

GLEN ROCK PUBLIC SCHOOLS
Glen Rock, New Jersey

*COMPREHENSIVE ANNUAL
FINANCIAL REPORT*

*FOR THE FISCAL YEAR ENDED
JUNE 30, 2021*



COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

Glen Rock Public Schools

Glen Rock, New Jersey

For The Fiscal Year Ended June 30, 2021

Prepared by

Business Office

**GLEN ROCK PUBLIC SCHOOLS
TABLE OF CONTENTS**

Page

INTRODUCTORY SECTION

Letter of Transmittal	i-iv
Organizational Chart	v
Roster of Officials	vi
Consultants and Advisors	vii

FINANCIAL SECTION

Independent Auditor's Report	1-3
------------------------------	-----

REQUIRED SUPPLEMENTARY INFORMATION- PART I

Management's Discussion and Analysis	4-17
--------------------------------------	------

Basic Financial Statements

A. District-wide Financial Statements

A-1	Statement of Net Position	18
A-2	Statement of Activities	19

B. Fund Financial Statements

Governmental Funds

B-1	Balance Sheet	20-21
B-2	Statement of Revenues, Expenditures, and Changes in Fund Balances	22
B-3	Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances With the District-Wide Statements	23

Proprietary Funds

B-4	Statement of Net Position	24
B-5	Statement of Revenues, Expenses, and Changes in Net Position	25
B-6	Statement of Cash Flows	26

Fiduciary Funds – Not Applicable

Notes to the Financial Statements	27-70
--	--------------

**GLEN ROCK PUBLIC SCHOOLS
TABLE OF CONTENTS**

Page

REQUIRED SUPPLEMENTARY INFORMATION – PART II

C. Budgetary Comparison Schedules

C-1	General Fund - Budgetary Comparison Schedule	71-76
C-2	Special Revenue Fund - Budgetary Comparison Schedule	77

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART II

C-3	Budgetary Comparison Schedule – Note to Required Supplementary Information	78
-----	--	----

REQUIRED SUPPLEMENTARY INFORMATION - PART III

L. Schedules Related to Accounting and Reporting for Pensions and OPEB (GASB 68 and 75)

L-1	Required Supplementary Information – Schedule of the District’s Proportionate	79
L-2	Required Supplementary Information – Schedule of District Contributions – Public Employees Retirement System	80
L-3	Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Teachers Pension and Annuity Fund	81
L-4	Notes to Required Supplementary Information – Net Pension Liability	82
L-5	Required Supplementary Information – Schedule of Changes in District’s Proportionate Share of Total OPEB Liability	83
L-6	Notes to Required Supplementary Information – OPEB Liability	84

OTHER SUPPLEMENTARY INFORMATION

D. School Level Schedules (Not applicable)

E. Special Revenue Fund

E-1	Combining Schedule of Program Revenues and Expenditures – Budgetary Basis	85-87
E-2	Schedule of Preschool Education Aid Expenditures – Budgetary Basis – N/A	88
E-3	Schedule of Receipts and Disbursements	89

F. Capital Projects Fund

F-1	Summary Schedule of Project Expenditures	90
F-2	Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis	91
F-2a-e	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis	92-96

G. Proprietary Funds

Enterprise Fund

G-1	Combining Statement of Net Position – N/A	97
G-2	Combining Statement of Revenues, Expenses and Changes in Fund Net Position – N/A	97
G-3	Combining Statement of Cash Flows – N/A	97

**GLEN ROCK PUBLIC SCHOOLS
TABLE OF CONTENTS**

Page

H. Fiduciary Funds – Not Applicable

I. Long-Term Debt

I-1	Schedule of Serial Bonds	98
I-2	Schedule of Obligations under Capital Leases – Not Applicable	99
I-3	Debt Service Fund – Budgetary Comparison Schedule – Budget and Actual	100

J. STATISTICAL SECTION (Unaudited)

Financial Trends

J-1	Net Position by Component	101
J-2	Changes in Net Position	102-103
J-3	Fund Balances – Governmental Funds	104
J-4	Changes in Fund Balances – Governmental Funds	105

Revenue Capacity

J-5	General Fund Other Local Revenue by Source	106
J-6	Assessed Value and Actual Value of Taxable Property	107
J-7	Direct and Overlapping Property Tax Rates	108
J-8	Principal Property Taxpayers	109
J-9	Property Tax Levies and Collections	110

Debt Capacity

J-10	Ratios of Outstanding Debt by Type	111
J-11	Ratios of Net General Bonded Debt Outstanding	112
J-12	Direct and Overlapping Government Activities Debt	113
J-13	Legal Debt Margin Information	114

Demographic and Economic Information

J-14	Demographic and Economic Statistics	115
J-15	Principal Employers	116

Operating Information

J-16	Full Time Equivalent District Employees by Function/Program	117
J-17	Operating Statistics	118
J-18	School Building Information	119
J-19	Schedule of Required Maintenance for School Facilities	120
J-20	Insurance Schedule	121

**GLEN ROCK PUBLIC SCHOOLS
TABLE OF CONTENTS**

Page

K. SINGLE AUDIT SECTION

K-1	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards – Independent Auditor’s Report	122-123
K-2	Report on Compliance for each Major Federal and State Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance as Required by New Jersey OMB Circular 15-08	124-126
K-3	Schedule of Expenditures of Federal Awards	127
K-4	Schedule of Expenditures of State Financial Assistance	128
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	129-130
K-6	Schedule of Findings and Questioned Costs – Part 1 – Summary of Auditor’s Results	131-132
K-6	Schedule of Findings and Questioned Costs – Part 2 – Schedule of Financial Statement Findings	133
K-6	Schedule of Findings and Questioned Costs – Part 3 – Schedule of Federal and State Award Findings and Questioned Costs	134
K-7	Summary Schedule of Prior Year Findings	135

INTRODUCTORY SECTION

GLEN ROCK PUBLIC SCHOOLS

Michael Rinderknecht
Business Administrator/
Board Secretary



620 Harristown Road
Glen Rock, NJ 07452-2398
(201) 445-7700 Ext. 8942
Fax (201) 389-5019

February 24, 2022

Honorable President and
Members of the Board of Education
Glen Rock Public Schools
County of Bergen
Glen Rock, New Jersey

The comprehensive annual financial report of the Borough of Glen Rock Public Schools (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 shared management of the District, specifically the Chief School Administrator and Business Administrator. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects, and is reported in a manner designed to present fairly the financial position and results of operations of the 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 basic financial statements and required supplementary information, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act (U.S. Uniform Guidance) and State Treasury Circular OMB 15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws, regulations, findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: The Borough of Glen Rock Public Schools is an independent reporting entity within the criteria adopted by the GASB. All funds of the District are included in this report. The Borough of Glen Rock Board of Education and all its schools constitute the District's reporting entity.

1. REPORTING ENTITY AND ITS SERVICES: (Continued)

The school district provides a full range of educational services to grade levels K through 12 for the students residing in the Borough of Glen Rock. These include regular as well as special education for special needs students. The District completed the 2020-2021 fiscal year with an enrollment of 2,530 resident students, which is 32 less than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2020-21	2,530	(1.25%)
2019-20	2,562	1.00%
2018-19	2,539	(.16%)
2017-18	2,543	1.92%
2016-17	2,495	1.34%
2015-16	2,462	.90%
2014-15	2,440	.58%
2013-14	2,426	1.04%
2012-13	2,401	(1.72%)
2011-12	2,443	(1.73%)

2. ECONOMIC CONDITION AND OUTLOOK: The Glen Rock community consists of over 3,800 single family residences. There are approximately 55 businesses located within a small central business district that prosper despite the abundance of magnet shopping malls in the area.

3. MAJOR INITIATIVES: Throughout its history, the Glen Rock community has always placed a very high value on education; it is the foundation upon which the borough was built. In the late 1800s when the state of New Jersey mandated consolidation of school districts, local activists - concerned about the impact this would have on the education of their children - went door to door with a petition to create their own school district. The cosmopolitan town of Glen Rock, situated 23 miles west of New York City, and the only Bergen County town to have two NJ Transit train lines, was established September 14, 1894. Glen Rock's current population hovers at 12,000.

Currently, the public school system consists of six schools serving a population of approximately 2,600 students in grades K-12. The original Ridgewood-Grove School, which still stands as part of a private residence, has been replaced by four elementary schools - Richard E. Byrd, Central, Clara E. Coleman and Alexander Hamilton - plus Glen Rock Middle School and Glen Rock High School.

The Glen Rock School District founded on principles of education, in partnership with a supportive community, provides an exceptional education to all students to cultivate resilient, responsible and engaged global citizens based on the New Jersey Student Learning Standards. The board of education and staff join with parents to promote self-discipline, motivation, academic excellence to achieve its ultimate goal, which is to assist all children develop into independent, self-sufficient and productive adults who will succeed and contribute responsibly to the global community.

The school district employs a fully staffed Child Study Team whose members work cooperatively with families to determine the most effective combination of programs and services beginning as early as pre-kindergarten, to meet the unique needs of all students. Highly trained reading specialists and counselors are available in every elementary school to work with classroom teachers and parents to evaluate and provide support to students. A program of academic advancement and enrichment is available across the district for qualifying students and is designed to expose them to a variety of experiences and disciplines, while challenging them to reach their greatest potential.

3. MAJOR INITIATIVES: (Continued)

The K-12 Guidance Department offers well-rounded advisement that includes a character education component, career panels, college fairs, and the traditional post-secondary advisement and counseling. Glen Rock High School is home to a premier sports facility. The district offers an array of athletic sports and extracurricular clubs and activities for students across grade levels.

Partnerships for dual enrollment exist with Bergen Community College, Fairleigh Dickinson University, Seton Hall University and Rutgers University. Initiatives include nationally recognized STEEM (Science, Technology, Engineering, Entrepreneurship & Mathematics) program, & Standards-Based Report Cards. The district also maintains a working relationship with the Glen Rock Arboretum where students engage in hands-on authentic science workshops.

Our Security Director serves as the School Safety Specialist in coordinating and maintaining a comprehensive security/school safety program as well as implementing programs and activities to reduce school violence. The district is implementing initiatives that enhance the safety, health and wellbeing of our staff and students, thus enabling every student to achieve their fullest potential as lifetime learners.

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

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

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

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

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

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

7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Notes 1 and 2. The District has adopted a cash management plan which requires it to deposit funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where funds are secured in accordance with the Act.

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

9. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Higgins, LLP was appointed by Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act (U.S. Uniform Guidance) and related State Treasury Circular OMB 15-08. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

We would like to express our appreciation to the members of the Borough of Glen Rock 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,

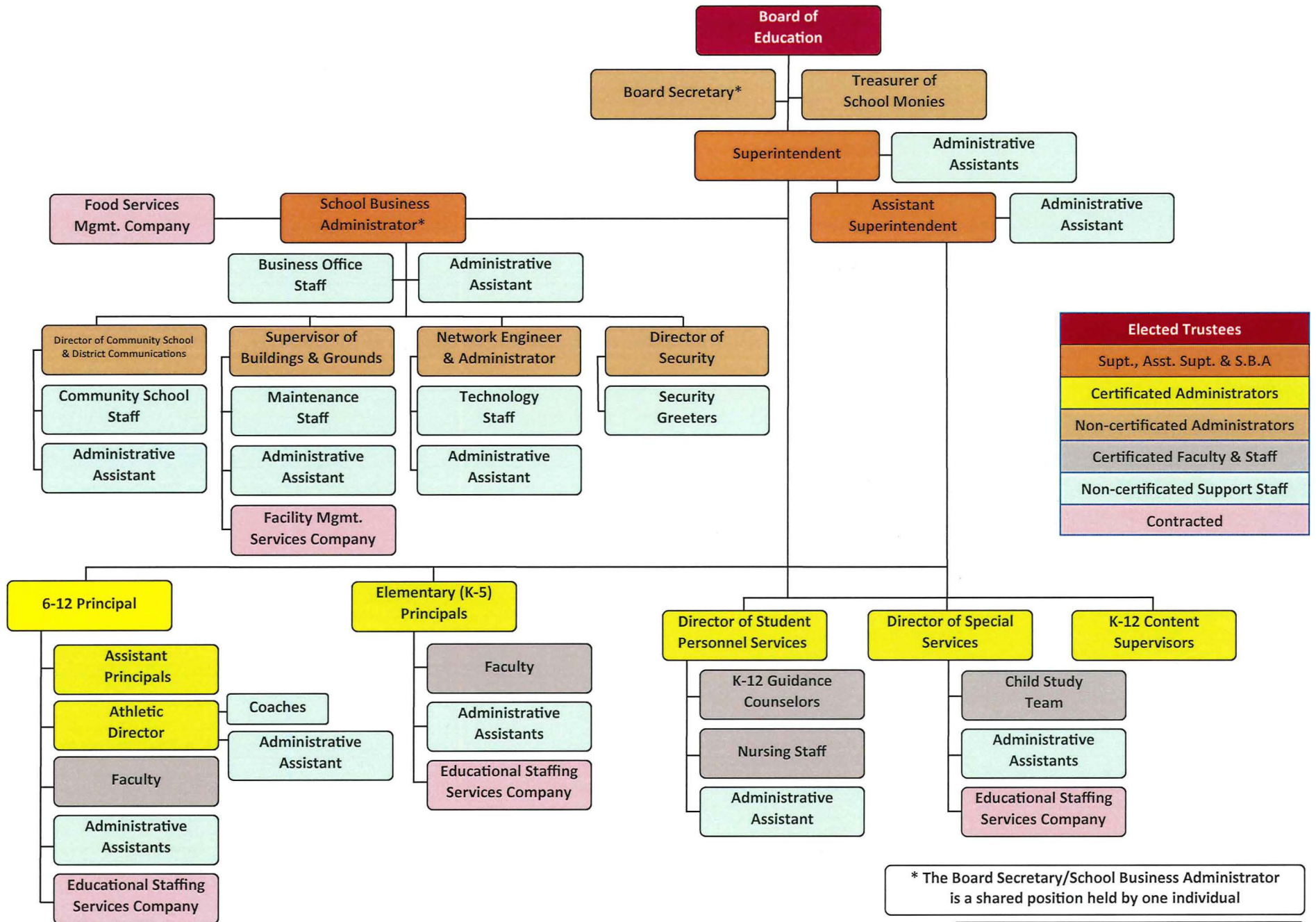


Brett Charleston
Superintendent of Schools



Michael Rinderknecht
School Business Administrator/Board Secretary

Glen Rock Public Schools District Organizational Chart



Elected Trustees
Supt., Asst. Supt. & S.B.A
Certificated Administrators
Non-certificated Administrators
Certificated Faculty & Staff
Non-certificated Support Staff
Contracted

* The Board Secretary/School Business Administrator is a shared position held by one individual

Approved by the Glen Rock Board of Education
January 4, 2021

GLEN ROCK PUBLIC SCHOOLS

Michael Rinderknecht
Business Administrator/
Board Secretary



620 Harristown Road
Glen Rock, NJ 07452-2398
(201) 445-7700 Ext. 8942
Fax (201) 389-5019

GLEN ROCK BOARD OF EDUCATION GLEN ROCK, NJ

Roster of Officials 2021

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Ms. Sharon Scarpelli, President	2021
Mr. Bryon Torsiello, Vice President	2021
Dr. Kevin Brennan	2022
Mr. Edmund Hayward	2023
Ms. Rona McNabola	2023
Dr. Angela Pucci-Bender	2022
Dr. Damali Robinson	2023
Ms. Sinead Rundell	2022
Mr. Robert Scherer	2021

Other Officials

Dr. Brett Charleston, Superintendent of Schools

Mr. Gregory Van Nest, Asst. Superintendent

Michael Rinderknecht, Business Administrator/Board Secretary

Antoinette Kelly, Treasurer of School Monies

GLEN ROCK PUBLIC SCHOOLS

Consultants & Advisors

June 30, 2021

District Auditor

Lerch, Vinci & Higgins, LLP
17-17 Route 208 North
Fair Lawn, New Jersey 07410

Attorney

Fogarty & Hara
16-00 Route 208 South
Fair Lawn, New Jersey 07410

Official Depositories

Bank of America
208 Harristown Road
Glen Rock, NJ 07452

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Glen Rock Public School District
Glen Rock, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund, information of the Glen Rock Public Schools as of and for the fiscal year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Emphasis of Matter

Adoption of New Accounting Pronouncement

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

Other Matters

Required Supplementary Information

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

Other Information

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

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

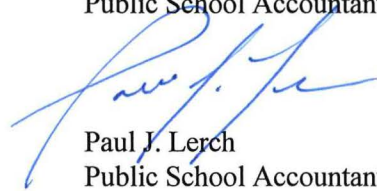
The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated February 24, 2022 on our consideration of the Glen Rock Public Schools' 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 Glen Rock Public Schools' 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 Glen Rock Public Schools' internal control over financial reporting and compliance.



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



Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
February 24, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

**GLEN ROCK PUBLIC SCHOOLS
GLEN ROCK, NEW JERSEY**

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

This discussion and analysis of the Glen Rock Public School's financial performance provides an overview of its financial activities for the fiscal year ended June 30, 2021. The intent of this is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and the notes to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2021 are as follows:

- District-Wide - Overall revenues were \$71,920,223. General revenues accounted for \$52,218,158 or 73 percent of all revenues. Program specific revenues in the form of charges for services, grants and contributions and capital grants accounted for \$19,702,065 or 27 percent of total revenues of \$71,920,223.
- District-Wide - The School District had \$67,940,706 in expenses; only \$19,702,065 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$52,218,158 were adequate to provide for these programs.
- Fund Financials - As of the close of the current fiscal year, the Glen Rock Public School's governmental funds reported combined ending fund balances of \$16,939,953 a decrease of \$1,555,479 in comparison with the prior year.
- Fund Financials - At the end of June 30, 2021, unassigned fund balance for the General Fund was \$1,579,891 an increase of \$955,776 in comparison with the prior year. The significant increase is due to a change in Law allowing districts to maintain 4% maximum unassigned fund balance at June 30, 2021. The prior year maximum allowed unassigned fund balance was 2%.

**GLEN ROCK PUBLIC SCHOOLS
GLEN ROCK, NEW JERSEY**

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor’s Report, required supplementary information which includes the management’s discussion and analysis (this section), the district-wide financial statements, fund financial statements and notes to the financial statements.

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the Glen Rock Public School’s overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Glen Rock Public Schools, reporting the Glen Rock Public School’s operation in more detail than the district-wide statements.
 - The governmental fund statements tell how basic services such as regular and special education were financed in short term as well as what remains for future spending.
 - Proprietary fund statements offer short and long-term financial information about the activities the Glen Rock Public Schools operates like a business.
 - Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others to whom the resources belong.

Table A-1 summarizes the major features of the Glen Rock Public School’s financial statements, including the portion of the Glen Rock Public School’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights the structure and contents of each of the statements.

**GLEN ROCK PUBLIC SCHOOLS
GLEN ROCK, NEW JERSEY**

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Table A-1 Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Fund Net Position and Statement of Cash Flows
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset, deferred outflows/inflows of resources and liability information	All assets, deferred outflows/inflows of resources 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, deferred outflow/inflows of resources and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.

District-wide Statements

District-wide. The *District-wide financial statements* are designed to provide readers with a broad overview of the Glen Rock Public School’s finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Glen Rock Public School’s assets, deferred outflows/inflows of resources and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. However, when assessing the overall health of the District, you need to consider additional non-financial factors, such as changes in the District’s property tax base and the condition of the school buildings and other facilities.

**GLEN ROCK PUBLIC SCHOOLS
GLEN ROCK, NEW JERSEY**

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

District-wide Statements (Continued)

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*.

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

- *Governmental activities*- Most of the District's basic services are included here, such as regular and special education, transportation, maintenance and administration services. Property taxes and state aids finance most of these activities.
- *Business-type activities*- The District charges fees to customers to help it cover the costs of the District's Food Service and the Community School which includes Before and After School Care, Adult Education, Summer Camp, Tots Program and Transitional Kindergarten Programs.

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 uses other funds, established in accordance with the State of New Jersey Uniform Chart of Accounts, to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., federal funds).

The District has two kinds of funds:

Governmental funds. The District's basic services are included in the governmental funds, which generally focus on near-term inflows and outflows of spendable resources and the balances of spendable resources at year-end. Consequently, the governmental fund statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide a reconciliation at the bottom of the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances to facilitate this comparison between governmental funds and governmental activities.

The District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and Debt Service Fund. A budgetary comparison statement has been provided for the General Fund, Special Revenue Fund and Debt Service Fund.

**GLEN ROCK PUBLIC SCHOOLS
GLEN ROCK, NEW JERSEY**

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund Financial Statements (Continued)

Proprietary Funds. The District maintains one type of Proprietary Fund, an Enterprise Fund, which is used to report the activity of the Food Service and Community School. Proprietary Funds provide the same type of information as the district-wide financial statements and is presented as business-type activities in the district-wide financial statements.

