

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

Englewood, New Jersey

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

Englewood Board of Education

Englewood, New Jersey

For The Fiscal Year Ended June 30, 2021

Prepared by

Business Office

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INTRODUCTORY SECTION



ENGLEWOOD PUBLIC SCHOOL DISTRICT

ADMINISTRATIVE BUILDING, 274 KNICKERBOCKER ROAD, ENGLEWOOD, N.J. 07631

February 25, 2022

Honorable President and
Members of the Board of Education
Englewood Public Schools
Englewood, New Jersey 07631

Dear Board Members:

The comprehensive annual financial report of the Englewood 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. 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 comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter and list of principal officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and the U.S. Uniform Guidance, and the New Jersey OMB Circular 15-08-OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on internal control 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:** Englewood School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by NCGA Statement No. 3. All funds and account groups of the district are included in this report. The Englewood Board of Education and all its schools constitute the district's reporting entity.

The district provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular as well as special education for handicapped youngsters. The district completed the 2020-2021 fiscal year with an enrollment of 2,945 students, which is 52

students less than the previous year's enrollment. The following details the changes in the student enrollment of the district over the last five years.

<u>Fiscal Year Ending 6/30</u>	<u>Total Student Enrollment</u>	<u>Percent Change from Previous Yr.</u>
2016-2017	3,100	(0.4)
2017-2018	3,085	(0.4)
2018-2019	3,021	(0.2)
2019-2020	2,997	(0.8)
2020-2021	2,945	(1.7)

2. **ECONOMIC CONDITION AND OUTLOOK:** The district will remain sound economically with continued budget management. The budget management process will include a review and evaluation of district programs, staffing levels and new program development. Investments in energy efficiencies, grant opportunities and other shared service partnerships will provide cost savings measures. A complete long range facility plan with a demographic study will need to be conducted in the next school year to ensure facilities are maintained and population growth is planned for.

3. **MAJOR DISTRICT INITIATIVES:** The 2020-2021 continued to focus on efficiencies and improvements district wide. Many corrective action plans and best practices are being put into place to improve the district and achieve compliance with state and federal laws. The district also focused on preparing for virtual and in person learning due to COVID-19.

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 also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to 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 and the special revenue 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 reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance on 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. **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 2. 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.

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

9. **OTHER INFORMATION: A) Independent Audit** -State statutes require an annual audit by independent Certified Public Accountants (CPA) or Registered Municipal Accountants. The accounting firm of Lerch, Vinci & Higgins, LLC, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the U.S. Uniform Guidance and New Jersey OMB Circular 15-08. The auditors' report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

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

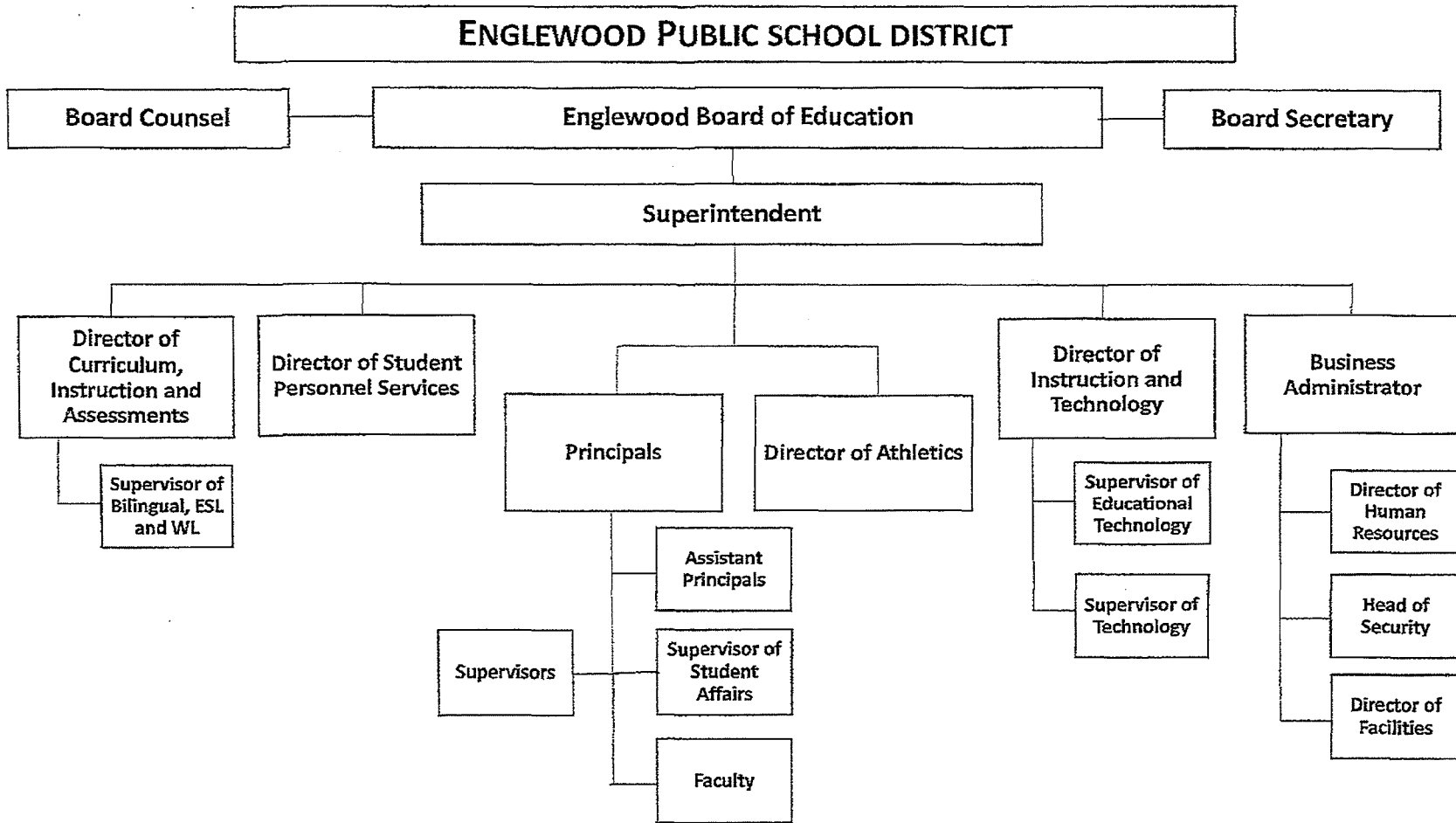
Respectfully submitted,



Dr. Ronald Bolandi
Interim Superintendent of Schools



Cheryl Balletto, CPA, PSA
Business Administrator/Board Secretary



ENGLEWOOD SCHOOL DISTRICT
CITY OF ENGLEWOOD, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2021

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	TERM
Mr. Steven Berrios	2021
Ms. Molly Craig-Berry	2021
Mr. William Feinstein	2023
David Matthews	2023
Ms. Angela Midgette-David	2022
Mr. Eric Montano	2023
Dr. Suzanne Mullings	2022
Mr. Donovan Rodriques	2021
Mr. Samuel E. Trusty	2022

OTHER OFFICIALS

Dr. Ronald Bolandi, Interim Superintendent of Schools
Ms. Cheryl Balletto, Business Administrator/Board Secretary
Mr. Robert Sims, Account Manager
Mr. Robert Brown, Treasurer

**ENGLEWOOD SCHOOL DISTRICT
CITY OF ENGLEWOOD, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2021**

Independent Auditor

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

Attorney

Florio, Perrucci, Steinhardt, Cappelli, Tipton & Taylor, LLC
218 Rt. 17 North
Rochelle Park, NJ 07662

Official Depository

TD Bank
1000 MacArthur Boulevard
Mahwah, NJ 07430

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
RALPH M. PICONE, III, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Englewood Board of Education
Englewood, 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 Englewood Board of Education, as of and for the fiscal year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Emphasis of Matter

Adoption of New Accounting Pronouncement

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension information and other postemployment benefits information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Englewood Board of Education's basic financial statements. The introductory section, financial schedules, statistical section, schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Englewood Board of Education.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated February 25, 2022 on our consideration of the Englewood Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Englewood Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Englewood Board of Education's internal control over financial reporting and compliance.

LERCH, VINCI & HIGGINS, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
February 25, 2022

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

ENGLEWOOD BOARD OF EDUCATION

Management Discussion and Analysis Year Ended June 30, 2021

INTRODUCTION

Management's Discussion and Analysis of the District's financial results that follow will provide statement readers with some insight into the District's financial philosophy and its impact on the educational changes taking place within the District, as well as providing some understanding of the fiscal activities undertaken by the Board's administrative team to effect this change.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year (2020-2021) and the prior year (2019-2020) is required to be presented in the MD&A.

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

This annual report consists of a series of financial statements as well as notes to those statements. These statements are organized so that the reader can understand the Englewood Public 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. In the case of the Englewood Public School District, the General Fund is by far the most significant fund.

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

In addition to the financial statements and accompanying notes, the annual report also presents certain required supplementary information concerning the District's budget process. The District adopts an annual expenditure budget for the general, special revenue and debt service funds. A budgetary comparison statement has been provided for the general and special revenue funds as required supplementary information. Information regarding the District's employee retirement systems and pension plans as well as the postretirement health benefits plan has also been provided as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

Combining schedules are presented immediately following the major budgetary comparisons.

ENGLEWOOD BOARD OF EDUCATION

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

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 2021?" The Statement of Net Position and Statement of Activities help answer this question. These Statements include all assets, liabilities and deferred outflows/inflows of resources 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 net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial condition 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. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- **Governmental Activities** – All of the School District's programs and services are reported here, including, but not limited to, Instruction, Support Services, Operation and Maintenance of Plant Facilities, Pupil Transportation and Extracurricular Activities.
- **Business-Type Activities** – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service and After School and Summer Day Care program operations are reported as a business activity.

REPORTING THE SCHOOL DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

Detailed information about the School District's major funds is presented and an analysis of the School District's major funds is included in the fiscal year 2021 Comprehensive Annual Financial Report as presented by the School District. 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 are reported using an accounting method called modified accrual accounting, which measures cash and all other financial resources that can readily be 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 provides. 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.

ENGLEWOOD BOARD OF EDUCATION

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

REPORTING THE SCHOOL DISTRICT'S MOST SIGNIFICANT FUNDS (Continued)

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year 2021 are as follows:

- The assets and deferred outflows of resources of the Englewood Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$58,169,693 (net position). The District's unrestricted net position was in a deficit position of \$1,879,450.
- The District's total net position increased \$7,052,264.
- General revenues accounted for \$63,464,189 in revenue or 66 percent of all revenues. Program specific revenues in the form of charges for services and operating and capital grants and contributions accounted for \$32,134,229 or 34 percent of the total revenues of \$95,598,418.
- The School District had \$88,478,699 in expenses for governmental activities; only \$31,152,003 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$63,464,189 were adequate to provide for these programs.
- The District reported a special item of \$742,473 for governmental activities for the change in the net pension liability at year end.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$13,715,928.
- The General Fund had \$79,077,664, in revenues and other financing sources and \$73,870,672 in expenditures and other financing uses. The General Fund's balance increased \$5,206,992 from the previous year to \$13,298,504 at June 30, 2021.
- The General Fund budgetary fund balance at the close of the current fiscal year was \$15,648,300 which represented an increase of \$5,918,797 from the previous year. Unassigned budgetary fund balance increased \$1,853,131 from the previous year to \$3,453,399 at June 30, 2021.

ENGLEWOOD BOARD OF EDUCATION

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

THE SCHOOL DISTRICT AS A WHOLE

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

The following provides a summary of the School District’s Net Position for 2021 and 2020:

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Assets						
Current Assets	\$ 16,370,794	\$ 11,625,470	\$ 492,233	\$ 457,246	\$ 16,863,027	\$ 12,082,716
Capital Assets	<u>58,753,725</u>	<u>60,412,614</u>	<u>193,964</u>	<u>230,631</u>	<u>58,947,689</u>	<u>60,643,245</u>
Total Assets	<u>75,124,519</u>	<u>72,038,084</u>	<u>686,197</u>	<u>687,877</u>	<u>75,810,716</u>	<u>72,725,961</u>
Deferred Outflows of Resources	<u>530,649</u>	<u>975,777</u>	<u>-</u>	<u>-</u>	<u>530,649</u>	<u>975,777</u>
Total Assets and Deferred Outflows of Resources	<u>75,655,168</u>	<u>73,013,861</u>	<u>686,197</u>	<u>687,877</u>	<u>76,341,365</u>	<u>73,701,738</u>
Liabilities						
Long-Term Liabilities	12,485,480	15,880,846			12,485,480	15,880,846
Other Liabilities	<u>2,726,190</u>	<u>3,226,218</u>	<u>29,274</u>	<u>102,402</u>	<u>2,755,464</u>	<u>3,328,620</u>
Total Liabilities	<u>15,211,670</u>	<u>19,107,064</u>	<u>29,274</u>	<u>102,402</u>	<u>15,240,944</u>	<u>19,209,466</u>
Deferred Inflows of Resources	<u>2,926,739</u>	<u>3,374,843</u>	<u>3,989</u>	<u>-</u>	<u>2,930,728</u>	<u>3,374,843</u>
Total Liabilities and Deferred Inflows of Resources	<u>18,138,409</u>	<u>22,481,907</u>	<u>33,263</u>	<u>102,402</u>	<u>18,171,672</u>	<u>22,584,309</u>
Net Position						
Net investment in capital assets	53,339,200	53,163,669	193,964	230,631	53,533,164	53,394,300
Restricted	6,515,979	4,098,068			6,515,979	4,098,068
Unrestricted	<u>(2,338,420)</u>	<u>(6,729,783)</u>	<u>458,970</u>	<u>354,844</u>	<u>(1,879,450)</u>	<u>(6,374,939)</u>
Total Net Position	<u>\$ 57,516,759</u>	<u>\$ 50,531,954</u>	<u>\$ 652,934</u>	<u>\$ 585,475</u>	<u>\$ 58,169,693</u>	<u>\$ 51,117,429</u>

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

ENGLEWOOD BOARD OF EDUCATION

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

THE SCHOOL DISTRICT AS A WHOLE (Continued)

The following shows the changes in Net Position for fiscal years 2021 and 2020:

**Change in Net Position
For The Fiscal Years Ended June 30, 2021 and 2020**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues						
Program Revenues						
Charges for Services	\$ 908,849	\$ 1,320,877	\$ 7,309	\$ 196,357	\$ 916,158	\$ 1,517,234
Operating Grants and Contributions	30,087,130	24,229,374	974,917	1,416,556	31,062,047	25,645,930
Capital Grants and Contributions	156,024	-			156,024	-
General Revenues						
Property Taxes	57,802,505	56,704,383			57,802,505	56,704,383
State Aid - Unrestricted	4,951,138	4,939,629			4,951,138	4,939,629
Other	710,546	594,369	-	-	710,546	594,369
Total Revenues	94,616,192	87,788,632	982,226	1,612,913	95,598,418	89,401,545
Expenses						
Instruction						
Regular	33,963,173	32,447,275			33,963,173	32,447,275
Special Education	15,668,207	14,514,310			15,668,207	14,514,310
Other Instruction	3,662,199	3,618,444			3,662,199	3,618,444
School Sponsored Activities and Athletics	903,340	915,832			903,340	915,832
Support Services					-	
Student and Instruction Related Services	15,057,385	12,316,458			15,057,385	12,316,458
General Administrative Services	2,119,334	1,537,452			2,119,334	1,537,452
School Administrative Services	4,559,803	4,704,953			4,559,803	4,704,953
Central Services	1,694,696	1,697,182			1,694,696	1,697,182
Plant Operations and Maintenance	7,557,562	7,225,695			7,557,562	7,225,695
Student Transportation	3,070,412	4,231,379			3,070,412	4,231,379
Interest on Debt	222,588	291,624			222,588	291,624
Food Services	-	-	809,928	1,556,602	809,928	1,556,602
Total Expenses	88,478,699	83,500,604	809,928	1,556,602	89,288,627	85,057,206
Increase (Decrease) in Net Position Before Special Items and Transfers	6,137,493	4,288,028	172,298	56,311	6,309,791	4,344,339
Special Items	742,473	1,192,964			742,473	1,192,964
Transfers	104,839	-	(104,839)	-	-	-
Total Special Item and Transfers	847,312	1,192,964	(104,839)	-	742,473	1,192,964
Increase in Net Position	6,984,805	5,480,992	67,459	56,311	7,052,264	5,537,303
Net Position, Beginning of Year	50,531,954	44,743,548	585,475	529,164	51,117,429	45,272,712
Prior Period Adjustment	-	307,414	-	-	-	307,414
Net Position, End of Year	\$ 57,516,759	\$ 50,531,954	\$ 652,934	\$ 585,475	\$ 58,169,693	\$ 51,117,429

ENGLEWOOD BOARD OF EDUCATION

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

Governmental Activities. The unique nature of property taxes in New Jersey creates the need to routinely review the School District operations. Property taxes of \$57,802,505 and \$56,704,383 made up 61% and 65% of the revenues for governmental activities for the Englewood Board of Education for fiscal years ended June 30, 2021 and 2020, respectively. The District’s total revenues were \$94,616,192 and \$87,788,632 for the fiscal years ended June 30, 2021 and 2020. Federal, state and local aid and grants accounted for another \$35,194,292 and \$29,169,003 or 37% and 33% of total governmental activities revenues for the fiscal years ended June 30, 2021 and 2020, respectively.

The total cost of all programs and services were \$88,478,699 and \$83,500,604 for the fiscal years ended June 30, 2021 and 2020. Instruction comprised \$54,196,919 (61%) \$51,495,861 (62%) and of District expenses for the fiscal years ended June 30, 2021 and 2020, respectively. Support services comprised \$34,059,192 (39%) and \$31,713,119 (38%) of the District expenses for the fiscal years ended June 30, 2021 and 2020, respectively.

Total governmental activities revenues, special items and transfers exceeded expenses, increasing net position \$6,984,805 for the fiscal year ended June 30, 2021. For fiscal year 2020, the governmental activities expenses exceeded revenues and special items increasing net position \$5,480,992.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District’s taxpayers by each of these functions.

**Total and Net Cost of Governmental Activities
for the Fiscal Years Ended June 30, 2021 and 2020**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Instruction				
Regular	\$ 33,963,173	\$ 32,447,275	\$ 22,006,185	\$ 22,632,253
Special Education	15,668,207	14,514,310	9,335,083	8,526,123
Other Instruction	3,662,199	3,618,444	2,103,839	1,954,726
School Sponsored Activities and Athletics	903,340	915,832	582,766	915,832
Support Services				
Student and Instruction Related Services	15,057,385	12,316,458	8,262,508	8,063,838
General Administrative Services	2,119,334	1,537,452	1,128,855	1,537,452
School Administrative Services	4,559,803	4,704,953	4,037,425	3,454,747
Central Services	1,694,696	1,697,182	1,561,626	1,697,182
Plant Operations and Maintenance	7,557,562	7,225,695	6,053,481	5,726,631
Student Transportation	3,070,412	4,231,379	2,032,640	3,149,945
Interest on Debt	222,588	291,624	222,588	291,624
Total	\$ 88,478,699	\$ 83,500,604	\$ 57,326,996	\$ 57,950,353

ENGLEWOOD BOARD OF EDUCATION

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

Governmental Activities (Continued)

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities. Extracurricular activities includes expenses related to student activities provided by the School District which are designed to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

Student and instruction related services include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development. Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

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

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an 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 for debt of the School District.

Business-Type Activities. Revenues for the District's business-type activities (food service program and before and after school daycare program) were comprised of charges for services and federal and state reimbursements.

- Business-Type activity revenues exceeded expenses and other financing uses by \$67,459 for the fiscal year ended June 30, 2021. Business-Type activity revenues exceeded expenses by \$56,311 for the previous fiscal year ended June 30, 2020.
- Charges for services represent \$7,309 (1%) and \$196,357 (12%) of revenue for the fiscal years ended June 30, 2021 and 2020, respectively. This represents amounts paid by patrons for daily food services. The decrease was due to limited student sales as a result of COVID-19. Operating revenues for Food Service operations were \$7,309 for the fiscal year ending June 30, 2021.
- Federal and state reimbursements for food service meals, including payments for free and reduced lunches and donated commodities were \$974,917 (99%) and \$1,416,556 (88%) for the fiscal years ended June 30, 2021 and 2020, respectively.
- Total expenses were \$809,928 and \$1,556,602 for the fiscal years ended June 30, 2021 and 2020 for the Food Services program.

ENGLEWOOD BOARD OF EDUCATION

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

THE SCHOOL DISTRICT’S FUNDS

Information about the School District’s major funds is included in the fiscal year 2021 Comprehensive Annual Financial Report as presented by the School District. These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund presented in the fund-based statements) had total revenues of \$87,646,745 and \$83,951,482 and expenditures of \$82,539,220 and \$81,610,992 for the fiscal years ended June 30, 2021 and 2020, respectively. As the District completed the year, its governmental funds reported a combined fund balance of \$13,715,928, an increase of \$5,212,364 from last year’s fund balance of \$8,503,564.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The General Fund includes the primary operations of the District in providing educational services to students from Pre-Kindergarten through Grade 12 including pupil transportation and capital outlay activities. The following schedules present a summary of the revenues of the General Fund for the fiscal years ended June 30, 2021 and 2020 and the amount and percentage of increases or decreases in relation to prior-year revenues.

	<u>Fiscal Year Ended June 30,</u>		<u>Amount of</u>	<u>Percent</u>
	<u>2021</u>	<u>2020</u>	<u>Increase</u> <u>(Decrease)</u>	
Local Sources				
Property Taxes	\$ 55,988,849	\$ 54,891,028	\$ 1,097,821	2%
Other	1,619,395	1,915,246	(295,851)	-15%
State Sources	21,192,115	19,780,970	1,411,145	7%
Federal Sources	<u>172,466</u>	<u>147,446</u>	<u>25,020</u>	17%
Total General Fund Revenues	<u>\$ 78,972,825</u>	<u>\$ 76,734,690</u>	<u>\$ 2,238,135</u>	3%

Overall General Fund revenues increased \$2,238,135 or 3% from the previous year. The increase in Local Sources is attributable to a 2% increase in the property tax levy to fund increased operating expenses of the current year. Miscellaneous revenue realized by the District from local sources decreased by \$295,851 or 15% as a result of decreased miscellaneous revenue realized. State revenues increased \$1,411,145 or 7%.

