>(9,390,548)</u>
Total net position	<u>9,027,671</u>	<u>461,616</u>	<u>9,489,287</u>

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

**CLIFFSIDE PARK BOARD OF EDUCATION**  
Statement of Activities  
Fiscal Year Ended June 30, 2021

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:							
Regular	16,071,252	5,263,686			(21,334,938)		(21,334,938)
Special education	7,794,204	1,764,354		2,947,422	(6,611,136)		(6,611,136)
Other special instruction	1,110,098	406,522			(1,516,620)		(1,516,620)
Other instruction	741,230	194,199			(935,429)		(935,429)
Support services:							
Tuition	3,196,468				(3,196,468)		(3,196,468)
Health Services	436,502	154,067			(590,569)		(590,569)
Student & instruction related services	5,473,765	1,118,183	207,611	257,254	(6,127,083)		(6,127,083)
General administrative services	1,129,147	120,668			(1,249,815)		(1,249,815)
School administrative services	1,743,341	625,542			(2,368,883)		(2,368,883)
Central services and administrative information technology	999,802	287,198			(1,287,000)		(1,287,000)
Plant operations and maintenance	2,863,587	524,748			(3,388,335)		(3,388,335)
Pupil transportation	1,613,544	443,892			(2,057,436)		(2,057,436)
Unallocated benefits	12,464,560				(12,464,560)		(12,464,560)
Charter Schools	37,512				(37,512)		(37,512)
Capital outlay - non-depreciable	698,995				(698,995)		(698,995)
Unallocated depreciation/amortization	486,272				(486,272)		(486,272)
Total governmental activities	56,860,279	10,903,059	207,611	3,204,676	(64,351,051)	-	(64,351,051)
Business-type activities:							
Food Service	1,285,310		19,927	1,199,572	(65,811)		(65,811)
After School Program	69,431		57,719		(11,712)		(11,712)
Total business-type activities	1,354,741		77,646	1,199,572	(77,523)		(77,523)
Total primary government	58,215,020		285,257	4,404,248	(64,351,051)	(77,523)	(64,428,574)
General revenues:							
Taxes:							
Levied for general purposes					36,270,179		36,270,179
Federal and State aid not restricted					22,359,394		22,359,394
Federal and State aid - Capital Outlay					112,349		112,349
Local aid - Capital Outlay					24,446		24,446
Tuition received					8,369,899		8,369,899
Miscellaneous income					999,859		999,859
Total general revenues, special items, extraordinary items and transfers					68,136,126		68,136,126
Change in Net Position					3,785,075	(77,523)	3,707,552
Net Position—beginning					4,713,449	539,139	5,252,588
Prior Period adjustments					529,147		529,147
Net Position—beginning (Restated)					5,242,596	539,139	5,781,735
Net Position—ending					9,027,671	461,616	9,489,287

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

\* Student Activity revenue is reported as "charges for services"; scholarship revenue is reported as "operating grants and contributions"

## **FUND FINANCIAL STATEMENTS**

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2021**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents				
Checking	2,231,223			2,231,223
Accounts Receivable -				
Interfunds	341,221			341,221
Intergovernmental - State	1,175,461	23,919	173,129	1,372,509
Intergovernmental - Federal		321,632		321,632
Intergovernmental - Other	1,554,988			1,554,988
Other Accounts Receivable	25,179			25,179
Restricted cash and cash equivalents				
Capital reserve	4,469,137			4,469,137
Unemployment compensation	365,220 *			365,220
Payroll withholdings and deductions	644,315 *			644,315
Net payroll	3,500 *			3,500
Student Activities		169,675 *		169,675
Total assets	<u>10,810,244</u>	<u>515,226</u>	<u>173,129</u>	<u>11,498,599</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Deficit in Cash			33,348	33,348
Accounts payable	590,723	4,102		594,825
Intergovernmental accounts payable - State		193		193
Intergovernmental accounts payable - Federal		16		16
Payroll deductions and withholdings payable	647,815 ***			647,815
Unemployment compensation claims payable	30,751 ****			30,751
Interfund payables	8,258	341,221		349,479
Unearned revenue		19		19
Total liabilities	<u>1,277,547</u>	<u>345,551</u>	<u>33,348</u>	<u>1,656,446</u>
Fund Balances:				
Restricted for:				
Excess Surplus - current year	1,028,488			1,028,488
Excess Surplus - prior year - designated for subsequent year's expenditures	1,038,924			1,038,924
Capital reserve account	4,469,137			4,469,137
Unemployment Compensation	334,469			334,469
Student Activities		169,675		169,675
Assigned to:				
Year-end Encumbrances	688,897			688,897
Capital projects fund			139,781	139,781
Unassigned:				
General Fund	1,972,782			1,972,782
Total Fund balances	<u>9,532,697</u>	<u>169,675</u>	<u>139,781</u>	<u>9,842,153</u>
Total liabilities and fund balances	<u>10,810,244</u>	<u>515,226</u>	<u>173,129</u>	

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2021**

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 \$23,784,684 and the accumulated depreciation is \$12,851,111	10,933,573
Accounts payable for subsequent Pension payment is not a payable in the funds	(563,688)
Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred outflows of resources related to PERS Pension Liability	1,439,969
Deferred inflows of resources related to PERS Pension Liability	(3,939,409)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7)	<u>(8,684,927)</u>
Net position of governmental activities	<u><u>9,027,671</u></u>

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

- \* Include former fiduciary fund cash and cash equivalents
- \*\* Include payable due to the State for unreimbursed unemployment invoices
- \*\*\* Include payroll deductions payable and flexible benefits liabilities (flex spending has no net position, only liabilities)
- \*\*\*\* Include unspent employee payroll unemployment contributions



**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**Fiscal Year Ended June 30, 2021**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Local sources:				
Municipal tax levy	36,270,179			36,270,179
Tuition charges	8,369,899			8,369,899
Miscellaneous	999,859	24,446		1,024,305
Student Group Receipts		207,611		207,611
Total - Local Sources	45,639,937	232,057	-	45,871,994
State sources	15,603,405	241,096	173,129	16,017,630
Federal sources	126,439	3,075,929		3,202,368
Total revenues	61,369,781	3,549,082	173,129	65,091,992
<b>EXPENDITURES</b>				
Current:				
Regular instruction	16,086,175			16,086,175
Special education instruction	4,846,782	2,947,422		7,794,204
Other special instruction	1,116,739			1,116,739
School sponsored/other instructional	741,230			741,230
Support services and undistributed costs:				
Tuition	3,196,468			3,196,468
Health services	436,502			436,502
Student & instruction related services	4,971,179	489,868		5,461,047
General administrative services	1,129,147			1,129,147
School administrative services	1,734,999			1,734,999
Central services & administrative information technology	1,013,279			1,013,279
Plant operations and maintenance	3,089,556			3,089,556
Pupil transportation	1,547,394			1,547,394
Unallocated benefits	8,417,468			8,417,468
On-behalf contributions	9,058,653			9,058,653
Transfer to Charter Schools	37,512			37,512
Capital outlay	1,931,943	136,795	33,348	2,102,086
Total expenditures	59,355,026	3,574,085	33,348	62,962,459
Excess (Deficiency) of revenues	2,014,755	(25,003)	139,781	2,129,533
Net change in fund balances	2,014,755	(25,003)	139,781	2,129,533
Fund balance—July 1	7,183,473	-		7,183,473
Prior Period Adjustments	334,469	194,678		529,147
Fund balance - July 1 (Restated)	7,517,942	194,678	-	7,712,620
Fund balance—June 30	9,532,697	169,675	139,781	9,842,153

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

- \* Special revenue fund now includes revenues from scholarships and student activities  
 \*\* Special revenue fund now includes expenditures from scholarships and student activities  
 \*\*\* Unemployment Fund Net Position as of June 30, 2020  
 \*\*\*\* Scholarship Fund and Student Activity Fund Net Position as of June 30, 2020

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**Fiscal Year Ended June 30, 2021**

**Total net change in fund balances - governmental funds (from B-2)** 2,129,533

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital outlays exceeded depreciation in the period.

Depreciation expense	(622,495)	
Depreciable Capital outlays	<u>1,658,133</u>	1,035,638

Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. In the current year, these amounts consist of:

Capital Lease Obligations	<u>54,981</u>	54,981
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In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

Decrease in compensated absences payable	(9,625)
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District pension contributions are reported as expenditures in the governmental funds when made. However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changed in deferred

District Pension Contributions	531,487	
Less: Pension Expense	<u>43,061</u>	574,548
Decrease in Pension Expense		

Per GASB No. 68, Non-employer contributing entities are required to record any increases in revenue and expense for On-behalf TPAF pension payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements.

Increase in On-behalf State Aid TPAF Pension	2,485,591
Increase in On-behalf TPAF Pension Expense	(2,485,591)

Per GASB No. 75 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF post employment medical payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements

Increase in On-behalf State Aid TPAF Post Employment Medical Revenue	3,970,830
Increase in On-behalf State Aid TPAF Post Employment Medical Expense	(3,970,830)

<b>Change in net position of governmental activities</b>	<u><u>3,785,075</u></u>
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The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2021**

	<b>Business-type Activities - Enterprise Fund</b>		
	<b>Food Service Program</b>	<b>After School Program</b>	<b>Totals</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	250,513	38,025	288,538
Accounts receivable:			
State	4,904		4,904
Federal	103,252		103,252
Interfund	8,258		8,258
Other	3,704		3,704
Inventories	16,684		16,684
Total current assets	<u>387,315</u>	<u>38,025</u>	<u>425,340</u>
Noncurrent assets:			
Capital assets:			
Equipment	287,673	16,460	304,133
Less accumulated depreciation	<u>(158,604)</u>	<u>(3,292)</u>	<u>(161,896)</u>
Total capital assets (net of accumulated depreciation)	<u>129,069</u>	<u>13,168</u>	<u>142,237</u>
Total assets	<u>516,384</u>	<u>51,193</u>	<u>567,577</u>
Current Liabilities:			
Accounts Payable	<u>105,961</u>		<u>105,961</u>
Total Liabilities	<u>105,961</u>		<u>105,961</u>
<b>NET POSITION</b>			
Invested in capital assets	129,069	13,168	142,237
Unrestricted	<u>281,354</u>	<u>38,025</u>	<u>319,379</u>
Total net position	<u>410,423</u>	<u>51,193</u>	<u>461,616</u>

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

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**Fiscal Year Ended June 30, 2021**

	<b>Business-type Activities - Enterprise Fund</b>		
	<b>Food Service Program</b>	<b>After School Program</b>	<b>Totals</b>
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	8,293		8,293
Daily sales - non-reimbursable programs	11,634		11,634
Program Fees		57,719	57,719
Total operating revenues	<u>19,927</u>	<u>57,719</u>	<u>77,646</u>
Operating expenses:			
Cost of food - reimbursable programs	440,073		440,073
Cost of food - non-reimbursable programs	5,283		5,283
Salaries	569,978	48,900	618,878
Employee benefits	127,596	4,810	132,406
Supplies and materials	33,099		33,099
Purchased services	74,359		74,359
Depreciation expense	18,279	3,292	21,571
Repairs and other expenses	16,643	12,429	29,072
Total Operating Expenses	<u>1,285,310</u>	<u>69,431</u>	<u>1,354,741</u>
Operating income (loss)	<u>(1,265,383)</u>	<u>(11,712)</u>	<u>(1,277,095)</u>
Nonoperating revenues (expenses):			
State sources:			
School lunch program	25,387		25,387
Federal sources:			
National school lunch program	655,942		655,942
Snack program	3,502		3,502
Breakfast program	411,785		411,785
Emergency Operational Cost Program - Schools	7,857		7,857
P-EBT Administrative Cost	3,063		3,063
U.S.D.A. Commodities	92,036		92,036
Total nonoperating revenues (expenses)	<u>1,199,572</u>	<u></u>	<u>1,199,572</u>
Income (loss) before contributions & transfers	<u>(65,811)</u>	<u>(11,712)</u>	<u>(77,523)</u>
Change in net assets	(65,811)	(11,712)	(77,523)
Total net position—beginning	<u>476,234</u>	<u>62,905</u>	<u>539,139</u>
Total net position—ending	<u><u>410,423</u></u>	<u><u>51,193</u></u>	<u><u>461,616</u></u>

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

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Fiscal Year Ended June 30, 2021**

	<b>Business-type Activities - Enterprise Fund</b>		
	<b>Food Service Program</b>	<b>After School Program</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	15,923	57,719	73,642
Payments to suppliers	(1,152,186)	(66,139)	(1,218,325)
Net cash provided by (used for) operating activities	(1,136,263)	(8,420)	(1,144,683)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
State Sources	21,806		21,806
Federal Sources	1,115,965		1,115,965
Net cash provided by (used for) non-capital financing activities	1,137,771		1,137,771
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of capital assets	(32,469)	(16,460)	(48,929)
Net cash provided by (used for) capital and related financing activities	(32,469)	(16,460)	(48,929)
Net increase (decrease) in cash and cash equivalents	(30,961)	(24,880)	(55,841)
Balances—beginning of year	281,474	62,905	344,379
Balances—end of year	250,513	38,025	288,538
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Operating income (loss)	(1,265,383)	(11,712)	(1,277,095)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation and net amortization	18,279	3,292	21,571
Food Distribution Program	92,036		92,036
(Increase) decrease in accounts receivable, net	(3,704)		(3,704)
Increase (decrease) in interfunds	(8,258)		(8,258)
(Increase) decrease in inventories	2,229		2,229
Increase (decrease) in accounts payable	28,538		28,538
Total adjustments	(1,136,263)	(8,420)	(1,144,683)
Net cash provided by (used for) operating activities	(1,136,263)	(8,420)	(1,144,683)

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

## **NOTES TO THE FINANCIAL STATEMENTS**

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The financial statements of the Board of Education of the Borough of Cliffside Park School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the board's accounting policies are described below.

**A. Description of the School District and Reporting Entity:**

The Board of Education ("Board") of the Borough of Cliffside Park School District ("District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Borough of Cliffside Park School District is a Type II district located in the County of Bergen, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members and a Borough of Fairview Representative, all elected to three-year terms. The purpose of the District is to educate students in grades Pre-K–12. A superintendent is appointed by the Board and is responsible for the administrative control 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 also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significance) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include elementary schools, a middle school and a high school, located in the Borough of Cliffside Park. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**B. Basis of Presentation:**

The Board's basic financial statements consist of District-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**District-wide Financial Statements:**

The statement of net position and the statement of activities display information about the Board as a whole. These statements include the financial activities of the overall District, except for the fiduciary funds. The statements distinguish between those activities of the Board that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the Board at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the governmental activities and for the business-type activities of the Board. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Board, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Board.

**Fund Financial Statements:**

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - *governmental*, *proprietary*, and *fiduciary* - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models. The various funds of the Board are grouped into the categories governmental, proprietary and fiduciary.



**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**B. Basis of Presentation: (continued)**

**GOVERNMENTAL FUNDS**

Governmental funds are those through which most governmental functions of the Board are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Board's governmental funds:

**General Fund** - The General Fund is the general operating fund of the Board. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund.

As required by the New Jersey State Department of Education, the Board includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, District taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

**Special Revenue Fund** - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

**Capital Projects Fund** - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from sale of bonds, lease purchases and other revenues.

**Debt Service Fund** - The debt service fund is used to account for the accumulation of resources for and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**B. Basis of Presentation: (continued)**

**PROPRIETARY FUNDS**

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service; the Board has no internal service funds. The following is a description of the Proprietary Funds of the Board:

**Enterprise Funds** - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the Board is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Board's Enterprise Fund is comprised of the Food Service Fund and the After School Program.

**FIDUCIARY FUNDS**

**Fiduciary Fund** - Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. The District does not have any activities that are required to be included in the Fiduciary Fund.

**C. Measurement Focus:**

**District-wide Financial Statements**

The District-wide statements (i.e., the statement of net position and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net position, except for fiduciary funds.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**C. Measurement Focus: (continued)**

**Fund Financial Statements**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the District-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the District-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Board finances and meets the cash flow needs of its proprietary activities.

**D. Basis of Accounting:**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

**Revenues - Exchange and Non-exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**D. Basis of Accounting: (continued)**

requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: ad valorem property taxes, tuition, unrestricted grants and interest.

**Expenses/Expenditures**

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**E. Budgets/Budgetary Control:**

Annual appropriated budgets are adopted in the spring of the preceding year for the general, and special revenue funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts 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. 6A:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year.

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 the last state aid payment for budgetary purposes only and special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**E. Budgets/Budgetary Control: (continued)**

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.

**F. Encumbrances:**

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 reservations of 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.

Open encumbrances in the special revenue fund, for which the Board has received advances, are reflected in the balance sheet as unearned revenues at fiscal year end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

**G. Cash, Cash Equivalents and Investments:**

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the Board has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**G. Cash, Cash Equivalents and Investments: (continued)**

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

**H. Tuition Revenues/Receivable:**

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

**I. Inventories:**

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

**J. Prepaid Items:**

Payments made to vendors for services that will benefit periods beyond June 30, 2021, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

**K. Short-Term Interfund Receivables/Payables:**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables.” These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**L. Capital Assets:**

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the district -wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the District-wide statement of net position and in the fund.

All capital assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The capital assets acquired or constructed prior to June 30, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date received. The Board maintains a capitalization threshold of \$2,000.00. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	Governmental Activities <u>Estimated Lives</u>	Business-Type Activity <u>Estimated Lives</u>
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

**M. Compensated Absences:**

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the Board and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Board and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**M. Compensated Absences, (continued):**

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

**N. Unearned Revenue:**

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Unearned revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 1(F) regarding the special revenue fund.

**O. Accrued Liabilities and Long-term Obligations:**

All payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

**P. Accounting and Financial Reporting for Pensions:**

In fiscal year 2015, the District implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirement of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.



**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**P. Accounting and Financial Reporting for Pensions: (continued)**

The District has also implemented GASB Statement 71, Pension Transition for Contributions made Subsequent to the Measurement Date-an amendment to GASB No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

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

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported. Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

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

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

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

**R. Fund Balances:**

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**R. Fund Balances: (continued)**

- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

**S. Net Position:**

Net position represent the difference between assets and deferred outflows and liabilities and deferred inflows. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**T. Operating Revenues and Expenses:**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

**U. Extraordinary and Special Items:**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

**V. Allocation of Indirect Expenses:**

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were not allocated. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities as unallocated depreciation. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**W. Use of Estimates:**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

**X. New Accounting Standards:**

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

GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus on 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 component units and postemployment benefit arrangements that are fiduciary activities.

