

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2021**

**Demarest, New Jersey**

**COMPREHENSIVE ANNUAL**

**FINANCIAL REPORT**

**of the**

**Northern Valley Regional High School District**

**Demarest, New Jersey**

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

**Prepared by**

**Northern Valley Regional High School District  
Business Department**

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
TABLE OF CONTENTS**

**Page**

**INTRODUCTORY SECTION**

Letter of Transmittal	i-vi
Organizational Chart	vii
Roster of Officials	viii
Consultants and Advisors	ix

**FINANCIAL SECTION**

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

**REQUIRED SUPPLEMENTARY INFORMATION- PART I**

Management's Discussion and Analysis	4-11
--------------------------------------	------

**Basic Financial Statements**

**A. District-wide Financial Statements**

A-1	Statement of Net Position	12
A-2	Statement of Activities	13-14

**B. Fund Financial Statements**

*Governmental Funds*

B-1	Balance Sheet	15-16
B-2	Statement of Revenues, Expenditures, and Changes in Fund Balances	17
B-3	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18

*Proprietary Funds*

B-4	Statement of Net Position	19
B-5	Statement of Revenues, Expenses, and Changes in Net Position	20
B-6	Statement of Cash Flows	21

Fiduciary Funds – Not Applicable

<b>Notes to the Financial Statements</b>	<b>22-66</b>
--	--------------

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
TABLE OF CONTENTS**

**Page**

**REQUIRED SUPPLEMENTARY INFORMATION – PART II**

**C. Budgetary Comparison Schedules**

C-1	Budgetary Comparison Schedule – General Fund	67-72
C-2	Budgetary Comparison Schedule – Special Revenue Fund	73

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART II**

C-3	Required Supplementary Information – Budgetary Comparison Schedule Notes to the Required Supplementary Information	74
-----	---	----

**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 Share of the Net Pension Liability – Public Employees Retirement System	75
L-2	Required Supplementary Information – Schedule of District Contributions – Public Employees Retirement System	76
L-3	Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Teachers Pension and Annuity Fund	77
L-4	Notes to Required Supplementary Information	78
L-5	Required Supplementary Information – Schedule of District’s Proportionate Share of Total OPEB Liability	79
L-6	Notes to Required Supplementary Information	80

**OTHER SUPPLEMENTARY INFORMATION**

**D. School Level Schedules (Not Applicable)**

**Special Revenue Fund**

E-1	Combining Schedule of Program Revenues and Expenditures Special Revenue Fund – Budgetary Basis	81-82
E-2	Schedule of Preschool Education Aid – Budgetary Basis – Not Applicable	83
E-3	Schedule of Receipts and Disbursements	84

**Capital Projects Fund**

F-1	Summary Schedule of Project Expenditures	85
F-2	Summary Schedule of Project Expenditures and Changes in Fund Balance – Budgetary Basis	86
F-2a-		
F-2c	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis	87-89

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
TABLE OF CONTENTS**

**Page**

**G. Proprietary Funds**

*Enterprise Fund*

G-1	Combining Statement of Net Position –	90
G-2	Statement of Revenues, Expenses and Changes in Net Position –	91
G-3	Statement of Cash Flows –	92

**H. Fiduciary Funds – Not Applicable**

**I. Long-Term Debt**

I-1	Schedule of Serial Bonds Payable	93
I-2	Schedule of Obligations Under Capital Lease Agreements/Lease Purchase Agreements	94
I-3	Debt Service Fund Budgetary Comparison Schedule	95

**J. STATISTICAL SECTION (Unaudited)**

**Introduction to the Statistical Section**

**Financial Trends**

J-1	Net Position by Component	96
J-2	Changes in Net Position	97-98
J-3	Fund Balances – Governmental Funds	99
J-4	Changes in Fund Balances – Governmental Funds	100
J-5	Governmental Fund Other Local Revenue by Source	101