Revenues from Federal sources increased by \$25,020 which was primarily due to the increase in Medicaid assistance aid.

ENGLEWOOD BOARD OF EDUCATION

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

THE SCHOOL DISTRICT'S FUNDS (Continued)

The following schedule presents a summary of General Fund expenditures for the fiscal years ended June 30, 2021 and 2020:

	<u>Fiscal Year Ended June 30,</u>		<u>Amount of</u>	<u>Percent</u>
	<u>2021</u>	<u>2020</u>	<u>Increase</u> <u>(Decrease)</u>	
Instruction	\$ 46,209,324	\$ 45,045,629	\$ 1,163,695	3%
Support Services	25,755,026	25,978,174	(223,148)	-1%
Debt Service	903,421	1,038,461	(135,040)	-13%
Capital Outlay	<u>534,901</u>	<u>1,677,701</u>	<u>(1,142,800)</u>	-68%
Total Expenditures	<u>\$ 73,402,672</u>	<u>\$ 73,739,965</u>	<u>\$ (337,293)</u>	0%

Overall General Fund expenditures remained level when compared to the previous year. The decrease in Capital Outlay is attributed to capital asset construction projects which were completed in 2020. The increase in Instruction is primarily due to the increase in total special education expenditures.

The total General Fund balance at June 30, 2021 was \$13,298,504. After deducting, 1) restricted \$11,220,493 and 2) assigned \$974,408, the unassigned fund balance increased from a deficit balance of \$37,723 at June 30, 2020 to a balance of \$1,103,603 at June 30, 2021.

GENERAL FUND BUDGETARY HIGHLIGHTS

The School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on the budgetary basis of accounting for revenues, expenditures and encumbrances. The most significant budgeted fund is the General Fund.

During the course of the 2020/2021 school year, 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 total program budgets but provide flexibility for program management.

- Staffing changes based on student needs.
- Accounting changes in maintenance and operations.
- Changes in appropriations to prevent budget overruns.

ENGLEWOOD BOARD OF EDUCATION

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

GENERAL FUND BUDGETARY HIGHLIGHTS

While the District’s final 2020/2021 budget for the General Fund anticipated that revenues and expenditures would roughly equal with the use of \$2,297,112 in fund balance, the actual results for the year ended June 30, 2021 was an increase of \$5,918,797 in budgetary fund balance compared to an increase of \$2,118,792 in budgetary fund balance in 2020. The total unassigned budgetary fund balance (budgetary basis) at June 30, 2021 was \$3,453,399 compared to \$1,600,268 at June 30, 2020.

CAPITAL ASSETS

At the end of the fiscal years 2021 and 2020, the School District had \$58,947,689 and \$60,643,245 invested in land, land improvements, construction in progress, buildings, furniture, equipment and vehicles. Depreciation charges for the fiscal years 2021 and 2020 were \$2,349,814 and \$2,354,600 for governmental activities, respectively, and \$41,927 and \$42,178 for business-type activities, respectively. The following is a comparison of the June 30, 2021 and 2020 capital asset balances.

Capital Assets
at June 30, 2021 and 2020

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 513,200	\$ 513,200			\$ 513,200	\$ 513,200
Construction in Progress	116,786	-			116,786	-
Land Improvements	4,018,395	3,926,850			4,018,395	3,926,850
Buildings and Building Improvements	87,617,192	87,272,194			87,617,192	87,272,194
Machinery and Equipment	<u>6,599,000</u>	<u>6,461,404</u>	<u>\$ 814,958</u>	<u>\$ 809,698</u>	<u>7,413,958</u>	<u>7,271,102</u>
	98,864,573	98,173,648	814,958	809,698	99,679,531	98,983,346
Less Accumulated Depreciation	<u>(40,110,848)</u>	<u>(37,761,034)</u>	<u>(620,994)</u>	<u>(579,067)</u>	<u>(40,731,842)</u>	<u>(38,340,101)</u>
Total	<u>\$ 58,753,725</u>	<u>\$ 60,412,614</u>	<u>\$ 193,964</u>	<u>\$ 230,631</u>	<u>\$ 58,947,689</u>	<u>\$ 60,643,245</u>

Additional information on the District’s capital assets can be found in the Notes to the Financial Statements.

ENGLEWOOD BOARD OF EDUCATION

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

LONG-TERM LIABILITIES

At June 30, 2021, the School District had \$12,485,480 as outstanding long-term liabilities consisting of \$5,332,881 of bonds, \$379,050 of capital leases, \$1,212,525 of lease purchase agreements, \$1,622,236 for compensated absences and \$3,938,788 for net pension liability. The following is a comparison of the June 30, 2021 and 2020 balances:

**Outstanding Long-Term Liabilities
At June 30, 2021 and 2020**

	<u>Governmental Activities</u>	
	<u>2021</u>	<u>2020</u>
Serial Bonds (Including Unamortized Premium)	\$ 5,332,881	\$ 7,006,485
Capital Leases	379,050	627,139
Lease Purchase Agreements	1,212,525	1,839,606
Compensated Absences	1,622,236	1,552,378
Net Pension Liability	<u>3,938,788</u>	<u>4,855,238</u>
Total	<u>\$ 12,485,480</u>	<u>\$ 15,880,846</u>

Additional information on the District’s long-term liabilities can be found in the Notes to the Financial Statements.

FOR THE FUTURE

While many factors influence the District’s future, the availability of State funding, special education needs, capital improvements and the economy will have the most impact on educational and fiscal decisions in the future.

These and many other factors were considered by the District’s administration during the process of developing the fiscal year 2020-2021 budget. The primary factors were the District’s projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2021-2022. Budgeted expenditures in the General Fund increased less than 1% in fiscal year 2021-2022.

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 funds it receives. If you have questions on this report or need additional financial information, please contact the Business Office at Englewood Board of Education, 274 Knickerbocker Road, Englewood, NJ 07631.

DISTRICT-WIDE FINANCIAL STATEMENTS

ENGLEWOOD BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 14,638,508	\$ 367,607	\$ 15,006,115
Accounts Receivable	1,732,286	104,571	1,836,857
Inventories		20,055	20,055
Capital Assets, Not Being Depreciated	629,986		629,986
Capital Assets, Being Depreciated, Net	<u>58,123,739</u>	<u>193,964</u>	<u>58,317,703</u>
Total Assets	<u>75,124,519</u>	<u>686,197</u>	<u>75,810,716</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	161,431		161,431
Deferred Amounts on Net Pension Liability	<u>369,218</u>	<u>-</u>	<u>369,218</u>
Total Deferred Outflows of Resources	<u>530,649</u>	<u>-</u>	<u>530,649</u>
Total Assets and Deferred Outflows of Resources	<u>75,655,168</u>	<u>686,197</u>	<u>76,341,365</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	1,530,959	22,198	1,553,157
Accrued Interest Payable	71,324		71,324
Payable to Other Governments	436,450		436,450
Unearned Revenue	687,457	7,076	694,533
Noncurrent Liabilities			
Due within one year	2,512,207		2,512,207
Due beyond one year	<u>9,973,273</u>	<u>-</u>	<u>9,973,273</u>
Total Liabilities	<u>15,211,670</u>	<u>29,274</u>	<u>15,240,944</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	2,926,739	-	2,926,739
Deferred Commodities Revenues	<u>-</u>	<u>3,989</u>	<u>3,989</u>
Total Deferred Inflows of Resources	<u>2,926,739</u>	<u>3,989</u>	<u>2,930,728</u>
Total Liabilities and Deferred Inflows of Resources	<u>18,138,409</u>	<u>33,263</u>	<u>18,171,672</u>
NET POSITION			
Net Investment in Capital Assets	53,339,200	193,964	53,533,164
Restricted for			
Capital Projects	5,680,477		5,680,477
Plant Maintenance	522,716		522,716
Other Purposes	312,786		312,786
Unrestricted	<u>(2,338,420)</u>	<u>458,970</u>	<u>(1,879,450)</u>
Total Position	<u>\$ 57,516,759</u>	<u>\$ 652,934</u>	<u>\$ 58,169,693</u>

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
Instruction							
Regular Instruction	\$ 33,963,173	\$ 807,958	\$ 11,149,030		\$ (22,006,185)		\$ (22,006,185)
Special Education Instruction	15,668,207		6,333,124		(9,335,083)		(9,335,083)
Other Instruction	3,662,199		1,558,360		(2,103,839)		(2,103,839)
School Sponsored Activities and Athletics	903,340		320,574		(582,766)		(582,766)
Support Services							
Student & Instruction Related Services	15,057,385		6,794,877		(8,262,508)		(8,262,508)
General Administration	2,119,334		990,479		(1,128,855)		(1,128,855)
School Administration	4,559,803		522,378		(4,037,425)		(4,037,425)
Central Services	1,694,696		133,370		(1,561,326)		(1,561,326)
Plant Operations & Maintenance	7,557,562	58,965	1,289,092	\$ 156,024	(6,053,481)		(6,053,481)
Student Transportation	3,070,412	41,926	995,846		(2,032,640)		(2,032,640)
Interest on Long-Term Debt	222,588	-	-		(222,588)		(222,588)
Total Governmental Activities	88,478,699	908,849	30,087,130	156,024	(57,326,696)	-	(57,326,696)
Business-Type Activities							
Food Service	809,928	7,309	974,917	-	-	\$ 172,298	172,298
Total Business-Type Activities	809,928	7,309	974,917	-	-	172,298	172,298
Total Primary Government	\$ 89,288,627	\$ 916,158	\$ 31,062,047	\$ 156,024	(57,326,696)	172,298	(57,154,398)
General Revenues							
Taxes:							
Property Taxes, levied for general purposes, net					55,988,849		55,988,849
Property Taxes, levied for debt service, net					1,813,656		1,813,656
Unrestricted State Aid					4,951,138		4,951,138
Investment Earnings					21,477		21,477
Miscellaneous Income					689,069		689,069
Special Items							
Change in Net Pension Liability					742,473		742,473
Transfers							
					104,839	(104,839)	-
Total General Revenues, Special Items and Transfers					64,311,501	(104,839)	64,206,662
Change in Net Position					6,984,805	67,459	7,052,264
Net Position, Beginning of Year (Restated)					50,531,954	585,475	51,117,429
Net Position, End of Year					\$ 57,516,759	\$ 652,934	\$ 58,169,693

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

FUND FINANCIAL STATEMENTS

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 13,696,985	\$ 869,097	\$ 72,426		\$ 14,638,508
Accounts Receivable:					
Intergovernmental	626,807	779,252	156,024		1,562,083
Other	170,203				170,203
Due from Other Funds	-	42,491	-	-	42,491
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 14,493,995</u>	<u>\$ 1,690,840</u>	<u>\$ 228,450</u>	<u>\$ -</u>	<u>\$ 16,413,285</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 1,097,625	\$ 285,527			\$ 1,383,152
Payable to State Government	55,375	381,075			436,450
Other Liabilities		147,807			147,807
Due to Other Funds	42,491				42,491
Unearned Revenue	-	687,457	-	-	687,457
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>1,195,491</u>	<u>1,501,866</u>	<u>-</u>	<u>-</u>	<u>2,697,357</u>
Fund Balances					
Restricted					
Excess Surplus	2,727,412				2,727,412
Excess Surplus - Designated for Subsequent Year's Expenditures	1,555,781				1,555,781
Capital Reserve	4,399,615				4,399,615
Capital Reserve - Designated for Subsequent Year Expenditures	1,188,387				1,188,387
Maintenance Reserve	522,716				522,716
Emergency Reserve	552,770				552,770
Emergency Reserve - Designated for Subsequent Year Expenditures	150,000				150,000
Unemployment Compensation Reserve	123,812				123,812
Scholarships		66,412			66,412
Student Activities		122,562			122,562
Capital Projects			\$ 228,450		228,450
Assigned					
Year End Encumbrances	516,960				516,960
FFCRA/SEMI	12,710				12,710
Designated for Subsequent Year Expenditures	444,738				444,738
Unassigned	1,103,603	-	-	-	1,103,603
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>13,298,504</u>	<u>188,974</u>	<u>228,450</u>	<u>-</u>	<u>13,715,928</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 14,493,995</u>	<u>\$ 1,690,840</u>	<u>\$ 228,450</u>	<u>\$ -</u>	<u>\$ 16,413,285</u>

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

Total Fund Balances (Exhibit B-1) **\$ 13,715,928**

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$98,864,573 and the accumulated depreciation is \$40,110,848. 58,753,725

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 161,431

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

Deferred Outflows of Resources	\$ 369,218	
Deferred Inflows of Resources	<u>(2,926,739)</u>	(2,557,521)

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is: (71,324)

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

Serial Bonds (Including Unamortized Premium)	\$ (5,332,881)	
Capital Leases	(379,050)	
Lease Purchase Agreements	(1,212,525)	
Compensated Absences	(1,622,236)	
Net Pension Liability	<u>(3,938,788)</u>	<u>(12,485,480)</u>

Net Position of Governmental Activities \$ 57,516,759

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 55,988,849			\$ 1,813,656	\$ 57,802,505
Tuition	807,958				807,958
Transportation Fees	41,926				41,926
Interest	21,477				21,477
Rentals	58,965				58,965
Miscellaneous	<u>689,069</u>	<u>\$ 80,992</u>	<u>-</u>	<u>-</u>	<u>770,061</u>
Total - Local Sources	57,608,244	80,992	-	1,813,656	59,502,892
Intergovernmental					
State Sources	21,192,115	3,824,215	156,024		25,172,354
Federal Sources	<u>172,466</u>	<u>2,799,033</u>	<u>-</u>	<u>-</u>	<u>2,971,499</u>
Total Revenues	<u>78,972,825</u>	<u>6,704,240</u>	<u>156,024</u>	<u>1,813,656</u>	<u>87,646,745</u>
EXPENDITURES					
Current					
Instruction					
Regular Instruction	28,343,384	1,967,227			30,310,611
Special Education Instruction	14,387,558	124,116			14,511,674
Other Instruction	2,634,185	621,612			3,255,797
School Sponsored Activities and Athletics	844,197	33,634			877,831
Support Services					
Student & Instruction Related Services	9,738,242	4,420,279			14,158,521
General Administration	2,065,906				2,065,906
School Administration	3,945,722				3,945,722
Central Services	1,614,870				1,614,870
Plant Operations & Maintenance	5,365,931				5,365,931
Student Transportation	3,024,355				3,024,355
Debt Service					
Principal	875,170			1,545,000	2,420,170
Interest	28,251			268,656	296,907
Capital Outlay	<u>534,901</u>	<u>-</u>	<u>156,024</u>	<u>-</u>	<u>690,925</u>
Total Expenditures	<u>73,402,672</u>	<u>7,166,868</u>	<u>156,024</u>	<u>1,813,656</u>	<u>82,539,220</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,570,153</u>	<u>(462,628)</u>	<u>-</u>	<u>-</u>	<u>5,107,525</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	104,839	468,000	-		572,839
Transfers Out	<u>(468,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(468,000)</u>
Total Other Financing Sources and Uses	<u>(363,161)</u>	<u>468,000</u>	<u>-</u>	<u>-</u>	<u>104,839</u>
Net Change in Fund Balances	5,206,992	5,372	-	-	5,212,364
Fund Balance, Beginning of Year (Restated)	<u>8,091,512</u>	<u>183,602</u>	<u>\$ 228,450</u>	<u>-</u>	<u>8,503,564</u>
Fund Balance, End of Year	<u>\$ 13,298,504</u>	<u>\$ 188,974</u>	<u>\$ 228,450</u>	<u>\$ -</u>	<u>\$ 13,715,928</u>

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

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

Total net change in fund balances - governmental funds (Exhibit B-2) \$ 5,212,364

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

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

Capital Outlay	\$ 690,925	
Depreciation Expense	<u>(2,349,814)</u>	(1,658,889)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of long-term debt uses those current financial resources of governmental funds. Neither transactions, however, has any effect on net position. Also governmental funds report the effect of premiums and other such items related to the refunding bonds when they are issued, whereas these amounts are expensed and or deferred and amortized in the statement of activities.

Principal Repayments:		
Serial Bonds	1,545,000	
Capital Leases Payable	248,089	
Lease Purchase Agreements Payable	627,081	
Amortization of Deferred Amounts on Refunding	(87,273)	
Amortization of Bond Premium	<u>128,604</u>	2,461,501

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due.

Decrease in Accrued Interest		32,988
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In the statement of activities, certain operating expenses e.g. compensated absences and pension expenses are measured by the amounts accrued during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). The amount presented is the net change.

Increase in Compensated Absences	\$ (69,858)	
Decrease in Pension Expense	264,226	
Decrease in Net Pension Liability	<u>742,473</u>	936,841

Change in net position of governmental activities (Exhibit A-2)		<u>\$ 6,984,805</u>
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**ENGLEWOOD BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

	<u>Business-Type Activities - Enterprise Fund</u>		
	<u>Food Service</u>	<u>Non-Major Enterprise Fund After School Day Care Program</u>	<u>Totals</u>
ASSETS			
Cash and Cash Equivalents	\$ 367,607		\$ 367,607
Accounts Receivable - Intergovernmental	104,571		104,571
Inventories	20,055	-	20,055
Total Current Assets	<u>492,233</u>	<u>-</u>	<u>492,233</u>
Capital Assets:			
Equipment	814,958		814,958
Accumulated Depreciation	(620,994)	-	(620,994)
Total Capital Assets, Net of Accumulated Depreciation	<u>193,964</u>	<u>-</u>	<u>193,964</u>
Total Assets	<u>686,197</u>	<u>-</u>	<u>686,197</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	22,198		22,198
Unearned Revenues	7,076	-	7,076
Total Liabilities	<u>29,274</u>	<u>-</u>	<u>29,274</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Commodities Revenues	3,989	-	3,989
Total Liabilities and Deferred Inflows of Resources	<u>33,263</u>	<u>-</u>	<u>33,263</u>
NET POSITION			
Investment in Capital Assets	193,964	-	193,964
Unrestricted	458,970	-	458,970
Total Net Position	<u>\$ 652,934</u>	<u>\$ -</u>	<u>\$ 652,934</u>

**ENGLEWOOD BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Business-Type Activities - Enterprise Fund</u>		
	<u>Food Service</u>	<u>Non-Major Enterprise Fund After School Day Care Program</u>	<u>Totals</u>
OPERATING REVENUES			
Local Sources			
Daily Food Sales - Non-Reimbursable programs	\$ 7,309	-	\$ 7,309
Total Operating Revenues	<u>7,309</u>	<u>-</u>	<u>7,309</u>
OPERATING EXPENSES			
Salaries and Employee Benefits	250,857		250,857
Cost of Sales - Reimbursable programs	382,061		382,061
Cost of Sales - Non-Reimbursable programs	2,269		2,269
Purchased Management Services	46,554		46,554
Other Purchased Services	46,885		46,885
Supplies and Materials	30,850		30,850
Miscellaneous	8,525		8,525
Depreciation	41,927	-	41,927
Total Operating Expenses	<u>809,928</u>	<u>-</u>	<u>809,928</u>
Operating Income/(Loss)	<u>(802,619)</u>	<u>-</u>	<u>(802,619)</u>
NONOPERATING REVENUES			
Federal Sources			
School Breakfast Program	309,993		309,993
School Lunch Program	597,557		597,557
Food Distribution Program	67,367	-	67,367
Total Nonoperating Revenues	<u>974,917</u>	<u>-</u>	<u>974,917</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	172,298	-	172,298
Other Financing Use			
Transfers Out - General Fund	-	\$ (104,839)	(104,839)
Net Change in Fund Balance	172,298	(104,839)	67,459
Fund Balance, Beginning of Year	<u>480,636</u>	<u>104,839</u>	<u>585,475</u>
Fund Balance, End of Year	<u>\$ 652,934</u>	<u>\$ -</u>	<u>\$ 652,934</u>

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

	Business-Type Activities - Enterprise Fund		
	Food Service	Non-Major Enterprise Fund After School Day Care Program	Totals
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 6,717		\$ 6,717
Cash Payments for Employee Salaries and Benefits	(250,857)	-	(250,857)
Cash Payments to Suppliers for Goods and Services	(514,217)	-	(514,217)
Net Cash Provided by (Used for) Operating Activities	(758,357)	-	(758,357)
Cash Flows from Noncapital Financing Activities			
Cash Paid to Other Funds		\$ (104,839)	(104,839)
Cash Received from State and Federal Sources	942,518	-	942,518
Net Cash Provided by (Used for) Noncapital Financing Activities	942,518	(104,839)	837,679
Cash Flows from Capital Financing Activities			
Purchases of Capital Assets	(5,260)	-	(5,260)
Net Cash (Used for) Capital Financing Activities	(5,260)	-	(5,260)
Net Increase (Decrease) in Cash and Cash Equivalents	178,901	(104,839)	74,062
Cash and Cash Equivalents, Beginning of Year	188,706	104,839	293,545
Cash and Cash Equivalents, End of Year	\$ 367,607	\$ -	\$ 367,607
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Operating Income (Loss)	\$ (802,619)	\$ -	\$ (802,619)
Adjustments to Reconcile Operating Income (Loss) to Net Cash (Used for) Operating Activities			
Depreciation	41,927		41,927
Non-Cash Federal Assistance - Food Distribution Program	67,367		67,367
Change in Assets, Liabilities and Deferred Inflows			
(Increase)/Decrease in Inventory	3,107		3,107
Increase/(Decrease) in Accounts Payable	(71,536)		(71,536)
Increase/(Decrease) in Unearned Revenue	(1,592)		(1,592)
(Increase)/Decrease in Other Accounts Receivable	1,000	-	1,000
Increase/(Decrease) in Deferred Commodities Revenue	3,989	-	3,989
Total Adjustments	44,262	-	44,262
Net Cash (Used for) Operating Activities	\$ (758,357)	\$ -	\$ (758,357)
Noncash Investing, Capital and Financing Activities			
Value Received Food Distribution Program	\$ 71,356		

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

NOTES TO THE FINANCIAL STATEMENTS

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent is the Chief Administrative Officer of the District who is responsible for general supervision of all schools, planning and operational functions of the District. The Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent to the Board.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Englewood Board of Education this includes general operations, food service, before and after school child care and student related activities of the District.

