

**DELAWARE VALLEY REGIONAL
HIGH SCHOOL DISTRICT**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

JUNE 30, 2021

**Responsibility of the Management of
Delaware Valley Regional High School District
Hunterdon County, New Jersey**



Certified Public Accountants, PC

**DELAWARE VALLEY REGIONAL
HIGH SCHOOL DISTRICT**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2021

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HIGH SCHOOL DISTRICT**

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Delaware Valley Regional High School Board of Education



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Daria A. Wasserbach
Superintendent

Teresa O'Brien, RSBA
Business Administrator/Board Secretary

February 9, 2022

Honorable President and
Members of the Board of Education
Delaware Valley Regional High School District
County of Hunterdon, New Jersey

Dear Board Members:

The Annual Comprehensive Financial Report of the Delaware Valley Regional High School District for the fiscal year ended June 30, 2021, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the 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 State Treasury OMB Circular Letter 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: Delaware Valley Regional High School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by Statement No. 14. All funds and account groups of the District are included in this report. The Delaware Valley Regional High School Board of Education constitutes the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular, vocational and special education services. The District completed the 2020-2021 fiscal year with an average daily enrollment of 672.4 students, which is a 2.43% decrease over the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2020-2021	672.4	(2.43%)
2019-2020	689.2	2.85%
2018-2019	670.1	(3.37%)
2017-2018	693.5	(16.26%)
2016-2017	828.2	(5.92%)
2015-2016	880.3	(1.51%)
2014-2015	893.8	(5.45%)
2013-2014	945.3	(1.66%)
2012-2013	961.3	1.90%
2011-2012	943.4	(5.89%)

2. ECONOMIC CONDITION AND OUTLOOK: The Delaware Valley Regional High School is composed of five municipalities: Alexandria Township, Frenchtown Borough, Holland Township, Kingwood Township, and Milford Borough. Primarily rural/residential, the area contains a relatively small number of businesses to support the tax base. The State of New Jersey continues to not fully fund the state aid formula for local school districts.

Since the completion of Route 78, the commuter population has migrated westward into the Delaware Valley Region, primarily into Alexandria and Kingwood Townships. As a result, over the last few decades, the residential population, including school age children, has been increasing, until recent years. In 1975, the 89 square miles comprising the Regional District contained about 11,800 residents. By 1990, that number had increased to 14,612. According to the official data from the 2010 U.S. Census, the Delaware Valley Regional was comprised of 16,085 people broken down by municipalities as follows:

Alexandria Township	-	4,730
Frenchtown Borough	-	1,349
Holland Township	-	5,077
Kingwood Township	-	3,753
Milford Borough	-	1,176

Enrollments are currently not declining as rapidly and are starting to stabilize. However, as a result of the state aid redistribution bill, known as S2, which passed in 2018, the district is experiencing a significant decrease in state aid. Over a 5 year period, the district is slated to lose \$2.7M of state financial support. Fiscal year 2020 represented year 2 of the 5 year phase out. To this point, all district educational programs have been maintained, although there has been a decrease in staffing levels.

3. STUDENT PROGRESS: One Hundred Sixty-Two (162) students comprised Delaware Valley's 2021 graduating class.

Due to the pandemic and the school closures in the spring of 2021, the NJSLA test was not administered.

Offered is a comprehensive program, consisting primarily of in-house courses, which includes some out-of-district placements for handicapped, disadvantaged and special needs students. College level courses and college credits are being offered through a concurrent enrollment program offered by partnerships with Raritan Valley Community College, Seton Hall University and NJIT.

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

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

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

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

6. 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 and account groups. These funds and account groups are explained in Notes to the Financial Statements, Note 1.

7. FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues meeting its responsibilities for sound financial management.

8. DEBT ADMINISTRATION: At June 30, 2021, the District has no outstanding debt.

9. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in Notes to the Financial Statements, Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

10. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property, content, and fidelity bonds. The Board oversees risk management for the District. A schedule of insurance coverage is found on J-20.

11. OTHER INFORMATION:

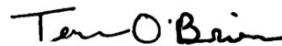
Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of BKC, CPAs, PC, was appointed by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the 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 State Treasury OMB Circular Letter 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. The auditor's report on the general-purpose financial statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,



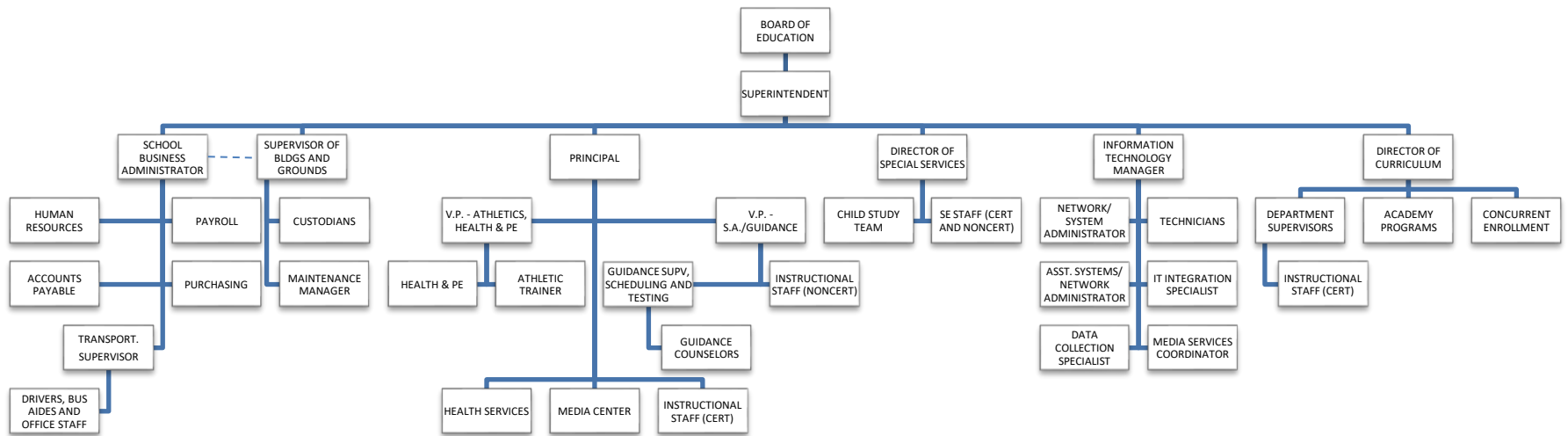
Daria A. Wasserbach
Superintendent of Schools



Teresa O'Brien
Board Secretary/Business Administrator

DELAWARE VALLEY REGIONAL HIGH SCHOOL BOARD OF EDUCATION
 ORGANIZATIONAL CHART

REVISED: JULY 2019



DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT

Roster of Officials

June 30, 2021

<u>Members of the Board of Education</u>	<u>Title</u>	<u>Municipality</u>	<u>Term Expires</u>
Ellen Gordon	President	Milford Borough	2022
Jonathan DeLisle	Vice President	Alexandria Township	2023
Linda DeFrancesco		Kingwood Township	2021
Debora Frank		Kingwood Township	2021
Michelle Kletter		Alexandria Township	2021
Patrick Mancini		Holland Township	2021
George Tavernite		Holland Township	2022
Gerard Bowers		Holland Township	2022
Amy Elphick		Frenchtown Borough	2023

Other Officials

Title

Daria A. Wasserbach	Superintendent of Schools
Teresa O'Brien	Business Administrator/Board Secretary
Raymond Krov	Treasurer of School Monies

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Consultants and Advisors
June 30, 2021

ATTORNEY

Fogarty & Hara
Counselors at Law
16-00 Route 208 South
Fair Lawn, NJ 07410

AUDIT FIRM

BKC, CPAs, PC
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Flemington, NJ 08822

ARCHITECT

SSP Architectural Group, Inc.
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Bridgewater, NJ 08807

FINANCIAL ADVISOR

Phoenix Advisors
4 West Park Street
Bordentown, NJ 08505

OFFICIAL DEPOSITORY

Investors Savings Bank
Corporate Office
101 JFK Parkway
Short Hills, NJ 07078

SCHOOL PHYSICIAN

St. Luke's Warren Physician Group, P.C.
c/o St. Luke's Physician Group, Inc.
801 Ostrum Street
Bethlehem, PA 18015



Certified Public Accountants, PC
www.bkc-cpa.com

Independent Auditors' Report

Honorable President and
Members of the Board of Education
Delaware Valley Regional School District
County of Hunterdon, 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 Delaware Valley Regional School District (the District) in the County of Hunterdon, as of and for the fiscal 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 misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District'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 District'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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Delaware Valley Regional School District, 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.

Change in Accounting Principle

The District adopted new accounting guidance as promulgated by GASB Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules, Schedules Related to Accounting and Reporting for Pensions, and Schedules Related to Accounting and Reporting for Other Postemployment Employee Benefits listed in the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's Basic Financial Statements. The introduction section, combining and individual fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and Schedule of Expenditures of State Financial Assistance required by New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also not a required part of the basic financial statements.

The combining and individual fund financial statements, Schedule of Expenditures of Federal Awards, and Schedule of Expenditures of State Financial Assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the combining and individual fund financial statements, Schedule of Expenditures of Federal Awards, and Schedule of Expenditures of State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introduction and statistical sections have 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 9, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 District's internal control over financial reporting and compliance.



BKC, CPAs, PC



Michael Holk, CPA, PSA
NO. 20CS00265600

February 9, 2022
Flemington, New Jersey

REQUIRED SUPPLEMENTARY INFORMATION - PART I

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

The discussion and analysis of Delaware Valley Regional High School District's (the District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2021 are as follows:

- In total, net position increased \$1,712,129, which represents an 17.51% increase from 2020.
- General revenues accounted for \$26,552,594 in revenue or 84.12% of all revenues. Program specific revenues in the form of charges for services, operating grants, and contributions accounted for \$5,010,968 or 15.88% to total revenues of \$31,563,562.
- Total assets of governmental activities increased by \$622,779, as cash and cash equivalents increased by \$1,022,365, receivables and other assets increased by \$157,568, and capital assets decreased by \$557,154.
- The School District had \$29,848,023 in expenses; only \$5,010,968 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) were \$26,552,594.
- Among major funds, the general fund had \$21,889,467 in revenues and \$20,208,516 in expenditures. After factoring in other financing uses of \$12,933, the general fund's balance increased \$1,668,018 from 2020.

Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Delaware Valley Regional High School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Delaware Valley Regional High School District, the general fund is by far the most significant fund.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question; "How did we do financially during fiscal year 2021?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in those assets. This change in net position is important because it tells the reader that, for the School District as a whole, the financial positions of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. No financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District reports governmental activities. Governmental activities are the activities where most of the School District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund, special revenue fund, capital projects fund and debt service fund.

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds measure and report the operating results by measuring cash on hand and other assets that can be easily converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provided.

Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position at June 30, 2021 compared to June 30, 2020.

Table 1
Net Position

	06/30/21	06/30/20	Variance	
			Dollars	Percent
Assets				
Current & other assets	\$ 7,234,187	\$ 5,735,211	\$ 1,498,976	26.14%
Capital assets	17,698,291	18,794,896	(1,096,605)	-5.83%
Total assets	24,932,478	24,530,107	402,371	1.64%
Deferred pension activity	1,373,014	1,981,650	(608,636)	-30.71%
Liabilities				
Long-term liabilities	10,640,022	12,947,262	(2,307,240)	-17.82%
Other liabilities	672,435	533,658	138,777	26.00%
Total liabilities	11,312,457	13,480,920	(2,168,463)	-16.09%
Deferred pension activity	3,504,290	3,254,221	250,069	7.68%
Net position				
Net investment in capital assets	15,106,391	15,084,249	22,142	0.15%
Restricted	3,682,013	3,329,113	352,900	10.60%
Unrestricted	(7,299,659)	(8,636,746)	1,337,087	15.48%
Total net position	\$ 11,488,745	\$ 9,776,616	\$ 1,712,129	17.51%

Total assets increased \$402,371 Cash and cash equivalents increased by \$1,534,576, receivables and other assets decreased by \$35,600, and capital assets decreased by \$1,096,605. Unrestricted net position, the part of net position that can be used to finance day to day activities without constraints established by grants or legal requirements, of the School District increased by \$1,337,087.

The negative balance in unrestricted net position is the result of reporting required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the State.

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Table 2 shows the changes in net position for the fiscal year ended June 30, 2021 compared to June 30, 2020.

Table 2
Changes in Net Position

	06/30/21	06/30/20	Variance	
			Dollars	Percent
Revenues				
Program revenues				
Charges for services	\$ 4,530,978	\$ 4,874,902	\$ (343,924)	-7.05%
Operating grants and contributions	479,990	264,150	215,840	81.71%
General revenues				
Property taxes	15,344,427	15,043,555	300,872	2.00%
Grants and entitlements	11,111,256	9,289,218	1,822,038	19.61%
Other	96,911	133,727	(36,816)	-27.53%
Total revenues	<u>31,563,562</u>	<u>29,605,552</u>	<u>1,958,010</u>	<u>6.61%</u>
Expenses				
Instruction				
Regular	10,203,963	8,928,631	1,275,332	14.28%
Special	2,248,726	2,093,215	155,511	7.43%
Other	1,434,687	1,404,372	30,315	2.16%
Support services				
Tuition	967,312	1,374,230	(406,918)	-29.61%
Student & instructional related services	5,833,691	4,899,186	934,505	19.07%
General & business administration	1,316,464	1,483,117	(166,653)	-11.24%
School administration	912,644	517,206	395,438	76.46%
Maintenance	1,750,962	1,680,396	70,566	4.20%
Transportation	987,438	1,080,789	(93,351)	-8.64%
Food service	204,772	280,930	(76,158)	-27.11%
Summer enrichment	-	4,150	(4,150)	-100.00%
Transportation	3,653,685	4,760,412	(1,106,727)	-23.25%
Technology services	194,418	98,785	95,633	96.81%
Administrative services	112,504	114,927	(2,423)	-2.11%
Interest on long-term debt	26,757	42,411	(15,654)	-36.91%
Total expenses	<u>29,848,023</u>	<u>28,762,757</u>	<u>1,085,266</u>	<u>3.77%</u>
Increase (Decrease) in Net Position before special position	<u>1,715,539</u>	<u>842,795</u>	<u>872,744</u>	<u>103.55%</u>
Special Item				
Lease proceeds utilized	-	(1,758,333)	1,758,333	-100.00%
Increase (decrease) in net position	<u>\$ 1,715,539</u>	<u>\$ (915,538)</u>	<u>\$ 2,631,077</u>	<u>-287.38%</u>

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Governmental Activities

Local property taxes made up 48.61% of revenues for governmental activities for the Delaware Valley Regional High School District for fiscal year 2021.

Instruction comprises 46.53% of district expenses. Support services expenses make up 53.47% of the expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 provides a summary of the School District's cost of governmental services in fiscal year ending June 30, 2021 compared to June 30, 2020.

Table 3
Cost of Governmental Services

	Total Cost of Services		Net Cost of Services	
	06/30/21	06/30/20	06/30/21	06/30/20
Instruction	\$ 13,887,376	\$ 12,426,218	\$ 13,761,089	\$ 12,353,780
Support services				
Tuition	967,312	1,374,230	808,470	1,214,435
Student & instructional staff	5,833,691	4,899,186	5,657,285	4,875,758
General & business administration	1,316,464	1,483,117	1,316,464	1,483,117
School administration	912,644	517,206	912,644	517,206
Plant operations & maintenance	1,750,962	1,680,396	1,651,282	1,488,906
Pupil transportation	987,438	1,080,789	987,438	1,080,789
Food services	204,772	280,930	29,920	14,839
Summer enrichment	-	4,150	-	-
Transportation	3,653,685	4,760,412	(228,012)	700,125
Technology services	194,418	98,785	(81,987)	(145,939)
Administrative services	112,504	114,927	(4,295)	(1,722)
Interest on long-term debt	26,757	42,411	26,757	42,411
Total expenses	\$ 29,848,023	\$ 28,762,757	\$ 24,837,055	23,623,705

Instructional expenses include activities dealing directly with the teaching of pupils and the interaction between teacher and student.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students.

General administration, school administration, and business administration include expenses associated with administrative and financial supervision of the District.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
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Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in a safe and effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by State law.

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District.

The dependence upon tax revenues is apparent. For all activities, general revenue support is 84.12%. The community, as a whole, is the primary support or funding source for the Delaware Valley Regional High School District.

The School District's Funds

Information about the School District's major funds starts in the section entitled Fund Financial Statements. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$22,300,939 and expenditures of \$21,216,912. The general fund had an increase in fund balance of \$1,668,018.

General Fund Budgeting Highlights

The School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund.

During the course of fiscal year 2021, the School District amended its general fund budget as needed. The School District uses program-based budgeting and the budgeting systems are designed to tightly control program budgets but provide flexibility for program management.

For the general fund, budget basis revenue and other financing sources were \$18,888,131, \$383,405 above original budgeted estimates of \$18,504,726. This difference was primarily due to receiving unbudgeted extraordinary aid.

The general fund revenues of the School District exceeded expenditures and other financing uses by \$1,613,121, due to excess revenues of \$383,405 and unspent budgetary lines. This enabled the capital reserve account to be increased by \$1,000,000 and maintenance reserve by \$225,000. The financial position of the School District remains strong.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
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For the Fiscal Year Ended June 30, 2021
Unaudited

Capital Assets

At the end of the fiscal year 2021, the School District had \$17,698,291 invested in land, building and improvements, furniture and equipment, and vehicles. Table 4 shows June 30, 2021 balances compared to June 30, 2020.

Table 4
Capital Assets at Year End (Net of Depreciation)

	06/30/21	06/30/20	Variance	
			Dollars	Percent
Land	\$ 36,845	\$ 36,845	\$ -	0.00%
Land improvements	13,777,544	13,770,792	6,752	0.05%
Buildings & improvements	2,375,439	3,268,893	(893,454)	-27.33%
Furniture & equipment	908,092	925,730	(17,638)	-1.91%
Vehicles	600,371	792,636	(192,265)	-24.26%
	<u>\$ 17,698,291</u>	<u>\$ 18,794,896</u>	<u>\$ (1,096,605)</u>	<u>-5.83%</u>

Overall capital assets decreased \$1,096,605 from fiscal year 2020 to fiscal year 2021. Increases in capital assets were offset by depreciation expenses for the year.

Long-term liabilities

At June 30, 2021, the School District had \$10,640,022 of outstanding long-term liabilities. This amount is detailed in Table 5 below for June 30, 2021 compared to June 30, 2020.

At June 30, 2021, the legal debt limit is \$71,549,506. General obligation debt at June 30, 2021 is \$0 resulting in a legal debt margin of \$71,549,506.

Table 5
Long-Term Liabilities at Year End

	06/30/21	06/30/20	Variance	
			Dollars	Percent
Compensated absences payable	\$ 939,963	\$ 1,027,476	\$ (87,513)	-8.52%
Capital leases payable	2,591,903	3,710,650	(1,118,747)	-30.15%
PERS net pension liability	7,108,156	8,209,136	(1,100,980)	-13.41%
	<u>\$ 10,640,022</u>	<u>\$ 12,947,262</u>	<u>\$ (2,307,240)</u>	<u>-17.82%</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
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For the Future

The Delaware Valley Regional High School District is in satisfactory financial condition at this time. The School District is proud of its community support of the public schools. The School District has continued to grow its program offerings for its students while being sensitive to the taxpayers. The District has a reliance on local property taxes which is a main source of funding. Legislation passed that redistributes state aid continues to be a concern and struggle over the next several years. Delaware Valley Regional High School is losing a significant amount of state aid under the new legislation.

In conclusion, the Delaware Valley Regional High School District has committed itself to financial excellence for many years. Further, the District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, kindly contact Teresa O'Brien, School Business Administrator/Board Secretary at Delaware Valley Regional High School Board of Education, 19 Senator Stout Road, Frenchtown, NJ 08825 or email at teresaobrien@dvrhs.k12.nj.us.

DISTRICT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Net Position
June 30, 2021

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 1,470,987	\$ 1,424,731	\$ 2,895,718
Receivables, net	439,915	201,781	641,696
Inventory	-	8,455	8,455
Restricted assets			
Capital reserve account - cash	2,677,431	-	2,677,431
Emergency reserve - cash	250,000	-	250,000
Maintenance reserve - cash	425,698	-	425,698
Scholarships - cash	23,123	-	23,123
Student activities - cash	86,482	-	86,482
Unemployment claims - cash	225,584	-	225,584
Capital assets, net			
Land	36,845	-	36,845
Other capital assets, net of depreciation	15,004,909	2,656,537	17,661,446
Total assets	20,640,974	4,291,504	24,932,478
Deferred outflows of resources			
Deferred amount on pension activity	782,315	590,699	1,373,014
Liabilities			
Accounts payable	256,669	33,568	290,237
Accrued interest	15,206	-	15,206
Payroll deductions and withholdings payable	269,526	-	269,526
Unearned revenue	67,573	23,588	91,161
Unemployment compensation claims payable	6,305	-	6,305
Long-term liabilities			
Due within one year	553,043	472,424	1,025,467
Due beyond one year	6,047,161	3,567,394	9,614,555
Total liabilities	7,215,483	4,096,974	11,312,457
Deferred inflows of resources			
Deferred amount on pension liability	1,996,670	1,507,620	3,504,290

See accompanying notes to financial statements.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Net Position (continued)
June 30, 2021

	Governmental Activities	Business-Type Activities	Total
Net position			
Net investment in capital assets	\$ 13,338,027	\$ 1,768,364	\$ 15,106,391
Restricted for			
Capital reserve	2,677,431	-	2,677,431
Emergency reserve	250,000	-	250,000
Maintenance reserve	425,698	-	425,698
Scholarships	23,123	-	23,123
Student activities	86,482	-	86,482
Unemployment claims	219,279	-	219,279
Unrestricted	(4,808,904)	(2,490,755)	(7,299,659)
Total net position	\$ 12,211,136	\$ (722,391)	\$ 11,488,745

See accompanying notes to financial statements.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2021

Functions/Programs	Direct Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue & Changes in Net Position		
			Charges for Services	Operating Grants & Contribution	Capital Grants & Contribution	Governmental Activities	Business-Type Activities	Total
Governmental activities								
Instruction								
Regular	\$ 4,390,658	\$ 5,813,305	\$ 50,119	\$ 50,653	\$ -	\$ (10,103,191)	\$ -	\$ (10,103,191)
Special education	844,511	1,261,970	-	-	-	(2,106,481)	-	(2,106,481)
Other special education	70,209	72,036	-	25,515	-	(116,730)	-	(116,730)
Other instruction	987,016	447,671	-	-	-	(1,434,687)	-	(1,434,687)
Support services								
Tuition	967,312	-	-	158,842	-	(808,470)	-	(808,470)
Students & instruction related services	2,898,891	2,934,800	83,100	93,306	-	(5,657,285)	-	(5,657,285)
General & business administration services	727,883	588,581	-	-	-	(1,316,464)	-	(1,316,464)
School administration services	463,211	449,433	-	-	-	(912,644)	-	(912,644)
Plant operations & maintenance	1,205,856	545,106	99,680	-	-	(1,651,282)	-	(1,651,282)
Pupil transportation	985,928	1,510	-	-	-	(987,438)	-	(987,438)
Interest on long-term debt	26,757	-	-	-	-	(26,757)	-	(26,757)
Total governmental activities	<u>13,568,232</u>	<u>12,114,412</u>	<u>232,899</u>	<u>328,316</u>	<u>-</u>	<u>(25,121,429)</u>	<u>-</u>	<u>(25,121,429)</u>
Business-type activities								
Transportation service	3,653,685	-	3,881,697	-	-	-	228,012	228,012
Food service	204,772	-	23,178	151,674	-	-	(29,920)	(29,920)
Technology service	194,418	-	276,405	-	-	-	81,987	81,987
Administrative service	112,504	-	116,799	-	-	-	4,295	4,295
Total business-type activities	<u>4,165,379</u>	<u>-</u>	<u>4,298,079</u>	<u>151,674</u>	<u>-</u>	<u>-</u>	<u>284,374</u>	<u>284,374</u>
Total primary government	<u>\$ 17,733,611</u>	<u>\$ 12,114,412</u>	<u>\$ 4,530,978</u>	<u>\$ 479,990</u>	<u>\$ -</u>	<u>(25,121,429)</u>	<u>284,374</u>	<u>(24,837,055)</u>
General revenues, special items and transfers								
Property taxes levied for general purposes						15,344,427	-	15,344,427
Federal and state aid not restricted						11,111,256	-	11,111,256
Investment earnings						11,981	27	12,008
Miscellaneous income						58,922	25,981	84,903
Transfer in (out)						(12,933)	12,933	-
Total general revenues, special items and transfers						<u>26,513,653</u>	<u>38,941</u>	<u>26,552,594</u>
Change in net position						1,392,224	323,315	1,715,539
Net position - beginning (as restated)						10,818,912	(1,045,706)	9,773,206
Net position - ending						<u>\$ 12,211,136</u>	<u>\$ (722,391)</u>	<u>\$ 11,488,745</u>

See accompanying notes to financial statements.