**Revenue Capacity**

J-6	Assessed Value and Actual Value of Taxable Property	102-105
J-7	Direct and Overlapping Property Tax Rates	106-109
J-8	Principal Property Taxpayers	110-113
J-9	Property Tax Levies and Collections	114

**Debt Capacity**

J-10	Ratios of Outstanding Debt by Type	115
J-11	Ratios of Net General Bonded Debt Outstanding	116
J-12	Direct and Overlapping Governmental Activities Debt	117
J-13	Legal Debt Margin Information	118

**Demographic and Economic Information**

J-14	Demographic Statistics	119-125
J-15	Principal Employers	126

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
TABLE OF CONTENTS**

**Page**

**J. STATISTICAL SECTION (Unaudited)  
(Continued)**

**Operating Information**

J-16	Full Time Equivalent District Employees by Function/Program	127
J-17	Operating Statistics	128
J-18	School Building Information	129
J-19	Schedule of Required Maintenance for School Facilities	130
J-20	Schedule of Insurance	131

**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	132-133
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 – Independent Auditor’s Report	134-136
K-3	Schedule of Expenditures of Federal Awards	137
K-4	Schedule of Expenditures of State Financial Assistance	138-139
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	140-141
K-6	Schedule of Findings and Questioned Costs – Part 1 – Summary of Auditor’s Results	142-143
K-6	Schedule of Findings and Questioned Costs – Part 2 – Schedule of Financial Statement Findings	144
K-6	Schedule of Findings and Questioned Costs – Part 3 – Schedule of Federal and State Award Findings and Questioned Costs	145-146
K-7	Summary Schedule of Prior Year Audit Findings	147

**INTRODUCTORY SECTION**



February 17, 2022

Honorable President and Members of the Board of Education  
Northern Valley Regional High School District  
162 Knickerbocker Road  
Demarest, N.J. 07627

Dear Board Members:

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

Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Northern Valley's MD&A can be found immediately following the "Independent Auditor's Report".

The comprehensive annual financial report is presented in five sections: (1) the introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials, (2) The financial section includes the basic financial statements and schedules, as well as the Independent Auditor's Report, (3) The supplementary schedules provide insight into the public schools fiscal year, (4) The statistical section includes selected financial and demographic information, generally presented on a multiyear basis, (5) The single audit section of this report includes conformity with the provisions of the U.S. Uniform Guidance and State of New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". The single audit section of this report includes the auditor's reports on the internal controls structure, compliance with applicable laws, regulations, findings and recommendations.



1) REPORTING ENTITY AND ITS SERVICES: The Northern Valley Regional High School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) in codification section 2100. The report includes all funds of the District. The Northern Valley Regional High School District Board of Education and all its schools constitute the District's reporting entity.

The district is the Local Educational Agency responsible for twenty-two co-operative programs involving its constituent elementary schools. In addition to the constituent districts, it services the neighboring Alpine School District, which completes a Bergen County regional consortium that is recognized by the Department of Education. In cooperation with other Districts throughout Bergen County, the District's regional services are available on a tuition basis if the program size and space matches' student and professional staff needs. The overall program services students with disabilities on a local level and students from surrounding public schools. The program enhances the opportunity for shared professional services, curriculum development, and provides shared business and technology services for elementary districts.

The Northern Valley Regional High School District is comprised of the municipalities of Closter, Demarest, and Haworth that are constituents of the high school in Demarest. Harrington Park, Northvale, Norwood, and Old Tappan are constituents of the high school at Old Tappan. The 17.3 square mile district has a population of 37,401 as per the 2010 census. The primary language spoken at home is: English 78.0% Korean 12.4%, Hebrew 2.1%, Spanish 2.1%, Mandarin .9%, Russian .9%, Guj .8%, and Other 2.8%. All of the communities are considered upper middle class. The District's high schools house grades 9 through 12 with enrollments of 949 at Demarest High school and 1,095 at Old Tappan High School, based on the October 15, 2020 ASSA report. The Valley Regional program leases one non-public school location as well as classrooms at local district Public Schools to house 192 Special Education students from 45 different Districts.

