

**SCHOOL DISTRICT  
OF  
THE BOROUGH OF GLEN RIDGE**

**Borough of Glen Ridge School District  
Board of Education  
Glen Ridge, New Jersey**

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2021**

**Comprehensive Annual  
Financial Report**

**of the**

**Borough of Glen Ridge School District  
Board of Education**

**Glen Ridge, New Jersey**

**For the Fiscal Year Ended June 30, 2021**

**Prepared by**

**Borough of Glen Ridge School District  
Board of Education**

**Finance Department**

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
TABLE OF CONTENTS  
FISCAL YEAR ENDED JUNE 30, 2021

INTRODUCTORY SECTION (UNAUDITED)

Letter of Transmittal .....	1
Organizational Chart .....	4
Roster of Officials .....	5
Consultants and Advisors .....	6

FINANCIAL SECTION .....

Independent Auditors' Report .....	8
Required Supplementary Information .....	11
Management's Discussion and Analysis .....	12
Basic Financial Statements (Sections A. and B.).....	20
A. District-Wide Financial Statements .....	21
A-1 Statement of Net Position.....	22
A-2 Statement of Activities .....	23
B. Fund Financial Statements .....	25
B-1 Balance Sheet – Governmental Funds.....	26
B-2 Statement of Revenue, Expenditures and Changes in Fund Balance – Governmental Funds .....	27
B-3 Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	29
B-4 Statement of Net Position – Proprietary Funds .....	30
B-5 Statement of Revenue, Expenses and Changes in Fund Net Position – Proprietary Funds .....	31
B-6 Statement of Cash Flows – Proprietary Funds .....	32
Notes to the Basic Financial Statements .....	33

Required Supplementary Information.....

L. Schedules Related to Accounting and Reporting for Pensions and Postemployment Benefits Other than Pensions .....	76
L-1 Schedule of District's Proportionate Share of the Net Pension Liability – Public Employees Retirement System .....	76
L-2 Schedule of District Contributions – Public Employees Retirement System.....	77
L-3 Schedule of State's Proportionate Share of the Net Pension Liability Associated – with the District Teachers' Pension and Annuity Fund .....	78
L-4 Schedule of State Contributions – Teachers' Pension and Annuity Fund.....	79
L-5 Schedule of District's Proportionate Share of the Net Pension Liability – Board of Education Employees' Pension Fund of Essex County .....	80
L-6 Schedule of District Contributions – Board of Education Employees' Pension Fund of Essex County .....	81
L-7 Schedule of Changes in the State's Proportionate Share of the Total OPEB Liability Associated with the District and Related Ratios .....	82
Notes to Required Supplementary Information .....	83

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
TABLE OF CONTENTS  
FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

FINANCIAL SECTION (Cont'd)

C.	Budgetary Comparison Schedules .....	85
C-1	Budgetary Comparison Schedule – General Fund .....	86
C-2	Combining Budgetary Schedule – Special Revenue Fund.....	98
C-3	Budgetary Comparison Schedule – Note to Required Supplementary Information.....	99

Other Supplementary Schedules (D. - I.)

D.	School Level Schedules (Not Applicable)	
E.	Special Revenue Fund.....	100
E-1	Combining Schedule of Revenue and Expenditures Special Revenue Fund – Budgetary Basis .....	101
E-2	Preschool Education Aid Schedule of Expenditures Special Revenue Fund – Budgetary Basis (Not Applicable)	
F.	Capital Projects Fund .....	103
F-1	Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance .....	104
F-1a	Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Upgrades and Improvements to Forest Avenue School, Linden Avenue School - Ridgewood Avenue School and Glen Ridge High School and the Acquisition and Renovation of the Prior Central School .....	105
G.	Proprietary Funds .....	106
	Enterprise Funds:	
G-1	Combining Statement of Net Position.....	107
G-2	Combining Statement of Revenue, Expenses and Changes in Fund Net Position .....	108
G-3	Combining Statement of Cash Flows .....	109
H.	Fiduciary Activities (Not Applicable)	
I.	Long-Term Debt.....	110
I-1	Schedule of Serial Bonds .....	111
I-2	Schedule of Obligations Under Capital Leases (Not Applicable)	
I-3	Debt Service Fund Budgetary Comparison Schedule .....	112

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
TABLE OF CONTENTS  
FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

STATISTICAL SECTION (Unaudited)

J.	Statistical Section (Unaudited).....	113
J-1	Net Position by Component .....	114
J-2	Changes in Net Position .....	115
J-3	Fund Balances- Governmental Funds .....	117
J-4	Changes in Fund Balances- Governmental Funds.....	118
J-5	General Fund Other Local Revenue by Source .....	120
J-6	Assessed Value and Actual Value of Taxable Property .....	121
J-7	Direct and Overlapping Property Tax Rates .....	122
J-8	Principal Property Taxpayers .....	123
J-9	Property Tax Levies and Collections .....	124
J-10	Ratios of Outstanding Debt by Type .....	125
J-11	Ratios of Net General Bonded Debt Outstanding .....	126
J-12	Ratios of Overlapping Governmental Activities Debt .....	127
J-13	Legal Debt Margin Information .....	128
J-14	Demographic and Economic Statistics .....	129
J-15	Principal Employers .....	130
J-16	Full-Time Equivalent District Employees by Function/Program.....	131
J-17	Operating Statistics.....	132
J-18	School Building Information .....	133
J-19	Schedule of Required Maintenance for School Facilities .....	134
J-20	Insurance Schedule.....	135
K.	SINGLE AUDIT SECTION .....	136
K-1	Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performance With <i>Government Auditing Standards</i> .....	137
K-2	Independent Auditors' Report on Compliance For Each Major Federal and State Program and on Internal Control over Compliance .....	139
K-3	Schedule of Expenditures of Federal Awards .....	141
K-4	Schedule of Expenditures of State Awards .....	142
K-5	Notes to the Schedules of Expenditures of Federal and State Awards.....	143
K-6	Schedule of Findings and Questioned Costs .....	145
K-7	Summary Schedule of Prior Audit Findings .....	146

**INTRODUCTORY SECTION  
(UNAUDITED)**



**Glen Ridge Public Schools**  
**BOARD OF EDUCATION**

November 19, 2021

The Honorable President and Members of  
the Board of Education  
Borough of Glen Ridge School District  
County of Essex, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Borough of Glen Ridge School District (the "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 (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations 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, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors' Report, management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected economic and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, is included in the single audit section of this report.

**1) REPORTING ENTITY AND ITS SERVICES:** The Borough of Glen Ridge School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The Borough of Glen Ridge School District 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 services are provided for regular, vocational and special education youngsters. The District completed the 2020-2021 fiscal year with an enrollment of 1,822 students, which is 51 students below the previous year's enrollment.

2) MAJOR INITIATIVES: As part of the referendum of March 2017, the upgrading of HVAC systems at Linden Avenue School, Forest Avenue School and Ridgewood Avenue school continued throughout the school year. In addition, the Ridgewood Avenue School C-Wing roof, Auditorium Roof and Auditorium Rooftop units were replaced. The initiative to upgrade technology continued with new network structure equipment, promethean boards, chrome books and copier replacements.

3) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system 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 awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management.

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

4) 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 a vote of the Board of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

5) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles as promulgated by the GASB. The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.



6) RISK MANAGEMENT: The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. Insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the District's CAFR.

The Board is a member of the Morris Essex Insurance Group (the "Group") and the School Alliance Insurance Fund (the "Fund"). The Group and the Fund are risk-sharing public entity risk pools that are insured and self-administered groups of school boards established for the purpose of providing low-cost insurance coverage for their respective members. Additional information on the Group and the Fund is included in Note 10 to the Basic Financial Statements.

7) OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board's audit committee. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

8) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Glen Ridge Borough School Board 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,

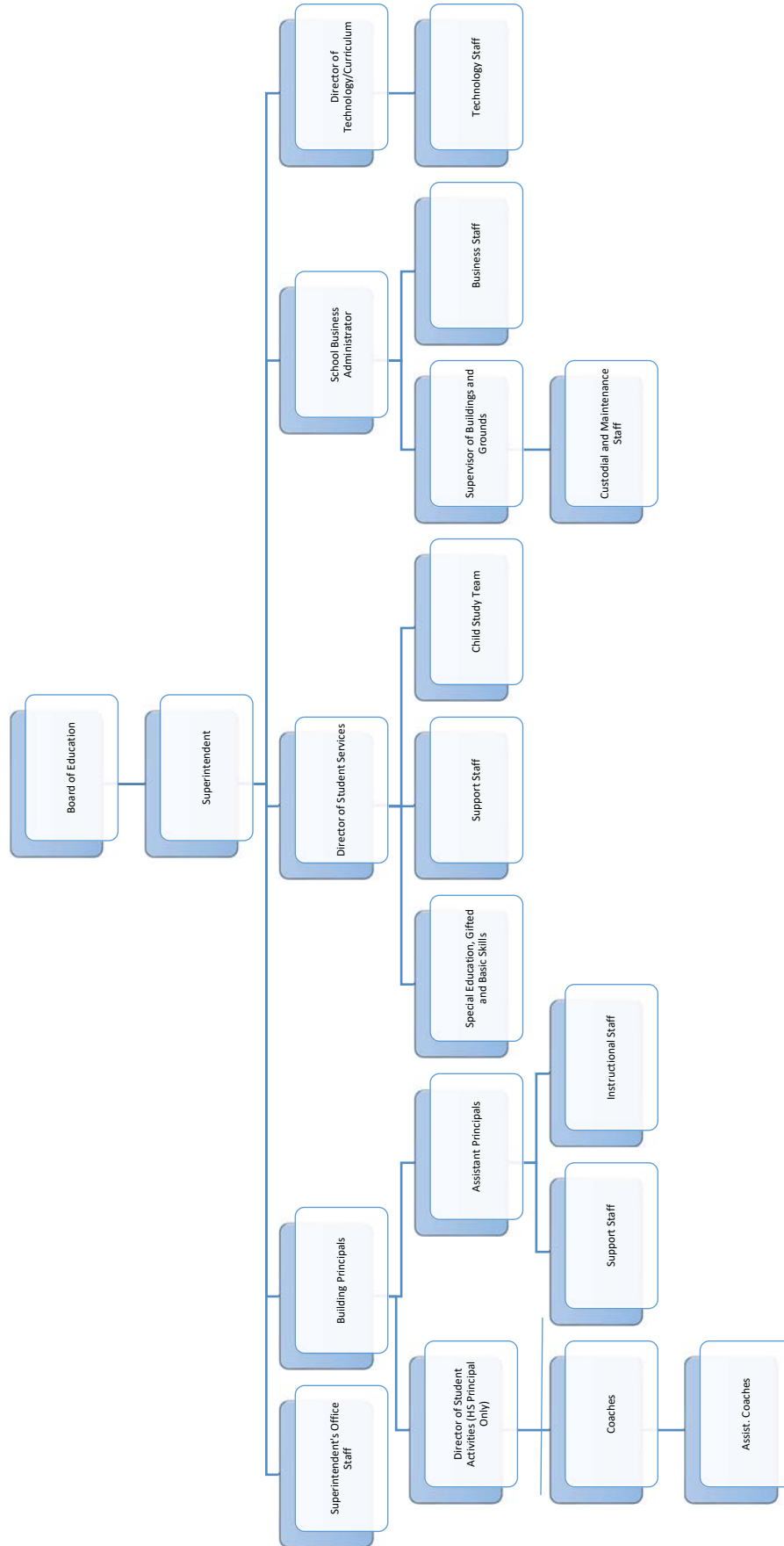


Dirk Phillips  
Superintendent of Schools



Barbara Murphy  
Board Secretary/Business Administrator

# Organizational Chart



**BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
 ROSTER OF OFFICIALS  
 JUNE 30, 2021**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Mrs. Elisabeth Ginsburg, President	2022
Mr. Michael de Leeuw, 1st Vice President	2022
Mr. David Campbell, 2nd Vice President	2021
Mr. Anthony Bonnett	2021
Ms. Teresa Boyle-Vellucci	2021
Ms. Jocelyn Gottlieb	2023
Ms. Duval Graham	2023
Ms. Tracey St. Auburn	2023
Dr. Heather Yaros-Ramos	2022

Other Officials

Title

Dirk Phillips	Superintendent of Schools
Barbara Murphy	School Business Administrator/Board Secretary
John Calavano	Treasurer of School Monies

**BOROUGH OF GLEN RIDGE SCHOOL DISTRICT**  
**Consultants and Advisors**

**Architects**

Design Resource Group, Architects, AIA  
200 Franklin Square Drive #402  
Somerset, NJ 08873

**Audit Firm**

Nisivoccia LLP, CPAs  
Mount Arlington Corporate Center  
200 Valley Road, Suite 300  
Mount Arlington, NJ 07856-1320  
and  
Lawrence Business Park  
11 Lawrence Road  
Newton, NJ 07860

**Attorneys**

Sciarrillo, Cornell, Merlino, McKeever and Osborne  
238 St. Paul Street  
Westfield, NJ 07090

Carlin & Ward  
25A Vreeland Road  
PO Box 751  
Florham Park, NJ 07932

Wilentz Attorneys at Law  
90 Woodbridge Center Drive  
Suite 900 Box 10  
Woodbridge, NJ 07095-0958

**Official Depositories**

Investors Bank  
347 Broad Street  
Bloomfield, NJ 07003

Blue Foundry Bank  
222 Ridgewood Avenue  
Glen Ridge, NJ 07028

PNC Bank  
975 Bloomfield Avenue  
Glen Ridge, NJ 07028

**FINANCIAL SECTION**

## Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Borough of Glen Ridge School District  
County of Essex, New Jersey

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Borough of Glen Ridge School District (the "District") in the County of Essex, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditors' Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe 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 School District, 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***

As discussed in Note 18 to the basic financial statements, the District implemented Governmental Accounting Standards Board (“GASB”) Statement No. 84, *Fiduciary Activities*, during the fiscal year ended June 30, 2021. Our opinions are not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, which follows this report, the pension and post-employment benefits schedules in Exhibits L-1 through L-7 and the related notes and the budgetary comparison information in Exhibits C-1 through C-3 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 District’s basic financial statements. The accompanying other supplementary schedules and the schedules of expenditures of federal and state 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*; and New Jersey’s OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and the other information, such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying other supplementary schedules and the schedules of expenditures of federal and state awards 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 other supplementary schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Honorable President and Members  
of the Board of Education  
Borough of Glen Ridge School District  
Page 3

The accompanying other information such as the introductory and statistical sections has 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 it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 District'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 District's internal control over financial reporting and compliance.

Mount Arlington, New Jersey  
November 19, 2021

*Nisivoccia, LLP*  
NISIVOCCIA LLP

*Kathryn L. Mantell*  
\_\_\_\_\_  
Kathryn L. Mantell  
Licensed Public School Accountant #884  
Certified Public Accountant



**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

This section of Borough of Glen Ridge School District’s annual financial report presents its discussion and analysis of the District’s financial performance during the fiscal year ending June 30, 2021. Please read it in conjunction with the transmittal letter at the front of this report and the District’s financial statements, which immediately follow this section.

**Overview of the Financial Statements**

This annual report consists of three parts: management’s discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *District-wide financial statements* that provide both *short-term* and *long-term* information about the District’s *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District’s operations in *more* detail than the District-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food service and after school and summer programs.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District’s budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1  
Organization of the Borough of Glen Ridge School District’s Financial Report**

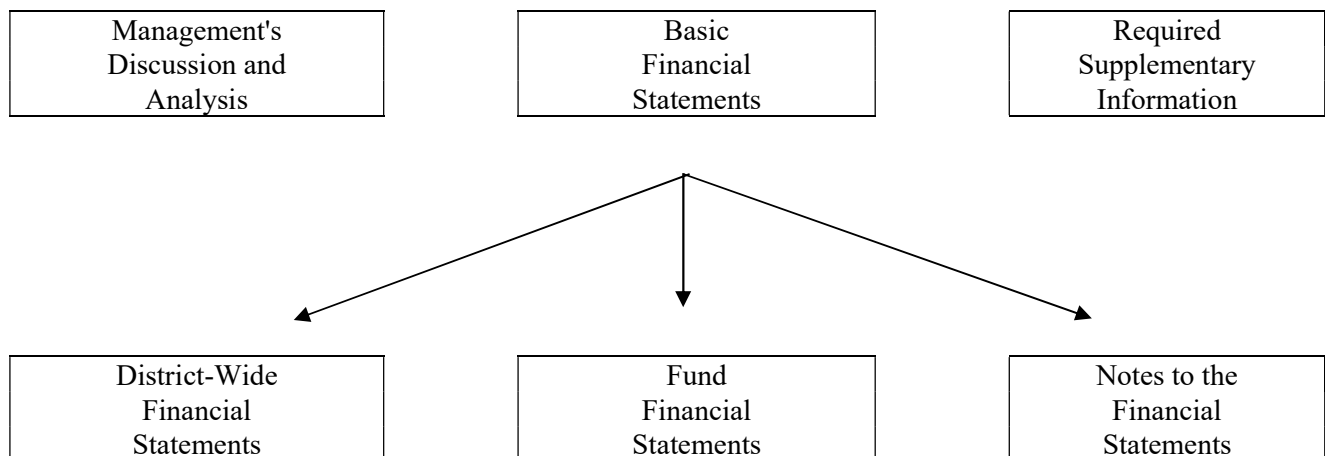


Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and contents of each of the statements.

**BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**Figure A-2**

*Major Features of the District-Wide and Fund Financial Statements*

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire District	The activities of the District that are not proprietary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services and After School and summer Programs
Required Financial Statements	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenue, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of revenue, expenses, and changes in net position</li> <li>• Statement of cash flows</li> </ul>
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid

**BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**District-wide Statements**

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

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

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

In the District-wide financial statements, the District’s activities are divided into two categories:

- *Governmental activities*: Most of the District’s basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities*: The District charges fees to help it cover the costs of certain services it provides. The District’s food service and after school and summer programs are included here.

**Fund Financial Statements**

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

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenue (such as federal grants).

The District has two kinds of funds:

- *Governmental funds*: Most of the District’s basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District’s programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.

**BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

- *Proprietary funds:* Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The District uses *internal service funds* (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The District currently does not maintain any internal service funds.

**Notes to the Basic Financial Statements**

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the fund financial statements.

**Financial Analysis of the District as a Whole**

*Net Position.* The District's combined net position increased by \$1,619,853 or 17.16%. Net position from governmental activities increased by \$1,818,699 and net position from business-type activities decreased by \$198,846. Net investment in capital assets increased by \$561,018, restricted net position increased by \$186,241, and unrestricted/(deficit) net position increased by \$872,594.

**Figure A-3  
Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change 2020/2021
	2020/2021	2019/2020*	2020/2021	2019/2020	2020/2021	2019/2020*	
Current and							
Other Assets	\$ 7,437,662	\$ 7,029,034	\$ 26,466	\$ 223,765	\$ 7,464,128	\$ 7,252,799	
Capital Assets, Net	34,754,083	35,030,729	68,673	74,904	34,822,756	35,105,633	
Total Assets	42,191,745	42,059,763	95,139	298,669	42,286,884	42,358,432	-0.17%
Deferred Outflows of Resources	938,726	1,272,847			938,726	1,272,847	-26.25%
Other Liabilities	966,400	833,891	30,923	35,607	997,323	869,498	
Long-Term Liabilities	28,551,705	30,828,080			28,551,705	30,828,080	
Total Liabilities	29,518,105	31,661,971	30,923	35,607	29,549,028	31,697,578	-6.78%
Deferred Inflows of Resources	2,615,352	2,492,324			2,615,352	2,492,324	4.94%
Net Position:							
Net Investment in							
Capital Assets	11,752,446	11,185,197	68,673	74,904	11,821,119	11,260,101	
Restricted	5,173,091	4,986,850			5,173,091	4,986,850	
Unrestricted/(Deficit)	(5,928,523)	(6,993,732)	(4,457)	188,158	(5,932,980)	(6,805,574)	
Total Net Position	\$ 10,997,014	\$ 9,178,315	\$ 64,216	\$ 263,062	\$ 11,061,230	\$ 9,441,377	17.16%

\* Restated

**BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

*Changes in Net Position.* The District's *combined* net position was \$11,061,230 on June 30, 2021, an increase of \$1,619,853 or 17.16% more than the prior year (See Figure A-3). Net investment in capital assets increased \$561,018 primarily due to capital additions of \$217,618, and the payment of \$1,295,000 in bond principal, offset by \$500,495 in depreciation expense. Restricted net position increased \$186,241 due to net increases in capital reserve of \$100,811, an increase in Unemployment Compensation of \$6,899, increase in Student Activities of \$22,179, and an increase in excess surplus of \$235,206, offset by a net decrease in debt service of \$178,854. Unrestricted/(deficit) net position increased \$872,594 primarily due to primarily due to changes in deferred inflows and outflows related to pensions, a decrease in the net pension liability and an increase in bonded debt associated for completed capital projects, offset by a net increase in long term liabilities other than bonds payable and capital leases. (See Figure A-3).