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

GASB Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This Statement requires 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. It establishes a single model for lease accounting based on the fundamental principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. However; GASB Statement No. 95 postponed the implementation of this Statement by one year due to the COVID-19 pandemic.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the end of a Construction*. The objectives of this Statement is to (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. However; GASB Statement No. 95 postponed the implementation of this Statement by one year due to the COVID-19 pandemic.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**X. New Accounting Standards: (continued)**

GASB Statement No. 91, *Conduit Debt Obligations*. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement is effective for reporting periods beginning after December 15, 2020. However; GASB Statement No. 95 postponed the implementation of this Statement by one year due to the COVID-19 pandemic.

GASB Statement No. 92, *Omnibus*. This Statement enhances comparability in accounting and financial reporting and improves 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 and includes specific provisions. This Statement is effective for reporting periods beginning after December 15, 2020. However; GASB Statement No. 95 postponed the implementation of this Statement by one year due to the COVID-19 pandemic.

GASB Statement No. 93, *Replacement of Interbank Offering Rates*. The objective of this Statement is to address certain issues with Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, as amended, Statement No. 87, *Leases*, as amended and other accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of this Statement are effective for fiscal years beginning after June 15, 2020. However; GASB Statement No. 95 postponed the implementation of this Statement by one year due to the COVID-19 pandemic.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**X. New Accounting Standards: (continued)**

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement 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 primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021.

**NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS:**

**Cash**

**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 District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2021, \$-0- of the District's bank balance of \$9,312,463 was exposed to custodial credit risk.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS: (continued)**

**Investments**

**Investment Rate Risk**

The District 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. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

**Credit Risk**

New Jersey Statutes 18A:20-37 limits school district investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the school districts or bonds or other obligations of the local unit or units within which the school district is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Concentration of Credit Risk**

The District places no limit on the amount the District may invest in any one issuer.

**NOTE 3. RECEIVABLES:**

Receivables at June 30, 2021, consisted of accounts receivable and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial <u>Statements</u>	Enterprise <u>Fund</u>	District Wide Financial <u>Statements</u>
Interfunds	\$341,221	\$8,258	\$
State Aid	1,372,509	4,904	1,377,413
Federal Aid	321,632	103,252	424,884
Other Receivables	<u>1,580,167</u>	<u>3,704</u>	<u>1,583,871</u>
Gross Receivables	3,615,529	120,118	3,386,168
Less: Allowance for Uncollectibles	_____	_____	_____
Total Receivables, Net	<u>\$3,615,529</u>	<u>\$120,118</u>	<u>\$3,386,168</u>

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 4. INTERFUND BALANCE AND ACTIVITY:**

Balances due to/from other funds at June 30, 2021 consist of the following:

\$341,221	Due to the General Fund from the Special Revenue Fund for short term loans.
<u>8,258</u>	Due to the Food Service Fund from the General Fund for expense reimbursement.
<u>\$349,479</u>	

It is anticipated that all interfunds will be liquidated during the fiscal year.

**NOTE 5. CAPITAL ASSETS:**

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

	<u>Balance</u> <u>6/30/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2021</u>
<b>Governmental Activities</b>				
Capital assets that are not being depreciated:				
Land	\$188,668	\$	\$	\$188,668
Construction in progress				
Total capital assets not being depreciated	<u>188,668</u>			<u>188,668</u>
Building and building improvements	17,341,993	1,151,359		18,493,352
Machinery and equipment	2,487,193	306,374	(7,495)	2,786,072
Land Improvements	<u>2,116,192</u>	<u>200,400</u>		<u>2,316,592</u>
Totals at historical cost	<u>21,945,378</u>	<u>1,658,133</u>	<u>(7,495)</u>	<u>23,596,016</u>
Less accumulated depreciation for:				
Buildings and improvements	(8,872,613)	(465,085)		(9,337,698)
Machinery and Equipment	(1,980,608)	(138,301)	7,495	(2,111,414)
Land Improvements	<u>(1,382,890)</u>	<u>(19,109)</u>		<u>(1,401,999)</u>
Total accumulated depreciation	<u>(12,236,111)</u>	<u>(622,495)</u>	<u>7,495</u>	<u>(12,851,111)</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>9,709,267</u>	<u>1,035,638</u>		<u>10,744,905</u>
Governmental activities capital assets, net	<u>\$9,897,935</u>	<u>\$1,035,638</u>	<u>\$0</u>	<u>\$10,933,573</u>



**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 5. CAPITAL ASSETS: (continued)**

	<u>Balance</u> <u>6/30/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2021</u>
Business-type activities:				
Equipment - Food Service	\$295,774	\$32,469	(\$40,570)	\$287,673
Equipment - After School Program		16,460		16,460
Less accumulated depreciation for:				
Equipment - Food Service	(180,895)	(18,279)	40,570	(158,604)
Equipment - After School Program		(3,292)		(3,292)
Business-type activities capital assets, net	<u>\$114,879</u>	<u>\$27,358</u>	<u>\$0</u>	<u>\$142,237</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$40,058
Support Service:	
Student & Instruction Related Services	12,718
School Administration	8,342
Operations and Maintenance	8,955
Student Transportation	66,150
Unallocated Depreciation	467,163
Land Improvements	19,109
Total Depreciation Expense	<u>\$622,495</u>

**NOTE 6. LONG-TERM OBLIGATION ACTIVITY:**

Changes in long-term obligations for the fiscal year ended June 30, 2021 were as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Amount Due</u> <u>Within</u> <u>One Year</u>
<b>Governmental Activities:</b>					
Other Liabilities:					
Net Pension Liability PERS	\$9,122,522	\$	\$(1,199,704)	\$7,922,818	\$
Obligations Under Capital Lease	120,327		(54,981)	65,346	56,287
Compensated Absences Payable	687,138	102,986	(93,361)	696,763	
Total Other Liabilities	<u>\$9,929,987</u>	<u>\$102,986</u>	<u>(\$1,348,046)</u>	<u>\$8,684,927</u>	<u>\$56,287</u>

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 6. LONG-TERM OBLIGATION ACTIVITY: (continued)**

**A. Bonds Payable:**

The Board issued General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets.

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligations bonds.

There were no outstanding bonds payable at June 30, 2021.

**B. Bonds Authorized But Not Issued:**

As of June 30, 2021, the Board has no authorized but not issued bonds.

**C. Capital Leases:**

The District has entered into a lease purchase agreement for Chromebooks expiring on August 31, 2021. There are also two leases for Desktop Computers which will expire August 21, 2021 and February 29, 2023. The following is a schedule of future minimum leases payments for these capital leases, and the present value of the net minimum lease payments at June 30, 2021:

<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	59,285	\$56,286	\$2,999
2023	9,469	9,060	409
	<u>\$68,754</u>	<u>\$65,346</u>	<u>\$3,408</u>
Total minimum lease payments			\$68,754
Less: Amount representing interest			<u>(3,408)</u>
Present value of lease payments			<u>\$65,346</u>

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 7. OPERATING LEASES:**

The District has commitments to lease certain office equipment and structures for classroom use under operating leases that expire in 2025. Total operating lease payments made during the year ended June 30, 2021 were \$787,039. Future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$638,469
2023	572,964
2024	471,396
2025	78,456
	<u>\$1,761,285</u>

**NOTE 8. PENSION PLANS:**

**Description of Plans** - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or reports can be accessed on the internet at: [http://www.state.nj.us/treasury/pensions/annrpts\\_archive.htm](http://www.state.nj.us/treasury/pensions/annrpts_archive.htm).

**Teachers' Pension and Annuity Fund (TPAF)** - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

**Benefits Provided**

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 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.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 8. PENSION PLANS: (continued)**

The following represents the membership tiers for TPAF:

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

Service retirement benefits of  $1/55^{\text{th}}$  of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of  $1/60^{\text{th}}$  of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 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 10 years of service credit and have not reached the service retirement age for the respective tier.

**Public Employees' Retirement System (PERS)** - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

**Benefits Provided**

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.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 8. PENSION PLANS: (continued)**

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 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 10 years of service credit and have not reached the service retirement age for the respective tier.

**Defined Contribution Retirement Program**

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

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 DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 8. PENSION PLANS: (continued)**

**Contributions Requirements Fund Based Statements**

The Board's contribution to PERS and DCRP, equal to the required contributions for each year as reported in the fund based statements, were as follows:

<u>Year</u> <u>Ending</u>	<u>PERS</u>	<u>DCRP</u>
6/30/21	\$531,487	\$-0-
6/30/20	492,468	-0-
6/30/19	501,701	-0-

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post retirement benefits have been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13, as follows:

<u>Year</u> <u>Ending</u>	<u>Pension</u> <u>Contributions</u>	<u>Post-Retirement</u> <u>Medical</u> <u>Contributions</u>	<u>NCGI</u> <u>Premium</u>	<u>Long-Term</u> <u>Disability</u> <u>Liability</u>
6/30/21	\$5,476,716	\$1,748,973	\$104,202	\$3,946
6/30/20	4,320,876	1,631,697	77,447	5,032
6/30/19	3,844,821	1,780,511	80,482	5,678

In addition, the post-retirement medical benefits are included in the district-wide financial statements.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,724,816 during the 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 included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 8. PENSION PLANS: (continued)**

**ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68**

**Public Employees Retirement System (PERS)**

At June 30, 2021, the District had a liability of \$7,922,818 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2020, the District's proportion was 0.0485842326 percent, which was a decrease of (0.00204464) percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$(43,061). At June 30, 2021, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in actual and expected experience	\$144,261	\$28,019
Changes of assumptions	257,025	3,317,359
Net difference between projected and actual earnings on pension plan investments	270,808	
Changes in proportion and differences between District contributions and proportionate share of contributions	204,187	594,031
District contributions subsequent to the measurement date	<u>563,688</u>	<u>                    </u>
Total	<u>\$1,439,969</u>	<u>\$3,939,409</u>

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 8. PENSION PLANS: (continued)**

The \$563,688 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2021, the plan measurement date is June 30, 2020) will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2021	\$(994,169)
2022	(906,380)
2023	(517,973)
2024	(209,459)
2025	(45,303)

**Changes in Proportion**

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.16, 5.21, 5.63, 5.48, 5.57, 5.72, and 6.44 years for 2020, 2019, 2018, 2017, 2016, 2015 and 2014 amounts, respectively.

**Additional Information**

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2020 and June 30, 2019 are as follows:

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Collective deferred outflows of resources	\$2,347,583,337	\$3,149,522,616
Collective deferred inflows of resources	7,849,949,467	7,645,087,574
Collective net pension liability	16,435,616,426	18,018,482,972
District's Proportion	0.0485842326%	0.0506286880%



**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 8. PENSION PLANS: (continued)**

**Actuarial Assumptions**

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

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 Percent

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

**Mortality Rates**

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non- Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement based on Scale MP-2020.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 8. PENSION PLANS: (continued)**

**Long-Term Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in 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>
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 8. PENSION PLANS: (continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 6.28% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.50% as of June 30, 2019 based on 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. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 70% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

The following presents the collective net pension liability of the participating employers as of June 30, 2020 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2020		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's proportionate share of the pension liability	\$9,989,631	\$7,922,818	\$6,169,070

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2021**

**NOTE 8. PENSION PLANS: (continued)**

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

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2021 was as follows:

Net Pension Liability:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>129,719,473</u>
	<u><u>\$129,719,473</u></u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2020. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2020, the proportion of the TPAF net pension liability associated with the District was 0.1969959656%.

For the year ended June 30, 2021, the District recognized on-behalf pension expense and revenue of \$8,066,509 for contributions provided by the State in the District-Wide Financial Statements.

**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:

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 8. PENSION PLANS: (continued)**

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55-4.45% (based on years of service)
Thereafter	2.75%-5.65% (based on years of service)
Investment Rate of Return	7.00%

**Mortality Rates**

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

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2020 are summarized in the following table:

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 8. PENSION PLANS: (continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

**Discount Rate**

The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.21% as of June 30, 2020 based on 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. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 78% of the actuary determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 9. POST-RETIREMENT BENEFITS:**

**General Information about the OPEB Plan**

**Plan Description and Benefits Provided**

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 provision of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of 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. In Fiscal Year 2020, the State paid PRM benefits for 143,053 State and local retirees.

The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2020, the State contributed \$1.578 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered retirees. The State's "pay-as-you-go" contributions have decreased with Fiscal Year 2019 amounts. Reductions are attributable to various cost savings initiatives implemented by the State, including new medicare advantage contracts. The Fiscal Year 2021 Appropriations Act includes \$1.775 billion as the State's contribution to fund "pay-as-you-go" PRM costs.

In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2020 total State OPEB liability to provide these benefits is \$65.5 billion, a decrease of \$10.5 billion or 13.8 percent from the \$76.0 billion liability recorded in Fiscal Year 2019.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

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

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 9. POST-RETIREMENT BENEFITS: (continued)**

*Total OPEB Liability*

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level for the State Health Benefit Local Education Retired Employee's Plan and is not specific to the board of education/board of trustees, and could be found at <https://www.state.nj.us/treasury/pensions/GASB-notices-OPEB.shtml>.

The portion of the OPEB Liability that was associated with the District recognized at June 30, 2021 was as follows:

OPEB Liability:	
District's proportionate share	\$
State's proportionate share	
associated with the District	<u>103,797,898</u>
	<u>\$103,797,898</u>

*Actual Assumptions and Other Imputes*

The total OPEB liability in the June 30, 2020 actuarial valuation reported by the State in the State's Report of Total Nonemployer OPEB Liability for the State Health Benefit Local Education Retired Employee's Plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:



**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 9. POST-RETIREMENT BENEFITS: (continued)**

**Total Nonemployer OPEB Liability**

The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%	
	<b><u>TPAF/ABP</u></b>	<b><u>PERS</u></b>
Salary increases:		
Through 2026	1.55 - 4.45%	2.00 - 6.00%
	based on service years	based on service years
Thereafter	1.55 - 4.45%	3.00 - 7.00%
	based on service years	based on service years

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP). “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018 and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

***(a) Health Care Trend Assumptions***

For pre-Medicare medical benefits, the trend rate 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 rate for fiscal year 2021 through 2022 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%.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 9. POST-RETIREMENT BENEFITS: (continued)**

***(b) Discount Rate***

The discount rate for June 30, 2020 was 2.21%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

***Sensitivity of Total Nonemployer OPEB Liability to Changes in the Discount Rate***

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

***Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Healthcare Cost Trend Rates:***

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the healthcare cost trend rates is not applicable to the District.

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:***

For the year ended June 30, 2021, the board of education/board of trustees recognized on-behalf OPEB expense of \$5,719,803 in the district-wide financial statements as determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75 and in which there is a special funding situation.

In accordance with GASB No. 75, the Borough of Cliffside Park School District's proportionate share of school retirees OPEB is zero; therefore, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

**NOTE 10. DEFERRED COMPENSATION:**

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

AXA Equitable  
Oppenheimer Funds  
First Investors  
MetLife

GALIC  
Security Benefit  
VALIC

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 11. RISK MANAGEMENT:**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**Property and Liability Insurance** - The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages.

**New Jersey Unemployment Compensation Insurance** - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balances for the current and previous two years:

<u>Fiscal Year</u>	<u>Interest Earnings/ District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020-2021	\$ -0-	\$49,779	\$19,028	\$365,220
2019-2020	-0-	51,985	82,147	334,469
2018-2019	-0-	49,630	37,202	364,631

**NOTE 12. CAPITAL RESERVE ACCOUNT:**

A capital reserve account was established by the Borough of Cliffside Park Board of Education by inclusion of \$200,000 on June 24, 2008 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget. There existed a balance of \$4,469,137 in the capital reserve account at June 30, 2021.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 12. CAPITAL RESERVE ACCOUNT: (continued)**

Funds placed in the capital reserve account 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 amount 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. 6A:23A-14.1(g), the balance in the account 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 July 1, 2020 to June 30, 2021 fiscal year is as follows:

Beginning Balance, July 1, 2020	\$3,162,772
Increased by:	
Interest Earnings	898
Capital Outlay Unexpended Appropriations	205,467
Board Resolution - June 23, 2021	<u>2,800,000</u>
Decreased by:	
Budget Appropriations	<u>(1,700,000)</u>
Ending balance, June 30, 2021	<u>\$4,469,137</u>

**NOTE 13. FUND BALANCE APPROPRIATED:**

**General Fund [Exhibit B-1]** - Of the \$9,532,697 General Fund fund balance at June 30, 2021, \$2,067,412 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7; (\$1,038,924 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2022); \$4,469,137 has been reserved in the Capital Reserve Account; \$688,897 is reserved for encumbrances; \$334,469 is reserved for Unemployment compensation; and \$1,972,782 is unreserved and undesignated.

**Special Revenue Fund:** Of the \$169,675 Special Revenue Fund fund balance at June 30, 2021, \$169,675 is reserved for Student Groups.

**Borough of Cliffside Park School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2021**

**NOTE 14. CALCULATION OF EXCESS SURPLUS:**

In accordance with N.J.S.A. 18A:7F-7, the designation for Reserved Fund Balance — 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 reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2021 is \$2,067,412 of which \$1,028,488 is the result of current year operations.

**NOTE 15. INVENTORY:**

Inventory in the Food Service Fund at June 30, 2021 consisted of the following:

Food	\$12,023
Supplies	<u>4,661</u>
	<u>\$16,684</u>

The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by USDA. It is valued at estimated market prices by USDA. The amount of unused commodities at year end is reported on Schedule A as deferred revenue.