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

B. New Accounting Standards

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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

The *capital projects fund* accounts for the proceeds from the sale of bonds, lease purchases and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

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

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

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for administrators, teachers and special events.

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

The *after school day care program fund* accounts for the activities of the District's after school and summer programs which provides day care and recreational services for elementary school students of the District.

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

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

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

1. *Cash, Cash Equivalents and Investments*

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

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

2. *Receivables*

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

3. *Inventories*

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

4. *Capital Assets*

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

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	50
Building Improvements	20
Machinery and Equipment	5-20
Office Equipment and Furniture	5
Computer Equipment	5

5. *Deferred Outflows/Inflows of Resources*

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

5. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two types which arise only under the accrual basis of accounting that qualify for reporting in this category. One item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other item that qualifies is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

6. Compensated Absences

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

7. Pensions

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

8. *Long-Term Obligations*

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

In the fund financial statements, governmental fund types recognize bond premiums 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

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

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

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2).

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

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

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

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

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

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

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

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Governmental Fund Statements (Continued)

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

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

FFCRA/SEMI - Represents fund balance assigned specifically for the Family First Coronavirus Response Act in the General Fund that was not appropriated in the 2020/2021 school year. These funds are available for appropriation in subsequent year's budgets.

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

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

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

10. *Fund Balance Policies*

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

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

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses

1. Program Revenues

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

2. Property Taxes

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

3. Tuition Revenues and Expenditures

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

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

4. Proprietary Funds, Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the food service enterprise fund and of the before and after care enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. The annual budget is voted upon at the annual school election on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district’s annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. On December 12, 2013, the Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District’s board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2020/2021. Also, during 2020/2021 the Board increased the original budget by \$4,923,333. The increase was funded by grant awards, student activity revenues and the reappropriation of prior year general fund encumbrances.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as committed and/or assigned fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services which are reappropriated and honored during the subsequent fiscal year.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve

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

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

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

Balance, June 30, 2020		\$ 3,177,963
Increased by:		
Unspent Balance on Completed Project	\$ 307,539	
Interest Earnings	2,500	
Deposits Approved by Board Resolution	<u>2,500,000</u>	
		<u>2,810,039</u>
		5,988,002
Decreased by:		
Withdrawals Approved in District Budget		<u>(400,000)</u>
Balance, June 30, 2021		<u>\$ 5,588,002</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan. \$1,188,387 of the capital reserve balance at June 30, 2021 was designated and appropriated for use in the 2021/2022 original budget certified for taxes.

C. Maintenance Reserve

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Maintenance Reserve (Continued)

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

Balance, June 30, 2020	\$	520,216
Increased by:		
Interest Earnings		<u>2,500</u>
Balance, June 30, 2021	\$	<u>522,716</u>

D. Emergency Reserve

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

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

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

Balance, June 30, 2020	\$	351,366
Increased by:		
Unspent Balance of 2020/2021 Appropriation	\$	64,305
Deposits Approved by Board Resolution		<u>437,465</u>
		<u>501,770</u>
		853,136
Decreased by:		
Withdrawal Approved in District Budget		<u>(150,366)</u>
Balance, June 30, 2021	\$	<u>702,770</u>

\$150,000 of the emergency reserve balance at June 30, 2021 was designated and appropriated for use in the 2021/2022 original budget certified for taxes.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

E. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 4% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year’s budget. The excess fund balance at June 30, 2021 is \$4,283,193. Of this amount, \$1,555,781 was designated and appropriated in the 2021/2022 original budget certified for taxes and the remaining amount of \$2,727,412 will be appropriated in the 2022/2023 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC and NCUSIF.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2021, the book value of the Board's deposits were \$15,006,115 and bank and brokerage firm balances of the Board’s deposits amounted to \$20,590,809. The Board's deposits which are displayed on the various fund balance sheets as "cash" or “cash and cash equivalents” are categorized as:

Depository Account

Insured	\$ 20,586,193
Uninsured and Collateralized	<u>4,616</u>
	<u>\$ 20,590,809</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2021 the Board’s bank balance of \$4,616 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized

Collateral held by pledging financial institution's trust department not in the Board's name

\$ 4,616

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the “Local Authorities Fiscal Control Law,” (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by school districts; Local Government investment pools; deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2021, the Board had no outstanding investments.

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

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

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

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Food Service</u>	<u>Total</u>
Receivables:					
Intergovernmental:					
Local	\$ 284,958			\$ 1,530	\$ 286,488
State	341,849	\$ 4,397	\$ 156,024		502,270
Federal		774,855		103,041	877,896
Other Accounts	<u>170,203</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>170,203</u>
Gross Receivables	797,010	779,252	156,024	104,571	1,836,857
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 797,010</u>	<u>\$ 779,252</u>	<u>\$ 156,024</u>	<u>\$ 104,571</u>	<u>\$ 1,836,857</u>

C. Unearned Revenue

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

	<u>Unearned</u>
Special Revenue Fund	
Unencumbered grant draw downs	\$ 666,408
Grant Drawdowns Reserved for Encumbrances	<u>21,049</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 687,457</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Balance, <u>July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2021</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 513,200			\$ 513,200
Construction in Progress	-	\$ 116,786	-	116,786
Total Capital Assets, Not Being Depreciated	<u>513,200</u>	<u>116,786</u>	<u>-</u>	<u>629,986</u>
Capital assets, Being Depreciated:				
Land Improvements	3,926,850	91,545		4,018,395
Buildings and Building Improvements	87,272,194	344,998		87,617,192
Machinery and Equipment	6,461,404	137,596	-	6,599,000
Total Capital Assets Being Depreciated	<u>97,660,448</u>	<u>574,139</u>	<u>-</u>	<u>98,234,587</u>
Less Accumulated Depreciation for:				
Land Improvements	(2,307,652)	(147,374)		(2,455,026)
Building and Building Improvements	(29,955,919)	(1,974,397)		(31,930,316)
Machinery and Equipment	(5,497,463)	(228,043)	-	(5,725,506)
Total Accumulated Depreciation	<u>(37,761,034)</u>	<u>(2,349,814)</u>	<u>-</u>	<u>(40,110,848)</u>
Total Capital Assets, Being Depreciated, Net	<u>59,899,414</u>	<u>(1,775,675)</u>	<u>-</u>	<u>58,123,739</u>
Government Activities Capital Assets, Net	<u>\$ 60,412,614</u>	<u>\$ (1,658,889)</u>	<u>\$ -</u>	<u>\$ 58,753,725</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, <u>July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2021</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 809,698	\$ 5,260	-	\$ 814,958
Total Capital Assets Being Depreciated	<u>809,698</u>	<u>5,260</u>	-	<u>814,958</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	<u>(579,067)</u>	<u>(41,927)</u>	-	<u>(620,994)</u>
Total Accumulated Depreciation	<u>(579,067)</u>	<u>(41,927)</u>	-	<u>(620,994)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 230,631</u>	<u>\$ (36,667)</u>	<u>\$ -</u>	<u>\$ 193,964</u>

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

Governmental activities:

Instruction		
Regular		\$ 81,315
Special Education		<u>7</u>
Total Instruction		<u>81,322</u>
Support Services		
Student and Instruction Related Services		4,718
School Administration		86,938
Plant Operations and Maintenance		2,138,805
Student Transportation		<u>38,031</u>
Total Support Services		<u>2,268,492</u>
Total Governmental Activities		<u>\$ 2,349,814</u>
Business-Type Activities:		
Food Service Fund		<u>\$ 41,927</u>
Total Depreciation Expense-Business-Type Activities		<u>\$ 41,927</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

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

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Special Revenue Fund	General Fund	<u>\$ 42,491</u>

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

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

Interfund Transfers

	<u>Transfer In:</u>		<u>Total</u>
	<u>Special Revenue Fund</u>	<u>General Fund</u>	
Transfer Out:			
General Fund	\$ 468,000		\$ 468,000
After School Day Care Program Enterprise Fund	<u>-</u>	<u>\$ 104,839</u>	<u>104,839</u>
Total	<u>\$ 468,000</u>	<u>\$ 104,839</u>	<u>572,839</u>

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

F. Leases

Capital Leases

The District is leasing copiers and district-wide technology upgrades totaling \$1,241,027 under capital leases. The leases are for terms of 3 to 5 years. The District is also leasing various computer equipment and software (supplies) totaling \$3,852,281 under lease-purchase agreements. The leases are for five-year terms.

The capital assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
Machinery and Equipment	\$ 416,833
Buildings and Building Improvements	<u>824,194</u>
Total	<u>\$ 1,241,027</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases (Continued)

Capital Leases (Continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021 were as follows:

Year Ending <u>June 30</u>	Governmental <u>Activities</u>
2022	\$ 903,420
2023	677,178
2024	<u>31,160</u>
Total minimum lease payments	1,611,758
Less: amount representing interest	<u>20,183</u>
Present value of minimum lease payments	<u>\$ 1,591,575</u>
Balances at June 30, 2021	
Capital Lease Obligations	\$ 379,050
Lease Purchase Agreements	<u>1,212,525</u>
	<u>\$ 1,591,575</u>

G. Long-Term Debt

General Obligation Bonds

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

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

\$14,970,000, 2013 Bonds, due in annual installments of \$1,625,000 to \$1,765,000 through April, 2024 interest at 2.13% to 5.00%	<u>\$5,095,000</u>
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**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt (Continued)

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

Governmental Activities:

Year Ending <u>June 30,</u>	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2022	\$ 1,625,000	\$ 191,406	\$ 1,816,406
2023	1,705,000	110,156	1,815,156
2024	<u>1,765,000</u>	<u>52,925</u>	<u>1,817,925</u>
	<u>\$ 5,095,000</u>	<u>\$ 354,487</u>	<u>\$ 5,449,487</u>

Statutory Borrowing Power

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

4% of Equalized Valuation Basis (Municipal)	\$ 204,559,712
Less: Net Debt Issued	<u>5,095,000</u>
Remaining Borrowing Power	<u>\$ 199,464,712</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	Balance, <u>July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	Balance, <u>June 30, 2021</u>	Due Within <u>One Year</u>
Governmental activities:					
Serial Bonds	\$ 6,640,000		\$ 1,545,000	\$ 5,095,000	\$ 1,625,000
Deferred Amounts					
Add: Original Issue Premium	366,485	-	128,604	237,881	-
Total Bonds Payable	7,006,485	-	1,673,604	5,332,881	1,625,000
Capital Leases	627,139		248,089	379,050	258,380
Lease Purchase Agreements	1,839,606		627,081	1,212,525	628,827
Compensated Absences	1,552,378	\$ 69,858		1,622,236	
Net Pension Liability	4,855,238	-	916,450	3,938,788	-
Governmental activity					
Long-term liabilities	<u>\$ 15,880,846</u>	<u>\$ 69,858</u>	<u>\$ 3,465,224</u>	<u>\$ 12,485,480</u>	<u>\$ 2,512,207</u>

For the governmental activities, the liabilities for compensated absences, capital leases, lease purchase agreements and net pension liability are generally liquidated by the general fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report.

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

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

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's restricted fund balance for unemployment compensation claims in the General Fund for the current and previous two years:

Fiscal Year Ended <u>June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021		\$ 14,694	\$ 14,694	\$ 123,812
2020		31,591	138,896	123,812
2019	\$ 325,000	40,000	160,873	231,096

B. Contingent Liabilities

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

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

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2021, the District had no estimated arbitrage earnings due to the IRS

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

The following represents the membership tiers for PERS:

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

The following represent the membership tiers for TPAF:

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

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

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

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

Other Pension Funds

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

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

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

Actuarial Methods and Assumptions

In the July 1, 2019 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary’s report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee’s annual compensation for fiscal year 2021.

PERS employers’ and TPAF State’s nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2021 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State’s annual pension contribution was less than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2021, 2020 and 2019 were equal to the required contributions.

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

Year Ended June 30,	PERS	On-Behalf TPAF	DCRP
2021	\$ 264,226	\$ 6,884,728	\$ 3,086
2020	262,105	5,562,316	4,834
2019	303,590	5,237,208	8,097

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2021, 2020 and 2019 the District contributed \$0, \$1,168 and \$1,496, respectively for PERS and the State contributed \$4,048, \$5,560 and \$6,682, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB Statement No. 85, *Omnibus 2017* (GASB No. 85). The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,893,629 during the fiscal year ended June 30, 2021 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

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

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

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

At June 30, 2021, the District reported in the statement of net position (accrual basis) a liability of \$3,938,788 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2020. At June 30, 2020, the District's proportionate share was .02415 percent, which was a decrease of .0028 percent from its proportionate share measured as of June 30, 2019 of .02695 percent.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$742,473 for PERS. The pension contribution made by the District during the current 2020/2021 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2021 with a measurement date of the prior fiscal year end of June 30, 2020. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2021 for contributions made subsequent to the measurement date. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 71,719	\$ 13,929
Changes of Assumptions	127,779	1,649,208
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	134,631	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>35,089</u>	<u>1,263,602</u>
Total	<u>\$ 369,218</u>	<u>\$ 2,926,739</u>

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

<u>Year Ending June 30,</u>	<u>Total</u>
2022	\$ (888,367)
2023	(845,235)
2024	(566,605)
2025	(220,186)
2026	(37,128)
Thereafter	<u>-</u>
	<u>\$ (2,557,521)</u>

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

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

Discount Rate

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

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

Sensitivity of Net Pension Liability

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

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>4,958,277</u>	\$ <u>3,938,788</u>	\$ <u>3,073,724</u>

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

Pension Plan Fiduciary Net Position

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2019 through June 30, 2020. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2020, the State's pension contribution was less than the actuarial determined amount.

In accordance with GASB No. 68, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% of the net pension liability attributable to the District for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$10,201,269 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2021 the State's proportionate share of the net pension liability attributable to the District is \$164,049,056. The net pension liability was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2020. At June 30, 2020, the State's share of the net pension liability attributable to the District was .24913 percent, which was a decrease of .01169 percent from its proportionate share measured as of June 30, 2019 of .26082 percent.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the TPAF's target asset allocation as of June 30, 2020 are summarized in the following table:

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

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

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

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

Period of Projected Benefit

Payments for which the Following
 Rates were Applied:

Long-Term Expected Rate of Return	Through June 30, 2062
Municipal Bond Rate *	From July 1, 2062 and Thereafter

* The municipal bond return rate used is 2.21% as of the measurement date of June 30, 2020. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 5.40%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (4.40 percent) or 1-percentage-point higher (6.40 percent) than the current rate:

	1% Decrease (4.40%)	Current Discount Rate (5.40%)	1% Increase (6.40%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 192,694,829</u>	<u>\$ 164,049,056</u>	<u>\$ 140,263,550</u>

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in an Agency Fund in the New Jersey Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

The State of New Jersey sponsors and administers the following post-retirement health benefit program plan covering certain local school district employees, including those Board employees and retirees eligible for coverage.

State Health Benefit Program Fund – Local Education Retired Employees Plan (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

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

E. Post-Retirement Medical Benefits (Continued)

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

Plan Membership

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

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

Collective Net OPEB Liability

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the June 30, 2019 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.18 billion to the OPEB plan in fiscal year 2020.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2021, 2020 and 2019 were \$2,157,566, \$2,063,517 and \$2,375,589, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

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

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

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$5,810,472. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2021 the State's proportionate share of the OPEB liability attributable to the District is \$111,574,940. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2020 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2020. At June 30, 2020, the state's share of the OPEB liability attributable to the District was .16454 percent, which was an increase of .01372 percent from its proportionate share measured as of June 30, 2019 of .15082 percent.

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions (Continued)

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

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

Discount Rate

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Changes in the Total OPEB Liability

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

	Total OPEB Liability <u>(State Share 100%)</u>
Balance, June 30, 2019 Measurement Date	\$ <u>69,546,080</u>
Changes Recognized for the Fiscal Year:	
Service Cost	3,496,603
Interest on the Total OPEB Liability	2,523,815
Differences Between Expected and Actual Experience	17,511,088
Changes of Assumptions	20,380,907
Gross Benefit Payments	(1,942,428)
Contributions from the Member	<u>58,875</u>
Net Changes	\$ <u>42,028,860</u>
Balance, June 30, 2020 Measurement Date	<u>\$ 111,574,940</u>

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

The change in the total OPEB liability was based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2020.

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 2.21%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21 percent) or 1-percentage-point higher (3.21 percent) than the current rate:

	1% Decrease <u>(1.21%)</u>	Current Discount Rate <u>(2.21%)</u>	1% Increase <u>(3.21%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>134,509,349</u>	\$ <u>111,574,940</u>	\$ <u>93,642,441</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	\$ <u>90,067,054</u>	\$ <u>111,574,940</u>	\$ <u>137,186,052</u>

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

F. Tax Abatements

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

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

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

NOTE 5 RESTATEMENT

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

Governmental Activities

The financial statements of the governmental activities as of June 30, 2020 have been restated to reflect the reclassification of certain activities related to unemployment compensation, student activities, scholarships and payroll related activities which were previously reported as fiduciary activities to governmental activities. The effect of this restatement is to increase net position of governmental activities by \$307,414 from \$50,224,540 as previously reported to \$50,531,954 as of June 30, 2020.

Governmental Funds

The financial statements of the governmental funds as of June 30, 2020 have been restated to reflect the reclassification of certain activities related to unemployment compensation, student activities, scholarships and payroll activities previously reported as fiduciary funds to governmental funds. The effect of this restatement is to increase fund balances of governmental funds by \$307,414 from \$8,196,150 as previously reported to \$8,503,564 as of June 30, 2020. General Fund fund balance increased \$123,812 from \$7,967,700 as previously reported to \$8,091,512 as of June 30, 2020. Special Revenue Fund fund balance increased \$183,602 from \$0 as previously reported to \$183,602 as of June 30, 2020.

Fiduciary Funds

The financial statements of the fiduciary funds as of June 30, 2020 have been restated to reflect the reclassification of certain activities to governmental funds as noted above. The effect of this restatement is to decrease total fiduciary net position by \$190,221 from \$190,221 as previously reported to \$0 as of June 30, 2020.