The district's administrative building adjoins the high school at Demarest. The district is governed by an elected Board of Education, who serves three-year terms and is administered by a Superintendent of Schools, School Business Administrator/Board Secretary, and other appropriate administrators and supervisors. The Board seats are proportionate to student enrollment by town. The current membership consists of Closter (2), Demarest (1), Haworth (1), Harrington Park (1), Northvale (1), Norwood (1), and Old Tappan (2).

The faculty consists of 308 teachers with 90% holding advanced degrees. This represents certified staff in the high schools and the regional programs. Often our staff members achieve recognition as outstanding educators.

The accomplishments of our students reflect their considerable talents and working relationship with the faculty and staff. The successes of our students extend far beyond the classroom and are demonstrated by the many awards and scholarships that they have received.

2) **ECONOMIC CONDITION AND OUTLOOK:** The Northern Valley Regional High School District is economically stable. Unemployment in Bergen County is 9.6% as of 2020 and the per capita income is \$89,456 as of 2019. This is the latest information available on record. The County of Bergen still remains the 4<sup>th</sup> highest amongst New Jersey counties and above state average. Bergen County, New Jersey is considered one of the wealthiest areas in the nation. The population of the area has remained stable since 1970. The population grew substantially between 1950 and 1970. School facilities were constructed to accommodate the educational needs. Additions were added to the school in 2004. State Aid to public school districts in New Jersey is based on the School Funding Reform Act (the "Act")

The Act is an attempt to equalize educational expenditures per pupil between wealthy and poorer school districts. The last several years the Department of Education has abandoned the State Aid formulas, which support transportation aid, technology aid, special education aid, and bilingual aid due to the State financial debt. The State's inability to financially support public schools is a current topic of debate before the citizens. The District maintains a balance in their capital reserve account and set aside funds from the 2020-2021 year as a reserve to reduce the subsequent year tax levy. Uncertainty of state aid impacts the district's ability to plan future tax relief and facility upgrades.

The district received \$2,495,627 of State Aid (budgetary basis) for the 2020-2021 school budget for the general fund. Northern Valley Regional High School District recognized the State's contribution on behalf for TPAF Pension and Social Security. These contributions are equivalent to approximately 17% of the adjusted budget, while the school district State Aid is 4% of the net school budget. The district also recognized that the State of NJ has not funded the pension contribution stated in the fiscal section of the audit. Future funding of New Jersey school districts is uncertain at this time based on the State's concerns that property taxes are the highest in the country.

3) **MAJOR INITIATIVES:** The Northern Valley Regional High School District is continuously planning for the future. The Board and Administration review educational programs and facility needs as part of the district's annual resources review. The district updated the five year Long Range Facility Plan in 2015. The report reflects the future needs of the district. The district amends the plan accordingly to reflect projects that have been completed during the school year.

4) **INTERNAL ACCOUNTING CONTROLS:** The administration 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 financial statements are prepared 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.

Specific accounting controls secure district assets by processes for receipt of revenue, disbursement of purchase orders and payroll. Receipts are recorded and reconciled. Purchasing controls include multiple signatures on purchasing requests and counter signatures on disbursements warrants. Additionally, new personnel go through a series of independent documentation before the payroll process begins. The administration provides controls that exceed minimum requirements in all of these areas.

As a recipient of federal and state awards, the District is responsible for providing an adequate internal control structure to ensure compliance to these programs. This internal control is subject to periodic evaluations by the District management. The single audit procedures are evaluated to assess the risk associated with the internal control structure, as it relates to compliance with federal and state award programs. The District process is adjusted accordingly to comply with any changes in the law and regulations.