**NOTE 16. RESTATEMENT**

Net position for June 30, 2020 was restated to reflect the reclassification of the Unemployment Trust Fund net position from the Fiduciary Fund to the General Fund and reclassification of the Student Activity Fund to the Special Revenue Fund as per Governmental Accounting Standards Board ("GASB") number 84. This resulted in restatement of net position and/or fund balance as of June 30, 2020 as follows:

	Governmental <u>Activities</u>	General <u>Fund</u>	Special Revenue <u>Fund</u>	Fiduciary <u>Fund</u>
Net Position/Fund Balance at June 30, 2020	\$4,713,449	\$7,183,473	\$0	\$529,147
Prior Period Adjustment for Implementation of GASB #84	<u>529,147</u>	<u>334,469</u>	<u>194,678</u>	<u>(529,147)</u>
Net Position/Fund Balance at June 30, 2020 - Restated	<u>\$5,242,596</u>	<u>\$7,517,942</u>	<u>\$194,678</u>	<u>\$0</u>

**Borough of Cliffside Park School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2021**

**NOTE 17. CONTINGENT LIABILITIES:**

Management is not aware of any other material items of noncompliance which would result in the disallowance of program expenditures.

**Litigation** - 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.

**NOTE 18. OTHER MATTERS**

On March 9, 2020, Governor Phil Murphy signed Executive Order No. 103 that declared a State of Emergency and Public Health Emergency across all 21 counties in New Jersey in response to address the novel coronavirus (COVID-19) outbreak. The Board has identified several risks as a result of this pandemic, including a possible delay in collection of District taxes and cash flow shortages as the result of these delayed collections. During the year, the District has received grants from the federal government for increase expenditures related to the COVID-19 pandemic. The Board will continue to monitor the situation closely.

**NOTE 19. SUBSEQUENT EVENTS:**

The District has evaluated subsequent events through February 1, 2022, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

**REQUIRED SUPPLEMENTARY  
INFORMATION - PART II**

## **BUDGETARY COMPARISON SCHEDULES**



**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
<b>General Fund:</b>					
Revenues from Local Sources:					
Local Tax Levy	36,270,179		36,270,179	36,270,179	
Tuition from LEA's Within State	8,972,625		8,972,625	8,369,899	(602,726)
Tuition from Other Govt Sources Within State					
Transportation Fees from Other LEAs	795,522		795,522	893,470	97,948
Interest Earned on Capital Reserve Funds	10,000		10,000	898	(9,102)
Unrestricted Miscellaneous Revenues	121,400		121,400	105,491	(15,909)
<b>Total - Local Sources</b>	<u>46,169,726</u>		<u>46,169,726</u>	<u>45,639,937</u>	<u>(529,789)</u>
Revenues from State Sources:					
Categorical Special Education Aid	1,923,091		1,923,091	1,923,091	
Equalization Aid	2,808,645	(429,653)	2,378,992	2,378,992	
Categorical Security Aid	926,208		926,208	926,208	
Categorical Transportation Aid	323,598		323,598	323,598	
Extraordinary Aid	558,000		558,000	1,007,431	449,431
On-behalf TPAF Post Retirement Medical Contributions (non-budgeted)				1,748,973	1,748,973
On-behalf TPAF Pension (non-budgeted)				5,476,716	5,476,716
On-behalf TPAF NCGI Premium (non-budgeted)				104,202	104,202
On-behalf TPAF LTDI				3,946	3,946
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,724,816	1,724,816
<b>Total - State Sources</b>	<u>6,539,542</u>	<u>(429,653)</u>	<u>6,109,889</u>	<u>15,617,973</u>	<u>9,508,084</u>
Medicaid Administrative Claiming (MAC)				16,876	16,876
Special Education Medicaid Initiative	152,890		152,890	91,052	(61,838)
FFRCA/SEMI				10,155	10,155
FEMA				8,356	8,356
<b>Total - Federal Sources</b>	<u>152,890</u>		<u>152,890</u>	<u>126,439</u>	<u>(34,807)</u>
<b>TOTAL REVENUES</b>	<u>52,862,158</u>	<u>(429,653)</u>	<u>52,432,505</u>	<u>61,384,349</u>	<u>8,943,488</u>
<b>EXPENDITURES:</b>					
<b>Current Expense:</b>					
<b>Regular Programs - Instruction</b>					
Kindergarten - Salaries of Teachers	636,550	134,511	771,061	771,061	
Grades 1-5 - Salaries of Teachers	4,616,687	(134,511)	4,482,176	4,300,460	181,716
Grades 6-8 - Salaries of Teachers	2,609,730	47,352	2,657,082	2,568,055	89,027
Grades 9-12 - Salaries of Teachers	6,718,085	(3,050)	6,715,035	6,555,102	159,933
<b>Regular Programs - Home Instruction:</b>					
Salaries of Teachers	65,000	27,023	92,023	79,798	12,225
<b>Regular Programs - Undistributed Instruction</b>					
Other Salaries for Instruction	216,620	(19,453)	197,167	185,184	11,983
Other Purchased Services (400-500 series)	996,931	(17,872)	979,059	945,589	33,470
General Supplies	438,579	(51,606)	386,973	284,734	102,239
Textbooks	95,709	44,308	140,017	128,300	11,717
Other Objects	418,720	(35,000)	383,720	267,892	115,828
<b>TOTAL REGULAR PROGRAMS - INSTRUCTION</b>	<u>16,812,611</u>	<u>(8,298)</u>	<u>16,804,313</u>	<u>16,086,175</u>	<u>718,138</u>
<b>SPECIAL EDUCATION - INSTRUCTION</b>					
<b>Learning and/or Language Disabilities</b>					
Salaries of Teachers	955,130	(93,488)	861,642	842,620	19,022
Other Salaries for Instruction	386,920	(34,395)	352,525	316,701	35,824
General Supplies		34,470	34,470		34,470
<b>Total Learning and/or Language Disabilities</b>	<u>1,342,050</u>	<u>(93,413)</u>	<u>1,248,637</u>	<u>1,159,321</u>	<u>89,316</u>
<b>Behavioral Disabilities</b>					
Salaries of Teachers	265,905		265,905	141,980	123,925
Other Salaries for Instruction	94,570	1,147	95,717	72,442	23,275
<b>Total Behavioral Disabilities</b>	<u>360,475</u>	<u>1,147</u>	<u>361,622</u>	<u>214,422</u>	<u>147,200</u>
<b>Multiple Disabilities</b>					
Salaries of Teachers	141,280	45,451	186,731	186,731	
Other Salaries for Instruction	109,440	3,801	113,241	75,154	38,087
<b>Total Multiple Disabilities</b>	<u>250,720</u>	<u>49,252</u>	<u>299,972</u>	<u>261,885</u>	<u>38,087</u>
<b>Resource Room/Resource Center:</b>					
Salaries of Teachers	1,523,140	124,971	1,648,111	1,648,111	
Other Salaries for Instruction	509,630	(95,872)	413,758	396,640	17,118
<b>Total Resource Room/Resource Center</b>	<u>2,032,770</u>	<u>29,099</u>	<u>2,061,869</u>	<u>2,044,751</u>	<u>17,118</u>
<b>Autism</b>					
Salaries of Teachers	395,045	5,327	400,372	400,372	
Other Salaries for Instruction	366,250	(5,327)	360,923	295,580	65,343
<b>Total Autism</b>	<u>761,295</u>		<u>761,295</u>	<u>695,952</u>	<u>65,343</u>

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Preschool Disabilities- Full-Time:</b>					
Salaries of Teachers	447,680	(55,089)	392,591	258,460	134,131
Other Salaries for Instruction	290,990	4,449	295,439	211,991	83,448
<b>Total Preschool Disabilities - Full-Time</b>	<u>738,670</u>	<u>(50,640)</u>	<u>688,030</u>	<u>470,451</u>	<u>217,579</u>
<b>TOTAL SPECIAL EDUCATION - INSTRUCTION</b>	<u>5,485,980</u>	<u>(64,555)</u>	<u>5,421,425</u>	<u>4,846,782</u>	<u>574,643</u>
<b>Bilingual Education - Instruction</b>					
Salaries of Teachers	1,244,965	(100,740)	1,144,225	1,116,739	27,486
General Supplies	2,500	(1,383)	1,117		1,117
<b>Total Bilingual Education - Instruction</b>	<u>1,247,465</u>	<u>(102,123)</u>	<u>1,145,342</u>	<u>1,116,739</u>	<u>28,603</u>
<b>School-Sponsored Cocurricular Activities - Instruction</b>					
Salaries	190,000	240	190,240	161,425	28,815
Other Objects	8,500	(240)	8,260		8,260
<b>Total School-Sponsored Cocurricular Activities - Instruction</b>	<u>198,500</u>		<u>198,500</u>	<u>161,425</u>	<u>37,075</u>
<b>School-Sponsored Athletics - Instruction</b>					
Salaries	383,000		383,000	372,050	10,950
Purchased Services (300-500 series)	22,500		22,500	15,000	7,500
Supplies and Materials	183,947		183,947	147,255	36,692
Transfers to Cover Deficit (Agency Funds)	80,000		80,000	20,000	60,000
<b>Total School-Sponsored Athletics - Instruction</b>	<u>669,447</u>		<u>669,447</u>	<u>554,305</u>	<u>115,142</u>
<b>Instructional Alternative Ed Programs - Instruction</b>					
Other Purchased Services (400-500 series)	65,000		65,000	25,500	39,500
<b>Total Instructional Alternative Ed Programs - Instruction</b>	<u>65,000</u>		<u>65,000</u>	<u>25,500</u>	<u>39,500</u>
<b>TOTAL INSTRUCTION</b>	<u>24,479,003</u>	<u>(174,976)</u>	<u>24,304,027</u>	<u>22,790,926</u>	<u>1,513,101</u>
<b>Undistributed Expenditures - Instruction:</b>					
Tuition to Other LEAs Within the State - Special	964,867		964,867	826,836	138,031
Tuition to County Voc. School Dist. - Regular	558,024	181,477	739,501	543,214	196,287
Tuition to County Voc. School Dist. - Special	273,309		273,309	217,890	55,419
Tuition to CSSD & Regional Day Schools	1,681,634	(202,779)	1,478,855	681,726	797,129
Tuition to Private Schools for the Handicapped - Within State	1,077,967		1,077,967	926,802	151,165
<b>Total Undistributed Expenditures - Instruction:</b>	<u>4,555,801</u>	<u>(21,302)</u>	<u>4,534,499</u>	<u>3,196,468</u>	<u>1,338,031</u>
<b>Undist. Expend. - Health Services</b>					
Salaries	430,110		430,110	423,230	6,880
Other Purchased Services (400-500 series)	9,000	(364)	8,636	806	7,830
Supplies and Materials	15,750	364	16,114	12,466	3,648
<b>Total Undistributed Expenditures - Health Services</b>	<u>454,860</u>		<u>454,860</u>	<u>436,502</u>	<u>18,358</u>
<b>Undist. Expend. - Speech, OT, PT &amp; Related Svcs.</b>					
Salaries	553,290	(38,802)	514,488	514,488	
Purchased Prof. Services-Educational Services	1,356,870	(8,550)	1,348,320	1,094,770	253,550
<b>Total Undist. Expend. - Speech, OT, PT, &amp; Related Svcs</b>	<u>1,910,160</u>	<u>(47,352)</u>	<u>1,862,808</u>	<u>1,609,258</u>	<u>253,550</u>
<b>Undist. Expend. - Other Supp. Serv. Students-Extra Serv.</b>					
Purchased Prof. Services-Educational Services	342,615		342,615	104,997	237,618
<b>Total Undist. Expend. - Other Supp. Serv. Students-Extra Svcs.</b>	<u>342,615</u>		<u>342,615</u>	<u>104,997</u>	<u>237,618</u>
<b>Undist. Expend. - Guidance</b>					
Salaries of Other Professional Staff	1,017,040	22,880	1,039,920	992,820	47,100
Salaries of Secretarial and Clerical Assistants	69,790	(22,880)	46,910	40,334	6,576
<b>Total Undist. Expend. - Guidance</b>	<u>1,086,830</u>		<u>1,086,830</u>	<u>1,033,154</u>	<u>53,676</u>
<b>Undist. Expend. - Other Supp. Child Study Teams</b>					
Salaries of Other Professional Staff	1,118,215	(4,549)	1,113,666	1,112,679	987
Salaries of Secretarial and Clerical Assistants	114,520	4,549	119,069	119,069	
Other Purchased Professional and Technical Services	1,070,518		1,070,518	632,710	437,808
<b>Total Undist. Expend. - Other Supp. Serv. Child Study Teams</b>	<u>2,303,253</u>		<u>2,303,253</u>	<u>1,864,458</u>	<u>438,795</u>
<b>Undist. Expend. - Educational Media Serv./Sch. Library</b>					
Salaries	284,500	7,825	292,325	292,325	
Supplies and Materials	51,313	(13,950)	37,363	35,303	2,060
<b>Total Undist. Expend. - Educational Media Serv./Sch. Library</b>	<u>335,813</u>	<u>(6,125)</u>	<u>329,688</u>	<u>327,628</u>	<u>2,060</u>
<b>Undist. Expend. - Instructional Staff Training Serv.</b>					
Purchased Professional - Educational Services	17,800	6,125	23,925	14,925	9,000
Other Purchased Services (400-500 series)	36,779	(5,224)	31,555	16,759	14,796
<b>Total Undist. Expend. - Instructional Staff Training Serv.</b>	<u>54,579</u>	<u>901</u>	<u>55,480</u>	<u>31,684</u>	<u>23,796</u>

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Undist. Expend. - Supp. Serv. - General Administration</b>					
Salaries	323,650	7,831	331,481	331,481	
Legal Services	200,089	(15,586)	184,503	28,590	155,913
Audit Fees	92,500		92,500	43,285	49,215
Other Purchased Professional Services	81,726		81,726	54,000	27,726
Purchased Technical Services	27,845		27,845	1,180	26,665
Communications/Telephone	92,117		92,117	84,479	7,638
Other Purch Services (400-500 Series)	492,739	4,229	496,968	485,362	11,606
General Supplies	11,310	5,658	16,968	16,968	
Judgements against the School District	55,000	(15,432)	39,568		39,568
Misc. Expenditures	74,826	13,300	88,126	82,812	5,314
BOE Membership Dues and Fees	1,000		1,000	990	10
<b>Total Undist. Expend. - Supp. Serv. - General Administration</b>	<u>1,452,802</u>		<u>1,452,802</u>	<u>1,129,147</u>	<u>323,655</u>
<b>Undist. Expend. - Support Serv. - School Administration</b>					
Salaries of Principals/Assistant Principals	1,223,280	(10)	1,223,270	1,223,270	
Salaries of Secretarial and Clerical Assistants	494,600	10	494,610	494,610	
Other Objects	18,050		18,050	17,119	931
<b>Total Undist. Expend. - Support Serv. - School Administration</b>	<u>1,735,930</u>		<u>1,735,930</u>	<u>1,734,999</u>	<u>931</u>
<b>Undist. Expend. - Support Serv. - Central Services</b>					
Salaries	457,180		457,180	454,090	3,090
Purchased Professional Services	51,000	4,955	55,955	54,455	1,500
Supplies and Materials	15,000	(4,955)	10,045	58	9,987
Other Objects	7,900		7,900	2,904	4,996
<b>Total Undist. Expend. - Support Serv. - Central Services</b>	<u>531,080</u>		<u>531,080</u>	<u>511,507</u>	<u>19,573</u>
<b>Undist. Expend. - Admin Info. Technology</b>					
<b>Information Technology</b>					
Salaries	329,710	5,148	334,858	334,858	
Supplies and Materials	130,000	(5,148)	124,852	116,751	8,101
Other Objects	137,205	(61,000)	76,205	50,163	26,042
<b>Information Technology</b>	<u>596,915</u>	<u>(61,000)</u>	<u>535,915</u>	<u>501,772</u>	<u>34,143</u>
<b>Undist. Expend. - Required Maint. for School Facilities (261)</b>					
Cleaning, Repair and Maintenance Services	279,060	(7,000)	272,060	233,571	38,489
General Supplies	69,527	34,540	104,067	80,302	23,765
<b>Undist. Expend. - Required Maint. for School Facilities</b>	<u>348,587</u>	<u>27,540</u>	<u>376,127</u>	<u>313,873</u>	<u>62,254</u>
<b>Undist. Expend. - Custodial Services (262)</b>					
Salaries	1,556,000		1,556,000	1,441,512	114,488
Cleaning, Repair and Maintenance Services	203,615	(67,940)	135,675	71,075	64,600
Insurance	103,450	10,408	113,858	100,262	13,596
General Supplies	289,319	29,992	319,311	280,842	38,469
Energy (Energy and Electricity)	327,896	452	328,348	287,724	40,624
Energy (Natural Gas)	257,098	(452)	256,646	153,951	102,695
<b>Total Undist. Expend. - Custodial Services</b>	<u>2,737,378</u>	<u>(27,540)</u>	<u>2,709,838</u>	<u>2,335,366</u>	<u>374,472</u>
<b>Undist. Expend. - Care &amp; Upkeep of Grounds (263)</b>					
Cleaning, Repair and Maintenance Services	88,435		88,435	61,043	27,392
Other Objects	200,400		200,400	200,400	
<b>Total Undist. Expend. - Care &amp; Upkeep of Grounds</b>	<u>288,835</u>		<u>288,835</u>	<u>261,443</u>	<u>27,392</u>
<b>Undist. Expend. - Security</b>					
Purchased Professional and Technical Services	214,537	(6,430)	208,107	151,533	56,574
Cleaning, Repair and Maintenance Services	24,900	4,216	29,116	15,477	13,639
General Supplies	19,253	2,214	21,467	11,864	9,603
<b>Total Undist. Expend. - Security</b>	<u>258,690</u>		<u>258,690</u>	<u>178,874</u>	<u>79,816</u>
<b>Undist. Expend. - Student Transportation Services (270)</b>					
Salaries of Non-Instructional Aides	476,920	100,117	577,037	575,384	1,653
Salaries for Pupil Trans (Bet. Home & Sch. ) - Sp Ed	859,340	(100,117)	759,223	632,087	127,136
Salaries for Pupil Trans (Other than Bet. Home & Sch. )	30,000		30,000	11,925	18,075
Cleaning, Repair and Maintenance Services	257,534		257,534	165,635	91,899
Rental Payments - School Buses	12,000		12,000		12,000
Contract Services (Sp. Ed. Students)-Joint Agreements	107,566		107,566	65,817	41,749
Misc. Purchased Services - Transportation	63,000		63,000	52,844	10,156
General Supplies	100,680		100,680	43,702	56,978
<b>Total Undist. Expend. - Student Transportation Services</b>	<u>1,907,040</u>		<u>1,907,040</u>	<u>1,547,394</u>	<u>359,646</u>