**Figure A-4  
Changes in Net Position from Operating Results**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2020/2021	2019/2020	2020/2021	2019/2020	2020/2021	2019/2020	2020/2021
Revenue:							
Program Revenue:							
Charges for Services	\$ 547,115	\$ 396,975	\$ 89,405	\$ 708,488	\$ 636,520	\$ 1,105,463	
Grants and Contributions:							
Operating	11,959,139	10,969,962			11,959,139	10,969,962	
General Revenue:							
Property Taxes	32,997,188	32,000,530			32,997,188	32,000,530	
Federal and State Aid Not Restricted	147,750	147,767			147,750	147,767	
Other	525,279	364,676	354		525,633	364,676	
Total Revenue	46,176,471	43,879,910	89,759	708,488	46,266,230	44,588,398	3.76%
Expenses:							
Instruction	26,932,340	25,731,953			26,932,340	25,731,953	
Pupil and Instruction Services	6,979,405	6,782,091			6,979,405	6,782,091	
Administrative and Business	5,215,265	5,034,863			5,215,265	5,034,863	
Maintenance and Operations	3,022,478	2,789,690			3,022,478	2,789,690	
Transportation	602,463	701,285			602,463	701,285	
Other	1,605,821	772,489	288,605	819,499	1,894,426	1,591,988	
Total Expenses	44,357,772	41,812,371	288,605	819,499	44,646,377	42,631,870	4.73%
Increase/(Decrease) in Net Position	\$ 1,818,699	\$ 2,067,539	\$ (198,846)	\$ (111,011)	\$ 1,619,853	\$ 1,956,528	-17.21%

**Governmental Activities**

As discussed elsewhere in this commentary, the financial position of the District improved significantly. However, maintaining existing programs with increased enrollment, the provision of a multitude of special programs/services for disabled pupils, and increases in District health benefits costs places a great demand on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

**BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Figure A-5 presents the cost of six major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, and other. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions:

**Figure A-5  
Net Cost of Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2020/2021	2019/2020	2020/2021	2019/2020
Instruction	\$ 26,932,340	\$ 25,731,953	\$16,857,983	\$16,428,212
Pupil and Instruction Services	6,979,405	6,782,091	5,812,317	5,899,167
Administrative and Business	5,215,265	5,034,863	4,295,871	4,193,927
Maintenance and Operations	3,022,478	2,789,690	2,809,851	2,574,166
Transportation	602,463	701,285	469,675	577,473
Other	1,605,821	772,489	1,605,821	772,489
	\$ 44,357,772	\$ 41,812,371	\$ 31,851,518	\$ 30,445,434

**Business-Type Activities**

Net position from the District's business-type activities decreased by \$198,846 due to the interruption and discontinuance of services as a result of the COVID-19 pandemic. This is comprised of a decrease in Food Service of \$52,960 and a decrease in After School and Summer Programs of \$145,886. (Refer to Figure A-4)

**Financial Analysis of the District's Funds**

The District's financial condition increased in the General Fund mainly due to unexpended budget appropriations, decreased in the Capital Projects Fund due to continued completion of projects, and decreased in Debt Service Fund due to the appropriation of prior year fund balance. Ratables of the municipality remain more or less stable, and miscellaneous revenue, such as tuition revenue and interest from investments and tuition revenue, have declined over recent years due to the COVID-19 pandemic.

As a result, to maintain a stable financial position, the District must continue to practice sound fiscal management.

**General Fund Budgetary Highlights**

Over the course of the year, the District revised the annual operating budget several times. These budget amendments fall into the following category:

- Changes made within budgetary line items were in school-based needs for programs and textbooks, and increased maintenance, and capital outlay expenditures, as well as legal and other professional services expenditures.

**BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**Capital Asset and Debt Administration**

**Figure A-6  
Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change 2020/2021
	2020/2021	2019/2020	2020/2021	2019/2020	2020/2021	2019/2020	
Sites (Land)	\$ 736,853	\$ 736,853			\$ 736,853	\$ 736,853	
Construction in Progress	23,859,994	23,859,994			23,859,994	23,859,994	
Site Improvements	79,945	93,336			79,945	93,336	
Buildings and Building Improvements	9,172,029	9,486,340			9,172,029	9,486,340	
Machinery and Equipment	905,262	854,206	\$ 68,673	\$ 74,904	973,935	929,110	
<b>Total Capital Assets (Net of Depreciation)</b>	<b>\$ 34,754,083</b>	<b>\$ 35,030,729</b>	<b>\$ 68,673</b>	<b>\$ 74,904</b>	<b>\$ 34,822,756</b>	<b>\$ 35,105,633</b>	<b>-0.81%</b>

At year end, the District had \$34,822,756 in capital assets. The District's overall capital assets (net of depreciation) decreased by \$282,877, or .81%, due to capital additions of \$217,618 offset by depreciation of \$500,495. (More detailed information about the District's capital assets is presented in Note 6 to the basic financial statements.)

**Long-term Liabilities**

**Figure A-7  
Long-Term Liabilities**

	Total School District		Percentage Change 2020/2021
	2020/2021	2019/2020	
General Obligation Bonds, Net (Financed with Property Taxes)	\$ 23,043,000	\$ 24,338,000	
Unamortized Bond Issuance Premium	15,738	31,481	
Net Pension Liability	5,158,225	5,945,770	
Other Long-term Liabilities	334,742	512,829	
	<b>\$ 28,551,705</b>	<b>\$ 30,828,080</b>	<b>-7.38%</b>

The District's long-term liabilities decreased by \$2,276,375, or 7.38%, (as shown in Figure A-7) which consisted of a decrease of \$1,295,000 in outstanding bonds, a net decrease of \$178,087 in compensated absences, a decrease of \$15,743 in unamortized bond issuance premium and a decrease of \$787,545 in the net pension liability. (More detailed information about the District's long-term liabilities is presented in Note 7 to the basic financial statements.)



**BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**Factors Bearing on the District's Future Revenue/Expense Changes**

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future:

- The COVID-19 pandemic continues to significantly impact the district's finances as we implement numerous emergency protective measures to protect public health and safety.
- Increases in the number of Special Education students continues to impact the financial resources of the school district through the employment of additional teaching and support staff and additional out of district special education tuition and transportation costs,
- The volatility of health insurance costs continues to be a concern that could impact the District's financial resources, and
- As Central School grows, additional staffing and supplies will be needed.

**Contacting the District's Financial Management**

This financial report is designed to provide the District's citizens, taxpayers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office, 12 High Street, Glen Ridge, New Jersey 07028.

**BASIC FINANCIAL STATEMENTS**

**DISTRICT-WIDE FINANCIAL STATEMENTS**

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2021

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 5,156,750	\$ 18,997	\$ 5,175,747
Receivables from State Government	329,980		329,980
Receivables from Federal Government	16,072		16,072
Other Receivables	9,954		9,954
Inventory		7,469	7,469
Restricted Cash and Cash Equivalents	1,924,906		1,924,906
Capital Assets, Net:			
Sites (Land) and Construction in Progress	24,596,847		24,596,847
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	10,157,236	68,673	10,225,909
Total Assets	<u>42,191,745</u>	<u>95,139</u>	<u>42,286,884</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>			
Deferred Amount on Refunding	19,510		19,510
Deferred Outflows Related to Pensions	919,216		919,216
Total Deferred Outflows of Resources	<u>938,726</u>		<u>938,726</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accrued Interest Payable	266,513		266,513
Accounts Payable	611,352		611,352
Unearned Revenue	88,535	30,923	119,458
Noncurrent Liabilities:			
Due Within One Year	1,340,738		1,340,738
Due Beyond One Year	27,210,967		27,210,967
Total Liabilities	<u>29,518,105</u>	<u>30,923</u>	<u>29,549,028</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows Related to Pensions	2,615,352		2,615,352
Total Deferred Inflows of Resources	<u>2,615,352</u>		<u>2,615,352</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	11,752,446	68,673	11,821,119
Restricted for:			
Capital Projects	1,545,486		1,545,486
Debt Service	48,185		48,185
Excess Surplus	3,200,000		3,200,000
Unemployment Compensation	181,834		181,834
Student Activities	197,586		197,586
Unrestricted/(Deficit)	(5,928,523)	(4,457)	(5,932,980)
Total Net Position	<u>\$ 10,997,014</u>	<u>\$ 64,216</u>	<u>\$ 11,061,230</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Functions/Programs	Program Revenues			Net (Expenses)/Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>						
Instruction:						
Regular	\$ 21,127,241	\$ 295,598	\$ 6,645,631	\$ (14,186,012)	\$	\$ (14,186,012)
Special Education	3,918,634		2,586,530	(1,332,104)		(1,332,104)
Other Special Instruction	579,173		183,943	(395,230)		(395,230)
School Sponsored/Other Instruction	1,308,079		362,655	(945,424)		(945,424)
Support Services:						
Tuition	1,869,060		366,678	(1,502,382)		(1,502,382)
Student & Instruction Related Services	5,109,558	251,517	548,893	(4,309,148)		(4,309,148)
General Administrative Services	1,126,323			(1,126,323)		(1,126,323)
School Administrative Services	3,326,704		919,394	(2,407,310)		(2,407,310)
Central Services	556,453			(556,453)		(556,453)
Administration Information Technology	205,785			(205,785)		(205,785)
Plant Operations and Maintenance	3,022,478		212,627	(2,809,851)		(2,809,851)
Pupil Transportation	602,463		132,788	(469,675)		(469,675)
Interest on Long-Term Debt	728,498			(728,498)		(728,498)
Capital Outlay	877,323			(877,323)		(877,323)
Total Governmental Activities	44,357,772	547,115	11,959,139	(31,851,518)		(31,851,518)
<b>Business-Type Activities:</b>						
Food Service	55,358	2,398			\$ (52,960)	(52,960)
After School and Summer Programs	233,247	87,361			(145,886)	(145,886)
Total Business-Type Activities	288,605	89,759			(198,846)	(198,846)
Total Primary Government	\$ 44,646,377	\$ 636,874	\$ 11,959,139	\$ (31,851,518)	\$ (198,846)	\$ (32,050,364)

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Net (Expenses)/Revenues and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenues:			
Taxes:			
Property Taxes, Levied for General Purposes, Net	\$ 31,352,804		\$ 31,352,804
Taxes Levied for Debt Service	1,644,384		1,644,384
Federal and State Aid Not Restricted	147,750		147,750
Investment Earnings	1,770		1,770
Miscellaneous Income	523,509		523,509
	33,670,217		33,670,217
Change in Net Position	1,818,699	\$ (198,846)	1,619,853
Net Position - Beginning (as Restated)	9,178,315	263,062	9,441,377
Net Position - Ending	\$ 10,997,014	\$ 64,216	\$ 11,061,230

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**FUND FINANCIAL STATEMENTS**

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 4,852,997	\$ 31,885	\$ 223,683	\$ 48,185	\$ 5,156,750
Receivable from State Government	329,980				329,980
Receivable from Federal Government		16,072			16,072
Other Receivables	4,930	5,024			9,954
Restricted Cash and Cash Equivalents	1,727,320	197,586			1,924,906
<b>Total Assets</b>	<b>\$ 6,915,227</b>	<b>\$ 250,567</b>	<b>\$ 223,683</b>	<b>\$ 48,185</b>	<b>\$ 7,437,662</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 269,050				\$ 269,050
Unearned Revenue	35,554	\$ 52,981			88,535
<b>Total Liabilities</b>	<b>304,604</b>	<b>52,981</b>			<b>357,585</b>
<b>Fund Balances:</b>					
<b>Restricted:</b>					
Excess Surplus - 2022-2023	1,600,000				1,600,000
Excess Surplus - 2021-2022	1,600,000				1,600,000
Capital Reserve Account	1,545,486				1,545,486
Unemployment Compensation	181,834				181,834
Student Activities		197,586			197,586
Debt Service				\$ 48,185	48,185
Capital Projects			\$ 223,683		223,683
<b>Assigned:</b>					
Year-End Encumbrances	150,741				150,741
Unassigned	1,532,562				1,532,562
<b>Total Fund Balances</b>	<b>6,610,623</b>	<b>197,586</b>	<b>223,683</b>	<b>48,185</b>	<b>7,080,077</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 6,915,227</b>	<b>\$ 250,567</b>	<b>\$ 223,683</b>	<b>\$ 48,185</b>	

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.	34,754,083
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 (see Note 7).	(23,377,742)
Accrued Interest on Long-Term Liabilities, Including Bonds Payable, is not due and Payable in the Current Period and Therefore is not Reported as a Liability in the Funds.	(266,513)
Deferred Amount on Refunding is not Reported as an Expenditure in the Governmental Funds in the Year of the Expenditure	19,510
Bond Issuance Premiums are Reported as Revenue in the Governmental Funds in the Year the Bonds are Sold.	(15,738)
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.	(5,158,225)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:	
Deferred Outflows of Resources Related to Pensions, Excluding District Contribution Subsequent to the Measurement Date	576,914
Deferred Inflows of Resources Related to Pensions	(2,615,352)
<b>Net Position of Governmental Activities (Exhibit A-1)</b>	<b>\$ 10,997,014</b>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT



BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>					
Local Sources:					
Local Tax Levy	\$ 31,352,804			\$ 1,644,384	\$ 32,997,188
Tuition from Individuals	295,598				295,598
Rentals	500				500
Restricted Miscellaneous Revenue	276	\$ 251,517			251,793
Unrestricted Miscellaneous Revenue	366,736	152,822	\$ 1,770		521,328
Total - Local Sources	32,019,089	404,339	1,770	1,644,384	34,069,582
State Sources	8,105,565			212,627	8,318,192
Federal Sources		760,157			760,157
Total Revenues	40,124,654	1,164,496	1,770	1,857,011	43,147,931
<b>EXPENDITURES</b>					
Current:					
Regular Instruction	11,883,484	533,742			12,417,226
Special Education Instruction	2,189,401	12,559			2,201,960
Other Special Instruction	323,922				323,922
School-Sponsored/Other Instruction	804,836				804,836
Support Services and Undistributed Costs:					
Tuition	1,502,382	366,678			1,869,060
Student & Instruction Related Services	3,518,978	229,338			3,748,316
General Administrative Services	925,998				925,998
School Administrative Services	1,936,893				1,936,893
Central Services	464,889				464,889
Administration Information Technology	181,497				181,497
Plant Operations and Maintenance	2,859,240				2,859,240
Pupil Transportation	555,503				555,503
Unallocated Benefits	11,467,764				11,467,764

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>EXPENDITURES</b>					
Debt Service:					
Principal				\$ 1,295,000	\$ 1,295,000
Interest and Other Charges				742,635	742,635
Capital Outlay	\$ 865,172		\$ 229,769		1,094,941
Total Expenditures	39,479,959	\$ 1,142,317	229,769	2,037,635	42,889,680
Excess/(Deficit) of Revenues Over/(Under) Expenditures	644,695	22,179	(227,999)	(180,624)	258,251
<b>OTHER FINANCING SOURCES/(USES)</b>					
Transfers In				1,770	1,770
Transfers Out			(1,770)		(1,770)
Total Other Financing Sources/(Uses)	- 0 -	- 0 -	(1,770)	1,770	- 0 -
Net Change in Fund Balances	644,695	22,179	(229,769)	(178,854)	258,251
Fund Balance—July 1 (as Restated)	5,965,928	175,407	453,452	227,039	6,821,826
Fund Balance—June 30	\$ 6,610,623	\$ 197,586	\$ 223,683	\$ 48,185	\$ 7,080,077

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Total Net Change in Fund Balances - Governmental Funds (from B-2)	\$	258,251
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation differs from capital outlays in the period.		
	Depreciation expense	\$ (494,264)
	Capital outlays	<u>217,618</u>
		(276,646)
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation (+).		
		178,087
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. When the accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+).		
		17,900
Also, the governmental funds report the effect of the deferred amount on refunding when debt is first issued, whereas this amount is deferred and amortized in the statement of activities.		
		(19,506)
The governmental funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
		15,743
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. (+)		
		1,295,000
The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:		
Change in Net Pension Liability		787,545
Change in Deferred Outflows		(314,647)
Change in Deferred Inflows		<u>(123,028)</u>
Change in Net Position of Governmental Activities (Exhibit A-2)	\$	<u><u>1,818,699</u></u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2021

	Business-Type Activities - Enterprise Funds
	Major Funds
	Food Service
<b>ASSETS:</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 18,997
Inventory	7,469
Total Current Assets	26,466
Non-Current Assets:	
Capital Assets	176,965
Less: Accumulated Depreciation	(108,292)
Total Non-Current Assets	68,673
Total Assets	95,139
<b>LIABILITIES:</b>	
Current Liabilities:	
Unearned Revenue - Prepaid Sales	30,923
Total Liabilities	30,923
<b>NET POSITION:</b>	
Investment in Capital Assets	68,673
Unrestricted/(Deficit)	(4,457)
Total Net Position	\$ 64,216

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Funds</u>		
	<u>Food Service</u>	<u>After School and Summer Programs</u>	<u>Total Enterprise Funds</u>
Operating Revenue:			
Charges for Services:			
Daily Sales - Non-Reimbursable Programs	\$ 2,044		\$ 2,044
Program Fees		\$ 87,361	87,361
Other Miscellaneous	354		354
Total Operating Revenue	<u>2,398</u>	<u>87,361</u>	<u>89,759</u>
Operating Expenses:			
Cost of Sales - Non-Reimbursable Programs	20,353		20,353
Salaries	16,745	141,770	158,515
Payroll Taxes	8,148	10,345	18,493
Employee Benefits		57,020	57,020
Utilities		6,892	6,892
Contracted Services	2,850		2,850
Supplies and Materials	1,031	17,220	18,251
Depreciation Expense	6,231		6,231
Total Operating Expenses	<u>55,358</u>	<u>233,247</u>	<u>288,605</u>
Operating Income/(Loss)	<u>(52,960)</u>	<u>(145,886)</u>	<u>(198,846)</u>
Change in Net Position	(52,960)	(145,886)	(198,846)
Net Position - Beginning of Year	<u>117,176</u>	<u>145,886</u>	<u>263,062</u>
Net Position - End of Year	<u>\$ 64,216</u>	<u>\$ - 0 -</u>	<u>\$ 64,216</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Funds</u>		
	<u>Food Service</u>	<u>After School and Summer Programs</u>	<u>Total Enterprise Funds</u>
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 2,398	\$ 94,788	\$ 97,186
Payments to Employees		(141,770)	(141,770)
Payments to Food Service Vendor	(44,887)		(44,887)
Payments to Suppliers		(17,220)	(17,220)
Payments to Other Vendors		(74,257)	(74,257)
Net Cash Used by Operating Activities	<u>(42,489)</u>	<u>(138,459)</u>	<u>(180,948)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(42,489)	(138,459)	(180,948)
Cash and Cash Equivalents, July 1	<u>61,486</u>	<u>138,459</u>	<u>199,945</u>
Cash and Cash Equivalents, June 30	<u>\$ 18,997</u>	<u>\$ - 0 -</u>	<u>\$ 18,997</u>
Adjustment to Reconcile Operating Loss to Net Cash Used by Operating Activities:			
Operating Loss	\$ (52,960)	\$ (145,886)	\$ (198,846)
Depreciation	6,231		6,231
Changes in Assets and Liabilities:			
Decrease in Other Accounts Receivable		7,427	7,427
(Decrease) in Accounts Payable	(5,475)		(5,475)
Decrease in Inventory	8,924		8,924
Increase in Unearned Revenue	791		791
Net Cash Used by Operating Activities	<u>\$ (42,489)</u>	<u>\$ (138,459)</u>	<u>\$ (180,948)</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of 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.

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation:

District-Wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District's governmental and business type activities. These statements include the financial activities of the overall District in its entirety. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other nonexchange transactions. Business type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

Fund Financial Statements:

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

The District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for and reported in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay subfund.

As required by NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expenses by board resolution.

Special Revenue Fund: The Special Revenue Fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted or committed to expenditures for specified purposes.

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.



BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

Debt Service Fund: The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

The District reports the following proprietary funds:

Enterprise (Food Service and After School and Summer Programs) Funds: The Enterprise Funds account for all revenue and expenses pertaining to the Board's cafeteria, and after school and summer programs. The food service and after school and summer program fund are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

C. Measurement Focus and Basis of Accounting:

The District-wide financial statements and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus and Basis of Accounting: (Cont'd)

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue and Debt Service Funds. The budget for the fiscal year ended June 30, 2021 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be made by School Board resolution. All budgeting amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis except for student activities. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The general fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the June state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control: (Cont'd)

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 40,131,608	\$ 1,156,869
Difference - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		7,627
Current Year State Aid Payments Recognized for GAAP Statements, Not Recognized for Budgetary Purposes	(117,137)	
Prior Year State Aid Payments Recognized for Budgetary Purposes, Not Recognized for GAAP Statements	110,183	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 40,124,654	\$ 1,164,496
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 39,479,959	\$ 1,134,690
Differences - Budgetary to GAAP:		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes.		7,627
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 39,479,959	\$ 1,142,317

E. Cash and Cash Equivalents and Investments:

Cash and cash equivalents include petty cash and cash in banks. Certificates of deposit with maturities of one year or less when purchased are stated at cost.

The District generally records investments at fair value and records the unrealized gains and losses as part of investment income. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

E. Cash and Cash Equivalents and Investments: (Cont'd)

New Jersey school districts are limited as to type of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

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

F. Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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

G. Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

H. Encumbrances:

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as restricted, 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.

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

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

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2021.

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost, including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at acquisition value. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the district-wide statements and proprietary funds are as follows:

	<u>Estimated Useful Life</u>
Buildings and Building Improvements	40 years
Site Improvements	15 to 30 years
Machinery and Equipment	5 to 20 years
Computer and Related Technology	5 years
Vehicles	8 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental fund upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

L. Long Term Liabilities:

In the District-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise funds. Bond premium and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

M. Accrued Salaries and Wages:

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year; therefore, there are no accrued salaries and wages as of June 30, 2021.

N. Compensated Absences:

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by GASB. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

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

In the district-wide *Statement of Net Position*, the liabilities whose average maturities are greater than one year should be reported in two components – the amount due within one year and the amount due in more than one year.

O. Unearned Revenue:

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

P. Fund Balance Appropriated:

General Fund: Of the \$6,610,623 General Fund fund balance at June 30, 2021, \$150,741 is assigned for encumbrances; \$1,545,486 is restricted in the capital reserve account; \$1,600,000 is restricted as current year excess surplus and will be appropriated and included as anticipated revenue for the fiscal year ended June 30, 2023; \$1,600,000 is restricted as prior year excess surplus and has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2022; \$181,834 is restricted for unemployment compensation; and \$1,532,562 is unassigned fund balance, which is \$117,137 less than the calculated maximum unassigned fund balance due to the final two State Aid payments that are not recognized on GAAP basis until the fiscal year ending June 30, 2022.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

P. Fund Balance Appropriated: (Cont'd)

Special Revenue Fund: The Special Revenue Fund fund balance of \$197,586 at June 30, 2021 is restricted for student activities.

Capital Projects Fund: The \$223,683 of fund balance in the Capital Projects Fund at June 30, 2021 is restricted.

Debt Service Fund: The \$48,185 of fund balance in Debt Service Fund at June 30, 2021 is restricted.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, C.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school Districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had excess surplus as defined on the previous page.

P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, Districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school Districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school District cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the June state aid payments and not the fund balance reported on the fund statement which excludes the June state aid payments.

Q. Deficit Fund Balance/Net Position:

The District has a deficit in unrestricted net position of \$5,928,523 in its governmental activities, which is primarily due to compensated absences payable and the deferred inflows, deferred outflows and liabilities related to pensions. The District also has a deficit in unrestricted net position of \$4,457 in its business-type activities, which is primarily due to the disruption of services resulting from the COVID-19 pandemic.

The deficit in unrestricted net position of its governmental and business-type activities does not indicate that the District is facing financial difficulties and is a permitted practice by generally accepted accounting principles.

R. Net Position:

Net Position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District has deferred outflows of resources at June 30, 2021 for pensions and the deferred amount on refunding of debt related to the District's refunding bonds. The District had deferred inflows of resources at June 30, 2021 for pensions.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

R. Net Position: (Cont'd)

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

S. Fund Balance Restrictions, Commitments and Assignments:

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. 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 restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts has been restricted, committed or assigned.

Fund balance restrictions have been established for excess surplus, capital reserve, unemployment compensation, student activities, capital projects fund, and debt service fund.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District had no committed resources at June 30, 2021.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for year-end encumbrances in the General Fund at June 30, 2021.



BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

T. Revenue - Exchange and Nonexchange Transactions:

Revenue, resulting from exchange transactions in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end. Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

U. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the respective Enterprise Fund. For the School District, these revenues are sales for Food Service and program fees for After School Care and Summer Programs. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the respective Enterprise Fund.

V. Management Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

W. Pensions

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 State of New Jersey Public Employees' Retirement System (PERS) and the State of New Jersey Teachers' Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's net position have been determined on the same basis as they are reported by the PERS and the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Pension Plan investments are reported at fair value.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

GASB requires disclosure of the level of custodial credit risk assumed by the Board in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Board ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Board limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed on the following page.

Custodial Credit Risk – The District's policy with respect to custodial credit risk requires that the District ensures that District funds are only deposited in financial institutions in which New Jersey school districts are permitted to invest their funds.

Deposits:

New Jersey statutes permit the deposit of public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School Districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments:

New Jersey statutes permit the Board to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) 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 obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) 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.
- (5) Bonds or other obligations, having a maturity date 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", P.L. 1983, c.313 (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 local units;
- (6) Local government investment pools;
- (7) 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); or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are 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 requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.) ;
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments: (Cont'd)

New Jersey statutes permit the Board to purchase the following types of securities: (Cont'd)

- (9) Deposit of funds in accordance with the following conditions:
  - (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
  - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
  - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
  - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
  - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

As of June 30, 2021, cash and cash equivalents of the District consisted of the following:

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents			Total
		Capital Reserve Account	Student Activities	Unemployment Compensation	
Checking and Savings Accounts	\$ 5,175,747	\$ 1,545,486	\$ 197,586	\$ 181,834	\$ 7,100,653

During the period ended June 30, 2021, the District did not hold any investments.

The carrying amount of the Board's cash and cash equivalents at June 30, 2021, was \$7,100,653 and the bank balance was \$8,693,090.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the District by inclusion of \$100 on October 2, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, a District may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes 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 on the of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Beginning Balance, July 1, 2020		\$ 1,444,675
Add:		
Deposit by Board Resolution	\$ 548,481	
Interest Earned	3,175	
		551,656
		1,996,331
Less:		
Budgeted Withdrawal		(450,845)
Ending Balance, June 30, 2021		\$ 1,545,486

The balance in the capital reserve account at June 30, 2021 does not exceed the LRFP balance of local support costs of uncompleted capital projects. The withdrawal from the capital reserve was for use in DOE approved facilities projects, consistent with the District’s LRFP.

NOTE 5: TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2021, the District made transfers of \$190,366 to capital outlay for equipment which did not require County Superintendent approval.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 6. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2021 were as follows:

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 736,853			\$ 736,853
Construction in Progress	23,859,994			23,859,994
Total Capital Assets Not Being Depreciated	<u>24,596,847</u>			<u>24,596,847</u>
Capital Assets Being Depreciated:				
Site Improvements	457,271			457,271
Buildings and Building Improvements	18,490,378			18,490,378
Machinery and Equipment	2,855,454	\$ 217,618		3,073,072
Total Capital Assets Being Depreciated	<u>21,803,103</u>	<u>217,618</u>		<u>22,020,721</u>
Governmental Activities Capital Assets	<u>46,399,950</u>	<u>217,618</u>		<u>46,617,568</u>
Less Accumulated Depreciation for:				
Site Improvements	(363,935)	(13,391)		(377,326)
Buildings and Building Improvements	(9,004,038)	(314,311)		(9,318,349)
Machinery and Equipment	(2,001,248)	(166,562)		(2,167,810)
	<u>(11,369,221)</u>	<u>(494,264)</u>		<u>(11,863,485)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 35,030,729</u>	<u>\$ (276,646)</u>	<u>\$ - 0 -</u>	<u>\$ 34,754,083</u>
Business-Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 176,965			\$ 176,965
Less Accumulated Depreciation	(102,061)	\$ (6,231)		(108,292)
Business-Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 74,904</u>	<u>\$ (6,231)</u>	<u>\$ - 0 -</u>	<u>\$ 68,673</u>

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 13,888
Special Education	3,658
Student and Instruction Related Services	152,185
General Administrative Services	123,122
School Administrative Services	44,236
Plant Operations and Maintenance	124,604
Pupil Transportation	32,571
	<u>\$ 494,264</u>

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 7. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2021, the following changes occurred in liabilities reported in the district-wide financial statements:

	Balance 6/30/2020	Accrued	Retired	Balance 6/30/2021
Serial Bonds Payable	\$ 24,338,000		\$ 1,295,000	\$ 23,043,000
Net Pension Liability	5,945,770		787,545	5,158,225
Compensated Absences Payable	512,829	\$ 13,593	191,680	334,742
Unamortized Bond Issuance Premium	31,481		15,743	15,738
	<u>\$ 30,828,080</u>	<u>\$ 13,593</u>	<u>\$ 2,289,968</u>	<u>\$ 28,551,705</u>

A. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds and will be liquidated by the Debt Service fund.

On January 20, 2010, the Glen Ridge Borough School District issued \$6,085,000 refunding bonds with interest rates ranging from 2.75% to 4.00% to advance refund \$5,917,000 school bonds with interest rates of 4.60%. The refunding bonds mature on February 1, 2011 through 2022 and February 1, 2011 was the first optional redemption date at 102.27% of par. The net proceeds from the issuance of the general obligation bonds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the school bonds were called on February 1, 2011. The advance refunding met the requirements of an in-substance debt defeasance and the school bonds were removed from the District's financial statements.

As a result of the advance refunding, the District reduced its total debt service requirements by \$367,254, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$309,054. The deferred amount on the refunding was \$253,571 upon issuance and \$19,510 is deferred at June 30, 2021.

On February 14, 2018, the District issued school bonds in the amount of \$23,758,000 with interest rates ranging from 2.50% to 3.25% with consent of the taxpayers through a referendum to upgrade and improve various schools and for the acquisition and renovation of the prior Central School. The bonds mature on August 15, 2019 through 2037.

The District had bonds outstanding as of June 30, 2021 as follows:

<u>Purpose</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
Refunding Bonds	02/01/2022	4.00%	\$ 645,000
School Bonds	8/15/2037	3.00%-3.25%	22,398,000
			<u>\$23,043,000</u>

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 7. LONG-TERM LIABILITIES (Cont'd)

A. Bonds Payable: (Cont'd)

Principal and interest due on serial bonds outstanding are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	\$ 1,325,000	\$ 697,635	\$ 2,022,635
2023	1,360,000	641,235	2,001,235
2024	1,360,000	600,435	1,960,435
2025	1,360,000	559,635	1,919,635
2026	1,360,000	518,835	1,878,835
2027-2031	6,800,000	1,982,175	8,782,175
2032-2036	6,800,000	958,775	7,758,775
2037-2038	2,678,000	86,353	2,764,353
	<u>\$23,043,000</u>	<u>\$ 6,045,078</u>	<u>\$ 29,088,078</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2021, the Board had \$854 of bonds authorized but not issued.

C. Compensated Absences:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. The current portion of the compensated absences balance is \$-0- and the long-term liability balance of compensated absences is \$334,742. The General Fund will be used to liquidate compensated absences payable.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2021, no liability existed for compensated absences in the Enterprise Funds.

D. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2021 is \$-0- and the long-term portion is \$5,102,166. See Note 8 for further information on the PERS.

The Board of Education Employee's Pension Fund of Essex County's (the "Plan") net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2021 is \$-0- and the long-term portion is \$56,059. See Note 8 for further information on the Plan.

E. Unamortized Bond Premium

The unamortized bond issuance premium of the governmental fund types is recorded in the noncurrent liabilities. The current portion of the unamortized bond issuance premium balance of the governmental funds is \$15,738 and the long-term portion is \$-0-.

F. Capital Leases Payable:

The District had no capital leases at June 30, 2021.



BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 8. PENSION PLANS

Substantially all of the Board's employees participate in one of the two contributory, defined benefit public employee retirement systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey; or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a). Additionally, a small number of the District's retirees participate in the Board of Education Employees' Pension Fund of Essex County ("the Plan").

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service. The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 or more years of service credit before age 62 and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a members 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 50 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$341,418 for fiscal year 2021.

The employee contribution rate was 7.50% effective July 1, 2018.

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

At June 30, 2021, the District reported a liability of \$5,102,166 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2020, the District's proportion was 0.0312%, which was a decrease of 0.0014% from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the District recognized a pension benefit of \$14,243. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources on the following page.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2016	5.57	\$ 165,520	
	2017	5.48		\$ (482,962)
	2018	5.63		(473,819)
	2019	5.21		(376,280)
	2020	5.16		(803,264)
			<u>165,520</u>	<u>(2,136,325)</u>
Difference Between Expected and Actual Experience	2016	5.57	5,023	
	2017	5.48	14,363	
	2018	5.63		(18,043)
	2019	5.21	28,763	
	2020	5.16	44,753	
			<u>92,902</u>	<u>(18,043)</u>
Changes in Proportion	2016	5.57		(24,145)
	2017	5.48		(67,227)
	2018	5.63		(106,756)
	2019	5.21	144,095	
	2020	5.16		(255,034)
			<u>144,095</u>	<u>(453,162)</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2017	5.00	(62,434)	
	2018	5.00	(57,905)	
	2019	5.00	14,013	
	2020	5.00	280,723	
			<u>174,397</u>	
Contribution Made Subsequent to the Measurement Date	2020	1.00	342,302	
			<u>\$ 919,216</u>	<u>\$ (2,607,530)</u>

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts including changes in proportion and the District contribution subsequent to the measurement date) related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Total
2021	\$ (640,229)
2022	(583,694)
2023	(333,565)
2024	(134,888)
2025	(29,173)
	\$ (1,721,549)

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:

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%

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

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return

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

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2020 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2020		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 6,408,548	\$ 5,102,166	\$ 3,972,772

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

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

Benefits Provided

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

Tier	Definition
1	Members 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

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Benefits Provided (Cont'd)

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a members retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. 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 fiscal year 2021, the State's pension contribution was less than the actuarial determined amount.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. This note discloses the portion of the District's total proportionate share of the net pension liability that is associated with the District. During the fiscal year ended 2021, the State of New Jersey contributed \$4,031,562 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$5,695,713.

The employee contribution rate was 7.50% effective July 1, 2018.

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

At June 30, 2021, the State's proportionate share of the net pension liability associated with the District was \$91,594,121. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2020, the District's proportion was 0.136%, which was a decrease of 0.0007% from its proportion measured as of June 30, 2019.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

District's Proportionate Share of the Net Pension Liability	\$	-0-
State's Proportionate Share of the Net Pension Liability Associated with the District		91,594,121
Total	\$	91,594,121

For the fiscal year ended June 30, 2021, the State recognized pension expense on behalf of the District in the amount of \$5,695,713 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2021 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions from the following sources:

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2014	8.50	\$ 461,324,773	
	2015	8.30	1,638,696,238	
	2016	8.30	4,304,747,820	
	2017	8.30		\$ 6,882,861,832
	2018	8.29		4,349,959,805
	2019	8.04		3,009,143,115
	2020	7.99	1,411,170,422	
			7,815,939,253	14,241,964,752
Difference Between Expected and Actual Experience	2014	8.50		4,393,807
	2015	8.30	101,207,836	
	2016	8.30		53,533,223
	2017	8.30	122,460,660	
	2018	8.29	763,099,015	
	2019	8.04		116,909,940
	2020	7.99	7,520,890	
			986,767,511	182,357,860
Net Difference Between Projected and Actual	2017	5.0	(226,008,261)	
Investment Earnings on Pension Plan Investments	2018	5.0	(192,060,744)	
	2019	5.0	108,662,078	
	2020	5.0	965,582,162	
			656,175,235	
		\$ 9,458,881,999	\$ 14,424,322,612	



BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Amounts reported by the State as collective deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense excluding that attributable to employer-paid members contributions as follows:

Fiscal Year Ending June 30,	Total
2021	\$ (262,056,928)
2022	(188,358,995)
2023	(774,174,971)
2024	(1,939,112,462)
2025	(1,466,451,639)
Thereafter	(335,285,618)
	\$ (4,965,440,613)

Actuarial Assumptions

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

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

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and a 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

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

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Long Term Expected Rate of Return

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

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

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.21% as of June 30, 2020 based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 78% of the actuarially determined contributions for the State. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through 2062, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Sensitivity of the State's Proportionate Share of the Net Pension Liability Associated with the District to Changes in the Discount Rate

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2020 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2019		
	1% Decrease (4.40%)	Current Discount Rate (5.40%)	1% Increase (6.40%)
Total Net Pension Liability	\$ 107,588,022	\$ 91,594,121	\$ 78,313,871

Pension Plan Fiduciary Net Position

Detailed information about the TPAF's fiduciary net position is available in the separately issued TPAF financial statements.

C. Board of Education Employees' Pension Fund of Essex County (the Plan)

Plan Description

The Board of Education Employees' Pension Fund of Essex County (the "Plan"), is a multiple-employer contributory defined benefit pension plan that provides pension and life insurance benefits to employees of the Boards of Education within Essex County employed before July 1, 1981, except temporary employees and employees eligible for coverage under any New Jersey State administered pension plan created under prior New Jersey laws.

The Plan became effective April 16, 1929. The Plan provides for retirement, service, and non-service connected death and disability benefits for its members. The Plan is governed by New Jersey Statutes under Title 18A, and is administered by a Board of Trustees for the Plan who is also responsible for the management and investment of Plan assets. The Board of Trustees consists of one active and five retired elected Plan members.

Pursuant to New Jersey Public Law enacted in 1980, members were given the option to transfer their membership in the Plan to the PERS. Approximately 2,775 members, 58% of the membership, elected to transfer to PERS effective July 1, 1981. The Plan is closed to new entrants.

Benefits Provided

Regular service retirement benefits are determined as 1/45<sup>th</sup> of the highest 3 year average salary multiplied by the member's years of credited service. A member may elect early retirement benefits if they are under age 60 and have at least 25 years of credited service. The Plan also offers a special veterans benefit, disability and deferred benefits. Group life insurance benefits and death benefits are available to be paid to beneficiaries if elected by the member.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

C. Board of Education Employees' Pension Fund of Essex County (the Plan)

Benefits Provided

For more complete information about the Plan agreement and vesting and benefit provisions, participants are referred to the pamphlet, *A Summary of Benefits*. Copies of this pamphlet are available from the Pension Fund Administration Office.

Contributions

Contributions are made by the members at 3%, the maximum contribution rate required by statute, of their annual compensation. Contributions made by the Boards are determined annually based upon actuarial valuations. The Boards are required to reimburse the Plan for administrative expenses and cost of living increases associated with its retirees. Plan provisions and contribution requirements are established by New Jersey state statute assets. District contributions to the Plan amounted to \$9,443 for fiscal year 2021.

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

At June 30, 2021, the District reported a liability of \$56,059 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2020, the District's proportion was 0.21%, which was an increase of 0.045% from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the District recognized a pension benefit of \$13,646. At June 30, 2021, the District reported deferred inflows of resources related to pensions from the following source:

	Year of Deferral	Amortization Period in Years	Deferred Inflows of Resources
Net Difference Between Projected and Actual	2016	5	\$ 3,008
Investment Earnings on Pension Plan Investments	2017	5	(3,234)
	2018	5	(735)
	2019	5	(2,767)
	2020	5	(4,094)
			<u>\$ (7,822)</u>

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

C. Board of Education Employees' Pension Fund of Essex County (the Plan) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

The amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Total
2020	\$ (365)
2021	(3,373)
2022	(1,755)
2023	(1,510)
2024	(818)
	\$ (7,821)

Actuarial Assumptions

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

Inflation Rate	2.00%
Salary Increases	4.50%
Investment Rate of Return, net of Plan investment expense, including inflation	6.00%
Cost of Living Adjustments ("COLA")	2.00%

For active members, inactive members and healthy retirees, mortality rates were based on the RP-2000 separate annuitant and non-annuitant tables with static projections using Scale AA through the valuation year plus 7 years for annuitants and the valuation year plus 15 years for no annuitants. For disabled retirees, mortality rates are based on the 1994 Group Annuity Mortality Table set forward 10 years.

Long Term Expected Rate of Return

The long-term 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 plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing 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 including in the Plan's target asset allocation as of June 30, 2020 are summarized in the following table:

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

C. Board of Education Employees' Pension Fund of Essex County (the Plan)

Long Term Expected Rate of Return

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return *
U.S. Fixed Income	40.00%	1.15%
U.S. Large CAP Equities	50.00%	6.40%
U.S. Small CAP Equities	10.00%	6.40%

\* - Net of 2.0% inflation assumption

Discount Rate

The discount rate used to measure the total pension liability was 6.00% as of June 30, 2020.