5) BUDGETARY CONTROLS: The objective of budgetary control is to ensure compliance with legal provisions embodied in the annual budget approved by the voters of the District. The budget reflected a 1.98% increase in the tax levy, inclusive of the use of a portion of the available banked cap. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Capital project budgets are approved for building infrastructure improvements and are funded from the Capital Reserve Account or the issuance of long-term debt. The fund budget amounts, as amended for the fiscal year, are reflected in the financial section. Expenditures are recorded by department and location for internal purposes. This permits supervisors and administrators to monitor encumbrances so not to exceed budgetary allocations.

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 the "Notes to the Financial Statements, Note 1."

7) DEBT ADMINISTRATION: The voters of the District approved a building project totaling \$29,881,000 on September 25, 2001. The State of New Jersey, in accordance with the Educational Facilities and Capital Financing Act, has earmarked a \$6,546,180 grant to support the funding for the project. The District funded \$23,334,000 with a \$10,000,000 sale in December 2001 and a \$13,334,000 sale in February 2002. On December 20, 2006, the district refunded the school bonds based on the balance of \$19,680,000. On February 2, 2017 the district refunded the school bonds based on the balance of \$7,400,000.

On April 21, 2009 the voters approved a referendum for improvements to roofs and exterior items such as windows and brick replacement for a total of \$3,816,888. The district funded the referendum with a bond sale of \$2,290,000.

On Tuesday, March 8, 2016 the voters approved a referendum for improvements at both Old Tappan and Demarest High School, including upgrades to auditoriums at both schools, the addition of physics, forensic and STEM classrooms, lighting and security upgrades, tennis courts and tracks. The total amount approved by the referendum was \$11,707,485. The District funded the projects with a bond sale of \$11,707,000 on July 12, 2016.

The district total obligation in bonds as of June 30, 2021 is \$12,727,000 (see below).

PURPOSE	DATE OF ISSUE	AMOUNT OF ISSUE	BALANCE JUNE 30, 2021
<b>Refunding Bonds</b>	02/02/2017	\$7,400,000.00	\$1,560,000.00
<b>School Improvements</b>	8/4/2009	\$2,290,000.00	\$1,035,000.00
improvements to roofs and exterior items; windows and brick replacement			
<b>School Improvements</b>	7/12/2016	\$11,707,000.00	\$10,132,000.00
upgrades to auditoriums, addition of Physics, forensic and STEM classrooms			
<b>DISTRICT TOTAL OBLIGATION AS OF JUNE 30,2021</b>			<b>\$12,727,000.00</b>

The district's additions at both high schools allow students to enjoy facilities that are appropriate for today's educational program. The district will continue the prudent fiscal path during the 2021-2022 school year to provide the constituent districts with a favorable tax impact and maintain high quality facilities with reasonable longevity.

8) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in the "Notes to the Financial Statements"; Note 3 The District has an approved policy authorizing the board secretary to invest current funds within the limitations of the State of New Jersey statutes. Excess funds are invested according to procedures on a continuous basis. This resulted in \$103,980 interest income for the 2020-2021 school year. This represents a decrease in interest income from the previous year's total of \$150,986. This year's interest is inclusive of \$160 of interest from the Capital Projects fund.

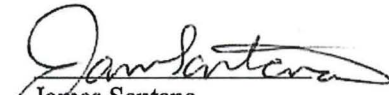
9) RISK MANAGEMENT: The Board of Education policy states that the appropriate insurance coverage is attained at the most reasonable cost. The Board carries several types of insurance including property and liability. Property insurance including all buildings and contents is limited to \$139,726,247 loss. All insurance claims are handled through the Board Secretary and the Board appointed risk manager. These insurance limits represent significant increases in coverage with a new insurance carrier, New Jersey School Board Association Insurance Group.

10) OTHER INFORMATION: State statutes require an annual audit by an independent certified public accountant or registered municipal accountant that is licensed as a public school accountant. The accounting firm of Lerch, Vinci & Higgins, LLP was approved by the Board of Education.