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

DISTRICT-WIDE FINANCIAL ANALYSIS OF THE GLEN ROCK PUBLIC SCHOOL DISTRICT AS A WHOLE

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

Table A-2 provides a summary of the school district's net position for fiscal years 2021 and 2020. For 2021 and 2020, net position were \$12,212,964 and \$8,233,447, respectively.

A portion of the District's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide regular and special education, transportation, maintenance and administration services. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**GLEN ROCK PUBLIC SCHOOLS
GLEN ROCK, NEW JERSEY**

**DISTRICT-WIDE FINANCIAL ANALYSIS OF THE GLEN ROCK PUBLIC SCHOOL
DISTRICT AS A WHOLE (Continued)**

Table A-2
Statement of Net Position
As of June 30, 2021 and 2020

	Governmental Activities		Business-Type Activities		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Assets						
Current and Other Assets	\$ 17,373,039	\$ 21,010,344	\$ 641,282	\$ 747,620	\$ 18,014,321	\$ 21,757,964
Capital Assets	52,139,681	49,025,145	19,109	11,154	52,158,790	49,036,299
Total Assets	<u>69,512,720</u>	<u>70,035,489</u>	<u>660,391</u>	<u>758,774</u>	<u>70,173,111</u>	<u>70,794,263</u>
Deferred Outflows of Resources						
Deferred Amounts on Refunding of Debt	2,126,891	2,428,135	-	-	2,126,891	2,428,135
Deferred Amounts on Net Pension Liability	541,318	946,600	-	-	541,318	946,600
Total Deferred Outflows of Resources	<u>2,668,209</u>	<u>3,374,735</u>	<u>-</u>	<u>-</u>	<u>2,668,209</u>	<u>3,374,735</u>
Total Assets and Deferred Outflows of Resources	<u>72,180,929</u>	<u>73,410,224</u>	<u>660,391</u>	<u>758,774</u>	<u>72,841,320</u>	<u>74,168,998</u>
Liabilities						
Current Liabilities	1,025,995	3,311,762	401,162	170,888	1,427,157	3,482,650
Non-Current Liabilities	55,386,648	58,930,695	-	-	55,386,648	58,930,695
Total Liabilities	<u>56,412,643</u>	<u>62,242,457</u>	<u>401,162</u>	<u>170,888</u>	<u>56,813,805</u>	<u>62,413,345</u>
Deferred Amounts on Net Pension Liability	<u>3,814,551</u>	<u>3,522,206</u>	<u>-</u>	<u>-</u>	<u>3,814,551</u>	<u>3,522,206</u>
Total Liabilities and Deferred Inflows of Resources	<u>60,227,194</u>	<u>65,764,663</u>	<u>401,162</u>	<u>170,888</u>	<u>60,628,356</u>	<u>65,935,551</u>
Net Position:						
Net Investment in Capital Assets	11,030,531	10,809,961	19,109	11,154	11,049,640	10,821,115
Restricted	7,189,612	4,096,383	-	-	7,189,612	4,096,383
Unrestricted	(6,266,408)	(7,260,783)	240,120	576,732	(6,026,288)	(6,684,051)
Total Net Position	<u>\$ 11,953,735</u>	<u>\$ 7,645,561</u>	<u>\$ 259,229</u>	<u>\$ 587,886</u>	<u>\$ 12,212,964</u>	<u>\$ 8,233,447</u>

**GLEN ROCK PUBLIC SCHOOLS
GLEN ROCK, NEW JERSEY
DISTRICT-WIDE FINANCIAL ANALYSIS OF THE GLEN ROCK PUBLIC SCHOOL
DISTRICT AS A WHOLE (Continued)**

Governmental activities. Governmental activities increased the District's net position by \$4,208,174. Key elements of this increase are as follows:

**Table A-3
Changes in Net Position
For the Fiscal Years Ended June 30, 2021 and 2020**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program Revenues						
Charges for Services	\$ 288,803	\$ 235,840	\$ 405,994	\$ 1,856,047	\$ 694,797	\$ 2,091,887
Operating Grants and Contributions	18,700,643	13,172,044			18,700,643	13,172,044
Capital Grants and Contributions	306,625	38,210			306,625	38,210
General Revenues						
Property Taxes	50,804,471	49,645,230			50,804,471	49,645,230
Other	1,413,687	1,255,771	-	5,210	1,413,687	1,260,981
Total Revenues	71,514,229	64,347,095	405,994	1,861,257	71,920,223	66,208,352
Expenses						
Instruction						
Regular	28,634,338	26,092,013			28,634,338	26,092,013
Special Education	9,174,829	9,050,204			9,174,829	9,050,204
Other Instruction	1,492,768	1,350,370			1,492,768	1,350,370
School Sponsored Activities and Ath.	2,173,443	1,560,607			2,173,443	1,560,607
Support Services						
Student and Instruction Related Serv.	9,305,545	9,066,502			9,305,545	9,066,502
Educational Media/School Library	1,099,704	980,794			1,099,704	980,794
General Administrative Services	1,791,092	1,280,390			1,791,092	1,280,390
School Administrative Services	4,526,247	4,677,942			4,526,247	4,677,942
Plant Operations and Maintenance	5,137,656	4,889,406			5,137,656	4,889,406
Pupil Transportation	808,990	981,622			808,990	981,622
Central Services	1,643,263	1,510,826			1,643,263	1,510,826
Scholarship Awards	6,400				6,400	
Food Service			14,080	415,968	14,080	415,968
Community School			620,571	1,375,814	620,571	1,375,814
Interest on Long-Term Debt	1,511,780	1,571,410	-	-	1,511,780	1,571,410
Total Expenses	67,306,055	63,012,086	634,651	1,791,782	67,940,706	64,803,868
Change in Net Position Before Transfers	4,208,174	1,335,009	(228,657)	69,475	3,979,517	1,404,484
Transfers	100,000	100,000	(100,000)	(100,000)	-	-
Net Position, Beginning of Year	7,645,561	5,004,402	587,886	618,411	8,233,447	5,622,813
Prior Period Adjustment	-	1,206,150	-	-	-	1,206,150
Net Position, End of Year	\$ 11,953,735	\$ 7,645,561	\$ 259,229	\$ 587,886	\$ 12,212,964	\$ 8,233,447

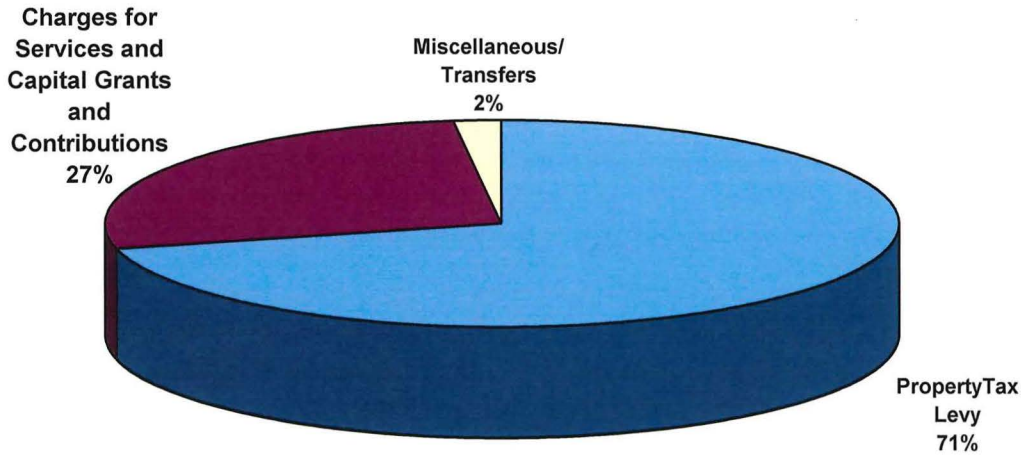
**GLEN ROCK PUBLIC SCHOOLS
GLEN ROCK, NEW JERSEY**

DISTRICT-WIDE FINANCIAL ANALYSIS OF THE GLEN ROCK PUBLIC SCHOOL DISTRICT AS A WHOLE (Continued)

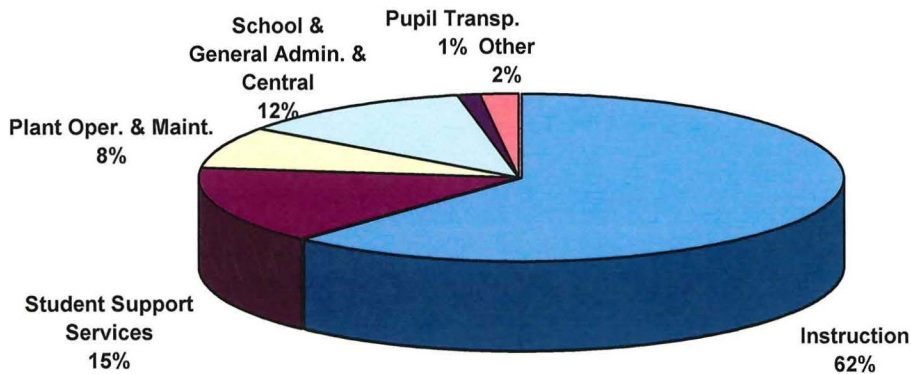
Governmental activities. The District's total governmental activities revenues were \$71,514,229. The local share of the revenues, that included property taxes, state aid, state aid restricted for debt service, miscellaneous revenue and transfers amounted to \$52,218,158 or 73% of total revenues. Funding from state, federal sources charges for services and capital grants and contributions amounted to \$19,296,071 or 27%. (See Table A-3)

The District's total governmental expenses were \$67,306,055 which are predominantly related to instruction and support services. Instruction totaled \$41,475,378 (62%), student support services totaled \$24,318,897 (36%) and interest on long-term debt totaled \$1,511,780 (2%) of total expenses. (See Table A-3.)

Revenues by Source- Governmental Activities
For Fiscal Year 2021



Expenses by Type- Governmental Activities
For Fiscal Year 2021



**GLEN ROCK PUBLIC SCHOOLS
GLEN ROCK, NEW JERSEY
DISTRICT-WIDE FINANCIAL ANALYSIS OF THE GLEN ROCK PUBLIC SCHOOL
DISTRICT AS A WHOLE (Continued)**

**Table A-4
Total and Net Cost of Governmental Activities
For the Fiscal Years Ended June 30, 2021 and 2020**

<u>Functions/Programs</u>	<u>Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Governmental Activities				
Instruction				
Regular	\$ 28,634,338	\$ 26,092,013	\$ 20,448,136	\$ 20,374,960
Special Education	9,174,829	9,050,204	4,808,425	5,355,275
Other Instruction	1,492,768	1,350,370	981,100	988,666
School Sponsored Activities and Athletics	2,173,443	1,560,607	816,315	1,194,231
Support Services				
Student and Instruction Related Svcs.	9,305,545	9,066,502	7,137,470	7,536,208
Educational Media/School Library	1,099,704	980,794	803,344	778,669
General Administrative Services	1,791,092	1,280,390	1,389,850	1,099,183
School Administrative Services	4,526,247	4,677,942	3,216,000	3,654,752
Plant Operations and Maintenance	5,137,656	4,889,406	4,692,422	4,659,366
Pupil Transportation	808,990	981,622	671,375	849,873
Central Services	1,643,263	1,510,826	1,527,367	1,503,399
Scholarship Awards	6,400		6,400	
Interest on Long-Term Debt	1,511,780	1,571,410	1,511,780	1,571,410
Total Governmental Activities	<u>\$ 67,306,055</u>	<u>\$ 63,012,086</u>	<u>\$ 48,009,984</u>	<u>\$ 49,565,992</u>

Business-Type Activities

The cost of Business-Type Activities for the fiscal year ended June 30, 2021 was \$634,651. These costs were funded by charges for services (Detailed on Table A-3). The operations resulted in a decrease in net position before transfers of \$228,657. The District's Business-Type Activities were significantly impacted due to the Pandemic which resulted in a decrease in net position for June 30, 2021.

**GLEN ROCK PUBLIC SCHOOLS
GLEN ROCK, NEW JERSEY**

Business-Type Activities (Continued)

Revenues for the District's business-type activities (food service and community school-after school child care programs) were comprised of charges for services and federal reimbursements.

Food Service Program

- Food service expenditures exceeded revenues by \$14,080.
- Charges for services represent 100% percent of operating revenue.
- Revenues include lunches and ala carte meals paid for by the students and District staff. Due to the Pandemic, there were no lunch sales.

Community School – Before and After Child Care

- Community School expenses exceeded revenues by \$214,577.
- Charges for services represent 100 percent of operating revenue.
- Revenues include tuition for Community School classes and child care programs.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds. The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As the District completed the 2020-2021 year, its governmental funds reported a combined fund balance of \$16,939,953. June 30, 2020 the restated fund balance was \$18,495,432.

The District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$66,332,607 and expenditures were \$67,988,086.

**GLEN ROCK PUBLIC SCHOOLS
GLEN ROCK, NEW JERSEY**

The District's Funds (Continued)

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound fiscal management. The following schedule presents a summary of the governmental fund revenues for the fiscal years ended June 30, 2021 and 2020.

	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020	Amount of Increase (Decrease)	Percent Change
Local Sources	\$ 52,398,258	\$ 50,427,015	\$ 1,971,243	3.91%
State Sources	12,922,222	10,595,639	2,326,583	21.96%
Federal Sources	<u>1,012,127</u>	<u>565,564</u>	<u>446,563</u>	78.96%
 Total Revenues	 <u>\$ 66,332,607</u>	 <u>\$ 61,588,218</u>	 <u>\$ 4,744,389</u>	 7.7%

The following schedule represents a summary of general fund, special revenue fund, capital projects fund, and debt service fund expenditures for the fiscal year ended June 30, 2021 and 2020.

	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020	Amount of Increase (Decrease)	Percent Change
Instruction	\$ 36,038,688	\$ 33,925,388	\$ 2,113,300	6.23%
Support Services and Undistributed	21,853,310	21,772,305	81,005	0.37%
Capital Outlay	6,492,909	6,447,773	45,136	0.70%
Debt Service				
Principal	1,690,000	1,630,000	60,000	3.68%
Interest and Other Charges	<u>1,913,179</u>	<u>1,470,896</u>	<u>442,283</u>	30.07%
 Total Expenditures	 <u>\$ 67,988,086</u>	 <u>\$ 65,246,362</u>	 <u>\$ 2,741,724</u>	 4.2%

**GLEN ROCK PUBLIC SCHOOLS
GLEN ROCK, NEW JERSEY**

General Fund Budgetary Highlights

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

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to recognize additional special education costs related to out of District placements that were not anticipated and to prevent overexpenditures in specific line item accounts.

Capital Assets. The Glen Rock Public School's investment in capital assets for its governmental and business type activities as of June 30, 2021 amounts to \$52,158,790 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and building improvements, and machinery and equipment.

**Table A-5
Capital Assets - Governmental Activities
(net of accumulated depreciation) at June 30, 2021 and 2020**

	Total	
	2021	2020
Land	\$ 12,022	\$ 12,022
Construction In Progress	10,322,548	5,541,134
Land Improvements	4,020,328	4,020,328
Buildings and Building Improvements	70,121,476	68,715,384
Machinery and Equipment	5,045,891	4,876,137
 Total	 89,522,265	 83,165,005
Less: Accumulated Depreciation	37,382,584	34,128,706
 Total	 \$ 52,139,681	 \$ 49,036,299

Additional information on Glen Rock Public Schools' capital assets can be found in the notes of this report.

**GLEN ROCK PUBLIC SCHOOLS
GLEN ROCK, NEW JERSEY**

Debt Administration. As of June 30, 2021 the school district had long-term debt and outstanding long-term liabilities in the amount of \$55,386,648 as stated in Table A-6.

**Table A-6
Long-Term Debt
Outstanding Long-Term Liabilities**

	<u>2021</u>	<u>2020</u>
Serial Bonds Including Premium	\$ 47,829,015	\$ 50,017,717
Net Pension Liability	6,381,192	7,737,957
Compensated Absences Payable	<u>1,176,441</u>	<u>1,175,021</u>
 Total	 <u>\$ 55,386,648</u>	 <u>\$ 58,930,695</u>

Additional information on Glen Rock Public School’s long-term debt can be found in the notes of this report.

Standard & Poor’s Financial Service has assigned an AA+ enhanced rating to the Glen Rock Public School’s \$32,910,000 (2016) and \$14,718,000 (2019) General Obligation School Bonds. These bonds are secured by New Jersey’s Chapter 72 program. The AA+ rating on this issue reflects: Chapter 72’s highly liquid reserve that by statute is perpetually sized at 1.5% of New Jersey school district related indebtedness; significant ability to regenerate the fund in the case of a draw; and, Moody’s anticipation that program mechanics will govern timely bond repayment in the case of a defaulting issuer. Additional information on this program follows:

CHAPTER 72 IS A CONSTITUTIONALLY CREATED FUND LOCATED IN THE STATE’S FUND FOR SUPPORT OF FREE PUBLIC SCHOOLS

The Chapter 72 reserves, authorized in 1980 (NJ 18A:56-19), to make scheduled debt service payments for a defaulting issuer are carved from the State of New Jersey’s larger constitutionally created Fund for Support of Free Public Schools. Chapter 72 assets currently valued at \$62 million are recalculated annually, to comply with the statutory requirement that the reserve equal exactly 1.5% of the \$4.1 billion of outstanding school related debt. Currently, Chapter 72 assets comprise 41% of the Fund.

**GLEN ROCK PUBLIC SCHOOLS
GLEN ROCK, NEW JERSEY**

FOR THE FUTURE

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

Currently, the District is in superior financial condition. Everyone associated with the Glen Rock Board of Education is grateful for the community support of the schools, as evidenced by the successful passage of the District's March 12, 2019 referendum initiative. Student enrollment growth at the elementary schools continues to be an area of concern. The District is confident that the referendum building program will address overcrowding issues at the High School/Middle School facility and address numerous maintenance related infrastructure improvements at all of the District's schools. In the future, an environment of minimal state aid support and continued increases in New Jersey State mandates will result in a difficult balance of utilizing current district resources without comprising educational programs.

In conclusion, the Glen Rock School District has committed itself to financial excellence for many years. Its system for financial planning, budgeting, and internal financial controls is audited annually and it plans to continue to manage its finances in order to meet the many financial challenges ahead.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

If you have questions about this report or need additional information, contact the School Business Administrator at the Glen Rock Public Schools, 620 Harristown Road, Glen Rock, NJ 07452.