The projection of cash flows used to determine the discount rate assumed that contributions will be made at the actuarially determined amount, including the reimbursement of administrative expenses and COLA payments. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2020 calculated using the discount rate of 6.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2020		
	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
	District's proportionate share of the Net Pension Liability	\$ 78,567	\$ 56,059

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Plan financial statements.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

D. Defined Contribution Retirement Program (DCRP)

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

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the District recognized pension expense of \$43,290 for the fiscal year ended June 30, 2021. Employee contributions to DCRP amounted to \$67,080 for the year ended June 30, 2021.

Note 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund)

General Information about the OPEB Plan

Plan Description and Benefits Provided

The District is in a "special funding situation", as described in GASB Codification Section P50, in that OPEB contributions and expenses are legally required to be made by and are the sole responsibility of the State of New Jersey, not the District.

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefits for the State Health Benefit Local Education Retired Education Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in GASB Codification Section P50. The State Health Benefits Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

Note 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund) (Cont'd)

General Information about the OPEB Plan (Cont'd)

Plan Description and Benefits Provided (Cont'd)

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A. 52:14-17.32f. According to N.J.S.A. 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). 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 years or more 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.

The total non-employer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits, if any, is the responsibility of the individual education employers.

For additional information about the State Health Benefit Local Education Retired Education Plan, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at <https://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>.

Employees Covered by Benefit Terms

At June 30, 2018, the plan membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	148,051
Active Plan Members	<u>216,892</u>
Total	<u><u>364,943</u></u>

Total Non-employer OPEB Liability

The total non-employer OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019.



BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

Note 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund) (Cont'd)

Actuarial Assumptions and Other Inputs

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

Inflation Rate	2.50%	
	TPAF/ABP	PERS
Salary Increases:		
Through 2026	1.55 - 3.05%	2.00 - 6.00%
	based on service years	based on service years
Thereafter	1.55 - 3.05%	3.00 - 7.00%
	based on service years	based on service years

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

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 Healthy Teachers (TPAF/ABP), “General” (PERS), and “Safety (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2019. Post-retirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational improvement projections from the central year using the Scale MP-2019. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational improvement projections from the central year using Scale MP-2019.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long term trend rate after eight years. For post-65 medical benefits, the actual fully insured Medicare Advantage trend rate for fiscal year 2020 is reflected. The assumed post-65 trend rate is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long term rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

Note 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund) (Cont'd)

Discount Rate

The discount rate for June 30, 2019 was 3.50%. The discount rate for June 30, 2018 was 3.87%, a change of -.37%. This represents the municipal bond rate as chosen by the State of New Jersey Division of Pensions and Benefits. 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.

Changes in the State's Proportionate Share of the Total OPEB Liability Associated with the District

	Total OPEB Liability
Balance at June 30, 2018	\$ 49,136,625
Changes for Year:	
Service Cost	1,960,006
Interest Cost	1,951,501
Difference Between Expected and Actual Experience	(6,939,127)
Changes in Assumptions	677,411
Member Contributions	41,342
Gross Benefit Payments	(1,394,661)
Net Changes	(3,703,528)
Balance at June 30, 2019	\$ 45,433,097

Sensitivity of the Total Non-employer OPEB Liability Attributable to the District to Changes in the Discount Rate

The following presents the total non-employer OPEB Liability attributable to the District as of June 30, 2019, calculated using the discount rate as disclosed in this note, as well as what the total non-employer OPEB liability attributable to the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2019		
	At 1% Decrease (2.50%)	At Discount Rate (3.50%)	At 1% Increase (4.50%)
Total OPEB Liability Attributable to the District	\$ 53,674,441	\$ 45,433,097	\$ 38,886,625

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

Note 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund) (Cont'd)

Sensitivity of the Total Non-employer OPEB Liability Attributable to the District to Changes in the Healthcare Trend Rate

The following presents the total non-employer OPEB Liability attributable to the District as of June 30, 2019, calculated using the healthcare trend rate as disclosed in this note, as well as what the total non-employer OPEB liability attributable to the District would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2019		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 37,434,847	\$ 45,433,097	\$ 56,021,138

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

For the fiscal year ended June 30, 2021 the District recognized OPEB expense of \$1,630,835 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2019 the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources:

	Year of Deferral	Original Amortization Period	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54 years		\$ 5,289,331
	2018	9.51 years		4,549,541
	2019	9.29 years	\$ 604,493	
			604,493	9,838,872
Difference Between Expected and Actual Experience	2018	9.51 years		4,300,732
	2019	9.29 years		7,114,915
				11,415,647
Changes in Proportion	N/A	N/A	3,511,905	
			\$ 4,116,398	\$ 21,254,518

N/A - Not Available

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

Note 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund) (Cont'd)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Cont'd)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Total
2020	\$ (2,772,566)
2021	(2,772,566)
2022	(2,772,566)
2023	(2,772,566)
2024	(2,772,566)
Total Thereafter	(6,787,197)
	\$ (20,650,025)

NOTE 10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The District obtains its health care coverage through the Oxford Health Plan.

Property and Liability Insurance

The Borough of Glen Ridge School District is a member of the Morris Essex Insurance Group (the “Group”) and the School Alliance Insurance Fund (the “Fund”). The Group provides worker’s compensation coverage for its members and the Fund provides general liability, property and automobile coverage for its members.

A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. The Group and Fund are risk-sharing public entity risk pools that are insured and self-administered groups of school boards established for the purpose of providing low-cost insurance for their respective members in order to keep local property taxes to a minimum.

Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Group and Fund are elected.

As a member of the Group and the Fund, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Group or the Fund were to be exhausted, members would become responsible for their respective shares of the Group’s or Fund’s liabilities. The Group and the Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 10. RISK MANAGEMENT (Cont'd)

Property and Liability Insurance (Cont'd)

The June 30, 2021 financial information for the Group and the Fund were not available as of the date of this audit report. Selected, and summarized financial information for the Group and the Fund as of June 30, 2020 are as follows:

	<u>Morris-Essex Insurance Group</u>	<u>School Alliance Insurance Fund</u>
Total Assets	<u>\$ 11,802,954</u>	<u>\$ 51,526,293</u>
Net Position	<u>\$ 8,479,975</u>	<u>\$ 20,539,909</u>
Total Revenue	<u>\$ 4,013,691</u>	<u>\$ 43,264,716</u>
Total Expenses	<u>\$ 2,294,520</u>	<u>\$ 41,642,794</u>
Change in Net Position	<u>\$ 694,089</u>	<u>\$ 1,621,922</u>
Member Dividends	<u>\$ 1,025,082</u>	<u>\$ -0-</u>

Financial statements for the Group and the Fund are available at the Executive Directors' Offices:

<u>Group</u>	<u>Fund</u>
Burton Agency	Public Entity Group Administrative Services
44 Bergen Street	51 Everett Drive
P.O. Box 270	Suite B-40
Westwood, NJ 07675	West Windsor, NJ 08550
(201) 664-0310	(609) 275-1155

New Jersey Unemployment Compensation Insurance

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020-2021	\$ -0-	\$ 276	\$ 30,811	\$ 24,188	\$ 181,834
2019-2020	-0-	-0-	45,412	37,240	174,935
2018-2019	-0-	-0-	30,144	26,719	166,763

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 11. ECONOMIC DEPENDENCY

The Board of Education receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Board of Education's programs and activities.

NOTE 12. INTERFUND RECEIVABLES AND PAYABLES

As of June 30, 2021 there were no interfund receivables and payables.

NOTE 13. DEFERRED COMPENSATION

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency.

The plan administrators are as follows:

AXA/Equitable/Aspire/AR 360  
Metlife/Brighthouse  
Valic  
Vanguard

NOTE 14. TAX CALENDAR

Property taxes are levied by the District's constituent municipality as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the constituent municipality and are remitted to the school district on a predetermined mutually agreed-upon schedule.

NOTE 15. COMMITMENTS AND CONTINGENCIES

Litigation

The Board is periodically involved in claims or lawsuits arising in the normal course of business. The Board does not believe that the ultimate outcome of these cases would have a material adverse effect on the District's financial position.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 15. COMMITMENTS AND CONTINGENCIES (Cont'd)

Grant Programs

The District participates in federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The District is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management of the District is not aware of any material items of noncompliance which would result in the disallowance of grant program expenditures.

Encumbrances

At June 30, 2021, there were encumbrances as detailed below in the governmental funds. All of the governmental funds are considered to be major funds.

General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
\$ 150,741	\$ 23,085	\$ 201,830	\$ 375,656

On the District's Governmental Funds Balance Sheet as of June 30, 2021, \$-0- is assigned for encumbrances in the Special Revenue Fund, which is \$23,085 less than the actual encumbrances on a budgetary basis. On the GAAP basis, encumbrances are not recognized until paid and this non-recognition of encumbrances on a GAAP basis is also reflected as either a reduction in grants receivable or an increase in unearned revenue in the Special Revenue Fund. The \$201,830 of fiscal year-end encumbrances in the Capital Projects Fund are included in the total restricted fund balance of \$223,683 on the GAAP and budgetary basis at June 30, 2021.

NOTE 16. ACCOUNTS PAYABLE

Payables as of June 30, 2021 were as follows:

	Governmental Funds General Fund	District Contribution Subsequent to the Measurement Date	Total Governmental Activities
Due to State of New Jersey		\$ 342,302	\$ 342,302
Payroll Deductions Payable	\$ 269,050		269,050
	\$ 269,050	\$ 342,302	\$ 611,352

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 17. SUBSEQUENT EVENT

The COVID-19 outbreak in the United States and specifically in New Jersey continues to cause disruption of the District's financial operations. Though the impact on the District's operations cannot be reasonably estimated at this date, it is likely that there will continue to be an impact on certain revenues in the General Fund other than state aid and the local tax levy. There have been additional operating expenses in the General Fund due to schools re-opening on a full-time basis.

The District's Food Service Enterprise Fund will likely continue to be impacted by COVID-19 for the fiscal year ending June 30, 2022.

NOTE 18. PRIOR YEAR ADJUSTMENT

GASB 84, *Fiduciary Activities*, was implemented during the fiscal year ended June 30, 2021. As part of this implementation, the activity for the Student Activities Fund (which includes Athletic Activities) and Private Purpose Scholarship Trust Fund are now reported in the Special Revenue Fund. The ending balances as of June 30, 2020 were restated due to this implementation as follows.

	Balance June 30, 2020 as Previously Reported	Retroactive Adjustments	Balance June 30, 2020 as Restated
<u>Statement of Net Activities - Governmental Activities:</u>			
Net Position - Ending	\$ 8,827,973	\$ 350,342	\$ 9,178,315
<u>Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds:</u>			
General Fund:			
Fund Balance - June 30	\$ 5,790,993	\$ 174,935	\$ 5,965,928
Special Revenue Fund:			
Fund Balance - June 30	\$ -0-	\$ 175,407	\$ 175,407
<u>Statement of Changes in Fiduciary Net Position - Fiduciary Funds:</u>			
Unemployment Compensation Trust:			
Net Position - End of the Year	\$ 174,935	\$ (174,935)	\$ -0-
Student Activities:			
Net Position - End of the Year	\$ 175,407	\$ (175,407)	\$ -0-



**SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION**

GLEN RIDGE BOROUGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST SEVEN FISCAL YEARS

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
District's proportion of the net pension liability	0.0347371434%	0.0350028926%	0.0338150417%	0.0326732756%	0.0316600289%	0.0326925283%	0.0312874571%
District's proportionate share of the net pension liability	\$ 6,503,743	\$ 7,857,448	\$ 10,015,045	\$ 7,605,816	\$ 6,233,702	\$ 5,890,698	\$ 5,102,166
District's covered employee payroll	\$ 2,279,184	\$ 2,288,641	\$ 2,211,007	\$ 2,152,424	\$ 2,244,228	\$ 2,229,536	\$ 2,194,445
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	285.35%	343.32%	452.96%	353.36%	277.77%	264.21%	232.50%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

GLEN RIDGE BOROUGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST SEVEN FISCAL YEARS

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
Contractually required contribution	\$ 286,368	\$ 300,931	\$ 306,778	\$ 309,864	\$ 297,089	\$ 300,464	\$ 341,418
Contributions in relation to the contractually required contribution	(286,368)	(300,931)	(306,778)	(309,864)	(297,089)	(300,464)	(341,418)
Contribution deficiency/(excess)	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -
District's covered employee payroll	\$ 2,288,641	\$ 2,211,007	\$ 2,152,424	\$ 2,244,228	\$ 2,229,536	\$ 2,194,445	\$ 2,171,218
Contributions as a percentage of covered employee payroll	12.51%	13.61%	14.25%	13.81%	13.33%	13.69%	15.72%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

GLEN RIDGE BOROUGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
ASSOCIATED WITH THE DISTRICT  
TEACHERS' PENSION AND ANNUITY FUND  
LAST SEVEN FISCAL YEARS

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
State's proportion of the net pension liability attributable to the District	0.1285972766%	0.1330879187%	0.1323166965%	0.1333589635%	0.1360533341%	0.1367616742%	0.1390976589%
State's proportionate share of the net pension liability attributable to the District	\$ 71,785,249	\$ 84,117,248	\$ 104,008,738	\$ 89,915,422	\$ 86,554,209	\$ 83,931,930	\$ 91,594,121
District's covered employee payroll	\$ 13,351,970	\$ 13,573,769	\$ 13,887,854	\$ 13,989,917	\$ 14,746,103	\$ 15,242,476	\$ 15,110,332
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	537.64%	619.70%	748.92%	642.72%	586.96%	550.64%	606.17%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

GLEN RIDGE BOROUGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATE CONTRIBUTIONS  
TEACHERS' PENSION AND ANNUITY FUND  
LAST SEVEN FISCAL YEARS

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
Contractually required contribution	\$ 3,862,720	\$ 5,136,115	\$ 7,820,820	\$ 6,228,885	\$ 5,045,808	\$ 4,950,530	\$ 5,695,713
Contributions in relation to the contractually required contribution	(719,522)	(1,059,378)	(1,447,577)	(2,052,207)	(2,689,711)	(3,050,944)	(4,031,562)
Contribution deficiency/(excess)	\$ 3,143,198	\$ 4,076,737	\$ 6,373,243	\$ 4,176,678	\$ 2,356,097	\$ 1,899,586	\$ 1,664,151
District's covered employee payroll	\$ 13,573,769	\$ 13,887,854	\$ 13,989,917	\$ 14,746,103	\$ 15,242,476	\$ 15,110,332	\$ 15,655,047
Contributions as a percentage of covered employee payroll	5.30%	7.63%	10.35%	13.92%	17.65%	20.19%	25.75%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
BOARD OF EDUCATION EMPLOYEES' PENSION FUND OF ESSEX COUNTY  
LAST SIX FISCAL YEARS

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2020
District's Proportion of the Net Pension Liability	0.2341794%	0.2637753%	0.2930178%	0.3250640%	0.1650291%
District's Proportionate Share of the Net Pension Liability	\$ 90,203	\$ 95,483	\$ 83,745	\$ 102,156	\$ 55,072
District's Covered Employee Payroll	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position (*) as a Percentage of the Total Pension Liability	76.05%	75.39%	79.51%	77.36%	75.78%
* Fiduciary Net Position Excludes: Amount Designated for Insurance Benefits	\$ 19,628,046	\$ 19,972,514	\$ 21,556,614	\$ 22,656,498	\$ 24,050,359
					\$ 25,428,196

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
BOARD OF EDUCATION EMPLOYEES' PENSION FUND OF ESSEX COUNTY  
LAST SEVEN FISCAL YEARS

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contribution	\$ 13,706	\$ 13,717	\$ 12,081	\$ 12,753	\$ 5,795	\$ 7,599	\$ 9,443
Contributions in Relation to the Contractually Required Contribution	(13,706)	(13,717)	(12,081)	(12,753)	(5,795)	(7,599)	(9,443)
Contribution Deficiency (Excess)	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -
District's Covered Employee Payroll	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -
Contributions as a Percentage of Covered Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

GLEN RIDGE BOROUGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL OPEB LIABILITY  
ASSOCIATED WITH THE DISTRICT AND RELATED RATIOS  
LAST THREE FISCAL YEARS

	Fiscal Years Ending		
	2017	2018	2019
Service Cost	\$ 2,653,584	\$ 2,195,728	\$ 1,960,006
Interest Cost	1,735,371	2,014,130	1,951,501
Changes in Assumptions	(7,317,655)	(5,638,674)	677,411
Differences between Expected and Actual Experience		(2,859,623)	(6,939,127)
Member Contributions	46,647	45,410	41,342
Gross Benefit Payments	(1,266,819)	(1,313,896)	(1,394,661)
Net Change in Total OPEB Liability	(4,148,872)	(5,556,925)	(3,703,528)
Total OPEB Liability - Beginning	58,842,422	54,693,550	49,136,625
Total OPEB Liability - Ending	<u>\$ 54,693,550</u>	<u>\$ 49,136,625</u>	<u>\$ 45,433,097</u>
District's Covered Employee Payroll *	\$ 16,098,861	\$ 16,142,341	\$ 16,142,341
Total OPEB Liability as a % of Covered Employee Payroll	340%	304%	281%

\* - Covered payroll for the fiscal years ending June 30, 2017, 2018, and 2019 are based on the payroll on the June 30, 2016, 2017, and 2018 census data.

Note: This schedule does not contain ten years of information as GASB No. 75 was implemented during the fiscal year ended June 30, 2018.



BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate changed from 6.28% as of June 30, 2019 to 7.00% as of June 30, 2020.

In the July 1, 2018 actuarial valuation the mortality improvement was based on Scale MP-2019 while in the July 1, 2019 actuarial valuation the mortality improvement was based on Scale MP-2020.

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate changed from 5.60% as of June 30, 2019 to 5.40% as of June 30, 2020. The municipal bond rate changed from 3.50% to 2.21%.

In the July 1, 2018 actuarial valuation the mortality improvement was based on Scale MP-2019 while in the July 1, 2019 actuarial valuation the mortality improvement was based on Scale MP-2020.

C. BOARD OF EDUCATION EMPLOYEES' PENSION FUND OF ESSEX COUNTY

Benefit Changes

There were none known.

Changes of Assumptions

The long-term expected rate of return on pension plan investments changed from 6.50% to 6.00%.

D. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate for June 30, 2019 was 3.50%. The discount rate for June 30, 2018 was 3.87%, a change of -.37%.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

D. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN (Cont'd)

Changes of Actuarial Assumptions (Cont'd)

The mortality rates in the valuation as of June 30, 2018 were based on the following:

Pre-retirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female Mortality Table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Post-retirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using MP-2017 scale.

The mortality rates in the valuation as of June 30, 2019 were based on the following:

Pre-retirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Post-retirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019.