FUND FINANCIAL STATEMENTS

The individual fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 1,463,281	\$ 7,706	\$ -	\$ -	\$ 1,470,987
Receivables from other governments					
Local	9,000	-	-	-	9,000
State	355,342	-	-	-	355,342
Federal	15,110	59,864	-	-	74,974
Other accounts receivables	599	-	-	-	599
Restricted cash and cash equivalents	3,578,713	109,605	-	-	3,688,318
Total assets	\$ 5,422,045	\$ 177,175	\$ -	\$ -	\$ 5,599,220
Liabilities and fund balances					
Liabilities					
Accounts payable	\$ 256,669	\$ -	\$ -	\$ -	\$ 256,669
Payroll deductions and withholdings payable	269,526	-	-	-	269,526
Unearned revenue	3	67,570	-	-	67,573
Unemployment compensation claims payable	6,305	-	-	-	6,305
Total liabilities	532,503	67,570	-	-	600,073

See accompanying notes to financial statements.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Governmental Funds
Balance Sheet (continued)
June 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Liabilities and fund balances					
Fund balances					
Restricted fund balance					
Capital reserve	\$ 2,677,431	\$ -	\$ -	\$ -	\$ 2,677,431
Emergency reserve	250,000	-	-	-	250,000
Maintenance reserve	425,698	-	-	-	425,698
Scholarships	-	23,123	-	-	23,123
Student activities	-	86,482	-	-	86,482
Unemployment claims	219,279	-	-	-	219,279
Committed fund balance					
Year-end encumbrances	634,544	-	-	-	634,544
Assigned fund balance					
Designated for subsequent year's expenditures	300,000	-	-	-	300,000
Unassigned fund balance	382,590	-	-	-	382,590
Total fund balances	<u>4,889,542</u>	<u>109,605</u>	<u>-</u>	<u>-</u>	<u>4,999,147</u>
Total liabilities and fund balances	<u>\$ 5,422,045</u>	<u>\$ 177,175</u>	<u>\$ -</u>	<u>\$ -</u>	

Statement of Net Position (A-1) are different because:

Capital assets used in government activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$31,645,340 and the accumulated depreciation is \$16,603,586.	15,041,754
Deferred outflows and inflows of resources are applicable to future periods and, therefore, are not reported in the funds.	(1,214,355)
Long-term liabilities, including bonds payable and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(6,600,204)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	<u>(15,206)</u>
Total net position of governmental activities	<u>\$ 12,211,136</u>

See accompanying notes to financial statements.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Revenues					
Local sources					
Local tax levy	\$ 15,344,427	\$ -	\$ -	\$ -	\$ 15,344,427
Tuition					
Other LEAs	50,119	-	-	-	50,119
Interest	11,925	56	-	-	11,981
Rents and royalties	99,680	-	-	-	99,680
Miscellaneous	58,922	112,068	-	-	170,990
Total local sources	15,565,073	112,124	-	-	15,677,197
State sources	6,324,394	-	-	-	6,324,394
Federal sources	-	299,348	-	-	299,348
Total revenues	21,889,467	411,472	-	-	22,300,939
Expenditures					
Current					
Instructional					
Regular instruction	4,439,154	9,099	-	-	4,448,253
Special education instruction	844,511	-	-	-	844,511
Other special instruction	44,694	25,515	-	-	70,209
Other instruction	987,016	-	-	-	987,016
Support service & undistributed costs					
Tuition	808,470	158,842	-	-	967,312
Student & instruction related services	2,706,117	192,774	-	-	2,898,891
General & business administrative services	727,883	-	-	-	727,883
School administrative services	463,211	-	-	-	463,211
Plant operations & maintenance	1,205,856	-	-	-	1,205,856
Pupil transportation	985,928	-	-	-	985,928
Unallocated benefits	6,214,930	-	-	-	6,214,930

See accompanying notes to financial statements.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
For the Fiscal Year Ended June 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Expenditures (cont'd)					
Capital outlay	\$ 753,765	\$ 41,554	\$ 580,612	\$ -	\$ 1,375,931
Debt service					
Interest & other charges	26,981	-	-	-	26,981
Total expenditures	<u>20,208,516</u>	<u>427,784</u>	<u>580,612</u>	<u>-</u>	<u>21,216,912</u>
Excess (deficit) of revenues over (under) expenditures	<u>1,680,951</u>	<u>(16,312)</u>	<u>(580,612)</u>	<u>-</u>	<u>1,084,027</u>
Other financing sources (uses)					
Operating transfers out	<u>(12,933)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,933)</u>
Total other financing sources (uses)	<u>(12,933)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,933)</u>
Net change in fund balance	1,668,018	(16,312)	(580,612)	-	1,071,094
Fund balances, July 1 (as restated)	<u>3,221,524</u>	<u>125,917</u>	<u>580,612</u>	<u>-</u>	<u>3,928,053</u>
Fund balances, June 30	<u>\$ 4,889,542</u>	<u>\$ 109,605</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,999,147</u>

See accompanying notes to financial statements.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2021

Total net changes in fund balances - Governmental fund (from B-2) \$ 1,071,094

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 expenses. This is the amount by which depreciation exceeds capital outlays in the period:

Capitalized expenditures	\$ 891,922	
Depreciation and amortization expense	<u>(1,449,076)</u>	(557,154)

Repayment of leases are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and are not reported in the Statement of Activities:

Lease principal payments		541,604
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In the Statement of Activities, interest on long-term liabilities is accrued regardless of when due. In the governmental funds interest is reported when due. The accrued interest is a reconciling item.

224

Governmental funds report district pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

275,652

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities (continued)
For the Fiscal Year Ended June 30, 2021

In the Statement of Activities, compensated absences and early retirement benefits 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 a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.

\$ 60,804

Change in net position of governmental activities

\$ 1,392,224

See accompanying notes to financial statements.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Net Position
June 30, 2021

	Non-Major Funds				Total Non-Major Funds	Total
	Major Fund Transportation Service Fund	Food Service Fund	Technology Service Fund	Administrative Service Fund		
Assets						
Current assets						
Cash and cash equivalents	\$ 1,400,735	\$ 9,743	\$ 6,073	\$ 8,180	\$ 23,996	\$ 1,424,731
Receivables from other governments						
Local	184,816	-	-	-	-	184,816
State	-	736	-	-	736	736
Federal	-	16,229	-	-	16,229	16,229
Inventory	-	8,455	-	-	8,455	8,455
Total current assets	<u>1,585,551</u>	<u>35,163</u>	<u>6,073</u>	<u>8,180</u>	<u>49,416</u>	<u>1,634,967</u>
Deferred outflows	<u>557,357</u>	<u>-</u>	<u>33,342</u>	<u>-</u>	<u>33,342</u>	<u>590,699</u>
Noncurrent assets						
Capital assets	7,722,493	214,144	-	-	214,144	7,936,637
Less: accumulated depreciation	<u>5,089,497</u>	<u>190,603</u>	<u>-</u>	<u>-</u>	<u>190,603</u>	<u>5,280,100</u>
Total noncurrent assets	<u>2,632,996</u>	<u>23,541</u>	<u>-</u>	<u>-</u>	<u>23,541</u>	<u>2,656,537</u>
Total assets	<u>4,775,904</u>	<u>58,704</u>	<u>39,415</u>	<u>8,180</u>	<u>106,299</u>	<u>4,882,203</u>

See accompanying notes to financial statements.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Net Position
June 30, 2021

	Non-Major Funds				Total Non-Major Funds	Total
	Major Fund Transportation Service Fund	Food Service Fund	Technology Service Fund	Administrative Service Fund		
Liabilities						
Current liabilities						
Accounts payable	\$ 15,860	\$ 16,718	\$ -	\$ 990	\$ 17,708	\$ 33,568
Unearned revenues - commodities	-	3,965	-	-	3,965	3,965
Unearned revenues - prepaid sales	-	11,545	-	-	11,545	11,545
Unearned revenues - other	8,078	-	-	-	-	8,078
Long-term liabilities						
Due within one year	472,424	-	-	-	-	472,424
Due beyond one year	3,394,780	-	172,614	-	172,614	3,567,394
Total liabilities	<u>3,891,142</u>	<u>32,228</u>	<u>172,614</u>	<u>990</u>	<u>205,832</u>	<u>4,096,974</u>
Deferred inflows	<u>1,422,522</u>	<u>-</u>	<u>85,098</u>	<u>-</u>	<u>85,098</u>	<u>1,507,620</u>
Net position						
Invested in capital assets, net of related debt	1,744,823	23,541	-	-	23,541	1,768,364
Unrestricted	<u>(2,282,583)</u>	<u>2,935</u>	<u>(218,297)</u>	<u>7,190</u>	<u>(208,172)</u>	<u>(2,490,755)</u>
Total net position	<u>\$ (537,760)</u>	<u>\$ 26,476</u>	<u>\$ (218,297)</u>	<u>\$ 7,190</u>	<u>\$ (184,631)</u>	<u>\$ (722,391)</u>

See accompanying notes to financial statements.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Year Ended June 30, 2021

	Non-Major Funds				Total Non-Major Funds	Total
	Major Fund Transportation Service Fund	Food Service Fund	Technology Service Fund	Administrative Service Fund		
Operating revenues						
Charges for services						
Daily sales - reimbursable programs	\$ -	\$ 12,659	\$ -	\$ -	\$ 12,659	\$ 12,659
Daily sales - non-reimbursable programs	-	10,519	-	-	10,519	10,519
Fees for services	3,881,697	-	196,909	116,799	313,708	4,195,405
Support services - employee benefits	-	-	79,496	-	79,496	79,496
Total operating revenues	<u>3,881,697</u>	<u>23,178</u>	<u>276,405</u>	<u>116,799</u>	<u>416,382</u>	<u>4,298,079</u>
Operating expenses						
Cost of sales - reimbursable programs	-	65,328	-	-	65,328	65,328
Cost of sales - non-reimbursable programs	-	5,157	-	-	5,157	5,157
Commodity food costs	-	11,432	-	-	11,432	11,432
Covid related cost	-	9,857	-	-	9,857	9,857
Salaries	1,992,143	65,161	129,291	87,807	282,259	2,274,402
Supports services - employee benefits	525,934	8,975	65,127	18,356	92,458	618,392
Purchased professional/technical services	54,143	2,114	-	-	2,114	56,257
Purchased property services	41,572	3,621	-	1,303	4,924	46,496
Other purchased services						
Insurance	91,621	8,411	-	-	8,411	100,032
Management fee	-	13,178	-	-	13,178	13,178
Other purchased services	111,500	-	-	2,290	2,290	113,790
Supplies and materials	269,846	6,273	-	133	6,406	276,252
Depreciation	566,469	3,933	-	-	3,933	570,402
Miscellaneous expenditures	457	1,332	-	2,615	3,947	4,404
Total operating expenses	<u>3,653,685</u>	<u>204,772</u>	<u>194,418</u>	<u>112,504</u>	<u>511,694</u>	<u>4,165,379</u>
Operating income (loss)	<u>228,012</u>	<u>(181,594)</u>	<u>81,987</u>	<u>4,295</u>	<u>(95,312)</u>	<u>132,700</u>

See accompanying notes to financial statements.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Year Ended June 30, 2021

	Non-Major Funds				Total Non-Major Funds	Total
	Major Fund Transportation Service Fund	Food Service Fund	Technology Service Fund	Administrative Service Fund		
Non-operating revenues (expenses)						
State sources						
State school lunch program	\$ -	\$ 4,931	\$ -	\$ -	\$ 4,931	\$ 4,931
Federal sources						
National school breakfast program						
Cash assistance	-	44,559	-	-	44,559	44,559
National school lunch program						
Cash assistance	-	90,752	-	-	90,752	90,752
Non-cash assistance (commodities)	-	11,432	-	-	11,432	11,432
Other sources						
Interest earned on investments	-	27	-	-	27	27
Operating transfer in	-	12,933	-	-	12,933	12,933
Miscellaneous	13,329	12,652	-	-	12,652	25,981
Total non-operating revenues (expenses)	<u>13,329</u>	<u>177,286</u>	<u>-</u>	<u>-</u>	<u>177,286</u>	<u>190,615</u>
Change in net position	241,341	(4,308)	81,987	4,295	81,974	323,315
Net position, beginning	<u>(779,101)</u>	<u>30,784</u>	<u>(300,284)</u>	<u>2,895</u>	<u>(266,605)</u>	<u>(1,045,706)</u>
Net position, ending	<u>\$ (537,760)</u>	<u>\$ 26,476</u>	<u>\$ (218,297)</u>	<u>\$ 7,190</u>	<u>\$ (184,631)</u>	<u>\$ (722,391)</u>

See accompanying notes to financial statements.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2021

	Non-Major Funds				Total Non-Major Funds	Total
	Major Fund Transportation Service Fund	Food Service Fund	Technology Service Fund	Administrative Service Fund		
Cash flows from operating activities						
Receipts from customers	\$ 4,093,741	\$ 22,231	\$ 199,400	\$ 120,681	\$ 342,312	\$ 4,436,053
Payments to Food Service Management Co.	-	(168,982)	-	-	(168,982)	(168,982)
Payments to vendors (net)	(2,988,675)	(8,703)	(196,909)	(115,396)	(321,008)	(3,309,683)
Net cash provided by (used for) operating activities	<u>1,105,066</u>	<u>(155,454)</u>	<u>2,491</u>	<u>5,285</u>	<u>(147,678)</u>	<u>957,388</u>
Cash flows from non-capital financing activities						
State sources	-	4,202	-	-	4,202	4,202
Federal sources	-	119,774	-	-	119,774	119,774
Interfund receipts	-	-	-	-	-	-
Operating transfer in	-	18,933	-	-	18,933	18,933
Miscellaneous	13,329	6,652	-	-	6,652	19,981
Net cash provided by (used for) non-capital financing activities	<u>13,329</u>	<u>149,561</u>	<u>-</u>	<u>-</u>	<u>149,561</u>	<u>162,890</u>
Cash flows from capital financing activities						
Lease payments	(577,143)	-	-	-	-	(577,143)
Acquisition of equipment	(27,447)	(3,504)	-	-	(3,504)	(30,951)
Net cash provided by (used for) capital financing activities	<u>(604,590)</u>	<u>(3,504)</u>	<u>-</u>	<u>-</u>	<u>(3,504)</u>	<u>(608,094)</u>
Cash flows from investing activities						
Interest earned on investments	-	27	-	-	27	27
Net cash provided by (used for) investing activities	<u>-</u>	<u>27</u>	<u>-</u>	<u>-</u>	<u>27</u>	<u>27</u>

See accompanying notes to financial statements.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2021

	Non-Major Funds				Total Non-Major Funds	Total
	Major Fund Transportation Service Fund	Food Service Fund	Technology Service Fund	Administrative Service Fund		
Net increase (decrease) in cash cash equivalents	\$ 513,805	\$ (9,370)	\$ 2,491	\$ 5,285	\$ (1,594)	\$ 512,211
Cash and cash equivalents, beginning	886,930	19,113	3,582	2,895	25,590	912,520
Cash and cash equivalents, ending	<u>\$ 1,400,735</u>	<u>\$ 9,743</u>	<u>\$ 6,073</u>	<u>\$ 8,180</u>	<u>\$ 23,996</u>	<u>\$ 1,424,731</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities						
Operating activities						
Operating income (loss)	\$ 228,012	\$ (181,594)	\$ 81,987	\$ 4,295	\$ (95,312)	\$ 132,700
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities						
Depreciation	566,469	3,933	-	-	3,933	570,402
Federal food donation program	-	11,432	-	-	11,432	11,432
(Increase) decrease in accounts receivable	212,044	-	-	-	-	212,044
(Increase) decrease in inventory	-	(2,610)	-	-	(2,610)	(2,610)
Increase (decrease) in accounts payable	12,377	12,585	-	990	13,575	25,952
Increase (decrease) in compensated absences liability	(26,709)	-	-	-	-	(26,709)
Increase (decrease) in net pension liability	(264,057)	-	(90,469)	-	(90,469)	(354,526)
Increase (decrease) in deferred inflows	174,006	-	(19,192)	-	(19,192)	154,814
(Increase) decrease in deferred outflow	202,924	-	30,165	-	30,165	233,089
Increase (decrease) in deferred revenue	-	800	-	-	800	800
Net cash provided by (used for) operating activities	<u>\$ 1,105,066</u>	<u>\$ (155,454)</u>	<u>\$ 2,491</u>	<u>\$ 5,285</u>	<u>\$ (147,678)</u>	<u>\$ 957,388</u>

See accompanying notes to financial statements.

NOTES TO THE FINANCIAL STATEMENTS

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies

The financial statements of the Delaware Valley Regional High School District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local 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 accounting policies of the District are described below.

The basic financial statements include:

A Management's Discussion and Analysis (MD&A) providing an analysis of the District's over-all financial position and results of operations.

Basic financial statements prepared using full-accrual accounting for all of the District's activities.

A. Reporting entity

The District is a Type II District located in the County of Hunterdon, 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 elected to three-year-terms. The purpose of the District is to educate students in Grades 9-12. The District serves the communities of the Township of Alexandria, Borough of Frenchtown, Township of Holland, Township of Kingwood and Borough of Milford. The District had an approximate enrollment at June 30, 2021 of 696 students.

The primary criterion for including activities within the District's reporting entity as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is whether:

1. The organization is legally separate (can sue or be sued in their own name).
2. The District holds the corporate powers of the organization.
3. The District appoints a voting majority of the organization's board.
4. The District is able to impose its will on the organization.
5. The organization has the potential to impose a financial benefit/burden on the District.
6. There is a fiscal dependency by the organization on the District.

Based on the aforementioned criteria, the District has no component units.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The District has elected to treat all of its governmental funds as major funds and they are reported as separate columns in the fund financial statements.

During the year ended June 30, 2021, the District implemented the provisions detailed in GASB Statement No. 84, *Fiduciary Activities*. Based on a review of the financial records, the District has no funds that meet the criteria of a fiduciary fund.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and postemployment healthcare benefits, are recorded only when payment is due.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Property taxes, tuition and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. As under New Jersey State Statute, a municipality is required to remit to its school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be accounts receivable. All other revenue items are considered to be measurable and available only when the District receives cash.

Amounts reported as program revenues include 1) charges to students for tuition, fees, rental, material, supplies, or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, and unrestricted state aids.

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

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

The District reports the following major governmental funds:

General Fund - The general fund is the general operating fund of the District and 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 non-instructional equipment, which are classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the District includes budgeted capital outlay in this fund. Generally accepted accounting principles 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.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

As a result of implementing GASB Statement No. 84, *Fiduciary Activities*, amounts maintained for unemployment claims and payroll withholdings for employee salary deductions are included in the general fund. Amounts maintained for unemployment claims are used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the Benefit Reimbursement Method.

Special Revenue Fund - The District accounts for the proceeds of specific revenue sources 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 in the special revenue fund. As a result of implementing GASB Statement No. 84, *Fiduciary Activities*, amounts maintained for student activities and private purpose scholarships are included in the special revenue fund. The amounts are considered to be restricted and available to use for specific expenditures. Amounts maintained for student activities are derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities. Amounts maintained for private purpose scholarship accounts are utilized for scholarship awards to qualifying students.

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 temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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.

Additionally, the District reports the following fund types:

Proprietary fund types

Proprietary Fund - The focus of proprietary fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District:

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)
C. Measurement focus, basis of accounting, and financial statement presentation (continued)
Proprietary fund types (continued)

Enterprise Fund - The enterprise fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges; or, where the District 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 District's enterprise fund is comprised of the transportation fund, food service fund, summer enrichment fund, technology fund, and administrative fund.

All proprietary funds are accounted for on a current financial resource's measurement focus. This means that all assets and liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (total net position) segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation and amortization has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	12 - 20 Years
Building and improvements	20 Years
Leased assets	5 Years
Vehicles	8 Years

Fiduciary fund types

As stated in Note 1 (B), the district does not have funds that meet the criteria of a fiduciary fund as defined by GASB Statement No 84, *Fiduciary Activities*.

D. Budgets/budgetary control

Annual appropriated budgets are prepared in the Spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the County office and, if necessary, are voted upon at the annual school election in November. Budgets are prepared using the modified accrual basis of accounting. 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. 6:23-16.2(f)1. All budget amendments must be approved by School Board Resolution.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

D. Budgets/budgetary control (continued)

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 generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the 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.

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.

E. 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 District 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.

F. Tuition 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.

G. Tuition payable

Tuition charges for the fiscal year 2020-2021 are based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

H. Short-term interfund receivable and payables

Short-term interfund receivables and payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

I. Inventories and prepaid items

Inventories and prepaid items, which benefit future periods, other than those recorded in the enterprise fund are recorded as expenditures during the year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. The commodities inventory value at balance sheet date is reported as unearned revenue as title does not pass to the school district until the commodities are used. Prepaid items in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2021.

J. Capital assets

Capital assets, which include land, land improvements, buildings and improvements, vehicles and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All reported capital assets, except for land and construction in progress, of the District are depreciated and amortization using the straight-line method over the following estimated lives:

Assets	Years
Buildings	50
Building improvements & portable classroom	20 - 50
Land improvements	20
Leased assets	5
Furniture	20
Maintenance equipment	15
Musical instruments	10
Athletic equipment	10
Audio visual equipment	10
Office equipment	5 - 10
Computer equipment	5 - 10
Vehicles	8

K. Compensated absences

The District accounts for compensated absences (e.g., unused vacation and sick leave) as directed by GASB Statement No. 16, *Accounting for Compensated Absences*. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

K. Compensated absences (continued)

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the Districts' agreements with the various employee unions.

The liability for compensated absences was accrued using the vesting method, whereby the liability is calculated by vesting balances as of the balance sheet date for which a payment is probable. Salary related payments for the employer's share of Social Security and Medicare taxes are included.

For the government-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, in the fund financial statements, all of the compensated absences are considered long-term and therefore are not a fund liability. This represents a reconciling item between the fund and government-wide presentations.

L. Unearned revenue

Unearned revenue in the general fund and special revenue fund represents cash, which has been received but not yet earned. See Note 1 (E) regarding the special revenue fund.

Unearned revenue in the enterprise fund includes United States government commodity inventories at year-end. The aid revenue associated with this commodity inventory is deferred until it is used in the operations of the food service fund. Prepaid lunch debit card revenue balances at year-end are also included in unearned revenue.

M. Long-term obligations

In the government-wide financial statements and in internal service fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

N. Net position

Net position represents the difference between the sum of assets and deferred outflows of resources, and the sum of liabilities and deferred inflows of resources. Net position is classified into the following three components:

- Net investment in capital assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.
- Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by credits, grantors, or laws or regulations of their governments.
- Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The school district applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

O. Fund balances - governmental funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

- Non-spendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.
- Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

O. Fund balances - governmental funds (continued)

- Unassigned - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the general fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

When expenditure is incurred for purposes which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

P. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates.

Q. Allocation of indirect expenses

Certain expenses, which have not been charged to a specific function in the District's fund financial statements, have been allocated to the functions for the government-wide statements. Employee benefits, on-behalf TPAF Pension contributions, reimbursed TPAF Social Security contributions and compensated absences accruals have been allocated based on salaries by function. Depreciation expense which was not specifically identified by function has been allocated based on the current year expenses by function.

R. Deferred outflows/inflows of resources

In addition to assets, the Statement of Net 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 one item that qualifies for reporting in this category, deferred amount on pension activity. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category, deferred amount on pension activity.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 2 - Tax assessments and property taxes

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the municipality, the municipality's local school districts, and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

Tax installments not paid on or before the due date are subject to interest penalties of eight percent per annum on the first \$1,500 of the delinquency and eighteen percent per annum on any amount in excess of \$1,500. Pursuant to Chapter 75, PL 1991, the governing body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the calendar year. The penalty so fixed shall not exceed six percent of the amount of the delinquency. These interest and penalties are the highest permitted under the New Jersey statutes. Delinquent taxes are annually included in a tax sale in accordance with New Jersey statutes.

School taxes are guaranteed, as to amount of collection, by the municipality (the collection agency) and are transmitted to the school district in accordance with the Schedule of Tax Installments as certified by the school district's Board of Education on an annual basis.