BASIC FINANCIAL STATEMENTS

**GLEN ROCK PUBLIC SCHOOLS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 16,285,791	\$ 1,246,050	\$ 17,531,841
Receivables, net	482,480		482,480
Internal Balances	604,768	(604,768)	-
Inventory			-
Capital Assets, net			
Not Being Depreciated	10,334,570		10,334,570
Being Depreciated	41,805,111	19,109	41,824,220
	<u>69,512,720</u>	<u>660,391</u>	<u>70,173,111</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	2,126,891		2,126,891
Deferred Amounts on Net Pension Liability	541,318	-	541,318
	<u>2,668,209</u>	<u>-</u>	<u>2,668,209</u>
Total Deferred Outflows of Resources	<u>2,668,209</u>	<u>-</u>	<u>2,668,209</u>
Total Assets and Deferred Outflows of Resources	<u>72,180,929</u>	<u>660,391</u>	<u>72,841,320</u>
LIABILITIES			
Accounts Payable and Other Liabilities	397,074		397,074
Unearned Revenue	2,846	401,162	404,008
Accrued Interest Payable	592,909		592,909
Payable to Other Governments	33,166		33,166
Noncurrent Liabilities			
Due Within One Year	2,658,000		2,658,000
Due Beyond One Year	52,728,648	-	52,728,648
	<u>56,412,643</u>	<u>401,162</u>	<u>56,813,805</u>
Total Liabilities	<u>56,412,643</u>	<u>401,162</u>	<u>56,813,805</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	3,814,551	-	3,814,551
	<u>3,814,551</u>	<u>-</u>	<u>3,814,551</u>
Total Liabilities and Deferred Inflows of Resources	<u>60,227,194</u>	<u>401,162</u>	<u>60,628,356</u>
NET POSITION			
Net Investment in Capital Assets	11,030,531	19,109	11,049,640
Restricted for			
Capital Projects	5,922,426		5,922,426
Debt Service	23,210		23,210
Other Purposes	1,243,976		1,243,976
Unrestricted	(6,266,408)	240,120	(6,026,288)
	<u>11,030,531</u>	<u>259,229</u>	<u>11,289,760</u>
Total Net Position	<u>\$ 11,953,735</u>	<u>\$ 259,229</u>	<u>\$ 12,212,964</u>

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

**GLEN ROCK PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities							
Instruction							
Regular	\$ 28,634,338	\$ 84,852	\$ 7,794,725	\$ 306,625	\$ (20,448,136)		\$ (20,448,136)
Special Education	9,174,829		4,366,404		(4,808,425)		(4,808,425)
Other Instruction	1,492,768		511,668		(981,100)		(981,100)
School Sponsored Activities and Athletics	2,173,443	203,951	1,153,177		(816,315)		(816,315)
Support Services							
Student and Instruction Related Services	9,305,545		2,168,075		(7,137,470)		(7,137,470)
Educational Media/School Library	1,099,704		296,360		(803,344)		(803,344)
General Administrative Services	1,791,092		401,242		(1,389,850)		(1,389,850)
School Administrative Services	4,526,247		1,310,247		(3,216,000)		(3,216,000)
Plant Operations and Maintenance	5,137,656		445,234		(4,692,422)		(4,692,422)
Pupil Transportation	808,990		137,615		(671,375)		(671,375)
Central Services	1,643,263		115,896		(1,527,367)		(1,527,367)
Scholarship Awards	6,400				(6,400)		(6,400)
Interest on Long-Term Debt	1,511,780	-	-	-	(1,511,780)	-	(1,511,780)
Total Governmental Activities	67,306,055	288,803	18,700,643	306,625	(48,009,984)	-	(48,009,984)
Business-Type Activities							
Food Service	14,080					\$ (14,080)	(14,080)
Community School	620,571	405,994	-	-	-	(214,577)	(214,577)
Total Business-Type Activities	634,651	405,994	-	-	-	(228,657)	(228,657)
Total Primary Government	\$ 67,940,706	\$ 694,797	\$ 18,700,643	\$ 306,625	(48,009,984)	(228,657)	(48,238,641)
General Revenues and Transfers							
Taxes:							
Property Taxes, Levied for General Purposes, Net					48,123,696		48,123,696
Property Taxes Levied for Debt Service					2,680,775		2,680,775
State Aid Restricted for Debt Service					906,383		906,383
Miscellaneous Income					507,304		507,304
Transfers					100,000	(100,000)	-
Total General Revenues and Transfers					52,318,158	(100,000)	52,218,158
Change in Net Position					4,308,174	(328,657)	3,979,517
Net Position, Beginning of Year, Restated					7,645,561	587,886	8,233,447
Net Position, End of Year					\$ 11,953,735	\$ 259,229	\$ 12,212,964

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

FUND FINANCIAL STATEMENTS

GLEN ROCK PUBLIC SCHOOLS
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2021

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 10,776,780	\$ 469,395	\$ 5,016,406	\$ 23,210	\$ 16,285,791
Receivables from Other Governments	142,792	339,688			482,480
Due from Other Funds	<u>1,022,145</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,022,145</u>
 Total Assets	 <u>\$ 11,941,717</u>	 <u>\$ 809,083</u>	 <u>\$ 5,016,406</u>	 <u>\$ 23,210</u>	 <u>\$ 17,790,416</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable and Other Liabilities	\$ 65,543	\$ 250,590	\$ 61,987		\$ 378,120
Due to Other Funds		55,932	361,445		417,377
Payable to State Government		33,166			33,166
Accrued Salary and Wages	2,370				2,370
Payroll Deductions and Withholdings	16,584				16,584
Unearned Revenue	<u>2,846</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,846</u>
 Total Liabilities	 <u>87,343</u>	 <u>339,688</u>	 <u>423,432</u>	 <u>-</u>	 <u>850,463</u>
Fund Balances					
Restricted:					
Excess Surplus	1,798,759				1,798,759
Excess Surplus- Designated					
for Subsequent Year's Expenditures	1,359,299				1,359,299
Capital Reserve	2,371,555				2,371,555
Capital Reserve- Designated					
for Subsequent Year's Expenditures	3,550,871				3,550,871
Emergency Reserve	209,496				209,496
Capital Projects			4,592,974		4,592,974
Debt Service				\$ 23,210	23,210
Unemployment Compensation	774,581				774,581
Student Activities/Athletics		379,167			379,167
Scholarship Awards		90,228			90,228
Assigned:					
Year-End Encumbrances	209,922				209,922
Unassigned:	<u>1,579,891</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,579,891</u>
 Total Fund Balances	 <u>11,854,374</u>	 <u>469,395</u>	 <u>4,592,974</u>	 <u>23,210</u>	 <u>16,939,953</u>
 Total Liabilities and Fund Balances	 <u>\$ 11,941,717</u>	 <u>\$ 809,083</u>	 <u>\$ 5,016,406</u>	 <u>\$ 23,210</u>	 <u>\$ 17,790,416</u>

GLEN ROCK PUBLIC SCHOOLS
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2021

Total Government Fund Balances (B-1) \$ 16,939,953

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$89,522,265 and the accumulated depreciation is \$37,382,584. 52,139,681

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 2,126,891

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

Deferred Outflows of Resources	\$ 541,318	
Deferred Inflows of Resources	<u>(3,814,551)</u>	(3,273,233)

The District has financed capital assets through the issuance of serial bonds. The interest accrual at year end is: (592,909)

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. Long-term liabilities at year end consist of:

Bonds Payable, net of Premium	\$ (47,829,015)	
Net Pension Liability	(6,381,192)	
Compensated Absences	<u>(1,176,441)</u>	(55,386,648)

Net Position of Governmental Activities (Exhibit A-1) \$ 11,953,735

GLEN ROCK PUBLIC SCHOOLS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 48,123,696			\$ 2,680,775	\$ 50,804,471
Miscellaneous	796,107	\$ 797,680	-	-	1,593,787
Total - Local Sources	<u>48,919,803</u>	<u>797,680</u>	<u>-</u>	<u>2,680,775</u>	<u>52,398,258</u>
State Sources	11,846,025	169,814		906,383	12,922,222
Federal Sources	-	1,012,127	-	-	1,012,127
Total Revenues	<u>60,765,828</u>	<u>1,979,621</u>	<u>-</u>	<u>3,587,158</u>	<u>66,332,607</u>
EXPENDITURES					
Current					
Regular Instruction	24,529,283	1,000			24,530,283
Special Education Instruction	7,718,747	538,259			8,257,006
Other Instruction	1,185,465	80,152			1,265,617
School Sponsored Activities and Athletics	1,184,140	801,642			1,985,782
Support Services					
Student and Instructional Related Services	8,025,316	293,390			8,318,706
Educational Media/School Library	943,699				943,699
General Administrative Services	1,579,877				1,579,877
School Administrative Services	3,836,530				3,836,530
Plant Operations and Maintenance	4,947,805				4,947,805
Pupil Transportation	796,767				796,767
Central Services	1,423,526				1,423,526
Scholarship Awards		6,400			6,400
Debt Service					
Principal				1,690,000	1,690,000
Interest and Other Charges	15,896			1,897,283	1,913,179
Capital Outlay	575,205	270,140	\$ 5,647,564	-	6,492,909
Total Expenditures	<u>56,762,256</u>	<u>1,990,983</u>	<u>5,647,564</u>	<u>3,587,283</u>	<u>67,988,086</u>
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	<u>4,003,572</u>	<u>(11,362)</u>	<u>(5,647,564)</u>	<u>(125)</u>	<u>(1,655,479)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	461,445		1,011,090		1,472,535
Transfers Out	(1,011,090)	-	(361,445)	-	(1,372,535)
Total Other Financing Sources and (Uses)	<u>(549,645)</u>	<u>-</u>	<u>649,645</u>	<u>-</u>	<u>100,000</u>
Net Change in Fund Balances	3,453,927	(11,362)	(4,997,919)	(125)	(1,555,479)
Fund Balance, Beginning of Year (Restated)	<u>8,400,447</u>	<u>480,757</u>	<u>9,590,893</u>	<u>23,335</u>	<u>18,495,432</u>
Fund Balance, End of Year	<u>\$ 11,854,374</u>	<u>\$ 469,395</u>	<u>\$ 4,592,974</u>	<u>\$ 23,210</u>	<u>\$ 16,939,953</u>

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

GLEN ROCK PUBLIC SCHOOLS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Total net change in fund balances - governmental funds (Exhibit B-2) **\$ (1,555,479)**

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

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

Capital Outlay	\$ 6,492,909	
Depreciation Expense	<u>(3,414,858)</u>	
		3,078,051

The net effect of various miscellaneous transactions involving capital asset (i.e. sales, disposal, donations) is to increase net position. These transaction are not reported in the governmental fund financial statements.

Increase in Capital Assets		36,485
----------------------------	--	--------

In the statement of activities, certain operating expenses - compensated absences and net pension liability are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Increase Compensated Absences, Net	(1,420)	
Decrease in Net Pension Expense	<u>659,138</u>	
		657,718

The issuance of long-term debt (e.g. bonds, loans, and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Payment of Bond Principal	1,690,000	
Amortization of Bond Premium	498,702	
Amortization of Deferred Amounts on Refunding	<u>(301,244)</u>	
		1,887,458

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

The details are as follows:

Decrease in Accrued Interest		<u>203,941</u>
------------------------------	--	----------------

Change in net position of governmental activities (Exhibit A-2) **\$ 4,308,174**

**GLEN ROCK PUBLIC SCHOOLS
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

ASSETS	<u>Food Service</u>	<u>Community School</u>	<u>Business-Type Activities Enterprise Fund Totals</u>
Current Assets:			
Cash and Cash Equivalents	\$ 52,395	\$ 1,193,655	\$ 1,246,050
Total Current Assets	<u>52,395</u>	<u>1,193,655</u>	<u>1,246,050</u>
Capital Assets			
Equipment	177,154		177,154
Less: Accumulated Depreciation	<u>(158,045)</u>	<u>-</u>	<u>(158,045)</u>
Total Capital Assets, Net	<u>19,109</u>	<u>-</u>	<u>19,109</u>
Total Assets	<u>71,504</u>	<u>1,193,655</u>	<u>1,265,159</u>
 LIABILITIES			
Current Liabilities			
Due to Other Funds		604,768	604,768
Unearned Revenue	<u>12,663</u>	<u>388,499</u>	<u>401,162</u>
Total Current Liabilities	<u>12,663</u>	<u>993,267</u>	<u>1,005,930</u>
 NET POSITION			
Investment in Capital Assets	19,109		19,109
Unrestricted	<u>39,732</u>	<u>200,388</u>	<u>240,120</u>
Total Net Position	<u>\$ 58,841</u>	<u>\$ 200,388</u>	<u>\$ 259,229</u>

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

**GLEN ROCK PUBLIC SCHOOLS
 PROPRIETARY FUND
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Food Service</u>	<u>Community School</u>	<u>Business-Type Activities Enterprise Fund Totals</u>
OPERATING REVENUES			
Tuition/Fees	-	\$ 405,994	\$ 405,994
Total Operating Revenues	-	405,994	405,994
OPERATING EXPENSES			
Salaries, Benefits and Payroll Taxes		534,902	534,902
Purchased Services		71,333	71,333
Equipment Rental		2,937	2,937
Supplies and Materials		2,900	2,900
Miscellaneous Expenditures	\$ 9,017	8,499	17,516
Depreciation Expense	5,063	-	5,063
Total Operating Expenses	14,080	620,571	634,651
Operating Income/(Loss)	(14,080)	(214,577)	(228,657)
NON-OPERATING REVENUES			
Interest Earnings	-	-	-
Total Non-Operating Revenues	-	-	-
Change in Net Position Before Transfers	(14,080)	(214,577)	(228,657)
Transfers	-	(100,000)	(100,000)
Net Position, Beginning of Year	72,921	514,965	587,886
Net Position, End of Year	\$ 58,841	\$ 200,388	\$ 259,229

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

**GLEN ROCK PUBLIC SCHOOLS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Food Service</u>	<u>Community School</u>	Business-Type Activities Enterprise Fund Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 9,360	\$ 649,353	\$ 658,713
Payments for Employees	-	(534,902)	(534,902)
Payments to Suppliers	<u>(9,794)</u>	<u>(88,835)</u>	<u>(98,629)</u>
Net Cash Provided By (Used For) Operating Activities	<u>(434)</u>	<u>25,616</u>	<u>25,182</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Acquisition of Capital Assets	<u>(13,018)</u>	<u>-</u>	<u>(13,018)</u>
Net Cash (Used for) Capital Financing Activities	<u>(13,018)</u>	<u>-</u>	<u>(13,018)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Payments to Other Funds	<u>-</u>	<u>(785,528)</u>	<u>(785,528)</u>
Net Cash (Used for) Non-Capital Financing Activities	<u>-</u>	<u>(785,528)</u>	<u>(785,528)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest	<u>-</u>	<u>-</u>	<u>-</u>
Net Cash Provided By Investing Activities	<u>-</u>	<u>-</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents	(13,452)	(759,912)	(773,364)
Cash and Cash Equivalents, Beginning of Year	<u>65,847</u>	<u>1,953,567</u>	<u>2,019,414</u>
Cash and Cash Equivalents, End of Year	<u>\$ 52,395</u>	<u>\$ 1,193,655</u>	<u>\$ 1,246,050</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating Income/(Loss)	<u>\$ (14,080)</u>	<u>\$ (214,577)</u>	<u>\$ (228,657)</u>
Adjustments to Reconcile Operating Income to Net Cash Provided By (Used For) Operating Activities			
Depreciation Expense	5,063		5,063
Changes in Assets and Liabilities			
(Increase)/Decrease in Accounts Receivable	9,360	5,212	14,572
(Increase) Decrease in Inventories	3,930		3,930
Increase (Decrease) in Unearned Revenue	(2,605)	238,147	235,542
Increase (Decrease) in Accounts Payable	<u>(2,102)</u>	<u>(3,166)</u>	<u>(5,268)</u>
Total Adjustments	<u>13,646</u>	<u>240,193</u>	<u>253,839</u>
Net Cash Provided By (Used For) Operating Activities	<u>\$ (434)</u>	<u>\$ 25,616</u>	<u>\$ 25,182</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Glen Rock Public Schools this includes general operations, food service, community school program and student related activities of the District.

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

B. New Accounting Standards

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

Fund Financial Statements

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

The District reports the following major governmental funds:

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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

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

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

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

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

The *community school fund* accounts for the activities of the District's adult evening school, before and after care program, summer camp programs.

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

3. Capital Assets

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

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

3. Capital Assets (Continued)

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

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

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

4. Deferred Outflows/Inflows of Resources

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

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

5. Compensated Absences

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused sick leave benefits. A long-term liability of accumulated sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations.

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. Pensions

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

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

7. Long-Term Obligations

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

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

8. Net Position/Fund Balance

District-Wide Statements

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Governmental Fund Statements

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

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

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

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

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

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

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

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

Debt Service – Represents fund balance restricted specifically for the repayment of long-term debt principal and interest in the Debt Service Fund.

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

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

Scholarship Awards – This restriction was created to represent the accumulation of donor restricted funds specifically earmarked for student scholarship awards.

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

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

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

10. Fund Balance Policies

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

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

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

F. Revenues and Expenditures/Expenses

1. Program Revenues

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

2. *Property Taxes*

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

3. *Tuition Revenues and Expenditures*

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

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

4. *Proprietary Funds, Operating and Nonoperating Revenues and Expenses*

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district's annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. On January 23, 2012, the Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2020/2021. Also, during 2020/2021 the Board increased the original budget by \$1,410,669. The increase was funded by the additional appropriation of grant awards, student activity revenues, scholarship donations and the reappropriation of prior year general fund encumbrances.

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

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

B. Capital Reserve

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve (Continued)

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

Balance, July 1, 2020		\$ 3,856,553
Increased by		
Unexpended Project Funds Transferred		
Capital Projects Fund	\$ 361,445	
Deposits Approved in District Budget	215,518	
Deposits Approved by Board Resolution	<u>2,500,000</u>	
Total Increases		<u>3,076,963</u>
Decreased by		
Approved in District Budget		<u>1,011,090</u>
Balance, June 30, 2021		<u>\$ 5,922,426</u>

The June 30, 2021 LRFPS balance of local support costs of uncompleted capital projects is \$27,099,080. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan. \$3,550,871 of the capital reserve balance at June 30, 2021 was designated and appropriated for use in the 2021/2022 original budget certified for taxes.

C. Emergency Reserve

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Emergency Reserve (Continued)

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

Balance, July 1, 2020	\$ 209,496
Balance, June 30, 2021	<u>\$ 209,496</u>

D. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 4% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year’s budget. The excess fund balance at June 30, 2021 is \$3,158,058. Of this amount, \$1,359,299 was designated and appropriated in the 2021/2022 original budget certified for taxes and the remaining amount of \$1,798,759 will be appropriated in the 2022/2023 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2021, the book value of the Board's deposits were \$17,531,841 and bank and brokerage firm balances of the Board’s deposits amounted to \$19,247,436. The Board's deposits which are displayed on the various fund balance sheets as “cash and cash equivalents” are categorized as:

Depository Account

Insured	\$ 18,838,132
Uninsured and Collateralized	<u>409,304</u>
	<u>\$ 19,247,436</u>

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2021 the Board’s bank balance of \$409,304 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized

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

\$ 409,304

Investments

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

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

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

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

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

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

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

Receivables as of June 30, 2021 for the district's individual major funds are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
Receivables:			
Accounts			
Intergovernmental			
Federal		\$ 339,688	\$ 339,688
State	\$ 142,792	-	142,792
Net Total Receivables	<u>\$ 142,792</u>	<u>\$ 339,688</u>	<u>\$ 482,480</u>

C. Unearned Revenue

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

General Fund	
Student Laptop Replacement	\$ <u>2,846</u>
 Total Unearned Revenue for Governmental Funds	 \$ <u>2,846</u>

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	<u>Balance</u> <u>July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments</u>	<u>Balance</u> <u>June 30, 2021</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 12,022				\$ 12,022
Construction in Progress	5,541,134	\$ 4,781,424	-	\$ (10)	10,322,548
Total capital assets, not being depreciated	<u>5,553,156</u>	<u>4,781,424</u>	<u>-</u>	<u>(10)</u>	<u>10,334,570</u>
Capital assets, being depreciated:					
Land Improvements	4,020,328				4,020,328
Buildings and Building Improvements	68,715,384	1,406,082		10	70,121,476
Machinery and Equipment	4,712,001	341,888	\$ (7,998)	-	5,045,891
Total capital assets being depreciated	<u>77,447,713</u>	<u>1,747,970</u>	<u>(7,998)</u>	<u>10</u>	<u>79,187,695</u>
Less accumulated depreciation for:					
Land Improvements	(1,903,438)	(182,070)			(2,085,508)
Buildings and Building Improvements	(28,402,199)	(3,050,644)			(31,452,843)
Machinery and Equipment	(3,670,087)	(182,144)	7,998	-	(3,844,233)
Total accumulated depreciation	<u>(33,975,724)</u>	<u>(3,414,858)</u>	<u>7,998</u>	<u>-</u>	<u>(37,382,584)</u>
Total capital assets, being depreciated, net	<u>43,471,989</u>	<u>(1,666,888)</u>	<u>-</u>	<u>10</u>	<u>41,805,111</u>
Governmental activities capital assets, net	<u>\$49,025,145</u>	<u>\$ 3,114,536</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$52,139,681</u>

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	<u>Balance</u> <u>July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2021</u>
Business-Type activities:				
Capital assets, being depreciated:				
Machinery and Equipment	\$ 164,136	\$ 13,018		\$ 177,154
Less accumulated depreciation for:				
Machinery and Equipment	<u>(152,982)</u>	<u>(5,063)</u>	<u>-</u>	<u>(158,045)</u>
Business-type activities capital assets, net	<u>\$ 11,154</u>	<u>\$ 7,955</u>	<u>-</u>	<u>\$ 19,109</u>

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

Governmental activities:

Instruction		
Regular		\$ 1,737,722
Special Education		388,755
Other Instruction		96,213
School-Sponsored Activities and Athletics		<u>79,486</u>
Total Instruction		<u>2,302,176</u>
Support Services		
Student and Instructional Related Services		417,988
Educational Media/School Library		66,078
General Administrative Services		89,463
School Administrative Services		292,138
Plant Operations and Maintenance		111,178
Pupil Transportation		7,158
Central Services		<u>128,679</u>
Total Support Services		<u>1,112,682</u>
Total Depreciation Expense - Governmental Activities		<u>\$ 3,414,858</u>
Business-Type Activities		
Food Service Fund		<u>\$ 5,063</u>

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2021:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Referendum- Various School Facility Renovations, Alterations and Improvements	\$ 9,946,654	\$ 3,810,380

E. Interfund Receivables, Payables, and Transfers

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

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue	\$ 55,932
General Fund	Community School	604,768
General Fund	Capital Projects	<u>361,445</u>
Total		<u>\$ 1,022,145</u>

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers (Continued)

Interfund Transfers

	Transfer In:		
	<u>General</u>	<u>Capital Projects</u>	<u>Total</u>
Transfer Out:			
Capital Projects Fund	\$ 361,445		\$ 361,445
General Fund- Capital Reserve Community Program - Enterprise Fund		\$ 1,011,090	1,011,090
	100,000	-	100,000
			-
Total Transfers Out	\$ 461,445	\$ 1,011,090	\$ 1,472,535

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

F. Long-Term Debt

General Obligation Bonds

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

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

\$14,718,000 2019 School Bonds, due in annual installments of \$853,000 to \$1,275,000 through July 2035, interest at 1.50% to 3.00%	\$ 14,718,000
\$32,910,000 2016 Refunding Bonds, due in annual installments of \$1,755,000 to \$2,925,000 through September 1, 2033, interest at 4.25% to 4.75%	29,590,000
	\$ 44,308,000

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-Term Debt (Continued)

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

Governmental Activities:

Year Ending June 30,	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2022	\$ 2,608,000	\$ 1,655,760	\$ 4,263,760
2023	2,715,000	1,568,813	4,283,813
2024	2,805,000	1,476,263	4,281,263
2025	2,930,000	1,380,063	4,310,063
2026	3,030,000	1,280,113	4,310,113
2027-2031	16,960,000	4,576,058	21,536,058
2032-2035	<u>13,260,000</u>	<u>936,025</u>	<u>14,196,025</u>
Total	<u>\$ 44,308,000</u>	<u>\$ 12,873,094</u>	<u>\$ 57,181,094</u>

Statutory Borrowing Power

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

4% of Equalized Valuation Basis (Municipal)	\$ 107,848,939
Less: Net Debt	<u>44,308,320</u>
Remaining Borrowing Power	<u>\$ 63,540,619</u>

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	Balance, July 1, 2020	<u>Additions</u>	<u>Reductions</u>	Balance, June 30, 2021	Due Within One Year
Governmental activities:					
Bonds Payable	\$ 45,998,000		\$ 1,690,000	\$ 44,308,000	\$ 2,608,000
Deferred Amounts					
Add: Premium	<u>4,019,717</u>	<u>-</u>	<u>498,702</u>	<u>3,521,015</u>	<u>-</u>
Total Bonds Payable	<u>50,017,717</u>	<u>-</u>	<u>2,188,702</u>	<u>47,829,015</u>	<u>2,608,000</u>
Net Pension Liability	7,737,957		1,356,765	6,381,192	
Compensated Absences	<u>1,175,021</u>	<u>\$ 108,267</u>	<u>106,847</u>	<u>1,176,441</u>	<u>50,000</u>
Governmental Activity Long-Term Liabilities	<u>\$ 58,930,695</u>	<u>\$ 108,267</u>	<u>\$ 3,652,314</u>	<u>\$ 55,386,648</u>	<u>\$ 2,658,000</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. For the governmental activities, the liabilities for compensated absences and net pension liability are generally liquidated by the general fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

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

The District provided traditional health coverage with the State Employee Health Benefit Programs.