In Addition to meeting the requirements set forth in state statutes, the audit is designed to meet the requirements U.S. Uniform Guidance and State of New Jersey OMB Circular 15-08. The auditor's report on the basic financial statements, combining and individual non-major fund statements and other schedules are included in the financial section of this report. The auditor's report related specifically to the Federal and State Grant funds and State Aid are included in the single audit section of this report.

11) ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Northern Valley Regional High School District Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the integrity and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our administration, support staff, and the financial and accounting staff.

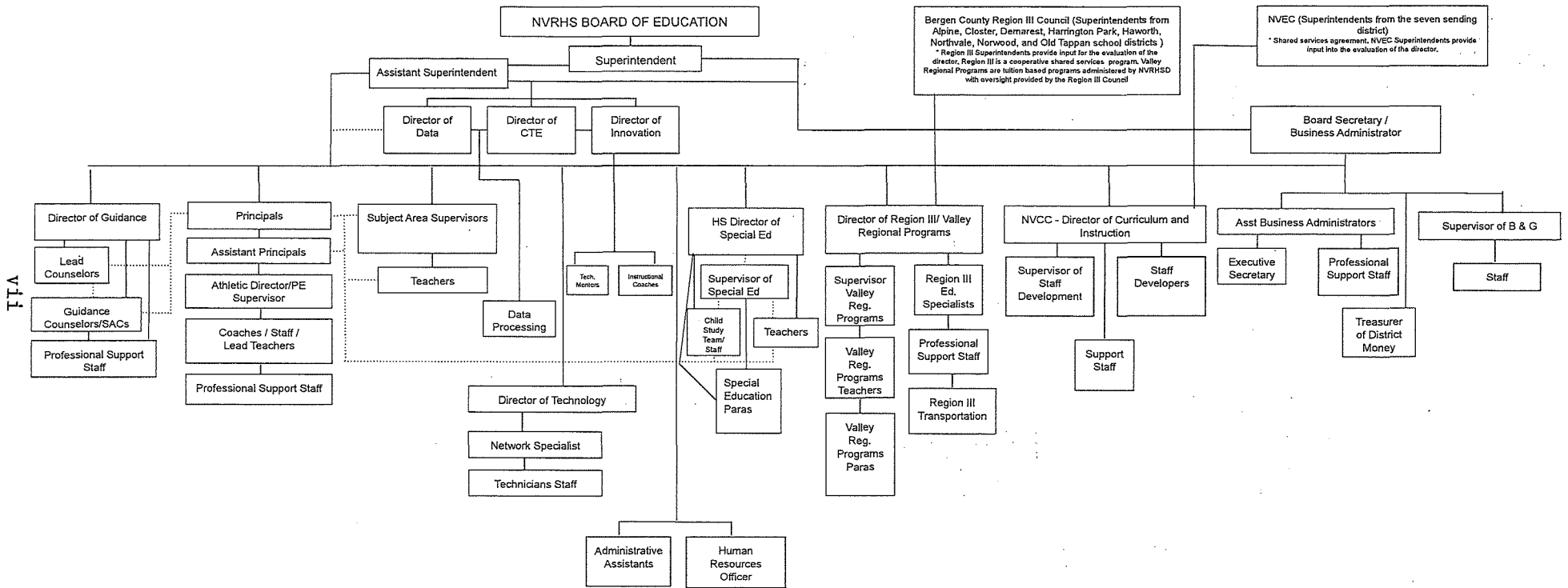
Respectfully Submitted

  
James Santana  
Superintendent

  
Marc A. Capizzi  
School Business Administrator/  
Board Secretary

Programs

Neal Moles  
Valley  
Occupational & Physical Therapy  
Gifted & Talented  
Senior Options – Structured Learning Experience  
Professional Development  
Teens & Tots  
Little Tots  
Athletic  
Access  
Curriculum Development  
Home Consulting  
Summer K-8  
Psychiatric  
Speech Evaluations  
Learning Evaluations  
Behavior Evaluations  
Social Skills - After School  
Summit Success  
TIP  
SLICE  
Summit Academy



***NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT***

**ROSTER OF OFFICIALS**

**JUNE 30, 2021**

**Members of the Board of Education**

**Term Expires**

Mr. Joseph Argenziano, President	2023
Mr. Ghanshyam C. Vaghasia, Vice President	2021
Ms. Kathleen Fable	2021
Ms. Donna Gordon	2021
Mrs. Tiffany Kaplan	2023
Dr. George Kipel	2022
Mr. Peter Micera	2021
Mr. Drew Porschen	2022
Ms. Jessica Spillane	2023

**Other Officials**

**Title**

Mr. James Santana	Superintendent
Ms. Deborah Sarmir	Assistant Superintendent
Mr. Marc Capizzi	Business Administrator/Board Secretary
Ms. Colleen Briggs	Assistant Business Administrator
Mr. Daniel Hauser	Assistant Business Administrator
Dr. Timothy Gouraige	Principal, NVRHS at Demarest
Dr. Bruce Sabatini	Principal, NVRHS at Old Tappan

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
Consultants and Advisors

Architect

Di Cara Rubino Architects  
30 Galesi Drive West Wing  
Wayne, NJ 07470

Engineer

Colliers Engineering & Design  
331 Newman Springs Road, Suite 203  
Red Bank, NJ 07701

General Council Attorney

Cleary, Jacobbe, Alfieri & Jacobs  
955 State Route 34, Suite 200  
Matawan, New Jersey 07747

Special Education/HIB Attorney

Machado Law Group, LLC  
1 Cleveland Place  
Springfield, New Jersey 07081

Auditor

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

Official Depository

Columbia Bank  
19-01 Route 208 North  
Fair Lawn, New Jersey 07410

Valley National Bank  
1460 Valley Road  
Wayne, New Jersey 07470



**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 Education  
Northern Valley Regional High School District  
Demarest, New Jersey

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Northern Valley Regional High School District, as of and for the fiscal year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

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

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

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

## ***Opinions***

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

## ***Emphasis of Matter***

### *Adoption of New Accounting Pronouncement*

As discussed in Note 1 to the financial statements, in the fiscal year ended June 30, 2021, the Northern Valley Regional High School District 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 Northern Valley Regional High School District's basic financial statements. The introductory section, combining and individual nonmajor 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 Northern Valley Regional High School District.

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

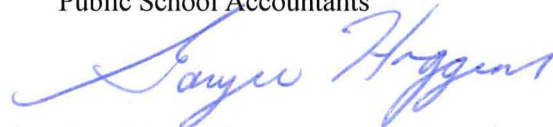
The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with Government Auditing Standards, we have also issued our report dated February 17, 2022 on our consideration of the Northern Valley Regional High School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Northern Valley Regional High School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Northern Valley Regional High School District's internal control over financial reporting and compliance.



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



Gary W. Higgins  
Public School Accountant  
PSA Number CS00814

Fair Lawn, New Jersey  
February 17, 2022

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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

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

**Financial Highlights**

- General revenues accounted for \$59,517,295 in revenue or 55 percent of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$48,484,001 or 45 percent of all revenues.
- Total net position of governmental activities amounted to \$2,195,530 as of June 30, 2021.
- The District had \$76,572,495 in expenses related to governmental activities; only \$24,824,075 were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) and transfers of \$59,584,564 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$71,795,694 in revenues and other financing sources and \$68,318,678 in expenditures and other financing uses. The General Fund's fund balance increased in the fiscal year ended June 30, 2021 by \$3,477,016 from the fiscal year ended June 30, 2020 restated balance of \$7,921,443 to \$11,398,459.

**Using the Comprehensive Annual Financial report (CAFR)**

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

The *Statement of Net position* and *Statement of Activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the district's most significant funds. In the case of the Northern Valley Regional High School District, the General Fund is by far the most significant fund.