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>UNALLOCATED BENEFITS</b>					
Social Security Contributions	622,700		622,700	544,644	78,056
T.P.A.F. Contributions - ERIP	224,000	4,692	228,692	228,692	
Other Retirement Contributions-PERS	518,400	13,087	531,487	531,487	
Workmen's Compensation	410,300		410,300	333,384	76,916
Health Benefits	7,312,674	(162,185)	7,150,489	6,708,435	442,054
Tuition Reimbursements	50,000	7,997	57,997	45,518	12,479
Other Employee Benefits	30,000	(23,980)	6,020	6,020	
Unused Vacation Payment to Term/Retired Staff		19,288	19,288	19,288	
<b>TOTAL UNALLOCATED BENEFITS</b>	<u>9,168,074</u>	<u>(141,101)</u>	<u>9,026,973</u>	<u>8,417,468</u>	<u>609,505</u>
On-behalf TPAF Post Retirement Medical Contributions (non-budgeted)				1,748,973	(1,748,973)
On-behalf TPAF Pension (non-budgeted)				5,476,716	(5,476,716)
On-behalf TPAF NCGI Premium (non-budgeted)				104,202	(104,202)
On-behalf TPAD LTDI				3,946	(3,946)
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,724,816	(1,724,816)
<b>TOTAL ON-BEHALF CONTRIBUTIONS</b>				<u>9,058,653</u>	<u>(9,058,653)</u>
<b>TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS</b>	<u>9,168,074</u>	<u>(141,101)</u>	<u>9,026,973</u>	<u>17,476,121</u>	<u>(8,449,148)</u>
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<u>30,069,242</u>	<u>(275,979)</u>	<u>29,793,263</u>	<u>34,594,645</u>	<u>(4,801,382)</u>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<u>54,548,245</u>	<u>(450,955)</u>	<u>54,097,290</u>	<u>57,385,571</u>	<u>(3,288,281)</u>
<b>CAPITAL OUTLAY</b>					
<b>Undist. Expenditures:</b>					
Instruction	142,300	326	142,626	133,858	8,768
Required Maint for School Fac.		22,133	22,133	22,133	
Care and Upkeep of Grounds	25,000	(20,590)	4,410	4,410	
School Buses-Special	275,000	(1,869)	273,131	249,869	23,262
<b>Total Undist. Expend.</b>	<u>442,300</u>		<u>442,300</u>	<u>410,270</u>	<u>32,030</u>
<b>Facilities Acquisition and Construction Services</b>					
Architectural/Engineering Services	166,973	(25,000)	141,973	123,291	18,682
Construction Services	1,613,713	25,000	1,638,713	1,391,581	247,132
Assessment for Debt Service on SDA Funding	6,801		6,801	6,801	
<b>Total Facilities Acquisition and Construction Services</b>	<u>1,787,487</u>		<u>1,787,487</u>	<u>1,521,673</u>	<u>265,814</u>
<b>TOTAL CAPITAL OUTLAY</b>	<u>2,229,787</u>		<u>2,229,787</u>	<u>1,931,943</u>	<u>297,844</u>
<b>Transfer of Funds to Charter Schools</b>	<u>16,210</u>	<u>21,302</u>	<u>37,512</u>	<u>37,512</u>	
<b>TOTAL EXPENDITURES</b>	<u>56,794,242</u>	<u>(429,653)</u>	<u>56,364,589</u>	<u>59,355,026</u>	<u>(2,990,437)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(3,932,084)</u>		<u>(3,932,084)</u>	<u>2,029,323</u>	<u>5,961,407</u>
<b>Other Financing Sources/(Uses):</b>					
Operating Transfers Out:					
Transfers to Cover Deficit (Enterprise Fund)	(202,000)		(202,000)		202,000
<b>Total Other Financing Sources/(Uses):</b>	<u>(202,000)</u>		<u>(202,000)</u>		<u>202,000</u>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<u>(4,134,084)</u>		<u>(4,134,084)</u>	<u>2,029,323</u>	<u>6,163,407</u>
<b>Fund Balance, July 1</b>	<u>7,657,409</u>		<u>7,657,409</u>	<u>7,657,409</u>	
<b>Prior Period Adjustment</b>				<u>334,469</u> *	<u>334,469</u>
<b>Fund Balance, July 1 (Restated)</b>	<u>7,657,409</u>		<u>7,657,409</u>	<u>7,991,878</u>	<u>334,469</u>
<b>Fund Balance, June 30</b>	<u>3,523,325</u>		<u>3,523,325</u>	<u>10,021,201</u>	<u>6,497,876</u>

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures</b>					
Adjustment for Prior Year Encumbrances	(1,355,430)		(1,355,430)	(1,355,430)	
Increase in Capital Reserve:					
Principal				3,005,467	3,005,467
Interest Deposit to Capital Reserve	10,000		10,000	898	(9,102)
Withdrawal from Capital Reserve	(1,700,000)		(1,700,000)	(1,700,000)	
Unemployment Compensation Activity					
Budgeted Fund Balance	<u>(1,088,654)</u>		<u>(1,088,654)</u>	<u>2,078,388</u>	<u>3,167,042</u>
	<u>(4,134,084)</u>		<u>(4,134,084)</u>	<u>2,029,323</u>	<u>6,163,407</u>
<b>Recapitulation:</b>					
<b>Restricted Fund Balance:</b>					
Legally Restricted - Excess Surplus				1,028,488	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures				1,038,924	
Capital Reserve				4,469,137	
Unemployment Compensation				334,469	
<b>Assigned Fund Balance:</b>					
Year-end Encumbrances				688,897	
Unassigned Fund Balance				<u>2,461,286</u>	
Total Fund Balance per Governmental Funds (Budgetary)				10,021,201	
Recapitulation to Governmental Fund Statement (GAAP):					
Less: Last State Aid Payment not Recognized GAAP Basis				<u>488,504</u>	
Total Fund Balance per Governmental Funds (GAAP)				<u>9,532,697</u>	

\* - Represents Unemployment Fund Net Position as of June 30, 2020.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund**  
**Fiscal Year Ended June 30, 2021**

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources	24,800	(354)	24,446	232,057	207,611 note 1
State Sources	239,190	1,690	240,880	240,687	(193)
Federal Sources	2,027,955	976,332	3,004,287	2,685,745	(318,542)
<b>Total Revenues</b>	<b>2,291,945</b>	<b>977,668</b>	<b>3,269,613</b>	<b>3,158,489</b>	<b>(111,124)</b>
<b>EXPENDITURES:</b>					
<b>Instruction:</b>					
Salaries of Teachers	1,143,135	194,258	1,337,393	1,086,107	251,286
Other Salaries for Instruction	54,149	5,310	59,459	59,459	-
Purchased Professional and Technical Services	26,250	124,732	150,982	150,982	-
Other Purchased Services (400-500 series)	719,975	38,833	758,808	758,624	184
General Supplies	53,667	544,381	598,048	559,476	38,772
<b>Total instruction</b>	<b>1,997,176</b>	<b>907,714</b>	<b>2,904,890</b>	<b>2,614,648</b>	<b>290,242</b>
<b>Support services:</b>					
Salaries of Supervisors of Instruction	97,031	(15,551)	81,480	76,490	4,990
Salaries of Program Directors	19,173	-	19,173	19,173	-
Salaries of Secretarial and Clerical Assistants	7,230	-	7,230	7,230	-
Other Salaries	13,848	-	13,848	13,848	-
Personal Services - Employee Benefits	27,816	886	28,702	12,149	16,553
Other Purchased Professional Services	81,421	(6,721)	74,700	74,700	-
Other Purchased Services (400-500 series)	15,300	(1,900)	13,400	9,600	3,800
Supplies & Materials	5,000	545	5,545	5,545	-
Other Objects	3,150	41,700	44,850	41,700	3,150
Student Activities	-	-	-	232,614	(232,614) note 1
<b>Total support services</b>	<b>269,969</b>	<b>18,959</b>	<b>288,928</b>	<b>493,049</b>	<b>(204,121)</b>
<b>Facilities acquisition and const. serv.:</b>					
Noninstructional Equipment	24,800	50,995	75,795	75,795	-
<b>Total facilities acquisition and const. serv.</b>	<b>24,800</b>	<b>50,995</b>	<b>75,795</b>	<b>75,795</b>	<b>-</b>
<b>Total Expenditures</b>	<b>2,291,945</b>	<b>977,668</b>	<b>3,269,613</b>	<b>3,183,492</b>	<b>86,121</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(25,003)</b>	<b>(25,003)</b>
Fund Balance, July 1				194,678 *	
Prior Period Adjustment					
Fund Balance, July 1 (Restated)				194,678	
Fund Balance, June 30				\$ 169,675	
Recapitulation:					
Restricted:				\$ 169,675	
Student Activities				\$ 169,675	
<b>Total Fund Balance</b>				<b>\$ 169,675</b>	

note 1 Not required to budget for student activity or scholarship funds

\* - Represents the Student Activity Fund ending balance as of June 30, 2020 for payable to Student Groups.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Note to Required Supplementary Information - Part II**  
**Fiscal Year Ended June 30, 2021**

**Note A - Explanation of Differences between Budgetary Inflows and Outflows and  
GAAP Revenues and Expenditures**

		General Fund	Special Revenue Fund
<b>Sources/inflows of resources</b>			
Actual amounts (budgetary basis) "revenue"			
from the budgetary comparison schedule	[C-1]&[C-2]	61,384,349	3,158,489
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
Prior Year			436,578
Current Year			(45,985)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		473,936	
The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		(488,504)	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	<u>61,369,781</u>	<u>3,549,082</u>
<b>Uses/outflows of resources</b>			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]	59,355,026	3,183,492
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 <i>financial reporting</i> purposes.			
Prior Year			436,578
Current Year			(45,985)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	<u>59,355,026</u>	<u>3,574,085</u>

**REQUIRED SUPPLEMENTARY  
INFORMATION - PART III**



**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Schedules of Required Supplementary Information**  
**Schedule of District's Share of Net Pension Liability - PERS**  
*Last 10 Fiscal Years\**

Fiscal Year Ending June 30,	District's		District's		District's		Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
	Proportion of the Net Pension Liability (Asset)		Proportionate Share of the Net Pension Liability (Asset)		Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll		
2015	0.0543352543%	\$	10,173,046	\$	4,000,517	254.29%	52.08%
2016	0.0545073473%		12,235,807		3,424,541	357.30%	94.63%
2017	0.0515009406%		15,253,101		3,433,088	444.30%	100.77%
2018	0.0487524088%		11,348,782		3,568,969	317.98%	90.77%
2019	0.0504385900%		9,931,107		3,477,249	285.60%	83.06%
2020	0.0506286880%		9,122,522		3,571,606	255.42%	78.30%
2021	0.0485842326%		7,922,818		3,292,992	240.60%	73.38%

\* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Schedules of Required Supplementary Information**  
**Schedule of District's Contributions - PERS**  
*Last 10 Fiscal Years\**

Fiscal Year Ending June 30,	Contractually Required Contribution		Contributions in Relations to the Contractually Required Contributions		Contribution Deficiency (Excess)	District's PERS Covered- Employee Payroll	Contributions as a Percentage of PERS Covered- Employee Payroll
	\$		\$				
2015		447,932		(447,932)	\$ -	\$ 4,000,517	11.20%
2016		468,617		(468,617)	-	3,424,541	13.68%
2017		457,527		(457,527)	-	3,433,088	13.33%
2018		451,639		(451,639)	-	3,568,969	12.65%
2019		501,701		(501,701)	-	3,477,249	14.43%
2020		492,468		(492,468)	-	3,571,606	13.79%
2021		531,487		(531,487)	-	3,292,992	16.14%

\* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Schedules of Required Supplementary Information**  
**Schedule of District's Share of Net Pension Liability - TPAF**  
*Last 10 Fiscal Years\**

Fiscal Year Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	State's		District's Covered Payroll - TPAF Employee's	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
		District's Proportionate Share of the Net Pension Liability (Asset)	Share of the Net Pension Liability Associated with the District (Asset)			
2015	0.1806634861%	\$	\$ 96,558,753	18,509,605	0.00%	33.64%
2016	0.1784512921%	-	112,788,837	18,203,062	0.00%	28.71%
2017	0.1843280061%	-	145,004,146	20,189,243	0.00%	22.33%
2018	0.1867755745%	-	125,930,827	20,466,136	0.00%	25.41%
2019	0.1839927387%	-	117,052,228	20,684,815	0.00%	26.49%
2020	0.1954902878%	-	119,974,235	21,808,695	0.00%	26.95%
2021	0.1969959656%	-	129,719,473	23,543,699	0.00%	24.60%

\* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Note to Required Schedules of Supplementary Information - Part III**  
**Fiscal Year Ended June 30, 2021**

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms

None

Change in assumptions

The calculation of the discount rate used to measure the total pension liability is dependent upon the long-term expected rate of return, and the municipal bond index rate. There was a change in the municipal bond index rate from the prior measurement date (3.50%) to the current measurement date (2.21%), resulting in a change in the discount rate from 6.28% to 7.00%. This change in the discount rate is considered to be a change in actuarial assumptions under GASBS No. 68.

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms

Change in assumptions

The calculation of the discount rate used to measure the total pension liability is dependent upon the long-term expected rate of return, and the municipal bond index rate. There was a change in the municipal bond index rate from the prior measurement date (3.50%) to the current measurement date (2.21%), resulting in a change in the discount rate from 5.60% to 5.40%. This change in the discount rate is considered to be a change in actuarial assumptions under GASBS No. 68.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Schedule of Required Supplementary Information**  
**Schedule of Changes in the District's Proportionate Share of the State OPEB Liability**  
**Last 10 Fiscal Years\***

	2021	2020	2019	2018
<b>Total OPEB Liability</b>				
Service Costs	\$ 3,134,996	\$ 2,846,638	\$ 3,138,459	\$ 3,786,116
Interest on Total OPEB Liability	2,254,540	2,685,551	2,966,247	2,551,818
Differences between Expected and Actual Experiences	19,051,294	(9,922,855)	(9,737,707)	
Changes in Assumptions	18,960,309	926,647	(7,741,864)	(10,603,354)
Gross Benefit Payments	(1,807,036)	(1,907,790)	(1,803,971)	(1,866,422)
Contribution from the Member	54,771	56,552	62,348	68,726
<b>Net Changes in total Share of OPEB Liability</b>	41,648,874	(5,315,257)	(13,116,488)	(6,063,116)
<b>Total OPEB Liability - Beginning</b>	62,149,024	67,464,281	80,580,769	86,643,885
<b>Total OPEB Liability - Ending</b>	<u>\$ 103,797,898</u>	<u>\$ 62,149,024</u>	<u>\$ 67,464,281</u>	<u>\$ 80,580,769</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	103,797,898	62,149,024	67,464,281	80,580,769
Total OPEB Liability - Ending	<u>\$ 103,797,898</u>	<u>\$ 62,149,024</u>	<u>\$ 67,464,281</u>	<u>\$ 80,580,769</u>
District's Covered Employee Payroll	<u>\$ 26,836,691</u>	<u>\$ 25,380,301</u>	<u>\$ 24,162,064</u>	<u>\$ 24,035,105</u>
Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%

**Notes to Schedule:**

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

Change in benefit terms                      None

Change in assumptions                      Assumptions used in calculating the OPEB liability are presented  
in Note 8.

\* GASB requires that ten years of information be presented. However, since fiscal year 2018 was the first year of GASB 75 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

**Supplementary Schedules**

**SPECIAL REVENUE FUND**

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2021**

	<b>Total Brought Forward (Ex. E-1a)</b>	<b>IDEA Part - B Basic</b>	<b>IDEA Part - B Preschool</b>	<b>ESEA Title I</b>	<b>ESEA Title I SIA</b>	<b>ESEA Title II, Part A Training &amp; Recruiting</b>	<b>Totals 2021</b>
<b>REVENUES</b>							
Local Sources	232,057						232,057
State Sources	240,687						240,687
Federal Sources	1,161,633	731,014	17,043	656,557	22,100	97,398	2,685,745
<b>Total Revenues</b>	<b>1,634,377</b>	<b>731,014</b>	<b>17,043</b>	<b>656,557</b>	<b>22,100</b>	<b>97,398</b>	<b>3,158,489</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	396,782			594,213		95,112	1,086,107
Other Salaries for Instruction	59,459						59,459
Purchased Professional and Technical Services	125,982			25,000			150,982
Other Purchased Services (400-500 series)	15,229	731,014	12,381				758,624
General Supplies	529,470		4,662	25,344			559,476
<b>Total instruction</b>	<b>1,126,922</b>	<b>731,014</b>	<b>17,043</b>	<b>644,557</b>	<b>-</b>	<b>95,112</b>	<b>2,614,648</b>
<b>Support services:</b>							
Salaries of Supervisors of Instruction	76,490						76,490
Salaries of Program Directors	19,173						19,173
Salaries of Secretarial and Clerical Assistants	7,230						7,230
Other Salaries	13,848						13,848
Personal Services - Employee Benefits	12,149						12,149
Other Purchased Professional Services	50,500				22,100	2,100	74,700
Other Purchased Services (400-500 series)	-			9,600			9,600
Supplies & Materials	2,959			2,400		186	5,545
Other Objects	41,700						41,700
Student Activities	232,614						232,614
<b>Total support services</b>	<b>456,663</b>	<b>-</b>	<b>-</b>	<b>12,000</b>	<b>22,100</b>	<b>2,286</b>	<b>493,049</b>
<b>Facilities acquisition and const. serv.:</b>							
Noninstructional Equipment	75,795						75,795
<b>Total facilities acquisition and const. serv.</b>	<b>75,795</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75,795</b>
<b>Total Expenditures</b>	<b>1,659,380</b>	<b>731,014</b>	<b>17,043</b>	<b>656,557</b>	<b>22,100</b>	<b>97,398</b>	<b>3,183,492</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>(25,003)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(25,003)</b>
Fund Balance, July 1	-						-
Prior Period Adjustment	194,678						194,678
Fund Balance, July 1 (Restated)	194,678	-	-	-	-	-	194,678
Fund Balance, June 30	169,675	-	-	-	-	-	169,675