Note 3 - Deposits and cash equivalents and investments

Cash and cash equivalents include petty cash, change funds, and cash in banks.

New Jersey Governmental Units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey Governmental Units. In addition, other state statutes permit investments in obligations issued by local authorities and other state agencies. The State of New Jersey does not place any limit on the amount that the District may invest with any one issuer.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 3 - Deposits, cash equivalents, and investments (continued)

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.

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 saving banks the deposits of which are federally insured.

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District does not have a policy for custodial credit risk. New Jersey statutes require that cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Unit Deposit Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds, employee salary withholdings, or funds that may pass to the District relative to the happening of a future condition.

As of June 30, 2021, the District's bank balances were exposed to custodial credit risk as follows:

Insured by the FDIC	\$	500,000
Insured by GUDPA		6,554,697
Total bank balances	\$	<u>7,054,697</u>

Deposits at June 30, 2021 appear in the financial statements as summarized below:

Cash		\$	<u>6,584,036</u>
	<u>Ref.</u>		
Unrestricted cash			
Governmental funds, Balance Sheet	B-1	\$	1,470,987
Enterprise funds, Statement of Net Position	B-4		1,424,731
Restricted cash			
Governmental funds, Balance Sheet	B-1		3,688,318
Total cash		\$	<u>6,584,036</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 4 - Capital assets
Capital asset activity for the fiscal year ended June 30, 2021 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 36,845	\$ -	\$ -	\$ 36,845
Total	<u>36,845</u>	<u>-</u>	<u>-</u>	<u>36,845</u>
Capital assets, being depreciated				
Building & improvements	25,715,644	726,861	-	26,442,505
Leased assets (intangible asset)	2,850,106	-	-	2,850,106
Furniture & equipment	2,131,823	140,903	-	2,272,726
Vehicles	19,000	24,158	-	43,158
Total	<u>30,716,573</u>	<u>891,922</u>	<u>-</u>	<u>31,608,495</u>
Accumulated depreciation and amortization				
Building & improvements	13,311,179	719,432	-	14,030,611
Leased assets (intangible asset)	594,268	570,021	-	1,164,289
Furniture & equipment	1,230,063	158,113	-	1,388,176
Vehicles	19,000	1,510	-	20,510
Total	<u>15,154,510</u>	<u>1,449,076</u>	<u>-</u>	<u>16,603,586</u>
Total capital assets, being depreciated, net	<u>15,562,063</u>	<u>(557,154)</u>	<u>-</u>	<u>15,004,909</u>
Governmental activities capital assets, net	<u>\$ 15,598,908</u>	<u>\$ (557,154)</u>	<u>\$ -</u>	<u>\$ 15,041,754</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 4 - Capital assets (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business type activities				
Capital assets, being depreciated				
Building & improvements	\$ 1,366,666	\$ -	\$ -	\$ 1,366,666
Leased assets (intangible asset)	2,070,155	-	-	2,070,155
Furniture & equipment	210,640	3,504	-	214,144
Vehicles	4,423,829	27,447	165,604	4,285,672
Total	<u>8,071,290</u>	<u>30,951</u>	<u>165,604</u>	<u>7,936,637</u>
Accumulated depreciation and amortization				
Building & improvements	339	677	-	1,016
Leased assets (intangible asset)	1,057,100	323,433	-	1,380,533
Furniture & equipment	186,670	3,932	-	190,602
Vehicles	3,631,193	242,360	165,604	3,707,949
Total	<u>4,875,302</u>	<u>570,402</u>	<u>165,604</u>	<u>5,280,100</u>
Total capital assets, being depreciated, net	<u>3,195,988</u>	<u>(539,451)</u>	<u>-</u>	<u>2,656,537</u>
Business type activities capital assets, net	<u>\$ 3,195,988</u>	<u>\$ (539,451)</u>	<u>\$ -</u>	<u>\$ 2,656,537</u>

Depreciation and amortization expense were charged to governmental functions in the current year as follows:

Instruction	
Regular	\$ 559,669
Special education	106,254
Other special instruction	8,834
Other instruction	124,184
Support services	
Student & instruction	364,731
General & business administration	91,581
School administration	58,280
Plant maintenance	134,033
Transportation	1,510
Total depreciation expense, governmental activities	<u>\$ 1,449,076</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 5 - Long-term debt

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Compensated absences payable	\$ 907,204	\$ -	\$ 60,804	\$ 846,400	\$ -
Capital leases payable	2,245,331	-	541,604	1,703,727	553,043
PERS net pension liability	4,796,531	-	746,454	4,050,077	-
Total governmental activities long-term liabilities	<u>\$ 7,949,066</u>	<u>\$ -</u>	<u>\$ 1,348,862</u>	<u>\$ 6,600,204</u>	<u>\$ 553,043</u>
Business activities					
Compensated absences payable	\$ 120,272	\$ -	\$ 26,709	\$ 93,563	\$ -
Capital leases payable	1,465,319	-	577,143	888,176	472,424
PERS net pension liability	3,412,605	-	354,526	3,058,079	-
Total business activities long-term liabilities	<u>\$ 4,998,196</u>	<u>\$ -</u>	<u>\$ 958,378</u>	<u>\$ 4,039,818</u>	<u>\$ 472,424</u>

The general obligation bonded debt of the District is limited by state law to 3% of the average equalized assessed values of the total taxable property in the District for the past three years. The legal debt limit at June 30, 2021 is \$71,549,506. General obligation debt at June 30, 2021 is \$0, resulting in a legal debt margin of \$71,549,506.

Capital leases payable

The annual requirements to amortize all capital leases outstanding as of June 30, 2021, including interest payments are listed as follows:

Governmental activities

Fiscal Year Ended June 30,	Principal	Interest	Total
2022	\$ 553,043	\$ 41,720	\$ 594,763
2023	567,777	26,986	594,763
2024	582,907	11,855	594,762
Total	<u>\$ 1,703,727</u>	<u>\$ 80,561</u>	<u>\$ 1,784,288</u>

Business activities

Fiscal Year Ended June 30,	Principal	Interest	Total
2022	\$ 472,424	\$ 17,451	\$ 489,875
2023	288,564	7,907	296,471
2024	127,188	2,207	129,395
Total	<u>\$ 888,176</u>	<u>\$ 27,565</u>	<u>\$ 915,741</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 5 - Long-term debt (continued)
Capital leases payable (continued)

Leases payable - Leases payable at June 30, 2021, with their outstanding balances are comprised of the following:

	Governmental Activities	Business Activities
\$739,370 - 2018 lease, interest at 3.0495%, due in annual installments beginning September 30, 2018 to September 30, 2021.	\$ -	\$ 189,454
\$645,750 - 2019 lease, interest at 2.16%, due in annual installments beginning September 1, 2019 to September 1, 2022.	-	323,635
\$2,500,000 - 2019 lease, interest at 2.7492%, due in semi-annual installments beginning September 1, 2019 to March 1, 2024.	1,533,908	-
\$729,713 - 2020 lease, interest at 1.734%, due in annual installments beginning September 15, 2020 to September 1, 2023.	169,819	375,087
Total	\$ 1,703,727	\$ 888,176

Note 6 - Pension plans

Description of systems

Substantially all of the Board's employees participate in one of the following defined benefit public employee retirement systems which have been established by state statute: The Teachers' Pension and Annuity Fund (TPAF), Public Employees' Retirement System (PERS) and the Defined Contribution Retirement Program (DCRP). The PERS and TPAF systems are sponsored and administered by the State of New Jersey. The DCRP system is administered by Prudential Financial for the Division of Pensions and Benefits. The TPAF retirement system is considered a 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 Board and the system's other related non-contributing employers.

A. Public employees' retirement systems (PERS)

Plan description

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to the Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 -

Pension plans (continued)

A. Public employees' retirement systems (PERS) (continued)

Plan description (continued)

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All pension benefits vest after 10 years of service.

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, 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.

Allocation methodology and reconciliation to financial statements

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

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the Schedule of Employer Allocations are applied to amounts presented in the Schedules of Pension Amounts by Employer. The allocation percentages for each group as of June 30, 2020 measurement date are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2020 measurement date.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

A. Public employees' retirement systems (PERS) (continued)

Allocation methodology and reconciliation to financial statements (continued)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense. The employer and nonemployer allocation percentages presented in the schedule of employer and nonemployer allocations and applied to amounts presented in the schedule of pension amounts by employer and nonemployer are based on the ratio of the contributions of an individual employer to the total contributions to PERS during the measurement period July 1, 2019 through June 30, 2020. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of pension amounts by employer and nonemployer may result in immaterial differences. Contributions from employers are recognized when due, based on statutory requirements.

Contributions

The contribution policy for PERS is set by N.J.S.A 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for non-contributory group insurance benefits is based on actual claims paid. For State fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, PL 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The Actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

The District's contractually required contribution rate for the year ended June 30, 2021 was 16.24% of the District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

The contribution rate was 7.50% of base salary effective July 1, 2018.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

Collective net pension liability and actuarial information

The District's proportionate share of the net pension liability for PERS as of the measurement date of June 30, 2020:

Net pension liability	\$ 7,108,156
Proportionate share	0.0435885726%
 Plan fiduciary net position as a percentage of the total pension liability	 58.32%

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:

Inflation rate	
Price	2.75%
Wage	3.25%
 Salary increases (based on years of service)	
Through 2026	2.00% - 6.00%
Thereafter	3.00% - 7.00%
 Investment rate of return	 7.00%

Preretirement mortality rates were based on the Pub-10 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 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, 2014 to June 30, 2018.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

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 measurement date) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the Board of Trustees, and the Actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 measurement date are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocations</u>	<u>Long-Term Expected Rate of Return</u>
U.S. equity	27.00%	7.71%
Non-U.S. developed markets equity	13.50%	8.57%
Emerging markets 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%
Investment grade credit	8.00%	2.67%
Risk mitigation strategies	3.00%	3.40%

Discount rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

Sensitivity of the collective net pension liability to changes in the discount rate

The following presents the collective net pension liability of the District as of June 30, 2020 measurement date, 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% point lower or 1% point higher than the current rate:

District's proportionate share of the net pension liability

At current discount rate (7.00%)	\$	7,108,156
At a 1% lower rate (6.00%)		9,018,345
At a 1% higher rate (8.00%)		5,590,631

Collective deferred outflows of resources and deferred inflows of resources

At the June 30, 2020 measurement date, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 129,428	\$ 25,138
Changes of assumptions	230,597	2,976,252
Net difference between projected and actual earnings on pension plan investments	242,962	-
Changes in proportion and differences between district contributions and proportionate share of contributions	293,190	502,900
District contributions subsequent to the measurement date	476,837	-
Total	<u>\$ 1,373,014</u>	<u>\$ 3,504,290</u>

The amount 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 ended June 30, 2021, the plan measurement date is June 30, 2020) of \$476,837 will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the fiscal year ended June 30, 2020 measurement date:

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

Collective deferred outflows of resources and deferred inflows of resources (continued)

	<u>Beginning Balance</u>	<u>Net Change in Activity</u>	<u>Ending Balance</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 147,343	\$ (17,915)	\$ 129,428
Changes of assumptions	819,712	(589,115)	230,597
Differences between expected and actual experience	-	242,962	242,962
Deferred inflows of resources			
Differences between expected and actual experience	(36,264)	11,126	(25,138)
Changes of assumptions	(2,849,365)	(126,887)	(2,976,252)
Difference between projected and actual earnings on pension plan investments	(129,584)	129,584	-
Net of deferred outflows	<u>\$ (2,048,158)</u>	<u>\$ (350,245)</u>	<u>\$ (2,398,403)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding employer specific amounts, deferrals from District contributions subsequent to the measurement date, and deferrals from change on proportion) will be recognized in pension expense as follows:

Fiscal Year Ended June 30,

2021	\$ (891,944)
2022	(813,181)
2023	(464,712)
2024	(187,922)
2025	(40,644)
Total	<u>\$ (2,398,403)</u>

Pension expense

For the fiscal year ended June 30, 2021, the District recognized net pension expense of \$234,564, which represents the District's proportionate share of allocable plan pension expense of \$169,844, plus the net amortization of deferred amounts from changes in proportion of \$98,397, and less other adjustments to the net pension liability of \$33,677. The components of allocable pension expense, which exclude amounts attributable to employer paid member contributions and pension expense related to specific liabilities of individual employers, for the District for the year ended June 30, 2020 measurement date are as follows:

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 -

Pension plan (continued)

A. Public employees' retirement systems (PERS) (continued)

Pension expense (continued)

Service cost	\$ 335,795
Interest on total pension liability	1,094,126
Benefit changes	(7,500)
Member contributions	(238,683)
Administrative expense	5,710
Expected investment return net of investment expense	(644,094)
Pension expense related to specific liabilities of individual employers	(2,990)
Recognition (amortization) of deferred inflows/outflows of resources	
Differences between projected and actual experience	77,141
Changes of assumptions	(568,239)
Difference between projected and actual investment earnings on pension plan investments	118,578
Pension expense	\$ 169,844

B. Teacher's pension and annuity fund (TPAF)

Plan description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

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. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

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

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

B. Teacher's pension and annuity fund (TPAF) (continued)

Plan description (continued)

Service retirement benefits of 1/55th 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 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 before age 65 with 30 years or more of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. 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.

Contributions

The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the State fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

Special funding situation

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 non-employer 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 non-employer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

During the State fiscal year ended June 30, 2020, the State of New Jersey contributed \$1,440,791 to the TPAF for normal pension benefits on behalf of the District.

The contribution rate was 7.50% of base salary effective July 1, 2018.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

B. Teacher's pension and annuity fund (TPAF) (continued)

Collective net pension liability and actuarial information

The District's proportionate share of the net pension liability for TPAF for fiscal year ended June 30, 2020 measurement date is as follows:

District proportionate share of net pension liability	\$ 55,526,857
Less: State proportionate share of net pension liability	13,658,719
Net pension liability	\$ 41,868,138

Proportionate share	0.0635822363%
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Plan fiduciary net position as a percentage of the total pension liability	24.60%
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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:

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases (based on years of service)	
Through 2026	1.55 - 4.45%
Thereafter	2.75 - 5.65%
Investment rate of return	7.00%

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

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

B. Teacher’s pension and annuity fund (TPAF) (continued)

Long-term expected rate of return

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

<u>Asset Class</u>	<u>Target Allocations</u>	<u>Long-Term Expected Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets 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 based on 78% of the actuarially determined contributions for the State. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make 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.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

B. Teacher's pension and annuity fund (TPAF) (continued)

Sensitivity of the collective net pension liability to changes in the discount rate

The following presents the collective net pension liability of the District as of June 30, 2020 measurement date, 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% point lower or 1% point higher than the current rate:

District's proportionate share of the net pension liability

At current discount rate (5.40%)	\$ 41,868,138
At a 1% lower rate (4.40%)	49,179,031
At a 1% higher rate (6.40%)	35,797,668

Pension expense

The components of allocable pension expense, which exclude pension expense related to specific liabilities of individual employers, for the District for the year ended June 30, 2020 measurement date are as follows:

Service cost	\$ 1,042,937
Interest on total pension liability	2,969,722
Benefits change	(10,619)
Member contributions	(550,073)
Administrative expense	8,572
Expected investment return net of investment expense	(967,738)
Pension expense related to specific liabilities of individual employers	3,013
Recognition (amortization) of deferred inflows/outflows of resources	
Differences between projected and actual experience	112,391
Changes of assumptions	(250,464)
Difference between projected and actual investment earnings on pension plan investments	245,798
Pension expense	<u>\$ 2,603,539</u>

C. Defined contribution retirement program

The Defined Contribution Retirement Program (DCRP) was established under the provisions Ch. 92, PL 2007 and expanded under the provisions of Ch. 89, PL 2008 and Ch. 1, PL 2010 to provide eligible members with a tax sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Employees eligible to enroll in the program include the following: First, employees enrolled in the Public Employees Retirement System (PERS) or Teachers Pension and Annuity Fund (TPAF) on or after July 1, 2007 who earn salary in excess of maximum compensation limits. Also, employees otherwise eligible to enroll in the TPAF and PERS who do not earn the minimum salary (\$8,400 in 2021) but who earn salary of at least \$5,000 annually are eligible to participate. The Program Administrator, Prudential Financial, makes information regarding the program available on its New Jersey Defined Contribution Program website: www.prudential.com/njdcrp.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plan (continued)

C. Defined contribution retirement program (continued)

Contribution rates for DCRP provide for employee contributions of 5.50% of annual contractual compensation as defined. The District's contribution to the DCRP for fiscal year ended 2021 was \$44,879.

D. Other pension plan information

During the year ended June 30, 2021, the State of New Jersey contributed \$588,951 to the TPAF for postretirement medical benefits, \$35,089 for non-contributory insurance premiums, \$887 for long-term disability insurance, and \$1,844,236 for normal costs and accrued liability costs on behalf of the Board. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$477,276 during the year ended June 30, 2021 for the employer's share of Social Security contributions for TPAF members calculated on their base salaries. These amounts have been included in the financial statements and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB Statement No. 68.

Note 7 - Postretirement benefits

The State of New Jersey provides post-retirement (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In fiscal year 2020, the State paid PRM benefits for 143,053 State and local retirees.

The State funds postretirement 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 from fiscal year 2019 amounts. Reductions are attributable to various cost savings initiatives implemented by the State including Medicare Advantage contracts. The State has appropriated \$1.775 billion in fiscal year 2021 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 billion liability recorded in fiscal year 2019.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)

Total OPEB liability

The State, a non-employer 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 District's proportionate share percentage determined under Paragraphs 193 and 203 through 205 of GASB Statement No. 75 is zero percent. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the District. Note that actual numbers will be published in the NJ State ACFR at <https://www.nj.gov/treasury/omb/fr.shtml>.

Under a special funding situation, the State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Therefore, the following OPEB liability note information is reported at the State's level and is not accrued by the District.

For purposes of reporting required GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the District's proportionate share of allocable OPEB liability and employer OPEB expense and related revenue as of June 30, 2020 measurement date is as follows:

State's proportionate share of the OPEB liability	\$ 67,809,962,608
District's proportionate share of the State's OPEB liability	48,671,541
Employer OPEB expense and related revenue	2,183,323
Allocable proportionate percentage	0.0717763867%

Changes in the total OPEB liability

	Total OPEB Liability
Total OPEB liability at June 30, 2019	\$ 30,726,411
Service cost	1,299,051
Interest cost	1,106,636
Change of benefit terms	-
Differences between expected and actual experiences	7,470,473
Changes of assumptions	8,890,618
Member contributions	25,683
Gross benefit payments	(847,331)
Total OPEB liability at June 30, 2020	<u>\$ 48,671,541</u>

There were no changes of the benefit terms from June 30, 2019 to June 30, 2020.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)

Changes in the total OPEB liability (continued)

Changes of assumptions and other inputs reflect a change in the discount rate from 3.50% as of the June 30, 2019 plan measurement date to 2.21% as of the June 30, 2020 plan measurement date.

The total non-employer 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%
	TPAF	PERS
	(based on years of service)	(based on years of service)
Salary increases		
Through 2026	1.55% - 4.45%	2.00% - 6.00%
Thereafter	1.55% - 4.45%	3.00% - 7.00%

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP) and “General” (PERS) 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 and July 1, 2013 - June 30, 2018 for TPAF and PERS, respectively.

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. 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%.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)

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 the total OPEB liability to changes in the discount rates

The following presents the total non-employer OPEB liability as of June 30, 2019 measurement date, using the District's allocable proportionate percentage, calculated using the discount rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

Total OPEB Liability (school retirees)

At current discount rate (2.21%)	\$ 48,671,541
At a 1% lower rate (1.21%)	58,676,055
At a 1% higher rate (3.21%)	40,848,975

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total non-employer OPEB liability, as well as what the total non-employer OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Total OPEB Liability (school retirees)

Healthcare cost trend rate	\$ 48,671,541
At a 1% lower rate (1% decrease)	39,289,309
At a 1% higher rate (1% increase)	59,843,694

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB

For the fiscal year ended June 30, 2021, the District recognized OPEB expense of \$2,183,323 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 Statement No. 75 and in which there is a special funding situation.

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

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 8 - 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, permit 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:

Equitable
 Lincoln Investment Planning
 Met Life

Note 9 - Contingent liabilities

Amounts received, or are receivables, from grantor agencies could be subject to audit and adjusted by grantor agencies. Any disallowed claims, including amounts already collected, may result in a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amount, if any, to be immaterial.

Note 10 - Inventory

Inventory in the food service fund as of June 30, 2021 consisted of the following:

Food	\$	6,140
Supplies		2,315
Total	\$	8,455

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, and student accident and surety bonds. There was no significant reduction in insurance coverage from coverage of the prior year. The District did not have any insurance settlements which exceeded insurance coverage for the past three years. A complete Schedule of Insurance Coverage can be found in the Statistical Section of the Annual Comprehensive Financial Report.

New Jersey Unemployment Compensation Insurance - The District has elected to fund its NJ Unemployment Compensation Insurance under the Benefit Reimbursement Method. Under this plan, the District is required to reimburse the NJ 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, and interest earnings, employee contributions, reimbursements to the state for benefits paid and the ending balance available for claims for the District's unemployment compensation insurance fund:

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 11 - Risk management (continued)

Fiscal Year	Board Contrib.	Interest Earnings	Employee Contrib.	Amount Reimbursed	Ending Balance Available for Claims
2020 - 2021	\$ -	\$ 420	\$ 20,754	\$ 14,449	\$ 225,584
2019 - 2020	75,000	1,262	21,541	17,033	218,859
2018 - 2019	-	-	19,032	25,846	138,089

Note 12 - Reserve accounts

A capital reserve account was established by the District 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.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long-Range Facilities Plan (LRFP) and updated annually in the Quality Single Accountability Continuum (QSAC). Upon submission of the LRFP to the Department of Education, a District may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. A District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to NJAC 6pA:26-9.1(d)1, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Districts are allowed as per N.J.S.A. 18A:7F-41(a) and 41(b) to deposit to the reserves by Board Resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. Pursuant to this state statute, the District deposited \$1,000,000 to their capital reserve account, \$0 to their emergency reserve account and \$225,000 to their maintenance reserve account by Board Resolution in June 2021 as summarized in the following schedule. The following schedule is a summarization of the reserve accounts for the current year:

Reserve Type	Beginning Balance	District Contrib.	Interest Earnings	Return Unused Withdrawal	Withdrawal	Ending Balance
Capital	\$ 1,949,717	\$ 1,000,000	\$ 1,886	\$ 67,717	\$ 341,889	\$ 2,677,431
Emergency	250,000	-	-	-	-	250,000
Maintenance	200,598	225,000	100	150,000	150,000	425,698
Total	<u>\$ 2,400,315</u>	<u>\$ 1,225,000</u>	<u>\$ 1,986</u>	<u>\$ 217,717</u>	<u>\$ 491,889</u>	<u>\$ 3,353,129</u>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 13 - Fund balances

As described in Note 1 (O), fund balance may be restricted, committed or assigned. An analysis of the general fund balance on June 30, 2021 is as follows:

Restricted

Capital reserve account - Represents funds restricted to capital projects in the Districts long range facilities plan.	\$ 2,677,431
Emergency reserve account - Represents funds accumulated to finance unanticipated general fund expenditures required for a thorough and efficient education.	250,000
Maintenance reserve account - Represents funds accumulated for the required maintenance of a facility in accordance with the EFCFA (N.J.S.A.18A:76-9).	425,698
Unemployment - Represents funds accumulated for future unemployment claims.	219,279

Committed

Year-end encumbrance - Represents fund balance committed for purchase orders that have been issued but goods or services were not received as of June 30.	634,544
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Assigned

Designated for subsequent year's expenditures - represents amount appropriated in the succeeding year's budget to reduce tax requirements.	300,000
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Unassigned

Undesignated - Represents fund balance which has not been restricted or designated.	675,412
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Total fund balance - Budgetary basis (Exhibit C-1)	5,182,364
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Last state aid payments not recognized on GAAP basis	(292,822)
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Total fund balance - GAAP basis (Exhibit B-1)	<u>\$ 4,889,542</u>
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Note 14 - Calculation of excess surplus

In accordance with N.J.S.A. 18A:7F-7, as amended by PL 2004, Ch. 73 (S1701), 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 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 \$0.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 15 - Restatement of prior year net position

During the fiscal year ended June 30, 2021, the District restated net position for governmental activities as of June 30, 2020 as a result of the implementation of GASB Statement No. 84:

	Governmental Activities
Net position, June 30, 2020	\$ 10,474,136
Additions	
Reserved fund balance - unemployment fund	218,859
Reserved fund balance - scholarship fund	26,880
Reserved fund balance - student activity fund	99,037
Net position, June 30, 2020, as restated	\$ 10,818,912

Note 16 - Restatement of prior year fund balance

During the fiscal year ended June 30, 2021, the District restated fund balance for the general fund and special revenue fund as of June 30, 2020 as a result of the implementation of GASB Statement No. 84:

	General Fund	Special Revenue Fund
Fund balance June 30, 2020	\$ 3,002,665	\$ -
Additions		
Reserved fund balance - scholarship fund	-	26,880
Reserved fund balance - student activity fund	-	99,037
Reserved fund balance - unemployment fund	218,859	-
Fund balance, June 30, 2020 as restated	\$ 3,221,524	\$ 125,917

Note 17 - Recent accounting pronouncements not yet effective

The following is of recent accounting pronouncements which are not yet effective as of the year-end date of this report.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement is effective for reporting periods beginning after June 15, 2022. The District is evaluating the effect of the pronouncement on financial reporting.