The District is a member of the Northeast Bergen County School Board Insurance Group (NESBIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

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

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

Year Ended <u>June 30,</u>	Employee <u>Contributions</u>	Amount <u>Reimbursed</u>	Ending <u>Balance</u>
2021	\$ 114,661	\$ 65,473	\$ 774,581
2020	56,624	76,260	725,393
2019	35,274	43,961	744,061

B. Contingent Liabilities

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

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

C. Federal Arbitrage Regulations

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

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

The following represents the membership tiers for PERS:

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

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

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

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

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

The following represent the membership tiers for TPAF:

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

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

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Other Pension Funds

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

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

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

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

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Investment Valuation

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

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

Collective Net Pension Liability

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

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

Actuarial Methods and Assumptions

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

Employer and Employee Pension Contributions

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

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

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

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

Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2021	\$ 428,071	\$ 5,862,097	\$ 3,038
2020	419,258	4,324,776	1,013
2019	446,486	3,809,032	6,212

In addition for fiscal years 2021, 2020 and 2019 the District contributed \$-0-, \$1,532 and \$1,877, respectively for PERS and the State contributed \$3,251, \$3,533 and \$4,103, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,582,751 during the fiscal year ended June 30, 2021 for the employer’s share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

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

At June 30, 2021, the District reported in the statement of net position (accrual basis) a liability of \$6,381,192 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2020. At June 30, 2020, the District's proportionate share was .03884 percent, which was a decrease of .01249 percent from its proportionate share measured as of June 30, 2019 of .05133 percent.

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$231,067 for PERS. The pension contribution made by the District during the current 2020/2021 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2021 with a measurement date of the prior fiscal year end of June 30, 2020. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2021 for contributions made subsequent to the measurement date. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>2020</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 116,191	\$ 22,567
Changes of Assumptions	207,013	2,671,865
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	218,114	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	-	1,120,119
Total	<u>\$ 541,318</u>	<u>\$ 3,814,551</u>

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

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

<u>Year Ending June 30,</u>	<u>Total</u>
2022	\$ (784,736)
2023	(784,736)
2024	(784,736)
2025	(784,738)
2026	(134,287)
Thereafter	<u>-</u>
	<u>\$ (3,273,233)</u>

Actuarial Assumptions

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

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

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions (Continued)

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

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

Long-Term Expected Rate of Return

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

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

Discount Rate

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

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

Sensitivity of Net Pension Liability

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

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>8,032,856</u>	\$ <u>6,381,192</u>	\$ <u>4,979,710</u>

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

Pension Plan Fiduciary Net Position

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

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

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

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

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$7,931,625 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2021 the State's proportionate share of the net pension liability attributable to the District is \$127,550,371. The net pension liability was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2020. At June 30, 2020, the State's share of the net pension liability attributable to the District was .19370 percent, which was an increase of .00380 percent from its proportionate share measured as of June 30, 2019 of .18990 percent.

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

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

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

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

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

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

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

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

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2021	June 30, 2020	5.40%
2020	June 30, 2019	5.60%

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

Period of Projected Benefit Payments for which the Following Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2062
Municipal Bond Rate *	From July 1, 2062 and Thereafter

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

Sensitivity of Net Pension Liability

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

	1% Decrease (4.40%)	Current Discount Rate (5.40%)	1% Increase (6.40%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 149,822,849</u>	<u>\$ 127,550,371</u>	<u>\$ 109,056,817</u>

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

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

Plan Description and Benefits Provided

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

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Plan Membership

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

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

Collective Net OPEB Liability

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

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

Post-Retirement Medical Benefits Contributions

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

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2021, 2020 and 2019 were \$1,837,090, \$1,604,413 and \$1,727,770, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

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

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

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$4,912,699. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2021 the State's proportionate share of the OPEB liability attributable to the District is \$93,822,355. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2020 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2020. At June 30, 2020, the state's share of the OPEB liability attributable to the District was .14 percent, which was no change from its proportionate share measured as of June 30, 2019 of .14 percent.

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions

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

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

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions (Continued)

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

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

Discount Rate

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

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Changes in the Total OPEB Liability

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

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2019 Measurement Date	\$ <u>59,757,448</u>
Changes Recognized for the Fiscal Year:	
Service Cost	2,697,688
Interest on the Total OPEB Liability	2,158,451
Differences Between Expected and Actual Experience	13,654,511
Changes of Assumptions	17,138,120
Gross Benefit Payments	(1,633,370)
Contributions from the Member	49,507
Net Changes	<u>\$ 34,064,907</u>
Balance, June 30, 2020 Measurement Date	\$ <u>93,822,355</u>

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

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

	1% Decrease <u>(1.21%)</u>	Current Discount Rate <u>(2.21%)</u>	1% Increase <u>(3.21%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>113,107,692</u>	\$ <u>93,822,355</u>	\$ <u>78,743,079</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	\$ <u>75,736,569</u>	\$ <u>93,822,355</u>	\$ <u>115,358,507</u>

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 5 RESTATEMENT

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

Governmental Activities

The financial statements of the governmental activities as of June 30, 2020 have been restated to reflect the reclassification of certain activities related to unemployment compensation, student activities, scholarships and payroll related activities which were previously reported as fiduciary activities to governmental activities. The effect of this restatement is to increase net position of governmental activities by \$1,206,150 from \$6,439,411 as previously reported to \$7,645,561 as of June 30, 2020.

Governmental Funds

The financial statements of the governmental funds as of June 30, 2020 have been restated to reflect the reclassification of certain activities related to unemployment compensation, student activities, scholarships and payroll activities previously reported as fiduciary funds to governmental funds. The effect of this restatement is to increase fund balances of governmental funds by \$1,206,150 from \$17,289,282 as previously reported to \$18,495,432 as of June 30, 2020. General Fund fund balance increased \$725,393 from \$7,675,054 as previously reported to \$8,400,447 as of June 30, 2020. Special Revenue Fund fund balance increased \$480,757 from \$-0- as previously reported to \$480,757 as of June 30, 2020.

Fiduciary Funds

The financial statements of the fiduciary funds as of June 30, 2020 have been restated to reflect the reclassification of certain activities to governmental funds as noted above. The effect of this restatement is to decrease total fiduciary net position by \$822,021 from \$822,021 as previously reported to \$-0- as of June 30, 2020.

NOTE 6 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

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

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

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

BUDGETARY COMPARISON SCHEDULES

**GLEN ROCK PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
REVENUES					
Local Sources					
Local Tax Levy	\$ 48,123,696		\$ 48,123,696	\$ 48,123,696	
Miscellaneous	707,453	-	707,453	796,107	88,654
Total Revenues - Local Sources	48,831,149	-	48,831,149	48,919,803	88,654
State Sources					
Transportation Aid	131,824		131,824	131,824	
Special Education Aid	1,605,341	\$ (194,606)	1,410,735	1,410,735	-
Security Aid	201,595	-	201,595	201,595	
Extraordinary Aid	189,960		189,960	969,222	779,262
School Security Grant				142,792	142,792
On Behalf TPAF Pension System Contributions- (Non-Budgeted)- Normal				5,752,645	5,752,645
(Non-Budgeted)- NCGI Premium				109,452	109,452
(Non-Budgeted)-Post Retirement Medical Contribution				1,837,090	1,837,090
(Non-Budgeted)-Long Term Disability				3,251	3,251
Reimbursed TPAF Social Security Contributions- (Non-Budgeted)	-	-	-	1,582,751	1,582,751
Total State Sources	2,128,720	(194,606)	1,934,114	12,141,357	10,207,243
Total Revenues	50,959,869	(194,606)	50,765,263	61,061,160	10,295,897
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers:					
Kindergarten	679,521	(89,465)	590,056	568,355	21,701
Grades 1 - 5	4,745,313	(147,673)	4,597,640	4,433,722	163,918
Grades 6 - 8	3,900,693	(222,022)	3,678,671	3,583,600	95,071
Grades 9 - 12	5,070,010	(247,155)	4,822,855	4,678,480	144,375
Regular Programs - Home Instruction					
Salaries of Teachers	12,500	8,790	21,290	21,290	-
Purchased Professional-Educational Services	5,000	4,733	9,733	9,700	33
Regular Programs - Undistributed Instruction:					
Purchased Professional-Educational Services	12,700	972,865	985,565	966,054	19,511
Purchased Technical Services		4,235	4,235	4,002	233
Other Purchased Services	837,493	91,231	928,724	918,302	10,422
General Supplies	617,786	5,813	623,599	445,322	178,277
Textbooks	284,600	(30,650)	253,950	198,956	54,994
Other Objects	195,402	42,990	238,392	227,174	11,218
Total Instruction Regular Programs	16,361,018	393,692	16,754,710	16,054,957	699,753
Special Education					
Learning/Language Disabilities					
Salaries of Teachers	374,566	(13,681)	360,885	360,885	-
General Supplies	3,000	(155)	2,845	1,372	1,473
Total Learning/Language Disabilities	377,566	(13,836)	363,730	362,257	1,473
Resource Room/Resource Center					
Salaries of Teachers	2,562,114	(13,912)	2,548,202	2,492,357	55,845
General Supplies	17,875	(1,632)	16,243	11,300	4,943
Other Objects	750	-	750	-	750
Total Resource Room/Resource Center	2,580,739	(15,544)	2,565,195	2,503,657	61,538
Autism					
General Supplies	-	5,365	5,365	-	5,365
Total Autism	-	5,365	5,365	-	5,365
Preschool Disabilities - Part Time					
Salaries of Teachers	111,149	-	111,149	111,149	-
General Supplies	1,000	6	1,006	959	47
Other Objects	2,500	347	2,847	2,643	204
Total Preschool Disabilities	114,649	353	115,002	114,751	251

**GLEN ROCK PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Home Instruction					
Salaries of Teachers	\$ 17,500	-	\$ 17,500	\$ 7,770	\$ 9,730
Purchased Professional-Educational Services	310,000	\$ 6,268	316,268	232,660	83,608
Total Home Instruction	327,500	6,268	333,768	240,430	93,338
Total Special Education	3,400,454	(17,394)	3,383,060	3,221,095	161,965
Basic Skills/Remedial					
Salaries of Teachers	485,185	9,041	494,226	489,697	4,529
General Supplies	2,800	18	2,818	2,528	290
Total Basic Skills/Remedial	487,985	9,059	497,044	492,225	4,819
Bilingual Education					
Salaries of Teachers	245,880	-	245,880	245,880	-
Other Purchased Services	1,000	3,000	4,000	-	4,000
General Supplies	3,000	(3,000)	-	-	-
Total Bilingual Education	249,880	-	249,880	245,880	4,000
School Sponsored Co/Extra Curricular Activities					
Salaries	158,403	-	158,403	119,662	38,741
Purchased Services	1,000	-	1,000	-	1,000
Supplies and Materials	50,600	-	50,600	25,994	24,606
Other Objects	9,250	-	9,250	4,459	4,791
Total School-Sponsored Co/Extra Curricular Activities	219,253	-	219,253	150,115	69,138
School Sponsored Athletics					
Salaries	521,674	8,281	529,955	488,034	41,921
Purchased Services	180,877	3,724	184,601	128,432	56,169
Supplies and Materials	44,350	1,082	45,432	26,297	19,135
Other Objects	50,900	(15,000)	35,900	22,378	13,522
Total School Sponsored Athletics	797,801	(1,913)	795,888	665,141	130,747
Total Instruction	21,516,391	383,444	21,899,835	20,829,413	1,070,422
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State-Special	523,769	(52,766)	471,003	374,939	96,064
Tuition to County Vocational School District - Regular	387,000	7,452	394,452	394,452	-
Tuition to County Vocational School District - Special	54,000	16,254	70,254	70,254	-
Tuition to CSSD & Reg. Day Schools	-	6,300	6,300	6,300	-
Tuition to APSSD Within State	1,992,630	(361,116)	1,631,514	1,263,515	367,999
Tuition to APSSD & Oth LEAs-Special-Out of State	250,299	206,147	456,446	426,742	29,704
Tuition - Other	517,661	59,565	577,226	548,309	28,917
Total Instruction	3,725,359	(118,164)	3,607,195	3,084,511	522,684
Attendance and Social Work					
Salaries	106,374	633	107,007	107,006	1
Supplies and Materials	1,000	-	1,000	184	816
Total Attendance and Social Work	107,374	633	108,007	107,190	817

**GLEN ROCK PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Health Services					
Salaries	\$ 459,676	-	\$ 459,676	\$ 421,667	\$ 38,009
Purchased Professional and Technical Services	214,650	\$ (6,900)	207,750	87,457	120,293
Other Purchased Services	1,100	(600)	500		500
Supplies and Materials	14,550	123,921	138,471	132,921	5,550
Other Objects	2,000	2,673	4,673	2,950	1,723
Total Health Services	691,976	119,094	811,070	644,995	166,075
Speech, OT/PT and Related Services					
Salaries	488,674	1,592	490,266	450,251	40,015
Purchased Professional/Educational Services	450,000	77,875	527,875	486,888	40,987
Supplies and Materials	3,400	-	3,400	2,992	408
Total Speech OT/PT and Related Services	942,074	79,467	1,021,541	940,131	81,410
Other Supp. Svcs.-Extraord. Serv.					
Purchased Professional-Educational Services	2,157,795	184,460	2,342,255	1,642,300	699,955
Supplies and Materials	25,000	2,578	27,578	19,775	7,803
Total Other Support/Extraordinary Services	2,182,795	187,038	2,369,833	1,662,075	707,758
Guidance					
Salaries of Other Professional Staff	981,395	(85,526)	895,869	877,667	18,202
Salaries of Secretarial and Clerical Assistants	113,463	(49,765)	63,698	60,377	3,321
Other Salaries	4,196	2,852	7,048	5,875	1,173
Purchased Professional-Educational Services	107,662	-	107,662	105,950	1,712
Other Purchased Professional/Technical Services	11,000	(7,000)	4,000	1,622	2,378
Other Purchased Services	16,900	(2,500)	14,400	7,955	6,445
Supplies and Materials	16,490	(6,000)	10,490	6,212	4,278
Other Objects	4,550	(500)	4,050	2,250	1,800
Total Guidance	1,255,656	(148,439)	1,107,217	1,067,908	39,309
Child Study Team					
Salaries of Other Professional Staff	919,636	(31,556)	888,080	872,276	15,804
Salaries of Secretarial and Clerical Assistants	100,550	-	100,550	96,300	4,250
Other Salaries	50,000	(13,925)	36,075	30,805	5,270
Other Purchased Professional and Technical Services	83,157	5,000	88,157	75,466	12,691
Other Purchased Services	10,450	-	10,450	5,725	4,725
Supplies and Materials	24,400	3,125	27,525	17,420	10,105
Other Objects	1,000	-	1,000	-	1,000
Total Child Study Team	1,189,193	(37,356)	1,151,837	1,097,992	53,845
Improvement of Instruction Services					
Salaries of Supervisor of Instruction	154,000	77,000	231,000	231,000	-
Salaries of Secretarial and Clerical Assistants	60,614	(48,180)	12,434	7,758	4,676
Other Salaries	38,320	(8,190)	30,130	30,130	-
Other Purchased Services	6,250	(3,274)	2,976	790	2,186
Supplies and Materials	12,000	(2,000)	10,000	2,405	7,595
Other Objects	71,700	14,750	86,450	82,625	3,825
Total Improvement of Instruction Services	342,884	30,106	372,990	354,708	18,282
Educational Media Services/ School Library					
Salaries	508,597	197	508,794	505,185	3,609
Other Purchased Services	5,500	-	5,500	2,495	3,005
Supplies and Materials	107,584	7,583	115,167	103,176	11,991
Total Educational Media Services/ School Library	621,681	7,780	629,461	610,856	18,605

**GLEN ROCK PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Instructional Staff Training Services					
Salaries of Other Professional Staff	\$ 113,978	\$ (113,978)			-
Other Salaries	23,600	(19,000)	\$ 4,600	\$ 4,540	\$ 60
Purchased Professional Educational Services	8,914	19,000	27,914	23,389	4,525
Other Purchased Services	51,461	(1,489)	49,972	16,924	33,048
Supplies and Materials	3,000	-	3,000		3,000
Other Objects	800	-	800	-	800
Total Instructional Staff Training Services	201,753	(115,467)	86,286	44,853	41,433
Support Services General Administration					
Salaries	648,694	36,783	685,477	683,971	1,506
Legal Services	95,000	30,260	125,260	125,260	-
Audit Fees	47,250	34,434	81,684	47,884	33,800
Architectural/Engineering Services	15,000	(15,000)			-
Other Purchased Professional Services	61,500	(2,174)	59,326	44,993	14,333
Communications/Telephone	81,020	-	81,020	75,402	5,618
BOE Other Purchased Services	6,500	(3,607)	2,893	590	2,303
Miscellaneous Purchased Services	109,184	2,977	112,161	91,957	20,204
Supplies and Materials	6,500	4,363	10,863	8,656	2,207
Judgements Against the School Entity		9,941	9,941		-
Miscellaneous Expenditures	30,525	2,880	33,405	22,070	11,335
BOE Membership Dues and Fees	19,693	-	19,693	19,307	386
Total Support Services General Administration	1,120,866	100,857	1,221,723	1,130,031	91,692
Undistributed Expenditures					
Support Services School Administration					
Salaries of Principals/Asst. Principals/Prog. Dir.	1,472,198	(97,189)	1,375,009	1,342,800	32,209
Salaries of Other Professional Staff	411,663	38,056	449,719	449,528	191
Salaries of Secretarial and Clerical Assistants	498,570	(55,521)	443,049	438,150	4,899
Other Salaries	3,012	1	3,013	3,012	1
Purchased Professional and Technical Services	12,100	-	12,100	4,054	8,046
Other Purchased Services	46,850	35,878	82,728	66,481	16,247
Supplies and Materials	60,600	2,506	63,106	24,737	38,369
Other Objects	36,900	15,000	51,900	36,227	15,673
Total Support Services School Administration	2,541,893	(61,269)	2,480,624	2,364,989	115,635
Central Services					
Salaries	610,946	-	610,946	579,067	31,879
Purchased Technical Services	33,278	5,375	38,653	37,834	819
Miscellaneous Purchased Services	26,000	(7,246)	18,754	11,541	7,213
Supplies and Materials	7,250	4,436	11,686	10,544	1,142
Miscellaneous Expenditures	5,850	1,500	7,350	4,032	3,318
Total Undistributed Expenditures - Central Services	683,324	4,065	687,389	643,018	44,371
Admin. Info. Tech.					
Salaries	436,863	(2,534)	434,329	404,727	29,602
Purchased Professional Services	40,931	4,896	45,827	45,827	-
Other Purchased Services	32,396	(11,667)	20,729	19,250	1,479
Supplies and Materials	80,247	(78,942)	1,305	372	933
Other Objects	1,640	46,408	48,048	40,461	7,587
Total Undistributed Expenditures - Admin. Info. Technology	592,077	(41,839)	550,238	510,637	39,601
Required Maintenance for School Facilities					
Salaries	426,384	(26,660)	399,724	382,075	17,649
Cleaning, Repair and Maintenance Services	213,450	26,431	239,881	191,205	48,676
Lead Testing of Drinking Water	18,000	(18,000)			-
General Supplies	87,900	(5,460)	82,440	42,640	39,800
Total Required Maint for School Facilities	745,734	(23,689)	722,045	615,920	106,125