NOTE 6 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC

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

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

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

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

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

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

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

REQUIRED SUPPLEMENTARY INFORMATION - PART II
BUDGETARY COMPARISON SCHEDULES

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
REVENUES					
Local Sources					
Local Tax Levy	\$ 55,988,849		\$ 55,988,849	\$ 55,988,849	
Tuition from Other LEA's Within State	875,000		875,000	807,958	\$ (67,042)
Transportation Fees from Other LEA's	5,000		5,000	41,926	36,926
Interest	5,000		5,000	21,477	16,477
Rentals	350,000		350,000	58,965	(291,035)
Unrestricted Miscellaneous	66,870	-	66,870	689,069	622,199
Total Local Sources	57,290,719	-	57,290,719	57,608,244	317,525
State Sources					
School Choice Aid	4,423,290		4,423,290	4,423,290	-
Special Education Aid	2,300,567	\$ (48,454)	2,252,113	2,252,113	-
Security Aid	1,201,342		1,201,342	1,201,342	-
Transportation Aid	830,412		830,412	830,412	-
Adjustment Aid	535,621		535,621	535,621	-
Extraordinary Aid	785,000		785,000	1,568,795	783,795
Other	468,000		468,000		(468,000)
Nonpublic School Transportation Aid				152,376	152,376
On-behalf TPAF Pension Contributions (Non-Budget)					
Pension Benefit Contribution				6,756,183	6,756,183
NCGI Premium				128,545	128,545
On-behalf TPAF Post Retirement					
Medical Benefits Contributions (Non-Budget)				2,157,566	2,157,566
On-behalf TPAF Long-Term Disability Insurance (Non-Budget)				4,048	4,048
On-behalf TPAF Social Security Payments (Non-Budget)	-	-	-	1,893,629	1,893,629
Total State Sources	10,544,232	(48,454)	10,495,778	21,903,920	11,408,142
Federal Sources:					
Medicaid Assistance Program	144,934	-	144,934	172,466	27,532
Total Federal Sources	144,934	-	144,934	172,466	27,532
Total Revenues	67,979,885	(48,454)	67,931,431	79,684,630	11,753,199
EXPENDITURES					
CURRENT					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	1,005,270	(105,460)	899,810	882,004	17,806
Grades 1-5	3,955,771	(113,170)	3,842,601	3,716,922	125,679
Grades 6-8	2,541,349	113,770	2,655,119	2,628,442	26,677
Grades 9-12	5,932,304	137,771	6,070,075	5,954,169	115,906
Regular Program - Home Instruction					
Salaries of Teachers	75,000	(32,911)	42,089	11,603	30,486
Purchased Professional-Educational Services	15,000	-	15,000	6,038	8,962
General Supplies	1,000	-	1,000		1,000
Regular Programs - Undistributed Instruction					
Purchased Professional-Educational Services	736,500	8,838	745,338	212,231	533,107
Other Purchased Services	937,000	38,149	975,149	940,616	34,533
General Supplies	678,560	(67,941)	610,619	365,656	244,963
Textbooks	294,400	(173,900)	120,500	72,942	47,558
Other Objects	15,000	2,615	17,615	8,115	9,500
Total Regular Programs	16,187,154	(192,239)	15,994,915	14,798,738	1,196,177

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Special Education					
Learning and/or Language Disabilities					
Salaries of Teachers	\$ 1,973,575	\$ (191,404)	\$ 1,782,171	\$ 1,651,890	\$ 130,281
Purchased - Professional Educational Services	30,000	10,000	40,000	31,900	8,100
Other Purchased Services	370,000	-	370,000	370,000	-
Total Learning and/or Language Disabilities	<u>2,373,575</u>	<u>(181,404)</u>	<u>2,192,171</u>	<u>2,053,790</u>	<u>138,381</u>
Behavior Disabilities					
Salaries of Teachers	73,905	-	73,905	73,905	-
General Supplies	5,000	-	5,000	-	5,000
Total Behavior Disabilities	<u>78,905</u>	<u>-</u>	<u>78,905</u>	<u>73,905</u>	<u>5,000</u>
Multiple Disabilities					
Salaries of Teachers	823,231	76,549	899,780	811,769	88,011
Other Purchased Services	1,362,626	-	1,362,626	591,411	771,215
Total Multiple Disabilities	<u>2,185,857</u>	<u>76,549</u>	<u>2,262,406</u>	<u>1,403,180</u>	<u>859,226</u>
Resource Room/Resource Center					
Salaries of Teachers	1,361,182	190,945	1,552,127	1,538,902	13,225
Other Purchased Services	310,000	-	310,000	310,000	-
Total Resource Room/Resource Center	<u>1,671,182</u>	<u>190,945</u>	<u>1,862,127</u>	<u>1,848,902</u>	<u>13,225</u>
Preschool Disabilities - Full-Time					
Salaries of Teachers	401,580	(29,165)	372,415	327,683	44,732
Other Purchased Services	330,000	4,185	334,185	334,185	-
Total Preschool Disabilities - Full-Time	<u>731,580</u>	<u>(24,980)</u>	<u>706,600</u>	<u>661,868</u>	<u>44,732</u>
Total Special Education	<u>7,041,099</u>	<u>61,110</u>	<u>7,102,209</u>	<u>6,041,645</u>	<u>1,060,564</u>
Basic Skills/Remedial - Instruction					
Salaries of Teachers	161,780	(161,780)	-	-	-
Total Basic Skills/Remedial - Instruction	<u>161,780</u>	<u>(161,780)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Bilingual Education					
Salaries of Teachers	1,393,830	(14,185)	1,379,645	1,344,830	34,815
Other Purchased Services	200,000	5,600	205,600	205,521	79
Total Bilingual Education	<u>1,593,830</u>	<u>(8,585)</u>	<u>1,585,245</u>	<u>1,550,351</u>	<u>34,894</u>

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
School Sponsored Co/Extra-Curricular Activities					
Salaries	\$ 120,000	-	\$ 120,000	\$ 116,819	\$ 3,181
Purchased Services	38,000	-	38,000		38,000
Supplies and Materials	26,000	-	26,000	20,504	5,496
Total School Sponsored Co/Extra-Curricular Activities	184,000	-	184,000	137,323	46,677
School Sponsored Athletics - Instruction					
Salaries	345,000	-	345,000	246,021	98,979
Purchased Services	260,300	\$ (61,795)	198,505	172,874	25,631
Supplies and Materials	120,000	60,499	180,499	167,695	12,804
Total School Sponsored Athletics - Instruction	725,300	(1,296)	724,004	586,590	137,414
Total Instruction	25,893,163	(302,790)	25,590,373	23,114,647	2,475,726
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State-Regular	95,000	(6,936)	88,064	64,620	23,444
Tuition to Other LEAs Within the State-Special	1,420,355	(205,388)	1,214,967	1,074,376	140,591
Tuition to County Voc. School Dist. - Regular	815,000	105,009	920,009	904,377	15,632
Tuition to County Voc. School Dist. - Special	712,584	29,611	742,195	518,984	223,211
Tuition to CSSD & Reg. Day Schools	2,339,600	(295,812)	2,043,788	1,743,683	300,105
Tuition to APSSD Within the State	2,767,411	(298,967)	2,468,444	2,310,475	157,969
Tuition - Other	50,000	16,500	66,500	66,378	122
Total Undistributed Expenditures - Instruction	8,199,950	(655,983)	7,543,967	6,682,893	861,074
Attendance and Social Work					
Salaries	102,580	(5,149)	97,431	97,431	-
Salaries of Family Support Team	249,562	(89,968)	159,594	159,594	-
Salaries of Family Liaisons	142,747	3,681	146,428	146,366	62
Other Purchased Services	16,000	(2,109)	13,891	3,500	10,391
Total Attendance and Social Work	510,889	(93,545)	417,344	406,891	10,453
Health Services					
Salaries	391,220	470	391,690	391,690	-
Purchased Professional and Technical Services	340,000	(6,300)	333,700	114,631	219,069
Supplies and Materials	8,500	8,219	16,719	9,929	6,790
Other Objects	-	600	600	600	-
Total Health Services	739,720	2,989	742,709	516,850	225,859
Speech, OT, PT and Related Services					
Salaries	858,447	-	858,447	825,459	32,988
Purchased Professional-Educational Services	975,000	(56,000)	919,000	901,050	17,950
Supplies and Materials	9,000	6,000	15,000	9,807	5,193
Total Speech, OT, PT and Related Services	1,842,447	(50,000)	1,792,447	1,736,316	56,131
Other Supp. Serv. Students - Extra Serv.					
Purchased Professional-Educational Services	7,500	-	7,500	-	7,500
Total Other Supp. Serv. Students - Extra Serv.	7,500	-	7,500	-	7,500

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Guidance					
Salaries of Other Professional Staff	\$ 908,617	\$ (31,244)	\$ 877,373	\$ 853,892	\$ 23,481
Other Purchased Services	118,811	-	118,811	100,657	18,154
Supplies and Materials	16,000	-	16,000	3,674	12,326
Other Objects	26,000	-	26,000	24,000	2,000
Total Guidance	<u>1,069,428</u>	<u>(31,244)</u>	<u>1,038,184</u>	<u>982,223</u>	<u>55,961</u>
Child Study Team					
Salaries of Other Professional Staff	1,198,803	242,438	1,441,241	1,441,241	-
Salaries of Secretarial and Clerical Assistants	72,978	(4,873)	68,105	68,105	-
Purchased Professional - Educational Services	160,000	32,300	192,300	111,608	80,692
Other Purchased Services	43,500	17,600	61,100	59,641	1,459
Supplies and Materials	10,000	-	10,000	3,828	6,172
Other Objects	500	-	500	-	500
Total Child Study Team	<u>1,485,781</u>	<u>287,465</u>	<u>1,773,246</u>	<u>1,684,423</u>	<u>88,823</u>
Improvement of Instructional Services					
Salaries of Supervisor of Instruction	383,650	14,345	397,995	397,890	105
Purchased Professional - Educational Services	53,900	(29,100)	24,800	-	24,800
Other Purchased Services	-	15,000	15,000	11,251	3,749
Total Improvement of Inst. Serv.	<u>437,550</u>	<u>245</u>	<u>437,795</u>	<u>409,141</u>	<u>28,654</u>
Edu. Media Serv./Sch. Library					
Salaries	535,810	40	535,850	535,847	3
Other Purchased Services	1,271,300	174,899	1,446,199	1,413,490	32,709
Supplies and Materials	213,509	(76,033)	137,476	93,432	44,044
Total Edu. Media Serv./Sch. Library	<u>2,020,619</u>	<u>98,906</u>	<u>2,119,525</u>	<u>2,042,769</u>	<u>76,756</u>
Instructional Staff Training Services					
Salaries of Other Professional Staff	50,000	-	50,000	9,841	40,159
Purchased Professional/Educational Services	238,231	(70,000)	168,231	31,100	137,131
Other Purchased Services	11,000	-	11,000	672	10,328
Total Instructional Staff Training Services	<u>299,231</u>	<u>(70,000)</u>	<u>229,231</u>	<u>41,613</u>	<u>187,618</u>
Support Services General Administration					
Salaries	308,734	452,000	760,734	759,979	755
Legal Services	180,000	265,100	445,100	308,780	136,320
Audit Fees	56,000	149,100	205,100	94,166	110,934
Other Purchased Professional Services	56,000	(53,070)	2,930	-	2,930
Communications/Telephone	213,000	172,900	385,900	385,444	456
BOE Other Purchased Services	4,700	-	4,700	-	4,700
Miscellaneous Purchased Services	22,500	14,200	36,700	33,645	3,055
General Supplies	6,400	(3,400)	3,000	2,960	40
Judgements Against the School District	300,000	(300,000)	-	-	-
Miscellaneous Expenditures	23,000	2,570	25,570	19,062	6,508
BOE Membership Dues and Fees	27,000	-	27,000	25,160	1,840
Total Support Services General Administration	<u>1,197,334</u>	<u>699,400</u>	<u>1,896,734</u>	<u>1,629,196</u>	<u>267,538</u>
Support Services School Administration					
Salaries of Principal/Asst. Principals/Program Directors	2,358,687	(59,500)	2,299,187	2,121,296	177,891
Other Purchased Services	442,300	915	443,215	424,163	19,052
Supplies and Materials	39,700	1,177	40,877	27,628	13,249
Other Objects	11,000	-	11,000	-	11,000
Total Support Services School Administration	<u>2,851,687</u>	<u>(57,408)</u>	<u>2,794,279</u>	<u>2,573,087</u>	<u>221,192</u>

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Central Services					
Salaries	\$ 858,413	\$ 13,000	\$ 871,413	\$ 871,296	\$ 117
Purchased Professional Services	44,000	4,000	48,000	48,000	-
Purchased Technical Services	97,000	(22,000)	75,000	25,097	49,903
Misc. Purchased Services	7,100	-	7,100	648	6,452
Supplies and Materials	15,000	11,465	26,465	20,972	5,493
Miscellaneous Expenditures	10,000	-	10,000	6,344	3,656
Total Central Services	<u>1,031,513</u>	<u>6,465</u>	<u>1,037,978</u>	<u>972,357</u>	<u>65,621</u>
Admin. Info Technology					
Salaries	263,894	257	264,151	264,151	-
Other Purchased Services	500	2,243	2,743	1,954	789
Total Admin. Info. Technology	<u>264,394</u>	<u>2,500</u>	<u>266,894</u>	<u>266,105</u>	<u>789</u>
Required Maintenance for School Facilities					
Salaries		12,500	12,500	8,374	4,126
Cleaning, Repair and Maintenance	556,360	137,966	694,326	515,489	178,837
Total Required Maintenance for School Facilities	<u>556,360</u>	<u>150,466</u>	<u>706,826</u>	<u>523,863</u>	<u>182,963</u>
Custodial Services					
Salaries	140,433	136	140,569	140,569	-
Cleaning, Repair and Maint. Serv.	2,051,000	(93,600)	1,957,400	1,908,069	49,331
Other Purchased Property Services	217,000	17,000	234,000	195,318	38,682
Insurance	452,000	39,610	491,610	491,512	98
Miscellaneous Purchased Services	54,000	39,887	93,887	73,056	20,831
General Supplies	215,000	246,882	461,882	367,942	93,940
Energy (Electricity)	975,000	(49,600)	925,400	765,152	160,248
Other Objects	17,000	13,852	30,852	30,852	-
Total Custodial Services	<u>4,121,433</u>	<u>214,167</u>	<u>4,335,600</u>	<u>3,972,470</u>	<u>363,130</u>
Care and Upkeep of Grounds					
Cleaning, Repair and Maint. Serv.	25,000	24,200	49,200	49,200	-
General Supplies	9,000	-	9,000	8,567	433
Total Care and Upkeeping Grounds	<u>34,000</u>	<u>24,200</u>	<u>58,200</u>	<u>57,767</u>	<u>433</u>
Security					
Salaries	665,707	(5,136)	660,571	602,451	58,120
Purchased Professional and Technical Services		5,000	5,000	4,845	155
Cleaning, Repair and Maint. Serv.		3,365	3,365	3,340	25
General Supplies	8,000	69,432	77,432	73,745	3,687
Total Security	<u>673,707</u>	<u>72,661</u>	<u>746,368</u>	<u>684,381</u>	<u>61,987</u>
Student Transportation Services					
Sal. For Pupil Trans. (Bet Home & School)-Reg.	116,000	-	116,000	101,986	14,014
Sal. For Pupil Trans. (Other than Bet Home & School)	100,000	-	100,000	12,183	87,817
Cleaning, Repair & Maint. Services	35,000	553	35,553	32,604	2,949
Contracted Services (Between Home and School) - Vendors	994,700	(1,167)	993,533	801,573	191,960
Contracted Services (Other than Between Home and School) - Vendors	68,300	-	68,300	400	67,900
Contracted Services (Spl. Ed. Students)-Vendors	375,000	-	375,000	260,178	114,822
Contracted Services (Between Home and School)-Joint Agreements	340,000	(233,000)	107,000	82,056	24,944
Contracted Services (Spl. Ed. Students)-Joint Agreements	1,200,000	-	1,200,000	999,152	200,848
Contracted Serv.-Aid in Lieu of Payments - Non-Public Schools	250,000	233,600	483,600	379,215	104,385
Miscellaneous Purchased Services - Transportation	420,000	-	420,000	316,910	103,090
Transportation Supplies	3,000	-	3,000	-	3,000
Other Objects	1,500	-	1,500	250	1,250
Total Student Transportation Services	<u>3,903,500</u>	<u>(14)</u>	<u>3,903,486</u>	<u>2,986,507</u>	<u>916,979</u>

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Unallocated Benefits - Employee Benefits					
Social Security Contributions	\$ 400,000	-	\$ 400,000	\$ 299,087	\$ 100,913
Other Retirement Contributions -PERS	312,000	\$ (3,000)	309,000	290,690	18,310
Unemployment Compensation	50,000	-	50,000	-	50,000
Workmen's Compensation	285,000	(14,924)	270,076	270,076	-
Health Benefits	6,641,886	(150,000)	6,491,886	6,052,480	439,406
Tuition Reimbursement	40,000	(900)	39,100	25,767	13,333
Other Employee Benefits	127,653	3,900	131,553	92,668	38,885
Total Unallocated Benefits - Employee Benefits	<u>7,856,539</u>	<u>(164,924)</u>	<u>7,691,615</u>	<u>7,030,768</u>	<u>660,847</u>
Interest Earned on Maintenance Reserve	2,500	-	2,500	-	2,500
Increase in Current Expense Emergency Reserve	64,305	-	64,305	-	64,305
	<u>66,805</u>	<u>-</u>	<u>66,805</u>	<u>-</u>	<u>66,805</u>
On-behalf TPAF Pension Contributions (Non-Budget)					
Pension Benefit Contribution				6,756,183	(6,756,183)
NCGI Premium				128,545	(128,545)
On-behalf TPAF Post Retirement					
Medical Benefits Contributions (Non-Budget)				2,157,566	(2,157,566)
On-behalf TPAF Long-Term Disability Insurance(Non-Budget)				4,048	(4,048)
On-behalf TPAF Social Security Payments (Non-Budget)	-	-	-	1,893,629	(1,893,629)
Total On-Behalf Payments	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,939,971</u>	<u>(10,939,971)</u>
Total Undistributed Expenditures	<u>39,170,387</u>	<u>436,346</u>	<u>39,606,733</u>	<u>46,139,591</u>	<u>(6,532,858)</u>
Total Expenditures - Current Expenditures	<u>65,063,550</u>	<u>133,556</u>	<u>65,197,106</u>	<u>69,254,238</u>	<u>(4,057,132)</u>
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures:					
Instruction	10,000	455,738	465,738	140,539	325,199
Security	150,366	7,503	157,869	157,869	-
	<u>160,366</u>	<u>463,241</u>	<u>623,607</u>	<u>298,408</u>	<u>325,199</u>
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	75,000	127,000	202,000	116,786	85,214
Construction Services	535,194	(127,000)	408,194	91,545	316,649
Assessment for Debt Service on SDA Funding	184,772	-	184,772	184,772	-
Total Facilities Acquisition and Construction Services	<u>794,966</u>	<u>-</u>	<u>794,966</u>	<u>393,103</u>	<u>401,863</u>
Total Capital Outlay	<u>955,332</u>	<u>463,241</u>	<u>1,418,573</u>	<u>691,511</u>	<u>727,062</u>
Transfer of Funds to Charter Schools	3,790,115	5,600	3,795,715	3,456,923	338,792
Total Expenditures	<u>69,808,997</u>	<u>602,397</u>	<u>70,411,394</u>	<u>73,402,672</u>	<u>(2,991,278)</u>
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(1,829,112)	(650,851)	(2,479,963)	6,281,958	8,761,921

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
Other Financing Sources/(Uses)					
Transfer Out - Special Revenue	\$ (468,000)		\$ (468,000)	\$ (468,000)	
Transfer In - After School Day Care Program	-	-	-	104,839	\$ 104,839
Total Other Financing Sources (Uses)	<u>(468,000)</u>	<u>-</u>	<u>(468,000)</u>	<u>(363,161)</u>	<u>104,839</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/ (Under) Expenditures and Other Financing Uses	(2,297,112)	\$ (650,851)	\$ (2,947,963)	5,918,797	8,866,760
Fund Balance, Beginning of Year (Restated)	<u>9,729,503</u>	<u>-</u>	<u>9,729,503</u>	<u>9,729,503</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 7,432,391</u>	<u>\$ (650,851)</u>	<u>\$ 6,781,540</u>	<u>\$ 15,648,300</u>	<u>\$ 8,866,760</u>
Recapitulation of Fund Balance					
Restricted Fund Balance					
Excess Surplus				\$ 2,727,412	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,555,781	
Capital Reserve				4,399,615	
Capital Reserve - Designated for Subsequent Year's Expenditures				1,188,387	
Maintenance Reserve				522,716	
Emergency Reserve				552,770	
Emergency Reserve - Designated for Subsequent Year's Expenditures				150,000	
Unemployment Compensation Reserve				123,812	
Assigned Fund Balance					
Year End Encumbrances				516,960	
FFCRA/SEMI				12,710	
Designated for Subsequent Year's Expenditures				444,738	
Unassigned Fund Balance				<u>3,453,399</u>	
Reconciliation to Governmental Funds Statements (GAAP):				15,648,300	
Less: State Aid Revenue Not Recognized on GAAP Basis				<u>(2,349,796)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 13,298,504</u>	

**ENGLEWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Intergovernmental					
Local Sources	-	\$ 177,239	\$ 177,239	\$ 80,992	\$ (96,247)
State Sources	\$ 4,385,804	431,138	4,816,942	3,828,115	(988,827)
Federal Sources	1,471,000	3,712,559	5,183,559	2,799,033	(2,384,526)
Total Revenues	5,856,804	4,320,936	10,177,740	6,708,140	(3,469,600)
EXPENDITURES					
Instruction					
Salaries of Teachers	1,083,393	615,696	1,699,089	1,432,361	266,728
Purchased Professional Technical Services		465,158	465,158	4,397	460,761
Other Purchased Services	1,155,000	(154,225)	1,000,775	674,116	326,659
General Supplies	612,298	(93,943)	518,355	183,500	334,855
Textbooks		100,187	100,187	73,985	26,202
Co-Curricular Activities		33,634	33,634	33,634	-
Other Objects	-	3,200	3,200	-	3,200
Total Instruction	2,850,691	969,707	3,820,398	2,401,993	1,418,405
Support Services					
Salaries	250,421	102,858	353,279	113,730	239,549
Salaries of Supervisors of Instruction	90,630	47,870	138,500	138,124	376
Salaries of Principals and Assistant Principals	75,160	-	75,160	74,850	310
Salaries of Other Professionals	30,665	98,935	129,600	23,336	106,264
Other Salaries	181,906	(145,906)	36,000	16,650	19,350
Salaries of Community Parent Involvement Spec	48,804	8,551	57,355	48,804	8,551
Salaries of Master Teachers	81,430	56,000	137,430	136,663	767
Purchased Professional - Technical Services		2,018,095	2,018,095	1,423,211	594,884
Professional Educational Services-Contracted PreK	1,119,300	18,975	1,138,275	1,035,620	102,655
Other Purchased Professional Services		350,124	350,124	340,130	9,994
Cleaning, Repair & Maintenance	35,000	35,000	70,000	70,000	-
Cont. Trans. Serv. (Bet. Home & Sch)	200,000	(35,000)	165,000	54,207	110,793
Cont. Trans. Serv. (Other Than Home & Sch)	5,000	2,000	7,000	-	7,000
Travel		1,070	1,070	-	1,070
Miscellaneous Purchased Services	40,000	3,810	43,810	-	43,810
Other Purchased Services		318,774	318,774	-	318,774
Supplies and Materials		661,851	661,851	656,409	5,442
Miscellaneous Expenditures	772,860	(427,805)	345,055	136,631	208,424
Other Objects	139,000	10,597	149,597	36,438	113,159
Total Support Services	3,070,176	3,125,799	6,195,975	4,304,803	1,891,172
Unallocated Employed Benefits	403,937	186,991	590,928	463,972	126,956
Capital Outlay					
Non-Instructional Equipment		21,186	21,186	-	21,186
Instructional Equipment	-	17,253	17,253	-	17,253
Total Capital Outlay	-	38,439	38,439	-	38,439
Total Expenditures	6,324,804	4,320,936	10,645,740	7,170,768	3,474,972
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(468,000)	-	(468,000)	(462,628)	(5,372)
Other Financing Sources					
Transfers In - General Fund	468,000	-	468,000	468,000	-
Total Other Financing Sources	468,000	-	468,000	468,000	-
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing (Uses)	-	-	-	5,372	(5,372)
Fund Balances, Beginning of Year (Restated)	183,602	-	183,602	183,602	-
Fund Balances, End of Year	\$ 183,602	\$ -	\$ 183,602	\$ 188,974	\$ (5,372)

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**ENGLEWOOD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the Special Revenue Funds are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 79,684,630	\$ 6,708,140
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2020		17,149
Encumbrances, June 30, 2021		(21,049)
State Aid payment recognized for GAAP purposes, not recognized for Budgetary statements (2019/2020 State Aid)	1,637,991	
State Aid payment recognized for budgetary purposes, not recognized for GAAP statements (2020/2021 State Aid)	<u>(2,349,796)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 78,972,825</u>	<u>\$ 6,704,240</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 73,402,672	\$ 7,170,768
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances , June 30, 2020		17,149
Encumbrances , June 30, 2021	<u>-</u>	<u>(21,049)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 73,402,672</u>	<u>\$ 7,166,868</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

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

PUBLIC EMPLOYEES RETIREMENT SYSTEM
 Last Eight Fiscal Years *

	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Position Liability (Asset)	0.02415 %	0.02695 %	0.03052 %	0.03297 %	0.03241 %	0.03230 %	0.02842 %	0.07294 %
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 3,938,788	\$ 4,855,238	\$ 6,009,525	\$ 7,674,340	\$ 9,598,485	\$ 7,251,085	\$ 5,321,629	\$ 13,940,689
District's Covered Payroll	1,994,063	1,981,768	2,081,548	2,466,906	2,371,158	2,354,341	2,192,991	2,206,933
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	198%	245%	289%	311%	405%	308%	243%	632%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

**ENGLEWOOD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS**

**PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Eight Fiscal Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 264,226	\$ 262,105	\$ 303,590	\$ 305,410	\$ 287,913	\$ 277,708	\$ 234,056	\$ 549,604
Contributions in Relation to the Contractually Required Contributions	<u>264,226</u>	<u>262,105</u>	<u>303,590</u>	<u>305,410</u>	<u>287,913</u>	<u>277,708</u>	<u>234,056</u>	<u>549,604</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 2,037,644	\$ 1,994,063	\$ 1,981,768	\$ 2,081,548	\$ 2,466,906	\$ 2,371,158	\$ 2,354,341	\$ 2,192,991
Contributions as a Percentage of Covered Payroll	12.97%	13.14%	15.32%	14.67%	11.67%	11.71%	10.67%	24.90%

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

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

TEACHERS PENSION AND ANNUITY FUND
Last Eight Fiscal Years *

	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Position Liability (Asset)	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
District's Proportionate Share of the Net Pension Liability (Asset)	0	0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 164,049,056</u>	<u>\$ 160,071,708</u>	<u>\$ 164,415,769</u>	<u>\$ 176,729,163</u>	<u>\$ 198,967,050</u>	<u>\$ 149,021,394</u>	<u>\$ 130,115,851</u>	<u>\$ 120,746,323</u>
Total	<u>\$ 164,049,056</u>	<u>\$ 160,071,708</u>	<u>\$ 164,415,769</u>	<u>\$ 176,729,163</u>	<u>\$ 198,967,050</u>	<u>\$ 149,021,394</u>	<u>\$ 130,115,851</u>	<u>\$ 120,746,323</u>
District's Covered Payroll	\$ 25,251,816	\$ 25,365,356	\$ 26,841,397	\$ 26,762,968	\$ 26,187,653	\$ 26,297,165	\$ 24,589,186	\$ 23,209,424
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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

Change of Benefit Terms: None.