Note 18 - Deficit balance in unrestricted net position

The District is reporting a deficit balance in unrestricted net position for governmental activities and business-type activities as of June 30, 2021 of (\$4,808,904) and (\$2,490,755), respectively, on Schedule A-1 Statement of Net Position. The deficit balance is the result of reporting required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the state.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Financial Statements

Note 19 - Risks and uncertainties

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (The “COVID-19 outbreak”) and the risks to the international community as a virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District’s financial condition, liquidity, and future results of operations.

Note 20 - Subsequent events

The District has evaluated subsequent events through February 9, 2022, which is the date the financial statements were available to be issued and no additional items were noted for disclosure.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2021

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Revenue					
Local sources					
Local tax levy	\$ 15,344,427	\$ -	\$ 15,344,427	\$ 15,344,427	\$ -
Tuition from other LEAs within the state	33,000	-	33,000	50,119	17,119
Rents and royalties	100,000	-	100,000	99,680	(320)
Unrestricted miscellaneous revenues	60,998	-	60,998	68,441	7,443
Interest earned on current expense emergency reserve	50	-	50	-	(50)
Interest earned on maintenance reserve	50	-	50	100	50
Interest earned on capital reserve funds	500	-	500	1,886	1,386
Other restricted miscellaneous revenues	-	-	-	420	420
Total	<u>15,539,025</u>	<u>-</u>	<u>15,539,025</u>	<u>15,565,073</u>	<u>26,048</u>
State sources					
Categorical transportation aid	17,291	-	17,291	17,291	-
Extraordinary aid	-	-	-	342,931	342,931
Categorical special education aid	592,662	-	592,662	592,662	-
Equalization aid	2,280,985	-	2,280,985	2,280,985	-
Categorical security aid	74,763	-	74,763	74,763	-
Other state aid	-	-	-	14,426	14,426
TPAF Pension (on-behalf)	-	-	-	1,879,325	1,879,325
TPAF Social Security (reimbursed)	-	-	-	477,276	477,276
TPAF Postretirement benefits	-	-	-	588,951	588,951
TPAF Long-term disability insurance	-	-	-	887	887
Total	<u>2,965,701</u>	<u>-</u>	<u>2,965,701</u>	<u>6,269,497</u>	<u>3,303,796</u>
Total revenues	<u>\$ 18,504,726</u>	<u>\$ -</u>	<u>\$ 18,504,726</u>	<u>\$ 21,834,570</u>	<u>\$ 3,329,844</u>
Expenditures					
Current					
Instruction - regular program					
Salaries of teachers					
Grades 9-12	\$ 3,833,500	\$ 15,770	\$ 3,849,270	\$ 3,658,074	\$ 191,196
Home instruction					
Salaries of teacher	30,000	(14,077)	15,923	1,563	14,360
Purchased professional - educational services	12,000	800	12,800	12,574	226
Other purchased services	1,000	-	1,000	-	1,000
Regular programs - undistributed instruction					
Other salaries for instruction	115,028	(2,084)	112,944	112,944	-
Purchased professional - educational services	9,600	-	9,600	624	8,976
Other purchased services	417,161	(118,081)	299,080	276,890	22,190
General supplies	335,728	114,532	450,260	373,122	77,138
Textbooks	17,653	(1,510)	16,143	2,865	13,278
Other objects	9,085	-	9,085	498	8,587
Total	<u>4,780,755</u>	<u>(4,650)</u>	<u>4,776,105</u>	<u>4,439,154</u>	<u>336,951</u>

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2021

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Expenditures (cont'd)					
Special education					
Multiple disabilities					
Salaries of teachers	\$ 182,385	\$ 659	\$ 183,044	\$ 183,044	\$ -
Other salaries for instruction	6,700	-	6,700	5,021	1,679
Other purchased services	300	-	300	-	300
General supplies	2,400	212	2,612	2,576	36
Other objects	1,000	(1,000)	-	-	-
Total	<u>192,785</u>	<u>(129)</u>	<u>192,656</u>	<u>190,641</u>	<u>2,015</u>
Resource room/resource center					
Salaries of teachers	733,280	(74,657)	658,623	652,665	5,958
General supplies	2,000	556	2,556	1,205	1,351
Total	<u>735,280</u>	<u>(74,101)</u>	<u>661,179</u>	<u>653,870</u>	<u>7,309</u>
Total special education	<u>928,065</u>	<u>(74,230)</u>	<u>853,835</u>	<u>844,511</u>	<u>9,324</u>
Bilingual education - instruction					
Salaries of teachers	47,180	-	47,180	43,442	3,738
General supplies	1,500	-	1,500	1,252	248
Total	<u>48,680</u>	<u>-</u>	<u>48,680</u>	<u>44,694</u>	<u>3,986</u>
School-sponsored co/extra curricular activities - instruction					
Salaries	194,080	-	194,080	156,232	37,848
Purchased services	15,500	-	15,500	2,882	12,618
Supplies and materials	2,250	-	2,250	-	2,250
Other objects	15,800	-	15,800	860	14,940
Total	<u>227,630</u>	<u>-</u>	<u>227,630</u>	<u>159,974</u>	<u>67,656</u>
School-sponsored athletics - instruction					
Salaries	653,923	-	653,923	653,575	348
Purchased services	96,776	(13,344)	83,432	76,679	6,753
Supplies and materials	78,158	13,344	91,502	54,209	37,293
Other objects	28,725	-	28,725	12,579	16,146
Transfers to cover deficit (agency funds)	56,303	-	56,303	30,000	26,303
Total	<u>913,885</u>	<u>-</u>	<u>913,885</u>	<u>827,042</u>	<u>86,843</u>
Total instruction regular	<u>\$ 6,899,015</u>	<u>\$ (78,880)</u>	<u>\$ 6,820,135</u>	<u>\$ 6,315,375</u>	<u>\$ 504,760</u>
Undistributed expenditures					
Undistributed expenditures - instruction					
Tuition to other LEAs within the state - special	\$ 20,000	\$ (19,236)	\$ 764	\$ 764	\$ -
Tuition to county vocational school district - regular	489,100	24,650	513,750	513,750	-
Tuition to county vocational school district - special	92,400	-	92,400	92,400	-
Tuition to priv. school for the disabled w/i state	305,721	153,344	459,065	169,306	289,759
Tuition to priv. sch. disabled & other LEAs-spl, o/s state	86,000	(50,931)	35,069	32,250	2,819
Total	<u>993,221</u>	<u>107,827</u>	<u>1,101,048</u>	<u>808,470</u>	<u>292,578</u>

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2021

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Expenditures (cont'd)					
Undistributed expenditures - attendance & social work					
Salaries	\$ 48,930	\$ -	\$ 48,930	\$ 48,930	\$ -
Total	<u>48,930</u>	<u>-</u>	<u>48,930</u>	<u>48,930</u>	<u>-</u>
Undistributed expenditures - health services					
Salaries	151,845	(14,304)	137,541	132,682	4,859
Purchased professional and technical services	28,525	-	28,525	13,041	15,484
Other purchased services	5,204	-	5,204	2,877	2,327
Supplies and materials	16,472	-	16,472	9,172	7,300
Other objects	385	-	385	234	151
Total	<u>202,431</u>	<u>(14,304)</u>	<u>188,127</u>	<u>158,006</u>	<u>30,121</u>
Undistributed expenditures - speech, ot, pt & related services					
Salaries	75,447	-	75,447	70,232	5,215
Purchased professional - educational services	53,637	6,983	60,620	51,623	8,997
Supplies and materials	1,000	-	1,000	75	925
Total	<u>130,084</u>	<u>6,983</u>	<u>137,067</u>	<u>121,930</u>	<u>15,137</u>
Undistributed expenditures - other supp. service stds. - extra service					
Salaries	386,739	(10,936)	375,803	327,476	48,327
Purchased professional - educational services	60,000	-	60,000	37,758	22,242
Supplies and materials	500	2,436	2,936	2,936	-
Total	<u>447,239</u>	<u>(8,500)</u>	<u>438,739</u>	<u>368,170</u>	<u>70,569</u>
Undistributed expenditures - guidance					
Salaries of other professional staff	395,040	411	395,451	393,451	2,000
Salaries of secretarial and clerical assistants	104,110	-	104,110	104,110	-
Other salaries	20,000	4,589	24,589	20,808	3,781
Purchased professional - educational services	3,000	-	3,000	-	3,000
Other purchased professional & technical services	17,150	-	17,150	5,019	12,131
Other purchased services	6,900	-	6,900	-	6,900
Supplies and materials	4,027	-	4,027	548	3,479
Other objects	3,520	-	3,520	885	2,635
Total	<u>553,747</u>	<u>5,000</u>	<u>558,747</u>	<u>524,821</u>	<u>33,926</u>
Undistributed expenditures - child study teams					
Salaries of other professional staff	326,307	74,501	400,808	400,807	1
Salaries of secretarial and clerical assistants	47,362	-	47,362	44,553	2,809
Other salaries	12,000	5,000	17,000	9,334	7,666
Other purchased professional & technical services	5,000	-	5,000	2,250	2,750
Other purchased services	20,000	(1,500)	18,500	1,500	17,000
Supplies and materials	2,800	-	2,800	2,050	750
Other objects	1,000	-	1,000	-	1,000
Total	<u>414,469</u>	<u>78,001</u>	<u>492,470</u>	<u>460,494</u>	<u>31,976</u>

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2021

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Expenditures (cont'd)					
Undistributed expenditures - improvement of inst. service					
Salaries of supervisor of instruction	\$ 358,197	\$ 511	\$ 358,708	\$ 358,707	\$ 1
Salaries of other professional staff	24,725	9,862	34,587	34,587	-
Salaries of secretarial & clerical assist	52,055	-	52,055	52,055	-
Other purchased services	12,300	(1,890)	10,410	9,668	742
Supplies and materials	1,600	(511)	1,089	344	745
Other objects	3,600	1,690	5,290	5,215	75
Total	<u>452,477</u>	<u>9,662</u>	<u>462,139</u>	<u>460,576</u>	<u>1,563</u>
Undistributed expenditures - edu. media service/sch. library					
Salaries	175,325	829	176,154	176,154	-
Salaries of technology coordinators	364,173	(9,720)	354,453	334,581	19,872
Purchased professional and technical services	10,500	(5,000)	5,500	5,411	89
Other purchased services	4,000	-	4,000	1,020	2,980
Supplies and materials	32,175	5,000	37,175	31,517	5,658
Other objects	100	-	100	65	35
Total	<u>586,273</u>	<u>(8,891)</u>	<u>577,382</u>	<u>548,748</u>	<u>28,634</u>
Undistributed expenditures - instructional staff training services					
Salaries of other professional staff	4,160	7,834	11,994	11,994	-
Purchased professional - educational services	2,400	-	2,400	238	2,162
Other purchased services	25,810	(3,835)	21,975	2,210	19,765
Total	<u>32,370</u>	<u>3,999</u>	<u>36,369</u>	<u>14,442</u>	<u>21,927</u>
Undistributed expend. - support service - general admin.					
Salaries	218,887	62	218,949	218,949	-
Legal services	30,000	(11,598)	18,402	14,575	3,827
Audit fees	30,000	-	30,000	30,000	-
Architectural/engineering services	7,500	3,000	10,500	10,500	-
Other purchased professional services	12,700	2,040	14,740	14,740	-
Communications/telephone	10,000	-	10,000	9,146	854
BOE other purchased services	5,300	(1,300)	4,000	1,347	2,653
Miscellaneous purch services	20,000	(4,501)	15,499	15,100	399
General supplies	7,600	5,811	13,411	6,968	6,443
BOE in-house training/meeting supplies	1,500	-	1,500	90	1,410
Miscellaneous expenditures	3,175	(2,850)	325	325	-
BOE membership dues and fees	10,850	-	10,850	9,069	1,781
Total	<u>357,512</u>	<u>(9,336)</u>	<u>348,176</u>	<u>330,809</u>	<u>17,367</u>
Undistributed expend. - support service - school admin.					
Salaries of principals/assistant principals	285,635	980	286,615	286,615	-
Salaries of secretarial and clerical assistants	104,110	-	104,110	104,110	-
Unused vacation payment to terminated/retired staff	-	9,335	9,335	9,335	-
Purchased professional and technical services	6,125	(658)	5,467	5,467	-
Other purchased services	2,095	(542)	1,553	89	1,464
Supplies and materials	18,669	1,234	19,903	15,760	4,143
Other objects	2,954	(1,014)	1,940	1,940	-
Total	<u>419,588</u>	<u>9,335</u>	<u>428,923</u>	<u>423,316</u>	<u>5,607</u>

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2021

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Expenditures (cont'd)					
Undistributed expenditures - central services					
Salaries	\$ 310,896	\$ 283	\$ 311,179	\$ 311,179	\$ -
Purchased professional services	16,800	-	16,800	15,200	1,600
Purchased technical services	17,853	(283)	17,570	15,865	1,705
Miscellaneous purchased services	4,900	-	4,900	2,214	2,686
Supplies and materials	2,600	-	2,600	408	2,192
Interest on lease purchase agreements	52,173	-	52,173	52,173	-
Other objects	1,875	-	1,875	35	1,840
Total	407,097	-	407,097	397,074	10,023
Undistributed expenditures - admin. info. technology					
Salaries	43,000	-	43,000	39,895	3,105
Total	43,000	-	43,000	39,895	3,105
Undistributed expenditures - required maint. for school facilities					
Salaries	285,209	(1,515)	283,694	253,702	29,992
Cleaning, repair, and maintenance services	88,348	32,380	120,728	77,569	43,159
Lead testing in water	1,000	-	1,000	-	1,000
General supplies	50,361	163,120	213,481	35,319	178,162
Other objects	1,300	-	1,300	-	1,300
Total	426,218	193,985	620,203	366,590	253,613
Undistributed expenditures - custodial services					
Salaries	385,045	-	385,045	310,819	74,226
Purchased professional and technical services	20,600	-	20,600	19,493	1,107
Cleaning, repair, and maintenance service	57,800	4,516	62,316	61,681	635
Rental of land & bldg. other than lease purch agreement	-	2,500	2,500	623	1,877
Other purchased property services	2,500	(2,500)	-	-	-
Insurance	49,000	(5,746)	43,254	43,254	-
Miscellaneous purchased services	4,300	(3,200)	1,100	600	500
General supplies	94,942	(2,516)	92,426	63,161	29,265
Energy (natural gas)	500	-	500	120	380
Energy (electricity)	180,000	(12,785)	167,215	78,849	88,366
Energy (oil)	125,000	-	125,000	82,580	42,420
Other objects	1,377	-	1,377	609	768
Total	921,064	(19,731)	901,333	661,789	239,544
Undistributed expenditures - care and upkeep of grounds					
Salaries	132,705	-	132,705	125,043	7,662
Cleaning, repair, and maintenance service	15,208	-	15,208	5,927	9,281
General supplies	41,322	-	41,322	33,150	8,172
Total	189,235	-	189,235	164,120	25,115
Undistributed expenditures - security					
Purchased professional and technical services	14,000	-	14,000	11,730	2,270
Cleaning, repair, and maintenance service	6,080	(5,000)	1,080	1,080	-
General supplies	12,605	(10,000)	2,605	547	2,058
Total	32,685	(15,000)	17,685	13,357	4,328

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2021

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Expenditures (cont'd)					
Undistributed expenditures - student transportation service					
Contract service - aid in lieu pymts - non-public schools	\$ 12,000	\$ -	\$ 12,000	\$ 7,972	\$ 4,028
Contract serv. - aid in lieu pymts - choice school students	5,000	-	5,000	1,700	3,300
Contr. service (oth. than between home & school) - vend.	122,000	(44,682)	77,318	56,787	20,531
Contract service (sp. ed. stds.) - joint agreements	30,000	-	30,000	-	30,000
Contract service (reg. students) - escs & ctsas	784,911	1,016	785,927	785,927	-
Contract service (spl. ed. students) - escs & ctsas	280,000	(79,724)	200,276	133,542	66,734
Total	<u>1,233,911</u>	<u>(123,390)</u>	<u>1,110,521</u>	<u>985,928</u>	<u>124,593</u>
Unallocated benefits - employee benefits					
Group insurance	1,000	875	1,875	1,875	-
Social Security contributions	268,000	(300)	267,700	245,693	22,007
Other retirement contributions - PERS	310,000	26,666	336,666	335,624	1,042
Other retirement contributions - regular	3,800	(3,246)	554	554	-
Workmen's compensation	130,000	(7,187)	122,813	122,813	-
Health benefits	2,533,450	(202,807)	2,330,643	2,218,128	112,515
Tuition reimbursement	45,000	7,767	52,767	45,023	7,744
Other employee benefits	241,520	12,468	253,988	250,472	3,516
Unused sick payment to terminated/retired staff	20,000	29,020	49,020	48,309	711
Total	<u>3,552,770</u>	<u>(136,744)</u>	<u>3,416,026</u>	<u>3,268,491</u>	<u>147,535</u>
On-behalf TPAF Pension contribution	-	-	-	1,879,325	(1,879,325)
On-behalf TPAF Postretirement medical benefits	-	-	-	588,951	(588,951)
On-behalf TPAF Long-term disability insurance	-	-	-	887	(887)
Reimbursed TPAF Social Security contribution	-	-	-	477,276	(477,276)
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,946,439</u>	<u>(2,946,439)</u>
Total undistributed expenditures	<u>\$ 11,444,321</u>	<u>\$ 78,896</u>	<u>\$ 11,523,217</u>	<u>\$ 13,112,395</u>	<u>\$ (1,589,178)</u>
Total current	<u>\$ 18,343,336</u>	<u>\$ 16</u>	<u>\$ 18,343,352</u>	<u>\$ 19,427,770</u>	<u>\$ (1,084,418)</u>
Capital outlay					
Equipment					
Grades 9-12	\$ 30,241	\$ 168,919	\$ 199,160	\$ 68,967	\$ 130,193
Vocational programs					
School-sponsored and other instructional programs	21,431	63,568	84,999	6,366	78,633
Undistributed					
Undistributed expend. - support service - inst. staff	-	2,477	2,477	2,477	-
Undistributed expenditures - admin. info. technology	27,228	167,987	195,215	27,528	167,687
Undistributed expend. - required maint. for school facilities	-	3,477	3,477	3,477	-
Undistributed expenditures - care and upkeep of grounds	36,258	(4,052)	32,206	24,158	8,048
Undistributed expenditures - security	-	18,443	18,443	-	18,443
Total equipment	<u>115,158</u>	<u>420,819</u>	<u>535,977</u>	<u>132,973</u>	<u>403,004</u>
Facilities acquisition and construction service					
Architectural/engineering services	29,500	363	29,863	29,863	-
Construction services	175,000	(363)	174,637	106,920	67,717
Lease purchase agreements - principal	484,009	-	484,009	484,009	-
Assessment for debt service on SDA funding	26,981	-	26,981	26,981	-
Total facilities acquisition and construction service	<u>715,490</u>	<u>-</u>	<u>715,490</u>	<u>647,773</u>	<u>67,717</u>
Total capital outlay	<u>\$ 830,648</u>	<u>\$ 420,819</u>	<u>\$ 1,251,467</u>	<u>\$ 780,746</u>	<u>\$ 470,721</u>

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule (continued)
For the Fiscal Year Ended June 30, 2021

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Total expenditures	\$ 19,173,984	\$ 420,835	\$ 19,594,819	\$ 20,208,516	\$ (613,697)
Excess (deficiency) of revenues over (under) expenditures	\$ (669,258)	\$ (420,835)	\$ (1,090,093)	\$ 1,626,054	\$ 2,716,147
Other financing sources (uses)					
Operating transfer out					
Transfer to food service fund - board contribution	-	(12,933)	(12,933)	(12,933)	-
Total other financing sources (uses)	-	(12,933)	(12,933)	(12,933)	-
Excess (deficiency) of revenues & other financing sources over (under) expenditures & other financing uses	(669,258)	(433,768)	(1,103,026)	1,613,121	2,716,147
Fund balances, July 1 (as restated)	3,569,243	-	3,569,243	3,569,243	-
Fund balances, June 30	\$ 2,899,985	\$ (433,768)	\$ 2,466,217	\$ 5,182,364	\$ 2,716,147
Recapitulation of excess (deficiency) of revenues over (under) expenditures					
Adjustment for prior year encumbrances	\$ (189,934)	\$ -	\$ (189,934)	\$ (189,934)	\$ -
Increase in capital reserve	-	1,067,717	1,067,717	1,067,717	-
Interest deposit to capital reserve	500	-	500	1,886	1,386
Withdrawal from capital reserve	(341,889)	-	(341,889)	(341,889)	-
Interest earned on emergency reserve	50	-	50	-	(50)
Increase in maintenance reserve	-	375,000	375,000	375,000	-
Interest earned on maintenance reserve	50	50	100	100	-
Withdrawal from maintenance reserve	-	(150,000)	(150,000)	(150,000)	-
Interest earned on unemployment compensation	-	-	-	420	420
Budgeted fund balance	(138,035)	(1,726,535)	(1,864,570)	849,821	2,714,391
Total	\$ (669,258)	\$ (433,768)	\$ (1,103,026)	\$ 1,613,121	\$ 2,716,147
Recapitulation of fund balance					
Restricted fund balance					
Capital reserve				\$ 2,677,431	
Emergency reserve				250,000	
Maintenance reserve				425,698	
Unemployment compensation				219,279	
Committed fund balance					
Year-end encumbrances				634,544	
Assigned fund balance					
Designated for subsequent year's expenditures				300,000	
Unassigned fund balance				675,412	
Fund balance per budgetary basis				5,182,364	
Reconciliation to governmental statements (GAAP)					
Last state aid payments not recognized on GAAP basis				(292,822)	
Fund balance per governmental funds (GAAP)				\$ 4,889,542	

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2021

	Unaudited			Actual	Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget		
Revenues					
Federal sources	\$ 399,537	\$ -	\$ 399,537	\$ 293,968	\$ (105,569)
Local sources	91,101	88,593	179,694	112,124	(67,570)
Total revenues	<u>\$ 490,638</u>	<u>\$ 88,593</u>	<u>\$ 579,231</u>	<u>\$ 406,092</u>	<u>\$ (173,139)</u>
Expenditures					
Instruction					
Salaries	\$ 52,421	\$ -	\$ 52,421	\$ 25,515	\$ 26,906
Purchased professional & technical services	10,000	-	10,000	-	10,000
Supplies	40,296	-	40,296	9,099	31,197
Total	<u>102,717</u>	<u>-</u>	<u>102,717</u>	<u>34,614</u>	<u>68,103</u>
Support services					
Tuition	158,842	-	158,842	158,842	-
Salaries	5,000	(2,200)	2,800	-	2,800
Employee benefits	1,767	-	1,767	-	1,767
Purchased professional & technical services	5,000	-	5,000	-	5,000
Other technical services	39,700	-	39,700	22,312	17,388
Other purchased services	46,944	(7,720)	39,224	8,610	30,614
Travel	676	9,920	10,596	9,920	676
Supplies	50,356	-	50,356	41,647	8,709
Scholarships awarded	-	9,250	9,250	9,250	-
Student activities	-	95,655	95,655	95,655	-
Total	<u>308,285</u>	<u>104,905</u>	<u>413,190</u>	<u>346,236</u>	<u>66,954</u>
Capital Outlay					
Equipment	79,636	-	79,636	41,554	38,082
Total expenditures	<u>\$ 490,638</u>	<u>\$ 104,905</u>	<u>\$ 595,543</u>	<u>\$ 422,404</u>	<u>\$ 173,139</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (16,312)</u>	<u>\$ (16,312)</u>	<u>\$ (16,312)</u>	<u>\$ -</u>
Fund balances, July 1 (as restated)	<u>125,917</u>	<u>-</u>	<u>125,917</u>	<u>125,917</u>	<u>-</u>
Fund balances, June 30	<u>\$ 125,917</u>	<u>\$ (16,312)</u>	<u>\$ 109,605</u>	<u>\$ 109,605</u>	<u>\$ -</u>
Recapitulation of fund balance					
Restricted fund balance					
Scholarships				\$ 23,123	
Student activities				86,482	
Fund balance per budgetary basis				<u>\$ 109,605</u>	

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to Required Supplementary Information
Budget-to-GAAP Reconciliation
For the Fiscal Year Ended June 30, 2021

Explanation of Differences Between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 21,834,570	\$ 406,092
Difference - Budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized:		
Outstanding encumbrances prior year	-	10,965
Outstanding encumbrances prior year canceled	-	(5,575)
Outstanding encumbrances current year	-	(10)
Difference - Budget to GAAP		
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 expenses (GASB 33):		
State aid receivable prior year	347,719	-
State aid receivable current year	(292,822)	-
Total revenues (GAAP basis)	\$ 21,889,467	\$ 411,472
Uses/Outflows of Resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 20,208,516	\$ 422,404
Difference - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes:		
Outstanding encumbrances prior year	-	10,965
Outstanding encumbrances prior year canceled	-	(5,575)
Outstanding encumbrances current year	-	(10)
Total expenditures (GAAP basis)	\$ 20,208,516	\$ 427,784

See independent auditors' report.