**GLEN ROCK PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Custodial Services					
Salaries	\$ 263,392	\$ 172,686	\$ 436,078	\$ 284,273	\$ 151,805
Salaries of Non-Instructional Aides	153,000	(153,000)		-	-
Purchased Professional and Technical Services	78,226	46	78,272	69,318	8,954
Cleaning, Repair and Maintenance Services	2,118,246	41,610	2,159,856	2,086,204	73,652
Other Purchased Property Services	43,250	16,006	59,256	54,734	4,522
Insurance	286,741	12,521	299,262	299,262	-
Miscellaneous Purchased Services	35,650	2,458	38,108	31,238	6,870
General Supplies	176,800	14,283	191,083	157,558	33,525
Energy (Electricity)	581,249	-	581,249	491,991	89,258
Energy (Natural Gas)	226,900	6,638	233,538	211,506	22,032
Other Objects	19,950	(5,715)	14,235	9,481	4,754
	<u>3,983,404</u>	<u>107,533</u>	<u>4,090,937</u>	<u>3,695,565</u>	<u>395,372</u>
Undistributed Expenditures					
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	200,850	2,750	203,600	182,262	21,338
General Supplies	13,000	6,900	19,900	7,957	11,943
	<u>213,850</u>	<u>9,650</u>	<u>223,500</u>	<u>190,219</u>	<u>33,281</u>
Security					
Salaries	184,170	13,803	197,973	183,643	14,330
Cleaning, Repair and Maintenance Services	39,333	2,294	41,627	19,805	21,822
General Supplies	34,000	(3,197)	30,803	8,251	22,552
Other Objects	1,125	2,697	3,822	1,236	2,586
	<u>258,628</u>	<u>15,597</u>	<u>274,225</u>	<u>212,935</u>	<u>61,290</u>
Student Transportation Services					
Salaries of Non-Instructional Aides	10,250	(555)	9,695	4,805	4,890
Salaries for Pupil Trans (Bet Home & Sch)-Sp. Ed.	52,232	2,522	54,754	54,754	-
Cleaning, Repair and Maintenance Services	10,000	-	10,000	4,763	5,237
Contr Serv(Bet Home &Sch)-Vend	-	1,500	1,500	495	1,005
Contr Serv(Bet Home &Sch)-Joint Agrmnts	16,500	64,057	80,557	57,553	23,004
Contr Serv(Oth. Than Bet Home &Sch)-Vend	260,000	(7,825)	252,175	109,488	142,687
Contr Serv(Sp. Ed. Stdts)-Joint Agrmnts	775,376	(33,500)	741,876	546,366	195,510
Miscellaneous Purchased Services-Transportation	30,500	(30,500)			-
Transportation Supplies	8,800	-	8,800	1,660	7,140
Other Objects	5,500	(57)	5,443	1,870	3,573
	<u>1,169,158</u>	<u>(4,358)</u>	<u>1,164,800</u>	<u>781,754</u>	<u>383,046</u>
Unallocated Employee Benefits					
Social Security Contributions	544,037	-	544,037	311,777	232,260
Other Retirement Contributions - PERS	429,389	-	429,389	428,071	1,318
Other Retirement Contributions - DCRP	3,038	-	3,038	3,038	-
Workmen's Compensation	182,499	(114,017)	68,482	68,482	-
Health Benefits	6,274,213	(157,676)	6,116,537	5,261,334	855,203
Tuition Reimbursements	72,500	-	72,500	26,482	46,018
Other Employee Benefits	184,152	44,084	228,236	197,082	31,154
	<u>7,689,828</u>	<u>(227,609)</u>	<u>7,462,219</u>	<u>6,296,266</u>	<u>1,165,953</u>
On Behalf TPAF Pension System Contributions-					
(Non-Budgeted)- Normal				5,752,645	(5,752,645)
(Non-Budgeted)- NCGI Premium				109,452	(109,452)
(Non-Budgeted) Post Retirement and Medical Contribution				1,837,090	(1,837,090)
(Non-Budgeted) Long Term Disability				3,251	(3,251)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,582,751	(1,582,751)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,285,189</u>	<u>(9,285,189)</u>
Total Undistributed Expenditures	<u>30,259,507</u>	<u>(116,370)</u>	<u>30,143,137</u>	<u>35,341,742</u>	<u>(5,198,605)</u>
Interest Earned on Current Expense Emergency	300	-	300	-	300
Total Current Expenditures	<u>51,776,198</u>	<u>267,074</u>	<u>52,043,272</u>	<u>56,171,155</u>	<u>(4,127,883)</u>

**GLEN ROCK PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
CAPITAL OUTLAY					
Equipment					
Instruction					
Undistributed expenditures - Instruction		\$ 121,295	\$ 121,295	\$ 112,320	\$ 8,975
Non-Instruction					
Admin- Info Technology	\$ 40,300	100,379	140,679	97,030	43,649
Support Svs.-Students-Reg.		69,333	69,333	69,333	-
Operations and Plant Maintenance		278,997	278,997	278,997	-
General Administration		35,638	35,638	17,525	18,113
Care and Upkeep of Grounds	2,000	(2,000)	-	-	-
Total Equipment	42,300	603,642	645,942	575,205	70,737
Facilities Acquisition and Construction Services					
Assessment for Debt Service on SDA funding	15,896	-	15,896	15,896	-
Total Facilities Acquisition and Construction Services	15,896	-	15,896	15,896	-
Increase in Capital Reserve	410,124	(194,606)	215,518	-	215,518
Interest Deposit to Capital Reserve	250	-	250	-	250
Total Expenditures - Capital Outlay	468,570	409,036	877,606	591,101	286,505
Total Expenditures - General Fund	52,244,768	676,110	52,920,878	56,762,256	(3,841,378)
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(1,284,899)	(870,716)	(2,155,615)	4,298,904	6,454,519
Other Financing Sources/Uses					
Transfer In From Enterprise Fund- Community School	100,000	-	100,000	100,000	-
Transfer in From Capital Projects- Capital Reserve		-		361,445	361,445
Transfer to Capital Projects Fund- Capital Reserve	(1,011,090)	-	(1,011,090)	(1,011,090)	-
Total Other Financing Sources/Uses	(911,090)	-	(911,090)	(549,645)	361,445
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(2,195,989)	(870,716)	(3,066,705)	3,749,259	6,815,964
Fund Balance, Beginning of Year (Restated)	9,244,012	-	9,244,012	9,244,012	-
Fund Balance, End of Year	\$ 7,048,023	\$ (870,716)	\$ 6,177,307	\$ 12,993,271	\$ 6,815,964
Recapitulation of Fund Balance					
Restricted:					
Excess Surplus				\$ 1,798,759	
Excess Surplus- Designated for Subsequent Year's Expenditures				1,359,299	
Capital Reserve				2,371,555	
Capital Reserve- Designated for Subsequent Year's Expenditures				3,550,871	
Emergency Reserve				209,496	
Unemployment				774,581	
Assigned:					
Year-End Encumbrances				209,922	
Unassigned:					
				2,718,788	
Fund Balance (Budgetary Basis)				12,993,271	
Reconciliation to Governmental Fund Statements (GAAP)					
State Aid Payments Not Recognized on a GAAP Basis				1,138,897	
Fund Balance per Governmental Funds (GAAP Basis)				\$ 11,854,374	

**GLEN ROCK PUBLIC SCHOOLS
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Intergovernmental					
State Sources	\$ 160,521	\$ 42,459	\$ 202,980	\$ 169,814	\$ (33,166)
Federal Sources	493,130	691,100	1,184,230	1,012,127	(172,103)
Local Sources					
Miscellaneous (Non-Budget)	-	1,000	1,000	797,680	796,680
Total Revenues	<u>653,651</u>	<u>734,559</u>	<u>1,388,210</u>	<u>1,979,621</u>	<u>591,411</u>
EXPENDITURES					
Instruction					
Salaries		17,418	17,418		17,418
Purchased Professional/Educational Services	26,687	13,814	40,501	18,956	21,545
Purchased Professional/Technical Services	16,268	5,150	21,418	17,134	4,284
Miscellaneous Purchased Services		22,900	22,900	22,900	-
Tuition	420,059	118,200	538,259	538,259	-
General Supplies	11,665	(49)	11,616	8,356	3,260
Textbooks	10,888	2,918	13,806	13,806	-
Student Activities/Athletics (Non-Budget)	-	-	-	801,642	(801,642)
Total Instruction	<u>485,567</u>	<u>180,351</u>	<u>665,918</u>	<u>1,421,053</u>	<u>(755,135)</u>
Support Services					
Benefits		1,332	1,332		1,332
Purchased Professional & Technical Services	6,375	52,375	58,750	7,500	51,250
Purchased Professional - Educational Services	96,217	50,361	146,578	99,866	46,712
Other Purchased Professional Services	24,667	15,284	39,951	38,079	1,872
Miscellaneous Purchased Services	1,236	2,514	3,750	3,750	-
General Supplies	31,349	170,342	201,691	144,195	57,496
Scholarship Awards (Non-Budget)	-	-	-	6,400	(6,400)
Total Support Services	<u>159,844</u>	<u>292,208</u>	<u>452,052</u>	<u>299,790</u>	<u>152,262</u>
Facilities Acquisition and Construction					
Instructional Equipment		-		-	-
Non-Instructional Equipment	8,240	262,000	270,240	270,140	100
Total Facilities Acquisition and Construction	<u>8,240</u>	<u>262,000</u>	<u>270,240</u>	<u>270,140</u>	<u>100</u>
Total Expenditures	<u>653,651</u>	<u>734,559</u>	<u>1,388,210</u>	<u>1,990,983</u>	<u>(602,773)</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	(11,362)	(11,362)
Fund Balances, Beginning of Year (Restated)	<u>480,757</u>	-	<u>480,757</u>	<u>480,757</u>	-
Fund Balances, End of Year	<u>\$ 480,757</u>	<u>\$ -</u>	<u>\$ 480,757</u>	<u>\$ 469,395</u>	<u>\$ (11,362)</u>
Restricted Fund Balances:					
Student Activities and Athletics				\$ 379,167	
Scholarships				90,228	
				<u>\$ 469,395</u>	

**GLEN ROCK PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

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

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	C-1 \$ 61,061,160	C-2 \$ 1,979,621
Difference - Budget to GAAP:		
State Aid and Extraordinary payment recognized for GAAP purposes, not recognized for Budgetary statements (2019/2020 State Aids).	843,565	
State Aid and Extraordinary payment not recognized for GAAP purposes, recognized for Budgetary statements (2020/2021 State Aids).	<u>(1,138,897)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	B-2 \$ <u>60,765,828</u>	B-2 \$ <u>1,979,621</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	C-1 \$ <u>56,762,256</u>	C-2 \$ <u>1,990,983</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	B-2 \$ <u>56,762,256</u>	B-2 \$ <u>1,990,983</u>

SCHOOL LEVEL SCHEDULES

(General Fund)

NOT APPLICABLE

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

**GLEN ROCK PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Public Employees Retirement System

Last Eight Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportionate Share of the Net Position Liability (Asset)	0.03884	0.05133	0.04440 %	0.04457 %	0.04756 %	0.04907 %	0.04762 %	0.04834 %
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 6,381,192	\$ 7,737,957	\$ 8,741,950	\$ 10,375,147	\$ 14,087,333	\$ 11,014,621	\$ 8,915,916	\$ 9,238,480
District's Covered Payroll	\$ 2,933,348	\$ 2,867,020	\$ 3,138,309	\$ 3,048,612	\$ 2,983,879	\$ 3,322,003	\$ 3,245,483	\$ 3,314,276
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	217.540	269.895	278.556 %	340.324 %	472.1 %	331.6 %	274.0 %	279.0 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.11%	40.14%	47.93%	52.08%	48.72%

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

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

**GLEN ROCK PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

Last Eight Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 428,071	\$ 419,258	\$ 446,486	\$ 412,892	\$ 422,559	\$ 421,847	\$ 392,579	\$ 369,910
Contributions in Relation to the Contractually Required Contribution	<u>428,071</u>	<u>419,258</u>	<u>446,486</u>	<u>412,892</u>	<u>422,559</u>	<u>421,847</u>	<u>392,579</u>	<u>369,910</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 2,749,763	\$ 2,933,348	\$ 2,867,020	\$ 3,138,309	\$ 3,048,612	\$ 2,983,879	\$ 3,322,003	\$ 3,245,483
Contributions as a Percentage of Covered Payroll	15.57%	14.29%	15.57%	13.16%	13.86%	14.14%	11.82%	11.40%

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

**GLEN ROCK PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Teachers Pension and Annuity Fund

Last Eight Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
District's Proportionate Share of the Net Pension Liability (Asset)	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 127,550,371</u>	<u>\$ 116,420,475</u>	<u>\$ 120,813,268</u>	<u>\$ 124,192,382</u>	<u>\$ 143,289,276</u>	<u>\$ 117,213,772</u>	<u>\$ 97,818,837</u>	<u>\$ 94,792,233</u>
Total	<u>\$ 127,550,371</u>	<u>\$ 116,420,475</u>	<u>\$ 120,813,268</u>	<u>\$ 124,192,382</u>	<u>\$ 143,289,276</u>	<u>\$ 117,213,772</u>	<u>\$ 97,818,837</u>	<u>\$ 94,792,233</u>
District's Covered Payroll	\$ 22,409,975	\$ 21,102,359	\$ 20,571,812	\$ 19,759,557	\$ 19,129,191	\$ 18,765,085	\$ 17,883,876	\$ 18,064,542
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.60%	26.95%	26.49%	36.44%	22.33%	28.71%	33.64%	33.76%

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

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

**GLEN ROCK PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Change of Benefit Terms: None.

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

**GLEN ROCK PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OPEB LIABILITY**

POSTEMPLOYMENT HEALTH BENEFIT PLAN

Last Four Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service Cost	\$ 2,697,688	\$ 2,444,271	\$ 2,744,834	\$ 3,327,294
Interest on OPEB Liability	2,158,451	2,585,179	2,703,393	2,328,946
Changes of Benefit Terms				-
Differences Between Expected and Actual Experience	13,654,511	(9,620,765)	(4,643,546)	-
Changes of Assumptions	17,138,120	890,988	(7,486,361)	(9,724,100)
Gross Benefit Payments	(1,633,370)	(1,834,375)	(1,744,435)	(1,642,767)
Contribution from the Member	<u>49,507</u>	<u>54,376</u>	<u>60,290</u>	<u>60,491</u>
Net Change in Total OPEB Liability	34,064,907	(5,480,326)	(8,365,825)	(5,650,136)
Total OPEB Liability - Beginning	<u>59,757,448</u>	<u>65,237,774</u>	<u>73,603,599</u>	<u>79,253,735</u>
Total OPEB Liability - Ending	<u>\$ 93,822,355</u>	<u>\$ 59,757,448</u>	<u>\$ 65,237,774</u>	<u>\$ 73,603,599</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>93,822,355</u>	<u>59,757,448</u>	<u>65,237,774</u>	<u>73,603,599</u>
Total OPEB Liability - Ending	<u>\$ 93,822,355</u>	<u>\$ 59,757,448</u>	<u>\$ 65,237,774</u>	<u>\$ 73,603,599</u>
District's Covered Payroll	<u>\$ 25,343,323</u>	<u>\$ 23,969,379</u>	<u>\$ 23,710,121</u>	<u>\$ 22,808,169</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%

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

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

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

**GLEN ROCK PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

SPECIAL REVENUE FUND

GLEN ROCK PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	ESEA		IDEA		ESSER	Totals Page 2	Totals Page 3	Grand Totals
	Title IIA	Title III Immigrant	Part B Basic	Part B Pre-School	CARES Emergency Relief Fund			
REVENUES								
Intergovernmental								
State Sources							\$ 169,814	\$ 169,814
Federal Sources	\$ 28,811	\$ 5,256	\$ 554,555	\$ 26,254	\$ 46,306	\$ 350,945		1,012,127
Local Sources								-
Miscellaneous	-	-	-	-	-	797,680	-	797,680
Total Revenues	\$ 28,811	\$ 5,256	\$ 554,555	\$ 26,254	\$ 46,306	\$ 1,148,625	\$ 169,814	\$ 1,979,621
EXPENDITURES								
Instruction:								
Tuition			\$ 512,005	\$ 26,254				\$ 538,259
Purchased Prof. Educational Services							\$ 18,956	18,956
Purchased Prof. Tech Service							17,134	17,134
Miscellaneous Purchased Services						\$ 22,900		22,900
General Supplies		\$ 5,256				3,100		8,356
Textbooks							13,806	13,806
Student Activities/Athletics	-	-	-	-	-	801,642	-	801,642
Total Instruction	-	5,256	512,005	26,254	-	827,642	49,896	1,421,053
Support Services								
Purchased Professional Educational Services			42,550				57,316	99,866
Purchased Professional and Technical Services	\$ 7,500							7,500
Other Purchased Professional Services	6,428						31,651	38,079
Miscellaneous Purchased Services							3,750	3,750
General Supplies	14,883	-	-	-	\$ 46,306	76,045	6,961	144,195
Scholarship Awards	-	-	-	-	-	6,400	-	6,400
Total Support Services	28,811	-	42,550	-	46,306	82,445	99,678	299,790
Facilities Acquisition and Construction Services								
Non-Instructional Equipment	-	-	-	-	-	249,900	20,240	270,140
Total Facilities Acq. & Construction	-	-	-	-	-	249,900	20,240	270,140
Total Expenditures	\$ 28,811	\$ 5,256	\$ 554,555	\$ 26,254	\$ 46,306	\$ 1,159,987	\$ 169,814	\$ 1,990,983
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	(11,362)	-	(11,362)
Fund Balance, Beginning of Year (Restated)	-	-	-	-	-	480,757	-	480,757
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 469,395	\$ -	\$ 469,395

(Continued)

GLEN ROCK PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Bergen County Relief Fund	Corona Relief Fund	ESSER Digital Divide Non-Public	ESSER II Emergency Relief Fund	Miscellaneous	Student Activities/ Athletics	Scholarship	Totals Pg 2
REVENUES								
Intergovernmental								
State Sources								
Federal Sources	\$ 25,000	\$ 66,214	\$ 9,831	\$ 249,900				\$ 350,945
Local Sources								
Miscellaneous	-	-	-	-	\$ 1,000	\$ 796,680	\$ -	797,680
Total Revenues	\$ 25,000	\$ 66,214	\$ 9,831	\$ 249,900	\$ 1,000	\$ 796,680	\$ -	\$ 1,148,625
EXPENDITURES								
Instruction:								
Tuition								-
Purchased Prof. Educational Services								-
Purchased Prof. Tech Service								-
Miscellaneous Purchased Services	\$ 22,900							\$ 22,900
General Supplies	2,100				\$ 1,000			3,100
Textbooks								
Student Activities/Athletics	-	-	-	-	-	\$ 801,642	-	801,642
Total Instruction	25,000	-	-	-	1,000	801,642	-	827,642
Support Services								
Purchased Professional Educational Services								57,316
Purchased Professional and Technical Services								31,651
Other Purchased Professional Services								
Miscellaneous Purchased Services								
General Supplies	-	\$ 66,214	\$ 9,831	-	-			76,045
Scholarships Awarded	-	-	-	-	-	-	\$ 6,400	6,400
Total Support Services	-	66,214	9,831	-	-	-	6,400	171,412
Facilities Acquisition and Construction Services								
Non-Instructional Equipment	-	-	-	\$ 249,900	-	-	-	249,900
Total Facilities Acq. & Construction	-	-	-	249,900	-	-	-	249,900
Total Expenditures	25,000	66,214	9,831	249,900	1,000	801,642	6,400	1,248,954
Excess (Deficiency) of Revenues Over (Under)								
Expenditures	-	-	-	-	-	(4,962)	(6,400)	(11,362)
Fund Balance, Beginning of Year (Restated)	-	-	-	-	-	384,129	96,628	480,757
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 379,167	\$ 90,228	\$ 469,395