**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2021**

	<b>Total Brought Forward (Ex. E-1b)</b>	<b>ESEA Title III</b>	<b>ESEA Title III Immigrant</b>	<b>21st Century Community Learning</b>	<b>CARES Act</b>	<b>Bergen County CARES Act</b>	<b>Total Carried Forward</b>
<b>REVENUES</b>							
Local Sources	232,057						232,057
State Sources	240,687						240,687
Federal Sources	502,147	41,426	31,660	414,840	27,169	144,391	1,161,633
<b>Total Revenues</b>	<b>974,891</b>	<b>41,426</b>	<b>31,660</b>	<b>414,840</b>	<b>27,169</b>	<b>144,391</b>	<b>1,634,377</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	139,480	22,800	25,000	209,502			396,782
Other Salaries for Instruction	59,459						59,459
Purchased Professional and Technical Services	-			26,250		99,732	125,982
Other Purchased Services (400-500 series)	-	15,626	6,660	15,229			15,229
General Supplies	452,295			27,720	27,169		529,470
<b>Total instruction</b>	<b>651,234</b>	<b>38,426</b>	<b>31,660</b>	<b>278,701</b>	<b>27,169</b>	<b>99,732</b>	<b>1,126,922</b>
<b>Support services:</b>							
Salaries of Supervisors of Instruction	-			76,490			76,490
Salaries of Program Directors	19,173						19,173
Salaries of Secretarial and Clerical Assistants	7,230						7,230
Other Salaries	13,848						13,848
Personal Services - Employee Benefits	-			12,149			12,149
Other Purchased Professional Services	-	3,000		47,500			50,500
Other Purchased Services (400-500 series)	-						-
Supplies & Materials	-					2,959	2,959
Other Objects	-					41,700	41,700
Student Activities	232,614						232,614
<b>Total support services</b>	<b>272,865</b>	<b>3,000</b>	<b>-</b>	<b>136,139</b>	<b>-</b>	<b>44,659</b>	<b>456,663</b>
<b>Facilities acquisition and const. serv.:</b>							
Noninstructional Equipment	75,795						75,795
<b>Total facilities acquisition and const. serv.</b>	<b>75,795</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75,795</b>
<b>Total Expenditures</b>	<b>999,894</b>	<b>41,426</b>	<b>31,660</b>	<b>414,840</b>	<b>27,169</b>	<b>144,391</b>	<b>1,659,380</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>	<b>(25,003)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(25,003)</b>
<b>Expenditures and Other Financing Sources (Uses)</b>							
Fund Balance, July 1	-						-
Prior Period Adjustment	194,678						194,678
Fund Balance, July 1 (Restated)	194,678	-	-	-	-	-	194,678
Fund Balance, June 30	169,675	-	-	-	-	-	169,675

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2021**

	<b>Total Brought Forward (Ex. E-1c)</b>	<b>Digital Divide</b>	<b>Coronavirus Relief Fund</b>	<b>Non Public Nursing</b>	<b>Non Public Security Aid</b>	<b>Non Public Textbooks</b>	<b>Total Carried Forward</b>
<b>REVENUES</b>							
Local Sources	232,057						232,057
State Sources	239,190			451	800	246	240,687
Federal Sources	-	242,342	259,805				502,147
<b>Total Revenues</b>	<b>471,247</b>	<b>242,342</b>	<b>259,805</b>	<b>451</b>	<b>800</b>	<b>246</b>	<b>974,891</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	139,480						139,480
Other Salaries for Instruction	59,459						59,459
Purchased Professional and Technical Services	-						-
Other Purchased Services (400-500 series)	-						-
General Supplies	-	242,342	208,456	451	800	246	452,295
<b>Total instruction</b>	<b>198,939</b>	<b>242,342</b>	<b>208,456</b>	<b>451</b>	<b>800</b>	<b>246</b>	<b>651,234</b>
<b>Support services:</b>							
Salaries of Supervisors of Instruction	-						-
Salaries of Program Directors	19,173						19,173
Salaries of Secretarial and Clerical Assistants	7,230						7,230
Other Salaries	13,848						13,848
Personal Services - Employee Benefits	-						-
Other Purchased Professional Services	-						-
Other Purchased Services (400-500 series)	-						-
Supplies & Materials	-						-
Other Objects	-						-
Student Activities	232,614						232,614
<b>Total support services</b>	<b>272,865</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>272,865</b>
<b>Facilities acquisition and const. serv.:</b>							
Noninstructional Equipment	24,446		51,349				75,795
<b>Total facilities acquisition and const. serv.</b>	<b>24,446</b>	<b>-</b>	<b>51,349</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75,795</b>
<b>Total Expenditures</b>	<b>496,250</b>	<b>242,342</b>	<b>259,805</b>	<b>451</b>	<b>800</b>	<b>246</b>	<b>999,894</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>	<b>(25,003)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(25,003)</b>
<b>Expenditures and Other Financing Sources (Uses)</b>							
Fund Balance, July 1	-						-
Prior Period Adjustment	194,678						194,678
Fund Balance, July 1 (Restated)	194,678	-	-	-	-	-	194,678
Fund Balance, June 30	169,675	-	-	-	-	-	169,675

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2021**

	<b>Total Brought Forward (Ex. E-1d)</b>	<b>Preschool Education Aid</b>	<b>NJSBAIG Safety Grant</b>	<b>Student Activity Accounts</b>			<b>Total Carried Forward</b>
				<b>School #3</b>	<b>School #4</b>	<b>School #5</b>	
<b>REVENUES</b>							
Local Sources	197,454		24,446	5,530	1,000	3,627	232,057
State Sources	-	239,190					239,190
Federal Sources	-						-
<b>Total Revenues</b>	<b>197,454</b>	<b>239,190</b>	<b>24,446</b>	<b>5,530</b>	<b>1,000</b>	<b>3,627</b>	<b>471,247</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	-	139,480					139,480
Other Salaries for Instruction	-	59,459					59,459
Purchased Professional and Technical Services	-						-
Other Purchased Services (400-500 series)	-						-
General Supplies	-						-
<b>Total instruction</b>	-	198,939	-	-	-	-	198,939
<b>Support services:</b>							
Salaries of Supervisors of Instruction	-						-
Salaries of Program Directors	-	19,173					19,173
Salaries of Secretarial and Clerical Assistants	-	7,230					7,230
Other Salaries	-	13,848					13,848
Personal Services - Employee Benefits	-						-
Other Purchased Professional Services	-						-
Other Purchased Services (400-500 series)	-						-
Supplies & Materials	-						-
Other Objects	-						-
Student Activities	219,324						-
<b>Total support services</b>	219,324	40,251	-	2,336	1,465	9,489	232,614
<b>Total support services</b>	219,324	40,251	-	2,336	1,465	9,489	272,865
<b>Facilities acquisition and const. serv.:</b>							
Noninstructional Equipment	-		24,446				24,446
<b>Total facilities acquisition and const. serv.</b>	-	-	24,446	-	-	-	24,446
<b>Total Expenditures</b>	<b>219,324</b>	<b>239,190</b>	<b>24,446</b>	<b>2,336</b>	<b>1,465</b>	<b>9,489</b>	<b>496,250</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>	<b>(21,870)</b>	<b>-</b>	<b>-</b>	<b>3,194</b>	<b>(465)</b>	<b>(5,862)</b>	<b>(25,003)</b>
<b>Expenditures and Other Financing Sources (Uses)</b>							
Fund Balance, July 1	-						-
Prior Period Adjustment	165,973			7,831	4,081	16,793	194,678
Fund Balance, July 1 (Restated)	165,973	-	-	7,831	4,081	16,793	194,678
Fund Balance, June 30	144,103	-	-	11,025	3,616	10,931	169,675

\*\* Represents the student activity fund ending balance as of June 30, 2020 for payable to student groups

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2021**

	Student Activity Accounts					Total Carried Forward
	School #6	School #6 Middle School	High School	Athletic Account	Project Graduation	
<b>REVENUES</b>						
Local Sources	3,620	2,466	166,079	20,288	5,001	197,454
State Sources						-
Federal Sources						-
<b>Total Revenues</b>	<b>3,620</b>	<b>2,466</b>	<b>166,079</b>	<b>20,288</b>	<b>5,001</b>	<b>197,454</b>
<b>EXPENDITURES:</b>						
<b>Instruction:</b>						
Salaries of Teachers						-
Other Salaries for Instruction						-
Purchased Professional and Technical Services						-
Other Purchased Services (400-500 series)						-
General Supplies						-
<b>Total instruction</b>	-	-	-	-	-	-
<b>Support services:</b>						
Salaries of Supervisors of Instruction						-
Salaries of Program Directors						-
Salaries of Secretarial and Clerical Assistants						-
Other Salaries						-
Personal Services - Employee Benefits						-
Other Purchased Professional Services						-
Other Purchased Services (400-500 series)						-
Supplies & Materials						-
Other Objects						-
Student Activities	7,971	5,671	169,531	28,666	7,485	219,324
<b>Total support services</b>	<b>7,971</b>	<b>5,671</b>	<b>169,531</b>	<b>28,666</b>	<b>7,485</b>	<b>219,324</b>
<b>Facilities acquisition and const. serv.:</b>						
Noninstructional Equipment						-
<b>Total facilities acquisition and const. serv.</b>	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>7,971</b>	<b>5,671</b>	<b>169,531</b>	<b>28,666</b>	<b>7,485</b>	<b>219,324</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>						
<b>Expenditures and Other Financing Sources (Uses)</b>	(4,351)	(3,205)	(3,452)	(8,378)	(2,484)	(21,870)
Fund Balance, July 1	12,363	**	4,510	**	23,597	**
Prior Period Adjustment			106,280	**	19,223	**
						165,973
Fund Balance, July 1 (Restated)	12,363		106,280		19,223	
						165,973
Fund Balance, June 30	8,012		102,828		16,739	
						144,103

\*\* Represents the student activity fund ending balance as of June 30, 2020 for payable to student groups

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Schedule of Preschool Education Aid**  
**Budgetary Basis**  
**Fiscal Year Ended June 30, 2021**

	<u>District Wide Total</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Expenditures:</b>			
<b>Instruction:</b>			
Salaries of teachers	139,480	139,480	
Other salaries for instruction	59,459	59,459	
<b>Total instruction</b>	<u>198,939</u>	<u>198,939</u>	
<b>Support services:</b>			
Salaries of Program Directors	19,173	19,173	
Salaries of Secr. and Clerical Assistants	7,230	7,230	
Other Salaries	13,848	13,848	
<b>Total support services</b>	<u>40,251</u>	<u>40,251</u>	
<b>Total expenditures</b>	<u>239,190</u>	<u>239,190</u>	

**Summary of Location Totals**

Total revised 2020-21 Preschool Education Aid	239,190
Add: Actual Preschool Education Aid Carryover (June 30, 2020)	
Add: Budgeted Transfer from the General Fund 2020-21	
Total Preschool Education Aid Funds Available for 2020-21 Budget	<u>239,190</u>
Less: 2020-21 Budgeted Preschool Education Aid	
(prior year budgeted carryover)	<u>239,190</u>
Available & Unbudgeted Preschool Educaiton Aid Funds as of June 30, 2021	
Add: June 30, 2021 Unexpended Preschool Education Aid	
2020-21 Carryover - Preschool Education Aid/Preschool	<u></u>

**CAPITAL PROJECTS FUND**

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Summary Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budgetary Basis**  
**Fiscal Year Ended June 30, 2021**

**Revenues and Other Financing Sources**

State Sources - School Security Grant	173,129
Bond proceeds and transfers	-
Transfers from Capital Reserve	-
Transfers from Capital Outlay	-
Interest on Investments	-
	<hr/>
	173,129
	<hr/>

**Expenditures and Other Financing Uses**

Purchased professional and technical services	-
Land and improvements	-
Construction services	33,348
General supplies	-
Equipment purchases	-
Transfer to General Fund	-
	<hr/>
	33,348
	<hr/>

Excess (deficiency) of revenues over (under) expenditures	139,781
Fund balance - beginning	<hr/>
Fund balance - ending	139,781
	<hr/> <hr/>

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Panic Buttons, Intercom Systems**  
**Fiscal Year Ended June 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - School Security Grant		173,129	173,129	173,129
Bond proceeds and transfers			-	-
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>-</u>	<u>173,129</u>	<u>173,129</u>	<u>173,129</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services			-	-
Land and improvements			-	-
Construction services		33,348	33,348	173,129
General supplies			-	-
Equipment purchases			-	-
	<u>-</u>	<u>33,348</u>	<u>33,348</u>	<u>173,129</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>139,781</u>	<u>139,781</u>	<u>-</u>
<b>Additional project information:</b>				
Project number				
Grant date	FY 20-22			
Bond authorization date				
Bonds authorized				
Bonds issued				
Original authorization cost	173,129			
Additional authorized cost				
Revised authorized cost	173,129			
Percentage increase over original authorized cost	-			
Percentage completion	19%			
Original target completion date	October 2021			
Revised target completion date				



**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Summary Statement of Project Expenditures**  
**Fiscal Year Ended June 30, 2021**

Project Title/Issue	Date	Appropriations	Expenditures to Date		Unexpended Balance June 30, 2021
			Prior Years	Current Year	
Panic Buttons, Intercom System	FY 20-22	173,129	-	33,348	139,781
		173,129	-	33,348	139,781

<p><b>PROPRIETARY FUNDS</b></p>
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**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2021**

	<b>Business-type Activities - Enterprise Fund</b>		
	<b>Food Service Program</b>	<b>After School Program</b>	<b>Totals</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	250,513	38,025	288,538
Accounts receivable:			
State	4,904		4,904
Federal	103,252		103,252
Interfund	8,258		8,258
Other	3,704		3,704
Inventories	16,684		16,684
Total current assets	<u>387,315</u>	<u>38,025</u>	<u>425,340</u>
Noncurrent assets:			
Capital assets:			
Equipment	287,673	16,460	304,133
Less accumulated depreciation	<u>(158,604)</u>	<u>(3,292)</u>	<u>(161,896)</u>
Total capital assets (net of accumulated depreciation)	<u>129,069</u>	<u>13,168</u>	<u>142,237</u>
Total assets	<u>516,384</u>	<u>51,193</u>	<u>567,577</u>
Current Liabilities:			
Accounts Payable	<u>105,961</u>		<u>105,961</u>
Total Liabilities	<u>105,961</u>	<u>-</u>	<u>105,961</u>
<b>NET POSITION</b>			
Invested in capital assets	129,069	13,168	142,237
Unrestricted	<u>281,354</u>	<u>38,025</u>	<u>319,379</u>
Total net position	<u><u>410,423</u></u>	<u><u>51,193</u></u>	<u><u>461,616</u></u>

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**Fiscal Year Ended June 30, 2021**

	<b>Business-type Activities - Enterprise Fund</b>		
	<b>Food Service Program</b>	<b>After School Program</b>	<b>Totals</b>
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	8,293		8,293
Daily sales - non-reimbursable programs	11,634		11,634
Program fees		57,719	57,719
Total operating revenues	<u>19,927</u>	<u>57,719</u>	<u>77,646</u>
Operating expenses:			
Cost of food - reimbursable programs	440,073		440,073
Cost of food - non-reimbursable programs	5,283		5,283
Salaries	569,978	48,900	618,878
Employee benefits	127,596	4,810	132,406
Supplies and materials	33,099		33,099
Purchased services	74,359		74,359
Depreciation expense	18,279	3,292	21,571
Repairs and other expenses	16,643	12,429	29,072
Total Operating Expenses	<u>1,285,310</u>	<u>69,431</u>	<u>1,354,741</u>
Operating income (loss)	<u>(1,265,383)</u>	<u>(11,712)</u>	<u>(1,277,095)</u>
Nonoperating revenues (expenses):			
State sources:			
School lunch program	25,387		25,387
Federal sources:			
National school lunch program	655,942		655,942
Snack program	3,502		3,502
Breakfast program	411,785		411,785
Emergency Operational Cost Program - Schools	7,857		7,857
P-EBT Administrative Cost	3,063		3,063
U.S.D.A. Commodities	92,036		92,036
Total nonoperating revenues (expenses)	<u>1,199,572</u>	<u>-</u>	<u>1,199,572</u>
Income (loss) before contributions & transfers	<u>(65,811)</u>	<u>(11,712)</u>	<u>(77,523)</u>
Change in net assets	(65,811)	(11,712)	(77,523)
Total net position—beginning	<u>476,234</u>	<u>62,905</u>	<u>539,139</u>
Total net position—ending	<u><u>410,423</u></u>	<u><u>51,193</u></u>	<u><u>461,616</u></u>

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

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Fiscal Year Ended June 30, 2021**

	<b>Business-type Activities - Enterprise Fund</b>		
	<b>Food Service Program</b>	<b>After School Program</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	15,923	57,719	73,642
Payments to suppliers	(1,152,186)	(66,139)	(1,218,325)
Net cash provided by (used for) operating activities	(1,136,263)	(8,420)	(1,144,683)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
State Sources	21,806		21,806
Federal Sources	1,115,965		1,115,965
Net cash provided by (used for) non-capital financing activities	1,137,771	-	1,137,771
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of capital assets	(32,469)	(16,460)	(48,929)
Net cash provided by (used for) capital and related financing activities	(32,469)	(16,460)	(48,929)
Net increase (decrease) in cash and cash equivalents	(30,961)	(24,880)	(55,841)
Balances—beginning of year	281,474	62,905	344,379
Balances—end of year	250,513	38,025	288,538
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Operating income (loss)	(1,265,383)	(11,712)	(1,277,095)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation and net amortization	18,279	3,292	21,571
Food Distribution Program	92,036		92,036
(Increase) decrease in accounts receivable, net	(3,704)		(3,704)
Increase (decrease) in interfunds	(8,258)		(8,258)
(Increase) decrease in inventories	2,229		2,229
Increase (decrease) in accounts payable	28,538		28,538
Total adjustments	(1,136,263)	(8,420)	(1,144,683)
Net cash provided by (used for) operating activities	(1,136,263)	(8,420)	(1,144,683)

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

<b>LONG-TERM DEBT</b>
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**CLIFFSIDE PARK BOARD OF EDUCATION**  
**General Long-Term Debt Account Group**  
**Schedule of Capital Leases Payable**  
**Fiscal Year Ended June 30, 2021**

<u>Issue</u>	<u>Amount of Loan</u>	<u>Principal Payment Date</u>	<u>Interest Rate</u>	<u>Balance, June 30, 2020</u>	<u>Retired</u>	<u>Balance, June 30, 2021</u>
Chromebooks	95,344	8/31/2022	4.65%	\$ 62,107	30,348	31,759
Desktop Computers	47,600	8/31/2022	4.57%	31,020	15,164	15,856
Desktop Computers	27,200	2/29/22 2/29/23	4.50% 4.50%	27,200	9,469	17,731
				<u>\$ 120,327</u>	<u>54,981</u>	<u>65,346</u>

## STATISTICAL SECTION



## STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

### J SERIES

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes over time.	<b>J-1 to J-5</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax.	<b>J-6 to J-9</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	<b>J-10 to J-13</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	<b>J-14 to J-15</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	<b>J-16 to J-20</b>
<b>Sources:</b> Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ending June 30, 2004; schedules presenting district-wide information include information beginning in that year.	