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

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

Postemployment Health Benefit Plan

Last Four Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service Cost	\$ 3,496,603	\$ 3,312,071	\$ 3,786,109	\$ 4,576,151
Interest on Total OPEB Liability	2,523,815	3,058,464	3,331,392	2,857,083
Differences Between Expected and Actual Experience	17,511,088	(12,533,771)	(9,837,037)	
Changes of Assumptions	20,380,907	1,036,938	(8,806,753)	(11,923,519)
Gross Benefit Payments	(1,942,428)	(2,134,857)	(2,052,106)	(2,579,431)
Contribution from the Member	58,875	63,283	70,924	94,981
Net Change in Total OPEB Liability	42,028,860	(7,197,872)	(13,507,471)	(6,974,735)
Total OPEB Liability - Beginning	69,546,080	76,743,952	90,251,423	97,226,158
Total OPEB Liability - Ending	<u>\$ 111,574,940</u>	<u>\$ 69,546,080</u>	<u>\$ 76,743,952</u>	<u>\$ 90,251,423</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	111,574,940	69,546,080	76,743,952	90,251,423
Total OPEB Liability - Ending	<u>\$ 111,574,940</u>	<u>\$ 69,546,080</u>	<u>\$ 76,743,952</u>	<u>\$ 90,251,423</u>
District's Covered Payroll	<u>\$ 27,245,879</u>	<u>\$ 27,347,124</u>	<u>\$ 28,922,945</u>	<u>\$ 29,229,874</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%

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

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 75. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

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

Changes in Benefit Terms:	None.
Changes of Assumptions	Assumptions used in calculating the OPEB liability are presented in Note 4.

SCHOOL LEVEL SCHEDULES

(General Fund)

NOT APPLICABLE

SPECIAL REVENUE FUND

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

	IDEA Part B						Bergen County		To Exhibit E-1A	
	Basic 2020/21	Preschool 2020/21	Title I 2020/21	Title I SIA 2020/21	Title I Realloc 2020/21	Title IIA 2020/21	Title III 2020/21	Cares Act		Cares/ ESSER I Act
REVENUES										
Intergovernmental										
State										
Federal	\$ 825,609	\$ 41,354	\$ 584,447	\$ 74,924	\$ 25,018	\$ 112,816	\$ 8,241	\$ 188,445	\$ 553,173	\$ 2,414,027
Local	-	-	-	-	-	-	-	-	-	-
Total Revenues	825,609	41,354	584,447	74,924	25,018	112,816	8,241	188,445	553,173	2,414,027
EXPENDITURES										
Instruction										
Salaries of teachers			411,356	69,600			7,335			488,291
Purchased Professional and Technical Services										-
Other Purchased Services	124,116									124,116
General Supplies			2,677					16,772	7,356	26,805
Textbooks										-
Co-Curricular Activities	-	-	-	-	-	-	-	-	-	-
Total Instruction	124,116	-	414,033	69,600	-	-	7,335	16,772	7,356	639,212
Support Services										
Salaries			22,425		23,405	37,210	320		30,370	113,730
Salaries of Supervisors of Instruction										-
Salaries of Principals/Asst Principals/Directors										-
Salaries of Other Professional Staff										-
Personal Services-Employee Benefits			147,989	5,324	1,613	2,846	586		2,323	160,681
Other Salaries										-
Salaries of Family/Parent Liaison										-
Salaries of Facilitators										-
Purchased Educational Svcs - Contracted PreK										-
Other Purchased Professional Services								103,090	237,040	340,130
Purchased Professional and Technical Services	701,493	41,354				72,760			73,864	889,471
Cleaning, Repair & Maintenance										-
Cont. Trans. Serv. (Bet. Home & Sch)										-
Supplies & Materials								68,583	202,220	270,803
Miscellaneous										-
Scholarship Awards										-
Other Objects	-	-	-	-	-	-	-	-	-	-
Total Support Services	701,493	41,354	170,414	5,324	25,018	112,816	906	171,673	545,817	1,774,815
Capital Outlay										
Non-Instructional Equipment	-	-	-	-	-	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	825,609	41,354	584,447	74,924	25,018	112,816	8,241	188,445	553,173	2,414,027
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	-	-
Other Financing Sources										
Transfers In - General Fund	-	-	-	-	-	-	-	-	-	-
Net Changes in Fund Balance	-	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year (Restated)	-	-	-	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	E-1 Subtotal	Preschool Education Aid	Nonpublic Security	Nonpublic Technology	Nonpublic Textbooks	Nonpublic Nursing	Coronavirus Relief Fund	NP Digital Divide Fund	Other Programs	To Exhibit E-1B
REVENUES										
Intergovernmental										
State		\$ 3,129,474	\$ 86,519		\$ 73,985	\$ 198,830				\$ 3,488,808
Federal	\$ 2,414,027						\$ 315,656	\$ 69,350		2,799,033
Local	-	-	-	-	-	-	-	-	\$ 41,986	41,986
Total Revenues	2,414,027	3,129,474	86,519	-	73,985	198,830	315,656	69,350	41,986	6,329,827
EXPENDITURES										
Instruction										
Salaries of Teachers	488,291	944,070								1,432,361
Purchased Professional and Technical Services	-									-
Other Purchased Services	124,116	550,000								674,116
General Supplies	26,805	153,611							3,084	183,500
Textbook	-				73,985					73,985
Co-Curricular Activities	-	-	-	-	-	-	-	-	-	-
Total Instruction	639,212	1,647,681	-	-	73,985	-	-	-	3,084	2,363,962
Support Services										
Salaries	113,730									113,730
Salaries of Supervisors of Instruction	-	138,124								138,124
Salaries of Principals/Asst Principals/Directors	-	74,850								74,850
Salaries of Other Professional Staff	-	23,336								23,336
Personal Services-Employee Benefits	160,681	303,291								463,972
Other Salaries	-	16,650								16,650
Salaries of Family/Parent Liaison	-	48,804								48,804
Salaries of Facilitators	-	136,663								136,663
Purchased Educational Svcs - Contracted PreK	-	1,035,620								1,035,620
Other Purchased Professional Services	340,130									340,130
Purchased Professional and Technical Services	889,471					198,830				1,088,301
Cleaning, Repair & Maintenance	-	70,000								70,000
Cont. Trans. Serv. (Bet. Home & Sch)	-	54,207								54,207
Supplies & Materials	270,803						315,656	69,350	600	656,409
Miscellaneous	-	11,810	86,519						38,302	136,631
Scholarship Awards	-									-
Other Objects	-	36,438								36,438
Total Support Services	1,774,815	1,949,793	86,519	-	-	198,830	315,656	69,350	38,902	4,433,865
Capital Outlay										
Non-Instructional Equipment	-	-	-	-	-	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	2,414,027	3,597,474	86,519	-	73,985	198,830	315,656	69,350	41,986	6,797,827
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	(468,000)	-	-	-	-	-	-	-	(468,000)
Other Financing Sources										
Transfers In - General Fund	-	468,000	-	-	-	-	-	-	-	468,000
Net Changes in Fund Balance	-	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year (Restated)	-	-	-	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	Exhibit E-1A Subtotal	Chapter 192			Chapter 193			Student Activities	Scholarship	Grand Total
		Nonpublic Home Inst.	Compensatory Education	ESL	Exam and Classification	Corrective Speech	Supplementary Instruction			
REVENUES										
Intergovernmental										
State	\$ 3,488,808	\$ 4,397	\$ 11,844	\$ 7,283	\$ 130,602	\$ 87,312	\$ 97,869			\$ 3,828,115
Federal	2,799,033									2,799,033
Local	41,986	-	-	-	-	-	-	\$ 39,003	\$ 3	80,992
Total Revenues	6,329,827	4,397	11,844	7,283	130,602	87,312	97,869	39,003	3	6,708,140
EXPENDITURES										
Instruction										
Salaries of Teachers	1,432,361									1,432,361
Purchased Professional and Technical Services	-	4,397								4,397
Other Purchased Services	674,116									674,116
General Supplies	183,500									183,500
Textbooks	73,985									73,985
Co-Curricular Activities	-	-	-	-	-	-	-	33,634	-	33,634
Total Instruction	2,363,962	4,397	-	-	-	-	-	33,634	-	2,401,993
Support Services										
Salaries	113,730									113,730
Salaries of Supervisors of Instruction	138,124									138,124
Salaries of Principals/Asst Principals/Directors	74,850									74,850
Salaries of Other Professional Staff	23,336									23,336
Personal Services-Employee Benefits	463,972									463,972
Other Salaries	16,650									16,650
Salaries of Family/Parent Liaison	48,804									48,804
Salaries of Facilitators	136,663									136,663
Purchased Educational Svcs - Contracted PreK	1,035,620									1,035,620
Other Purchased Professional Services	340,130									340,130
Purchased Professional and Technical Services	1,088,301		11,844	7,283	130,602	87,312	97,869			1,423,211
Cleaning, Repair & Maintenance	70,000									70,000
Cont. Trans. Serv. (Bet. Home & Sch)	54,207									54,207
Supplies & Material	656,409									656,409
Miscellaneous	136,631									136,631
Scholarship Awarded	-									-
Other Objects	36,438									36,438
Total Support Services	4,433,865	-	11,844	7,283	130,602	87,312	97,869	-	-	4,768,775
Capital Outlay										
Non-Instructional Equipment										
	-	-	-	-	-	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	6,797,827	4,397	11,844	7,283	130,602	87,312	97,869	33,634	-	7,170,768
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	(468,000)	-	-	-	-	-	-	-	-	(468,000)
Other Financing Sources										
Transfers In - General Fund	468,000	-	-	-	-	-	-	-	-	468,000
Net Changes in Fund Balance	-	-	-	-	-	-	-	5,369	3	5,372.00
Fund Balance, Beginning of Year (Restated)	-	-	-	-	-	-	-	117,193	66,409	183,602
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 122,562	\$ 66,412	\$ 188,974

**ENGLEWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID EXPENDITURES
PRESCHOOL - ALL PROGRAMS - FULL DAY 4 YR.
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>Districtwide</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES			
Instruction			
Salaries of Teachers	\$ 944,343	\$ 944,070	\$ 273
Other Purchased Services	563,723	550,000	13,723
General Supplies	<u>157,719</u>	<u>153,611</u>	<u>4,108</u>
Total Instruction	<u>1,665,785</u>	<u>1,647,681</u>	<u>18,104</u>
Support Services			
Salaries of Supervisors of Instruction	138,500	138,124	376
Salaries of Principals/Assistant Principals	75,160	74,850	310
Salaries of Other Professional Staff	129,600	23,336	106,264
Other Salaries	36,000	16,650	19,350
Salaries of Family/Parent Liaison	57,355	48,804	8,551
Salaries of Facilitators	137,430	136,663	767
Personnel Services - Employee Benefits	341,177	303,291	37,886
Purchased Education Services - Contracted PreK	1,138,275	1,035,620	102,655
Cleaning, Repair & Maintenance	70,000	70,000	-
Contr. Trans. Serv. (Bet. Home & Sch)	165,000	54,207	110,793
Contr. Trans. Serv. (Other than Home & Sch)			-
Other Objects	<u>184,000</u>	<u>48,248</u>	<u>135,752</u>
Total Support Services	<u>2,472,497</u>	<u>1,949,793</u>	<u>522,704</u>
Capital Outlay			
Non-Instructional Equipment	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 4,138,282</u>	<u>\$ 3,597,474</u>	<u>\$ 540,808</u>
Total 2020-2021 ECPA Allocation			\$ 3,420,282
Add: Actual Preschool Aid Carryover (June 30, 2020)			511,835
Budgeted Transfer from General Fund			<u>468,000</u>
Total Preschool Aid Funds Available for 2020-2021 Budget			4,400,117
Less: 2020-2021 Budgeted Preschool Aid (Including Prior Year Budgeted Carryover)			<u>4,138,282</u>
Available & Unbudgeted Preschool Aid Funds as of June 30, 2021			261,835
Add: June 30, 2021 Unexpended Preschool Aid			<u>540,808</u>
2020-2021 Actual Carryover - Preschool Aid			<u>\$ 802,643</u>
2020-2021 Preschool Aid Carryover Budgeted in 2021-2022			<u>\$ 250,000</u>

CAPITAL PROJECTS FUND

**ENGLEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES - BUDGETARY BASIS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>Project</u>	<u>Modified Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance, June 30, 2021</u>
		<u>Prior Year</u>	<u>Current Year</u>	
Renovations to Existing Buildings	\$ 4,900,000	\$ 4,857,954		\$ 42,046
Dwight D. Morrow High School Renovations	3,829,583	3,823,955		5,628
Durie Park Elementary School Construction	22,422,844	22,305,876		116,968
Cleveland Elementary School Renovations	15,659,718	15,646,339		13,379
Winton White Stadium Renovations	2,782,203	2,761,964		20,239
Durie Park Elementary School - Light Dimmers Capital Lease	199,488	198,462		1,026
DMHS North Building Steam Heating Sys. Rep. - Phase 2	2,444,989	2,415,825		29,164
Acquisition and Installation of Security Equipment	<u>156,024</u>	<u>-</u>	<u>\$ 156,024</u>	<u>-</u>
	<u>\$ 52,394,849</u>	<u>\$ 52,010,375</u>	<u>\$ 156,024</u>	<u>\$ 228,450</u>
<u>Reconciliation to GAAP</u>				
				<u>\$ 228,450</u>
				<u>\$ 228,450</u>
<u>Recapitulation of Fund Balance</u>				
				<u>\$ 228,450</u>
				<u>\$ 228,450</u>

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

Revenues and Other Financing Sources

Revenues:

Grant Awards	\$ <u>156,024</u>
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Total Revenues	<u>156,024</u>
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Expenditures and Other Financing Uses

Expenditures:

Acquisition of Equipment	<u>156,024</u>
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Total Expenditures	<u>156,024</u>
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Excess of Revenues Over Expenditures	-
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Fund Balance, July 1, 2020	\$ <u>228,450</u>
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Fund Balance, June 30, 2021	\$ <u><u>228,450</u></u>
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Reconciliation to GAAP

Fund Balance - June 30, 2021 - Budgetary Basis	\$ <u>228,450</u>
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Fund Balance, June 30, 2021 - GAAP Basis	\$ <u><u>228,450</u></u>
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ENGLEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
RENOVATIONS TO EXISTING BUILDINGS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bergen County Grant	\$ 1,000,000		\$ 1,000,000	\$ 1,000,000
Englewood City Grant	<u>3,900,000</u>	<u>-</u>	<u>3,900,000</u>	<u>3,900,000</u>
 Total Revenues and Other Financing Sources	 <u>4,900,000</u>	 <u>-</u>	 <u>4,900,000</u>	 <u>4,900,000</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	127,268		127,268	127,268
Construction Services	3,099,629	-	3,099,629	3,141,675
General Supplies	1,160,756		1,160,756	1,160,756
Equipment	<u>470,301</u>	<u>-</u>	<u>470,301</u>	<u>470,301</u>
 Total Expenditures and Other Financing Uses	 <u>4,857,954</u>	 <u>-</u>	 <u>4,857,954</u>	 <u>4,900,000</u>
 Excess (deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	 <u>\$ 42,046</u>	 <u>\$ -</u>	 <u>\$ 42,046</u>	 <u>\$ -</u>

**ENGLEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
DWIGHT D. MORROW HIGH SCHOOL RENOVATIONS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 1,894,043		\$ 1,894,043	\$ 1,894,043
Bond Proceeds	1,861,531		1,861,531	1,861,531
Transfer from Capital Outlay	<u>74,009</u>	<u>-</u>	<u>74,009</u>	<u>74,009</u>
Total Revenues and Other Financing Sources	<u>3,829,583</u>	<u>-</u>	<u>3,829,583</u>	<u>3,829,583</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	474,337	-	474,337	500,000
Construction Services	<u>3,349,618</u>	<u>-</u>	<u>3,349,618</u>	<u>3,329,583</u>
Total Expenditures and Other Financing Uses	<u>3,823,955</u>	<u>-</u>	<u>3,823,955</u>	<u>3,829,583</u>
Excess (deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 5,628</u>	<u>\$ -</u>	<u>\$ 5,628</u>	<u>\$ -</u>

Additional project information:

Project Number	1370-040-04-2000
Grant Date	December 29, 2004
Bond Authorization Date	April 1, 2003
Bonds Authorized	3,142,411
Bonds Issued	3,142,411
Original Authorized Cost	5,311,361
Additional Authorized Cost	
Reduced Authorized Costs	(1,481,778)
Revised Authorized Cost	3,829,583
Percentage Increase(Decrease) Over Original	
Authorized Cost	-27.90%
Percentage Completion	100.00%
Original Target Completion Date	December 31, 2005
Revised Target Completion Date	June 30, 2015

**ENGLEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
DURIE PARK ELEMENTARY SCHOOL CONSTRUCTION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 4,876,300		\$ 4,876,300	\$ 4,876,300
Sale of Property - City of Englewood	6,800,000		6,800,000	6,800,000
Bond Proceeds	7,796,981		7,796,981	7,796,981
Transfer from Capital Outlay	2,949,563	-	2,949,563	2,949,563
	<u>22,422,844</u>	<u>-</u>	<u>22,422,844</u>	<u>22,422,844</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	1,837,404		1,837,404	1,900,000
Construction Services	19,881,066		19,881,066	19,932,844
Equipment	587,406	-	587,406	590,000
	<u>22,305,876</u>	<u>-</u>	<u>22,305,876</u>	<u>22,422,844</u>
Excess (deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 116,968</u>	<u>\$ -</u>	<u>\$ 116,968</u>	<u>\$ -</u>

Additional project information:

Project Number	1370-N01-04-1000
Grant Date	December 29, 2004
Bond Authorization Date	April 1, 2003
Bonds Authorized	6,942,696
Bonds Issued	6,942,696
Original Authorized Cost	18,618,996
Additional Authorized Cost	3,803,848
Revised Authorized Cost	22,422,844
Percentage Increase(Decrease) Over Original	
Authorized Cost	20.43%
Percentage Completion	100.00%
Original Target Completion Date	September 30, 2008
Revised Target Completion Date	June 30, 2015

**ENGLEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
CLEVELAND ELEMENTARY SCHOOL RENOVATIONS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 4,389,061		\$ 4,389,061	\$ 4,389,061
Bond Proceeds	9,538,115		9,538,115	9,538,115
Transfer from Capital Outlay	1,732,542	-	1,732,542	1,732,542
	<u>15,659,718</u>	<u>-</u>	<u>15,659,718</u>	<u>15,659,718</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	1,313,161		1,313,161	1,325,000
Construction Services	13,848,206		13,848,206	13,849,718
Equipment	484,972		484,972	485,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>15,646,339</u>	<u>-</u>	<u>15,646,339</u>	<u>15,659,718</u>
Excess (deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 13,379</u>	<u>\$ -</u>	<u>\$ 13,379</u>	<u>\$ -</u>

Additional project information:

Project Number	1370-060-04-1000
Grant Date	December 29, 2004
Bond Authorization Date	April 1, 2003
Bonds Authorized	9,227,443
Bonds Issued	9,227,443
Original Authorized Cost	13,616,504
Additional Authorized Cost	2,043,214
Revised Authorized Cost	15,659,718

Percentage Increase(Decrease) Over Original

Authorized Cost	15.01%
Percentage Completion	100.00%
Original Target Completion Date	September 30, 2010
Revised Target Completion Date	June 30, 2015

**ENGLEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
WINTON WHITE STADIUM RENOVATIONS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 308,359		\$ 308,359	\$ 308,359
Bond Proceeds	788,316		788,316	788,316
Transfer from Capital Outlay	<u>1,685,528</u>	<u>-</u>	<u>1,685,528</u>	<u>1,685,528</u>
Total Revenues and Other Financing Sources	<u>2,782,203</u>	<u>-</u>	<u>2,782,203</u>	<u>2,782,203</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	181,095		181,095	200,000
Construction Services	2,520,179		2,520,179	2,521,513
Equipment	<u>60,690</u>	<u>-</u>	<u>60,690</u>	<u>60,690</u>
Total Expenditures and Other Financing Uses	<u>2,761,964</u>	<u>-</u>	<u>2,761,964</u>	<u>2,782,203</u>
Excess (deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 20,239</u>	<u>\$ -</u>	<u>\$ 20,239</u>	<u>\$ -</u>
Additional project information:				
Project Number	1370-X01-04-1000			
Grant Date	December 29, 2004			
Bond Authorization Date	April 1, 2003			
Bonds Authorized	788,316			
Bonds Issued	788,316			
Original Authorized Cost	1,096,675			
Additional Authorized Cost	1,685,528			
Reduced Authorized Costs				
Revised Authorized Cost	2,782,203			
Percentage Increase(Decrease) Over Original				
Authorized Cost	60.58%			
Percentage Completion	100.00%			
Original Target Completion Date	September 30, 2006			
Revised Target Completion Date	September 30, 2015			

ENGLEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
DURIE PARK ELEMENTARY SCHOOL - LEASE PROCEEDS LIGHT DIMMERS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Lease Proceeds	\$ 198,462		\$ 198,462	\$ 198,462
Interest	<u>1,026</u>	<u>-</u>	<u>1,026</u>	<u>1,026</u>
 Total Revenues and Other Financing Sources	 <u>199,488</u>	 <u>-</u>	 <u>199,488</u>	 <u>199,488</u>
 Expenditures and Other Financing Uses				
Construction Services	<u>198,462</u>	<u>-</u>	<u>198,462</u>	<u>199,488</u>
 Total Expenditures and Other Financing Uses	 <u>198,462</u>	 <u>-</u>	 <u>198,462</u>	 <u>199,488</u>
 Excess (deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	 <u>\$ 1,026</u>	 <u>\$ -</u>	 <u>\$ 1,026</u>	 <u>\$ -</u>
 Additional project information:				
Project Number				
Lease Date	March 15, 2008			
Lease Proceeds	198,462			
Original Authorized Cost	198,462			
Additional Authorized Cost - Interest	1,026			
Reduced Authorized Costs				
Revised Authorized Cost	199,488			
 Percentage Increase(Decrease) Over Original				
Authorized Cost	1%			
Percentage Completion	100.00%			
Original Target Completion Date	September 30, 2008			
Revised Target Completion Date	November 30, 2008			

ENGLEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
DMHS STEAM HEATING SYSTEM REPLACEMENT NORTH BUILDING - PHASE 2
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ 807,996		\$ 807,996	\$ 807,996
Local Contribution	<u>1,636,993</u>	<u>-</u>	<u>1,636,993</u>	<u>1,636,993</u>
Total Revenues and Other Financing Sources	<u>2,444,989</u>	<u>-</u>	<u>2,444,989</u>	<u>2,444,989</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	77,123		77,123	77,123
Construction Services	<u>2,338,702</u>	<u>-</u>	<u>2,338,702</u>	<u>2,367,866</u>
Total Expenditures and Other Financing Uses	<u>2,415,825</u>	<u>-</u>	<u>2,415,825</u>	<u>2,444,989</u>
Excess (deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 29,164</u>	<u>\$ -</u>	<u>\$ 29,164</u>	<u>\$ -</u>
Additional project information:				
DOE Project Number	1370-040-14-1001			
SDA Project Number	1370-040-14-GIDO			
Grant Number	G5-4846			
Grant Date	March 17, 2014			
Original Authorization Costs	2,019,989			
Increased Authorized Costs	425,000			
Revised Authorized Cost	2,444,989			
Percentage Increase(Decrease) Over Original				
Authorized Cost	17.38%			
Percentage Completion	98.81%			
Original Target Completion Date	June 30, 2015			
Revised Target Completion Date	June 30, 2017			

ENGLEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BUDGETARY BASIS
ACQUISITIONS AND INSTALLATION OF SECURITY EQUIPMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - Alyssa's Law Grant	\$ -	\$ 156,024	\$ 156,024	\$ 156,024
Total Revenues	-	156,024	156,024	156,024
Expenditures				
Acquisition of Equipment	-	156,024	156,024	156,024
Total Expenditures and Other Financing Uses	-	156,024	156,024	156,024
Excess (deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional project information:				
Original Authorization Costs	\$ 156,024			
Increased Authorized Costs	-			
Revised Authorized Cost	156,024			
Percentage Increase(Decrease) Over Original				
Authorized Cost		0.00%		
Percentage Completion		100.00%		
Original Target Completion Date		June 30, 2021		
Revised Target Completion Date		June 30, 2021		

PROPRIETARY FUNDS

**ENGLEWOOD BOARD OF EDUCATION
ENTERPRISE FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

**FINANCIAL STATEMENTS ARE PRESENTED
ON EXHIBIT B-4**

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

**FINANCIAL STATEMENTS ARE PRESENTED
ON EXHIBIT B-5**

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

**FINANCIAL STATEMENTS ARE PRESENTED
ON EXHIBIT B-6**

**FIDUCIARY FUNDS
NOT APPLICABLE**

LONG-TERM DEBT

ENGLEWOOD BOARD OF EDUCATION
 LONG-TERM DEBT
 SCHEDULE OF SERIAL BONDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2020</u>	<u>Matured</u>	<u>Balance, June 30, 2021</u>
			<u>Date</u>	<u>Amount</u>				
Refunding of School Bonds	8/14/2013	\$ 14,970,000	4/1/2022	\$ 1,625,000	5.00%	\$ 6,640,000	\$ 1,545,000	\$ 5,095,000
			4/1/2023	585,000	2.13%			
			4/1/2023	1,120,000	4.00%			
			4/1/2024	1,010,000	2.25%			
			4/1/2024	755,000	4.00%			
					<u>\$ 6,640,000</u>	<u>\$ 1,545,000</u>	<u>\$ 5,095,000</u>	
					<u>\$ 6,640,000</u>	<u>\$ 1,545,000</u>	<u>\$ 5,095,000</u>	

**ENGLEWOOD BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES AND LEASE PURCHASE AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>Capital Leases</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2020</u>	<u>Issued</u>	<u>Matured</u>	<u>Balance, June 30, 2021</u>
District Wide Technology Project	824,194	3.88%	\$ 338,764		\$ 166,161	\$ 172,603
Savin Copiers - 29	416,833	0.38%	<u>288,375</u>	<u>-</u>	<u>81,928</u>	<u>206,447</u>
			<u>627,139</u>	<u>-</u>	<u>248,089</u>	<u>379,050</u>
 <u>Lease Purchase Agreements</u>						
Computers and Network Equipment	3,643,491	N/A	1,751,095		583,699	1,167,396
Early Learning Reading Software	208,790	4.03%	<u>88,511</u>	<u>-</u>	<u>43,382</u>	<u>45,129</u>
			<u>1,839,606</u>	<u>-</u>	<u>627,081</u>	<u>1,212,525</u>
			<u>\$ 2,466,745</u>	<u>\$ -</u>	<u>\$ 875,170</u>	<u>\$ 1,591,575</u>

**ENGLEWOOD BOARD OF EDUCATION
LONG-TERM DEBT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

REVENUES	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Local Sources					
Property Tax Levy	\$ 1,813,656	-	\$ 1,813,656	\$ 1,813,656	-
 Total Revenues	<u>1,813,656</u>	<u>-</u>	<u>1,813,656</u>	<u>1,813,656</u>	<u>-</u>
 EXPENDITURES					
Regular Debt Service					
Principal on Bonds	1,545,000		1,545,000	1,545,000	
Interest on Bonds	<u>268,656</u>	<u>-</u>	<u>268,656</u>	<u>268,656</u>	\$ -
 Total Expenditures	<u>1,813,656</u>	<u>-</u>	<u>1,813,656</u>	<u>1,813,656</u>	<u>-</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Net Change in Fund Balance	-	-	-	-	-
 Fund Balance, July 1, 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Fund Balance, June 30, 2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

J-16 to J-20

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

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

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	\$ 44,046,945	\$ 43,964,694	\$ 44,417,088	\$ 45,759,867	\$ 49,130,322	\$ 52,091,654	\$ 51,463,414	\$ 51,865,522	\$ 53,163,669	\$ 53,339,200
Restricted	3,556,073	4,454,698	5,344,700	7,657,255	5,554,837	3,128,771	1,886,772	2,449,843	4,098,068	6,515,979
Unrestricted	3,219,893	6,582,791	(6,792,845)	(9,079,347)	(7,492,055)	(9,341,012)	(11,453,502)	(9,571,817)	(6,729,783)	(2,338,420)
Total governmental activities net position	<u>\$ 50,822,911</u>	<u>\$ 55,002,183</u>	<u>\$ 42,968,943</u>	<u>\$ 44,337,775</u>	<u>\$ 47,193,104</u>	<u>\$ 45,879,413</u>	<u>\$ 41,896,684</u>	<u>\$ 44,743,548</u>	<u>\$ 50,531,954</u>	<u>\$ 57,516,759</u>
Business-type activities										
Net investment in capital assets	\$ 371,442	\$ 343,208	\$ 316,668	\$ 287,014	\$ 265,682	\$ 304,313	\$ 285,707	\$ 266,931	\$ 230,631	\$ 193,964
Restricted										
Unrestricted	305,072	360,059	377,746	429,584	291,649	309,635	185,793	262,233	354,844	458,970
Total business-type activities net position	<u>\$ 676,514</u>	<u>\$ 703,267</u>	<u>\$ 694,414</u>	<u>\$ 716,598</u>	<u>\$ 557,331</u>	<u>\$ 613,948</u>	<u>\$ 471,500</u>	<u>\$ 529,164</u>	<u>\$ 585,475</u>	<u>\$ 652,934</u>
District-wide										
Net investment in capital assets	\$ 44,418,387	\$ 44,307,902	\$ 44,733,756	\$ 46,046,881	\$ 49,396,004	\$ 52,395,967	\$ 51,749,121	\$ 52,132,453	\$ 53,394,300	\$ 53,533,164
Restricted	3,556,073	4,454,698	5,344,700	7,657,255	5,554,837	3,128,771	1,886,772	2,449,843	4,098,068	6,515,979
Unrestricted	3,524,965	6,942,850	(6,415,099)	(8,649,763)	(7,200,406)	(9,031,377)	(11,267,709)	(9,309,584)	(6,374,939)	(1,879,450)
Total district net position	<u>\$ 51,499,425</u>	<u>\$ 55,705,450</u>	<u>\$ 43,663,357</u>	<u>\$ 45,054,373</u>	<u>\$ 47,750,435</u>	<u>\$ 46,493,361</u>	<u>\$ 42,368,184</u>	<u>\$ 45,272,712</u>	<u>\$ 51,117,429</u>	<u>\$ 58,169,693</u>

Note 1 - Net Position at June 30, 2015 reflects the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions".

Note 2 - Net Position at June 30, 2020 was restated to reflect the implementation of GASB Statement No. 84 "Fiduciary Activities" and a correction of an error for compensated absences liability.

Source: District financial statements

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

	2012		2013		2014		2015		Fiscal Year Ended June 30,		2018		2019		2020		2021	
									2016	2017								
Expenses																		
Governmental activities																		
Instruction																		
Regular	\$ 26,664,291	\$ 26,491,866	\$ 27,010,613	\$ 31,555,621	\$ 31,719,415	\$ 36,035,396	\$ 38,807,796	\$ 32,982,724	\$ 32,447,275	\$ 33,963,173								
Special education	9,442,151	9,332,744	10,734,174	12,130,980	15,035,765	17,164,703	17,421,418	16,079,747	14,514,310	15,668,207								
Other instruction	2,825,646	2,613,007	2,285,360	3,229,078	4,121,522	4,370,164	4,539,034	4,017,584	3,618,444	3,662,199								
School Sponsored Activities and Athletics	1,018,015	824,663	700,748	785,555	830,923	828,671	998,517	988,776	915,832	903,340								
Support Services:																		
Student & instruction related services	9,435,150	9,036,130	9,458,239	10,624,960	9,679,904	10,658,722	13,785,387	12,663,126	12,316,458	15,057,385								
General and business administrative services	1,996,679	1,733,224	1,746,285	1,478,589	1,487,569	1,802,680	1,487,430	1,742,238	1,537,452	2,119,334								
School administrative services	3,277,947	3,114,263	2,723,280	4,005,534	4,335,052	5,641,252	5,674,070	4,511,873	4,704,953	4,559,803								
Central Services	1,226,371	1,333,236	1,265,611	1,223,740	1,443,526	1,566,815	1,703,945	1,653,774	1,697,182	1,694,696								
Administrative Information Technology																		
Plant operations and maintenance	7,951,854	7,121,340	7,900,369	7,964,055	7,901,477	7,937,351	7,222,916	7,117,329	7,225,695	7,557,562								
Pupil transportation	2,998,695	2,901,836	2,909,844	3,121,273	3,875,295	3,909,006	4,208,372	4,552,643	4,231,379	3,070,412								
Interest on long-term debt	976,817	390,267	561,397	603,301	502,731	456,212	400,829	360,062	291,624	222,588								
Total governmental activities expenses	67,813,616	64,892,576	67,295,920	76,722,686	80,933,179	90,370,972	96,249,714	86,669,876	83,500,604	88,478,699								
Business-type activities:																		
Food service	1,741,241	1,723,320	1,768,692	1,804,114	1,975,659	1,962,412	1,991,727	1,914,120	1,556,602	809,928								
After school program	128,315	117,883	327,001	379,828	522,536	448,440	321			-								
Total business-type activities expense	1,869,556	1,841,203	2,095,693	2,183,942	2,498,195	2,410,852	1,992,048	1,914,120	1,556,602	809,928								
Total district expenses	\$ 69,683,172	\$ 66,733,779	\$ 69,391,613	\$ 78,906,628	\$ 83,431,374	\$ 92,781,824	\$ 98,241,762	\$ 88,583,996	\$ 85,057,206	\$ 89,288,627								
Program Revenues																		
Governmental activities:																		
Charges for services:																		
Instruction	\$ 7,563	\$ 182,373	\$ 123,452	\$ 160,956	\$ 243,932	\$ 797,879	\$ 846,633	\$ 657,847	\$ 792,900	\$ 807,958								
Plant Operations	203,215	193,691	320,918	429,985	302,845	369,475	330,858	511,243	296,845	58,965								
Student Transportation	187,292	132,634	201,761	183,692	164,290	212,403	251,750	283,486	231,132	41,926								
Operating grants and contributions	12,133,277	12,442,119	11,730,915	19,258,709	21,723,896	27,357,365	30,243,730	25,885,527	24,229,374	30,087,130								
Capital grants and contributions	2,649	48,823	-	162,511	1,029,044	471,392	-	8,871		156,024								
Total governmental activities program revenues	12,533,996	12,999,640	12,377,046	20,195,853	23,464,007	29,208,514	31,672,971	27,346,974	25,550,251	31,152,003								
Business-type activities:																		
Charges for services:																		
Food service	\$ 479,580	\$ 463,425	\$ 336,019	\$ 336,615	\$ 333,934	\$ 341,712	\$ 280,107	\$ 297,815	\$ 196,357	\$ 7,309								
After School Program	122,647	108,398	386,140	452,928	455,315	477,903	1,209	1,675		-								
Operating grants and contributions	1,256,057	1,296,133	1,364,681	1,416,583	1,549,679	1,647,854	1,568,284	1,672,294	1,416,556	974,917								
Total business type activities program revenues	1,858,284	1,867,956	2,086,840	2,206,126	2,338,928	2,467,469	1,849,600	1,971,784	1,612,913	982,226								
Total district program revenues	\$ 14,392,280	\$ 14,867,596	\$ 14,463,886	\$ 22,401,979	\$ 25,802,935	\$ 31,675,983	\$ 33,522,571	\$ 29,318,758	\$ 27,163,164	\$ 32,134,229								
Net (Expense)/Revenue																		
Governmental activities	\$ (55,279,620)	\$ (51,892,936)	\$ (54,918,874)	\$ (56,526,833)	\$ (57,469,172)	\$ (61,162,458)	\$ (64,576,743)	\$ (59,322,902)	\$ (57,950,353)	\$ (57,326,696)								
Business-type activities	(11,272)	26,753	(8,853)	22,184	(159,267)	56,617	(142,448)	57,664	56,311	172,298								
Total district-wide net expense	\$ (55,290,892)	\$ (51,866,183)	\$ (54,927,727)	\$ (56,504,649)	\$ (57,628,439)	\$ (61,105,841)	\$ (64,719,191)	\$ (59,265,238)	\$ (57,894,042)	\$ (57,154,398)								

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

	2012		2013		2014		2015		Fiscal Year Ended June 30,		2018		2019		2020		2021			
									2016	2017										
General Revenues and Other Changes in Net Assets																				
Governmental activities:																				
Property taxes levied for general purposes, net	\$	46,492,456	\$	46,957,381	\$	47,896,529	\$	48,854,459	\$	49,783,095	\$	50,778,757	\$	51,794,332	\$	53,814,733	\$	54,891,028	\$	55,988,849
Property taxes levied for debt service, net		2,355,195		2,387,904		2,185,306		2,087,378		2,085,700		1,816,157		1,813,757		1,819,356		1,813,355		1,813,656
Unrestricted grants and aid		5,512,607		5,964,934		6,266,111		5,735,385		7,290,877		6,301,480		6,116,069		5,448,130		4,939,629		4,951,138
Investment earnings		38,416		79,826		99,199		58,909		55,114		34,036		40,410		52,174		59,606		21,477
Miscellaneous income		372,533		682,163		379,178		120,568		364,785		647,888		218,376		105,905		534,763		689,069
Gain/(Loss) on Disposal of Capital Assets										29,948										
Transfers																				104,839
Special Item - Change in Net Pension Liability							1,038,966		714,982		270,449		611,070		929,468		1,192,964		742,473	
Total governmental activities		<u>54,771,207</u>		<u>56,072,208</u>		<u>56,826,323</u>		<u>57,895,665</u>		<u>60,324,501</u>		<u>59,848,767</u>		<u>60,594,014</u>		<u>62,169,766</u>		<u>63,431,345</u>		<u>64,311,501</u>
Business-type activities:																				
Prior Year Receivables Cancelled																				
Loss on Disposal of Capital Assets																				
Transfers																				(104,839)
Total business-type activities		-		-		-		-		-		-		-		-		-		(104,839)
Total district-wide	\$	<u>54,771,207</u>	\$	<u>56,072,208</u>	\$	<u>56,826,323</u>	\$	<u>57,895,665</u>	\$	<u>60,324,501</u>	\$	<u>59,848,767</u>	\$	<u>60,594,014</u>	\$	<u>62,169,766</u>	\$	<u>63,431,345</u>	\$	<u>64,206,662</u>
Change in Net Position																				
Governmental activities	\$	(508,413)	\$	4,179,272	\$	1,907,449	\$	1,368,832	\$	2,855,329	\$	(1,313,691)	\$	(3,982,729)	\$	2,846,864	\$	5,480,992	\$	6,984,805
Business-type activities		(11,272)		26,753		(8,853)		22,184		(159,267)		56,617		(142,448)		57,664		56,311		67,459
Total district	\$	<u>(519,685)</u>	\$	<u>4,206,025</u>	\$	<u>1,898,596</u>	\$	<u>1,391,016</u>	\$	<u>2,696,062</u>	\$	<u>(1,257,074)</u>	\$	<u>(4,125,177)</u>	\$	<u>2,904,528</u>	\$	<u>5,537,303</u>	\$	<u>7,052,264</u>

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

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Restricted	\$ 8,376,381	\$ 11,691,563	\$ 12,554,465	\$ 9,917,651	\$ 8,315,037	\$ 6,148,604	\$ 4,015,111	\$ 4,917,834	\$ 7,015,690	\$ 11,220,493
Committed		260,674	790,000	396,936	395,900	613,306				
Assigned	855,324	953,772	816,527	167,723	930,837	546,760	545,749	712,020	1,113,545	974,408
Unassigned	(44,439)	(177,768)	(115,837)	9,235	149,773	(159,880)	159,603	(2,645)	(37,723)	1,103,603
Total General Fund	\$ 9,187,266	\$ 12,728,241	\$ 14,045,155	\$ 10,491,545	\$ 9,791,547	\$ 6,535,484	\$ 5,333,769	\$ 5,627,209	\$ 8,091,512	\$ 13,298,504
All Other Governmental Funds										
Restricted	\$ 656,161	\$ 818,561	\$ 652,182	\$ 2,662,630	\$ 1,424,107	\$ 1,127,252	\$ 305,566	\$ 228,451	\$ 412,052	\$ 417,424
Assigned										
Unassigned	(84,553)			(85,473)	(107,301)	(102,341)	(90,003)			
Total all other governmental funds	\$ 571,608	\$ 818,561	\$ 652,182	\$ 2,577,157	\$ 1,316,806	\$ 1,024,911	\$ 215,563	\$ 228,451	\$ 412,052	\$ 417,424