GLEN ROCK PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Chapter 192/193

	Handicapped Services		Auxiliary Services		Non-Public			Page 3 Totals
	Supplemental Instruction	Corrective Speech	Examination/ Classification	Compensatory Education	Nursing	Textbook	Security	
REVENUES								
Intergovernmental								
State Sources	\$ 17,080	\$ 17,134	\$ 18,956	\$ 40,236	\$ 23,052	\$ 13,806	\$ 39,550	\$ 169,814
Federal Sources								
Local Sources								
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	<u>\$ 17,080</u>	<u>\$ 17,134</u>	<u>\$ 18,956</u>	<u>\$ 40,236</u>	<u>\$ 23,052</u>	<u>\$ 13,806</u>	<u>\$ 39,550</u>	<u>\$ 169,814</u>
EXPENDITURES								
Instruction:								
Purchased Prof. Educational Services			\$ 18,956					\$ 18,956
Purchased Professional/ Technical Services		\$ 17,134						17,134
General Supplies								-
Textbooks	-	-	-	-	-	\$ 13,806	-	13,806
Total Instruction	-	17,134	18,956	-	-	13,806	-	49,896
Support Services								
Purchased Professional Educational Services	\$ 17,080			\$ 40,236				57,316
Other Purchased Professional Services					\$ 23,052		\$ 8,599	31,651
Miscellaneous Purchased Services							3,750	3,750
General Supplies	-	-	-	-	-	-	6,961	6,961
Total Support Services	17,080	-	-	40,236	23,052	-	19,310	99,678
Facilities Acquisition and Construction								
Non-Instructional Equipment	-	-	-	-	-	-	20,240	20,240
Total Facilities Acquisition and Construction	-	-	-	-	-	-	20,240	20,240
Total Expenditures	<u>17,080</u>	<u>17,134</u>	<u>18,956</u>	<u>40,236</u>	<u>23,052</u>	<u>13,806</u>	<u>39,550</u>	<u>169,814</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year (Restated)	-	-	-	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GLEN ROCK PUBLIC SCHOOLS
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOT APPLICABLE

**GLEN ROCK PUBLIC SCHOOLS
SPECIAL REVENUE FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Balance, July 1, <u>2020</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2021</u>
Elementary Schools	\$ 24,596	\$ 8,233	\$ 7,155	\$ 25,674
Middle/High School	359,533	688,304	694,344	353,493
Athletics	-	<u>100,143</u>	<u>100,143</u>	<u>-</u>
Total All Schools	<u>\$ 384,129</u>	<u>\$ 796,680</u>	<u>\$ 801,642</u>	<u>\$ 379,167</u>

CAPITAL PROJECTS FUND

**GLEN ROCK PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>Issue/Project Title</u>	<u>Appropriation</u>	<u>Expenditures to Date</u>		<u>Transfer Out</u>	<u>Balance, June 30, 2021</u>
		<u>Prior Years</u>	<u>Current Year</u>		
2018/19 Renovations, Alterations and Improvements at Central, Coleman and Byrd Elementary Schools, and the Glen Rock Middle/High School	\$ 14,718,320	\$ 5,343,602	\$ 4,603,052		\$ 4,771,666
2021/22- Window/Door Replacement at Coleman School Faculty Bathroom Project at Hamilton School, Gym Floor Replacement at Byrd School, Parking Lot Re-Paving/Excavate at Central School, Roof Replacement at Coleman School, Repointing/Waterproofing at Middle School and Bipolar Ionization Installations District Wide	3,550,871		178,372		3,372,499
2020/21- Replacement of High School RTU #4 HVAC for Boys/Girls Locker Room, Trainers Room & Weight Room, Roof Refurbishments at High School/Middle School, Central and Coleman School and Byrd School Playground Safety Matting System	1,011,090		866,140	\$ 144,950	-
2019/20 Byrd Gym Floor Replacement and Media Center Roof Replacement, Coleman Partial Roof Replacement, High School Boys' Locker Room Upgrades, Cafeteria Kitchen Roof Replacement and Middle School Classrooms Floor Tile Asbestos Abatement and Replacement	560,000	395,390		164,610	-
2017/18 High School/Middle School Floor Tile Project, High School/Middle School and Byrd Boiler Replacement, High School/Middle School Nurses Office HVAC Upgrades, High School/Middle School Security Project	<u>725,685</u>	<u>673,800</u>	<u>-</u>	<u>51,885</u>	<u>-</u>
	<u>\$ 20,565,966</u>	<u>\$ 6,412,792</u>	<u>\$ 5,647,564</u>	<u>\$ 361,445</u>	<u>\$ 8,144,165</u>
		<u>Reconciliation to Fund Balance - GAAP</u>			
					\$ 8,144,165
					Less-
					2018/19 Referendum Authorized but Not Issued
					Project Funded by the 2021/22 Budget
					<u>(3,550,871)</u>
					Fund Balance, GAAP Basis
					<u>\$ 4,592,974</u>
		<u>Recapitulation of Fund Balance - GAAP</u>			
					\$ 782,594
					Year End Encumbrances
					Available for Capital Projects
					<u>3,810,380</u>
					Total Fund Balance Restricted for
					Capital Projects
					<u>\$ 4,592,974</u>

GLEN ROCK PUBLIC SCHOOLS
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGETARY BASIS
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

EXHIBIT F-2

Revenues and Other Financing Sources

Transfer from Capital Reserve	\$ <u>1,011,090</u>
Total Revenues and Other Financing Sources	<u>1,011,090</u>

Expenditures and Other Financing Uses

Purchased Prof/Tech Services	517,387
Construction Services	4,746,208
Supplies and Equipment	377,114
Miscellaneous	6,855
Transfer Out- General Fund	<u>361,445</u>
Total Expenditures and Other Financing Uses	<u>6,009,009</u>

Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(4,997,919)
---	-------------

Fund Balance, Beginning of Year	<u>9,590,893</u>
---------------------------------	------------------

Fund Balance, End of Year - Budgetary Basis	<u>\$ 4,592,974</u>
---	---------------------

Fund Balance, End of Year - GAAP Basis	<u>\$ 4,592,974</u>
--	---------------------

**GLEN ROCK PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
HIGH SCHOOL/MIDDLE SCHOOL FLOOR TILE PROJECT, HIGH SCHOOL/MIDDLE SCHOOL AND BYRD
BOILER REPLACEMENT, HIGH SCHOOL/MIDDLE SCHOOL NURSES OFFICE HVAC UPGRADES, HIGH
SCHOOL/MIDDLE SCHOOL SECURITY PROJECT
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>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	\$ 725,685	-	\$ 725,685	\$ 725,685
Total Revenues and Other Financing Sources	<u>725,685</u>	<u>-</u>	<u>725,685</u>	<u>725,685</u>
 Expenditures and Other Financing Uses				
Purchased Professional and Technical services	60,560		60,560	61,000
Construction Services	610,899		610,899	653,685
Miscellaneous Expenditures	2,341		2,341	11,000
Transfer Out	<u>-</u>	<u>\$ 51,885</u>	<u>51,885</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>673,800</u>	<u>51,885</u>	<u>725,685</u>	<u>725,685</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>\$ 51,885</u>	<u>\$ (51,885)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bonds Authorization Date	N/A
Bonds Authorized	\$ -
Bonds Issued	\$ -
Original Authorized Cost	\$ 725,685
Change Orders	N/A
Revised Authorized Cost	\$ 725,685
 Change Order Percentage	 N/A
Percentage Completion	100.00%
Original Target Completion Date	12/31/2020
Revised Target Completion Date	12/31/2020

GLEN ROCK PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
BYRD GYM FLOOR REPLACEMENT AND MEDIA CENTER ROOF REPLACEMENT,
COLEMAN PARTIAL ROOF REPLACEMENT, HIGH SCHOOL BOYS' LOCKER ROOM UPGRADES,
CAFETERIA KITCHEN ROOF REPLACEMENT AND MIDDLE SCHOOL CLASSROOMS FLOOR
TILE ABESTOS ABATEMENT AND REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Prior</u> <u>Periods</u>	<u>Current</u> <u>Year</u>	<u>Totals</u>	<u>Project</u> <u>Authorization</u>
Revenues and Other Financing Sources				
Transfer From Capital Reserve	\$ 560,000	-	\$ 560,000	\$ 560,000
Total Revenues and Other Financing Sources	<u>560,000</u>	<u>-</u>	<u>560,000</u>	<u>560,000</u>
 Expenditures and Other Financing Uses				
Purchased Professional and Technical services				5,600
Construction Services	395,390		395,390	550,000
Miscellaneous Expenditures				4,400
Transfer Out	<u>-</u>	<u>\$ 164,610</u>	<u>164,610</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>395,390</u>	<u>164,610</u>	<u>560,000</u>	<u>560,000</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>\$ 164,610</u>	<u>\$ (164,610)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bonds Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 560,000
Change Orders	-
Revised Authorized Cost	\$ 560,000
Change Order Percentage	N/A
Percentage Completion	100.00%
Original Target Completion Date	12/31/2020
Revised Target Completion Date	12/31/2020

**GLEN ROCK PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS, ALTERNATIONS AND IMPROVEMENTS AT CENTRAL,
COLEMAN AND BYRD ELEMENTARY SCHOOLS AND THE GLEN ROCK
MIDDLE/HIGH 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>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 14,718,000	-	\$ 14,718,000	\$ 14,718,320
Total Revenues and Other Financing Sources	<u>14,718,000</u>	<u>-</u>	<u>14,718,000</u>	<u>14,718,320</u>
 Expenditures and Other Financing Uses				
Purchased Professional and Technical services	1,043,924	\$ 340,040	1,383,964	1,467,823
Bond Sale Costs	57,895		57,895	60,000
Construction Services	4,053,418	3,880,068	7,933,486	12,477,441
Supplies and Equipment	136,473	377,114	513,587	525,000
Miscellaneous Expenditures	51,892	5,830	57,722	188,056
Total Expenditures and Other Financing Uses	<u>5,343,602</u>	<u>4,603,052</u>	<u>9,946,654</u>	<u>14,718,320</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>\$ 9,374,398</u>	<u>\$ (4,603,052)</u>	4,771,346	<u>\$ -</u>
		Add: Authorized But Not Issued	<u>320</u>	
Additional Project Information:			<u>\$ 4,771,666</u>	
Project Number	N/A			
Grant Date	N/A			
Bonds Authorization Date	3/12/2019			
Bonds Authorized	\$ 14,718,320			
Bonds Issued	\$ 14,718,000			
Original Authorized Cost	\$ 14,718,320			
Change Orders	-			
Revised Authorized Cost	\$ 14,718,320			
Change Order Percentage	N/A			
Percentage Completion	36.00%			
Original Target Completion Date	12/31/2021			
Revised Target Completion Date	12/31/2021			

**GLEN ROCK PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
REPLACEMENT OF HIGH SCHOOL RTU#4 HVAC FOR BOYS/GIRLS LOCKER ROOM,
TRAINERS ROOM & WEIGHT ROOM, ROOF REFURBISHMENTS AT THE HIGH/MIDDLE SCHOOL,
CENTRAL SCHOOL & COLEMAN SCHOOL AND BYRD SCHOOL PLAYGROUND SAFETY
MATTING SYSTEM
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>
Revenues and Other Financing Sources				
Transfer From Capital Reserve	\$ -	\$ 1,011,090	\$ 1,011,090	\$ 1,011,090
Total Revenues and Other Financing Sources	<u>-</u>	<u>1,011,090</u>	<u>1,011,090</u>	<u>1,011,090</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical services				
Construction Services		866,140	866,140	1,011,090
Miscellaneous Expenditures				
Transfer Out	<u>-</u>	<u>144,950</u>	<u>144,950</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>-</u>	<u>1,011,090</u>	<u>1,011,090</u>	<u>1,011,090</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bonds Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,011,090
Change Orders	-
Revised Authorized Cost	\$ 1,011,090
Change Order Percentage	N/A
Percentage Completion	100.00%
Original Target Completion Date	6/30/2021
Revised Target Completion Date	6/30/2021

**GLEN ROCK PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
WINDOW/DOOR REPLACEMENT AT COLEMAN SCHOOL, FACULTY BATHROOM
PROJECT AT HAMILTON SCHOOL, GYM FLOOR REPLACEMENT AT BYRD SCHOOL,
PARKING LOT REPAVING/EXCAVATION AT CENTRAL SCHOOL, ROOF REPLACEMENT
AT COLEMEN SCHOOL, REPOINTING/WATERPROOFING AT MIDDLE SCHOOL AND
DISTRICT WID BIPOLAR IONIZATION INSTALLATIONS
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>
Revenues and Other Financing Sources				
Transfer From Capital Reserve	\$ -	-	-	\$ 3,550,871
Total Revenues and Other Financing Sources	-	-	-	3,550,871
 Expenditures and Other Financing Uses				
Purchased Professional and Technical services		\$ 177,347	\$ 177,347	200,000
Construction Services				3,348,871
Miscellaneous Expenditures		1,025	1,025	2,000
Transfer Out	-	-	-	-
Total Expenditures and Other Financing Uses	-	178,372	178,372	3,550,871
 Excess (Deficiency) of Revenues over (under) Expenditures	<u>\$ -</u>	<u>\$ (178,372)</u>	<u>\$ (178,372)</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bonds Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 3,550,871
Change Orders	-
Revised Authorized Cost	\$ 3,550,871
 Change Order Percentage	N/A
Percentage Completion	5.00%
Original Target Completion Date	6/30/2022
Revised Target Completion Date	6/30/2022

PROPRIETARY FUND

**GLEN ROCK PUBLIC SCHOOLS
PROPRIETARY FUND
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

GLEN ROCK PUBLIC SCHOOLS
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Annual Date</u>	<u>Maturities Amount</u>	<u>Interest Rate</u>	<u>Balance July 1, 2020</u>	<u>Increased</u>	<u>Matured</u>	<u>Balance June 30, 2021</u>
2019 School Bonds	7/15/2019	\$ 14,718,000	7/15/2022	\$ 853,000	1.50%				
			7/15/2023	885,000	2.00%				
			7/15/2024	900,000	2.00%				
			7/15/2025	950,000	2.00%				
			7/15/2026	975,000	2.00%				
			7/15/2027	1,000,000	2.00%				
			7/15/2028	1,025,000	2.00%				
			7/15/2029	1,050,000	2.00%				
			7/15/2030	1,090,000	2.00%				
			7/15/2031	1,125,000	2.250%				
			7/15/2032	1,160,000	2.375%				
			7/15/2033	1,200,000	3.00%				
			7/15/2034	1,230,000	3.00%				
			7/15/2035	1,275,000	3.00%				
2016 Refunding Bonds	1/26/2016	32,910,000	9/1/2021	1,755,000	4.250%				
			9/1/2022	1,830,000	4.250%				
			9/1/2023	1,905,000	4.300%				
			9/1/2024	1,980,000	4.500%				
			9/1/2025	2,055,000	4.500%				
			9/1/2026	2,130,000	4.500%				
			9/1/2027	2,225,000	4.500%				
			9/1/2028	2,330,000	4.600%				
			9/1/2029	2,440,000	4.625%				
			9/1/2030	2,545,000	4.700%				
			9/1/2031	2,675,000	4.750%				
			9/1/2032	2,795,000	4.750%				
			9/1/2033	2,925,000	4.750%				
						<u>31,280,000</u>	-	\$ 1,690,000	<u>29,590,000</u>
						<u>\$ 45,998,000</u>	\$ -	\$ 1,690,000	<u>\$ 44,308,000</u>
								<u>\$ 1,690,000</u>	
									Budget Appropriation

**GLEN ROCK PUBLIC SCHOOLS
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOT APPLICABLE

**DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local Sources					
Local Tax Levy	\$ 2,680,775		\$ 2,680,775	\$ 2,680,775	
State Sources					
State Aid	<u>906,383</u>	<u>-</u>	<u>906,383</u>	<u>906,383</u>	<u>-</u>
Total Revenues	<u>3,587,158</u>	<u>-</u>	<u>3,587,158</u>	<u>3,587,158</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Redemption of Principal	1,690,000	-	1,690,000	1,690,000	
Interest	<u>1,897,283</u>	<u>-</u>	<u>1,897,283</u>	<u>1,897,283</u>	<u>-</u>
Total Expenditures	<u>3,587,283</u>	<u>-</u>	<u>3,587,283</u>	<u>3,587,283</u>	<u>-</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>(125)</u>	<u>-</u>	<u>(125)</u>	<u>(125)</u>	<u>-</u>
Other Financing Sources/(Uses)					
Transfer In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	<u>(125)</u>	<u>-</u>	<u>(125)</u>	<u>(125)</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>23,335</u>	<u>-</u>	<u>23,335</u>	<u>23,335</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 23,210</u>	<u>\$ -</u>	<u>\$ 23,210</u>	<u>\$ 23,210</u>	<u>\$ -</u>
<u>Analysis of Balance</u>					
Restricted for Debt Service				<u>\$ 23,210</u>	

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

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

GLEN ROCK PUBLIC SCHOOLS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2012		2013		2014		2015		Fiscal Year Ended June 30,		2018		2019		2020		2021			
									2016	2017										
Governmental Activities																				
Net Investment in Capital Assets	\$	9,148,137	\$	11,246,322	\$	11,869,829	\$	12,097,377	\$	12,891,322	\$	11,511,891	\$	11,172,441	\$	10,809,961	\$	11,030,531		
Restricted		3,462,618		2,860,798		2,327,742		2,110,708		1,527,503		1,995,365		1,143,855		2,207,557		5,302,533		7,189,612
Unrestricted		2,072,217		2,120,590		(7,361,144)		(7,519,250)		(7,714,876)		(8,479,726)		(8,483,475)		(8,375,596)		(8,466,933)		(6,266,408)
Total Governmental Activities Net Position	\$	14,682,972	\$	16,227,710	\$	6,836,427	\$	6,688,835	\$	6,703,949	\$	5,027,530	\$	3,939,612	\$	5,004,402	\$	7,645,561	\$	11,953,735
Business-type activities																				
Net Investment in Capital Assets	\$	1,476	\$	15,116	\$	12,780	\$	21,777	\$	17,425	\$	22,784	\$	20,384	\$	13,112	\$	11,154	\$	19,109
Unrestricted		683,926		677,809		778,714		530,601		375,699		484,089		638,686		605,299		576,732		240,120
Total Business-Type Activities Net Position	\$	685,402	\$	692,925	\$	791,494	\$	552,378	\$	393,124	\$	506,873	\$	659,070	\$	618,411	\$	587,886	\$	259,229
District-wide																				
Net Investment in Capital Assets	\$	9,149,613	\$	11,261,438	\$	11,882,609	\$	12,119,154	\$	12,908,747	\$	11,534,675	\$	11,299,616	\$	11,185,553	\$	10,821,115	\$	11,049,640
Restricted		3,462,618		2,860,798		2,327,742		2,110,708		1,527,503		1,995,365		1,143,855		2,207,557		5,302,533		7,189,612
Unrestricted		2,756,143		2,798,399		(6,582,430)		(6,988,649)		(7,339,177)		(7,995,637)		(7,844,789)		(7,770,297)		(7,890,201)		(6,026,288)
Total District Net Position	\$	15,368,374	\$	16,920,635	\$	7,627,921	\$	7,241,213	\$	7,097,073	\$	5,534,403	\$	4,598,682	\$	5,622,813	\$	8,233,447	\$	12,212,964

Source: District Financial Records

Note 1 - Net Position at June 30, 2014 has been restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" and for corrections of the capital assets.