The health care trend rates in the valuation as of June 30, 2018 were based on the following:

For pre-Medicare preferred provider organization (PPO) medical benefits and health maintenance organization (HMO) medical benefits, trend rate is initially 5.8% and decreases to a 5.0% long term trend rate after eight years. For self-insured post-65 PPO and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

The health care trend rates in the valuation as of June 30, 2019 were based on the following:

For pre-Medicare medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2020 is reflected. The assumed post-65 medical trend rate is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long term rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

**BUDGETARY COMPARISON SCHEDULES**

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 31,352,804	\$	\$ 31,352,804	\$ 31,352,804	
Tuition from Individuals	480,412		480,412	295,598	\$ (184,814)
Interest Earned on Capital Reserve Funds	9,000		9,000	3,175	(5,825)
Rentals	8,000		8,000	500	(7,500)
Restricted Miscellaneous Revenue				276	276
Unrestricted Miscellaneous Revenue	173,500		173,500	366,736	193,236
<b>Total - Local Sources</b>	<b>32,023,716</b>		<b>32,023,716</b>	<b>32,019,089</b>	<b>(4,627)</b>
State Sources:					
Categorical Special Education Aid	1,162,943	\$ (139,168)	1,023,775	1,023,775	
Categorical Security Aid	147,881		147,881	147,881	
Categorical Transportation Aid	123,908		123,908	123,908	
Extraordinary Special Education Costs Aid				320,990	320,990
Nonpublic School Transportation Costs				8,990	8,990
On-Behalf TPAF Post Retirement Contributions (Non-Budgeted)				1,287,467	1,287,467
On-Behalf TPAF Pension Contributions (Non-Budgeted)				4,031,562	4,031,562
On-Behalf TPAF Non-Contributory Insurance (Non-Budgeted)				76,706	76,706
On-Behalf TPAF Long-Term Disability Insurance (Non-Budgeted)				2,170	2,170
TPAF Social Security (Reimbursed - Non-Budgeted)		(139,168)	1,295,564	1,089,070	1,089,070
<b>Total State Sources</b>	<b>1,434,732</b>	<b>(139,168)</b>	<b>1,295,564</b>	<b>8,112,519</b>	<b>6,816,955</b>
<b>TOTAL REVENUES</b>	<b>33,458,448</b>	<b>(139,168)</b>	<b>33,319,280</b>	<b>40,131,608</b>	<b>6,812,328</b>

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>CURRENT EXPENSE</b>					
Regular Programs - Instruction:					
Preschool - Salaries of Teachers	\$ 335,719	\$ 1,168	\$ 336,887	\$ 336,787	\$ 100
Kindergarten - Salaries of Teachers	574,242	6,023	580,265	557,333	22,932
Grades 1-5 - Salaries of Teachers	3,236,408	(201,317)	3,035,091	2,992,116	42,975
Grades 6-8 - Salaries of Teachers	2,713,265	22,293	2,735,558	2,700,296	35,262
Grades 9-12 - Salaries of Teachers	4,004,362	(162)	4,004,200	3,789,386	214,814
Regular Programs - Home Instruction:					
Salaries of Teachers	500		500		500
Purchased Professional - Educational Services	24,150	(200)	23,950	20,368	3,582
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	624,403	(16,812)	607,591	517,541	90,050
Purchased Technical Services	24,050		24,050	16,730	7,320
Other Purchased Services (400-500 series)	10,000	(4,258)	5,742		5,742
General Supplies	702,146	219,903	922,049	758,696	163,353
Textbooks	219,323		219,323	189,117	30,206
Other Objects	7,229		7,229	5,114	2,115
<b>Total Regular Programs - Instruction</b>	<b>12,475,797</b>	<b>26,638</b>	<b>12,502,435</b>	<b>11,883,484</b>	<b>618,951</b>
<b>Special Education - Instruction:</b>					
Learning and/or Language Disabilities:					
Salaries of Teachers	236,318	10,648	246,966	233,157	13,809
Other Salaries for Instruction	72,689	(15,646)	57,043	48,841	8,202
General Supplies	4,000	(542)	3,458	980	2,478
<b>Total Learning and/or Language Disabilities</b>	<b>313,007</b>	<b>(5,540)</b>	<b>307,467</b>	<b>282,978</b>	<b>24,489</b>

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>CURRENT EXPENSE</b>					
Resource Room/Resource Center:					
Salaries of Teachers	\$ 1,657,216	\$ (16,624)	\$ 1,640,592	\$ 1,611,537	\$ 29,055
General Supplies	20,716	545	21,261	19,712	1,549
Textbooks	10,800	(3)	10,797	7,907	2,890
<b>Total Resource Room/Resource Center</b>	<b>1,688,732</b>	<b>(16,082)</b>	<b>1,672,650</b>	<b>1,639,156</b>	<b>33,494</b>
<b>Autism:</b>					
Salaries of Teachers	114,308	(5,133)	109,175	105,701	3,474
Other Salaries for Instruction	71,867	(30,419)	41,448	39,404	2,044
General Supplies	12,600		12,600	11,712	888
<b>Total Autism</b>	<b>198,775</b>	<b>(35,552)</b>	<b>163,223</b>	<b>156,817</b>	<b>6,406</b>
<b>Special Education - Instruction:</b>					
Preschool Disabilities - Full-time:					
Salaries of Teachers	64,910	4,305	69,215	69,215	4,675
Other Salaries for Instruction	45,910		45,910	41,235	1,200
General Supplies	1,200		1,200	1,200	5,875
<b>Total Preschool Disabilities - Full-time</b>	<b>112,020</b>	<b>4,305</b>	<b>116,325</b>	<b>110,450</b>	<b>5,875</b>
<b>Total Special Education Instruction</b>	<b>2,312,534</b>	<b>(52,869)</b>	<b>2,259,665</b>	<b>2,189,401</b>	<b>70,264</b>
<b>Basic Skills/Remedial - Instruction:</b>					
Salaries of Teachers	303,167	25,400	328,567	319,851	8,716
General Supplies	3,200	109	3,309	3,284	25
<b>Total Basic Skills/Remedial - Instruction</b>	<b>306,367</b>	<b>25,509</b>	<b>331,876</b>	<b>323,135</b>	<b>8,741</b>

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Bilingual Education Instruction:					
Supplies and Materials	1,735		1,735	787	948
Total Bilingual Education Instruction	1,735		1,735	787	948
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	270,747	\$ 2,310	273,057	212,234	60,823
Purchased Services (300-500 series)	6,000		6,000	5,934	66
Supplies and Materials	39,112	(1,460)	37,652	16,617	21,035
Total School-Sponsored Cocurricular Activities - Instruction	315,859	850	316,709	234,785	81,924
School-Sponsored Cocurricular Athletics - Instruction:					
Salaries	474,481	6,691	481,172	418,372	62,800
Purchased Services (300-500 series)	91,483	(22,060)	69,423	44,144	25,279
Supplies and Materials	40,505	14,519	55,024	51,900	3,124
Other Objects	6,350		6,350	5,635	715
Transfer to Cover Deficit (Agency Funds)	67,000		67,000	50,000	17,000
Total School-Sponsored Cocurricular Athletics - Instruction	679,819	(850)	678,969	570,051	108,918
Total Instruction	16,092,111	(722)	16,091,389	15,201,643	889,746
Instruction:					
Tuition to Other LEAs Within the State - Special	262,225	(4,406)	257,819	215,191	42,628
Tuition to County Vocational Schools - Regular	6,206		6,206	5,911	295
Tuition to County Vocational Schools - Special	19,698	4,406	24,104	24,104	
Tuition to CSSD and Regional Days Schools - Within the State	110,360	4,080	114,440	114,110	330
Tuition to Private Schools for the Disabled - Within the State	1,642,161	(206,206)	1,435,955	1,142,766	293,189
Tuition - Other		300	300	300	
Total Undistributed Expenditures - Instruction	2,040,650	(201,826)	1,838,824	1,502,382	336,442

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Health Services:					
Salaries	\$ 341,591	\$ (35,425)	\$ 306,166	305,755	\$ 411
Purchased Professional and Technical Services	57,825	(1,185)	56,640	36,496	20,144
Supplies and Materials	70,420	51,473	121,893	117,706	4,187
Total Health Services	469,836	14,863	484,699	459,957	24,742
Speech, OT, PT and Related Services:					
Salaries	336,921	10,811	347,732	347,024	708
Purchased Professional - Educational Services	480,847	(120,436)	360,411	319,998	40,413
Supplies and Materials	6,150	(2,000)	4,150	3,470	680
Total Speech, OT, PT and Related Services	823,918	(111,625)	712,293	670,492	41,801
Other Support Services - Students - Extraordinary Services:					
Salaries	385,990	(26,967)	359,023	348,530	10,493
Purchased Professional - Educational Services	17,984	(6,856)	11,128	800	10,328
Supplies and Materials	4,240	2,200	6,440	4,316	2,124
Total Other Support Services - Students - Extraordinary Services	408,214	(31,623)	376,591	353,646	22,945
Guidance:					
Salaries of Other Professional Staff	525,088	9,898	534,986	534,986	
Salaries of Secretarial and Clerical Assistants	95,212	1,500	96,712	96,712	
Other Purchased Professional and Technical Services	28,242	(431)	27,811	24,974	2,837
Supplies and Materials	15,101	(1,200)	13,901	5,928	7,973
Total Guidance	663,643	9,767	673,410	662,600	10,810



BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>CURRENT EXPENSE</b>					
Child Study Team:					
Salaries of Other Professional Staff	\$ 606,826	\$ (31,753)	\$ 575,073	\$ 575,073	
Salaries of Secretarial and Clerical Assistants	68,625		68,625	67,223	\$ 1,402
Other Purchased Professional and Technical Services	50,604	(8,942)	41,662	26,715	14,947
Other Purchased Services (400-500 Series)	4,200		4,200	690	3,510
Supplies and Materials	17,438		17,438	17,130	308
<b>Total Child Study Team</b>	<b>747,693</b>	<b>(40,695)</b>	<b>706,998</b>	<b>686,831</b>	<b>20,167</b>
Improvement of Instructional Services:					
Salaries of Other Professional Staff	35,000	(4,551)	30,449	26,350	4,099
Supplies and Materials	1,200		1,200	1,200	
<b>Total Improvement of Instructional Services</b>	<b>36,200</b>	<b>(4,551)</b>	<b>31,649</b>	<b>26,350</b>	<b>5,299</b>
Educational Media Services/School Library:					
Salaries	333,957	9,423	343,380	343,380	
Salaries of Technology Coordinators	230,740	28,154	258,894	258,894	
Supplies and Materials	60,347	1,921	62,268	56,634	5,634
<b>Total Educational Media Services/School Library</b>	<b>625,044</b>	<b>39,498</b>	<b>664,542</b>	<b>658,908</b>	<b>5,634</b>
Instructional Staff Training Services:					
Salaries of Other Professional Staff		840	840	25	815
Other Purchased Services (400-500 series)	26,690	(1,013)	25,677	25,677	
Supplies and Materials		173	173	169	4
<b>Total Instructional Staff Training Services</b>	<b>26,690</b>	<b>173</b>	<b>26,690</b>	<b>194</b>	<b>26,496</b>

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Support Services - General Administration:					
Salaries	\$ 298,447	\$	298,447	289,986	\$ 8,461
Legal Services	169,200	(24,200)	145,000	111,583	33,417
Audit Fees	93,634	5,091	98,725	98,725	
Architectural/Engineering Services	2,500	30,109	32,609	34,645	32,609
Other Purchased Professional Services	15,000	39,000	54,000	34,645	19,355
Purchased Technical Services	28,018	27,983	56,001	28,018	27,983
Communications/Telephone	259,484	18,000	277,484	273,421	4,063
BOE Other Purchased Services	2,000		2,000	249	1,751
Miscellaneous Purchased Services (400-500 Series)	61,805	(2,450)	59,355	54,685	4,670
General Supplies	24,750	(3,000)	21,750	10,197	11,553
Miscellaneous Expenditures	8,507	4,100	12,607	9,489	3,118
BOE Membership Dues and Fees	16,000		16,000	15,000	1,000
<b>Total Support Services - General Administration</b>	<b>979,345</b>	<b>94,633</b>	<b>1,073,978</b>	<b>925,998</b>	<b>147,980</b>
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	1,617,716	(1,587)	1,616,129	1,598,697	17,432
Salaries of Secretarial and Clerical Assistants	286,025	(6,592)	279,433	273,166	6,267
Other Purchased Services (400-500 series)	54,750	3,690	58,440	31,245	27,195
Supplies and Materials	26,386	2,183	28,569	26,884	1,685
Other Objects	13,781	636	14,417	6,901	7,516
<b>Total Support Services - School Administration</b>	<b>1,998,658</b>	<b>(1,670)</b>	<b>1,996,988</b>	<b>1,936,893</b>	<b>60,095</b>

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>CURRENT EXPENSE</b>					
Central Services:					
Salaries	\$ 438,718	\$ (10,000)	\$ 428,718	\$ 410,718	\$ 18,000
Purchased Technical Services	35,886	35,000	70,886	43,211	27,675
Miscellaneous Purchased Services	20,550	(5,463)	20,550	799	19,751
Supplies and Materials	15,000	35	9,537	8,536	1,001
Miscellaneous Expenditures	1,590	19,572	1,625	1,625	66,427
<b>Total Central Services</b>	<b>511,744</b>	<b>35</b>	<b>531,316</b>	<b>464,889</b>	<b>66,427</b>
Administration Information Technology:					
Salaries	89,789	13,503	103,292	103,292	
Purchased Technical Services	78,660	(5,093)	73,567	73,567	
Supplies and Materials	2,300	2,338	4,638	4,638	
Other Objects	1,740	(1,740)	-	-	
<b>Total Administration Information Technology</b>	<b>172,489</b>	<b>9,008</b>	<b>181,497</b>	<b>181,497</b>	
Required Maintenance of School Facilities:					
Salaries	232,898	(15,441)	217,457	217,457	
Cleaning, Repair and Maintenance Services	449,617	393,531	843,148	792,595	\$ 50,553
General Supplies	116,913	(19,764)	97,149	93,363	3,786
<b>Total Required Maintenance of School Facilities</b>	<b>799,428</b>	<b>358,326</b>	<b>1,157,754</b>	<b>1,103,415</b>	<b>54,339</b>
Custodial Services:					
Salaries	1,009,800	(20,045)	989,755	920,332	69,423
Unused Vacation Payment to Terminated/Retired Staff	39,011		39,011	39,011	39,011
Purchased Professional and Technical Services	21,400	7,320	28,720	25,620	3,100
Cleaning, Repair and Maintenance Services	8,390	40,300	48,690	43,907	4,783
Rental of Land/Buildings - Other Than Lease Purchase Agreements	75,000		75,000	75,000	

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>CURRENT EXPENSE</b>					
Custodial Services:					
Other Purchased Property Services	\$ 33,400	\$ (2,750)	\$ 30,650	\$ 19,961	\$ 10,689
Insurance	133,464	5,367	138,831	138,831	
Miscellaneous Purchased Services	5,400	(4,000)	1,400	390	1,010
General Supplies	132,150	(19,784)	112,366	62,392	49,974
Energy (Natural Gas)	221,450	(12,377)	209,073	118,526	90,547
Energy (Electricity)	318,800	(39,893)	278,907	212,262	66,645
Energy (Gasoline)	11,500	69	11,569	3,771	7,798
Other Objects	1,700	(781)	919	500	419
<b>Total Custodial Services</b>	<b>2,011,465</b>	<b>(46,574)</b>	<b>1,964,891</b>	<b>1,621,492</b>	<b>343,399</b>
Care & Upkeep of Grounds:					
Salaries	10,000	(10,000)			
Purchased Professional and Technical Services	5,000	(2,748)	2,252	2,252	
Cleaning, Repair, and Maintenance Services	35,500	56,434	91,934	87,684	4,250
General Supplies	18,900	4,620	23,520	23,520	
<b>Total Care &amp; Upkeep of Grounds</b>	<b>69,400</b>	<b>48,306</b>	<b>117,706</b>	<b>113,456</b>	<b>4,250</b>
Security:					
Purchased Professional and Technical Services	12,695	(2,205)	10,490	10,490	
Cleaning, Repair, and Maintenance Services	4,000	1,105	1,105	1,080	25
General Supplies	16,695	6,368	10,368	9,307	1,061
<b>Total Security</b>	<b>33,390</b>	<b>5,268</b>	<b>21,963</b>	<b>20,877</b>	<b>1,086</b>
Student Transportation Services:					
Salaries of Non-Instructional Aides	29,117		29,117	17,880	11,237
Salaries for Pupil Transportation:					
Between Home and School - Special	59,566		59,566	43,556	16,010

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Student Transportation Services:					
Management Fee - ESC & CTSA Transportation Program		\$ 416	\$ 416	\$ 416	\$ 14,379
Cleaning, Repair, & Maintenance Services	\$ 17,180	6,752	23,932	9,553	
Contracted Services:					
Other Than Between Home and School - Vendors	169,259		169,259	112,597	56,662
Special Education Students - Vendors	33,460		33,460	5,989	27,471
Special Education Students - Joint Agreements					
Special Education Students - ESC's and CSTA's	680,794	(110,000)	570,794	349,408	221,386
Aid in Lieu - Non-public Schools	37,000		37,000	15,706	21,294
Transportation Supplies		2,000	2,000	398	1,602
Total Student Transportation Services	1,026,376	(100,832)	925,544	555,503	370,041
Unallocated Benefits:					
Social Security Contributions	436,911		436,911	393,742	43,169
Other Retirement Contributions - PERS	336,905	5,365	342,270	341,418	852
Other Retirement Contributions - Regular	65,193		65,193	52,733	12,460
Workmen's Compensation	232,464	(10,365)	222,099	199,145	22,954
Health Benefits	4,296,218	(183,657)	4,112,561	3,862,892	249,669
Tuition Reimbursement	42,000		42,000	37,597	4,403
Other Employee Benefits	114,260		114,260	93,262	20,998
Unused Sick Pay to Terminated/Retired Staff	20,000		20,000		20,000
Total Unallocated Benefits	5,543,951	(188,657)	5,355,294	4,980,789	374,505
On-Behalf Contributions:					
On-Behalf TPAF Post Retirement Contributions (Non-Budgeted)				1,287,467	(1,287,467)
On-Behalf TPAF Pension Contributions (Non-Budgeted)				4,031,562	(4,031,562)
On-Behalf TPAF Non-Contributory Insurance (Non-Budgeted)				76,706	(76,706)

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
On-Behalf Contributions:					
On-Behalf TPAF Long-Term Disability Insurance (Non-Budgeted)			\$	2,170	\$ (2,170)
TPAF Social Security (Reimbursed - Non-Budgeted)				1,089,070	(1,089,070)
Total On-Behalf Contributions				6,486,975	(6,486,975)
Total Personal Services - Employee Benefits	\$ 5,543,951	\$ (188,657)	\$ 5,355,294	11,467,764	(6,112,470)
Total Undistributed Expenses	18,971,439	(128,812)	18,842,627	23,413,144	(4,570,517)
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<b>35,063,550</b>	<b>(129,534)</b>	<b>34,934,016</b>	<b>38,614,787</b>	<b>(3,680,771)</b>
<b>CAPITAL OUTLAY:</b>					
Equipment:					
Regular Programs - Instruction:					
Kindergarten	15,531		15,531		15,531
Grades 1-5	48,000	80,857	128,857	109,507	19,350
Grades 9-12	24,000	22,809	46,809	31,691	15,118
General Administration		86,700	86,700	76,419	10,281
Total Equipment	87,531	190,366	277,897	217,617	60,280
Facilities Acquisition and Construction Services:					
Construction Services	684,000		684,000	623,314	60,686
Other Objects	24,241		24,241	24,241	
Total Facilities Acquisition and Construction Services	708,241		708,241	647,555	60,686
<b>TOTAL CAPITAL OUTLAY</b>	<b>795,772</b>	<b>190,366</b>	<b>986,138</b>	<b>865,172</b>	<b>120,966</b>
<b>TOTAL EXPENDITURES</b>	<b>35,859,322</b>	<b>60,832</b>	<b>35,920,154</b>	<b>39,479,959</b>	<b>(3,559,805)</b>

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Excess/(Deficit) of Revenues Over/(Under) Expenditures	\$ (2,400,874)	\$ (200,000)	\$ (2,600,874)	\$ 651,649	\$ 3,252,523
Fund Balance, July 1 (as Restated)	6,076,111		6,076,111	6,076,111	
Fund Balance, June 30	<u>\$ 3,675,237</u>	<u>\$ (200,000)</u>	<u>\$ 3,475,237</u>	<u>\$ 6,727,760</u>	<u>\$ 3,252,523</u>
Recapitulation:					
Restricted:					
Excess Surplus - for 2022-2023				\$ 1,600,000	
Excess Surplus - for 2021-2022				1,600,000	
Capital Reserve				1,545,486	
Unemployment Compensation				181,834	
Assigned:					
Year-End Encumbrances				150,741	
Unassigned				<u>1,649,699</u>	
				<u>6,727,760</u>	
Reconciliation to Governmental Funds Statement (GAAP):					
Last Two State Aid Payments not Recognized on GAAP Basis				<u>(117,137)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 6,610,623</u>	

GLEN RIDGE BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources		\$ 469,067	\$ 469,067	\$ 373,627	\$ (95,440)
Federal Sources	\$ 460,218	325,117	785,335	783,242	(2,093)
<b>Total Revenues</b>	<b>460,218</b>	<b>794,184</b>	<b>1,254,402</b>	<b>1,156,869</b>	<b>(97,533)</b>
<b>EXPENDITURES:</b>					
<b>Instruction:</b>					
Salaries of Teachers	111,434	9,018	120,452	120,452	
Other Purchased Services		3,679	3,679	150	3,529
Tuition	297,442	69,236	366,678	366,678	
General Supplies	5,601	240,741	246,342	141,361	104,981
Textbooks		727	727	727	
Other Objects		956	956	120	836
<b>Total Instruction</b>	<b>414,477</b>	<b>324,357</b>	<b>738,834</b>	<b>629,488</b>	<b>109,346</b>
<b>Support Services:</b>					
Personal Services - Employee Benefits		44,429	44,429	44,429	
Purchased Professional and Technical Services	30,641	107,436	138,077	138,077	
Purchased Professional and Educational Services	5,100	3,586	8,686	8,686	
Other Purchased Services	10,000	12,424	22,424	20,326	2,098
Miscellaneous Purchased Services		500	500		500
Supplies and Materials		64,346	64,346	64,346	
Student Activities		226,554	226,554	229,338	(2,784)
<b>Total Support Services</b>	<b>45,741</b>	<b>459,275</b>	<b>505,016</b>	<b>505,202</b>	<b>(186)</b>
<b>Total Expenditures</b>	<b>460,218</b>	<b>783,632</b>	<b>1,243,850</b>	<b>1,134,690</b>	<b>109,160</b>
<b>Excess/(Deficit) of Revenue Over/(Under) Expenditures</b>	<b>\$ - 0 -</b>	<b>\$ 10,552</b>	<b>\$ 10,552</b>	<b>\$ 22,179</b>	<b>\$ 11,627</b>



BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 40,131,608	\$ 1,156,869
Difference - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		7,627
Current Year State Aid Payments Recognized for Budgetary Purposes, Not Recognized for GAAP Statements	(117,137)	
Prior Year State Aid Payments Recognized for GAAP Statements, Not Recognized for Budgetary Purposes	110,183	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 40,124,654	\$ 1,164,496
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 39,479,959	\$ 1,134,690
Differences - Budgetary to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes.		7,627
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 39,479,959	\$ 1,142,317

Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budget for the fiscal year ended June 30, 2021 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis except for student activities. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The general fund budgetary revenue differs from the GAAP revenue due to a difference in the recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

**SPECIAL REVENUE FUND**

GLEN RIDGE BOROUGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	I.D.E.A., Part B	Preschool	Student Activities	Local Donations	CARES Emergency Relief
<b>REVENUES:</b>					
Local Sources			\$ 251,517	122,110	
Federal Sources	\$ 366,678	\$ 12,559			\$ 173,187
<b>Total Revenues</b>	<u>366,678</u>	<u>12,559</u>	<u>251,517</u>	<u>122,110</u>	<u>173,187</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers				500	
Other Purchased Services				150	
Tuition	366,678				
General Supplies		3,873		120,613	
Textbooks				727	
Other Objects				120	
<b>Total Instruction</b>	<u>366,678</u>	<u>3,873</u>		<u>122,110</u>	
Support Services:					
Personal Services - Employee Benefits					127,015
Purchased Professional and Technical Services		8,686			
Purchased Professional and Educational Services					
Other Purchased Services					
Supplies and Materials					46,172
Student Activities			229,338		
<b>Total Support Services</b>		<u>8,686</u>	<u>229,338</u>		<u>173,187</u>
<b>Total Expenditures</b>	<u>\$ 366,678</u>	<u>\$ 12,559</u>	<u>\$ 229,338</u>	<u>\$ 122,110</u>	<u>\$ 173,187</u>

GLEN RIDGE BOROUGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Elementary and Secondary Education Act				Totals
	Title I	Title IIA	Title III	Title IV	
<b>REVENUES:</b>					
Local Sources	\$ 178,234	\$ 38,500	\$ 3,022	\$ 11,062	\$ 373,627
Federal Sources					783,242
<b>Total Revenues</b>	<u>178,234</u>	<u>38,500</u>	<u>3,022</u>	<u>11,062</u>	<u>1,156,869</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	119,952				120,452
Other Purchased Services					150
Tuition					366,678
General Supplies	13,853		3,022		141,361
Textbooks					727
Other Objects					120
<b>Total Instruction</b>	<u>133,805</u>		<u>3,022</u>		<u>629,488</u>
Support Services:					
Personal Services - Employee Benefits	44,429				44,429
Purchased Professional and Technical Services				11,062	138,077
Purchased Professional and Educational Services					8,686
Other Purchased Services		20,326			20,326
Supplies and Materials		18,174			64,346
Student Activities					229,338
<b>Total Support Services</b>	<u>44,429</u>	<u>38,500</u>		<u>11,062</u>	<u>505,202</u>
<b>Total Expenditures</b>	<u>\$ 178,234</u>	<u>\$ 38,500</u>	<u>\$ 3,022</u>	<u>\$ 11,062</u>	<u>\$ 1,134,690</u>

**CAPITAL PROJECTS FUND**

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS  
CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Revenue and Other Financing Sources:	
Interest Revenue	\$ 1,770
Total Revenue and Other Financing Sources	<u>1,770</u>
Expenditures and Other Financing Uses:	
Legal Services	19,572
Purchased Professional and Technical Services	75,379
Construction Services	134,818
Transfers Out:	
Debt Service Fund - Interest Earned	<u>1,770</u>
Total Expenditures and Other Financing Uses	<u>231,539</u>
Excess/(Deficiency) of Revenue and Other Financing Sources	
Over/(Under) Expenditures and Other Financing Uses	(229,769)
Fund Balance - Beginning	<u>453,452</u>
Fund Balance - Ending	<u><u>\$ 223,683</u></u>
Recapitulation:	
Restricted - Year End Encumbrances	\$ 201,830
Restricted	<u>21,853</u>
Fund Balance per Governmental Funds (Budgetary and GAAP)	<u><u>\$ 223,683</u></u>

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
UPGRADES AND IMPROVEMENTS TO FOREST AVENUE SCHOOL, LINDEN AVENUE SCHOOL,  
RIDGEWOOD AVENUE SCHOOL AND GLEN RIDGE HIGH SCHOOL AND THE ACQUISITION AND  
RENOVATION OF THE PRIOR CENTRAL SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Bond Proceeds	\$ 23,758,000		\$ 23,758,000	\$ 23,758,854
Total Revenue and Other Financing Sources	23,758,000		23,758,000	23,758,854
Expenditures:				
Legal Services	213,827	\$ 19,572	233,399	267,125
Purchased Professional and Technical Services	2,137,453	75,379	2,212,832	2,239,587
Construction Services	15,822,767	134,818	15,957,585	16,102,142
Land and Improvements	5,130,501		5,130,501	5,150,000
Total Expenditures	23,304,548	229,769	23,534,317	23,758,854
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 453,452	\$ (229,769)	\$ 223,683	\$ -0-
Additional Project Information:				
Project Number(s)	1750-050-17-1000			
Project Number(s)	1750-070-16-2000			
Project Number(s)	1750-075-16-1000			
Project Number(s)	1750-080-16-1000			
Project Number(s)	1750-X01-16-1000			
Grant Date	N/A			
Bond Authorization Date	3/14/2017			
Bonds Authorized	\$ 23,758,854			
Bonds Issued	\$ 23,758,000			
Original Authorized Cost	\$ 23,758,854			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	N/A			
Original Target Completion Date	8/31/2019			
Revised Target Completion Date	8/31/2021			

**PROPRIETARY FUNDS**



BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
PROPRIETARY FUND  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2021

	<u>Major Fund</u>
	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 18,997
Inventory	7,469
	26,466
Total Current Assets	26,466
Non-Current Assets:	
Capital Assets	176,965
Less: Accumulated Depreciation	(108,292)
	68,673
Total Non-Current Assets	68,673
Total Assets	95,139
LIABILITIES:	
Current Liabilities:	
Unearned Revenue - Prepaid Sales	30,923
	30,923
Total Liabilities	30,923
NET POSITION:	
Investment In Capital Assets	68,673
Unrestricted	(4,457)
	64,216
Total Net Position	\$ 64,216

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
PROPRIETARY FUND  
COMBINING STATEMENT OF REVENUE, EXPENSES  
AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Major Funds		Totals
	Food Service	After School and Summer Programs	
Operating Revenue:			
Daily Sales - Non-Reimbursable Programs	\$ 2,044		\$ 2,044
Program Fees		\$ 87,361	87,361
Other Miscellaneous	354		354
Total Operating Revenue	2,398	87,361	89,759
Operating Expenses:			
Cost of Sales - Non-Reimbursable Programs	20,353		20,353
Salaries	16,745	141,770	158,515
Payroll Taxes	8,148	10,345	18,493
Employee Benefits		57,020	57,020
Utilities		6,892	6,892
Contracted Services	2,850		2,850
Supplies and Materials	1,031	17,220	18,251
Depreciation Expense	6,231		6,231
Total Operating Expenses	55,358	233,247	288,605
Operating Income/(Loss)	(52,960)	(145,886)	(198,846)
Net Position Beginning of Year	117,176	145,886	263,062
Net Position End of Year	\$ 64,216	\$ -0-	\$ 64,216

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
PROPRIETARY FUND  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Major Funds</u>		<u>Totals</u>
	<u>Food Service</u>	<u>After School and Summer Programs</u>	
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 2,398	\$ 94,788	\$ 97,186
Payments to Employees		(141,770)	(141,770)
Payments to Food Service Vendor	(44,887)		(44,887)
Payments to Suppliers		(17,220)	(17,220)
Payments to Other Vendors		(74,257)	(74,257)
Net Cash Used by Operating Activities	<u>(42,489)</u>	<u>(138,459)</u>	<u>(180,948)</u>
Net Decrease in Cash and Cash Equivalents	(42,489)	(138,459)	(180,948)
Cash and Cash Equivalents, July 1	<u>61,486</u>	<u>138,459</u>	<u>199,945</u>
Cash and Cash Equivalents, June 30	<u>\$ 18,997</u>	<u>\$ -0-</u>	<u>\$ 18,997</u>
Adjustment to Reconcile Operating Loss to Net Cash Used by Operating Activities:			
Operating Loss	\$ (52,960)	\$ (145,886)	\$ (198,846)
Depreciation	6,231		6,231
Changes in Assets and Liabilities:			
Decrease in Other Accounts Receivable		7,427	7,427
Decrease in Inventory	8,924		8,924
(Decrease) in Accounts Payable	(5,475)		(5,475)
Increase in Unearned Revenue	791		791
Net Cash Used by Operating Activities	<u>\$ (42,489)</u>	<u>\$ (138,459)</u>	<u>\$ (180,948)</u>

**LONG-TERM DEBT**

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance June 30, 2020	Matured	Balance June 30, 2021
			Date	Amount				
Refunding Bonds	01/07/10	\$ 6,085,000	02/01/22	\$ 645,000	4.000%	\$ 1,260,000	\$ 615,000	\$ 645,000
School Bonds	02/14/18	23,758,000	08/15/21	680,000	3.000%			
			08/15/22	1,360,000	3.000%			
			08/15/23	1,360,000	3.000%			
			08/15/24	1,360,000	3.000%			
			08/15/25	1,360,000	3.000%			
			08/15/26	1,360,000	3.000%			
			08/15/27	1,360,000	3.000%			
			08/15/28	1,360,000	3.000%			
			08/15/29	1,360,000	3.000%			
			08/15/30	1,360,000	3.000%			
			08/15/31	1,360,000	3.000%			
		08/15/32	1,360,000	3.000%				
		08/15/33	1,360,000	3.000%				
		08/15/34	1,360,000	3.125%				
		08/15/35	1,360,000	3.125%				
		08/15/36	1,360,000	3.250%				
		08/15/37	1,318,000	3.250%				
						23,078,000	680,000	22,398,000
						<u>\$ 24,338,000</u>	<u>\$ 1,295,000</u>	<u>\$ 23,043,000</u>

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,644,384		\$ 1,644,384	\$ 1,644,384	
Total Local Sources	1,644,384		1,644,384	1,644,384	
State Sources:					
Debt Service Aid Type II	212,627		212,627	212,627	
Total State Sources	212,627		212,627	212,627	
Total Revenues	1,857,011		1,857,011	1,857,011	
EXPENDITURES:					
Regular Debt Service:					
Interest	742,635		742,635	742,635	
Redemption of Principal	1,295,000		1,295,000	1,295,000	
Total Regular Debt Service	2,037,635		2,037,635	2,037,635	
Total Expenditures	2,037,635		2,037,635	2,037,635	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(180,624)		(180,624)	(180,624)	
Other Financing Sources/(Uses):					
Transfers In:					
Capital Projects Fund - Interest Earned				1,770	\$ 1,770
Total Other Financing Sources/(Uses)				1,770	1,770
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures	(180,624)		(180,624)	(178,854)	1,770
Fund Balance, July 1	227,039		227,039	227,039	
Fund Balance, June 30	\$ 46,415	\$ - 0 -	\$ 46,415	\$ 48,185	\$ 1,770

**STATISTICAL SECTION**  
**(UNAUDITED)**

This part of the District’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 District’s overall financial health.

**Contents**

	<b><u>Exhibit</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	J-1 thru J-5
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.	J-6 thru J-9
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	J-10 thru J-13
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.	J-14 thru J-15
<b>Operating Information</b> These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	J-16 thru J-20

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

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
UNAUDITED

	June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020*	2021
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 7,027,583	\$ 7,383,893	\$ 7,583,315	\$ 9,067,199	\$ 9,229,068	\$ 9,435,185	\$ 9,914,865	\$ 9,889,635	\$ 11,185,197	\$ 11,752,446
Restricted	4,147,272	4,017,874	2,829,301	3,292,295	3,451,188	3,891,683	4,342,022	4,473,560	4,968,877	5,173,091
Unrestricted / (Deficit)	149,382	28,744	(6,232,267)	(6,726,293)	(6,884,950)	(7,366,537)	(7,652,142)	(7,602,761)	(6,975,759)	(5,928,523)
<b>Total governmental activities net position</b>	<b>\$ 11,324,237</b>	<b>\$ 11,430,511</b>	<b>\$ 4,180,349</b>	<b>\$ 5,633,201</b>	<b>\$ 5,795,306</b>	<b>\$ 5,960,331</b>	<b>\$ 6,604,745</b>	<b>\$ 6,760,434</b>	<b>\$ 9,178,315</b>	<b>\$ 10,997,014</b>
<b>Business-type Activities:</b>										
Investment in Capital Assets	\$ 22,029	\$ 22,490	\$ 22,977	\$ 20,888	\$ 18,799	\$ 23,327	\$ 51,247	\$ 61,693	\$ 74,904	\$ 68,673
Unrestricted/(Deficit)	149,799	124,516	108,218	180,228	176,359	191,913	263,159	312,380	188,158	(4,457)
<b>Total business-type activities net position</b>	<b>\$ 171,828</b>	<b>\$ 147,006</b>	<b>\$ 131,195</b>	<b>\$ 201,116</b>	<b>\$ 195,158</b>	<b>\$ 215,240</b>	<b>\$ 314,406</b>	<b>\$ 374,073</b>	<b>\$ 263,062</b>	<b>\$ 64,216</b>
<b>District-wide:</b>										
Net Investment in Capital Assets	\$ 7,049,612	\$ 7,406,383	\$ 7,606,292	\$ 9,088,087	\$ 9,247,867	\$ 9,458,512	\$ 9,966,112	\$ 9,951,328	\$ 11,260,101	\$ 11,821,119
Restricted	4,147,272	4,017,874	2,829,301	3,292,295	3,451,188	3,891,683	4,342,022	4,473,560	4,968,877	5,173,091
Unrestricted / (Deficit)	299,181	153,260	(6,124,049)	(6,546,065)	(6,708,591)	(7,174,624)	(7,388,983)	(7,290,381)	(6,787,601)	(5,932,980)
<b>Total District Net Position</b>	<b>\$ 11,496,065</b>	<b>\$ 11,577,517</b>	<b>\$ 4,311,544</b>	<b>\$ 5,834,317</b>	<b>\$ 5,990,464</b>	<b>\$ 6,175,571</b>	<b>\$ 6,919,151</b>	<b>\$ 7,134,507</b>	<b>\$ 9,441,377</b>	<b>\$ 11,061,230</b>

\* as Restated

Source: Borough of Glen Ridge School District Financial Reports.



BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS  
UNAUDITED

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
Governmental Activities:										
Instruction:										
Regular	\$ 13,210,211	\$ 13,757,682	\$ 14,352,234	\$ 15,125,388	\$ 17,750,208	\$ 20,234,338	\$ 20,536,521	\$ 20,681,342	\$ 20,237,496	\$ 21,127,241
Special Education	3,381,303	3,638,143	3,665,019	3,984,945	4,404,819	4,953,818	5,121,929	4,311,492	3,691,673	3,918,634
Other Special Instruction	418,083	481,996	419,442	596,961	518,273	578,737	542,403	467,985	420,619	579,173
School Sponsored Other Instruction	997,945	1,018,513	1,012,092	1,223,311	1,315,308	1,402,423	1,472,476	1,378,436	1,382,165	1,308,079
Support Services:										
Tuition	729,571	1,257,636	1,241,988	1,774,916	1,841,300	1,521,161	1,920,100	1,942,207	2,037,656	1,869,060
Student & Instruction Related Services	3,090,307	3,596,196	3,667,139	3,764,773	3,874,442	4,226,341	4,094,385	4,702,890	4,744,435	5,109,558
General Administrative Services	802,334	701,273	792,211	754,711	932,265	1,298,154	872,772	1,063,107	1,047,344	1,126,323
School Administrative Services	2,190,587	2,147,754	2,209,187	2,653,631	2,695,662	2,852,837	2,832,803	2,959,766	3,219,098	3,326,704
Central Services	508,690	527,167	538,581	574,446	654,400	638,095	675,714	615,130	558,295	556,453
Administration Information Technology	300,360	364,018	327,750	337,399	342,441	360,708	355,584	253,769	210,126	205,785
Plant Operations and Maintenance	2,463,284	2,565,377	2,680,745	2,758,792	2,670,572	2,440,698	2,645,234	2,824,818	2,789,690	3,022,478
Pupil Transportation	502,488	581,905	622,782	568,312	625,130	660,513	767,666	998,388	701,285	602,463
Interest on Long-term Debt	211,424	200,849	174,649	159,524	144,038	124,724	437,392	777,616	772,489	728,498
Capital Outlay				49,140						877,323
Total Governmental Activities Expenses	28,806,587	30,838,509	31,703,819	34,326,249	37,768,858	41,292,547	42,274,979	42,976,946	41,812,371	44,357,772
Business-type Activities:										
Food Service	330,192	373,264	372,782	339,945	368,247	387,669	434,418	509,155	382,874	55,358
After School and Summer Programs	248,786	250,110	272,912	305,125	291,103	299,673	323,626	440,804	436,625	233,247
Total Business-type Activities Expenses	578,978	623,374	645,694	645,070	659,350	687,342	758,044	949,959	819,499	288,605
Total District Expenses	\$ 29,385,565	\$ 31,461,883	\$ 32,349,513	\$ 34,971,319	\$ 38,428,208	\$ 41,979,889	\$ 43,033,023	\$ 43,926,905	\$ 42,631,870	\$ 44,646,377
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services:										
Instruction (Regular)	558,027	591,448	488,530	473,942	574,555	528,379	564,119	635,198	396,975	547,115
Operating Grants and Contributions	3,290,092	3,945,854	3,786,877	7,183,317	8,694,591	11,584,083	11,961,284	10,885,068	10,969,962	11,959,139
Total Governmental Activities Program Revenues	3,848,119	4,537,302	4,275,407	7,657,259	9,269,146	12,112,462	12,525,403	11,520,266	11,366,937	12,506,254
Business-type Activities:										
Charges for Services:										
Food Service	336,954	344,190	350,555	332,243	350,186	396,109	502,565	563,719	405,338	2,398
After School and Summer Programs	260,948	254,362	280,242	382,748	303,206	313,247	354,104	450,152	303,150	87,361
Total Business-type Activities Revenues	597,902	598,552	630,797	714,991	653,392	709,356	856,669	1,013,871	708,488	89,759
Total District Program Revenues	4,446,021	5,135,854	4,906,204	8,372,250	9,922,538	12,821,818	13,382,072	12,534,137	12,075,425	12,596,013
<b>Net (Expense)/Revenue</b>										
Governmental Activities	(24,958,468)	(26,301,207)	(27,428,412)	(26,668,990)	(28,499,712)	(29,180,085)	(29,749,576)	(31,456,680)	(30,445,434)	(31,851,518)
Business-type Activities	18,924	(24,822)	(14,897)	69,921	(5,958)	22,014	98,625	63,912	(111,011)	(198,846)
Total District-wide Net (Expense)/Revenue	(24,939,544)	(26,326,029)	(27,443,309)	(26,599,069)	(28,505,670)	(29,158,071)	(29,650,951)	(31,392,768)	(30,556,445)	(32,050,364)