REQUIRED SUPPLEMENTARY INFORMATION - PART III

**SCHEDULES RELATED TO ACCOUNTING
AND REPORTING FOR PENSIONS (GASB 68) (UNAUDITED)**

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability - Public Employees Retirement System
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
District's proportion of the net pension liability (asset) - percentage	N/A	0.0435885726%	0.0455595274%	0.0311568500%	0.0313398241%	0.0291500635%	0.0272854859%	0.0261730678%	0.025348854%	N/A
District's proportion of the net pension liability (asset) - value	N/A	\$ 7,108,156	\$ 8,209,136	\$ 6,134,629	\$ 7,295,410	\$ 8,633,414	\$ 6,125,045	\$ 4,900,314	\$ 4,843,719	N/A
District's covered employee payroll	\$ 2,936,371	3,086,136	2,254,639	2,298,715	2,155,498	2,064,720	1,952,858	1,812,411	1,781,209	N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	N/A	230.33%	364.10%	266.87%	338.46%	418.14%	313.65%	270.38%	271.93%	N/A
Plan fiduciary net position as a percentage of the total pension liability	N/A	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%	N/A

N/A = Information Not Available

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of District's Contributions - Public Employees Retirement System
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 476,837	\$ 443,160	\$ 309,910	\$ 295,818	\$ 260,260	\$ 258,965	\$ 234,582	\$ 215,767	N/A	N/A
Contributions in relation to the contractually required contribution	(476,837)	(443,160)	(309,910)	(295,818)	(260,260)	(258,965)	(234,582)	(215,767)	N/A	N/A
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered employee payroll	\$ 2,936,371	\$ 3,086,136	\$ 2,254,639	\$ 2,298,715	\$ 2,155,498	\$ 2,064,720	\$ 1,952,858	\$ 1,812,411	N/A	N/A
Contributions as a percentage of covered employee payroll	16.24%	14.36%	13.75%	12.87%	12.07%	12.54%	12.01%	11.90%	N/A	N/A

N/A = Information Not Available

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability - Teacher's Pension and Annuity Fund
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
District's proportion of the net pension liability (asset) - percentage	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
District's proportion of the net pension liability (asset) - value	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
State's proportionate share of the net pension liability (asset) associated with the District	\$ -	41,868,138	40,233,991	51,897,307	-	-	-	-	-	\$ -
Total	\$ -	\$ 41,868,138	\$ 40,233,991	\$ 51,897,307	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered employee payroll	\$ 6,742,472	\$ 6,937,116	\$ 9,161,360	N/A	\$ 8,709,653	\$ 8,039,439	\$ 7,739,908	\$ 7,825,831	\$ 7,379,913	\$ -
District's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	N/A	0.00%	0.00%	N/A	0.00%	0.00%	0.00%	0.00%	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	N/A	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%	N/A

N/A = Information Not Available

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of District's Contributions - Teacher's Pension and Annuity Fund
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 1,440,791	\$ 1,318,151	\$ 1,686,199	\$ 1,201,336	\$ 841,051	\$ 574,414	\$ 406,863	\$ 158,792	\$ 245,467	N/A
Contributions in relation to the contractually required contribution	<u>(1,440,791)</u>	<u>(1,318,151)</u>	<u>(1,686,199)</u>	<u>(1,201,336)</u>	<u>(841,051)</u>	<u>(574,414)</u>	<u>(406,863)</u>	<u>(158,792)</u>	<u>(245,467)</u>	N/A
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered employee payroll	\$ 6,742,472	\$ 6,937,116	\$ 9,161,360	N/A	\$ 8,709,653	\$ 8,039,439	\$ 7,739,908	\$ 7,825,831	\$ 7,379,913	N/A
Contributions as a percentage of covered employee payroll	21.37%	19.00%	18.41%	N/A	9.66%	7.14%	5.26%	2.03%	N/A	N/A

N/A = Information Not Available

See independent auditors' report.

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR
OTHER POSTEMPLOYMENT EMPLOYEE BENEFITS (GASB 75) (UNAUDITED)**

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Other
Postemployment Employee Benefits Liability
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
District's proportionate share of the other postemployment employee benefits liability (asset) - percentage	N/A	0.00%	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the other postemployment employee benefits liability (asset) - value	N/A	\$ -	\$ -	\$ -	\$ -	N/A	N/A	N/A	N/A	N/A
State's proportionate share of the other postemployment employee benefits liability (asset) associated with the District	N/A	48,671,541	30,726,411	34,245,173	\$ 39,447,139	N/A	N/A	N/A	N/A	N/A
Total	\$ -	\$ 48,671,541	\$ 30,726,411	\$ 34,245,173	\$ 39,447,139	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered employee payroll	N/A	\$ 10,023,252	\$ 11,415,999	N/A	\$ 10,865,151	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the other postemployment employee liability (asset) as a percentage of its covered employee payroll	N/A	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total other post employment employee benefits liability	N/A	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A	N/A

N/A = Information Not Available

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Required Supplementary Information - Part III
(Unaudited)
June 30, 2021

- Note 1 - Special funding situation - TPAF and other postretirement benefits
The participating employer allocations included in the supplemental Schedule of Employer Special Funding Allocations and the supplemental Schedule of Special Funding Amounts by Employer for each local employer are provided as each local employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the pension expense and other postretirement benefits (OPEB) expense allocated to the State of New Jersey (the State) under the special-funding situation and include their proportionate share of the net pension liability and OPEB liability in their respective notes to their financial statements. For this purpose, the proportionate share was developed based on actual contributions made to the Teachers' Pension and Annuity Fund and for OPEB allocated to employers based upon covered payroll and adjusted by expected State Early Retirement Incentive contributions for the respective fiscal year.
- Note 2 - Changes in assumptions - TPAF
The discount rate was 5.60% in State fiscal year 2019 and 5.40% in State fiscal year 2020. The inflation rate was 2.75% in State fiscal year 2019 and 2.75% in State fiscal year 2020.
- Note 3 - Changes in assumptions - PERS
The discount rate was 6.28% in State fiscal year 2019 and 7.00% in State fiscal year 2020. The inflation rate was 2.75% for State fiscal year 2019 and 2.75% for State fiscal year 2020.
- Note 4 - Changes in assumptions - other postretirement employee benefits
The other postretirement employee benefits discount rate decreased from 3.50% in State fiscal year 2019 to 2.21% in State fiscal year 2020. The inflation rate was 2.50% for State fiscal year 2019 and 2020.
- Note 5 - Changes in healthcare trend assumptions - other postretirement employee benefits
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 rates 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%.
- Note 6 - Changes in benefit term assumptions - other postretirement employee benefits
There were no changes of the benefit terms from June 30, 2019 to June 30, 2020.

SPECIAL REVENUE FUND

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted expenditures for specific purposes.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2021

	IDEA Basic	ESSA Title IA	ESSA Title IIA	ESSA Title IV	CARES Emergency Relief	Coronavirus Relief Fund	ESSER II	Other Local	Scholarships	Student Activities	Total
Revenues											
Federal sources	\$ 158,842	\$ 29,700	\$ 9,920	\$ 10,000	\$ 8,073	\$ 23,469	\$ 53,964	\$ -	\$ -	\$ -	\$ 293,968
Local sources	-	-	-	-	-	-	-	23,531	5,493	83,100	112,124
Total revenues	\$ 158,842	\$ 29,700	\$ 9,920	\$ 10,000	\$ 8,073	\$ 23,469	\$ 53,964	\$ 23,531	\$ 5,493	\$ 83,100	\$ 406,092
Expenditures											
Instruction											
Salaries	\$ -	\$ 25,515	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,515
Supplies	-	-	-	5,000	2,880	-	-	1,219	-	-	9,099
Total	-	25,515	-	5,000	2,880	-	-	1,219	-	-	34,614
Support services											
Tuition	158,842	-	-	-	-	-	-	-	-	-	158,842
Purchased professional & technical services	-	-	-	-	-	-	-	22,312	-	-	22,312
Other purchased services	-	3,500	-	5,000	110	-	-	-	-	-	8,610
Travel	-	-	9,920	-	-	-	-	-	-	-	9,920
Supplies	-	685	-	-	5,083	23,469	12,410	-	-	-	41,647
Scholarships awarded	-	-	-	-	-	-	-	-	9,250	-	9,250
Student activities	-	-	-	-	-	-	-	-	-	95,655	95,655
Total	158,842	4,185	9,920	5,000	5,193	23,469	12,410	22,312	9,250	95,655	346,236
Capital Outlay											
Equipment	-	-	-	-	-	-	41,554	-	-	-	41,554
Total expenditures	\$ 158,842	\$ 29,700	\$ 9,920	\$ 10,000	\$ 8,073	\$ 23,469	\$ 53,964	\$ 23,531	\$ 9,250	\$ 95,655	\$ 422,404

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis (continued)
For the Fiscal Year Ended June 30, 2021

	IDEA Basic	ESSA Title IA	ESSA Title IIA	ESSA Title IV	CARES Emergency Relief	Coronavirus Relief Fund	ESSER II	Other Local	Scholarship Fund	Student Activity Fund	Total
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,757)	\$ (12,555)	\$ (16,312)
Fund balances, July 1 (as restated)	-	-	-	-	-	-	-	-	26,880	99,037	125,917
Fund balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,123	\$ 86,482	\$ 109,605

See independent auditors' report.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Fiscal Year Ended June 30, 2021

Description	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations 06/30/2021
			Prior Years	Current Year	
Roof Replacement/Restoration	2019	\$ 1,358,265	\$ 777,653	\$ 580,612	\$ -
		<u>\$ 1,358,265</u>	<u>\$ 777,653</u>	<u>\$ 580,612</u>	<u>\$ -</u>

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Basis
For the Fiscal Year Ended June 30, 2021

Expenditures and other financing uses	
Construction services	\$ 580,612
Total expenditures	<u>580,612</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures & other financing uses	(580,612)
Fund balance - beginning	<u>580,612</u>
Fund balance - ending	<u><u>\$ -</u></u>

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status
Budgetary Basis
Roof Replacement/Restoration
For the Fiscal Year Ended June 30, 2021

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
Local sources				
Capital lease purchase proceeds	\$ 1,358,265	\$ -	\$ 1,358,265	\$ 1,358,265
Total revenues	1,358,265	-	1,358,265	1,358,265
Expenditures and other financing uses				
Legal services	11,000	-	11,000	11,000
Construction services	763,903	580,612	1,344,515	1,344,515
Other purchased services	2,750	-	2,750	2,750
Total expenditures	777,653	580,612	1,358,265	1,358,265
Excess (deficiency) of revenues over (under) expenditures	\$ 580,612	\$ (580,612)	\$ -	\$ -

Additional Project Information

Project number	N/A
Authorization date	2019
Bond authorized	N/A
Bonds issued	N/A
Original authorized cost	\$ 1,370,741
Additional authorized cost	(12,476)
Revised authorized cost	1,358,265
Percentage completion	100.00%

See independent auditors' report.

PROPRIETARY FUND

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the District's Board is that the costs of providing goods or services be financed through user charges.

See Statements B-4, B-5, and B-6.

FIDUCIARY FUNDS

Fiduciary Funds are used to account for funds received by the School District as an agent for individuals, private organizations, other government and/or other funds.

(NOT APPLICABLE TO THIS REPORT)

LONG-TERM DEBT SCHEDULES

The Long-Term Debt Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the School District. This includes serial bonds outstanding, obligations under capital leases, and early retirement program.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Long-Term Debt
Schedule of Obligations Under Capital Leases - General Fund
For the Fiscal Year Ended June 30, 2021

Description	Interest Rate	Date of Lease	Amount of Original Issue	Balance 07/01/20	Issued	Retired	Balance 06/30/21
Vehicles & technology	1.73%	6/15/2020	\$ 227,414	\$ 227,414	\$ -	\$ 57,595	\$ 169,819
Equipment lease purchase	2.75%	4/30/2019	2,500,000	<u>2,017,917</u>	<u>-</u>	<u>484,009</u>	<u>1,533,908</u>
				<u>\$ 2,245,331</u>	<u>\$ -</u>	<u>\$ 541,604</u>	<u>\$ 1,703,727</u>

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Long-Term Debt
Schedule of Obligations Under Capital Leases - Proprietary Fund
For the Fiscal Year Ended June 30, 2021

Description	Interest Rate	Payment Date	Amount of Original Issue	Balance 07/01/20	Issued	Retired	Balance 06/30/21
Various transportation vehicles	1.64%	6/10/2016	\$ 536,484	\$ 109,360	\$ -	\$ 109,360	\$ -
Vehicles & technology	1.73%	6/15/2020	502,299	502,299	-	127,212	375,087
Vehicles & technology	2.16%	7/18/2019	523,058	480,337	-	156,702	323,635
Vehicles, technology & other equipment	3.05%	5/29/2018	508,317	373,323	-	183,869	189,454
				<u>\$ 1,465,319</u>	<u>\$ -</u>	<u>\$ 577,143</u>	<u>\$ 888,176</u>

See independent auditors' report.

STATISTICAL SECTION

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statistical Section J Series

Contents	Page
FINANCIAL TRENDS	
These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.	J-1 to J-5
REVENUE CAPACITY	
These schedules contain trend information to help the reader assess the District's most significant local revenue sources, the property tax.	J-6 to J-9
DEBT CAPACITY	
These schedules contain trend information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	J-10 to J-13
DEMOGRAPHIC AND ECONOMIC INFORMATION	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	J-14 to J-15
OPERATING INFORMATION	
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	J-16 to J-20

Sources: Unless otherwise noted, the information in these schedules are derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year.

The District implemented GASB Statement No. 84 in the fiscal year ending June 30, 2021. Schedules presenting information relating to the implementation of GASB Statement No. 84 include information beginning in that year.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Net Position by Component
Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Government activities										
Net investment in capital assets	\$ 8,326,584	\$ 9,145,599	\$ 9,901,929	\$ 9,083,412	\$ 9,474,220	\$ 11,226,221	\$ 13,292,397	\$ 12,487,848	\$ 13,353,577	\$ 13,338,027
Restricted	1,079,940	1,233,893	878,685	861,504	1,672,418	1,265,165	2,963,008	1,436,011	3,329,113	3,682,013
Unrestricted	(543,071)	(256,564)	(7,386,948)	(3,786,616)	(5,418,500)	(6,291,751)	(7,596,502)	(4,355,100)	(5,860,368)	(4,808,904)
Total governmental activities	\$ 8,863,453	\$ 10,122,928	\$ 3,393,666	\$ 6,158,300	\$ 5,728,138	\$ 6,199,635	\$ 8,658,903	\$ 9,568,759	\$ 10,822,322	\$ 12,211,136
Business-type activities										
Net investment in capital assets	\$ 829,289	\$ 763,643	\$ 664,639	\$ 439,400	\$ 1,607,011	\$ 1,421,677	\$ 1,480,266	\$ 3,003,563	\$ 1,730,672	\$ 1,768,364
Unrestricted	780,935	719,834	868,033	(1,052,138)	(1,437,669)	(781,490)	(1,045,922)	(2,248,636)	(2,776,378)	(2,490,755)
Total business-type activities	\$ 1,610,224	\$ 1,483,477	\$ 1,532,672	\$ (612,738)	\$ 169,342	\$ 640,187	\$ 434,344	\$ 754,927	\$ (1,045,706)	\$ (722,391)
District-wide										
Net investment in capital assets	\$ 9,155,873	\$ 9,909,242	\$ 10,566,568	\$ 9,522,812	\$ 11,081,231	\$ 12,647,898	\$ 14,772,663	\$ 15,491,411	\$ 15,084,249	\$ 15,106,391
Restricted	1,079,940	1,233,893	878,685	861,504	1,672,418	1,265,165	2,963,008	1,436,011	3,329,113	3,682,013
Unrestricted	237,864	463,270	(6,518,915)	(4,838,754)	(6,856,169)	(7,073,241)	(8,642,424)	(6,603,736)	(8,636,746)	(7,299,659)
Total district-wide	\$ 10,473,677	\$ 11,606,405	\$ 4,926,338	\$ 5,545,562	\$ 5,897,480	\$ 6,839,822	\$ 9,093,247	\$ 10,323,686	\$ 9,776,616	\$ 11,488,745

*

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

* as restated

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities										
Instruction										
Regular	\$ 6,567,284	\$ 6,562,855	\$ 6,783,272	\$ 7,994,360	\$ 8,084,175	\$ 8,920,184	\$ 8,703,370	\$ 8,713,124	\$ 8,928,631	\$ 10,203,963
Special education	1,996,335	1,911,556	1,544,142	1,521,071	1,891,749	2,327,301	2,238,108	2,040,912	1,999,675	2,106,481
Other special education	17,721	3,557	28,475	24,997	40,704	1,098	356	2,265	93,540	142,245
Other instruction	1,327,057	1,330,447	1,414,072	1,441,785	1,032,906	1,115,421	1,110,261	1,102,703	1,404,372	1,434,687
Support services										
Tuition	1,020,360	1,061,429	940,653	1,094,071	954,593	1,198,946	1,336,165	1,306,571	1,374,230	967,312
Student & instruction related services	2,801,731	2,849,424	3,570,980	4,143,236	4,627,236	5,047,114	5,671,611	5,204,918	4,899,186	5,833,691
General & business administrative services	1,174,587	1,164,906	1,191,594	1,349,198	1,267,290	1,398,733	1,389,733	1,052,704	1,483,117	1,316,464
School administration	537,653	599,512	599,975	670,034	724,417	812,418	838,368	767,067	517,206	912,644
Plant operations & maintenance	1,654,596	1,744,118	1,917,835	1,659,974	2,099,057	2,199,965	1,340,044	1,955,738	1,680,396	1,750,962
Pupil transportation	1,166,677	1,218,965	1,216,043	1,267,740	1,226,349	1,333,459	1,287,053	1,247,169	1,080,789	987,438
Capital outlay	-	-	-	-	-	-	-	866,634	-	-
Interest on long-term debt	127,930	133,563	123,357	130,697	35,282	18,805	548	6,220	42,411	26,757
Total governmental activities expenses	18,391,931	18,580,332	19,330,398	21,297,163	21,983,758	24,373,444	23,915,617	24,266,025	23,503,553	25,682,644
Business-type activities										
Transportation	2,842,781	2,955,585	3,054,696	3,470,988	3,732,371	3,572,686	4,504,774	3,822,210	4,760,412	3,653,685
Food services	380,362	435,304	452,199	402,611	376,867	347,258	320,083	320,632	280,930	204,772
Summer enrichment	33,570	139,281	160,574	266,755	528,445	313,999	275,664	246,628	4,150	-
Technology services	33,570	139,281	160,574	266,755	528,445	313,999	275,664	246,628	98,785	194,418
Administrative services	33,570	139,281	160,574	266,755	528,445	313,999	275,664	246,628	114,927	112,504
Total business-type activities	3,323,853	3,808,732	3,988,617	4,673,864	5,694,573	4,861,941	5,651,849	4,882,726	5,259,204	4,165,379
Total district expenses	\$ 21,715,784	\$ 22,389,064	\$ 23,319,015	\$ 25,971,027	\$ 27,678,331	\$ 29,235,385	\$ 29,567,466	\$ 29,148,751	\$ 28,762,757	\$ 29,848,023

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Changes in Net Position (continued)
Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Program revenues										
Governmental activities										
Charges for services	\$ 217,384	\$ 192,456	\$ 225,954	\$ 366,500	\$ 123,489	\$ 154,467	\$ 44,857	\$ 34,421	\$ 245,901	\$ 238,336
Operating grants & contributions	356,282	227,873	214,024	229,134	4,792,227	6,201,452	7,249,654	5,641,043	201,250	322,879
Capital grants & contributions	-	-	-	110,735	-	-	527,542	1,022,889	-	-
Total governmental activities	<u>573,666</u>	<u>420,329</u>	<u>439,978</u>	<u>706,369</u>	<u>4,915,716</u>	<u>6,355,919</u>	<u>7,822,053</u>	<u>6,698,353</u>	<u>447,151</u>	<u>561,215</u>
Business-type activities										
Charges for services										
Transportation	2,846,131	2,862,260	3,134,672	3,682,898	3,865,697	4,397,780	4,342,647	4,164,486	4,060,287	3,881,697
Food services	319,010	344,117	339,217	335,139	300,555	284,217	269,641	264,304	203,191	23,178
Summer enrichment	-	-	-	-	-	-	-	-	4,150	-
Technology services	33,570	139,281	176,483	265,847	215,110	222,500	229,352	236,550	244,724	276,405
Administrative services	-	-	-	-	-	-	-	-	116,649	116,799
Operating grants & contributions	43,901	46,872	57,465	57,449	41,137	45,372	45,871	41,610	62,900	151,674
Capital grants & contributions	-	-	-	-	-	-	6,694	-	-	-
Total business-type activities	<u>3,242,612</u>	<u>3,392,530</u>	<u>3,707,837</u>	<u>4,341,333</u>	<u>4,422,499</u>	<u>4,949,869</u>	<u>4,894,205</u>	<u>4,706,950</u>	<u>4,691,901</u>	<u>4,449,753</u>
Total district-wide program revenues	<u>\$ 3,816,278</u>	<u>\$ 3,812,859</u>	<u>\$ 4,147,815</u>	<u>\$ 5,047,702</u>	<u>\$ 9,338,215</u>	<u>\$ 11,305,788</u>	<u>\$ 12,716,258</u>	<u>\$ 11,405,303</u>	<u>\$ 5,139,052</u>	<u>\$ 5,010,968</u>
Net (expense) revenues										
Governmental activities	\$ (17,818,265)	\$ (18,160,003)	\$ (18,890,420)	\$ (20,590,794)	\$ (17,068,042)	\$ (18,017,525)	\$ (16,093,564)	\$ (17,567,672)	\$ (23,056,402)	\$ (25,121,429)
Business-type activities	(81,241)	(416,202)	(280,780)	(332,531)	(1,272,074)	87,928	(757,644)	(175,776)	(567,303)	284,374
Total district-wide net expenses	<u>\$ (17,899,506)</u>	<u>\$ (18,576,205)</u>	<u>\$ (19,171,200)</u>	<u>\$ (20,923,325)</u>	<u>\$ (18,340,116)</u>	<u>\$ (17,929,597)</u>	<u>\$ (16,851,208)</u>	<u>\$ (17,743,448)</u>	<u>\$ (23,623,705)</u>	<u>\$ (24,837,055)</u>