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

GLEN ROCK PUBLIC SCHOOLS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities										
Instruction										
Regular	\$ 19,487,797	\$ 19,498,092	\$ 19,560,882	\$ 22,802,265	\$ 24,119,067	\$ 27,243,362	\$ 27,821,163	\$ 27,143,778	\$ 26,092,013	\$ 28,634,338
Special Education	6,164,147	6,004,684	6,359,075	7,081,367	7,773,836	8,134,028	8,895,937	9,103,622	9,050,204	9,174,829
Other Special Education	629,994	660,268	603,338	711,206	688,326	1,322,079	1,349,779	1,437,758	1,350,370	1,492,768
School Sponsored Activities and Athletics	934,726	1,016,734	1,092,729	1,223,345	1,210,348	1,516,347	1,544,499	1,617,568	1,560,607	2,173,443
Support Services:										
Student & Instruction Related Services	6,258,524	6,788,480	7,124,795	7,770,425	8,390,007	9,176,149	9,365,201	8,557,365	9,066,502	9,305,545
Educational Media/School Library	960,506	1,004,372	945,838	1,130,931	1,197,343	1,147,445	1,118,832	994,909	980,794	1,099,704
General Administration	1,115,575	978,317	1,034,115	1,156,223	1,299,253	1,397,259	1,292,970	1,299,593	1,280,390	1,791,092
School Administrative Services	3,391,830	3,463,742	3,485,098	4,003,034	4,268,557	4,772,544	4,852,112	4,757,709	4,677,942	4,526,247
Plant Operations and Maintenance	4,610,578	4,536,130	4,907,607	4,813,339	4,828,108	4,976,158	4,867,880	4,579,072	4,889,406	5,137,656
Pupil Transportation	859,310	899,076	905,266	894,179	856,873	793,786	957,459	1,063,883	981,622	808,990
Central Services	1,466,634	1,437,140	1,479,608	1,451,301	1,522,395	1,633,449	1,725,118	1,441,998	1,510,826	1,643,263
Scholarship Awards										6,400
Interest on Long-Term Debt	2,065,403	2,025,853	1,942,558	1,903,597	1,396,278	1,444,427	1,375,360	1,307,032	1,571,410	1,511,780
Total Governmental Activities Expenses	47,945,024	48,312,888	49,440,909	54,941,212	57,550,391	63,557,033	65,166,310	63,304,287	63,012,086	67,306,055
Business-Type Activities:										
Food Service	502,480	488,022	512,705	486,218	506,962	523,671	537,142	549,969	415,968	14,080
Community School	1,203,830	1,253,303	1,346,609	1,557,780	1,469,523	1,471,994	1,589,835	1,748,106	1,375,814	620,571
Total Business-Type Activities Expense	1,706,310	1,741,325	1,859,314	2,043,998	1,976,485	1,995,665	2,126,977	2,298,075	1,791,782	634,651
Total District Expenses	\$ 49,651,334	\$ 50,054,213	\$ 51,300,223	\$ 56,985,210	\$ 59,526,876	\$ 65,552,698	\$ 67,293,287	\$ 65,602,362	\$ 64,803,868	\$ 67,940,706
Program Revenues										
Governmental Activities:										
Charges for Services:										
Regular- Tuition		\$ 39,907	\$ 35,688	\$ 32,088	\$ 28,724	\$ 28,595	\$ 58,380	\$ 128,413	\$ 112,642	\$ 84,852
School Spons. Activities/Athletics Fees						105,928	177,132	169,214	100,861	203,951
Plant Operations and Maint. Facility Rental						24,379	40,939	43,597	22,337	
Capital Grants and Contributions		36,500	25,000	3,712	41,383	44,296	49,426	28,533	38,210	306,625
Operating Grants and Contributions	\$ 5,304,368	6,879,467	6,169,032	10,351,346	12,407,077	16,072,363	16,913,015	14,346,541	13,172,044	18,700,643
Total Governmental Activities Program Revenues	5,304,368	6,955,874	6,229,720	10,387,146	12,477,184	16,275,561	17,238,892	14,716,298	13,446,094	19,296,071
Business-Type Activities:										
Charges for Services										
Food Service	518,510	501,688	497,938	454,868	545,932	520,619	551,506	555,043	403,626	
Community School	1,335,774	1,246,947	1,459,900	1,662,706	1,571,254	1,588,766	1,727,668	1,801,929	1,452,421	405,994
Total Business Type Activities Program Revenues	1,854,284	1,748,635	1,957,838	2,117,574	2,117,186	2,109,385	2,279,174	2,356,972	1,856,047	405,994
Total District Program Revenues	\$ 7,158,652	\$ 8,704,509	\$ 8,187,558	\$ 12,504,720	\$ 14,594,370	\$ 18,384,946	\$ 19,518,066	\$ 17,073,270	\$ 15,302,141	\$ 19,702,065
Net (Expense)/Revenue										
Governmental Activities	\$ (42,640,656)	\$ (41,357,014)	\$ (43,211,189)	\$ (44,554,066)	\$ (45,073,207)	\$ (47,281,472)	\$ (47,927,418)	\$ (48,587,989)	\$ (49,565,992)	\$ (48,009,984)
Business-Type Activities	147,974	7,310	98,524	73,576	140,701	113,720	152,197	58,897	64,265	(228,657)
Total District-Wide Net Expense	\$ (42,492,682)	\$ (41,349,704)	\$ (43,112,665)	\$ (44,480,490)	\$ (44,932,506)	\$ (47,167,752)	\$ (47,775,221)	\$ (48,529,092)	\$ (49,501,727)	\$ (48,238,641)

GLEN ROCK PUBLIC SCHOOLS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property Taxes Levied for General Purposes, net	\$ 40,033,500	\$ 40,033,500	\$ 40,033,500	\$ 40,521,909	\$ 41,319,529	\$ 42,275,920	\$ 43,540,070	\$ 46,150,041	\$ 47,296,016	\$ 48,123,696
Taxes Levied for Debt Service	2,587,336	2,537,079	2,641,786	2,511,792	2,510,082	2,371,652	2,436,622	2,410,694	2,349,214	2,680,775
State Aid Restricted for Debt Service	672,837			682,918	685,570	689,999	626,313	759,622	735,786	906,383
Unrestricted Grants and Contributions				43,210	46,068	68,421	70,471	6,090		
Miscellaneous Income	402,741	331,983	383,120	346,645	227,072	199,061	166,906	226,332	519,985	507,304
Loss on Disposal of Assets							(882)			
Transfers				300,000	300,000	-	-	100,000	100,000	100,000
Total Governmental Activities	43,696,414	42,902,562	43,058,406	44,406,474	45,088,321	45,605,053	46,839,500	49,652,779	51,001,001	52,318,158
Business-Type Activities:										
Loss on Disposal of Assets				(12,784)						
Miscellaneous Income	302	213	45	92	45	29		444	5,210	
Transfers				(300,000)	(300,000)	-	-	(100,000)	(100,000)	(100,000)
Total Business-Type Activities	302	213	45	(312,692)	(299,955)	29	-	(99,556)	(94,790)	(100,000)
Total District-Wide	\$ 43,696,716	\$ 42,902,775	\$ 43,058,451	\$ 44,093,782	\$ 44,788,366	\$ 45,605,082	\$ 46,839,500	\$ 49,553,223	\$ 50,906,211	\$ 52,218,158
Change in Net Position										
Governmental Activities	\$ 1,055,758	\$ 1,545,548	\$ (152,783)	\$ (147,592)	\$ 15,114	\$ (1,676,419)	\$ (1,087,918)	\$ 1,064,790	\$ 1,435,009	\$ 4,308,174
Business-Type Activities	148,276	7,523	98,569	(239,116)	(159,254)	113,749	152,197	(40,659)	(30,525)	(328,657)
Total District	\$ 1,204,034	\$ 1,553,071	\$ (54,214)	\$ (386,708)	\$ (144,140)	\$ (1,562,670)	\$ (935,721)	\$ 1,024,131	\$ 1,404,484	\$ 3,979,517

Source: District Financial Records

GLEN ROCK PUBLIC SCHOOLS
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	2012		2013		2014		2015		Fiscal Year Ended June 30,		2018		2019		2020		2021	
									2016	2017								
General Fund																		
Reserved																		
Unreserved																		
Restricted	\$ 5,913,007	\$ 4,737,021	\$ 4,859,140	\$ 4,059,921	\$ 3,380,219	\$ 5,020,419	\$ 4,229,142	\$ 4,627,893	\$ 7,335,640	\$ 10,064,564								
Assigned	510,896	577,242	440,959	362,962	349,721	159,263	168,856	757,225	440,692	209,922								
Unassigned	541,720	581,619	588,648	604,866	609,852	584,943	635,511	628,304	624,115	1,579,888								
Total General Fund	\$ 6,965,623	\$ 5,895,882	\$ 5,888,747	\$ 5,027,749	\$ 4,339,792	\$ 5,764,625	\$ 5,033,509	\$ 6,013,422	\$ 8,400,447	\$ 11,854,374								
All Other Governmental Funds																		
Reserved																		
Unreserved																		
Restricted	\$ 3,049,024	\$ 991,500	\$ 240,272	\$ 625,325	\$ 729,443	\$ (14,107)	\$ 8,362	\$ 116,004	\$ 10,094,985	\$ 5,085,579								
Total All Other Governmental Funds	\$ 3,049,024	\$ 991,500	\$ 240,272	\$ 625,325	\$ 729,443	\$ (14,107)	\$ 8,362	\$ 116,004	\$ 10,094,985	\$ 5,085,579								

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

Source: District Financial Records

GLEN ROCK PUBLIC SCHOOLS
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Tax Levy	\$ 42,620,836	\$ 42,570,579	\$ 42,675,286	\$ 43,033,701	\$ 43,829,611	\$ 44,647,572	\$ 45,976,692	\$ 48,560,735	\$ 49,645,230	\$ 50,804,471
Tuition Charges										
Miscellaneous	402,741	372,513	421,669	387,183	262,241	382,390	459,109	573,058	781,785	1,593,787
State Sources	5,277,340	6,292,964	5,619,280	6,244,849	6,861,254	7,572,727	8,529,250	9,826,232	10,595,639	12,922,222
Federal Sources	646,862	585,070	546,871	566,938	578,622	557,785	565,543	571,386	565,564	1,012,127
Total Revenue	48,947,779	49,821,126	49,263,106	50,232,671	51,531,728	53,160,474	55,530,594	59,531,411	61,588,218	66,332,607
Expenditures										
Instruction										
Regular Instruction	18,190,510	18,313,945	18,212,373	19,042,630	19,501,867	20,244,803	21,465,914	22,866,024	23,058,785	24,530,283
Special Education Instruction	5,951,220	5,805,814	6,105,429	6,358,458	6,726,187	6,716,222	7,590,579	8,171,658	8,383,289	8,257,006
Other Instruction	591,386	611,099	564,264	600,723	624,058	981,102	1,041,380	1,195,140	1,190,410	1,265,617
School Sponsored Activities and Athletics	882,065	961,281	1,025,616	1,039,520	1,041,748	1,174,494	1,236,834	1,281,404	1,292,904	1,985,782
Support Services:										
Student & Inst. Related Services	5,987,005	6,532,007	6,816,480	6,902,786	7,317,688	7,602,196	7,943,800	8,017,828	8,439,928	8,318,706
Educational Media/School Library	898,123	931,080	878,847	941,358	964,494	822,769	840,913	847,879	870,595	943,699
General Administration	1,071,493	948,430	992,209	1,027,762	1,138,160	1,148,308	1,093,384	1,145,711	1,181,595	1,579,877
School Administrative Services	3,162,277	3,242,716	3,238,353	3,301,966	3,413,608	3,493,296	3,700,239	4,001,168	4,120,093	3,836,530
Plant Operations and Maintenance	4,494,701	4,432,883	4,768,457	4,700,478	4,740,001	4,835,728	4,660,307	4,503,823	4,791,939	4,947,805
Pupil Transportation	856,339	895,023	900,275	889,166	850,949	785,353	943,441	1,053,158	975,107	796,767
Central Services	1,378,946	1,354,106	1,380,704	1,353,706	1,417,785	1,474,672	1,498,576	1,283,945	1,393,048	1,423,526
Scholarship Awards										6,400
Debt Service:										
Principal	1,257,925	1,312,259	1,371,812	1,295,000	1,350,000	1,415,000	1,484,000	1,670,000	1,630,000	1,690,000
Interest and Other Charges	2,076,137	2,028,247	1,973,287	1,918,586	1,457,978	1,664,187	1,603,181	1,530,833	1,470,896	1,913,179
Payments to Escrow Agent					660,000	-	-	-	-	-
Capital Outlay	5,641,289	5,579,501	1,793,363	1,636,477	1,472,778	121,061	1,136,693	975,285	6,447,773	6,492,909
Total Expenditures	52,439,416	52,948,391	50,021,469	51,008,616	52,677,301	52,479,191	56,239,241	58,543,856	65,246,362	67,988,086
Excess (Deficiency) of Revenues over (under) Expenditures	(3,491,637)	(3,127,265)	(758,363)	(775,945)	(1,145,573)	681,283	(708,647)	987,555	(3,658,144)	(1,655,479)
Other Financing sources (uses)										
Proceeds from Refunding Bonds					39,845,469	-	-	-	14,718,000	
Payments to Escrow Agent					(39,583,735)	-	-	-	-	
Transfers in	26,650	3,413,709	2,289,384	2,263,228	1,713,200	724,603	986,900	860,684	683,210	1,472,535
Transfers out	(26,650)	(3,413,709)	(2,289,384)	(1,963,228)	(1,413,200)	(724,603)	(986,900)	(760,684)	(583,210)	(1,372,535)
Total other financing sources (uses)	-	-	-	300,000	561,734	-	-	100,000	14,818,000	100,000
Net change in fund balances	\$ (3,491,637)	\$ (3,127,265)	\$ (758,363)	\$ (475,945)	\$ (583,839)	\$ 681,283	\$ (708,647)	\$ 1,087,555	\$ 11,159,856	\$ (1,555,479)
Debt service as a percentage of noncapital expenditures	2.69%	2.77%	2.84%	2.62%	2.64%	2.70%	2.69%	2.90%	2.77%	2.75%

* Noncapital expenditures are total expenditures less capital outlay.

Source: District Financial Records

**GLEN ROCK PUBLIC SCHOOLS
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN YEARS
(Unaudited)**

<u>Fiscal Year Ended June 30,</u>	<u>Interest Earned</u>	<u>Tuition</u>	<u>Insurance Refund</u>	<u>Prior Year Refunds</u>	<u>Solar SREC</u>	<u>Activity Fees</u>	<u>E-Rate</u>	<u>Facility Rental</u>	<u>Laptop Initiative User Fees</u>	<u>Shared Service Fees</u>	<u>Miscellaneous</u>	<u>Total</u>
2012	\$ 10,028		\$ 25,283	\$ 53,590	\$ 45,277	\$ 154,200	\$ 39,600				\$ 48,113	\$ 376,091
2013	9,429	\$ 39,097	65,866	47,366	4,820	151,800	24,370				25,352	368,100
2014	1,881	35,668	49,628	66,036	14,695	151,355	87,412				9,469	416,144
2015	3,342	32,088	26,963	46,133	11,389	136,190	86,854				34,135	377,094
2016	2,344	28,724	4,559	747	34,720	113,592	34,346				36,364	255,396
2017	2,475	28,595	25,360	77,280	20,714	105,928	14,093	\$ 24,379			65,744	364,568
2018	735	58,380	32,951		25,902	177,122		40,939	\$ 46,020		61,308	397,337
2019	9,853	85,986	50,130	17,033	9,928	169,215	19,308	43,597	42,427		119,955	525,005
2020	4,524	70,142	23,566		25,325	100,861	15,083	22,337	42,500	\$ 335,819	158,168	755,825
2021		44,552		17,460	38,673	203,951	45,209		40,300	350,980	95,282	796,107

Source: District Financial Records

GLEN ROCK PUBLIC SCHOOLS
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2012	\$ 11,677,700	\$ 2,105,596,000	\$ 153,928,000	\$ 25,970,400		\$ 2,297,172,100	\$ 1,691,075	\$ 2,298,863,175	\$ 2,490,809,889	\$ 1.856
2013	11,321,200	2,110,565,600	153,657,500	25,970,400		2,301,514,700	1,691,075	2,303,205,775	2,476,715,916	1.849
2014	9,891,200	2,120,538,000	151,245,000	24,655,400		2,306,329,600	1,762,273	2,308,091,873	2,442,816,653	1.860
2015	8,273,500	2,133,332,200	148,802,100	26,470,400		2,316,878,200	958	2,316,879,158	2,477,507,512	1.875
2016	11,232,800	2,142,483,700	145,085,700	26,076,500		2,324,878,700	938	2,324,879,638	2,532,591,324	1.906
2017	8,560,100	2,159,424,700	148,141,700	26,076,500		2,342,203,000	938	2,342,203,938	2,550,031,422	1.936
2018	7,516,800	2,181,719,500	155,313,500	26,076,500		2,370,626,300	938	2,370,627,238	2,588,612,003	1.994
2019	7,289,000	2,192,629,900	153,221,055	26,076,500		2,379,216,455	-	2,379,216,455	2,658,993,412	2.063
2020	6,194,900	2,207,767,000	153,132,155	26,076,500		2,393,170,555	-	2,393,170,555	2,710,189,354	2.129
2021	6,604,800	2,222,573,300	153,132,155	26,076,500		2,408,386,755	-	2,408,386,755	2,774,020,697	2.096

Source: County Abstract of Ratables

GLEN ROCK PUBLIC SCHOOLS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of assessed value)

Calendar Year	Total Direct School Tax Rate	Overlapping Rates		Total Direct and Overlapping Tax Rate
		Municipality	County	
2012	\$ 1.856	\$ 0.516	\$ 0.235	\$ 2.607
2013	1.849	0.584	0.247	2.680
2014	1.860	0.604	0.246	2.710
2015	1.875	0.613	0.258	2.746
2016	1.906	0.616	0.268	2.790
2017	1.936	0.622	0.273	2.831
2018	1.994	0.627	0.266	2.887
2019	2.063	0.634	0.272	2.969
2020	2.129	0.639	0.281	3.049
2021	2.096	0.656	0.291	3.043

Source: County Abstract of Ratables

**GLEN ROCK PUBLIC SCHOOLS
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2021		Taxpayer	2012	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Opeachy Ltd, L.P.	\$ 12,500,000	0.005190196	Opeachy Ltd, L.P.	\$ 16,532,100	0.007191424
208 Glen Rock Associates	11,000,000	0.004567373	Bank of America	10,000,000	0.004349976
266 Harristown Property LLC	8,750,000	0.003633137	333 Realty LLC	8,583,500	0.003733802
HMOB of Glen Rock	8,315,000	0.003452519	Glen Rock Property, LLC	7,634,800	0.00332112
Glen Rock Senior Housing Corp.	8,285,000	0.003440062	Financial Services, Inc.	6,375,000	0.00277311
Glen Rock Mall	7,500,000	0.003114118	Joan Ree Realty LLC	5,438,100	0.002365561
333 Realty LLC	7,333,000	0.003044777	SAC Family, LLC	5,369,100	0.002335546
PSI Atlantic Glen Rock LLC	6,060,000	0.002516207	Rock Glen Assoc LLC	4,800,000	0.002087989
201 Rock Road LLC	5,422,555	0.00225153	Leone, Jr. Sinibaldo	4,757,800	0.002069632
29 Glen Rock Associates LLC	4,800,000	0.001993035	Heritage Plaza I	4,625,000	0.002011864
	<u>\$ 79,965,555</u>	<u>3.32%</u>		<u>\$ 74,115,400</u>	<u>3.22%</u>

Source: Municipal Tax Assessor

GLEN ROCK PUBLIC SCHOOLS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2012	\$ 42,620,836	\$ 42,620,836	100.00%	N/A
2013	42,570,579	42,570,579	100.00%	N/A
2014	42,675,286	42,675,286	100.00%	N/A
2015	43,033,701	43,033,701	100.00%	N/A
2016	43,829,611	43,829,611	100.00%	N/A
2017	44,657,572	44,657,572	100.00%	N/A
2018	45,976,692	45,976,692	100.00%	N/A
2019	48,560,735	48,560,735	100.00%	N/A
2020	49,645,230	49,645,230	100.00%	N/A
2021	50,804,471	50,804,471	100.00%	N/A

**GLEN ROCK PUBLIC SCHOOLS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	<u>Governmental Activities</u>			Total District	Population	Per Capita
	General Obligation Bonds	Intergovernmental Loans	Capital Leases			
2012	\$ 45,432,000	\$ 259,071		\$ 45,691,071	11,693	\$ 3,908
2013	44,247,000	131,812		44,378,812	11,738	3,781
2014	43,007,000			43,007,000	11,801	3,644
2015	41,712,000			41,712,000	11,822	3,528
2016	37,479,000			37,479,000	11,792	3,178
2017	36,064,000			36,064,000	11,829	3,049
2018	34,580,000			34,580,000	11,778	2,936
2019	32,910,000			32,910,000	11,708	2,811
2020	45,998,000			45,998,000	11,665	3,943
2021	44,308,000			44,308,000	11,665 *	3,798

Source: District financial records

*Estimated

GLEN ROCK PUBLIC SCHOOLS
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2012	\$ 45,432,000	\$ 119,302	\$ 45,312,698	1.97%	\$ 11,596
2013	44,247,000	10,692	44,236,308	1.92%	11,700
2014	43,007,000	5,628	43,001,372	1.86%	11,799
2015	41,712,000	4,287	41,707,713	1.80%	11,821
2016	37,749,000	9,991	37,739,009	1.62%	11,874
2017	36,064,000	22,972	36,041,028	1.54%	11,821
2018	34,580,000	14,622	34,565,378	1.46%	11,773
2019	32,910,000	125	32,909,875	1.38%	11,708
2020	45,998,000	23,335	45,974,665	1.92%	11,659
2021	44,308,000	23,210	44,284,790	1.84%	11,659

Source: District Financial Records, NJ Dept. of Education and Tax Assessor

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.

GLEN ROCK PUBLIC SCHOOLS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2020
(Unaudited)

	<u>Total</u>
Municipal Debt: (1)	
Glen Rock Board of Education	\$ 44,308,320
Borough of Glen Rock	<u>16,608,026</u>
	<u>60,916,346</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	<u>22,123,607</u>
	<u>22,123,607</u>
Total Direct and Overlapping Debt	<u><u>\$ 83,039,953</u></u>

Source:

(1) Glen Rock's 2020 Annual Debt Statement

(A) The debt for this entity was apportioned to Glen Rock by dividing the municipality's 2020 equalized value by the total 2020 equalized value for Bergen County.