# **NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

## ***Management's Discussion and Analysis***

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

### **Reporting the District as a Whole**

One of the most important questions asked about the District is "How did we do financially during the fiscal year ended June 30, 2021?" The *Statement of Net position* and the *Statement of Activities*, which appear first in the District's financial statements, report information on the District as a whole and its activities in such a way as to answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in those assets. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

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

- Governmental Activities – most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extra-curricular activities.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods and services provided. The District has six enterprise funds reported as business-type activities.

### **Reporting the School District's Most Significant Funds**

#### **Fund Financial Statements**

Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. The District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund. The Enterprise Fund includes the following major funds: 1) Technical Services, 2) Regional Cooperative Program, 3) Regional Transportation, 4) Regional Special Education and two other non-major programs. The Technical Services Fund was closed during 2020-2021.

#### **Governmental Funds**

The District's activities are reported in governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end available for spending in the future years. These funds are reported using the *modified accrual accounting method*, which measures cash and all other financial assets that can be readily converted into cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net position and the Statement of Activities) and governmental funds is reconciled in the financial statements.



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

**Enterprise Fund**

The Enterprise Fund uses the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in statements for the District as a whole.

**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.

**The District as a Whole**

The *Statement of Net position* provides the perspectives of the District as a whole, showing assets and deferred outflows of resources and liabilities and deferred inflows of resources and the difference between them (net position). Net position may serve over time as a useful indicator of a government's financial position.

Table 1 provides a summary of the District's net position as of June 30, 2021 and 2020.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020 (Restated)	2021	2020	2021	2020 (Restated)
<b>Assets</b>						
Current Assets	\$ 14,059,310	\$ 10,780,024	\$ 4,026,345	\$ 5,389,883	\$ 18,085,655	\$ 16,169,907
Capital Assets	26,230,116	26,394,918	125,318	97,801	26,355,434	26,492,719
<b>Total Assets</b>	<b>40,289,426</b>	<b>37,174,942</b>	<b>4,151,663</b>	<b>5,487,684</b>	<b>44,441,089</b>	<b>42,662,626</b>
<b>Deferred Outflows of Resources</b>	<b>1,327,886</b>	<b>2,476,028</b>	<b>860,185</b>	<b>1,476,374</b>	<b>2,188,071</b>	<b>3,952,402</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>41,617,312</b>	<b>39,650,970</b>	<b>5,011,848</b>	<b>6,964,058</b>	<b>46,629,160</b>	<b>46,615,028</b>
<b>Liabilities</b>						
Long-Term Liabilities	30,625,310	37,286,694	8,116,035	9,318,875	38,741,345	46,605,569
Other Liabilities	2,047,466	2,904,627	224,982	415,521	2,272,448	3,320,148
<b>Total Liabilities</b>	<b>32,672,776</b>	<b>40,191,321</b>	<b>8,341,017</b>	<b>9,734,396</b>	<b>41,013,793</b>	<b>49,925,717</b>
<b>Deferred Inflows of Resources</b>	<b>6,749,006</b>	<b>5,981,826</b>	<b>4,380,621</b>	<b>3,577,231</b>	<b>11,129,627</b>	<b>9,559,057</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>39,421,782</b>	<b>46,173,147</b>	<b>12,721,638</b>	<b>13,311,627</b>	<b>52,143,420</b>	<b>59,484,774</b>
<b>Net Position</b>						
Net Investment in Capital Assets	8,971,199	5,576,485	125,318	97,801	9,096,517	5,674,286
Restricted	9,624,105	6,137,258			9,624,105	6,137,258
Unrestricted	(16,399,774)	(17,354,357)	(7,835,108)	(6,445,370)	(24,234,882)	(23,799,727)
<b>Total Net Position</b>	<b>\$ 2,195,530</b>	<b>\$ (5,640,614)</b>	<b>\$ (7,709,790)</b>	<b>\$ (6,347,569)</b>	<b>\$ (5,514,260)</b>	<b>\$ (11,988,183)</b>

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

The District's combined net position were \$(5,514,260) and \$(11,988,183) as restated on June 30, 2021 and 2020, respectively. This was an increase of \$6,473,923 or 54 percent from the fiscal year ended June 30, 2020.