## **STATISTICAL SECTION (UNAUDITED)**

### **Introduction to the Statistical Section**

#### **Financial Trends**

- J-1 Net Assets/Position by Component
- J-2 Changes in Net Assets/Position
- J-3 Fund Balances - Governmental Funds
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- J-6 Assessed Value and Estimated Actual Value of Taxable Property
- J-7 Direct and Overlapping Property Tax Rates
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- J-20 Insurance Schedule

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 4,179,066	\$ 4,275,454	\$ 4,723,841	\$ 5,979,075	\$ 6,199,408	\$ 6,838,827	\$ 8,009,191	\$ 9,723,576	\$ 9,777,608	\$ 10,868,227
Restricted	4,801,277	8,491,062	7,909,736	7,204,960	8,571,130	8,678,103	7,670,657	6,915,160	6,645,780	7,869,371
Unrestricted	(516,963)	(636,513)	(722,861)	(10,050,627)	(11,286,040)	(12,025,401)	(11,877,092)	(11,884,642)	(11,709,939)	(9,709,927)
Total governmental activities net position	\$ 8,463,380	\$ 12,130,003	\$ 11,910,716	\$ 3,133,408	\$ 3,484,498	\$ 3,491,529	\$ 3,802,756	\$ 4,754,094	\$ 4,713,449	\$ 9,027,671
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	\$ 27,689	\$ 20,128	\$ 13,566	\$ 3,257	\$ 30,958	\$ 36,569	\$ 36,946	\$ 107,659	\$ 114,879	\$ 142,237
Restricted	436,810	367,657	296,366	161,956	(92,460)	128,584	178,239	185,901	424,260	319,379
Total business-type activities net position	\$ 464,499	\$ 387,785	\$ 309,932	\$ 165,213	\$ (61,502)	\$ 165,153	\$ 215,185	\$ 293,560	\$ 539,139	\$ 461,616
<b>District-wide</b>										
Invested in capital assets, net of related debt	\$ 4,206,755	\$ 4,295,582	\$ 4,737,407	\$ 5,982,332	\$ 6,230,366	\$ 6,875,396	\$ 8,046,137	\$ 9,831,235	\$ 9,892,487	\$ 11,010,464
Restricted	4,801,277	8,491,062	7,909,736	7,204,960	8,571,130	8,678,103	7,670,657	6,915,160	6,645,780	7,869,371
Unrestricted	(80,153)	(268,856)	(426,495)	(9,888,671)	(11,378,500)	(11,896,817)	(11,698,853)	(11,698,741)	(11,285,679)	(9,390,548)
Total district net position	\$ 8,927,879	\$ 12,517,788	\$ 12,220,648	\$ 3,298,621	\$ 3,422,996	\$ 3,656,682	\$ 4,017,941	\$ 5,047,654	\$ 5,252,588	\$ 9,489,287

Source: CAFR Schedule A-1

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Changes in Net Position, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
Governmental activities										
Instruction										
Regular	\$ 17,971,833	\$ 17,888,947	\$ 17,227,778	\$ 20,167,606	\$ 20,959,736	\$ 25,503,214	\$ 23,830,560	\$ 21,032,634	\$ 21,227,391	\$ 21,334,938
Special education	4,667,377	4,523,963	6,063,910	7,225,713	7,677,281	6,199,552	6,405,279	8,649,824	9,207,827	9,558,558
Other special education	804,050	793,949	973,023	975,861	1,132,610	1,427,089	1,702,727	1,666,513	1,639,113	1,516,620
Other instruction	562,083	704,952	787,487	877,419	874,743	1,088,113	1,019,296	992,732	1,017,733	935,429
Support Services:										
Tuition	1,552,981	1,660,412	2,412,564	2,342,048	2,632,974	2,762,927	2,885,875	3,278,780	3,007,701	3,196,468
Health services						831,315	893,825	553,126	557,312	590,569
Student & instruction related services	4,368,088	4,373,317	5,056,961	5,569,956	5,751,694	5,926,093	6,762,833	6,029,123	5,874,727	6,591,948
General administrative services	1,301,866	1,206,620	1,200,572	1,021,223	1,320,318	1,371,211	1,283,939	2,236,374	1,267,315	1,249,815
School administrative services	2,016,562	1,774,397	1,741,387	1,903,573	2,071,241	2,166,455	2,140,242	1,314,026	2,339,403	2,368,883
Central services and administrative information technology	727,758	774,908	901,454	822,333	1,330,507	1,322,446	1,304,985	1,299,763	1,305,626	1,287,000
Plant operations and maintenance	2,510,835	2,674,999	2,424,064	2,779,899	2,885,143	3,252,771	3,219,844	3,253,497	3,251,822	3,388,335
Pupil transportation	1,047,315	1,090,420	1,217,939	1,375,200	1,678,321	2,092,611	2,205,590	2,279,702	2,296,260	2,057,436
Unallocated Benefits	2,974,168	4,036,579	3,387,615	3,884,814	4,756,207	6,212,337	9,433,622	8,599,819	7,424,493	12,464,560
Charter Schools	30,224	51,535	48,351	76,578	81,329	41,985	18,992	23,013	21,757	37,512
Interest on long-term debt	120,544	109,596	98,004	85,877	58,601	61,271	42,375	24,010	5,146	
Unallocated depreciation	295,163	299,391	177,519	328,040	230,694	263,594	263,594	394,086	396,350	486,272
Capital Outlay - nondepreciable	144,431	5,200	1,408,966	11,275	1,363,294	531,400	497,034	704,826	2,595,660	698,995
Total governmental activities expenses	41,095,278	41,969,185	45,127,594	49,447,415	54,804,693	61,054,384	63,910,612	62,331,848	63,435,636	67,763,338
Business-type activities:										
Food service	1,436,373	1,823,487	1,904,767	1,712,554	1,703,223	1,815,217	1,798,808	1,784,140	1,664,282	1,285,310
After School Program	280,725	173,750	178,120	198,828	265,421	232,953	342,275	283,817	121,024	69,431
Total business-type activities expense	1,717,098	1,997,237	2,082,887	1,911,382	1,968,644	2,048,170	2,141,083	2,067,957	1,785,306	1,354,741
Total district expenses	\$ 42,812,376	\$ 43,966,422	\$ 47,210,481	\$ 51,358,797	\$ 56,773,337	\$ 63,102,554	\$ 66,051,695	\$ 64,399,805	\$ 65,220,942	\$ 69,118,079
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Student & instruction related services										\$ 207,611
Operating grants and contributions	1,426,555	1,890,253	2,042,296	2,263,066	2,276,459	2,326,016	2,072,330	2,285,902	2,395,627	3,204,676
Total governmental activities program revenues	1,426,555	1,890,253	2,042,296	2,263,066	2,276,459	2,326,016	2,072,330	2,285,902	2,395,627	3,412,287

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Changes in Net Position, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Business-type activities:</b>										
Charges for services										
Food service	769,016	836,286	868,831	548,487	554,327	555,377	562,793	604,414	424,307	19,927
After School Program	279,213	181,957	200,381	240,211	240,296	226,355	345,616	285,877	135,825	57,719
Operating grants and contributions	821,720	902,280	935,822	977,965	947,306	1,016,998	1,030,771	1,053,861	1,142,808	1,199,572
Total business-type activities program revenues	1,869,949	1,920,523	2,005,034	1,766,663	1,741,929	1,798,730	1,939,180	1,944,152	1,702,940	1,277,218
Total district program revenues	\$ 3,296,504	\$ 3,810,776	\$ 4,047,330	\$ 4,029,729	\$ 4,018,388	\$ 4,124,746	\$ 4,011,510	\$ 4,230,054	\$ 4,098,567	\$ 4,689,505
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (39,668,723)	\$ (40,078,932)	\$ (43,085,298)	\$ (47,184,349)	\$ (52,528,234)	\$ (58,728,368)	\$ (61,838,282)	\$ (60,045,946)	\$ (61,040,009)	\$ (64,351,051)
Business-type activities	152,851	(76,714)	(77,853)	(144,719)	(226,715)	(249,440)	(201,903)	(123,805)	(82,366)	(77,523)
Total district-wide net expense	\$ (39,515,872)	\$ (40,155,646)	\$ (43,163,151)	\$ (47,329,068)	\$ (52,754,949)	\$ (58,977,808)	\$ (62,040,185)	\$ (60,169,751)	\$ (61,122,375)	\$ (64,428,574)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 27,882,960	\$ 28,419,932	\$ 28,988,330	\$ 29,753,765	\$ 30,907,252	\$ 31,827,901	\$ 32,879,872	\$ 34,180,255	\$ 35,225,237	\$ 36,270,179
Taxes levied for debt service	420,854	420,186	423,870	421,929	414,688	378,762	402,120	393,958	385,303	8,369,899
Tuition	5,914,129	6,714,158	5,626,526	5,969,338	6,727,108	7,744,083	7,980,012	8,482,342	8,386,082	
Federal and State Aid - Restricted										
Federal and State Aid - Not Restricted	6,325,802	7,466,294	7,355,462	12,149,173	14,041,339	18,332,258	19,950,875	17,092,170	16,354,589	22,359,394
Federal and State Aid - Capital Outlay				24,102	-	-		20,584	24,865	112,349
Local Aid - Capital Outlay	49,863	42,233	-	-	16,526	21,931	13,478			24,446
Investment earnings										
Miscellaneous income	400,832	682,752	471,823	569,869	772,411	906,559	1,175,087	1,030,155	951,233	999,859
Transfers						(476,095)	(251,935)	(202,180)	(327,945)	
Total governmental activities	40,994,440	43,745,555	42,866,011	48,888,176	52,879,324	58,735,399	62,149,509	60,997,284	60,999,364	68,136,126
<b>Business-type activities:</b>										
Transfers	-	-	-	-	-	476,095	251,935	202,180	327,945	-
Total business-type activities	\$ 40,994,440	\$ 43,745,555	\$ 42,866,011	\$ 48,888,176	\$ 52,879,324	\$ 59,211,494	\$ 62,401,444	\$ 61,199,464	\$ 61,327,309	\$ 68,136,126
<b>Change in Net Position</b>										
Governmental activities	\$ 1,325,717	\$ 3,666,623	\$ (219,287)	\$ 1,703,827	\$ 351,090	\$ 7,031	\$ 311,227	\$ 951,338	\$ (40,645)	\$ 3,785,075
Business-type activities	152,851	(76,714)	(77,853)	(144,719)	(226,715)	226,655	50,032	78,375	245,579	(77,523)
Total district	\$ 1,478,568	\$ 3,589,909	\$ (297,140)	\$ 1,559,108	\$ 124,375	\$ 233,686	\$ 361,259	\$ 1,029,713	\$ 204,934	\$ 3,707,552

Source: CAFR Schedule A-2

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Fund</b>										
Restricted	4,056,497	5,820,621	7,173,451	7,173,935	7,482,218	7,028,251	7,131,731	6,281,600	5,234,616	6,871,018
Committed	245,783									
Assigned	370,245	2,568,077	633,921	1,186,625	1,057,887	1,649,851	538,925	633,559	1,411,164	688,897
Unassigned	720,148	742,339	616,387	577,134	610,508	761,080	779,165	725,636	537,693	1,972,782
Total general fund	\$ 5,392,673	\$ 9,131,037	\$ 8,423,759	\$ 8,937,694	\$ 9,150,613	\$ 9,439,182	\$ 8,449,821	\$ 7,640,795	\$ 7,183,473	\$ 9,532,697
<b>All Other Governmental Funds</b>										
Restricted, reported in:										169,675
Special revenue fund										
Assigned, reported in:										
Special revenue fund	26,388									
Capital projects fund	102,363	102,363	111,698			1	1	1		139,781
Debt service fund	1	1	1	31,025	31,025	1	1	1		
Total all other governmental funds	\$ 128,752	\$ 102,364	\$ 111,699	\$ 31,025	\$ 31,025	\$ 1	\$ 1	\$ 1	\$ -	\$ 309,456

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Tax levy	\$ 28,303,814	\$ 28,840,118	\$ 29,412,200	\$ 30,175,694	\$ 31,321,940	\$ 32,206,663	\$ 33,281,992	\$ 34,574,213	\$ 35,610,540	\$ 36,270,179
Tuition	5,914,129	6,714,158	5,626,526	5,969,338	6,727,108	7,744,083	7,980,012	8,482,342	8,386,082	8,369,899
Miscellaneous	421,830	682,752	471,823	569,869	788,937	928,490	1,188,565	1,050,739	976,098	1,024,305
Student Group Receipts										207,611
State sources	6,471,378	7,697,950	7,630,004	8,096,934	8,871,888	9,804,000	10,808,487	13,136,750	13,766,221	16,017,630
Federal sources	1,309,842	1,700,830	1,767,754	2,108,413	2,034,938	2,060,087	1,813,839	1,998,131	2,214,608	3,202,368
Total revenue	42,420,993	45,635,808	44,908,307	46,920,248	49,744,811	52,743,323	55,072,895	59,242,175	60,953,549	65,091,992
<b>Expenditures</b>										
Instruction										
Regular Instruction	13,848,957	14,750,608	13,827,871	14,409,852	14,397,046	17,082,571	16,865,668	15,512,644	15,838,363	16,086,175
Special education instruction	3,438,197	3,594,285	5,145,616	5,597,551	5,783,504	3,814,943	4,235,149	6,761,879	7,254,848	7,794,204
Other special instruction	592,390	630,857	770,854	680,349	755,752	878,170	1,125,992	1,189,686	1,186,460	1,116,739
Other instruction	445,548	590,264	662,276	681,014	646,617	754,966	738,544	772,946	794,032	741,230
Support Services:										
Tuition	1,940,155	1,660,412	2,412,564	2,342,048	2,632,974	2,762,927	2,885,875	3,278,780	3,007,701	3,196,468
Health services						606,540	703,739	398,726	407,680	436,502
Student & instruction related services	3,115,043	3,669,891	4,276,931	4,406,946	4,391,655	4,350,264	5,275,273	4,927,574	4,777,763	5,461,047
School Administrative services	1,488,071	1,411,946	1,379,738	1,328,365	1,385,951	1,343,804	1,418,238	1,595,082	1,132,781	1,129,147
General administrative services	1,192,744	1,126,401	1,120,682	912,089	1,166,019	1,186,700	1,135,894	1,191,972	1,693,242	1,734,999
Central services and administrative information technology	541,295	636,821	760,258	683,263	1,033,321	920,022	984,759	1,011,384	1,018,315	1,013,279
Plant operations and maintenance	2,113,758	2,382,366	2,141,377	2,225,314	2,297,145	2,484,992	2,543,742	2,713,087	2,703,350	3,089,556
Pupil transportation	870,874	928,143	1,012,812	1,044,891	1,181,913	1,399,418	1,560,090	1,718,499	1,739,360	1,547,394
Unallocated benefits	7,903,934	6,001,160	6,356,332	6,528,231	7,098,894	7,462,448	8,148,391	8,604,151	8,726,971	8,417,468
On-behalf contributions	3,077,562	3,889,672	3,412,401	3,894,499	4,653,441	5,319,425	6,107,374	7,296,800	7,691,476	9,058,653
Charter Schools	30,224	51,535	48,351	76,578	81,329	41,985	18,992	23,013	21,757	37,512
Capital outlay	159,105	174,708	1,849,700	1,249,473	1,607,126	1,313,308	1,759,101	2,597,492	2,726,528	2,102,086
Debt service:										
Principal	300,000	310,000	325,000	335,000	340,000	350,000	360,000	370,000	380,000	
Interest and other charges	125,437	114,763	103,487	91,524	79,205	64,250	46,500	28,250	9,500	
Total expenditures	41,183,294	41,923,832	45,606,250	46,486,987	49,531,892	52,136,733	55,913,321	59,991,965	61,110,127	62,962,459
Excess (Deficiency) of revenues over (under) expenditures	1,237,699	3,711,976	(697,943)	433,261	212,919	606,590	(840,426)	(749,790)	(156,578)	2,129,533

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Other Financing sources (uses)</b>										
Capital leases (non-budgeted)	-	-	-	-	-	127,050	103,000	142,944	27,200	
Transfers in				111,698	-	-			1	
Transfers out				(111,698)	-	(476,095)	(251,935)	(202,180)	(327,946)	
Total other financing sources (uses)	-	-	-	-	-	(349,045)	(148,935)	(59,236)	(300,745)	-
Net change in fund balances	\$ 1,237,699	\$ 3,711,976	\$ (697,943)	\$ 433,261	\$ 212,919	\$ 257,545	\$ (989,361)	\$ (809,026)	\$ (457,323)	\$ 2,129,533
Debt service as a percentage of noncapital expenditures	1.0%	1.0%	1.0%	0.9%	0.9%	0.8%	0.8%	0.7%	0.7%	0.0%

Source: CAFR Schedule B-2



**CLIFFSIDE PARK BOARD OF EDUCATION**  
**General Fund Other Local Revenue by Source**  
**Last Ten Fiscal Years**  
**Unaudited**

Fiscal Year Ended June 30,	Interest on Investments	Tuition		Transportation		Refunds	Rent	Misc.	Total
		Revenue		Fees					
2012	6,193	5,914,129		290,940		55,614	10,015	38,070	6,314,961
2013	6,815	6,714,158		275,639		3,946		136,305	7,136,863
2014	4,921	5,626,526		290,586		4,049	9,787	162,480	6,098,349
2015	2,088	5,969,338		388,833		28,223		150,725	6,539,207
2016	18,780	6,727,108		482,184		62,294		209,153	7,499,519
2017	8,872	7,744,083		695,390		39,495		162,802	8,650,642
2018	15,962	7,980,012		861,737		23,932		273,456	9,155,099
2019	22,291	8,482,342		770,363		33,862		203,639	9,512,497
2020	21,833	8,386,082		771,548		21,918		135,934	9,337,315
2021	7,868	8,369,899		893,470		3,948		94,573	9,369,758