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

Source: District financial statements

**ENGLEWOOD BOARD OF EDUCATION
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)**

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Property Tax levy	\$ 48,847,651	\$ 49,345,285	\$ 50,081,835	\$ 50,941,837	\$ 51,868,795	\$ 52,594,914	\$ 53,608,089	\$ 55,634,089	\$ 56,704,383	\$ 57,802,505
Tuition charges	7,563	182,373	123,452	160,956	243,932	797,879	699,061	657,847	792,900	807,958
Transportation Fees	187,292	132,634	201,761	183,692	164,290	212,403	251,750	283,486	231,132	41,926
Interest earnings	38,416	79,826	99,199	58,909	55,114	34,036	40,410	52,174	59,606	21,477
Rentals	203,215	193,691	320,918	429,985	302,845	369,475	330,858	511,243	296,845	58,965
Miscellaneous	406,330	737,853	402,770	158,630	439,307	686,550	338,619	148,978	728,613	770,061
State sources	14,831,219	16,566,614	16,398,328	17,034,512	20,576,879	20,083,271	22,084,571	23,040,009	23,134,659	25,172,354
Federal sources	2,783,317	1,833,572	1,575,106	2,357,276	2,318,335	2,007,007	2,292,416	2,367,503	2,003,344	2,971,499
Total revenue	67,305,203	69,071,848	69,203,369	71,325,797	75,969,497	76,785,535	79,645,774	82,695,329	83,951,482	87,646,745
Expenditures										
Instruction										
Regular Instruction	26,430,745	26,403,174	26,505,107	27,492,007	27,085,718	28,637,463	32,334,011	29,815,527	30,033,781	30,310,611
Special education instruction	9,389,873	9,339,686	10,724,164	11,382,338	13,785,767	14,990,423	15,480,392	15,116,239	13,837,334	14,511,674
Other instruction	2,817,251	2,617,808	2,282,624	2,869,680	3,583,771	3,494,841	3,677,151	3,622,439	3,324,796	3,255,797
School Sponsored Activities and Athletics	1,015,167	825,929	700,073	803,954	850,381	848,570	971,846	994,207	933,868	877,831
Support Services:										
Tuition										
Student & inst. related services	9,398,914	9,035,419	9,448,777	10,114,041	9,312,948	9,919,284	12,063,376	12,015,077	11,893,613	14,158,521
General and business admin. Services	1,968,586	1,441,404	1,745,089	1,507,069	1,517,897	1,825,709	1,469,000	1,745,772	1,547,913	2,065,906
School administrative services	3,238,946	3,083,084	2,677,005	3,519,150	3,735,813	4,377,576	4,503,030	3,861,723	4,220,873	3,945,722
Central Services	1,222,063	1,335,782	1,264,123	1,264,821	1,496,819	1,620,809	1,642,353	1,666,761	1,686,049	1,614,870
Administrative Information Technology										
Plant operations and maintenance	6,405,593	5,582,930	6,338,353	6,430,743	6,166,399	5,983,038	5,153,973	5,079,217	5,126,271	5,365,931
Pupil transportation	2,965,697	2,872,129	2,883,257	3,103,721	3,859,967	3,893,670	4,170,734	4,528,853	4,212,132	3,024,355
Other support services										
Capital outlay	1,689,227	428,026	2,256,823	1,744,612	4,180,445	3,638,726	1,062,747	1,486,153	1,942,545	690,925
Debt service:										
Principal	1,579,408	1,941,825	2,125,700	2,062,132	2,086,315	1,998,200	2,721,270	2,426,540	2,482,679	2,420,170
Interest and other charges	1,084,745	794,468	669,759	660,164	609,621	535,946	479,445	447,326	369,138	296,907
Total expenditures	69,206,215	65,701,664	69,620,854	72,954,432	78,271,861	81,764,255	85,729,328	82,805,834	81,610,992	82,539,220
Excess (Deficiency) of revenues over (under) expenditures	(1,901,012)	3,370,184	(417,485)	(1,628,635)	(2,302,364)	(4,978,720)	(6,083,554)	(110,505)	2,340,490	5,107,525
Other Financing sources (uses)										
Proceeds from Bonds	1,076,000	14,970,000								
Premium on Bonds		2,125,822								
Payment to Refunding Bond Escrow Agent	(1,006,000)	(16,802,627)								
Sale of property										
Contributions										
Capital Leases	473,606	124,549	1,568,020		342,015	1,430,762	4,072,491	416,833		-
Transfers in	303,386		4,033	2,497,255	882,644	28,270	2,372		654,234	572,839
Transfers out	(303,386)		(4,033)	(2,497,255)	(882,644)	(28,270)	(2,372)		(654,234)	(468,000)
Total other financing sources (uses)	543,606	417,744	1,568,020	-	342,015	1,430,762	4,072,491	416,833	-	104,839
Net change in fund balances	\$ (1,357,406)	\$ 3,787,928	\$ 1,150,535	\$ (1,628,635)	\$ (1,960,349)	\$ (3,547,958)	\$ (2,011,063)	\$ 306,328	\$ 2,340,490	\$ 5,212,364
Debt service as a percentage of noncapital expenditures	3.95%	4.19%	4.15%	3.82%	3.64%	3.24%	3.78%	3.53%	3.58%	3.32%

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

Fiscal Year Ended June 30,	<u>Tuition</u>	<u>Interest on Investments</u>	<u>Cancelled O/S Checks</u>	<u>Cancellation of Prior Year Payables</u>	<u>E-Rate Rebates</u>	<u>Rentals</u>	<u>Refunds</u>	<u>Transportation Fees</u>	<u>Miscellaneous</u>	<u>Total</u>
2012	\$ 7,563	\$ 35,030		\$ 295,175		\$ 203,215		\$ 187,292	\$ 77,358	\$ 805,633
2013	182,373	75,350		367,073	\$ 14,070	193,691	\$ 210,530	132,634	88,394	1,264,115
2014	123,452	95,166	\$ 89,102	197,289	-	320,918	27,414	201,761	65,373	1,120,475
2015	160,956	56,074	-	-	-	429,985	19,169	183,692	101,399	951,275
2016	243,932	52,265	28,132	193,429	12,900	302,845	43,065	164,290	87,259	1,128,117
2017	797,879	30,911		295,716		369,475	74,157	212,403	278,015	2,058,556
2018	699,061	36,524	8,363	101,698		330,858		251,750	108,315	1,536,569
2019	657,847	52,134				511,243		283,486	105,905	1,610,615
2020	792,900	59,606		236,875		296,845	48,837	231,132	249,051	1,915,246
2021	807,958	21,477		299,258		58,965	6,614	41,926	383,197	1,619,395

ENGLEWOOD BOARD OF EDUCATION
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS
 (Unaudited)

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Tax-Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2012	\$ 24,427,300	\$ 3,110,880,500	\$ 785,499,300	\$ 245,027,000	\$ 179,209,900	\$ 4,345,044,000	\$ 8,719,781	\$ 4,353,763,781	\$ 633,731,600	\$ 5,030,140,011	\$ 1.128
2013	38,585,500	3,117,371,100	764,537,400	239,773,400	178,900,000	4,339,167,400	7,106,119	4,346,273,519	633,818,400	4,916,498,238	1.144
2014	41,609,500	3,103,856,500	756,710,500	242,531,500	177,144,200	4,321,852,200	6,615,913	4,328,468,113	634,876,700	4,742,307,048	1.168
2015	42,039,900	3,120,437,300	752,236,900	241,394,800	175,187,900	4,331,296,800	6,772,340	4,338,069,140	632,317,600	4,729,270,577	1.184
2016	39,584,900	3,131,452,500	749,430,700	240,535,000	217,627,500	4,378,630,600	100	4,378,630,700	599,048,200	4,790,712,545	1.193
2017	36,825,600	3,127,131,000	754,651,000	237,852,200	259,745,000	4,416,204,800		4,416,204,800	594,119,200	4,893,708,466	1.203
2018	33,139,500	3,147,176,400	758,211,900	237,550,300	259,745,000	4,435,823,100		4,435,823,100	600,090,000	5,031,924,323	1.232
2019	38,783,300	3,150,605,200	750,175,300	240,664,800	259,224,100	4,439,452,700		4,439,452,700	625,562,600	5,079,359,282	1.265
2020	37,379,500	3,156,045,000	782,849,600	250,878,900	259,203,200	4,486,356,200		4,486,356,200	627,172,500	5,213,280,390	1.256
2021	43,168,100	3,155,461,400	687,285,500	252,385,300	349,203,200	4,487,503,500		4,487,503,500	629,348,400	5,249,573,038	1.301

Source: County Abstract of Ratables

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

Calendar Year	Total Direct School Tax Rate	Overlapping Rates		Total Direct and Overlapping Tax Rate
		City of Englewood	County of Bergen	
2012	\$ 1.128	\$ 1.081	\$ 0.156	\$ 2.365
2013	1.144	1.078	0.255	2.477
2014	1.168	1.092	0.254	2.514
2015	1.184	1.090	0.261	2.535
2016	1.193	1.096	0.269	2.558
2017	1.203	1.163	0.275	2.641
2018	1.232	1.214	0.276	2.722
2019	1.265	1.247	0.277	2.789
2020	1.256	1.271	0.288	2.815
2021	1.301	1.295	0.294	2.890

Source: County Abstract of Ratables

**ENGLEWOOD BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2021		2012	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
CPUS%Strategic Nat'l Prop.Tax.Adv. Englewood Redevelopment	\$ 90,000,000	2.01%	\$ 90,000,000	2.04%
HSRE-EB Englewood LLC	45,450,000	1.01%		
Englewood Terrace LLC	42,300,000	0.94%		
SHG Englewood South I LLC	40,560,000	0.90%	26,272,000	0.60%
SHG Englewood South II LLC	27,339,700	0.61%	22,408,000	0.51%
SHG Englewood South III LLC	23,318,700	0.52%		
S Van Brunt Invest, LLC			19,540,400	0.44%
Mistral Realty Holdings II LLC	19,540,400	0.44%		
Treeco Palisades Court	15,342,500	0.34%		
Englewood Village LLC	15,000,000	0.33%	16,173,000	0.37%
Rockwood Property Holding, LLC	14,500,000	0.32%	16,000,000	0.36%
45-53 West Palisade Ave LLC			16,500,000	0.37%
SH729-744 LLC			14,250,000	0.32%
Seol Shik Poom, Inc.			13,658,000	0.31%
Englewood Terrace LLC			13,500,000	
	<u>\$ 333,351,300</u>	<u>7.43%</u>	<u>\$ 248,301,400</u>	<u>5.32%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2012	\$ 48,847,651	\$ 48,804,380	99.91%	\$ 43,271
2013	49,345,285	47,233,179	95.72%	2,112,106
2014	50,081,835	47,908,349	95.66%	2,173,486
2015	50,941,837	50,941,837	100.00%	
2016	51,868,795	47,474,573	91.53%	4,394,222
2017	52,594,914	52,594,914	100.00%	
2018	53,608,089	52,655,113	98.22%	952,976
2019	55,634,089	50,997,915	91.67%	4,636,174
2020	56,704,383	51,979,018	91.67%	4,725,365
2021	57,802,505	57,802,505	100.00%	

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

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		<u>Total District</u>	<u>Population</u>	<u>Per Capita</u>
	<u>General Obligation Bonds</u>	<u>Capital Leases/Lease Purchase Agreements</u>			
2012	\$ 19,059,000	\$ 568,602	\$ 19,627,602	27,671	\$ 709
2013	16,934,000	486,325	17,420,325	27,744	628
2014	15,399,000	1,463,645	16,862,645	28,083	600
2015	13,826,000	974,513	14,800,513	28,157	526
2016	12,215,000	736,975	12,951,975	28,116	461
2017	10,905,000	1,479,537	12,384,537	28,617	433
2018	9,545,000	4,190,758	13,735,758	28,512	482
2019	8,125,000	3,464,424	11,589,424	28,404	408
2020	6,640,000	2,466,745	9,106,745	28,278	322
2021	5,095,000	1,591,575	6,686,575	28,278 (E)	236

Source: District records

(E) Estimated

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2012	\$ 19,059,000		\$ 19,059,000	0.44%	\$ 689
2013	16,934,000	\$ 172,374	16,761,626	0.39%	604
2014	15,399,000	172,385	15,226,615	0.35%	542
2015	13,826,000	86,198	13,739,802	0.32%	488
2016	12,215,000		12,215,000	0.28%	434
2017	10,905,000		10,905,000	0.25%	381
2018	9,545,000		9,545,000	0.22%	335
2019	8,125,000		8,125,000	0.18%	286
2020	6,640,000		6,640,000	0.15%	235
2021	5,095,000		5,095,000	0.11%	180

Source: District records

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

	<u>Total Debt</u>
Municipal Debt:	
City of Englewood	\$ 87,815,872
Englewood Board of Education (June 30, 2021)	<u>5,095,000</u>
	<u>92,910,872</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	42,556,645
Bergen County Utilities Authority - Wastewater (B)	<u>47,294,612</u>
	<u>89,851,257</u>
 Total Direct and Overlapping Debt	 <u><u>\$ 182,762,129</u></u>

Source:
Borough of Englewood's 2020 Annual Debt Statement
County of Bergen's 2020 Annual Debt Statement
Bergen County Utilities Authority's 2020 Annual Audit

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

ENGLEWOOD BOARD OF EDUCATION
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2021

	Equalized valuation basis
	2020 \$ 5,189,538,693
	2019 5,115,166,148
	2018 5,037,273,563
	<u>\$15,341,978,404</u>
Average equalized valuation of taxable property	\$ 5,113,992,801
Debt limit (4% of average equalization value)	204,559,712
Total Net Debt Applicable to Limit	<u>5,095,000</u>
Legal debt margin	<u>\$ 199,464,712</u>

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt limit	\$ 212,706,117	\$ 203,831,896	\$ 194,951,596	\$ 189,995,581	\$ 187,636,471	\$ 188,924,496	\$ 192,834,298	\$ 197,415,995	\$ 201,518,801	\$ 204,559,712
Total net debt applicable to limit	<u>17,679,000</u>	<u>15,890,000</u>	<u>14,700,000</u>	<u>13,475,000</u>	<u>12,215,000</u>	<u>10,905,000</u>	<u>9,545,000</u>	<u>8,125,000</u>	<u>6,640,000</u>	<u>5,095,000</u>
Legal debt margin	<u>\$ 195,027,117</u>	<u>\$ 187,941,896</u>	<u>\$ 180,251,596</u>	<u>\$ 176,520,581</u>	<u>\$ 175,421,471</u>	<u>\$ 178,019,496</u>	<u>\$ 183,289,298</u>	<u>\$ 189,290,995</u>	<u>\$ 194,878,801</u>	<u>\$ 199,464,712</u>
Total net debt applicable to the limit as a percentage of debt limit	8.31%	7.80%	7.54%	7.09%	6.51%	5.77%	4.95%	4.12%	3.29%	2.49%

Source: Annual Debt Statements

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

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2012	27,671	\$ 72,152	9.4%
2013	27,744	71,679	7.6%
2014	28,083	74,452	5.8%
2015	28,157	77,666	5.1%
2016	28,116	79,145	4.5%
2017	28,617	81,483	4.3%
2018	28,512	85,951	4.3%
2019	28,404	89,456	3.2%
2020	28,278	N/A	10.0%
2021	28,278 (E)	N/A	N/A

Source: New Jersey State Department of Education

(E) Estimate

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

<u>Employer</u>	<u>2021</u>		<u>2012</u>	
	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION NOT AVAILABLE

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

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Instruction										
Regular	216.0	225.0	251.0	256.0	262.0	257.0	252.0	241.0	239.0	234.0
Special Education	109.0	118.0	147.0	42.0	41.0	46.0	47.0	55.0	53.0	56.0
Support Services:										
Student & instruction related services	66.0	73.0	27.0	51.0	62.0	61.0	59.0	57.0	57.0	57.0
School administrative services	23.0	28.0	25.0	25.0	14.0	14.0	14.0	14.0	15.0	15.0
General and business administrative services	17.0	16.0	18.0	22.0	18.0	17.0	16.0	16.0	16.0	16.0
Plant operations and maintenance	18.0	19.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0
Pupil transportation	16.0	17.0	5.0	5.0	5.0	5.0	5.0	5.0	4.0	3.0
Food Service										
Total	<u>465.0</u>	<u>496.0</u>	<u>475.0</u>	<u>403.0</u>	<u>404.0</u>	<u>402.0</u>	<u>395.0</u>	<u>390.0</u>	<u>385.0</u>	<u>382.0</u>

Source: District Personnel Records

ENGLEWOOD BOARD OF EDUCATION
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 (Unaudited)

Teacher/Pupil Ratio

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Elementary	Middle School	High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2012	3,002	\$ 64,852,835	\$ 21,603	5.09%	N/A	N/A	N/A	N/A	2,922.4	2,748.4	1.86%	94.05%
2013	2,991	62,537,345	20,909	-3.22%	306	1:9	1:12	1:9	2,999.7	2,827.4	2.65%	94.26%
2014	3,050	64,568,572	21,170	1.25%	311	1:10	1:8	1:10	3,050.4	2,860.8	1.69%	93.78%
2015	3,084	68,487,524	22,207	4.90%	320	1:10	1:8	1:12	3,019.5	2,908.6	-1.01%	96.33%
2016	3,110	71,395,480	22,957	3.37%	303	1:10	1:8	1:11	3,103.7	2,909.9	2.79%	93.76%
2017	3,100	75,591,383	24,384	6.22%	303	1:10	1:8	1:11	3,086.3	2,900.5	-0.56%	93.98%
2018	3,010	81,465,866	27,065	10.99%	299	1:10	1:8	1:11	3,008.9	2,823.8	-2.51%	93.85%
2019	3,021	78,445,815	25,967	-4.06%	299	1:9	1:10	1:10	2,994.9	2,812.8	-0.47%	93.92%
2020	2,997	76,816,630	25,631	-1.29%	292	1:9	1:10	1:10	2,980.9	2,980.9	-0.47%	100.00%
2021	2,572	79,131,218	30,766	20.04%	290	1:9	1:10	1:10	2,571.9	2,418.6	-13.72%	94.04%

Sources: District records

(b) Operating expenditures equal total expenditures less debt service and capital outlay

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
District Building										
<u>Elementary</u>										
Quarles Elementary (1958)										
Square Feet	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	385	438	450	466	487	487	399	428	423	414
Cleveland/McCloud Elementary (1935)										
Square Feet	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000
Capacity (students)	550	550	550	550	550	550	550	550	550	550
Enrollment	564	569	563	549	553	553	570	595	569	541
Lincoln/Grieco Elementary (1915)										
Square Feet	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000
Capacity (students)	600	600	600	600	600	600	600	600	600	600
Enrollment	541	574	579	589	606	606	598	381	346	354
Liberty Elementary (1901)										
Square Feet	41,150	41,150	41,150	41,150	41,150					
Capacity (students)	60	60	60	60	60					
Enrollment	-	-	-	-	-					
<u>Middle School</u>										
Janis Dismus School (1968)										
Square Feet	94,680	94,680	94,680	94,680	94,680	94,680	94,680	94,680	94,680	94,680
Capacity (students)	700	700	700	700	700	700	700	700	700	700
Enrollment	404	388	386	412	422	422	361	574	572	562
<u>Senior High School</u>										
High School (1931)										
Square Feet	203,100	203,100	203,100	203,100	203,100	203,100	203,100	203,100	203,100	203,100
Capacity (students)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	1,038	1,085	1,002	1,068	1,064	1,064	1,082	1,043	1,042	1,026
<u>Vince Lombardi Learning Center</u>										
High School (1931)										
Square Feet	31,000	31,000	31,000	31,000	31,000					
Capacity (students)										
Enrollment										
Number of Schools at June 30, 2021										
Elementary =	4									
Middle School =	1									
Senior High School =	1									
Other =	0									

Source: District Records

ENGLEWOOD BOARD OF EDUCATION
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)

<u>School Facilities</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Quarles Elementary	\$ 75,683	\$ 50,776	\$ 58,390	\$ 54,854	\$ 54,356	\$ 59,558	\$ 47,749	\$ 40,137	\$ 45,716	\$ 49,736
McCloud Elementary	60,548	40,621	46,712	96,502	95,627	104,777	84,003	70,611	80,426	87,498
Grieco Elementary	83,252	55,853	64,228	92,440	91,601	100,365	80,466	67,638	77,039	83,814
Liberty School	68,115	45,698	52,550					-	-	-
Middle School	151,368	101,552	116,779	96,177	95,305	104,424	83,720	70,373	80,155	87,203
High School	279,404	187,451	212,616	192,232	196,788	219,004	179,590	150,960	171,942	187,060
Vince Lombardi Center	38,467	25,807	32,620	31,490	-	-	27,412	23,042	26,244	28,552
Total School Facilities	\$ 756,837	\$ 507,758	\$ 583,895	\$ 563,695	\$ 533,677	\$ 588,128	\$ 502,940	\$422,761	\$ 481,522	\$ 523,863

Source: District Records

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

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Blanket Real and Personal Property (All Locations)		
Limits of Liability per occurrence	\$ 500,000,000	\$ 5,000
Blanket Extra Expense	50,000,000	5,000
Blanket Valuable Papers	10,000,000	5,000
Flood Zones - Per Occurrence	75,000,000	
Earthquake - Per Occurrence	50,000,000	
Terrorism - Aggregate	1,000,000	
Comprehensive General Liability	16,000,000	1,000
Automobile Liability	16,000,000	1,000
Workers Compensation	Statutory	
Cyber Liability	10,000,000	25,000
Public Employee Dishonesty Faithful Performance Bond	500,000	1,000
Theft, Disappearance and Destruction	50,000	1,000
Forgery or Alteration	25,000	500
Surety Bonds (2)		
Treasurer of School Monies	350,000	
School Business Administrator/Board Secretary	140,000	

- (1) New Jersey School Boards Association Insurance Group
(2) Hartford Fire Insurance Company

Source: District's records

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
RALPH M. PICONE, III, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Englewood Board of Education
Englewood, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Englewood Board of Education as of and for the fiscal year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Englewood Board of Education's basic financial statements and have issued our report thereon dated February 25, 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Englewood Board of Education in a separate report entitled, “Auditor’s Management Report on Administrative Findings – Financial, Compliance and Performance” dated February 25, 2022.