(B) The debt was computed based upon flow

GLEN ROCK BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN CALENDAR YEARS
(Unaudited)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 101,043,795	\$ 99,235,108	\$ 98,270,729	\$ 97,989,183	\$ 98,702,448	\$ 99,815,349	\$ 101,035,603	\$ 102,760,071	\$ 103,527,004	\$ 107,848,939
Total net debt applicable to limit	45,691,426	44,669,167	43,297,355	42,002,355	40,652,355	36,354,355	34,864,000	47,628,320	45,998,320	44,308,320
Legal debt margin	<u>\$ 55,352,369</u>	<u>\$ 54,565,941</u>	<u>\$ 54,973,374</u>	<u>\$ 55,986,828</u>	<u>\$ 58,050,093</u>	<u>\$ 63,460,994</u>	<u>\$ 66,171,603</u>	<u>\$ 55,131,751</u>	<u>\$ 57,528,684</u>	<u>\$ 63,540,619</u>
Total net debt applicable to the limit as a percentage of debt limit	45.22%	45.01%	44.06%	42.86%	41.19%	36.42%	34.51%	46.35%	44.43%	41.08%

Legal Debt Margin Calculation for Calendar Year 2021

Equalized valuation basis

2018	\$ 2,645,493,025
2019	2,690,508,261
2020	<u>2,752,669,145</u>
	<u>\$ 8,088,670,431</u>

Average equalized valuation of taxable property \$ 2,696,223,477

Debt limit (4% of average equalization value) 107,848,939

Total Net Debt Applicable to Limit

Legal debt margin \$ 107,848,939

Source: Annual Debt Statements

GLEN ROCK PUBLIC SCHOOLS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2012	11,693	\$ 72,164	6.10%
2013	11,738	71,699	7.40%
2014	11,801	74,480	4.10%
2015	11,822	77,767	3.50%
2016	11,792	79,407	3.50%
2017	11,829	81,676	2.90%
2018	11,777	86,404	2.80%
2019	11,707	89,456	2.70%
2020	11,707	89,456	6.40%
2021	N/A Est.	89,456 Est.	N/A

Source: New Jersey State Department of Education

GLEN ROCK PUBLIC SCHOOLS
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

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

NOT AVAILABLE

GLEN ROCK PUBLIC SCHOOLS
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Instruction										
Regular	197	179	181	185	189	185	186	183	183	182
Special education	30	30	32	32	32	37	39	42	42	42
Support Services:										
General administration	2	2	2	2	2	2	2	2	2	3
School administrative services	8	8	8	8	8	8	8	8	8	7
Central services	1	1	1	1	1	1	1	1	1	1
Plant operations and maintenance	12	12	12	8	8	8	8	8	8	8
Food Service	-	-	-	-	-	-	-	-	-	-
Total	<u>250</u>	<u>232</u>	<u>236</u>	<u>236</u>	<u>240</u>	<u>241</u>	<u>244</u>	<u>244</u>	<u>244</u>	<u>243</u>

Source: District Personnel Records

GLEN ROCK PUBLIC SCHOOLS
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 (Unaudited)

Pupil/Teacher Ratio

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Elementary	Middle School	Senior High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2012	2,401	\$ 43,464,065	\$ 18,102	4.74%	206.9	84.5	55.7	66.7	2410	2316	-0.97%	96.11%
2013	2,401	44,028,384	18,338	1.30%	209	86	56	67	2375	2281	-1.46%	96.05%
2014	2,426	44,883,007	18,501	0.89%	213	89	56	68	2394	2301	0.81%	96.12%
2015	2,440	46,158,553	18,917	2.25%	217	91	56	68	2408	2338	0.59%	97.09%
2016	2,462	47,736,545	19,389	2.49%	219	94	56	69	2434	2340	1.08%	96.14%
2017	2,495	49,278,943	19,751	1.87%	222	94	55	73	2440	2433	0.25%	99.71%
2018	2,539	52,015,367	20,487	3.72%	255	95	57	73	2491	2444	2.09%	98.11%
2019	2,539	54,367,738	21,413	4.52%	225	93	58	74	2529	2456	1.53%	97.11%
2020	2,562	55,697,693	21,740	1.53%	225	93	58	74	2528	2472	-0.04%	97.78%
2021	2,530	57,891,998	22,882	5.25%	224	93	57	74	2539	2490	0.44%	98.07%

Sources: District records

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

**GLEN ROCK PUBLIC SCHOOLS
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>District Building</u>										
<u>Elementary</u>										
<u>Hamilton</u>										
Square Feet	31,080	31,080	31,080	31,080	31,080	31,080	31,080	31,080	31,080	31,080
Capacity (students)	240	240	240	240	240	240	240	240	240	240
Enrollment	247	247	256	264	271	266	272	274	270	276
<u>Central</u>										
Square Feet	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200
Capacity (students)	344	344	344	344	344	344	344	344	344	344
Enrollment	328	328	314	307	317	333	340	345	351	347
<u>Coleman</u>										
Square Feet	36,360	36,360	36,360	36,360	36,360	36,360	36,360	36,360	36,360	36,360
Capacity (students)	308	308	308	308	308	308	308	308	308	308
Enrollment	273	273	288	273	293	291	312	308	311	334
<u>Byrd</u>										
Square Feet	31,200	31,200	31,200	31,200	31,200	31,200	31,200	31,200	31,200	31,200
Capacity (students)	245	245	245	245	245	245	245	245	245	245
Enrollment	238	238	244	256	265	269	272	274	268	259
<u>Middle School/High School</u>										
Square Feet	262,098	262,098	262,098	262,098	262,098	262,098	262,098	262,098	262,098	262,098
Capacity (students)	1,451	1,451	1,451	1,451	1,451	1,451	1,451	1,451	1,451	1,451
Enrollment	1,307	1,307	1,284	1,320	1,341	1,334	1,321	1,311	1,341	1,314

Number of Schools at June 30, 2021
 Elementary = 4
 Middle School/High School = 1

Source: District Records

**GLEN ROCK PUBLIC SCHOOLS
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)**

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES

<u>Project # (s)</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
School Facilities										
Glen Rock Senior High School	\$ 173,150	\$ 184,184	\$ 185,309	\$ 193,058	\$ 199,407	\$ 527,564	\$ 195,741	\$ 193,872	\$ 182,183	\$ 183,720
Glen Rock Middle School	155,835	165,766	164,278	173,752	179,467	178,572	176,166	174,485	163,964	161,534
Richard E. Byrd Elem.School	57,717	61,395	63,436	64,353	66,469	59,524	65,247	64,624	60,728	64,573
Central Elementary School	69,260	73,674	74,124	77,223	79,763	72,751	78,296	77,549	72,873	74,488
Clara E. Coleman Elem. School	63,488	67,534	68,780	70,788	73,116	92,593	71,771	71,087	66,800	67,031
Hamilton Elementary School	57,717	61,395	61,402	64,351	66,470	66,138	65,248	64,624	60,727	64,574
Total School Facilities	<u>\$ 577,167</u>	<u>\$ 613,948</u>	<u>\$ 617,329</u>	<u>\$ 643,525</u>	<u>\$ 664,692</u>	<u>\$ 997,142</u>	<u>\$ 652,469</u>	<u>\$ 646,241</u>	<u>\$ 607,275</u>	<u>\$ 615,920</u>

Source: District Records

GLEN ROCK PUBLIC SCHOOLS
INSURANCE SCHEDULE
JUNE 30, 2021
(Unaudited)

	<u>Coverage</u>	<u>Deductible</u>
Commercial Property		
Property - Blanket Buildings & Grounds		
School Limit per Statement of Values	126,027,899	\$ 5,000
Flood:		
Outside Zones A, V, or B	5,000,000	50,000
Zone B	2,000,000	100,000
Zones A or V	1,000,000	500,000
Earthquake	5,000,000	50,000
Business Income & Extra Expense	250,000	5,000
Contractors Equipment	250,000	1,000
Athletic Equipment	250,000	1,000
Musical Instruments	100,000	5,000
Valuable Papers	5,000,000	1,000
Electronic Data Processing Equipment	2,500,000	5,000
Accounts Receivable	100,000	1,000
Boiler and Machinery		
Property Damage (Blanket)	126,027,899	5,000
General Liability		
General Aggregate	2,000,000	2,500
Each Occurrence	1,000,000	
Commercial Automobile		
Combined Single Limit	1,000,000	\$ 2,500
Comprehensive		1,000
Collision		1,000
Commercial Umbrella	9,000,000	10,000
Commercial Umbrella - Fireman's Fund		
Per Occurrence	25,000,000	
General Aggregate (shared 1/2 fund)	25,000,000	
Workers Compensation		
Per Occurrence	1,000,000	
Policy Limit	1,000,000	
Aggregate	1,000,000	
Environmental Legal Liability		
Per Occurrence	2,000,000	15,000
General Aggregate	4,000,000	
Group Aggregate	20,000,000	
Crime		
Primary (Per Employee)	100,000	5,000
Blanket Employee Dishonesty - Excess	400,000	
Forgery and Alterations	50,000	
Educators Legal Liability		
Educators Legal Deductible	1,000,000	25,000
Employment Practices Deductible		25,000
Cyber Liability 1st party	1,000,000	25,000
Cyber Liability 3rd party	2,000,000	15,000
Group Aggregate	6,000,000	
(Subject to Sublimits)		
Starstone Nat/Market	\$30,000,000	
Excess umbrella (unshared)		
Source: District records		

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Glen Rock Public School District
Glen Rock, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and each major fund of the Glen Rock Public Schools as of and for the fiscal year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Glen Rock Public Schools' basic financial statements and have issued our report thereon dated February 24, 2022.

Internal Control Over Financial Reporting

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

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

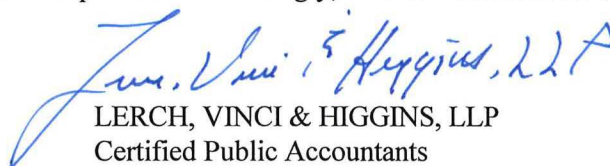
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

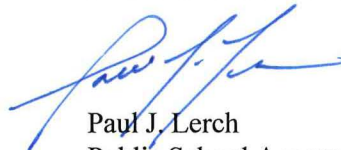
As part of obtaining reasonable assurance about whether the Glen Rock Public Schools' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct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

Purpose of this Report

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



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



Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
February 24, 2022



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Glen Rock Public School District
Glen Rock, New Jersey

Report on Compliance for Each Major Federal and State Program

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

Management's Responsibility

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

Auditor's Responsibility

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

Opinion on Each Major Federal and State Program

In our opinion, the Glen Rock Public Schools 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 Glen Rock Public Schools 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 Glen Rock Public Schools' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Glen Rock Public Schools' internal control over compliance.

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

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

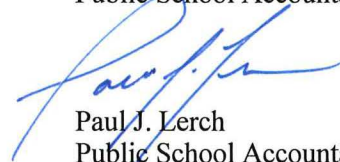
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable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

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

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Glen Rock Public Schools as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated February 24, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



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



Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
February 24, 2022

GLEN ROCK PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	FAIN Number	Grant Period	Award Amount	Balance June 30, 2020			Carryover Amount		Cash Received	Budgetary Expenditures	Repayment of Prior Year's Balance	Balance June 30, 2021			Memo GAAP Receivable
					(Accounts Receivable)	Unearned Revenue	Due to Grantor	(Accounts Receivable)	Unearned Revenue				(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Education																
Passed Through State Department of Education																
E.S.E.A Consolidated Grant																
Title IIA	84.367A	S367A200029	7/1/20-9/30/21	\$ 26,194				\$ (5,202)	\$ 5,202	\$ 13,972	\$ 28,811		\$ (17,424)	\$ 2,585	\$ (14,839)	
Title IIA, Carryover	84.367A	S367A200029	7/1/19-9/30/20	24,281	\$ (16,541)	\$ 5,202		5,202	(5,202)	916			(10,423)		(10,423)	
Title III Immigrant	84.365A	S365A200030	7/1/20-9/30/21	5,256						5,256	5,256					
Title III Immigrant, Carryover	84.365A	S365A200030	7/1/19-9/30/20	4,975	(2,823)	418							(2,823)	418	(2,405)	
I.D.E.A. Part B, Basic	84.027	H027A200100	7/1/20-9/30/21	563,840				(10,195)	10,195	495,504	554,555		(78,531)	19,480	(59,051)	
I.D.E.A. Part B, Basic, Carryover	84.027	H027A200100	7/1/19-9/30/20	524,799	(121,628)	10,195		10,195	(10,195)	110,862			(571)		(571)	
I.D.E.A. Part B, Preschool	84.173	H173A200114	7/1/20-9/30/21	23,755					2,499	21,256	26,254		(2,499)	-	(2,499)	
I.D.E.A. Part B, Preschool, Carryover	84.173	H173A200114	7/1/19-9/30/20	23,599	(4,998)	2,499	-	-	(2,499)	4,998	-	-	-	-	-	
<i>IDEA Cluster</i>											<u>580,809</u>					
Coronavirus Relief Fund																
Coronavirus Relief Fund	21.019		7/1/20-10/31/20	66,214						66,214	66,214					
CARES Act - Bergen Countu	21.019		7/1/20-12/31/20	25,000						25,000	25,000					
<i>Coronavirus Relief Fund Cluster</i>											<u>91,214</u>					
Elementary and Second School Emergency Relief (ESSER)																
Non Title I CARES Formula Grant	84.425D	S425D200027	7/1/20-6/30/21	46,306						46,306	46,306					
Digital Divide	84.425D	S425D200027	7/1/20-6/30/21	9,831						9,831	9,831					
Elementary and Second School Emergency Relief (ESSER II)																
ESSER II - Non Title I	84.425D	S425D210027	3/19/20-9/30/23	303,946							249,900		(303,946)	54,046	(249,900)	
Learning Acceleration	84.425D	S425D210027	3/19/20-9/30/23	25,000							-		(25,000)	25,000		
Mental Health	84.425D	S425D210027	3/19/20-9/30/23	45,000	-	-	-	-	-	-	-	-	(45,000)	45,000	-	
<i>ESSER Cluster</i>											<u>306,037</u>					
Total Special Revenue Fund					<u>(145,990)</u>	<u>18,314</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>800,115</u>	<u>1,012,127</u>	<u>-</u>	<u>(486,217)</u>	<u>146,529</u>	<u>-</u>	<u>(339,688)</u>
Total Federal Financial Assistance					<u>\$ (145,990)</u>	<u>\$ 18,314</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 800,115</u>	<u>\$ 1,012,127</u>	<u>\$ -</u>	<u>\$ (486,217)</u>	<u>\$ 146,529</u>	<u>\$ -</u>	<u>\$ (339,688)</u>

127

GLEN ROCK PUBLIC SCHOOLS
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Department of Education	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2020			Carryover Amount		Cash Received	Budgetary Expenditures	Repayment of Prior Year's Balance	Balance June 30, 2021			Memorandum	
				(Accounts Receivable)	Unearned Revenue	Due to Grantor	(Accounts Receivable)	Unearned Revenue				(Accts. Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Budgetary Expenditures
General Fund																
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	\$ 1,410,735					\$ 1,273,298	\$ 1,410,735		\$ (137,437)				\$ 1,410,735	
Special Education Aid	20-495-034-5120-089	7/1/19-6/30/20	1,320,084	(129,185)				129,185								
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	201,595					182,931	201,595		(18,664)			201,595		
Security Aid	20-495-034-5120-084	7/1/19-6/30/20	201,595	(19,378)				19,378								
State Aid Public Cluster									<u>1,612,330</u>							
Transportation	21-495-034-5120-014	7/1/20-6/30/21	131,824					118,250	131,824		(13,574)			131,824		
Transportation	20-495-034-5120-014	7/1/19-6/30/20	131,824	(12,918)				12,918								
Extraordinary Aid	21-100-034-5120-044	7/1/20-6/30/21	969,222						969,222		(969,222)			969,222		
Extraordinary Aid	20-100-034-5120-044	7/1/19-6/30/20	682,084	(682,084)				682,084								
School Security Grant	N/A	7/1/20-6/30/21	142,792						142,792		(142,792)		\$ (142,792)	142,792		
On -Behalf TPAF Pension System Contr. (Non-Budgeted)-Normal	21-495-034-5094-002	7/1/20-6/30/21	5,752,645					5,752,645	5,752,645					5,752,645		
(Non-Budgeted)-NCGI Premium	21-495-034-5094-004	7/1/20-6/30/21	109,452					109,452	109,452					109,452		
Post Retirement Medical Contribution (Non-Budgeted)-Long Term Disability	21-495-034-5094-001	7/1/20-6/30/21	1,837,090					1,837,090	1,837,090					1,837,090		
Reimbursed TPAF Social Security Contributions	21-495-034-5094-003	7/1/20-6/30/21	1,582,751					1,582,751	1,582,751					1,582,751		
Reimbursed TPAF Social Security Contributions	20-495-034-5094-003	7/1/19-6/30/20	1,464,243	(74,071)	-	-	-	74,071	-	-	-	-	-	-		
Total General Fund				<u>(843,565)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,703,233</u>	<u>12,141,357</u>	<u>-</u>	<u>(1,281,689)</u>	<u>-</u>	<u>-</u>	<u>(142,792)</u>	<u>12,141,357</u>	
Special Revenue Fund																
New Jersey Non-Public Aid:																
Textbook	21-100-034-5120-064	7/1/20-6/30/21	13,806					13,806	13,806					13,806		
Nursing	21-100-034-5120-070	7/1/20-6/30/21	23,052					23,052	23,052					23,052		
Security	21-100-034-5120-509	7/1/20-6/30/21	39,550					39,550	39,550					39,550		
Security	20-100-034-5120-509	7/1/19-6/30/20	36,600			\$ 432				\$ 432						
Auxiliary Services:																
Compensatory Education	21-100-034-5120-067	7/1/20-6/30/21	44,416					44,416	40,236				\$ 4,180	40,236		
Compensatory Education	20-100-034-5120-067	7/1/19-6/30/20	33,907	(3,741)				3,741								
Handicapped Services:																
Examination	21-100-034-5120-066	7/1/20-6/30/21	40,501					40,501	18,956				21,545	18,956		
Examination	20-100-034-5120-066	7/1/19-6/30/20	31,396	(3,139)		4,833		3,139		4,833						
Supplemental Instruction	21-100-034-5120-066	7/1/20-6/30/21	20,237					20,237	17,080				3,157	17,080		
Supplemental Instruction	20-100-034-5120-066	7/1/19-6/30/20	24,284	(2,428)		6,151		2,428		6,151						
Corrective Speech	21-100-034-5120-066	7/1/20-6/30/21	21,418					21,418	17,134				4,284	17,134		
Corrective Speech	20-100-034-5120-066	7/1/19-6/30/20	19,139	(1,914)	-	3,827	-	1,914		3,827	-	-	-	-		
Handicapped Services: Cluster									<u>53,170</u>							
Total Special Revenue Fund				<u>(11,222)</u>	<u>-</u>	<u>15,243</u>	<u>-</u>	<u>-</u>	<u>214,202</u>	<u>169,814</u>	<u>15,243</u>	<u>-</u>	<u>-</u>	<u>33,166</u>	<u>169,814</u>	
Debt Service Fund																
Debt Service Aid	21-495-034-5120-075	7/1/20-6/30/21	906,383					906,383	906,383					906,383		
Total Debt Service Fund				<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>906,383</u>	<u>906,383</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>906,383</u>	
Total State Financial Assistance- Determination for Single Audit				<u>\$ (854,787)</u>	<u>\$ -</u>	<u>\$ 15,243</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,823,818</u>	<u>\$ 13,217,554</u>	<u>\$ 15,243</u>	<u>\$ (1,281,689)</u>	<u>\$ -</u>	<u>\$ 33,166</u>	<u>\$ (142,792)</u>	<u>\$ 13,217,554</u>
Less: On -Behalf TPAF Pension System Contributions																
(Non-Budgeted)-Normal									5,752,645							
(Non-Budgeted)-NCGI Premium									109,452							
Post Retirement Medical Contribution									1,837,090							
(Non-Budgeted)-Long Term Disability									3,251							
Amount Utilized to Determine Major Programs									<u>\$ 5,515,116</u>							

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

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

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$295,332 for the general fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 11,846,025	\$ 11,846,025
Special Revenue Fund	\$ 1,012,127	169,814	1,181,941
Debt Service Fund	-	906,383	906,383
	<u>1,012,127</u>	<u>12,922,222</u>	<u>13,934,349</u>
Total Financial Assistance	\$ 1,012,127	\$ 12,922,222	\$ 13,934,349

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,582,751 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2021. The amount reported as TPAF Pension System Contributions in the amount of \$5,862,097, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,837,090 and TPAF Long-Term Disability Insurance in the amount of \$3,251 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2021.

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

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

NOTE 7 DE MINIMIS INDIRECT COST RATE

The District has elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

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

Part 2 - Schedule of Financial Statement Findings

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

THERE ARE NONE.

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

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

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

CURRENT YEAR FEDERAL AWARDS

THERE ARE NONE.

CURRENT YEAR STATE AWARDS

THERE ARE NONE.

**GLEN ROCK TOWNSHIP BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

STATUS OF PRIOR YEAR FINDINGS

There were none.