Source: District Records

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Year Ended Dec. 31,	Vacant Land				Residential		Commercial		Industrial		Apartment		Total Assessed Value		Less: Tax- Exempt Property		Public Utilities <sup>a</sup>		Net Valuation Taxable		Total Direct School Tax Rate <sup>b</sup>		Estimated Actual (County Equalized Value)		% of Net Assessed to Estimated Full Cash Valuations
2011	\$	7,345,100	\$	2,287,332,400	\$	180,014,700	\$	6,158,500	\$	257,428,300	\$	2,738,279,000	\$	2,745,653,071	\$	-	\$	7,374,071	\$	2,745,653,071	1.020	\$	3,267,134,590	\$	84.04%
2012	\$	5,230,800	\$	2,286,922,400	\$	177,462,000	\$	6,158,500	\$	256,622,900	\$	2,732,396,600	\$	2,739,206,721	\$	-	\$	6,810,121	\$	2,739,206,721	1.064	\$	3,069,279,243	\$	89.45%
2013	\$	4,926,700	\$	2,290,400,200	\$	175,128,600	\$	6,158,500	\$	254,091,100	\$	2,730,705,100	\$	2,736,419,565	\$	-	\$	5,714,465	\$	2,736,419,565	1.085	\$	2,909,085,995	\$	94.10%
2014	\$	4,896,700	\$	2,297,734,100	\$	185,198,500	\$	4,562,900	\$	250,242,800	\$	2,742,635,000	\$	2,748,092,917	\$	-	\$	5,457,917	\$	2,748,092,917	1.120	\$	2,901,874,485	\$	94.70%
2015	\$	10,614,200	\$	2,307,857,200	\$	177,888,800	\$	3,952,700	\$	255,676,000	\$	2,755,988,900	\$	2,761,817,249	\$	-	\$	5,828,349	\$	2,761,817,249	1.151	\$	2,987,769,028	\$	92.44%
2016	\$	27,852,700	\$	2,316,723,800	\$	177,598,700	\$	3,927,500	\$	257,177,300	\$	2,783,280,000	\$	2,789,097,465	\$	-	\$	5,817,465	\$	2,789,097,465	1.174	\$	3,096,731,675	\$	90.07%
2017	\$	36,739,700	\$	2,333,225,200	\$	176,711,900	\$	3,927,500	\$	263,945,400	\$	2,814,549,700	\$	2,820,346,370	\$	-	\$	5,796,670	\$	2,820,346,370	1.203	\$	3,279,821,874	\$	85.99%
2018	\$	14,217,700	\$	2,449,134,600	\$	174,673,300	\$	3,927,500	\$	264,370,400	\$	2,906,323,500	\$	2,912,217,922	\$	-	\$	5,894,422	\$	2,912,217,922	1.206	\$	3,425,459,628	\$	85.02%
2019	\$	16,694,500	\$	2,466,986,100	\$	174,949,100	\$	3,927,500	\$	264,370,400	\$	2,926,927,600	\$	2,932,676,218	\$	-	\$	5,748,618	\$	2,932,676,218	1.226	\$	3,573,230,623	\$	82.07%
2020	\$	15,143,300	\$	2,490,404,600	\$	179,549,300	\$	3,927,500	\$	260,636,100	\$	2,949,660,800	\$	2,955,662,658	\$	-	\$	6,001,858	\$	2,955,662,658	1.240	\$	3,634,341,170	\$	81.33%

Source: Municipal Tax Assessor

NOTE: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

<sup>a</sup> Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies<sup>b</sup> Tax rates are per \$100

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
*(rate per \$100 of assessed value)*

Fiscal Year Ended June 30,	Cliffside Park Board of Education			Overlapping Rates		Total Direct and Overlapping Tax Rate
	General Obligation		Total Direct	Borough of Cliffside Park	Bergen County	
	Basic Rate <sup>a</sup>	Debt Service <sup>b</sup>				
2012	1.02	0.02	1.043	0.86	0.24	2.138
2013	1.04	0.02	1.060	0.87	0.25	2.177
2014	1.07	0.02	1.085	0.88	0.247	2.212
2015	1.10	0.02	1.120	0.867	0.253	2.240
2016	1.13	0.02	1.151	0.929	0.265	2.345
2017	1.15	0.02	1.174	0.94	0.278	2.392
2018	1.19	0.01	1.203	0.95	0.285	2.4376
2019	1.19	0.014	1.206	0.95	0.286	2.442
2020	1.21	0.01	1.226	0.96	0.302	2.488
2021	1.24	0.00	1.240	0.968	0.309	2.517

Source: District Records and Municipal Tax Collector

**Note:** NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, which ever is greater, plus any pending growth adjustments.

**a** The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net val

**b** Rates for debt service are based on each year's requirements.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Briarcliff Corp.	\$ 71,500,000	1	2.42%	\$ 75,500,000	1	2.76%
Palisadium Mgmt. Corp.	\$ 12,550,500	3	0.42%	\$ 12,550,500	2	0.46%
Cliff Lane/Palisade Ave, LLC	\$ 14,238,200	2	0.48%	\$ 3,496,700	8	0.13%
T&F Realty	\$ 5,000,000	7	0.17%	\$ 6,250,000	4	0.23%
Savoy Plaza	\$ 5,664,800	6	0.19%	\$ 5,664,800	5	0.21%
Carlton Corp.	\$ 4,700,500	8	0.16%	\$ 4,700,500	6	0.17%
Timmes Realty Assoc.	\$ 3,690,500	9		\$ 3,690,500	7	0.13%
TD Banknorth	\$ 2,370,000	10		\$ 2,370,000	10	0.09%
Verizon - New Jersey	\$ 6,001,858	4	0.20%	\$ 8,566,465	3	0.31%
Walker Properties	\$ 5,794,200	5	0.20%			
G&N Realty				\$ 3,300,000	9	0.12%
Total	\$ 131,510,558		4.24%	\$ 126,089,465		4.60%
Net Assessed Valuation:			\$ 2,955,662,658	\$ 2,739,206,721		

Source: Municipal Tax Assessor.

**Exhibit J-9**

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Fiscal Year Ended	District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of		Collections in Subsequent Years
		Amount	Percentage of Levy	
2012	\$28,303,814	\$28,049,175	99.10%	\$ 254,639
2013	\$28,840,118	\$28,840,118	100.00%	\$ -
2014	\$29,412,200	\$29,412,200	100.00%	\$ -
2015	\$30,175,694	\$30,175,694	100.00%	\$ -
2016	\$31,321,940	\$31,321,940	100.00%	\$ -
2017	\$32,206,663	\$32,206,663	100.00%	\$ -
2018	\$33,281,992	\$33,281,992	100.00%	\$ -
2019	\$34,574,213	\$34,574,213	100.00%	\$ -
2020	\$35,610,540	\$35,610,540	100.00%	\$ -
2021	\$36,270,179	\$36,270,179	100.00%	\$ -

Source: Municipal Tax Collector

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities	Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds/Loans <sup>b</sup>	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2012	2,770,000	73,192	-	-	2,843,192	2.54%	\$ 72,164
2013	2,460,000	37,734	-	-	2,497,734	2.87%	\$ 71,699
2014	2,135,000	10,076	-	-	2,145,076	3.47%	\$ 74,480
2015	1,800,000	-	-	-	1,800,000	4.32%	\$ 77,767
2016	1,460,000	-	-	-	1,460,000	5.44%	\$ 79,407
2017	1,110,000	83,900	-	-	1,193,900	6.84%	\$ 81,676
2018	750,000	145,722	-	-	895,722	9.65%	\$ 86,404
2019	380,000	177,253	-	-	557,253	16.05%	\$ 89,456
2020	-	120,327	-	-	120,327	Not Available	Not Available
2021	-	65,346	-	-	65,346	Not Available	Not Available

Source: District CAFR Schedules I-1, I-2

**Note:** Details regarding the district's outstanding debt can be found in the notes to the financial statements.

**a** See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

**b** Includes Early Retirement Incentive Plan (ERIP) refunding

Exhibit J-11

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Ratios of Net General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds/Loans	Deductions	Net General Bonded Debt Outstanding		
2012	\$ 2,770,000	-	2,770,000	0.10%	\$ 38
2013	\$ 2,460,000	-	2,460,000	0.09%	\$ 34
2014	\$ 2,135,000	-	2,135,000	0.08%	\$ 29
2015	\$ 1,800,000	-	1,800,000	0.07%	\$ 23
2016	\$ 1,460,000	-	1,460,000	0.05%	\$ 18
2017	\$ 1,110,000	-	1,110,000	0.04%	\$ 14
2018	\$ 750,000		750,000	0.03%	\$ 9
2019	\$ 380,000		380,000	0.01%	\$ 4
2020	\$ -		-	0.00%	Not Available
2021	\$ -		-	0.00%	Not Available

**Note:** Details regarding the district's outstanding debt can be found in the notes to the financial statements.  
**a** See Exhibit NJ J-6 for property tax data.  
**b** Population data can be found in Exhibit NJ J-14.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Ratios of Overlapping Governmental Activities Debt**  
**As of June 30, 2021**

<u>Governmental Unit</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Debt Outstanding</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Direct Debt of School District as of June 30, 2021</b>			\$ -
<b>Net overlapping debt of School District:</b>			
Borough of Cliffside Park	100.000%	\$ 34,707,374	
County of Bergen - City's Share	1.775%	\$ 16,951,370	
Bergen County Utility Authority-City's Share	3.183%	\$ 4,305,983	
<b>Subtotal, overlapping debt</b>			<u>\$ 55,964,728</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 55,964,728</u></u>

**Sources:** Borough of Cliffside Park Finance Office / Bergen County Treasurer's Office

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Cliffside Park. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.



Equalized valuation basis	
2020	\$ 3,634,341,170
2019	\$ 3,573,230,623
2018	\$ 3,425,459,628
<b>[A]</b>	<b>\$ 10,633,031,421</b>
Average equalized valuation of taxable property	
<b>[A/3]</b>	<b>\$ 3,544,343,807</b>
Debt limit (4 % of average equalization value)	
<b>[B]</b>	<b>141,773,752</b>
Net bonded school debt	
<b>[C]</b>	<b>-</b>
Legal debt margin	
<b>[B-C]</b>	<b>\$ 141,773,752</b>

Source: Abstract of Ratables and District Records CAFR Schedule J-6

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**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<u>Year</u>	<u>Population <sup>a</sup></u>	<u>Personal Income (thousands of dollars) <sup>b</sup></u>	<u>Per Capita Personal Income <sup>c</sup></u>	<u>Unemployment Rate <sup>d</sup></u>
2012	24,306	\$ 1,754,018,184	72,164	9.60%
2013	24,378	\$ 1,747,878,222	71,699	8.30%
2014	24,403	\$ 1,817,535,440	74,480	5.10%
2015	24,490	\$ 1,904,513,830	77,767	4.00%
2016	24,537	\$ 1,948,409,559	79,407	4.00%
2017	24,653	\$ 2,013,558,428	81,676	3.70%
2018	25,759	\$ 2,225,680,636	86,404	3.30%
2019	26,120	\$ 2,336,590,720	89,456	2.60%
2020	26,001	Not Available	Not Available	8.80%
2021	Not Available	Not Available	Not Available	Not Available

**Source:**

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Personal income - Bergen County - provided by NJ Dept of Labor and Workforce Development

<sup>c</sup> Per Capita Personal Income - Bergen County - provided by NJ Dept of Labor and Workforce Development

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Principal Employers**  
**Current Year and Ten Years Ago**

<u>2021</u>				<u>2011</u>		
<u>Employer</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>

THE NEW JERSEY DEPARTMENT OF LABOR AND AREA EMPLOYERS REFUSED  
TO RELEASE INFORMATION NEEDED TO COMPLETE THIS SCHEDULE DUE TO  
PRIVACY CONCERNS

**Source:** Borough of Cliffside Park

This schedule should include the ten largest employers, unless fewer are required to reach 50 percent of total employment.

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Full-time Equivalent District Employees by Function/Program,**  
**Last Ten Fiscal Years**

<u>Function/Program</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>
Instruction										
Regular	183	204	207	212	210	189	219	224	223	221
Special education	30	33	27	26	47	44	37	41	44	47
Support Services:										
Student & instruction related services	62	71	82	87	91	72	76	80	146	127
General administrative services	1	1	1	1	1	1	1	1	1	1
School administrative services	7	7	7	7	12	7	8	8	8	8
Central services	6	6	6	6	6	11	11	12	12	12
Plant operations and maintenance	5	5	5	5	5	5	5	5	5	5
Pupil transportation	48	52	52	62	67	63	54	57	68	79
Food Service	22	23	23	24	32	41	53	46	53	56
Total	364	402	410	430	471	433	464	474	560	556

**Source:** District Personnel Records

**CLIFFSIDE PARK BOARD OF EDUCATION**  
Operating Statistics  
Last Ten Fiscal Years

Fiscal Year	Pupil/Teacher Ratio											
	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2012	2,810	40,598,752	14,448	0.05%	209	1:23	1:25	1:24	2,760	2,611	0.18%	94.60%
2013	2,839	41,324,361	14,556	0.75%	225	1:24	1:25	1:24	2,850	2,674	3.28%	93.80%
2014	2,901	43,328,063	14,936	2.61%	234	1:23	1:24	1:23	2,910	2,771	2.09%	95.22%
2015	2,968	44,810,990	15,098	1.09%	238	1:23	1:24	1:23	2,957	2,815	1.62%	95.20%
2016	3,000	47,505,561	15,835	4.88%	257	1:23	1:24	1:23	2,938	2,793	-0.64%	95.06%
2017	3,074	50,409,175	16,399	3.56%	233	1:23	1:24	1:23	3,054	2,888	3.95%	94.56%
2018	3,164	53,747,720	16,987	3.59%	256	1:23	1:24	1:23	3,113	2,974	1.93%	95.53%
2019	3,154	56,996,223	18,071	6.38%	265	1:23	1:24	1:23	3,096	2,953	-0.55%	95.38%
2020	3,203	57,994,099	18,106	0.19%	267	1:23	1:24	1:23	3,140	3,017	1.42%	96.08%
2021	3,107	60,860,373	19,588	1.98%	268	1:23	1:24	1:23	3,076	2,941	-2.04%	95.61%

**Sources:** District records, ASSA and Schedules J-4

**Note:** Enrollment based on annual October district count for all students attending school facilities

<sup>a</sup> Operating expenditures equal total general fund and special revenue fund expenditures less debt service and capital outlay; Schedule J-4, DOE Budget Report (Disb/Paid Column)

<sup>b</sup> Teaching staff includes only full-time equivalents of certificated staff.

<sup>c</sup> Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**School Building Information**  
**Last Ten Fiscal Years**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b><u>District Buildings</u></b>										
<b><u>Elementary</u></b>										
School #3										
Square Feet	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	328	319	333	346	308	285	291	294	389	395
School #4										
Square Feet	57,574	57,574	57,574	57,574	57,574	57,574	57,574	57,574	57,574	57,574
Capacity (students)	600	600	600	600	600	600	600	600	600	600
Enrollment	496	478	493	502	569	598	575	568	560	532
School #5										
Square Feet	22,080	22,080	22,080	22,080	22,080	22,080	22,080	22,080	22,080	22,080
Capacity (students)	180	180	180	180	180	180	180	180	180	180
Enrollment	203	211	229	246	281	316	327	341	332	287
School #6										
Square Feet	44,250	44,250	44,250	44,250	44,250	44,250	44,250	44,250	44,250	44,250
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	346	381	364	380	355	326	346	327	311	274
<b><u>Middle School</u></b>										
Middle School										
Square Feet	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Capacity (students)	375	375	375	375	375	375	375	375	375	375
Enrollment	352	359	378	376	361	393	408	426	410	423
<b><u>High School</u></b>										
High School										
Square Feet	112,563	112,563	112,563	112,563	112,563	112,563	112,563	112,563	112,563	112,563
Capacity (students)	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Enrollment	1,035	1,091	1,104	1,118	1,126	1,156	1,217	1,198	1,233	1,196
<b><u>Other</u></b>										
ELC										
Square Feet	36,000	36,000								
Capacity (students)	375	375								
Enrollment	298	323								

Number of Schools at June 30, 2021

Elementary = 4

Middle School = 1

High School = 1

Other School = 0

**Source:** District records, ASSA

Note: Enrollment is based on students' enrolled within the District -- out of district students have not been included

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**General Fund**  
**Schedule of Required Maintenance for School Facilities**  
**Last Ten Fiscal Years**  
**Unaudited**

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

School Facilities	Project # (s)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
School #3	N/A	32,232	29,895	41,217	63,045	44,380	51,967	34,207	24,081	31,214	29,732
School #4	N/A	50,494	35,929	37,615	47,463	45,689	44,357	26,462	32,341	31,641	44,372
School #5	N/A	5,940	53,704	38,822	26,834	34,038	37,151	22,445	34,796	21,405	46,753
School #6	N/A	53,910	47,292	42,563	97,501	88,473	97,488	58,480	118,539	64,417	94,626
High School	N/A	45,256	54,095	56,236	57,364	57,286	76,356	60,604	69,005	64,668	98,390
Grand Total		\$ 187,832	\$ 220,915	\$ 216,453	\$ 292,207	\$ 269,866	\$ 307,319	\$ 202,198	\$ 278,762	\$ 213,345	\$ 313,873

\*-Note: 2013 - Child Study Team in School #5 start of fiscal year, moved to school #3 during fiscal year (all expenditures allocated to #5)

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**Insurance Schedule**  
**For the Fiscal Year Ended June 30, 2021**  
**Unaudited**

Company	Type of Coverage	Coverage	Deductible
	School package policy:		
	New Jersey School Boards Association Insurance Group		
	Property - Blanket Building and Contents	\$ 500,000,000	\$ 5,000
	Comprehensive General Liability	11,000,000	
	Comprehensive Automobile Liability	11,000,000	
	Computers and schedule equipment -		
	Data Processing Equipment	2,000,000	1,000
	School Board legal liability -		
	Professional Errors and Omissions	11,000,000	10,000
	Public Employees' Faithful Performance Blanket		
	Position Bond - Treasurer	350,000	1,000
	Position Bond - Board Secretary	50,000	500
	Public Employee Dishonesty with Faithful Performance	100,000	1,000
	Earthquake	50,000,000	500,000
	Flood	75,000,000	750,000
	Terrorism	1,000,000	

Source: District Records



**SINGLE AUDIT SECTION**



**WIELKOTZ & COMPANY** LLC  
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S 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**

Honorable President and  
Members of the Board of Education  
Borough of Cliffside Park School District  
County of Bergen, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Cliffside Park School District, in the County of Bergen, New Jersey, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 1, 2022.