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS  
UNAUDITED

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 25,163,894	\$ 25,667,172	\$ 26,180,515	\$ 27,169,504	\$ 27,712,894	\$ 28,371,002	\$ 29,069,101	\$ 29,650,483	\$ 30,391,745	\$ 31,352,804
Taxes Levied for Debt Service	866,612	676,937	677,137	672,138	671,838	671,087	824,788	1,270,959	1,608,785	1,644,384
Unrestricted Grants and Contributions	41,527			60,874	67,198	88,121	89,413	143,112	147,767	147,750
Investment Earnings				83	268	831	174,303	321,560	141,782	1,770
Miscellaneous Income	331,606	189,148	169,066	219,243	209,619	214,069	236,385	222,010	222,894	523,509
Transfers								4,245		
<b>Total Governmental Activities</b>	<b>26,403,639</b>	<b>26,533,257</b>	<b>27,026,718</b>	<b>28,121,842</b>	<b>28,661,817</b>	<b>29,345,110</b>	<b>30,393,990</b>	<b>31,612,369</b>	<b>32,512,973</b>	<b>33,670,217</b>
Business-type Activities:										
Miscellaneous Income/(Expenses)							541	(4,245)		
Transfers						(1,932)				
Capital (Disposals)-Special Item			(914)							
<b>Total Business-type Activities</b>	<b>26,403,639</b>	<b>26,533,257</b>	<b>27,025,804</b>	<b>28,121,842</b>	<b>28,661,817</b>	<b>29,343,178</b>	<b>30,394,531</b>	<b>31,608,124</b>	<b>32,512,973</b>	<b>33,670,217</b>
<b>Change in Net Position</b>	<b>1,445,171</b>	<b>232,050</b>	<b>(401,694)</b>	<b>1,452,852</b>	<b>162,105</b>	<b>165,025</b>	<b>644,414</b>	<b>155,689</b>	<b>2,067,539</b>	<b>1,818,699</b>
Governmental Activities	18,924	(24,822)	(15,811)	69,921	(5,958)	20,082	99,166	59,667	(111,011)	(198,846)
Business-type Activities	\$ 1,464,095	\$ 207,228	\$ (417,505)	\$ 1,522,773	\$ 156,147	\$ 185,107	\$ 743,580	\$ 215,356	\$ 1,956,528	\$ 1,619,853

Source: Borough of Glen Ridge School District Financial Reports.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
 FUND BALANCES - GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 UNAUDITED

	June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020*	2021
<b>General Fund:</b>										
Restricted	\$ 3,912,321	\$ 2,961,173	\$ 2,829,301	\$ 3,292,294	\$ 3,451,187	\$ 3,891,682	\$ 4,201,637	\$ 4,062,310	\$ 4,584,404	\$ 4,927,320
Assigned	280,520	1,114,943	494,599	170,718	150,945	367,715	256,736	63,300	585,235	150,741
Unassigned	531,364	568,196	587,957	591,418	652,509	583,349	691,996	811,633	796,289	1,532,562
<b>Total General Fund</b>	<b>\$ 4,724,205</b>	<b>\$ 4,644,312</b>	<b>\$ 3,911,857</b>	<b>\$ 4,054,430</b>	<b>\$ 4,254,641</b>	<b>\$ 4,842,746</b>	<b>\$ 5,150,369</b>	<b>\$ 4,937,243</b>	<b>\$ 5,965,928</b>	<b>\$ 6,610,623</b>
<b>All Other Governmental Funds:</b>										
Restricted	\$ 1			\$ 1	\$ 1	\$ 1	\$ 18,068,742	\$ 8,296,314	\$ 837,925	\$ 469,454
Committed							74,840			
Unassigned(Deficit)	(147,338)	(147,338)	(147,338)	(147,338)	(147,338)	(237,579)				
<b>Total All Other Governmental Funds/(Deficit)</b>	<b>\$ (147,337)</b>	<b>\$ (147,338)</b>	<b>\$ (147,338)</b>	<b>\$ (147,337)</b>	<b>\$ (147,337)</b>	<b>\$ (237,578)</b>	<b>\$ 18,143,582</b>	<b>\$ 8,296,314</b>	<b>\$ 837,925</b>	<b>\$ 469,454</b>
<b>Total All Governmental Funds:</b>										
Restricted	\$ 3,912,322	\$ 2,961,173	\$ 2,829,301	\$ 3,292,295	\$ 3,451,188	\$ 3,891,683	\$ 22,270,379	\$ 12,358,624	\$ 5,422,329	\$ 5,396,774
Assigned	280,520	1,114,943	494,599	170,718	150,945	367,715	256,736	63,300	585,235	150,741
Unassigned	384,026	420,858	440,619	444,080	505,171	345,770	691,996	811,633	796,289	1,532,562
<b>Total All Governmental Funds</b>	<b>\$ 4,576,868</b>	<b>\$ 4,496,974</b>	<b>\$ 3,764,519</b>	<b>\$ 3,907,093</b>	<b>\$ 4,107,304</b>	<b>\$ 4,605,168</b>	<b>\$ 23,219,111</b>	<b>\$ 13,233,557</b>	<b>\$ 6,803,853</b>	<b>\$ 7,080,077</b>

\* as Restated

Source: Borough of Glen Ridge School District Financial Reports.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
UNAUDITED

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Tax Levy	\$ 26,030,506	\$ 26,344,109	\$ 26,857,652	\$ 27,841,642	\$ 28,384,732	\$ 29,042,089	\$ 29,893,889	\$ 30,921,442	\$ 32,000,530	\$ 32,997,188
Tuition Charges	558,027	591,448	488,530	473,942	574,555	528,379	564,119	635,198	396,975	296,098
Interest Earnings								9,000	9,000	3,175
Miscellaneous	438,593	201,217	276,299	238,363	247,036	230,276	461,631	701,396	488,113	773,121
State Sources	2,792,432	3,560,427	3,318,029	3,699,357	4,254,750	4,628,708	5,695,277	6,524,384	7,044,547	8,318,192
Federal Sources	432,200	373,358	361,615	382,599	393,153	457,162	539,416	574,691	541,434	760,157
<b>Total Revenues</b>	<b>30,251,758</b>	<b>31,070,559</b>	<b>31,302,125</b>	<b>32,635,903</b>	<b>33,854,226</b>	<b>34,886,614</b>	<b>37,154,332</b>	<b>39,366,111</b>	<b>40,480,599</b>	<b>43,147,931</b>
<b>Expenditures</b>										
<b>Instruction:</b>										
Regular Instruction	9,592,245	9,841,153	9,862,163	9,989,967	10,424,610	10,675,337	11,087,149	11,850,986	11,911,034	12,417,226
Special Education Instruction	2,485,282	2,607,089	2,679,951	2,423,779	2,498,702	2,508,164	2,692,415	2,378,560	2,104,914	2,201,960
Other Special Instruction	299,575	338,316	299,820	364,839	292,955	297,392	284,398	258,267	239,086	323,922
School Sponsored Other Instruction	771,303	770,109	776,961	829,078	840,692	815,605	874,560	848,254	848,357	804,836
<b>Support Services:</b>										
Tuition	729,571	1,257,636	1,241,988	1,774,916	1,841,300	1,521,161	1,920,100	1,942,207	2,037,656	1,869,060
Student & Instruction Related Services	2,379,373	2,782,245	2,873,593	2,861,735	2,824,295	2,920,170	2,914,900	3,443,274	3,500,310	3,748,316
General Administrative Services	700,292	673,822	685,365	712,547	804,247	1,008,324	785,045	961,582	873,082	925,998
School Administrative Services	1,560,548	1,562,614	1,643,665	1,709,929	1,679,582	1,583,245	1,612,473	1,748,336	1,907,842	1,936,893
Central Services	418,146	436,950	449,354	481,746	549,443	527,194	567,321	509,814	462,768	464,889
Administration Information Technology	265,359	309,827	290,598	301,449	301,189	318,258	313,113	221,942	181,440	181,497
Plant Operations and Maintenance	2,143,163	2,201,074	2,342,941	2,470,637	2,315,107	2,388,180	2,341,187	2,373,202	2,349,944	2,859,240
Pupil Transportation	448,921	517,870	575,069	535,573	574,498	575,194	713,266	905,365	647,044	555,503
Unallocated Benefits	6,317,335	6,887,184	6,536,657	7,010,082	7,940,695	8,050,391	9,265,515	10,516,944	10,098,713	11,467,764
Capital Outlay	166,179	287,626	1,099,318	354,915	94,862	979,358	6,148,432	10,084,333	8,025,547	1,094,941
<b>Debt Service:</b>										
Principal	665,000	490,000	500,000	510,000	525,000	540,000	565,000	575,000	1,270,000	1,295,000
Interest and Other Charges	201,633	186,938	177,137	162,137	146,838	131,087	138,675	812,684	784,935	742,635
<b>Total Expenditures</b>	<b>29,143,925</b>	<b>31,150,453</b>	<b>32,034,580</b>	<b>32,493,329</b>	<b>33,654,015</b>	<b>34,839,060</b>	<b>42,223,549</b>	<b>49,430,750</b>	<b>47,242,672</b>	<b>42,889,680</b>
<b>Excess (Deficiency) of Revenues</b>	<b>1,107,833</b>	<b>(79,894)</b>	<b>(732,455)</b>	<b>142,574</b>	<b>200,211</b>	<b>47,554</b>	<b>(5,069,217)</b>	<b>(10,064,639)</b>	<b>(6,762,073)</b>	<b>258,251</b>
<b>Over (Under) Expenditures</b>										

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
UNAUDITED

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Financing Sources (Uses)										
Capital Leases (non-budgeted)						\$ 450,310				
Serial Bonds Issued							\$ 23,758,000			
Transfers In							109,512	\$ 259,709	\$ 46,415	\$ 1,770
Transfers Out							(109,512)	(255,464)	(46,415)	(1,770)
Total Other Financing Sources (Uses)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 450,310	\$ 23,758,000	\$ 4,245	\$ -0-	\$ -0-
Net Change in Fund Balances	\$ 1,107,833	\$ (79,894)	\$ (732,455)	\$ 142,574	\$ 200,211	\$ 497,864	\$ 18,688,783	\$ (10,060,394)	\$ (6,762,073)	\$ 258,251
Debt Service as a Percentage of Noncapital Expenditures	3.1%	2.2%	2.2%	2.1%	2.0%	2.0%	2.0%	3.7%	5.5%	5.1%

Source: Borough of Glen Ridge School District Financial Reports.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUES BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ending June 30,	Tuition	Interest on Investments	Prior Year Refunds	Rentals - Use of Facilities	Other	Total
2012	\$ 558,026	\$ 93	\$ 44,995	\$ 11,559	\$ 274,960	\$ 889,633
2013	591,448	81	44,582	8,630	135,855	780,596
2014	488,530	75	52,282	6,213	110,496	657,596
2015	473,942	83	14,010	21,145	184,088	693,268
2016	574,555	268	89,825	25,227	94,567	784,442
2017	528,379	831	61,608	7,368	145,093	743,279
2018	564,119	64,791	73,362	11,284	151,739	865,295
2019	635,198	131,936	7,464	18,374	205,172	998,144
2020	396,975	95,367	6,780	9,578	206,536	715,236
2021	295,598	15,876	100	500	351,036	663,110

Source: Borough of Glen Ridge School District records.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS  
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Commercial	Apartment	Total Assessed Value	Tax-Exempt Property	Add: Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2011	\$ 605,100	\$ 1,330,347,600	\$ 62,083,000	\$ 25,705,300	\$ 1,418,741,000	\$ 90,642,200	\$ 472,439	\$ 1,419,213,439	\$ 1.834	\$ 1,496,091,333
2012	485,100	1,322,815,600	62,299,600	24,056,700	1,409,657,000	91,236,600	503,201	1,410,160,201	1.868	1,453,453,496
2013	448,900	1,236,037,100	111,991,000	20,266,700	1,368,743,700	113,202,810	537,600	1,369,281,300	1.962	1,469,148,346
2014	448,900	1,238,234,100	111,891,000	20,266,700	1,370,840,700	113,380,210	507,600	1,371,348,300	2.030	1,484,045,317
2015	448,900	1,243,644,600	111,891,000	20,266,700	1,376,251,200	113,380,210	494,800	1,376,746,000	2.062	1,508,576,458
2016	950,600	1,246,910,800	111,891,000	20,266,700	1,380,019,100	113,610,610	490,800	1,380,509,900	2.104	1,565,063,528
2017	448,900	1,251,573,300	109,920,600	20,266,700	1,382,209,500	113,234,210	473,400	1,382,682,900	2.162	1,646,340,765
2018	1,296,400	1,257,012,800	109,920,600	20,266,700	1,388,496,500	113,234,210	493,900	1,388,990,400	2.226	1,712,272,606
2019 *	4,015,400	1,522,034,400	147,990,000	26,179,900	1,700,219,700	135,398,400	850,500	1,701,070,200	1.881	1,776,643,142
2020	949,700	1,525,311,800	151,980,900	24,279,900	1,702,522,300	134,933,300	843,800	1,703,366,100	1.937	1,860,100,398

\* - Revaluation Year

a - Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies.

b - Tax rates are per \$100 of assessed valuations.

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation. Reassessment occurs when ordered by the County Board of Taxation.

Source: Municipal Tax Assessor.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
UNAUDITED  
(Rate per \$100 of Assessed Value)

Year Ended December 31,	Borough of Glen Ridge School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Borough of Glen Ridge	Essex County	
2011	\$ 1.773	\$ 0.061	\$ 1.834	\$ 0.672	\$ 0.462	\$ 2.968
2012	1.820	0.048	1.868	0.707	0.476	3.051
2013	1.913	0.049	1.962	0.757	0.528	3.247
2014	1.981	0.049	2.030	0.777	0.566	3.373
2015	2.013	0.049	2.062	0.793	0.571	3.426
2016	2.055	0.049	2.104	0.809	0.591	3.504
2017	2.102	0.060	2.162	0.827	0.618	3.607
2018	2.135	0.091	2.226	0.841	0.622	3.689
2019	* 1.786	0.095	1.881	0.702	0.508	3.091
2020	1.840	0.097	1.937	0.718	0.531	3.186

\* - Revaluation Year

**a** - The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

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

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

Source: Municipal Tax Collector and School Business Administrator.



BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAX PAYERS,  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

Taxpayer	2021		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
MPT Legacy	\$ 104,721,900	1	5.63%
Parkway of Glen Ridge LTD	17,000,000	2	0.91%
Glen Ridge Country Club	10,711,000	3	0.58%
Mountainside Hospital	10,274,800	4	0.55%
Glen Ridge Manor	7,279,900	5	0.39%
Ko & Ko Investments	5,838,200	6	0.31%
Individual Taxpayer #1	5,411,100	7	0.29%
REY Associates	3,938,900	8	0.21%
855 Bloomfield, LLC	3,129,500	9	0.17%
Individual Taxpayer #2	2,631,600	10	0.14%
Total	<u>\$ 170,936,900</u>		<u>9.19%</u>

Taxpayer	2012		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
INFORMATION IS NOT AVAILABLE			

Source: Essex County Board of Taxation

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
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 <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2012	\$ 26,030,506	\$ 26,030,506	100.00%	-0-
2013	26,344,109	26,344,109	100.00%	-0-
2014	26,857,652	26,857,652	100.00%	-0-
2015	27,841,642	27,841,642	100.00%	-0-
2016	28,384,732	28,384,732	100.00%	-0-
2017	29,042,089	29,042,089	100.00%	-0-
2018	29,893,889	29,893,889	100.00%	-0-
2019	30,921,442	30,921,442	100.00%	-0-
2020	32,000,530	32,000,530	100.00%	-0-
2021	32,997,188	32,997,188	100.00%	-0-

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

Source: Borough of Glen Ridge School District records, including the Certificate and Report of School Taxes (A4F form).

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		<u>Total District</u>	Percentage of Personal Income <sup>a</sup>	<u>Per Capita <sup>a</sup></u>
	<u>General Obligation Bonds</u>	<u>Capital Leases</u>			
2012	\$ 5,555,000	\$ 117,521	\$ 5,672,521	1.39%	\$ 753.12
2013	5,065,000	26,396	5,091,396	1.23%	676.51
2014	4,565,000	154,780	4,719,780	1.12%	626.55
2015	4,055,000	77,077	4,132,077	0.93%	546.43
2016	3,530,000	6,032	3,536,032	0.77%	467.11
2017	2,990,000	349,319	3,339,319	0.71%	439.96
2018	26,183,000	200,453	26,383,453	5.41%	3,476.54
2019	25,608,000	47,122	25,655,122	5.17%	3,373.01
2020	24,338,000	-0-	24,338,000	4.73%	3,215.06
2021	23,043,000	-0-	23,043,000	4.50%	3,043.99

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

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

Source: Borough of Glen Ridge School District Financial Reports.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
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 <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2012	\$ 5,555,000	\$ -0-	\$ 5,555,000	0.391%	\$ 737.52
2013	5,065,000	-0-	5,065,000	0.359%	673.00
2014	4,565,000	-0-	4,565,000	0.333%	606.00
2015	4,055,000	-0-	4,055,000	0.296%	536.23
2016	3,530,000	-0-	3,530,000	0.256%	466.31
2017	2,990,000	-0-	2,990,000	0.217%	393.94
2018	26,183,000	-0-	26,183,000	1.894%	3,450.13
2019	25,608,000	-0-	25,608,000	1.844%	3,366.82
2020	24,338,000	-0-	24,338,000	1.431%	3,215.06
2021	23,043,000	-0-	23,043,000	1.353%	3,043.99

**a** - See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

**b** - See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

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

Source: Borough of Glen Ridge School District Financial Reports.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2020  
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Borough of Glen Ridge	\$ 8,362,597	100.00%	\$ 8,362,597
Essex County General Obligation Debt	649,227,780	1.99%	<u>12,927,108</u>
Subtotal, Overlapping Debt			21,289,705
Borough of Glen Ridge School District Direct Debt			<u>23,658,000</u>
<b>Total Direct and Overlapping Debt</b>			<u><u>\$ 44,947,705</u></u>

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

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

Sources: Assessed value data used to estimate applicable percentages provided by the Essex County Board of Taxation; debt outstanding data provided by each governmental unit.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

	Fiscal Year				
	2012	2013	2014	2015	2016
Debt Limit	\$ 60,371,202	\$ 58,480,252	\$ 58,960,995	\$ 59,243,961	\$ 60,528,738
Total Net Debt Applicable to Limit	<u>5,555,000</u>	<u>5,065,000</u>	<u>4,565,000</u>	<u>4,055,000</u>	<u>3,530,000</u>
Legal Debt Margin	<u>\$ 54,816,202</u>	<u>\$ 53,415,252</u>	<u>\$ 54,395,995</u>	<u>\$ 55,188,961</u>	<u>\$ 56,998,738</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	9.20%	8.66%	7.74%	6.84%	5.83%

	Fiscal Year				
	2017	2018	2019	2020	2021
Debt Limit	\$ 62,689,000	\$ 65,380,158	\$ 68,144,809	\$ 70,990,439	\$ 73,629,278
Total Net Debt Applicable to Limit	<u>2,990,000</u>	<u>26,183,000</u>	<u>25,608,000</u>	<u>24,338,000</u>	<u>23,043,000</u>
Legal Debt Margin	<u>\$ 59,699,000</u>	<u>\$ 39,197,158</u>	<u>\$ 42,536,809</u>	<u>\$ 46,652,439</u>	<u>\$ 50,586,278</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	4.77%	40.05%	37.58%	34.28%	31.30%

Legal Debt Margin Calculation for Fiscal Year 2021

Year Ended December 31,	Equalized Valuation Basis
2019	\$ 1,766,310,266
2020	1,855,324,858
2021	<u>1,900,560,728</u>
	<u>\$ 5,522,195,852</u>
Average Equalized Valuation of Taxable Property	<u>\$ 1,840,731,951</u>
Debt Limit (4% of Average Equalization Value)	<b>a</b> \$ 73,629,278
Net Bonded School Debt	<u>23,043,000</u>
Legal Debt Margin	<u>\$ 50,586,278</u>

a - Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts.

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey,  
Department of Treasury, Division of Taxation.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS  
UNAUDITED

Year	Population <sup>a</sup>	Essex County Per Capita Personal Income <sup>c</sup>	Personal Income <sup>b</sup>	Unemployment Rate <sup>d</sup>
2012	7,526	\$ 55,054	\$ 414,336,404	6.70%
2013	7,533	55,808	420,401,664	4.60%
2014	7,562	58,487	442,278,694	3.80%
2015	7,570	60,840	460,558,800	3.20%
2016	7,590	62,334	473,115,060	3.10%
2017	7,589	64,232	487,456,648	3.80%
2018	7,603	65,214	495,822,042	2.40%
2019	7,606	67,657	514,599,142	2.10%
2020	7,570	67,657 *	512,163,490	4.60%
2021	7,570 **	67,657 *	512,163,490 **	N/A

N/A - Not Available

\* - Latest Essex County per capita personal income available (2019) was used for calculation purposes.

\*\* - Latest available population data (2020) and latest available Essex County per capita personal income (2019) was used for calculation purposes.