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Changes in Net Position (continued)
Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General revenues & other changes in net position										
Governmental activities										
Property taxes levied for general purposes	\$ 12,636,477	\$ 12,889,207	\$ 13,134,122	\$ 13,525,820	\$ 13,783,832	\$ 14,031,941	\$ 14,031,941	\$ 14,197,385	\$ 15,043,555	\$ 15,344,427
Taxes levied for debt service	553,693	593,430	555,964	578,050	578,350	578,200	577,600	551,200	-	-
Unrestricted grants & contributions	5,084,389	5,415,942	5,406,445	7,415,191	3,291,371	3,293,049	3,296,720	3,252,928	9,289,218	11,111,256
Investment earnings	3,879	3,908	3,504	9,677	12,612	4,560	9,097	11,306	49,980	11,981
Rent and royalties	-	-	-	-	-	373,500	510,440	306,694	-	-
Miscellaneous income	31,311	134,520	59,847	63,164	42,871	69,642	127,034	158,015	63,966	58,922
Special item										
Lease proceeds utilized	-	-	-	-	-	-	-	-	(1,758,333)	-
Payment to bond agent	(114,463)	-	-	-	-	-	-	-	-	-
FEMA proceeds for storm damage	-	489,480	-	-	-	-	-	-	-	-
Gain (loss) on sale of assets	(10,138)	(13,650)	(52,734)	(360)	-	-	-	-	-	-
Transfers	(100,000)	-	-	-	-	(8,013)	-	-	-	(12,933)
Total governmental activities	<u>18,085,148</u>	<u>19,512,837</u>	<u>19,107,148</u>	<u>21,591,542</u>	<u>17,709,036</u>	<u>18,342,879</u>	<u>18,552,832</u>	<u>18,477,528</u>	<u>22,688,386</u>	<u>26,513,653</u>
General revenues & other changes in net position (cont'd)										
Business-type activities										
Investment earnings	-	-	-	126	122	162	473	597	375	27
Miscellaneous income	62	1,773	4,515	1,385	22,023	-	-	2,333	19,406	25,981
Transfer in (out)	-	-	-	-	-	8,013	-	-	-	12,933
Disposal of capital assets	2,631	9,120	4,312	1,281	-	-	-	-	-	-
Total business-type activities	<u>2,693</u>	<u>10,893</u>	<u>8,827</u>	<u>2,792</u>	<u>22,145</u>	<u>8,175</u>	<u>473</u>	<u>2,930</u>	<u>19,781</u>	<u>38,941</u>
Total district-wide	<u>\$ 18,087,841</u>	<u>\$ 19,523,730</u>	<u>\$ 19,115,975</u>	<u>\$ 21,594,334</u>	<u>\$ 17,731,181</u>	<u>\$ 18,351,054</u>	<u>\$ 18,553,305</u>	<u>\$ 18,480,458</u>	<u>\$ 22,708,167</u>	<u>\$ 26,552,594</u>
Change in net position										
Governmental activities	\$ 266,883	\$ 1,352,834	\$ 216,728	\$ 1,000,748	\$ 640,994	\$ 325,354	\$ 2,459,268	\$ 909,856	\$ (368,016)	\$ 1,392,224
Business-type activities	(78,548)	(405,309)	(271,953)	(329,739)	(1,249,929)	96,103	(757,171)	(172,846)	(547,522)	323,315
Total district	<u>\$ 188,335</u>	<u>\$ 947,525</u>	<u>\$ (55,225)</u>	<u>\$ 671,009</u>	<u>\$ (608,935)</u>	<u>\$ 421,457</u>	<u>\$ 1,702,097</u>	<u>\$ 737,010</u>	<u>\$ (915,538)</u>	<u>\$ 1,715,539</u>

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General fund										
Restricted	\$ 1,141,513	\$ 1,274,130	\$ 878,685	\$ 861,504	\$ 1,672,418	\$ 1,265,165	\$ 2,963,008	\$ 1,436,011	\$ 2,633,128	\$ 3,572,408
Committed	315,447	474,242	126,340	605,112	77,435	294,325	286,125	97,671	189,934	634,544
Assigned	100,000	137,427	300,000	250,000	225,000	406,180	200,000	200,000	124,081	300,000
Unassigned	16,407	79,342	239,521	167,434	47,594	111,075	166,547	286,238	274,381	382,590
Total general fund	<u>\$ 1,573,367</u>	<u>\$ 1,965,141</u>	<u>\$ 1,544,546</u>	<u>\$ 1,884,050</u>	<u>\$ 2,022,447</u>	<u>\$ 2,076,745</u>	<u>\$ 3,615,680</u>	<u>\$ 2,019,920</u>	<u>\$ 3,221,524</u>	<u>\$ 4,889,542</u>
									*	
All other governmental funds										
Restricted										
Special revenue fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 129,327	\$ 109,605
Capital projects fund	-	-	-	1,758,945	485,926	163,388	-	2,338,945	580,612	-
Assigned										
Debt service fund	-	21,336	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(696,217)	-	-	-
Total all other governmental funds	<u>\$ -</u>	<u>\$ 21,336</u>	<u>\$ -</u>	<u>\$ 1,758,945</u>	<u>\$ 485,926</u>	<u>\$ 163,388</u>	<u>\$ (696,217)</u>	<u>\$ 2,338,945</u>	<u>\$ 709,939</u>	<u>\$ 109,605</u>
									*	

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

* as restated

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Tax levy	\$ 13,190,170	\$ 13,482,637	\$ 13,690,086	\$ 14,103,870	\$ 14,362,182	\$ 14,610,141	\$ 14,609,541	\$ 14,748,585	\$ 15,043,555	\$ 15,344,427
Tuition charges										
Individuals	36,100	33,380	61,791	187,493	12,735	12,735	5,514	-	-	-
Other LEA's within the state	-	-	-	-	110,754	141,732	39,343	34,421	54,411	50,119
Interest earnings	3,879	3,908	3,504	9,677	914	4,560	9,097	3,890	49,980	11,981
Rents and royalties	-	-	-	-	-	373,500	510,440	306,694	191,490	99,680
Miscellaneous	33,855	160,566	62,541	72,663	63,997	211,110	131,477	226,524	68,951	170,990
State sources	4,936,247	5,415,942	5,406,445	5,714,234	5,820,700	6,025,352	6,867,322	7,571,821	6,230,153	6,324,394
Federal sources	500,523	209,843	210,339	217,892	210,187	208,667	202,974	212,373	196,265	299,348
Total revenues	18,700,774	19,306,276	19,434,706	20,305,829	20,581,469	21,587,797	22,375,708	23,104,308	21,834,805	22,300,939
Expenditures										
Instruction										
Regular instruction	4,502,117	4,595,524	4,736,072	4,932,664	4,907,939	4,587,826	4,430,603	4,543,125	4,609,022	4,439,154
Special education instruction	1,324,608	1,300,227	1,039,553	876,297	930,532	1,021,182	1,002,289	956,904	910,242	844,511
Other special instruction	1,202	1,232	7,800	5,000	-	1,098	356	2,265	31,895	44,694
Other instruction	909,491	936,167	993,760	1,009,555	1,001,801	1,056,091	1,053,392	1,094,785	1,035,746	987,016
Support services										
Tuition	827,038	874,973	760,449	909,045	954,593	1,198,946	1,336,165	1,306,571	1,214,435	808,470
Student & instructional related services	1,807,074	1,986,978	2,440,575	2,484,432	2,581,083	2,432,479	2,764,760	2,808,608	2,795,526	2,706,117
General administration	491,409	497,262	498,010	491,957	420,944	484,527	429,481	339,764	332,458	304,567
School administration services	372,540	417,994	414,962	412,906	419,574	429,123	430,419	424,994	388,997	423,316
Central services	308,711	323,212	353,988	355,174	344,734	340,328	366,196	349,072	425,011	423,316
Administration info technology	49,241	57,106	63,656	112,352	196,203	138,410	65,239	-	39,961	39,895
Plant operations & maintenance	1,373,582	1,467,139	1,619,068	1,341,466	1,547,590	1,477,869	1,426,972	1,498,648	1,383,497	1,205,856
Pupil transportation	1,161,492	1,212,426	1,216,358	1,260,591	1,180,593	1,267,395	1,223,131	1,199,273	1,080,789	985,928
Employee benefits	3,000,071	2,994,206	3,036,763	2,832,695	2,935,287	2,745,505	2,979,985	3,309,925	3,249,982	(5,570,826)
On-behalf TPAF Pension & Social Security contributions	1,077,768	1,077,768	1,178,883	1,402,196	1,603,225	1,830,551	2,073,221	2,407,939	2,432,392	11,785,756
Capital outlay	189,844	813,484	887,712	167,164	530,890	545,367	546,135	2,864,506	968,982	753,765
Special revenue funds	356,282	227,873	214,024	229,134	309,826	281,414	262,746	280,755	201,250	427,784
Capital projects	72,356	-	-	276,839	1,162,192	1,431,713	831,185	457,625	1,758,333	580,612
Debt service										
Principal	445,000	480,000	475,000	792,212	505,000	520,000	535,000	530,000	-	-
Interest & other charges	167,775	119,075	129,281	115,031	73,350	58,200	42,600	21,200	26,981	26,981
Total expenditures	18,437,601	19,382,646	20,065,914	20,006,710	21,605,356	21,848,024	21,799,875	24,395,959	22,885,499	21,216,912

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds (continued)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Excess (deficiency) of revenues over (under) expenditures	\$ 263,173	\$ (76,370)	\$ (631,208)	\$ 299,119	\$ (1,023,887)	\$ (260,227)	\$ 575,833	\$ (1,291,651)	\$ (1,050,694)	\$ 1,084,027
Other financing sources (uses)										
Capital leases (non-budgeted)	-	-	189,277	1,799,330	-	-	103,497	2,731,053	350,106	-
Bond proceeds	3,075,000	-	-	-	-	-	-	-	-	-
Premium on sale of bonds	245,819	-	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	(3,248,463)	-	-	-	-	-	-	-	-	-
Special item										
FEMA proceeds for storm damage	-	489,480	-	-	-	-	-	-	-	-
Transfers out	(100,000)	-	-	-	-	(8,013)	-	-	(75,000)	(12,933)
Total other financing sources (uses)	(27,644)	489,480	189,277	1,799,330	-	(8,013)	103,497	2,731,053	275,106	(12,933)
Net change in fund balances	\$ 235,529	\$ 413,110	\$ (441,931)	\$ 2,098,449	\$ (1,023,887)	\$ (268,240)	\$ 679,330	\$ 1,439,402	\$ (775,588)	\$ 1,071,094
Debt service as a percentage of non-capital expenditures	3.49%	3.33%	3.25%	4.86%	2.99%	3.00%	2.91%	2.69%	0.13%	0.14%

Source: District Records

Note: 1) Non-capital expenditures are total expenditures less capital outlay.
2) During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
General Fund - Other Local Revenues by Source
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Tuition	\$ 35,241	\$ 21,554	\$ 51,689	\$ 107,316	\$ 123,489	\$ 154,467	\$ 44,857	\$ 34,421	\$ 54,411	\$ 50,119
Interest income	560	538	4,996	5,384	12,239	4,560	52,119	71,621	49,980	11,925
Rental income	-	-	-	-	-	373,500	510,440	306,694	191,490	99,680
Miscellaneous	8,739	10,859	32,826	34,248	43,103	69,642	84,012	90,284	63,966	58,922
Annual totals	\$ 44,540	\$ 32,951	\$ 89,511	\$ 146,948	\$ 178,831	\$ 602,169	\$ 691,428	\$ 503,020	\$ 359,847	\$ 220,646

Source: District Records

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
All Constituent Districts Combined
Last Ten Fiscal Years

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Vacant land	\$ 52,832,600	\$ 50,270,900	\$ 48,539,200	\$ 40,527,200	\$ 43,176,450	\$ 45,365,850	\$ 43,284,400	\$ 40,664,400	\$ 39,382,100	\$ 38,832,200
Residential	1,943,464,700	1,930,780,900	1,921,569,100	1,721,382,800	1,717,737,499	1,736,142,299	1,735,578,170	1,740,364,370	1,747,216,166	1,748,797,436
Farm regular	311,591,200	314,133,600	315,570,700	288,474,400	290,816,001	281,884,100	285,582,500	284,797,700	289,095,400	293,321,100
Q farm	12,438,433	12,448,351	12,379,332	12,541,189	12,447,869	12,189,659	12,052,409	12,343,633	12,315,130	12,093,070
Commercial	112,262,958	111,870,858	112,145,458	109,316,181	107,749,581	106,697,781	107,014,281	107,034,681	106,679,181	105,447,081
Industrial	31,626,150	30,745,250	29,245,250	27,167,250	27,167,250	26,708,050	25,924,558	25,924,550	23,485,550	23,160,050
Apartment	12,100,800	12,100,800	12,100,800	11,568,800	11,230,600	11,230,600	11,230,600	11,204,900	11,266,800	11,266,800
Total assessed value	2,476,316,841	2,462,350,659	2,451,549,840	2,210,977,820	2,210,325,250	2,220,218,339	2,220,666,918	2,222,334,234	2,229,440,327	2,232,917,737
Public utilities (a)	6,628,715	6,739,778	5,973,226	3,963,242	4,205,446	4,005,009	3,972,552	3,678,588	1,479,803	3,058,956
Net valuation taxable	\$ 2,482,945,556	\$ 2,469,090,437	\$ 2,457,523,066	\$ 2,214,941,062	\$ 2,214,530,696	\$ 2,224,223,348	\$ 2,224,639,470	\$ 2,226,012,822	\$ 2,230,920,130	\$ 2,235,976,693
Estimated actual county equalized value	\$ 2,646,720,117	\$ 2,536,300,241	\$ 2,400,491,067	\$ 2,325,388,669	\$ 2,323,841,661	\$ 2,353,308,162	\$ 2,341,965,202	\$ 2,384,876,726	\$ 2,398,131,116	\$ 2,409,159,095
Percentage of net valuation to estimated actual equalized value	93.81%	97.35%	102.38%	95.25%	95.30%	94.51%	94.99%	93.34%	93.03%	92.81%

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 the County Board of Taxation requests Treasury to order a reassessment.

- (a) Taxable value of machinery, implements and equipment of telephone and messenger system companies.
- (b) Tax rates are per \$100 .

* Revalued/Reassessed

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property (continued)
By Constituent District - Township of Alexandria
Last Ten Fiscal Years

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Vacant land	\$ 14,932,700	\$ 13,406,100	\$ 12,754,400	\$ 10,448,300	\$ 9,380,000	\$ 9,316,700	\$ 8,131,900	\$ 6,531,200	\$ 5,894,600	\$ 6,409,500
Residential	670,392,500	661,932,700	654,129,600	569,320,900	567,628,200	576,623,900	576,752,800	578,309,600	581,479,900	581,700,700
Farm regular	121,687,600	122,866,700	123,550,900	106,917,400	108,879,000	104,491,000	107,236,400	106,986,600	107,516,500	108,587,100
Q farm	4,037,633	4,082,151	4,052,732	4,235,179	4,272,779	4,172,379	4,149,679	4,268,903	4,352,200	4,377,500
Commercial	21,752,488	21,045,588	20,957,488	19,100,800	18,850,800	18,850,800	18,905,200	18,783,800	18,783,800	18,783,800
Industrial	2,534,800	2,534,800	1,034,800	836,200	836,200	836,200	836,200	836,200	836,200	836,200
Apartment	418,900	418,900	418,900	230,400	230,400	230,400	230,400	228,100	228,100	228,100
Total assessed value	\$ 835,756,621	\$ 826,286,939	\$ 816,898,820	\$ 711,089,179	\$ 710,077,379	\$ 714,521,379	\$ 716,242,579	\$ 715,944,403	\$ 719,091,300	\$ 720,922,900
Public utilities (a)	2,175,745	2,293,602	2,109,187	178,774	165,764	168,946	168,184	169,385	169,228	173,462
Net valuation taxable	\$ 837,932,366	\$ 828,580,541	\$ 819,008,007	\$ 711,267,953	\$ 710,243,143	\$ 714,690,325	\$ 716,410,763	\$ 716,113,788	\$ 719,260,528	\$ 721,096,362
Estimated actual county equalized value	\$ 884,510,905	\$ 855,451,114	\$ 802,261,594	\$ 777,229,047	\$ 770,673,063	\$ 788,545,734	\$ 778,896,341	\$ 784,892,449	\$ 787,971,656	\$ 784,931,722
Percentage of net valuation to estimated actual equalized value	94.73%	96.86%	102.09%	91.51%	92.16%	90.63%	91.98%	91.24%	91.28%	91.87%
Total direct school tax rates (b)	\$ 0.520	\$ 0.570	\$ 0.590	\$ 0.700	\$ 0.750	\$ 0.710	\$ 0.680	\$ 0.670	\$ 0.705	\$ 0.698

*

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 the County Board of Taxation requests Treasury to order a reassessment.

- (a) Taxable value of machinery, implements and equipment of telephone and messenger system companies.
- (b) Tax rates are per \$100.

* Revalued/Reassessed

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property (continued)
By Constituent District - Borough of Frenchtown
Last Ten Fiscal Years

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Vacant land	\$ 2,505,100	\$ 2,505,100	\$ 2,505,100	\$ 2,505,100	\$ 2,490,600	\$ 4,480,500	\$ 4,261,200	\$ 3,636,200	\$ 2,850,200	\$ 2,571,100
Residential	108,678,000	108,976,400	108,741,700	109,474,900	109,543,700	110,307,000	110,497,100	111,659,800	111,554,600	112,404,720
Farm regular	898,600	898,600	898,600	898,600	898,600	449,600	449,600	788,600	788,600	788,600
Q farm	14,700	14,700	14,700	14,700	14,700	11,200	11,200	27,100	27,000	26,300
Commercial	26,785,700	26,737,800	26,737,800	26,449,600	26,369,600	26,503,300	26,563,300	26,463,000	24,897,200	24,897,200
Industrial	3,726,350	3,726,350	3,726,350	3,726,350	3,726,350	3,726,350	3,726,350	3,726,350	1,492,550	1,167,050
Apartment	6,045,500	6,045,500	6,045,500	5,682,600	5,682,600	5,682,600	5,682,600	5,699,900	5,699,900	5,699,900
Total assessed value	148,653,950	148,904,450	148,669,750	148,751,850	148,726,150	151,160,550	151,191,350	152,000,950	147,310,050	147,554,870
Public utilities (a)	725,240	592,657	489,679	594,036	693,169	644,203	648,614	648,614	-	-
Net valuation taxable	\$ 149,379,190	\$ 149,497,107	\$ 149,159,429	\$ 149,345,886	\$ 149,419,319	\$ 151,804,753	\$ 151,839,964	\$ 152,649,564	\$ 147,310,050	\$ 147,554,870
Estimated actual county equalized value	\$ 171,957,166	\$ 166,644,863	\$ 159,392,422	\$ 152,424,868	\$ 164,522,483	\$ 177,044,431	\$ 166,893,728	\$ 178,506,872	\$ 168,123,773	\$ 170,781,100
Percentage of net valuation to estimated actual equalized value	86.87%	89.71%	93.58%	97.98%	90.82%	85.74%	90.98%	85.51%	87.62%	86.40%
Total direct school tax rates (b)	\$ 0.440	\$ 0.480	\$ 0.520	\$ 0.570	\$ 0.630	\$ 0.700	\$ 0.660	\$ 0.650	\$ 0.682	\$ 0.740

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 the County Board of Taxation requests Treasury to order a reassessment.

- (a) Taxable value of machinery, implements and equipment of telephone and messenger system companies.
- (b) Tax rates are per \$100.

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property (continued)
By Constituent District - Township of Holland
Last Ten Fiscal Years

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Vacant land	\$ 12,898,800	\$ 11,043,000	\$ 10,255,300	\$ 6,480,600	\$ 6,975,500	\$ 7,439,600	\$ 8,046,300	\$ 7,665,900	\$ 9,831,500	\$ 9,500,900
Residential	646,373,000	646,768,800	643,244,500	525,191,400	524,687,600	526,884,100	527,053,100	524,938,100	526,398,500	525,715,700
Farm regular	75,820,600	74,547,600	75,823,800	65,474,000	65,808,400	64,633,400	62,836,000	64,907,400	63,918,100	65,028,100
Q farm	2,555,100	2,519,600	2,579,300	2,645,310	2,658,190	2,602,380	2,569,630	2,733,430	2,633,930	2,634,730
Commercial	16,202,400	16,745,200	16,745,200	16,026,211	15,119,411	13,883,911	14,136,311	14,447,811	14,565,111	13,813,111
Industrial	14,026,400	13,145,500	13,145,500	11,231,600	11,231,600	11,231,600	10,448,100	10,448,100	10,198,100	10,198,100
Apartment	409,900	409,900	409,900	429,300	429,300	429,300	429,300	429,300	429,300	429,300
Total assessed value	\$ 768,286,200	\$ 765,179,600	\$ 762,203,500	\$ 627,478,421	\$ 626,910,001	\$ 627,104,291	\$ 625,518,741	\$ 625,570,041	\$ 627,974,541	\$ 627,319,941
Public utilities (a)	1,938,850	1,948,801	1,671,889	1,531,313	1,504,717	1,464,110	1,428,395	1,136,595	1,127,501	1,261,048
Net valuation taxable	\$ 770,225,050	\$ 767,128,401	\$ 763,875,389	\$ 629,009,734	\$ 628,414,718	\$ 628,568,401	\$ 626,947,136	\$ 626,706,636	\$ 629,102,042	\$ 628,580,989
Estimated actual county equalized value	\$ 783,944,071	\$ 746,069,777	\$ 691,448,812	\$ 670,270,971	\$ 660,724,128	\$ 661,400,494	\$ 663,064,010	\$ 670,952,595	\$ 692,919,971	\$ 692,346,061
Percentage of net valuation to estimated actual equalized value	98.25%	102.82%	110.47%	93.84%	95.11%	95.04%	94.55%	93.41%	90.79%	90.79%
Total direct school tax rates (b)	\$ 0.530	\$ 0.520	\$ 0.500	\$ 0.610	\$ 0.580	\$ 0.610	\$ 0.650	\$ 0.600	\$ 0.723	\$ 0.738

*

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 the County Board of Taxation requests Treasury to order a reassessment.

- (a) Taxable value of machinery, implements and equipment of telephone and messenger system companies.
- (b) Tax rates are per \$100.

* Revalued/Reassessed

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property (continued)
By Constituent District - Township of Kingwood
Last Ten Fiscal Years

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Vacant land	\$ 19,848,200	\$ 20,682,400	\$ 20,444,100	\$ 18,828,000	\$ 22,065,150	\$ 21,949,750	\$ 20,706,400	\$ 20,700,000	\$ 18,674,100	\$ 18,219,000
Residential	422,700,800	417,770,800	420,624,300	422,482,000	421,252,699	428,026,899	427,194,899	430,839,699	432,643,895	433,833,245
Farm regular	111,775,600	114,411,900	113,888,600	113,765,600	113,811,201	110,891,300	113,641,700	110,696,300	115,705,800	117,750,900
Q farm	5,809,900	5,810,800	5,711,500	5,624,100	5,480,300	5,381,800	5,300,000	5,292,300	5,280,500	5,034,040
Commercial	35,078,200	34,583,000	34,945,700	34,980,300	34,962,700	35,012,700	34,962,400	34,962,400	35,389,300	35,075,100
Industrial	9,346,600	9,346,600	9,346,600	9,381,100	9,381,100	8,921,900	8,921,908	8,921,900	8,972,900	8,972,900
Apartment	1,988,300	1,988,300	1,988,300	1,988,300	1,988,300	1,988,300	1,988,300	1,947,600	2,009,500	2,009,500
Total assessed value	\$ 606,547,600	\$ 604,593,800	\$ 606,949,100	\$ 607,049,400	\$ 608,941,450	\$ 612,172,649	\$ 612,715,607	\$ 613,360,199	\$ 618,675,995	\$ 620,894,685
Public utilities (a)	1,559,512	1,663,096	1,480,282	1,476,753	1,653,010	1,544,943	1,545,288	1,545,288	-	1,437,091
Net valuation taxable	\$ 608,107,112	\$ 606,256,896	\$ 608,429,382	\$ 608,526,153	\$ 610,594,460	\$ 613,717,592	\$ 614,260,895	\$ 614,905,487	\$ 618,675,995	\$ 622,331,776
Estimated actual county equalized value	\$ 660,555,194	\$ 639,241,772	\$ 629,713,705	\$ 611,216,103	\$ 618,887,553	\$ 603,828,946	\$ 611,153,881	\$ 625,535,242	\$ 626,253,664	639,469,561
Percentage of net valuation to estimated actual equalized value	92.06%	94.84%	96.62%	99.56%	98.66%	101.64%	100.51%	98.30%	98.79%	97.32%
Total direct school tax rates (b)	\$ 0.550	\$ 0.570	\$ 0.590	\$ 0.610	\$ 0.610	\$ 0.610	\$ 0.620	\$ 0.650	\$ 0.635	\$ 0.680

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 the County Board of Taxation requests Treasury to order a reassessment.

- (a) Taxable value of machinery, implements and equipment of telephone and messenger system companies.
- (b) Tax rates are per \$100.