***Internal Control Over Financial Reporting***

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

We noted certain matters that were required to be reported to the Board of Education of the Borough of Cliffside Park School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated February 1, 2022.

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

*Steven D. Wielkotz*

Steven D. Wielkotz, C.P.A.  
Licensed Public School Accountant  
No. 816

*Wielkotz & Company, LLC*

WIELKOTZ & COMPANY, LLC  
Certified Public Accountants  
Pompton Lakes, New Jersey

February 1, 2022





**WIELKOTZ & COMPANY** LLC  
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE  
AND N.J. OMB CIRCULAR 15-08**

Honorable President and  
Members of the Board of Education  
Borough of Cliffside Park School District  
County of Bergen, New Jersey

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

We have audited the Board of Education of the Borough of Cliffside Park School District in the County of Bergen, New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Borough of Cliffside Park Board of Education's major federal and state programs for the year ended June 30, 2021. The Borough of Cliffside 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 the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Borough of Cliffside 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; and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and N.J. OMB Circular 15-08. Those standards, the Uniform Guidance and N.J. OMB Circular 15-08 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 and state program occurred. An audit includes examining, on a test basis, evidence about the Borough of Cliffside 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 Borough of Cliffside Park Board of Education's compliance.

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

In our opinion, the Borough of Cliffside 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 year ended June 30, 2021.

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

Management of the Borough of Cliffside 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 Borough of Cliffside Park Board of Education's internal control over compliance with the type 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 Uniform Guidance and N.J. 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 Borough of Cliffside 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 and 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 and 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 and 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 Uniform Guidance and N.J. OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

*Steven D. Wielkotz*

Steven D. Wielkotz, C.P.A.  
Licensed Public School Accountant  
No. 816

*Wielkotz & Company, LLC*

WIELKOTZ & COMPANY, LLC  
Certified Public Accountants  
Pompton Lakes, New Jersey

February 1, 2022

CLIFFSIDE PARK  
BOARD OF EDUCATION

## Schedule of Expenditures of Federal Awards

Year ended June 30, 2021

Federal Grantor/Pass-through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2020	Carryover/ (Walkover) Amount	Cash Received	Total Budgetary Expenditures	Adjustments	Balance at June 30, 2021	
											(Accounts Receivable)	Deferred Revenue/ Interfund Payable Due to Grantor
U.S. Department of Education Passed-through State Department of Education: General Fund:												
Medicaid Administrative Claiming (MAC	93.778	2005NI5MAP	N/A	7/1/20-6/30/21	\$ 16,876			16,876	16,876			
Medical Assistance Program (SEMI)	93.778	2005NI5MAP	N/A	7/1/20-6/30/21	91,052			91,052	91,052			
FFCRA/SEMI Revenue	93.775	2005NI5MAP	N/A	7/1/20-6/30/21	10,155			10,155	10,155			
FEMA	97.036		N/A	7/1/20-6/30/21	8,356			8,356	8,356			
Total General Fund								126,439	126,439			
U.S. Department of Education Passed-through State Department of Education: Special Revenue Fund:												
Title I Part A, Improving Basic Programs	84.010	S010A200030	ESEA-0890-21	7/1/20-9/30/21	678,443		(88,919)	614,796	656,557		(130,680)	
Title I Part A, Improving Basic Programs	84.010	S010A190030	ESEA-0890-20	7/1/19-9/30/20	635,917	(88,919)	88,919				(22,100)	
Title I SIA	84.010	S010A200030	ESEA-0890-21	7/1/20-9/30/21	24,900	(88,919)		614,796	678,657		(152,780)	
ID.E.A. Part B	84.027	H027A200100	IDEA-0890-21	7/1/20-9/30/21	731,014		(77,374)	808,388	731,014			
ID.E.A. Part B	84.027	H027A190100	IDEA-0890-20	7/1/19-9/30/20	688,773	(77,374)	77,374				(17,043)	
ID.E.A. Part B Preschool	84.173	H173A200114	IDEA-0890-21	7/1/20-9/30/21	17,360	16			17,043			16
ID.E.A. Part B Preschool	84.173	H173A180114	IDEA-0890-19	7/1/18-6/30/19	16,908	(77,358)		808,388	748,057		(17,043)	16
Title II Part A	84.367A	S367A200029	ESEA-0890-21	7/1/20-9/30/21	103,420	(29,738)	(29,738)	113,231	97,398		(13,905)	
Title II Part A	84.367A	S367A190029	ESEA-0890-20	7/1/19-9/30/20	89,621	(29,738)	29,738	113,231	97,398		(13,905)	
Title III	84.365A	S365A200030	ESEA-0890-21	7/1/20-9/30/21	70,327		(4,477)	26,428	41,426		(19,475)	
Title III	84.365A	S365A190030	ESEA-0890-20	7/1/19-9/30/20	74,002	(4,477)	4,477				(31,660)	
Title III, Immigrant	84.365A	S365A200030	ESEA-0890-21	7/1/20-9/30/21	31,661			26,428	73,086		(51,135)	
21st Century Community Learning Centers	84.287C	S287C200030	CCLC-0890-21	9/1/20-8/31/21	500,000			149,731	282,485		(132,754)	
21st Century Community Learning Centers	84.287C	S287C190030	CCLC-0890-20	9/1/19-8/31/20	500,000	(182,217)	(29,738)	314,572	132,355			
						(182,217)		464,303	414,840		(132,754)	
CARES - ESSER I	84.425D	S425D200027		3/13/20-10/15/22	508,473	(481,070)		508,258	27,169			19
Non-Public Digital Divid	84.425D	S377A130031		7/16/20-10/31/20	242,342	(481,070)		242,342	242,342			
								750,600	269,511			19
COVID Relief Fund	21.019	S425D200027		3/1/20-12/31/21	259,805			259,805	259,805			
								259,805	259,805			
Passed through the County of Bergen:												
County CARES Act	21.019	S425D200027		3/1/20-12/31/21	144,391			144,391	144,391			
								144,391	144,391			
Total Special Revenue Fund						(863,779)		3,181,942	2,685,745		(367,617)	16

CLIFFSIDE PARK  
BOARD OF EDUCATION

## Schedule of Expenditures of Federal Awards

Year ended June 30, 2021

Federal Grantor/Pass-through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2020	Carryover/ (Walkover) Amount	Cash Received	Total Budgetary Expenditures	Adjustments	Balance at June 30, 2021	
											(Accounts Receivable)	Deferred Revenue/ Interfund Payable
U.S. Department of Agriculture												
Passed-through State Department of Education:												
Enterprise Fund:												
USDA Commodities	10.555	201NIJ304N1096	N/A	7/1/20-6/30/21	\$ 92,036			92,036	92,036			
National Breakfast Program SSO	10.553	211NIJ304N1099	N/A	7/1/20-6/30/21	411,785			393,737	411,785		(18,048)	
National Breakfast Program SSO	10.553	201NIJ304N1099	N/A	3/18/20-6/30/20	155,511	(52,904)		52,904				
National School Lunch Program SSO	10.555	211NIJ304N1099	N/A	7/1/20-6/30/21	655,942			582,047	655,942		(73,895)	
National School Lunch Program SSO	10.555	201NIJ304N1099	N/A	3/18/20-6/30/20	247,929	(84,164)		84,164				
National School Snack Program	10.555	211NIJ304N1099	N/A	7/1/20-6/30/21	3,502			3,113	3,502		(389)	
Emergency Operational Cost Program - School	10.555	211NIJ304N1099	N/A	7/1/20-6/30/21	7,857			7,857			(7,857)	
P-EBT Administrative Cost	10.649		N/A	7/1/20-6/30/21	3,063				3,063		(3,063)	
Total Enterprise Fund						(137,068)		1,208,001	1,174,185		(103,252)	
Total Federal Financial Assistance						\$ (1,000,847)		4,516,382	3,986,369		(470,869)	19
												16

See accompanying notes to schedules of expenditures of federal and state awards



**CLIFFSIDE PARK**  
**BOARD OF EDUCATION**  
**Schedule of Expenditures of State and Local Awards**  
**Year ended June 30, 2021**

Balance at June 30, 2020										Balance at June 30, 2021					MEMO		
State/Local Grantor/Program Title	Grant or Project Number	Grant Period	Award Amount	Deferred Revenue (Assets Receivable)	Due to Grantor	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures Pass through Funds	Budgetary Expenditures Direct	Adjustments	Repayment of Prior Years' Balances	Intergovernmental (Accounts Receivable)	Deferred Revenue Interfund Payable	Due to Grantor at	Budgetary Receivable	Cumulative Total Expenditures	
State Department of Education:																	
General Fund:																	
Equalization Aid	495-034-5120-078	7/1/20-6/30/21	2,378,992				2,169,667	2,378,992							*	209,325	2,378,992
Special Education Aid	495-034-5120-089	7/1/20-6/30/21	1,923,091				1,753,881	1,923,091							*	169,210	1,923,091
Security Aid	495-034-5120-084	7/1/20-6/30/21	926,208				844,712	926,208							*	81,496	926,208
Transportation Aid	495-034-5120-014	7/1/20-6/30/21	323,598				295,125	323,598							*	28,473	323,598
Extraordinary Aid	495-034-5120-044	7/1/20-6/30/21	1,007,431					1,007,431				(1,007,431)			*		1,007,431
Extraordinary Aid	495-034-5120-044	7/1/19-6/30/20	499,779	(499,779)			499,779								*		499,779
Reimbursed TPAF Social Security	495-034-5094-003	7/1/20-6/30/21	1,724,816				1,556,786	1,724,816				(168,030)			*	1,724,816	1,724,816
Reimbursed TPAF Social Security	495-034-5094-003	7/1/19-6/30/21	1,656,424	(161,685)			161,685								*	1,656,424	1,656,424
On Behalf TPAF - Post Retirement Medical	495-034-5094-001	7/1/20-6/30/21	1,748,973				1,748,973	1,748,973							*	1,748,973	1,748,973
On Behalf TPAF Pension Contributions	495-034-5094-002	7/1/20-6/30/21	5,476,716				5,476,716	5,476,716							*	5,476,716	5,476,716
On Behalf TPAF NCGI Premium	495-034-5094-004	7/1/20-6/30/21	104,202				104,202	104,202							*	104,202	104,202
On Behalf TPAF - LTDI	495-034-5094-004	7/1/20-6/30/21	3,946				3,946	3,946							*	3,946	3,946
Total General Fund				(661,464)			14,615,472	15,617,973				(1,175,461)			*	488,504	17,774,176
Special Revenue Fund:																	
Preschool Education Aid	495-034-5120-086	7/1/20-6/30/21	239,190				215,271	239,190				(23,919)			*	23,919	239,190
Preschool Education Aid	495-034-5120-086	7/1/19-6/30/20	288,478	(28,848)			28,848								*		288,478
N.J. Nonpublic Textbook Aid	100-034-5120-064	7/1/20-6/30/21	305				305	246						59	*		246
N.J. Nonpublic Textbook Aid	100-034-5120-064	7/1/19-6/30/20	158	34							34				*		124
N.J. Nonpublic Technology Initiative	100-034-5120-373	7/1/19-6/30/20	108	108							108				*		108
N.J. Nonpublic Nursing Services	100-034-5120-070	7/1/20-6/30/21	510				510	451			22			59	*		451
N.J. Nonpublic Nursing Services	100-034-5120-070	7/1/19-6/30/20	291	22											*		269
N.J. Nonpublic Security Grant	100-034-5120-509	7/1/20-6/30/21	875				875	800			41			75	*		800
N.J. Nonpublic Security Grant	100-034-5120-509	7/1/19-6/30/20	450	41											*		409
Total Special Revenue Fund				(28,643)			245,809	240,687			205	(23,919)			*	23,919	529,967
Capital Projects Fund:																	
Alyssa's Law/School Security Grant		7/1/20-6/30/22	173,129												*		173,129
Total Capital Projects Fund								173,129				(173,129)			*		173,129
Enterprise Fund:																	
National School Lunch Program SSO (State Share)	100-010-3350-023	7/1/20-6/30/21	25,387	(1,323)			20,483	25,387				(4,904)			*		25,387
National School Lunch Program SSO (State Share)	100-010-3350-023	3/18/20-6/30/20	3,896	(1,323)			1,323								*		3,896
Total Enterprise Fund				(2,646)			21,806	25,387				(4,904)			*		29,283
Total State Financial Assistance																	
Less: On-Behalf TPAF Pension System Contributions				(691,430)			14,883,087	16,057,176			205	(1,377,413)			*	512,423	18,506,555
On Behalf TPAF - Post Retirement Medical	495-034-5094-001							1,748,973							*		1,748,973
On Behalf TPAF Pension Contributions	495-034-5094-002							5,476,716							*		5,476,716
On Behalf TPAF NCGI Premium	495-034-5094-004							104,202							*		104,202
On Behalf TPAF - LTDI	495-034-5094-004							3,946							*		3,946
Total State Financial Assistance								7,333,837							*		7,333,837
Total State Financial Assistance								8,722,339							*		8,722,339
Local Awards:																	
Special Revenue Fund		7/1/20-6/30/21					24,446		24,446						*		24,446
NISBAIG Safety Grant Program 2019															*		
Total Local Awards							24,446	24,446							*		24,446
Total State/Local Financial Assistance				(691,430)			14,907,533	16,081,622			205	(1,377,413)			*	512,423	18,531,001

See accompanying notes to schedules of expenditures of federal and state awards.

**NOTE 1. GENERAL**

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance present the activity of all federal and state award programs of the Board of Education, Borough of Cliffside Park School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies is included on the Schedules of Expenditures of Federal Awards and State Financial Assistance.

**NOTE 2. BASIS OF ACCOUNTING**

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented on 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 bases of accounting are described in Notes 2(D) and 2(E) to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of *2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ in amounts presented in or used in the preparation of the basic financial statements.

**NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

The basic 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 the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment 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, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

**NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS, (continued)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(14,568) for the general fund and \$390,593 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
General Fund	\$126,439	\$15,603,405	\$	\$15,729,844
Special Revenue Fund	3,075,929	241,096	24,446	3,341,471
Capital Projects Fund		173,129		173,129
Food Service Fund	<u>1,174,185</u>	<u>25,387</u>	<u>          </u>	<u>1,199,572</u>
Total Awards and Financial Assistance	<u>\$4,376,553</u>	<u>\$16,043,017</u>	<u>\$24,446</u>	<u>\$20,444,016</u>

**NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

**NOTE 5. OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2021. The amount reported as TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2021.

**NOTE 6. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT**

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, the amount of \$7,333,837 of on-behalf payments is excluded from major program determination.

**NOTE 7. INDIRECT COST RATE**

The Borough of Cliffside Park School District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE 8. SCHOOLWIDE PROGRAM FUNDS**

Schoolwide programs are not separate federal programs as defined in *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Grant Guidance); amounts used in schoolwide programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditures of Federal Awards. The following funds by program are included in schoolwide programs in the school district:

<u>Program</u>	<u>Total</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	\$678,657
Title II, Part A: <i>Improving Teacher Quality State Grants</i>	97,398
Title III: <i>English Language Acquisition State Grants</i>	<u>73,086</u>
Total	<u><u>\$849,141</u></u>

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

*Section I - Summary of Auditor's Results*

**Financial Statements**

Type of auditor's report issued: unmodified

Internal control over financial reporting:

1. Significant deficiencies identified that are not considered to be material weaknesses?                      yes       X       none reported
2. Material weakness(es) identified?                      yes       X       no

Noncompliance material to basic financial statements noted?                      yes       X       no

**Federal Awards**

Internal Control over major programs:

1. Significant deficiencies identified that are not considered to be material weaknesses?                      yes       X       none reported
2. Material weakness(es) identified?                      yes       X       no

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027/84.173</u> (B)	<u>H027A200100</u>	<u>IDEA, Part B-Basicv/IDEA, Part B-Preschool</u>
<u>84.010</u> (B)	<u>S010A2000030</u>	<u>Title I, Part A</u>

Note: (B) - Tested as Major Type B Program.

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

Auditee qualified as low-risk auditee?       X       yes                      no

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(CONTINUED)**

*Section I - Summary of Auditor's Results, (continued)*

**State Awards**

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

Auditee qualified as low-risk auditee?                                       X   yes                no

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

Internal Control over major programs:

1. Significant deficiencies identified that are not  
considered to be material weaknesses?    yes       X   none reported

2. Material weakness(es) identified?    yes       X   no

Any audit findings disclosed that are required to  
be reported in accordance with NJ OMB Circular  
Letter 15-08?    yes       X   no

Identification of major programs:

**State Grant/Project Number(s)**

**Name of State Program**

<div style="border-bottom: 1px solid black; padding-bottom: 2px;">495-034-5120-089/</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px;">495-034-5120-084/</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px;">495-034-5120-078</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px;">495-034-5120-086</div>	<div>(A)</div> <div>(B)</div>	<div style="border-bottom: 1px solid black; padding-bottom: 2px;">State Aid Public Cluster:</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px;">Special Education Categorical Aid/</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px;">Security Aid/Equalization Aid</div> <div style="border-bottom: 1px solid black; padding-bottom: 2px;">Preschool Education Aid</div>
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Note: (A) - Tested as Major Type A Program.

Note: (B) - Tested as Major Type B Program.

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

***Section II – Financial Statement Findings***

NONE

***Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs***

**FEDERAL AWARDS**

None

**STATE AWARDS**

None

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**Status of Prior Year Findings**

**Finding 2020-001**

**Condition:**

Employee health benefits are not being calculated in accordance with Chapter 78, P.L. 2011 (approved June 28, 2011).

**Current Status:**

Corrective action has been taken for the current year.