Source:

**a** - Population information provided by the US Department of Census - Population Division.

**b** - Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.

**c** - Per Capita Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.

**d** - Unemployment data provided by the NJ Department of Labor and Workforce Development.

GLEN RIDGE BOROUGH SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS - COUNTY OF ESSEX  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

Employer	2020		
	Employees	Rank	Percentage of Total Employment
Prudential Ins. Co of America	49,705	1	14.11%
St. Barnabas Health Care System	24,600	2	6.98%
Rutgers University- Newark Campus	23,980	3	6.81%
Verizon	15,000	4	4.26%
Public Service Electric & Gas	12,945	5	3.67%
New Jersey Transit	11,500	6	3.26%
City of Newark	10,001	7	2.84%
Montclair State Univeristy	7,900	8	2.24%
Newark Board of Education	7,050	9	2.00%
Gateway Group One	6,250	10	1.77%
	<u>168,931</u>		<u>47.95%</u>
Total Employment	<u>352,334</u>		
Employer	2011		
	Employees	Rank (Optional)	Percentage of Total Employment
St. Barnabas Health Care System	23,000	1	6.96%
Verizon	17,100	2	5.18%
Prudential Ins. Co of America	16,850	3	5.10%
Univ. of Medicine and Dentistry of NJ	15,500	4	4.69%
Continental Airlines	11,000	5	3.33%
Newark Board of Education	7,050	6	2.13%
Automatic Data Processing	5,649	7	1.71%
New Jersey Transit	4,000	8	1.21%
City of Newark	4,000	9	1.21%
Essex County	3,900	10	1.18%
	<u>108,049</u>		<u>32.71%</u>
Total Employment	<u>330,337</u>		

Source: Essex County Economic Development Corporation



**BOROUGH OF GLEN RIDGE SCHOOL DISTRICT**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM**  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Function/Program</u>	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Instruction:										
Regular	136.3	134.7	128.0	127.6	129.3	130.3	131.4	132.4	145.2	145.7
Special Education	40.5	44.4	46.7	46.4	48.1	46.6	50.6	50.6	31.7	33.7
Other Special Instruction	6.0	6.5	6.0	6.0	6.0	6.0	4.0	4.0	5.4	5.4
Support Services:										
Student & Instruction Related Services	23.8	26.3	26.3	25.4	25.4	25.1	28.1	28.1	41.5	43.5
General Administrative Services	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
School Administrative Services	13.0	12.0	12.0	12.0	12.0	12.0	12.0	13.0	14.3	13.8
Central Services	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	4.0	4.5
Plant Operations and Maintenance	17.2	17.7	17.7	17.8	17.7	17.2	17.2	17.2	18.4	19.4
Pupil Transportation	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Child Care	6.5	8.7	8.7	8.7	8.7	9.3	8.9	8.9	8.0	0
<b>Total</b>	<u>252.1</u>	<u>259.1</u>	<u>254.2</u>	<u>252.7</u>	<u>256.0</u>	<u>255.3</u>	<u>261.0</u>	<u>263.0</u>	<u>272.3</u>	<u>269.8</u>

Source: Borough of Glen Ridge School District Personnel Records.

**BOROUGH OF GLEN RIDGE SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**  
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>d</sup>	Percentage Change	Teaching Staff <sup>b</sup>	Central School	Pupil/Teacher Ratio				Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage	
							Forest Avenue	Linden Avenue	Ridgewood Avenue	Middle/High School					
										Elementary					Middle
2012	1,950	\$ 28,111,113	\$ 14,416	5.84%	148.5		16.6:1	12.6:1	12.0:1	1,945	1,867	0.73%	95.99%		
2013	1,959	30,185,889	15,409	6.89%	151.4		16.3:1	13.3:1	11.6:1	1,955	1,870	0.51%	95.65%		
2014	1,934	30,258,125	15,645	1.54%	148.5		14.1:1	13.9:1	11.7:1	1,933	1,847	-1.13%	95.55%		
2015	1,908	31,466,277	16,492	5.41%	147.4		15.4:1	13.7:1	11.3:1	1,908	1,822	-1.29%	95.49%		
2016	1,893	32,887,315	17,373	5.34%	149.3		15.8:1	12.8:1	11.2:1	1,893	1,799	-0.79%	95.03%		
2017	1,905	33,188,615	17,422	0.28%	151.6		14.3:1	13.2:1	11.4:1	1,906	1,845	0.69%	96.80%		
2018	1,927	35,371,442	18,356	5.36%	153.4		14.1:1	12.5:1	11.4:1	1,928	1,820	1.15%	94.40%		
2019	1,909	37,958,733	19,884	8.33%	154.4	6:0:1	13.1:1	12.1:1	11.2:1	1,910	1,789	-0.93%	93.66%		
2020	1,873	37,162,190	19,841	-0.22%	153.6	6:0:1	14.0:1	12.8:1	11.0:1	1,873	1,810	-1.94%	96.64%		
2021	1,822	39,757,104	21,821	9.98%	154.6	13:0:1	12:1:1	12:1:1	12:1:1	1,822	1,751	-2.72%	96.04%		

**a** - Operating expenditures equal total expenditures less debt service and capital outlay.

**b** - Teaching staff includes only full-time equivalents of certificated staff.

**c** - Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**d** - Cost per pupil is the sum of operating expenditures divided by enrollment. This cost per pupil may be different from the State's cost per pupil calculations.

Note: Enrollment based on annual October District count.

Source: Borough of Glen Ridge School District records.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>District Building</u>	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Central School (2019)									29,538	29,538
Square Feet									304	304
Capacity (students)									40	90
Enrollment										
Forest Avenue School (1928)										
Square Feet	32,093	32,093	32,093	32,093	32,093	32,093	32,093	32,093	32,093	32,093
Capacity (students)	327	327	327	327	327	327	327	327	327	327
Enrollment	260	261	233	241	248	239	245	227	210	178
Linden Avenue School (1911)										
Square Feet	31,999	31,999	31,999	31,999	31,999	31,999	31,999	31,999	31,999	31,999
Capacity (students)	333	333	333	333	333	333	333	333	333	333
Enrollment	280	268	260	267	250	235	257	273	227	165
Ridgewood Avenue School (1928)										
Square Feet	102,436	102,436	102,436	102,436	102,436	102,436	102,436	102,436	102,436	102,436
Capacity (students)	582	582	582	582	582	582	582	582	582	582
Enrollment	571	592	597	588	583	600	591	576	563	539
Glen Ridge High School (1968)										
Square Feet	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Capacity (students)	842	842	842	842	842	842	842	842	842	842
Enrollment	839	838	844	812	812	831	834	833	833	850
Board Office (2000)										
Square Feet	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510	3,510

Number of Schools at June 30, 2021  
 Elementary (Grades Pre-K-2) = 3  
 Elementary/Middle School (Grades 3-6) = 1  
 Middle/High School (Grades 7-12) = 1  
 Other (Board Office) = 1

Note: Year of original construction is shown in parentheses. Enrollment is based on the annual October District count.

Source: Borough of Glen Ridge School District Facilities Office.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
LAST TEN FISCAL YEARS  
UNAUDITED

Undistributed Expenditures - Required Maintenance  
For School Facilities - Account #11-000-261-XXX:

<u>School Facilities*</u>	<u>Project # (s)</u>	<u>Fiscal Year Ended June 30,</u>				
		<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Glen Ridge High School	N/A	\$ 206,582	\$ 192,554	\$ 181,789	\$ 228,102	\$ 204,511
Forest Avenue School	N/A	96,010	90,171	125,774	121,323	114,399
Ridgewood Avenue School	N/A	237,079	210,828	214,949	215,362	200,038
Linden Avenue School	N/A	124,767	125,485	111,698	122,650	115,677
Total School Facilities		<u>664,438</u>	<u>619,038</u>	<u>634,210</u>	<u>687,437</u>	<u>634,625</u>
Board Office		<u>14,215</u>	<u>4,461</u>	<u>7,779</u>	<u>6,497</u>	<u>4,474</u>
Grand Total		<u>\$ 678,653</u>	<u>\$ 623,499</u>	<u>\$ 641,989</u>	<u>\$ 693,934</u>	<u>\$ 639,099</u>

<u>School Facilities*</u>	<u>Project # (s)</u>	<u>Fiscal Year Ended June 30,</u>				
		<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Glen Ridge High School	N/A	\$ 207,314	\$ 331,840	\$ 304,557	\$ 317,432	\$ 500,845
Forest Avenue School	N/A	113,315	63,980	56,364	54,128	85,403
Ridgewood Avenue School	N/A	202,164	201,972	177,566	177,098	279,426
Linden Avenue School	N/A	117,178	63,695	50,765	96,041	151,534
Central School	N/A				48,834	77,051
Total School Facilities		<u>639,971</u>	<u>661,487</u>	<u>589,252</u>	<u>693,533</u>	<u>1,094,259</u>
Board Office		<u>3,863</u>	<u>6,921</u>	<u>5,846</u>	<u>5,803</u>	<u>9,156</u>
Grand Total		<u>\$ 643,834</u>	<u>\$ 668,408</u>	<u>\$ 595,098</u>	<u>\$ 699,336</u>	<u>\$ 1,103,415</u>

N/A - Not Applicable.

\* - School facilities as defined under EFCFA (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3).

Source: Borough of Glen Ridge School District records.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2021  
UNAUDITED

	Coverage	Deductible
School Alliance Insurance Fund:		
Property - Blanket Building and Contents	\$ 500,000,000 (Per Occ.)	\$ 2,500
Flood Coverage:		
Per Occurrence	10,000,000	2,500
Aggregate	100,000,000	
Earthquake Coverage:		
Per Occurrence	25,000,000	5% of value at each location
Aggregate	25,000,000	5% of value at each location
Newly Acquired Property	25,000,000	2,500
Property at Unnamed Locations	25,000,000	2,500
Loss of Revenues	500,000	2,500
Accounts Receivable	2,500,000	2,500
Fine Arts	2,500,000	2,500
Trees/Shrubs/Plants	1,000,000	2,500
Auto Physical Damage	Per Policy	1,000
Blanket Crime	500,000	1,000
Money and Securities (Inside and Outside Premises)	50,000	1,000
Computer Fraud	50,000	1,000
Forgery and Alteration	50,000	1,000
School Board Errors and Omissions	5,000,000	15,000
Excess School Board Errors and Omissions	10,000,000	
Commercial General and Automobile Liability	5,000,000	
Medical Expense	10,000	
Abuse or Molestation Liability	10,000,000	
Excess Liability	10,000,000	
Premises Pollution Coverage:		
Per Occurrence	1,000,000	10,000
Indoor Environmental Condition	100,000	100,000
Terrorism	100,000,000	2,500
Builders Risk	25,000,000	2,500
Demolition and Increase Cost of Construction	25,000,000	2,500
Cyber Liability	2,000,000	10,000
Boiler and Machinery	100,000,000	2,500
Public Officials Bond - Western Surety Company:		
Board Secretary/Business Administrator	250,000	
Treasurer	250,000	
Morris Essex Insurance Group:		
Workers' Compensation:		
Statutory Benefits	Included	
Employer's Liability	5,000,000	
Supplemental Coverage (optional)	Included	

Source: Borough of Glen Ridge School District records.

**SINGLE AUDIT SECTION**



200 Valley Road, Suite 300  
Mt. Arlington, NJ 07856  
973.298.8500

11 Lawrence Road  
Newton, NJ 07860  
973.383.6699

[nisivoccia.com](http://nisivoccia.com)

Independent Member  
BKR International

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 Auditors' Report

The Honorable President and Members  
of the Board of Education  
Borough of Glen Ridge School District  
County of Essex, 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 the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Borough of Glen Ridge, in the County of Essex (the "District") as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 19, 2021.

**Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District'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 the 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.

The Honorable President and Members  
of the Board of Education  
Borough of Glen Ridge School District  
Page 2

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

### **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 result of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mount Arlington, New Jersey  
November 19, 2021

*Nisivoccia, LLP*

NISIVOCCIA LLP

*Kathryn L. Mantell*

---

Kathryn L. Mantell  
Licensed Public School Accountant #884  
Certified Public Accountant





200 Valley Road, Suite 300  
Mt. Arlington, NJ 07856  
973.298.8500

11 Lawrence Road  
Newton, NJ 07860  
973.383.6699

[nisivoccia.com](http://nisivoccia.com)

Independent Member  
BKR International

Report on Compliance For Each Major Federal and State Program;  
Report on Internal Control Over Compliance

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Borough of Glen Ridge School District  
County of Essex, New Jersey

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

We have audited the Board of Education of the Borough of Glen Ridge's (the "District's") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the fiscal year ended June 30, 2021. The District's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

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

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

The Honorable President and Members  
of the Board of Education  
Borough of Glen Ridge School District  
Page 2

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

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

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

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 Uniform Guidance or NJOMB 15-08. Accordingly, this report is not suitable for any other purpose.

Mount Arlington, New Jersey  
November 19, 2021

*Nisivoccia, LLP*

NISIVOCCIA LLP

*Kathryn L. Mantell*

---

Kathryn L. Mantell  
Licensed Public School Accountant #884  
Certified Public Accountant

GLEN RIDGE BOROUGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance at		Cash Received	Budgetary Expenditures	Balance at	
					June 30, 2020	Budgetary Accounts Receivable			June 30, 2021	Budgetary Accounts Receivable
<u>U.S. Department of Education:</u>										
<u>Special Revenue Fund:</u>										
Passed-through State Department of Education:										
Special Education Cluster:										
I.D.E.A. Part B, Basic	84.027	IDEA-1750-21	7/1/20-9/30/21	\$ 366,678	\$ 366,678		\$ (366,678)			
I.D.E.A. Preschool	84.173	IDEA-1750-21	7/1/20-9/30/21	12,559	12,559		(12,559)			
Total Special Education Cluster					379,237		(379,237)			
Elementary and Secondary Education Act:										
Title I	84.010	ESEA-1750-20	7/1/19-9/30/20	131,099	19,271					
Title I	84.010	ESEA-1750-21	7/1/20-9/30/21	178,234	178,234		(178,234)			
Total Title I					(19,271)		(178,234)			
Title IIA	84.367A	ESEA-1750-21	7/1/20-9/30/21	40,593	22,428		(38,500)			\$ (16,072)
Title III	84.365A	ESEA-1750-21	7/1/20-9/30/21	895	895		(895)			
Title III - Immigrant	84.365A	ESEA-1750-21	7/1/20-9/30/21	2,127	2,127		(2,127)			
Title IV	84.424	ESEA-1750-21	7/1/20-9/30/21	11,062	11,062		(11,062)			
Total Elementary and Secondary Education Act					234,017		(230,818)			(16,072)
Education Stabilization Fund:										
COVID 19 - CARES Emergency Relief	84.425D	CARES175020	3/13/20-9/30/22	173,187	173,187		(173,187)			
Total Special Revenue Fund					786,441		(783,242)			(16,072)
Total U.S. Department of Education					786,441		(783,242)			(16,072)
TOTAL FEDERAL AWARDS					\$ 786,441		\$ (783,242)			\$ (16,072)
										\$ -0-

SEE THE ACCOMPANYING NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

GLEN RIDGE BOROUGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2020		Cash Received	Budgetary Expenditures	Balance June 30, 2021		MEMO	
				Budgetary Accounts Receivable	GAAP Accounts Receivable			Budgetary Receivable	Cumulative Total Expenditures		
<b>State Department of Education:</b>											
<b>General Fund:</b>											
Special Education Categorical Aid Security Aid	20-495-034-5120-089	7/1/19-6/30/20	\$ 958,949	\$ (85,851)	\$ 85,851	\$	\$	\$	\$	\$	\$ 958,949
Transportation Aid	20-495-034-5120-084	7/1/19-6/30/20	147,881	(13,239)	13,239						147,881
Extraordinary Special Education Costs Aid	20-495-034-5120-014	7/1/19-6/30/20	123,908	(11,093)	11,093						123,908
Reimbursed TPAF Social Security Contributions	20-495-034-5120-044	7/1/19-6/30/20	271,603	(271,603)	271,603						271,603
On-Behalf TPAF Post-Retirement Contributions	20-495-034-5094-003	7/1/19-6/30/20	1,078,668	(109,316)	109,316						1,078,668
On-Behalf TPAF Pension Contributions	21-495-034-5094-001	7/1/20-6/30/21	1,287,467		1,287,467	\$ (1,287,467)					1,287,467
On-Behalf TPAF Non-Contributory Insurance	21-495-034-5094-002	7/1/20-6/30/21	4,031,562		4,031,562	(4,031,562)					4,031,562
On-Behalf TPAF Long-Term Disability Insurance	21-495-034-5094-004	7/1/20-6/30/21	76,706		76,706	(76,706)					76,706
Special Education Categorical Aid Security Aid	21-495-034-5094-004	7/1/20-6/30/21	2,170		2,170	(2,170)					2,170
Transportation Aid	21-495-034-5120-089	7/1/20-6/30/21	1,023,775		931,211	(1,023,775)			\$ (92,564)		1,023,775
Extraordinary Special Education Costs Aid	21-495-034-5120-084	7/1/20-6/30/21	147,881		134,511	(147,881)			(13,370)		147,881
Excess Nonpublic Transportation Costs	21-495-034-5120-014	7/1/20-6/30/21	320,990		112,705	(123,908)			(11,203)		123,908
Reimbursed TPAF Social Security Contributions	21-495-034-5120-014	7/1/20-6/30/21	8,990			(8,990)			(8,990)		8,990
Total General Fund	21-495-034-5094-003	7/1/20-6/30/21	1,089,070	(491,102)	1,089,070	(1,089,070)			(447,117)		1,089,070
Debt Service Fund:					8,156,504	(8,112,519)			(329,980)		10,693,528
Debt Service Aid State Support	21-495-034-5120-017	7/1/20-6/30/21	212,627		212,627	(212,627)					212,627
Total Debt Service Fund					212,627	(212,627)					212,627
<b>TOTAL STATE AWARDS</b>					<b>\$ 8,369,131</b>	<b>\$ (8,325,146)</b>			<b>\$ (329,980)</b>		<b>\$ 10,906,155</b>
Less: State Awards Not Subject to Single Audit Major Program Determination:											
On-Behalf TPAF Pension System Contributions:											
Post-Retirement Contributions	21-495-034-5094-001	7/1/20-6/30/21	(1,287,467)								1,287,467
Pension Contributions	21-495-034-5094-002	7/1/20-6/30/21	(4,031,562)								4,031,562
Non-Contributory Insurance	21-495-034-5094-004	7/1/20-6/30/21	(76,706)								76,706
Long-Term Disability Insurance	21-495-034-5094-004	7/1/20-6/30/21	(2,170)								2,170
Subtotal - On-Behalf TPAF Pension System Contributions											5,397,905
<b>TOTAL STATE AWARDS SUBJECT TO SINGLE AUDIT MAJOR PROGRAM DETERMINATION</b>											<b>\$ (2,927,241)</b>

SEE THE ACCOMPANYING NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards includes the federal and state grant activity of the Board of Education, Glen Ridge Borough School District under programs of the federal and state governments for the fiscal year ended June 30, 2021. 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* (“Uniform Guidance”) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented on the accrual basis of accounting. These bases of accounting are described in Note 1 to the District’s basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the current year last two state aid payments in the subsequent budget year, which is mandated pursuant to P.L. 2003, C.97 (A3521). For GAAP purposes, those payments are not recognized until the subsequent budget year due to the state deferral and recording of the last two 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 revenue, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(6,954) for the General Fund and \$7,627 for the Special Revenue Fund, of which \$30,712 is attributable to local grants and (\$23,085) is attributable to federal grants. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

Awards and financial assistance revenue are reported on the Board's basic financial statements on a GAAP basis as presented below:

	Federal	State	Total
General Fund		\$ 8,105,565	\$ 8,105,565
Special Revenue Fund	\$ 760,157		760,157
Debt Service Fund		212,627	212,627
Total Financial Assistance	\$ 760,157	\$ 8,318,192	\$ 9,078,349

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the year ended June 30, 2021.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Summary of Auditors' Results:

- The Independent Auditor’s Report expresses an unmodified opinion on the District's financial statements.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over the major federal and state programs disclosed during the audit as reported in the *Independent Auditors’ Report on Compliance for Each Major State program; Report on Internal Control Over Compliance*.
- The auditor’s report on compliance for the major federal and state programs for the District expresses an unmodified opinion on each major state program.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey’s OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.
- The District's federal and state programs tested as a major state program for the current fiscal year consisted of the following:

	State Grant Number	Grant Period	Award Amount	Budgetary Expenditures
<u>Federal:</u>				
I.D.E.A. Part B, Basic	84.027	7/1/20-9/30/21	\$ 366,678	\$ 366,678
I.D.E.A. Part B, Preschool	84.173	7/1/20-9/30/21	12,559	12,559
<u>State:</u>				
Special Categorical Education Aid	21-495-034-5120-089	7/1/20-6/30/21	\$ 1,023,775	\$ 1,023,775
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	147,881	147,881

- The threshold used for distinguishing between federal and state Type A and Type B programs was \$750,000.
- The District was not determined to be a "low-risk" auditee for federal programs.
- The District was determined to be a "low-risk" auditee for state programs.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any findings or questioned costs for federal awards as defined in 2 CFR 200.516(a) of the Uniform Guidance.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in 2 CFR 200.516(a) of the Uniform Guidance and New Jersey’s OMB Circular 15-08.

BOROUGH OF GLEN RIDGE SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Status of Prior Year Findings:

The District had no prior year audit findings.