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property (continued)
By Constituent District - Borough of Milford
Last Ten Fiscal Years

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Vacant land	\$ 2,647,800	\$ 2,634,300	\$ 2,580,300	\$ 2,265,200	\$ 2,265,200	\$ 2,179,300	\$ 2,138,600	\$ 2,131,100	\$ 2,131,700	\$ 2,131,700
Residential	95,320,400	95,332,200	94,829,000	94,913,600	94,625,300	94,300,400	94,080,271	94,617,171	95,139,271	95,143,071
Farm regular	1,408,800	1,408,800	1,408,800	1,418,800	1,418,800	1,418,800	1,418,800	1,418,800	1,166,400	1,166,400
Q farm	21,100	21,100	21,100	21,900	21,900	21,900	21,900	21,900	21,500	20,500
Commercial	12,444,170	12,759,270	12,759,270	12,759,270	12,447,070	12,447,070	12,447,070	12,377,670	13,043,770	12,877,870
Industrial	1,992,000	1,992,000	1,992,000	1,992,000	1,992,000	1,992,000	1,992,000	1,992,000	1,985,800	1,985,800
Apartment	3,238,200	3,238,200	3,238,200	3,238,200	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000
Total assessed value	\$ 117,072,470	\$ 117,385,870	\$ 116,828,670	\$ 116,608,970	\$ 115,670,270	\$ 115,259,470	\$ 114,998,641	\$ 115,458,641	\$ 116,388,441	\$ 116,225,341
Public utilities (a)	229,368	241,622	222,189	182,366	188,786	182,807	182,071	178,706	183,074	187,355
Net valuation taxable	\$ 117,301,838	\$ 117,627,492	\$ 117,050,859	\$ 116,791,336	\$ 115,859,056	\$ 115,442,277	\$ 115,180,712	\$ 115,637,347	\$ 116,571,515	\$ 116,412,696
Estimated actual county equalized value	\$ 145,752,781	\$ 128,892,715	\$ 117,674,534	\$ 114,247,680	\$ 109,034,434	\$ 122,488,557	\$ 121,957,242	\$ 124,989,568	\$ 122,862,052	\$ 121,630,651
Percentage of net valuation to estimated actual equalized value	80.48%	91.26%	99.47%	102.23%	106.26%	94.25%	94.44%	92.52%	94.88%	95.71%
Total direct school tax rates (b)	\$ 0.660	\$ 0.510	\$ 0.520	\$ 0.610	\$ 0.610	\$ 0.610	\$ 0.770	\$ 0.877	\$ 0.678	\$ 0.652

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 the County Board of Taxation requests Treasury to order a reassessment.

- (a) Taxable value of machinery, implements and equipment of telephone and messenger system companies.
- (b) Tax rates are per \$100.

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
By Constituent District - Township of Alexandria
Last Ten Fiscal Years
(Rate Per \$100 of Assessed Value)

Assessment Year	School District Direct Rate						Overlapping Rates		Fire District	Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6)		Local School Rate	Municipality	County			
			Total Direct School Tax Rate							
2012	\$ 0.50	\$ 0.02	\$ 0.52		\$ 0.93	\$ 0.21	\$ 0.35	\$ -	\$ 2.01	
2013	0.54	0.03	0.57		0.96	0.21	0.34	-	2.08	
2014	0.57	0.02	0.59		0.97	0.21	0.34	-	2.11	
2015	* 0.67	0.03	0.70		1.14	0.24	0.40	-	2.48	
2016	0.72	0.03	0.75		1.16	0.24	0.41	-	2.56	
2017	0.68	0.03	0.71		1.19	0.25	0.41	-	2.56	
2018	0.66	0.02	0.68		1.22	0.26	0.41	-	2.57	
2019	0.64	0.03	0.67		1.20	0.29	0.41	-	2.57	
2020	0.71	-	0.71		1.24	0.31	0.41	-	2.67	
2021	0.70	-	0.70		1.27	0.31	0.41	-	2.68	

Sources: Municipal Tax Collector

Note: N.J.S.A.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 pre-budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- (a) The District's basic tax rate is calculated from the A4F Form which is submitted with the budget and the net valuation taxable.
- (b) Rates for debt service are based on each year's requirements.

* Revalued/Reassessed

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates (continued)
By Constituent District - Borough of Frenchtown
Last Ten Fiscal Years
(Rate Per \$100 of Assessed Value)

Assessment Year	School District Direct Rate						Overlapping Rates		Fire District	Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6)		Local School Rate	Municipality	County			
			Total Direct School Tax Rate							
2012	\$ 0.42	\$ 0.02	\$ 0.44	\$ 1.19	\$ 0.62	\$ 0.40	\$ -	\$ 2.65		
2013	0.46	0.02	0.48	1.21	0.65	0.40	-	2.74		
2014	0.50	0.02	0.52	1.24	0.67	0.40	-	2.83		
2015	0.55	0.02	0.57	1.26	0.71	0.38	-	2.92		
2016	0.61	0.02	0.63	1.30	0.87	0.41	-	3.21		
2017	0.67	0.03	0.70	1.30	0.87	0.43	-	3.30		
2018	0.63	0.03	0.66	1.34	0.89	0.41	-	3.30		
2019	0.61	0.04	0.65	1.44	0.91	0.44	-	3.44		
2020	0.68	-	0.68	1.52	0.94	0.43	-	3.57		
2021	0.74	-	0.74	1.55	1.00	0.40	-	3.70		

Sources: Municipal Tax Collector

Note: N.J.S.A.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 pre-budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- (a) The District's basic tax rate is calculated from the A4F Form which is submitted with the budget and the net valuation taxable.
- (b) Rates for debt service are based on each year's requirements.
- * Revalued/Reassessed

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates (continued)
By Constituent District - Township of Holland
Last Ten Fiscal Years
(Rate Per \$100 of Assessed Value)

Assessment Year	School District Direct Rate					Overlapping Rates		Fire District	Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6)		Local School Rate	Municipality	County		
			Total Direct School Tax Rate						
2012	\$ 0.51	\$ 0.02	\$ 0.53		\$ 1.09	\$ -	\$ 0.35	\$ -	\$ 1.97
2013	0.50	0.02	0.52		1.08	-	0.34	-	1.94
2014	0.48	0.02	0.50		1.11	-	0.33	-	1.94
2015	* 0.58	0.03	0.61		1.37	0.10	0.39	-	2.47
2016	0.56	0.02	0.58		1.40	0.19	0.39	-	2.56
2017	0.59	0.02	0.61		1.40	0.19	0.39	-	2.59
2018	0.62	0.03	0.65		1.36	0.19	0.39	-	2.59
2019	0.58	0.02	0.60		1.44	0.19	0.40	-	2.63
2020	0.72	-	0.72		1.54	0.19	0.42	-	2.87
2021	0.74	-	0.74		1.61	0.19	0.42	-	2.96

Sources: Municipal Tax Collector

Note: N.J.S.A.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 pre-budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- (a) The District's basic tax rate is calculated from the A4F Form which is submitted with the budget and the net valuation taxable.
- (b) Rates for debt service are based on each year's requirements.
- * Revalued/Reassessed

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates (continued)
By Constituent District - Township of Kingwood
Last Ten Fiscal Years
(Rate Per \$100 of Assessed Value)

Assessment Year	School District Direct Rate						Overlapping Rates		Fire District	Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6)		Local School Rate	Municipality	County			
			Total Direct School Tax Rate							
2012	\$ 0.53	\$ 0.02	\$ 0.55	\$ 0.89	\$ 0.22	\$ 0.37	\$ -	\$ 2.03		
2013	0.54	0.03	0.57	0.91	0.23	0.37	-	2.08		
2014	0.57	0.02	0.59	0.90	0.23	0.38	-	2.10		
2015	0.58	0.03	0.61	0.91	0.24	0.37	-	2.13		
2016	0.59	0.02	0.61	0.92	0.25	0.38	-	2.16		
2017	0.59	0.02	0.61	0.95	0.26	0.36	-	2.18		
2018	0.59	0.03	0.62	0.92	0.27	0.37	-	2.18		
2019	0.63	0.02	0.65	0.97	0.30	0.38	-	2.30		
2020	0.64	-	0.64	1.00	0.34	0.38	-	2.36		
2021	0.68	-	0.68	1.01	0.36	0.39	-	2.43		

Sources: Municipal Tax Collector

Note: N.J.S.A.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 pre-budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- (a) The District's basic tax rate is calculated from the A4F Form which is submitted with the budget and the net valuation taxable.
- (b) Rates for debt service are based on each year's requirements.
- * Revalued/Reassessed

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates (continued)
By Constituent District - Borough of Milford
Last Ten Fiscal Years
(Rate Per \$100 of Assessed Value)

Assessment Year	School District Direct Rate						Overlapping Rates		Fire District	Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6)		Local School Rate	Municipality	County			
			Total Direct School Tax Rate							
2012	\$ 0.63	\$ 0.03	\$ 0.66		\$ 1.48	\$ 0.68	\$ 0.42	\$ -	\$ 3.24	
2013	0.49	0.02	0.51		1.50	0.69	0.38	-	3.08	
2014	0.50	0.02	0.52		1.54	0.70	0.35	-	3.11	
2015	0.58	0.03	0.61		1.53	0.71	0.35	-	3.20	
2016	0.59	0.02	0.61		1.65	0.71	0.34	-	3.31	
2017	0.59	0.02	0.61		1.70	0.72	0.36	-	3.39	
2018	0.74	0.03	0.77		1.53	0.73	0.36	-	3.39	
2019	0.85	0.03	0.88		1.67	0.74	0.37	-	3.66	
2020	0.68	-	0.68		1.71	0.76	0.38	-	3.52	
2021	0.65	-	0.65		1.74	0.77	0.38	-	3.54	

Sources: Municipal Tax Collector

Note: N.J.S.A.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 pre-budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- (a) The District's basic tax rate is calculated from the A4F Form which is submitted with the budget and the net valuation taxable.
- (b) Rates for debt service are based on each year's requirements.

* Revalued/Reassessed

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Principal Property Taxpayers
By Constituent District - Township of Alexandria
Current Year and Nine Years Ago

	2021			2012		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Individual property owner	\$ 4,373,600	1	0.61%	\$ 6,569,500	1	0.78%
Sky Manor Airport Partners LLC	3,026,400	2	0.42%	2,750,000	2	0.33%
Columbia Gas Transmission	2,427,300	3	0.34%	2,571,488	3	0.31%
Individual property owner	1,978,300	4	0.27%	1,387,100	9	0.17%
Frenchtown Care Home Inc	1,797,800	5	0.25%	-		-
Alexandria Airpark LLC	1,574,100	6	0.22%	-		-
Individual property owner	1,555,900	7	0.22%	1,359,200	10	0.16%
Individual property owner	1,546,600	8	0.21%	-		-
Individual property owner	1,535,000	9	0.21%	-		-
Individual property owner	1,532,700	10	0.21%	-		-
International Paper Company	-		-	1,993,500	5	0.24%
United Telephone Company	-		-	2,017,003	4	0.24%
Abplanalp c/o J Veneruso, Esq.	-		-	1,686,300	6	0.20%
Manchanda Shapiro Rauch LLC	-		-	1,541,000	7	0.18%
Sapphire Inc c/o Riverside Jeans	-		-	1,486,900	8	0.18%
	<u>\$ 21,347,700</u>		<u>2.96%</u>	<u>\$ 23,361,991</u>		<u>2.79%</u>

Source: Municipal Tax Assessor

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Principal Property Taxpayers (continued)
By Constituent District - Borough of Frenchtown
Current Year and Nine Years Ago

	2021			2012		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
	Frenchtown Associates LLC	\$ 2,950,000	1	2.00%	\$ 2,950,000	1
Frenchtown Barn Center LLC	1,500,000	2	1.02%	1,500,000	3	1.00%
Davon LLC	977,200	3	0.66%	977,200	4	0.65%
Le Pont LLC	947,200	4	0.64%	-	-	-
Individual Property Owner	769,200	5	0.52%	830,800	6	0.56%
Traub Holdings LLC	758,400	6	0.51%	758,400	8	0.51%
B&B Properties LLC	748,500	7	0.51%	748,500	9	0.50%
Individual Property Owner	718,800	8	0.49%	-	-	-
Warren House LLC	695,400	9	0.47%	809,900	7	0.54%
Art Yard	663,300	10	0.45%	-	-	-
Frenchtown Properties LLC	-	-	-	2,145,200	2	1.44%
Bridge Race Properties	-	-	-	972,200	5	0.65%
T2 Services Inc	-	-	-	724,700	10	0.49%
	<u>\$ 10,728,000</u>		<u>7.27%</u>	<u>\$ 12,416,900</u>		<u>8.31%</u>

Source: Municipal Tax Assessor

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Principal Property Taxpayers (continued)
By Constituent District - Township of Holland
Current Year and Nine Years Ago

	2021			2012		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Gilbert Power, LLC	\$ 6,160,700	1	0.98%	\$ -		-
Rothenberg, Craig & Antonietta	3,693,900	2	0.59%	-		-
Fiberville Estates LLC	3,066,500	3	0.49%	1,973,700	6	0.26%
Georgia-Pacific Corp.	2,789,400	4	0.44%	2,845,900	4	0.37%
Oak Hill Golf Club, Inc.	2,049,200	5	0.33%	5,168,000	2	0.67%
Columbia Gas Transmission	1,897,400	6	0.30%	2,206,500	5	0.29%
Spring Mills LLC	1,778,600	7	0.28%	-		-
Holland 2MG LLC	1,540,200	8	0.25%	-		-
Individual property owner	1,516,450	9	0.24%	3,268,000	3	0.42%
Individual property owner	1,262,600	10	0.20%	1,459,200	8	0.19%
Genon Energy Services	-		-	8,000,000	1	1.04%
Verizon	-		-	1,604,695	7	0.21%
KJA Holdings LLC	-		-	1,349,500	9	0.18%
Individual property owner	-		-	1,151,800	10	0.15%
	<u>\$ 25,754,950</u>		<u>4.10%</u>	<u>\$ 29,027,295</u>		<u>3.78%</u>

Source: Municipal Tax Assessor

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Principal Property Taxpayers (continued)
By Constituent District - Township of Kingwood
Current Year and Nine Years Ago

	2021			2012		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Buckeye Pipeline Co	\$ 4,575,000	1	0.74%	\$ 4,575,000	1	0.75%
Kingwood Flex LLC	4,188,100	2	0.67%	-		-
MEL Chemicals	3,549,200	3	0.57%	3,463,700	3	0.57%
Buckeye Pipeline Co	3,040,000	4	0.49%	3,040,000	5	0.50%
Perini Properties LLC	2,895,500	5	0.47%	-		-
Frenchtown III Solar LLC	2,628,700	6	0.42%	-		-
869 Associates LLC	2,324,100	7	0.37%	2,324,100	8	0.38%
Frenchtown III Solar LLC	1,657,500	8	0.27%	-		-
Individual Property Owner	1,650,800	9	0.27%	1,650,800	10	0.27%
Frenchtown II Solar LLC	1,500,000	10	0.24%	-		-
Route 12 Business Park LLC	-		-	4,188,100	2	0.69%
Horseshoe Bend LLC	-		-	3,110,300	4	0.51%
Lutz Welding & Fabricating Inc	-		-	2,895,000	6	0.48%
Frenchtown Run LLC	-		-	2,500,000	7	0.41%
Horseshoe Bend LLC	-		-	1,750,000	9	0.29%
	<u>\$ 28,008,900</u>		<u>4.51%</u>	<u>\$ 29,497,000</u>		<u>4.85%</u>

Source: Municipal Tax Assessor

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Principal Property Taxpayers (continued)
By Constituent District - Borough of Milford
Current Year and Nine Years Ago

	2021			2012		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Pinecrest Village Ass	\$ 2,900,000	1	2.49%	\$ 3,238,200	1	2.76%
International Paper Company	1,336,600	2	1.15%	1,336,600	2	1.14%
Hunterdon Medical Ctr	1,131,000	3	0.97%	1,131,000	3	0.96%
60 Bridge Street LLC	805,500	4	0.69%	805,500	4	0.69%
60 Bridge Street LLC	702,100	5	0.60%	702,100	5	0.60%
Individual Property Owner	573,700	6	0.49%	539,100	7	0.46%
Individual Property Owner	539,100	7	0.46%	463,600	9	0.40%
Stem Brothers	523,700	8	0.45%	523,700	8	0.45%
Individual Property Owner	504,800	9	0.43%	-		-
Ingahdwe trust	485,400	10	0.42%	-		-
Peter Trustee Keri	-		-	573,700	6	0.49%
Little Kids NJ Partnership	-		-	462,500	10	0.39%
	<u>\$ 9,501,900</u>		<u>8.15%</u>	<u>\$ 9,776,000</u>		<u>8.34%</u>

Source: Municipal Tax Assessor

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Property Tax Levies and Collections
By Constituent District
Last Ten Years

Fiscal Year Ending June 30,	Taxes Levied for the Year					Collected within the Year of the Levy (a)	
	Township of Alexandria	Borough of Frenchtown	Township of Holland	Township of Kingwood	Borough of Milford	Total Amount	Percentage of Levy
2012	\$ 4,337,911	\$ 655,433	\$ 4,079,543	\$ 3,340,691	\$ 776,592	\$ 13,190,170	100.00%
2013	4,726,575	713,972	3,979,402	3,459,339	603,349	13,482,637	100.00%
2014	4,845,770	781,862	3,868,105	3,582,150	612,199	13,690,086	100.00%
2015	4,975,980	854,323	3,827,933	3,731,027	714,607	14,103,870	100.00%
2016	5,317,220	935,385	3,667,966	3,731,391	710,220	14,362,182	100.00%
2017	5,081,373	1,054,431	3,862,584	3,841,322	770,431	14,610,141	100.00%
2018	4,899,338	978,582	4,052,144	3,788,314	891,163	14,609,541	100.00%
2019	4,818,545	990,477	3,766,087	4,008,021	1,165,455	14,748,585	100.00%
2020	4,966,127	965,161	4,183,203	3,912,741	1,016,323	15,043,555	100.00%
2021	5,074,503	1,003,960	4,547,435	3,929,075	789,454	15,344,427	100.00%

Source: District records including the Certificate and Report of School Taxes (A4F Form)

- (a) School taxes are collected by the Municipal tax collector. Under New Jersey State Statute, a municipality is required to remit to the School District the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ending June 30,	Governmental Activities				Business-Type	Total District	% of Personal Income (a)	Per Capita (a)
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2012	\$ 3,535,000	\$ -	\$ -	\$ -	\$ 422,609	\$ 3,957,609	0.33%	\$ 238
2013	3,055,000	-	-	-	341,320	3,396,320	0.27%	206
2014	2,580,000	-	189,277	-	258,446	3,027,723	0.24%	184
2015	2,090,000	-	1,591,747	-	1,033,261	4,715,008	0.37%	287
2016	1,585,000	-	1,180,698	-	1,189,865	3,955,563	0.30%	242
2017	1,065,000	-	763,262	-	854,584	2,682,846	0.20%	165
2018	530,000	-	454,285	-	999,051	1,983,336	0.14%	122
2019	-	-	2,707,003	-	937,116	3,644,119	0.25%	225
2020	-	-	2,245,331	-	1,465,319	3,710,650	0.25%	230
2021	-	-	1,703,727	-	888,176	2,591,903	N/A	161

Notes: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

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

N/A Information is not available

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ending June 30,	General Bonded Debt Outstanding			% of Actual Taxable Value of Property (a)	Per Capita (b)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2012	\$ 3,535,000	\$ -	\$ 3,535,000	0.14%	\$ 212
2013	3,055,000	-	3,055,000	0.12%	185
2014	2,580,000	-	2,580,000	0.10%	156
2015	2,090,000	-	2,090,000	0.09%	127
2016	1,585,000	-	1,585,000	0.07%	97
2017	1,065,000	-	1,065,000	0.05%	66
2018	530,000	-	530,000	0.02%	33
2019	-	-	-	0.00%	-
2020	-	-	-	0.00%	-
2021	-	-	-	0.00%	-

Notes: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

- (a) See Exhibit J-6 for property tax data.
- (b) Population data can be found in Exhibit J-14.

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2020

Governmental Unit	<u>Debt Outstanding</u>	<u>Estimated % Applicable (a)</u>	<u>Estimated Share of Debt</u>
Debt repaid with property taxes			
Local or Regional School			
Township of Alexandria	\$ 12,994,229	100.00%	\$ 12,994,229
Borough of Frenchtown	968,000	100.00%	968,000
Township of Holland	-	100.00%	-
Township of Kingwood	685,000	100.00%	685,000
Borough of Milford	155,000	100.00%	155,000
Municipality			
Township of Alexandria	3,201,424	100.00%	3,201,424
Borough of Frenchtown	3,620,840	100.00%	3,620,840
Township of Holland	-	100.00%	-
Township of Kingwood	2,057,624	100.00%	2,057,624
Borough of Milford	800,350	100.00%	800,350
County general obligation debt	90,647,955	10.96%	<u>9,935,381</u>
Subtotal, overlapping debt			34,417,848
Regional High School			
Township of Alexandria	-	32.84%	-
Borough of Frenchtown	-	7.14%	-
Township of Holland	-	28.75%	-
Township of Kingwood	-	26.14%	-
Borough of Milford	-	5.13%	-
School District direct debt			<u>-</u>
Total direct and overlapping debt			<u><u>\$ 34,417,848</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Taxation.
Debt outstanding data provided by each Governmental Unit.

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 the municipality. 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.

- (a) 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.

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2021

	Equalized Valuation Basis	
	2020	\$ 2,403,330,418
	2019	2,389,040,005
	2018	2,362,580,158
		\$ 7,154,950,581
Average equalized valuation of taxable property		\$ 2,384,983,527
Debt limit (3.0% of average equalization value)	(a)	\$ 71,549,506
Total net debt applicable to limit		-
Legal debt margin		\$ 71,549,506

	Fiscal Year				
	2017	2018	2019	2020	2021
Debt limit	\$ 69,934,555	\$ 70,260,638	\$ 70,506,077	\$ 71,119,217	\$ 71,549,506
Total net debt applicable	1,065,000	530,000	-	-	-
Legal debt margin	\$ 68,869,555	\$ 69,730,638	\$ 70,506,077	\$ 71,119,217	\$ 71,549,506
Total net debt applicable to the limit as a percentage of debt limit	1.52%	0.75%	0.00%	0.00%	0.00%

	Fiscal Year				
	2012	2013	2014	2015	2016
Debt limit	\$ 78,254,366	\$ 75,789,695	\$ 77,884,791	\$ 70,366,993	\$ 69,850,520
Total net debt applicable	3,535,000	3,055,000	2,580,000	2,090,000	1,585,000
Legal debt margin	\$ 74,719,366	\$ 72,734,695	\$ 75,304,791	\$ 68,276,993	\$ 68,265,520
Total net debt applicable to the limit as a percentage of debt limit	4.52%	4.03%	3.31%	2.97%	2.27%

Source: Equalized valuation basis obtained from the annual report of the State of New Jersey Department of Treasury, Division of Taxation.

(a) Limit set by N.J.S.A. 18A:24-19.

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Demographic and Economic Statistics
By Constituent District - Township of Alexandria
Last Ten Fiscal Years

Year	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2012	4,884	\$ 351,335,424	\$ 71,936	11.8%
2013	4,856	365,360,584	75,239	8.0%
2014	4,843	363,491,365	75,055	4.5%
2015	4,829	379,438,675	78,575	4.1%
2016	4,816	390,201,952	81,022	3.8%
2017	4,793	401,370,613	83,741	3.8%
2018	4,799	408,068,568	85,032	3.2%
2019	4,776	422,986,440	88,565	2.7%
2020	4,764	439,674,324	92,291	7.0%
2021	N/A	N/A	N/A	N/A

Sources:

- (a) Population information provided by the NJ Dept of Labor and Workforce Development.
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented.
- (c) Per capita personal income by County estimated based upon the 2010 census published by the U.S. Bureau of Economic Analysis.
- (d) Unemployment data provided by the NJ Dept of Labor and Workforce Development.

N/A Information Not Available

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Demographic and Economic Statistics (continued)
By Constituent District - Borough of Frenchtown
Last Ten Fiscal Years

Year	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2012	1,378	\$ 99,127,808	\$ 71,936	6.7%
2013	1,411	106,162,229	75,239	6.7%
2014	1,406	105,527,330	75,055	5.2%
2015	1,405	110,397,875	78,575	3.3%
2016	1,360	110,189,920	81,022	3.1%
2017	1,364	114,222,724	83,741	2.8%
2018	1,358	115,473,456	85,032	3.0%
2019	1,354	119,917,010	88,565	2.5%
2020	1,349	119,474,185	88,565	8.1%
2021	N/A	N/A	N/A	N/A

Sources:

- (a) Population information provided by the NJ Dept of Labor and Workforce Development.
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented.
- (c) Per capita personal income by County estimated based upon the 2010 census published by the U.S. Bureau of Economic Analysis.
- (d) Unemployment data provided by the NJ Dept of Labor and Workforce Development.