Purpose of this Report

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

Lerch, Vinci & Higgins, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
February 25, 2022



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE
U.S. UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE AS
REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Englewood Board of Education
Englewood, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Englewood Board of Education's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Englewood Board of Education's major federal and state programs for the fiscal year ended June 30, 2021. The Englewood Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Englewood Board of Education's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, U.S. Uniform Guidance and New Jersey Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Englewood Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

Management of the Englewood Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Englewood Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Englewood Board of Education's internal control over compliance.

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

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

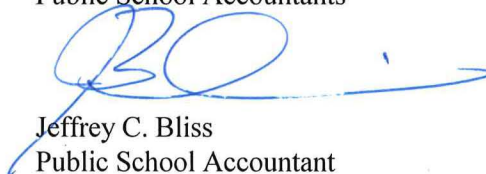
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Englewood Board of Education, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated February 25, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

LERCH, VINCI & HIGGINS, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
February 25, 2022

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

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2020		Due to Grantor	Accounts Receivable Carryover Amount	Deferred Revenue Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments Accounts Receivable	Adjustments Deferred Revenues	Cancelled Prior Year Exp/AP	Refund of Prior Year's Balance	Balance, June 30, 2021		Due to Grantor	MEMO GAAP Receivable		
						(Accounts Receivable)	Deferred Revenue										(Account Receivable)	Deferred Revenue				
U.S. Department of Agriculture																						
Passed-through State Department of Education																						
National School Lunch Program	10.555		N/A																			
Cash Assistance		211NJ04N1099		7/1/20-6/30/21	\$ 597,557						\$ 531,852	\$ 597,557						\$ (65,705)		\$ (65,705)		
Cash Assistance - PB Lunch		201NJ04N1099		7/1/19-6/30/20	844,948	\$ (63,266)					63,266											
		201NJ04N1099		7/1/19-6/30/20	20,917	(1,291)					1,291											
Non-Cash Assistance (Food Distribution)		211NJ04N1099		7/1/20-6/30/21	71,356						71,356	67,367						\$ 3,989				
School Breakfast program	10.553	211NJ04N1099		7/1/20-6/30/21	309,993						272,657	309,993						(37,336)		(37,336)		
School Breakfast program	10.553	201NJ04N1099		7/1/19-6/30/20	302,206	(40,579)					40,579											
Total U.S. Department of Agriculture/Child Nutrition Cluster																						
					(105,136)						981,001	974,917						(103,041)	3,989	(103,041)		
U.S. Department of Health and Human Services																						
General Fund																						
Medicaid Assistance Program-	93.778	2005N5MAP	N/A	7/1/20-6/30/21	172,466						172,466	172,466										
U.S. Department of Education																						
Passed-through State Department of Education																						
Special Revenue Fund																						
I.D.E.L.A Part B, Basic Regular	84.027	H027A200100	FT-3870-21	7/1/20-9/30/21	1,160,590				\$ (695,580)	\$ 695,580	741,726	825,609						(1,114,444)	\$ 1,030,561		(83,883)	
I.D.E.L.A Part B, Basic Regular	84.027	H027A190100	FT-3870-20	7/1/19-6/30/20	1,061,157	(847,715)	\$ 695,580		695,580	(695,580)	152,135											
I.D.E.L.A Part B, Basic Regular	84.027	H027A160100	FT-3870-17	7/1/16-6/30/17	1,046,436																	
I.D.E.L.A Prechool	84.173	H173A200114	PS-3870-21	7/1/20-9/30/21	41,354		2,550		(2,550)	2,550	41,354	41,354						(2,550)	2,550			
I.D.E.L.A Prechool	84.173	H173A190114	PS-3870-20	7/1/19-6/30/20	40,799	(2,550)	2,550		2,550	(2,550)												
Special Education Cluster(IDEA)																						
					(850,265)	698,130					955,215	866,963						(1,116,994)	1,033,111		(83,883)	
NCLB/ESEA																						
Title II	84.365	S365A200030	ESEA-3510-21	7/1/20-9/30/21	58,475				(62,570)	80,974		8,241						(121,045)	131,208			
Title III	84.365	S365A190030	ESEA-3510-20	7/1/19-6/30/20	54,635	(62,570)	80,974		62,570	(80,974)												
Title III	84.365	S365A170030	ESEA-3510-18	7/1/17-6/30/18	50,186		\$ 162									\$ 162						
Title III	84.365	S365A160030	NCLB-3510-17	7/1/16-6/30/17	78,598																	
Title III Immigrant	84.365	S365A200030	ESEA-3510-21	7/1/20-9/30/21	18,771				(7,656)	7,656								(6,427)	26,427			
Title III Immigrant	84.365	S365A190030	ESEA-3510-20	7/1/19-6/30/20	11,051	(8,553)	7,656		7,656	(7,656)	897											
Title III Cluster						(71,123)	88,630	162			897	8,241						(147,472)	157,635			
Title I	84.010	S010A200030	ESEA-3510-20	7/1/20-9/30/21	788,862				(403,665)	403,665	206,329	584,447						(886,298)	608,180		(278,118)	
Title I	84.010	S010A190030	ESEA-3510-19	7/1/19-6/30/20	859,157	(567,640)	403,665		403,665	(403,665)	163,975											
Title I	84.010	S010A170030	ESEA-3510-18	7/1/17-6/30/18	853,589		10,206									10,206						
Title I	84.010	S010A160030	NCLB-3510-17	7/1/16-6/30/17	821,205																	
Title I SIA	84.010	S2010A200030	ESEA-3510-20	7/1/20-9/30/21	48,600				(29,881)	52,520		74,924			\$ 6,100			(78,481)	32,096		(46,385)	
Title I SIA	84.010	S2010A190030	ESEA-3510-19	7/1/19-6/30/20	27,600	(29,881)	52,520		29,881	(52,520)												
Title I Reallocated	84.01	S2010A210030	ESEA-3510-21	7/1/20-9/30/21	42,009						20,069	25,018						(22,020)	17,071		(4,949)	
Title I Reallocated	84.01	S2010A200030	ESEA-3510-20	7/1/19-6/30/20	26,444	(26,444)	19,604				6,840				19,604	(19,604)						
Title I Reallocated	84.010	S2010A190030	ESEA-3510-19	7/1/19-6/30/19	42,504	(22,264)												(22,264)			(22,264)	
Title I Cluster						(646,229)	475,589	10,206			497,213	684,389	19,604.00	(13,504.00)			10,206	(1,009,063)	657,347		(351,716)	
Title II A	84.367A	S367A200029	NCLB-3510-21	7/1/20-9/30/21	186,383				(110,613)	110,613	60,108	112,816						(236,888)	184,180		(52,708)	
Title II A	84.367A	S367A190029	NCLB-3510-20	7/1/19-6/30/20	164,506	(144,783)	110,613		110,613	(110,613)	34,170											
Title II A	84.367A	S367A160029	NCLB-3510-17	7/1/16-6/30/17	161,087																	
Title II A Cluster																						
						(144,783)	110,613				94,278	112,816						(236,888)	184,180		(52,708)	
IDEA Basic -ARRA	84.391		ARRA-3510-10	9/1/09-8/31/11	1,206,507	(5,282)												(5,282)			(5,282)	
IDEA Preschool -ARRA	84.392		ARRA-3510-10	9/1/09-8/31/11	43,487	(482)												(482)			(482)	
Elementary and Secondary School Emergency Relief Fund (Eser)																						
ESSER I - CARES Emergency Relief Grant																						
ESSER I - Coronavirus Supplemental Approp	84.425D	S425D200027	N/A	3/13/20-9/30/22	632,135	(632,135)	632,135				369,861	553,173						(262,274)	78,962		(183,312)	
ESSER I - Learning Acceleration	84.425D	S425D200027	N/A	3/13/20-9/30/23	2,885,751														(2,885,751)	2,585,751		
ESSER I - Mental Health	84.425D	S425D200027	N/A	3/13/20-9/30/23	165,940														(165,940)	165,940		
Total Elementary and Secondary School Emergency Relief Fund (Easer)																						
						(632,135)	632,135				369,861	553,173						(5,858,965)	2,875,653		(183,312)	
Passed through County of Bergen																						
Bergen County Care Act	21.019	S425D200027	N/A	7/1/20-12/30/20	189,641						189,641	188,445								1,196		
Coronavirus Relief Fund Grant	21.019	S425D200027	N/A	3/13/20-12/30/21	316,063						316,063	315,656								407		
Non Public Digital Divide CARES Act	21.019	S377A200027	N/A	7/1/20-10/31/20	71,341						69,350								(71,341)	1,991		(69,350)
Total Coronavirus Relief Fund Grant (CARES Cluster)																						
											505,704	573,451						(71,341)	3,594		(69,350)	
Proiect Inace	84.295B			9/1/11-8/31/12	269,870	(28,122)													(28,122)		(28,122)	
Perkins Grant	84.048A	V048A190030	PERK-3510-20	7/1/20-6/30/21																		
Perkins Grant	84.048A	V048A180030	PERK-3510-19	7/1/18-6/30/19	35,623		3,408													3,408		
Perkins Grant	84.048A	V048A170030	PERK-3510-18	7/1/17-6/30/18	31,990		3,695													3,695		
Total U.S. Department of Education																						
					(2,378,421)	2,005,097	17,471				2,405,168	2,799,033	19,604	(13,504)		17,471		(5,674,609)	4,911,520		(774,855)	
Total Federal Awards																						
					\$ (2,485,557)	\$ 2,005,097	\$ 17,471	\$ -	\$ -	\$ -	\$ 3,556,635	\$ 3,946,416	\$ 19,604	\$ (13,504)	\$ -	\$ 17,471	\$ (5,777,630)	\$ 4,915,502	\$ -	\$ (877,896)		

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2020			Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Refund of Prior Years' Balances	Balance, June 30, 2021			Memo	
				(Accounts Receivable)	Deferred Revenue	Due to Grantor						(Accounts Receivable)	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education																
General Fund:																
School Choice Aid	21-495-034-5120-068	7/1/20-6/30/21	\$ 4,423,290					\$ 4,049,529	\$ 4,423,290			\$ (373,761)			\$ 4,423,290	
School Choice Aid	20-495-034-5120-068	7/1/19-6/30/20	\$ 4,355,820	\$ (366,215)				366,215							-	
Categorical Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	2,252,113					2,061,813	2,252,113			(190,300)			2,252,113	
Categorical Special Education Aid	20-495-034-5120-089	7/1/19-6/30/20	2,229,543	(187,449)				187,449							-	
Categorical Security Aid	21-495-034-5120-084	7/1/20-6/30/21	1,201,342					1,099,830	1,201,342			(101,512)			1,201,342	
Categorical Security Aid	20-495-034-5120-084	7/1/19-6/30/20	1,201,342	(101,003)				101,003							-	
Adjustment Aid	21-495-034-5120-085	7/1/20-6/30/21	535,621					490,362	535,621			(45,259)			535,621	
Adjustment Aid	20-495-034-5120-085	7/1/19-6/30/20	535,621	(45,032)				45,032							-	
Total State Aid Public Cluster				(639,699)				8,401,253	8,412,366			(710,832)			8,412,366	
Categorical Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	830,412					760,243	830,412			(70,169)			830,412	
Categorical Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	830,412	(69,817)				69,817							-	
Nonpublic School Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	152,376						152,376			(152,376)		\$ (152,376)	152,376	
Nonpublic School Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	19,284	(19,284)				19,284							-	
Total Transportation Aid Cluster				(89,101)				849,344	982,788			(222,545)			982,788	
Extraordinary Aid	21-495-034-5120-044	7/1/20-6/30/21	1,568,795						1,568,795			(1,568,795)			1,568,795	
Extraordinary Aid	20-495-034-5120-044	7/1/19-6/30/20	868,475	(868,475)				868,475							-	
TPAF Social Security Contribution	21-495-034-5094-003	7/1/20-6/30/21	1,893,629					1,704,156	1,893,629			(189,473)		(189,473)	1,893,629	
TPAF Social Security Contribution	20-495-034-5094-003	7/1/19-6/30/20	1,887,381	(200,345)				200,345							-	
On-Behalf TPAF Contributions																
Pension Benefit Contribution	21-495-034-5094-002	7/1/20-6/30/21	6,756,183					6,756,183	6,756,183						6,756,183	
Pension NCGI Premium	21-495-034-5094-004	7/1/19-6/30/20	128,545					128,545							-	
Post Retirement Medical Contribution	21-495-034-5094-001	7/1/20-6/30/21	2,157,566					2,157,566	2,157,566						2,157,566	
Long-Term Disability Insurance Contrib.	21-495-034-5094-004	7/1/20-6/30/21	4,048					4,048	4,048						4,048	
Total General Fund				(1,857,620)				21,069,895	21,903,920			(2,691,645)			21,903,920	
Special Revenue Fund																
New Jersey Non-Public Aid																
Auxiliary Services																
Compensatory Education	21-100-034-5120-067	7/1/20-6/30/21	17,070					17,070	11,844				\$ 5,226		11,844	
Compensatory Education	20-100-034-5120-067	7/1/19-6/30/20	18,657	(1,866)		\$ 13,790		1,866			\$ 13,790				-	
English as a Second Language	21-100-034-5120-067	7/1/20-6/30/21	10,213					10,213	7,283					2,930	7,283	
English as a Second Language	20-100-034-5120-067	7/1/19-6/30/20	9,265	(1,039)		1,820		1,039			1,820				-	
Home Instruction	21-100-034-5120-067	7/1/20-6/30/21	4,397					4,397				(4,397)		(4,397)	4,397	
Home Instruction	20-100-034-5120-067	7/1/19-6/30/20	4,014	(4,014)				4,014							-	
Total Non Public Aux. Service Aid (Chap. 192) Cluster				(6,919)		15,610		34,202	23,524		15,610	(4,397)		8,156	23,524	
Handicapped Services																
Examination and Classification	21-100-034-5120-066	7/1/20-6/30/21	194,133					194,133	130,602					63,531	130,602	
Examination and Classification	20-100-034-5120-066	7/1/19-6/30/20	145,485	(18,882)		23,768		18,882			23,768				-	
Corrective Speech	21-100-034-5120-066	7/1/20-6/30/21	99,343					99,343	87,312					12,031	87,312	
Corrective Speech	20-100-034-5120-066	7/1/19-6/30/20	98,978	(9,061)		60,335		9,061			60,335				-	
Supplementary Instruction	21-100-034-5120-066	7/1/20-6/30/21	110,899					110,899	97,869					13,030	97,869	
Supplementary Instruction	20-100-034-5120-066	7/1/19-6/30/20	110,089	(12,520)		77,385		12,520			77,385				-	
Total Non Public Hand. Service Aid (Chap. 193) Cluster				(40,463)		161,488		444,838	315,783		161,488			88,592	315,783	
Textbook Aid	21-100-034-5120-064	7/1/20-6/30/21	1,001,187					100,187	73,985					26,202	73,985	
Textbook Aid	20-100-034-5120-064	7/1/19-6/30/20	91,031			16,740					16,740				-	
Textbook Aid	17-100-034-5120-064	7/1/16-6/30/17	102,714												-	
Nursing Services	21-100-034-5120-070	7/1/20-6/30/21	200,124					200,124	198,830					1,294	198,830	
Nursing Services	20-100-034-5120-070	7/1/19-6/30/20	196,522			319					319				-	
Technology Aid	21-100-034-5120-373	7/1/20-6/30/21	61,172					343,350	86,519					256,831	86,519	
Technology Aid	20-100-034-5120-373	7/1/19-6/30/20	343,350			5,752					5,752				-	
Security Aid	21-100-034-5120-509	7/1/20-6/30/21	303,900												-	
Security Aid	20-100-034-5120-509	7/1/19-6/30/20	303,900			244,553					244,553				-	
Preschool Education Aid	21-495-034-5120-086	7/1/20-6/30/21	3,420,282					3,078,254	3,597,474	\$ 468,000		(342,028)	\$ 802,643		3,597,474	
Preschool Education Aid	20-495-034-5120-086	7/1/19-6/30/20	2,702,808	(270,281)	\$ 511,835		\$ 511,835	(511,835)	270,281						-	
Targeted At Risk Aid - 217	08-	7/1/07-6/30/08	817,000												7,790	
Character ED	06-495-034-5120-053	7/1/05-6/30/08	26,494												26,494	
LEADS Grant		7/1/06-6/30/07	41,200												22,589	
Total Special Revenue Fund				(311,663)	568,708	444,462		4,411,236	4,296,115	468,000	444,462	(346,425)	859,516	381,075	4,296,115	

See Accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2020				Cash Received	Budgetary Expenditures	Adjustments	Refund of Prior Years' Balances	Balance, June 30, 2021			Memo	
				(Accounts Receivable)	Deferred Revenue	Due to Grantor	Carryover Amount					(Accounts Receivable)	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
Capital Projects Fund																
NJSDA - DMHS Steam Heating - Phase I Security on Schools	1370-040-14-1002 N/A	3/17/14-6/30/16 7/1/20-6/30/21	\$ 854,951 156,024	\$ (854,951) -	- -	- -	- -	\$ 854,951 -	- \$ 156,024	- -	- -	- \$ (156,024)	- -	- -	\$ (156,024)	\$ 156,024
Total Capital Projects Fund/SDA Cluster				(854,951)	-	-	-	854,951	156,024	-	-	(156,024)	-	-	(156,024)	156,024
Enterprise Fund																
National School Lunch (State Share)	21-100-010-3350-023	7/1/20-6/30/21	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
National School Lunch (State Share)	20-100-010-3350-023	7/1/19-6/30/20	49,545	(34,403)	-	-	-	34,403	-	-	-	-	-	-	-	-
Total Enterprise Fund				(34,403)	-	-	-	34,403	-	-	-	-	-	-	-	-
Total State Financial Assistance Subject to Single Audit Determination				(3,064,637)	\$ 568,708	\$ 444,462	-	26,430,485	26,356,059	\$ 468,000	\$ 444,462	(3,194,094)	\$ 859,516	\$ 381,075	(502,270)	26,356,059
State Financial Assistance Not Subject to Single Audit Determination																
General Fund																
On-Behalf TPAF Contributions																
Pension Benefit Contribution	21-495-034-5094-002	7/1/20-6/30/21	6,756,183	-	-	-	-	(6,756,183)	(6,756,183)	-	-	-	-	-	-	(6,756,183)
Pension NCGI Premium	21-495-034-5094-004	7/1/20-6/30/21	128,545	-	-	-	-	(128,545)	(128,545)	-	-	-	-	-	-	(128,545)
Post Retirement Medical Contribution	21-495-034-5094-001	7/1/20-6/30/21	2,157,566	-	-	-	-	(2,157,566)	(2,157,566)	-	-	-	-	-	-	(2,157,566)
Long-Term Disability Insurance Contrib.	21-495-034-5094-004	7/1/20-6/30/21	4,048	-	-	-	-	(4,048)	(4,048)	-	-	-	-	-	-	(4,048)
Total State Financial Assistance Utilized for Calculation to Determine Major Program				\$ (3,064,637)	\$ 568,708	\$ 444,462	\$ -	\$ 17,384,143	\$ 17,309,717	\$ 468,000	\$ 444,462	\$ (3,194,094)	\$ 859,516	\$ 381,075	\$ (502,270)	\$ 17,309,717

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See Accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance

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

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

The financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on a modified accrual basis with the exception of the revenue recognition of the delayed state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, those payments are not recognized until the subsequent year due to the state deferral and recording of certain state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, which may include the delayed state aid payments, whereas the GAAP basis does not. The special revenue fund also recognizes the delayed state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$711,805 for the general fund and a decrease of \$3,900 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 172,466	\$ 21,192,115	\$ 21,364,581
Special Revenue Fund	2,799,033	3,824,215	6,623,248
Capital Projects Fund		156,024	156,024
Food Service Fund	974,917	-	974,917
	<hr/>	<hr/>	<hr/>
Total Financial Assistance	\$ 3,946,416	\$ 25,172,354	\$ 29,118,770

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

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,893,629 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2021. The amount reported as TPAF Pension System Contributions in the amount of \$6,884,728, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,157,566 and TPAF Long-Term Disability Insurance in the amount of \$4,048 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2021.

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

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits and Long-Term Disability Insurance Contributions payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

NOTE 7 DE MINIMIS INDIRECT COST RATE

The District has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

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

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified? yes X no

2) Significant deficiency(ies) identified that are not considered to be material weaknesses? yes X none reported

Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

Internal Control over major programs:

(1) Material weakness(es) identified? yes X no

2) Significant deficiency(ies) identified that are not considered to be material weaknesses? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance? yes no

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>FAIN Number</u>	<u>Name of Federal Program or Cluster</u>
<u>21.019</u>	<u>S425D200027</u>	<u>Coronavirus Relief Fund</u>
<u>84.425D</u>	<u>S425D200027</u>	<u>CARES Emergency Relief Grant</u>

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

Auditee qualified as low-risk auditee? X yes no

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

Part I – Summary of Auditor’s Results

State Awards Section

Internal Control over major programs:

(1) Material weakness(es) identified? _____ yes X no

2) Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with N.J. Circular Letter 15-08? _____ yes X no

Identification of major state programs:

GMIS Number(s)	Name of State Program
495-034-5120-014	Transportation Aid
495-034-5120-086	Preschool Education Aid
100-034-5120-066	Non Public Handicapped Services

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

Auditee qualified as low-risk auditee? X yes _____ no

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

Part 2 – Schedule of Financial Statement Findings

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

There are none.

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

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

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

CURRENT YEAR FEDERAL AWARDS

There are none.

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

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

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

CURRENT YEAR STATE AWARDS

There are none.

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

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

There were none.