N/A Information Not Available

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Demographic and Economic Statistics (continued)
By Constituent District - Township Holland
Last Ten Fiscal Years

Year	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2012	5,243	\$ 377,160,448	\$ 71,936	8.4%
2013	5,225	393,123,775	75,239	7.6%
2014	5,204	390,586,220	75,055	5.3%
2015	5,182	407,175,650	78,575	4.6%
2016	5,146	416,939,212	81,022	4.2%
2017	5,139	430,344,999	83,741	3.5%
2018	5,119	435,278,808	85,032	3.4%
2019	5,108	452,390,020	88,565	2.7%
2020	5,077	449,644,505	88,565	7.2%
2021	N/A	N/A	N/A	N/A

Sources:

- (a) Population information provided by the NJ Dept of Labor and Workforce Development.
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented.
- (c) Per capita personal income by County estimated based upon the 2010 census published by the U.S. Bureau of Economic Analysis.
- (d) Unemployment data provided by the NJ Dept of Labor and Workforce Development.

N/A Information Not Available

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Demographic and Economic Statistics (continued)
By Constituent District - Township Kingwood
Last Ten Fiscal Years

Year	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2012	3,804	\$ 273,644,544	\$ 71,936	8.0%
2013	3,797	285,682,483	75,239	4.9%
2014	3,765	282,582,075	75,055	4.9%
2015	3,766	295,913,450	78,575	4.7%
2016	3,747	303,589,434	81,022	3.9%
2017	3,742	313,358,822	83,741	3.9%
2018	3,747	318,614,904	85,032	3.5%
2019	3,749	332,030,185	88,565	3.1%
2020	3,753	332,384,445	88,565	7.4%
2021	N/A	N/A	N/A	N/A

Sources:

- (a) Population information provided by the NJ Dept of Labor and Workforce Development.
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented.
- (c) Per capita personal income by County estimated based upon the 2010 census published by the U.S. Bureau of Economic Analysis.
- (d) Unemployment data provided by the NJ Dept of Labor and Workforce Development.

N/A Information Not Available

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Demographic and Economic Statistics (continued)
By Constituent District - Borough of Milford
Last Ten Fiscal Years

Year	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2012	1,222	\$ 87,905,792	\$ 71,936	12.9%
2013	1,216	91,490,624	75,239	5.9%
2014	1,211	90,891,605	75,055	5.1%
2015	1,206	94,761,450	78,575	5.2%
2016	1,203	97,469,466	81,022	4.7%
2017	1,194	99,986,754	83,741	3.3%
2018	1,191	101,273,112	85,032	3.3%
2019	1,188	105,215,220	88,565	3.8%
2020	1,184	104,860,960	88,565	8.0%
2021	N/A	N/A	N/A	N/A

Sources:

- (a) Population information provided by the NJ Dept of Labor and Workforce Development.
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented.
- (c) Per capita personal income by County estimated based upon the 2010 census published by the U.S. Bureau of Economic Analysis.
- (d) Unemployment data provided by the NJ Dept of Labor and Workforce Development.

N/A Information Not Available

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago

2021

Employer	Employees	Rank	Percentage of Total Municipal Employment
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INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

2012

Employer	Employees	Rank	Percentage of Total Municipal Employment
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INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Full Time Equivalent District Employees by Function/Program
Last Ten Fiscal Years

Function/Program	<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	56.0	55.0	58.5	59.5	57.5	55.4	52.9	50.5	51.5	50.5
Special education	28.0	25.8	25.8	13.0	25.8	26.0	24.0	24.0	24.0	23.5
Other instruction	2.5	3.0	3.0	3.0	2.0	5.0	4.0	5.0	4.0	3.7
Support services										
Student and instruction related services	24.3	23.8	26.8	38.5	27.8	22.1	30.6	29.8	29.5	32.5
General administration	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
School administration services	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	4.0	4.0
Central services	3.5	3.5	3.5	3.5	3.5	3.5	3.7	3.7	3.5	3.5
Administrative information technology	0.5	0.5	0.5	1.5	1.5	1.5	1.0	1.0	-	-
Plant operations and maintenance	11.0	10.5	11.5	11.5	11.5	11.5	12.5	13.5	13.5	13.5
Pupil transportation	32.0	37.0	49.0	46.1	67.0	59.0	56.0	57.0	56.0	51.0
Total	<u>164.3</u>	<u>165.6</u>	<u>185.1</u>	<u>183.1</u>	<u>203.1</u>	<u>190.5</u>	<u>191.2</u>	<u>191.0</u>	<u>187.5</u>	<u>183.7</u>

Source: District Personnel Records

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	June 30 Enrollment	Operating Expenditures (a)	Cost Per Pupil	Percentage Change	Teaching Staff (b)	Teacher Ratio	Average Daily Enrollment (ADE) (c)	Average Daily Attendance (ADA) (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
2012	972	\$ 17,562,626	\$ 18,069	7.58%	86.5	1 to 11.24	943.4	895.8	-5.89%	94.95%
2013	977	17,970,087	18,393	1.79%	85.3	1 to 11.45	961.3	908.0	1.90%	94.46%
2014	958	18,573,921	19,388	5.41%	80.0	1 to 11.98	945.3	900.3	-1.66%	95.24%
2015	899	18,655,464	20,751	7.03%	79.5	1 to 11.31	893.8	852.2	-5.45%	95.35%
2016	891	19,333,924	21,699	4.57%	77.5	1 to 11.50	880.3	842.4	-1.51%	95.69%
2017	876	19,292,744	22,024	1.50%	71.0	1 to 12.34	828.2	785.9	-5.92%	94.89%
2018	801	19,844,955	24,775	12.49%	68.7	1 to 11.66	693.5	660.2	-16.26%	95.20%
2019	730	20,522,628	28,113	13.47%	68.0	1 to 10.74	670.1	648.5	-3.37%	96.78%
2020	756	20,131,203	26,629	-5.28%	67.3	1 to 11.23	689.2	667.9	2.84%	96.91%
2021	696	19,855,554	28,528	7.13%	65.5	1 to 10.63	672.4	655.7	-2.43%	97.51%

Source: District Records

- (a) Operating expenditures equal total expenditures less debt service and capital outlay.
- (b) Teaching staff includes only full-time equivalents or certificated staff.
- (c) Average Daily Enrollment and Average Daily Attendance are obtained from the School Register Summary.

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years

District Building	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>Delaware Valley Regional High School (1958)</u>										
Square feet	163,000	163,000	163,000	163,000	163,000	163,000	163,000	163,000	163,000	163,000
Capacity (students)	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020
Enrollment	972	977	958	899	891	876	801	730	756	704
<u>Number of schools at June 30, 2021</u>										
Elementary	-									
Middle School	-									
High School	1									
Other	-									

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increase in square footage and capacity are the result of renovations and additions.

Note: Enrollment is based on the annual October district count.

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Required Maintenance
Last Ten Fiscal Years

Undistributed Expenditures - Required Maintenance for School Facilities

<u>Fiscal Year Ending</u>	<u>District Total</u>
2012	\$ 179,706
2013	244,549
2014	363,977
2015	302,091
2016	519,761
2017	457,695
2018	364,134
2019	396,514
2020	449,924
2021	366,590
Total school facilities	<u>\$ 3,644,941</u>

Note: School Facilities as Defined Under EFCFA.
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: District Records

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Insurance Schedule
June 30, 2021
(Unaudited)

	<u>Coverage</u>	<u>Deductible</u>
Commercial Package Policy - New Jersey Schools Insurance Group (NJSIG)		
Real & Personal Property (per occurrence)	\$ 500,000,000	\$ 5,000
Blanket Extra Expense	50,000,000	5,000
Blanket Valuable Paper & Records	10,000,000	5,000
Demolition & Increased Cost of Construction	25,000,000	-
Limited Builders Risk	10,000,000	-
Fire Dept. Service Charge	10,000	-
Arson Reward	10,000	-
Pollution Cleanup & Removal	250,000	-
Flood/Earthquake:		
Flood Zone A & V	25,000,000	500,000
All Other Flood Zones	75,000,000	10,000
Earthquake	50,000,000	5,000
Terrorism	1,000,000	
Electronic Data Processing		
Blanket Hardware/Software, Business Income, Transit, Debris Removal	1,500,000	1,000
Flood (Deductible for Zone A & Z)	-	500,000
(Deductible All Other Flood Zones)	-	10,000
Equipment Breakdown		
Combined Single Limit/Accident for Property Damage & Business Income	100,000,000	5,000
Property Damage	Included	
Off Premises Property Damage	1,000,000	5,000
Extra Expense	10,000,000	5,000
Service Interruption	10,000,000	5,000
Perishable Goods	1,000,000	5,000
Data Restoration	1,000,000	5,000
Demolition	1,000,000	5,000
Ordinance or Law	1,000,000	5,000
Expediting Expense	1,000,000	5,000
Hazardous Substances	1,000,000	5,000
Newly Acquired Locations - 120 Days Notice	1,000,000	5,000
Crime Coverage		
Public Employee Dishonesty	100,000	1,000
Theft, Disapp. & Destruction/Money Orders & Counterfeit Currency	10,000	1,000
Forgery or Alteration	100,000	1,000
Computer Fraud	50,000	1,000
Public Officials Bond		
Business Administrator - T Barna (Selective Ins. Co.)	250,000	-
Treasurer - R Krov (Selective Ins. Co.)	210,000	-
General Liability		
Bodily Injury & Property Damage	10,000,000	-
Products & Completed Operations	10,000,000	-
Sexual Abuse	10,000,000	-
Personal Injury & Advertising Injury	10,000,000	-
Employee Benefits Liability	10,000,000	1,000

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Insurance Schedule (continued)
June 30, 2021
(Unaudited)

	<u>Coverage</u>	<u>Deductible</u>
Commercial Package Policy - NJSIG (continued)		
General Liability (continued)		
Premises Medical Payments	\$10,000 per accident	\$ -
	\$5,000 per person	-
Terrorism	1,000,000	-
Automotive Coverage		
Bodily Injury and Property Damage Comined Single Limit	10,000,000	1,000
Personal Injury Protection	250,000	1,000
Medical Payments	10,000	-
Underinsured	1,000,000	-
Terrorism	1,000,000	-
Garagekeepers	Included	-
School Leaders Errors & Omissions		
Coverage A - protection againsts "loss"/Wrongful Acts	1,000,000	10,000
Coverage B - defense costs for specific administrative actions	\$100,000/claim	5,000
	\$300,000/agg	5,000
Retro Date	7/1/1986	-
Workers' Compensation		
Part One	Statutory	-
Part Two		
Bodily Injury by Accident	2,000,000	-
Bodily Injury by Disease	2,000,000	-
Student/Athletic Volunteer Accident		
All School - US Fire Ins. Co.	25,000	-
Excess Coverage - Medical Expense benefits - National Union Fire Ins. Co.	7,500,000	25,000
Volunteer Workers	25,000	1,000

Source: District records

See independent auditors' report.

SINGLE AUDIT SECTION



Certified Public Accountants, PC
www.bkc-cpa.com

**Independent Auditors' 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
Delaware Valley Regional High School District
County of Hunterdon, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and the aggregate remaining fund information of the Delaware Valley Regional High School District, County of Hunterdon, the State of New Jersey, (the District), as of and for the fiscal 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 9, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Delaware Valley Regional High School District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



BKC, CPAs, PC



Michael A. Holk, CPA, PSA
NO. 20CS00265600

February 9, 2022
Flemington, New Jersey



Certified Public Accountants, PC
www.bkc-cpa.com

**Independent Auditors' Report on Compliance for Each Major Program
and on Internal Control Over Compliance Required by the Uniform
Guidance and New Jersey OMB Circular 15-08-OMB**

Honorable President and
Members of the Board of Education
Delaware Valley Hunterdon Regional School District
County of Hunterdon, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Delaware Valley Regional High School District's, (the District), compliance with the types of compliance requirements described in the New Jersey OMB Circular 15-08 *State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major state programs for the fiscal year ended June 30, 2021. The District's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major 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 the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB Circular 15-08. Those standards, and the 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 state program occurred. An audit includes examining, on a test basis, evidence about the District'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 District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the District 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 District's internal control over compliance with the types of requirements that could have a direct and material effect on each major 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 state program and to test and report on internal control over compliance in accordance with the New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District'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 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 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 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 New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.



BKC, CPAs, PC



Michael A. Holk, CPA, PSA
NO. 20CS00265600

February 9, 2022
Flemington, New Jersey

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Fiscal Year Ended June 30, 2021

Grantor/Program Title	Federal CFDA Number	FAIN Number	Project Number	Program or Award Amount	Grant Period		Balance June 30, 2020		Cash Received	Budgetary Expenditure	Adjust- ment	Repayment of Prior Year Balance	Balance June 30, 2021																		
					From	To	(Acct Rec) Def Revenue	Carryover Amount					Accounts Receivable	Deferred Revenue	Due to Grantor																
U.S. Department of Education passed through State Department of Education																															
Special Revenue Fund																															
Title I A	84.010A	S010A180030	ESSA-1050-19	\$ 36,982	07/01/18	06/30/19	\$ (1,768)	\$ -	\$ 1,768	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -														
Title I A	84.010A	S010A190030	ESSA-1050-20	19,116	07/01/19	06/30/20	(732)	-	19,116	18,384	-	-	-	-	-	-	-														
Title I A	84.010A	S010A200030	ESSA-1050-21	18,987	07/01/20	06/30/21	-	-	7,816	11,316	-	-	(3,500)	-	-	-	-														
Title II A	84.367A	S367A190029	ESSA-1050-20	10,620	07/01/19	06/30/20	(4,239)	-	4,239	-	-	-	-	-	-	-	-														
Title II A	84.367A	S367A200029	ESSA-1050-21	9,920	07/01/20	06/30/21	-	-	7,510	9,920	-	-	(2,410)	-	-	-	-														
Title IV	84.424	S424A190031	ESSA-1050-20	10,000	07/01/19	06/30/20	(1,151)	-	1,151	-	-	-	-	-	-	-	-														
Title IV	84.424	S424A200031	ESSA-1050-21	10,000	07/01/20	06/30/21	-	-	10,000	10,000	-	-	-	-	-	-	-														
IDEA Basic (Special Education Cluster)	84.027A	H027A200100	IDEA-1050-21	158,842	07/01/20	06/30/21	-	-	158,842	158,842	-	-	-	-	-	-	-														
CARES Emergency Relief	84.425D	S425D200027	CARES-1050-22	15,286	03/13/20	09/30/22	(8,048)	-	16,121	8,073	-	-	-	-	-	-	-														
Coronavirus Aid Relief	84.425	S425D200027	CARES-1050-21	23,469	07/01/20	06/30/21	-	-	23,469	23,469	-	-	-	-	-	-	-														
CRRSA - ESSER II	84.425	S425D200027	CRRSA-1050-23	62,530	03/13/20	09/30/23	-	-	-	53,964	-	-	(53,964)	-	-	-	-														
Total Special Revenue Fund							<u>(15,938)</u>	<u>-</u>	<u>250,032</u>	<u>293,968</u>	<u>-</u>	<u>-</u>	<u>(59,874)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>														
U.S. Department of Agriculture passed through State Department of Agriculture																															
Enterprise Fund																															
Child Nutrition Cluster																															
National School Lunch Program																															
Non-Cash Assistance (Commodities)	10.555	201NJ304N1099	N/A	20,274	10/01/19	09/30/20	2,218	-	-	2,218	-	-	-	-	-	-	-														
National School Lunch Program																															
Non-Cash Assistance (Commodities)	10.555	211NJ304N1099	N/A	13,179	10/01/20	09/30/21	-	-	13,179	9,214	-	-	-	3,965	-	-	-														
National School Lunch Program																															
Cash Assistance	10.555	201NJ304N1099	N/A	36,870	10/01/19	09/30/20	(453)	-	453	-	-	-	-	-	-	-	-														
National School Lunch Program																															
Cash Assistance	10.555	211NJ304N1099	N/A	90,752	10/01/20	09/30/21	-	-	80,431	90,752	-	-	(10,321)	-	-	-	-														
School Breakfast Program	10.553	201NJ304N1099	N/A	4,131	10/01/19	09/30/20	(239)	-	239	-	-	-	-	-	-	-	-														
School Breakfast Program	10.553	211NJ304N1099	N/A	44,559	10/01/20	09/30/21	-	-	38,651	44,559	-	-	(5,908)	-	-	-	-														
Total Enterprise Fund							<u>1,526</u>	<u>-</u>	<u>132,953</u>	<u>146,743</u>	<u>-</u>	<u>-</u>	<u>(16,229)</u>	<u>3,965</u>	<u>-</u>	<u>-</u>	<u>-</u>														
Total Federal Financial Assistance							<u>\$ (14,412)</u>	<u>\$ -</u>	<u>\$ 382,985</u>	<u>\$ 440,711</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (76,103)</u>	<u>\$ 3,965</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>														

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Fiscal Year Ended June 30, 2021

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period		Balance June 30, 2020		Cash Received	Budgetary Expenditure	Adjust-ments	Balance June 30, 2021			Memo	
			From	To	Deferred Rev. (Accts. Rec)	Due to Grantor				Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditure
State Department of Education														
General Fund														
Transportation Aid	21-495-034-5120-014	\$ 17,291	07/01/20	06/30/21	\$ -	\$ -	\$ 15,584	\$ 17,291	\$ -	\$ -	\$ -	\$ -	\$ 1,707	\$ 17,291
Special Education Categorical Aid	21-495-034-5120-089	592,662	07/01/20	06/30/21	-	-	534,145	592,662	-	-	-	-	58,517	592,662
Security Aid	21-495-034-5120-084	74,763	07/01/20	06/30/21	-	-	67,381	74,763	-	-	-	-	7,382	74,763
Equalization Aid	21-495-034-5120-084	2,280,985	07/01/20	06/30/21	-	-	2,055,769	2,280,985	-	-	-	-	225,216	2,280,985
Extraordinary Special Education Costs Aid	20-495-034-5120-044	283,768	07/01/19	06/30/20	(257,933)	-	283,768	25,835	-	-	-	-	-	283,768
Extraordinary Special Education Costs Aid	21-495-034-5120-044	317,096	07/01/20	06/30/21	-	-	-	317,096	-	(317,096)	-	-	-	317,096
Payment for Institutionalized Children - Unknown District of Residence	21-495-034-5120-005	11,816	07/01/20	06/30/21	-	-	-	11,816	-	(11,816)	-	-	-	11,816
Non-Public Transportation Aid	21-495-034-5120-014	2,610	07/01/19	06/30/20	-	-	-	2,610	-	(2,610)	-	-	-	2,610
Reimbursed TPAF Social Security Contribution	20-495-034-5094-003	485,085	07/01/19	06/30/20	(3,327)	-	3,327	-	-	-	-	-	-	485,085
Reimbursed TPAF Social Security Contribution	21-495-034-5094-003	477,276	07/01/20	06/30/21	-	-	453,456	477,276	-	(23,820)	-	-	-	477,276
On-Behalf TPAF Pension Contribution - Teacher's Pension & Annuity Fund	21-495-034-5094-002	1,844,236	07/01/20	06/30/21	-	-	1,844,236	1,844,236	-	-	-	-	-	1,844,236
On-Behalf TPAF Pension Contribution - Non-Contributory Insurance	21-495-034-5094-004	35,089	07/01/20	06/30/21	-	-	35,089	35,089	-	-	-	-	-	35,089
On-Behalf TPAF Pension Contribution - Post Retirement Medical	21-495-034-5094-001	588,951	07/01/20	06/30/21	-	-	588,951	588,951	-	-	-	-	-	588,951
On-Behalf TPAF Pension Contribution - Long-Term Disability Insurance	21-495-034-5094-004	887	07/01/20	06/30/21	-	-	887	887	-	-	-	-	-	887
Total General Fund					<u>(261,260)</u>	<u>-</u>	<u>5,882,593</u>	<u>6,269,497</u>	<u>-</u>	<u>(355,342)</u>	<u>-</u>	<u>-</u>	<u>292,822</u>	<u>7,012,515</u>
State Department of Agriculture														
Enterprise fund														
National School Lunch Program (St Share)	20-100-010-3350-023	1,836	07/01/19	06/30/20	(7)	-	7	-	-	-	-	-	-	1,836
National School Lunch Program (St Share)	21-100-010-3350-023	4,931	07/01/20	06/30/21	-	-	4,195	4,931	-	(736)	-	-	-	4,931
Total Enterprise Fund					<u>(7)</u>	<u>-</u>	<u>4,202</u>	<u>4,931</u>	<u>-</u>	<u>(736)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,767</u>
Total State Financial Assistance					<u>\$ (261,267)</u>	<u>\$ -</u>	<u>\$5,886,795</u>	<u>6,274,428</u>	<u>\$ -</u>	<u>\$ (356,078)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 292,822</u>	<u>\$7,019,282</u>
Less: On-Behalf TPAF Pension System Contributions														
On-Behalf TPAF Pension Contribution - Teachers' Pension & Annuity Fund	21-495-034-5094-002							1,844,236						
On-Behalf TPAF Pension Contribution - Non-Contributory Insurance	21-495-034-5094-004							35,089						
On-Behalf TPAF Pension Contribution - Postretirement Medical	21-495-034-5094-001							588,951						
On-Behalf TPAF Pension Contribution - Long-Term Disability Insurance	21-495-034-5094-004							887						
Total for State Financial Assistance - Major Program Determination								<u>\$3,805,265</u>						

See independent auditors' report.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2021

Note 1 - General

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance present the activity of all federal awards and state financial assistance programs of the Delaware Valley Regional High School District. The District is defined in Note 1 (A) to the District's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are 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 using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1 (C) and 1 (D) to the District's basic financial statements.

Note 3 - Relationship of financial statements

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules 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 one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$54,897 for the general fund and \$5,380 for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2021

Note 3 - Relationship of financial statement (continued)

Financial assistance revenues are reported in the Board's financial statements on a GAAP basis as follows:

	<u>Local</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General fund	\$ -	\$ -	\$ 6,324,394	\$ 6,324,394
Special revenue fund	23,531	299,348	-	322,879
Food service fund	-	146,743	4,931	151,674
Total awards and financial assistance	<u>\$ 23,531</u>	<u>\$ 446,091</u>	<u>\$ 6,329,325</u>	<u>\$ 6,798,947</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 USDA Commodities Program represent 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. TPAF Social Security contribution represents the amount reimbursed by the state for the employer's share of Social Security contributions for TPAF members for the fiscal year ended June 30, 2021.

Note 6 - Indirect costs

The District has elected not to utilize the 10% de minimis indirect cost rate.

DELAWARE VALLEY REGIONAL HIGH 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. Were material weakness(es) identified? Yes No
2. Were significant deficiencies identified? Yes None reported

Noncompliance material to basic financial statements noted?

Yes No

Federal Awards

Not Applicable

Internal Control Over Major Programs:

1. Were material weakness(es) identified? Yes No
2. Were significant deficiencies identified? Yes None reported

What was the type of auditor's report issued on compliance for major programs?

Unmodified

Were any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 Section .516(a)?

Yes No

Identification of Major Programs:

CFDA Number(s)	FEIN Number(s)	Name of Federal Program or Cluster
<u>Not Applicable</u>	<u>Not Applicable</u>	<u>Not Applicable</u>

What was the dollar threshold used to distinguish between Type A and Type B programs?

Did the auditee qualify as a low-risk auditee?

Yes No

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

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

State Awards

What was the dollar threshold used to distinguish between Type A and Type B programs? \$750,000

Did the auditee qualify as a low-risk auditee? X Yes No

Internal Control Over Major Programs:

- 1. Were material weakness(es) identified? Yes X No
- 2. Were there significant deficiencies identified that are not considered to be material weaknesses? Yes X None reported

What was the type of auditor's report issued on compliance for major programs? Unmodified

Were any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08 as applicable? Yes X No

Identification of Major Programs:

<u>State Grant/Project Numbers</u>	<u>Name of State Program</u>
	<i>State Aid Public Cluster:</i>
<i>21-495-034-5120-089</i>	<i>Special Education Categorical Aid</i>
<i>21-495-034-5120-078</i>	<i>Equalization Aid</i>
<i>21-495-034-5120-084</i>	<i>Security Aid</i>

DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

Section II - Financial Statement Findings

There were no findings or questioned costs for the fiscal year ended June 30, 2021.

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

There were no findings or questioned costs for the fiscal year ended June 30, 2021.

**DELAWARE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management
For the Fiscal Year Ended June 30, 2021**

Status of Prior Year Findings

There were no prior year findings or questioned costs.