Table 2 shows changes in net position for the fiscal years ended June 30, 2021 and 2020.

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 1,101,012	\$ 946,447	\$ 18,633,520	\$ 21,883,343	\$ 19,734,532	\$ 22,829,790
Operating Grants and Contributions	23,697,227	17,042,824	5,026,406	5,068,911	28,723,633	22,111,735
Capital Grants and Contributions	25,836	235,090			25,836	235,090
General Revenues						
Property Taxes	57,723,969	56,632,389			57,723,969	56,632,389
State and Federal Aid	250,005	245,331			250,005	245,331
Other	1,524,472	1,098,787	18,849	5,019	1,543,321	1,103,806
<b>Total Revenues</b>	<b>84,322,521</b>	<b>76,200,868</b>	<b>23,678,775</b>	<b>26,957,273</b>	<b>108,001,296</b>	<b>103,158,141</b>
<b>Expenses</b>						
Instruction						
Regular	37,214,677	34,075,091			37,214,677	34,075,091
Special Education	8,587,257	8,414,650			8,587,257	8,414,650
Other Instruction	336,441	134,919			336,441	134,919
School Sponsored Activities, Athletics and Programs	4,314,079	3,558,156			4,314,079	3,558,156
Support Services						
Student and Instruction Related Services	12,102,929	10,976,335			12,102,929	10,976,335
General and Business Administration Services	2,934,238	2,908,341			2,934,238	2,908,341
School Administration Services	3,235,847	3,145,409			3,235,847	3,145,409
Plant Operations and Maintenance	6,192,496	6,765,554			6,192,496	6,765,554
Pupil Transportation	1,270,749	1,647,369			1,270,749	1,647,369
Interest on Long-Term Debt	383,782	451,674			383,782	451,674
Business-type Activities	-	-	24,954,878	25,929,052	24,954,878	25,929,052
<b>Total Expenses</b>	<b>76,572,495</b>	<b>72,077,498</b>	<b>24,954,878</b>	<b>25,929,052</b>	<b>101,527,373</b>	<b>98,006,550</b>
<b>Change in Net Position</b>	<b>7,750,026</b>	<b>4,123,370</b>	<b>(1,276,103)</b>	<b>1,028,221</b>	<b>6,473,923</b>	<b>5,151,591</b>
<b>Transfers</b>	<b>86,118</b>	<b>800,000</b>	<b>(86,118)</b>	<b>(800,000)</b>	<b>-</b>	<b>-</b>
<b>Net Position, Beginning of Year</b>	<b>(5,640,614)</b>	<b>(11,445,547)</b>	<b>(6,347,569)</b>	<b>(6,575,790)</b>	<b>(11,988,183)</b>	<b>(18,021,337)</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>881,563</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>881,563</b>
<b>Net Position, End of Year</b>	<b>\$ 2,195,530</b>	<b>\$ (5,640,614)</b>	<b>\$ (7,709,790)</b>	<b>\$ (6,347,569)</b>	<b>\$ (5,514,260)</b>	<b>\$ (11,988,183)</b>

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

**Governmental Activities**

The District's total governmental activities revenues were \$84,322,521 and \$76,200,868 for the years ended June 30, 2021 and 2020, respectively. Property taxes made up 68 and 74 percent of revenues for governmental activities for the Northern Valley Regional High School District for fiscal years 2021 and 2020, respectively. Federal, state and local grants and aid accounted for 28 and 23 percent of revenue for the fiscal years ended June 30, 2021 and 2020, respectively.

The total cost of all programs and services was \$76,572,495 and \$72,077,498 for the fiscal years ended June 30, 2021 and 2020, respectively. Instruction comprises 66 and 64 percent of governmental program expenses for the years ended June 30, 2021 and 2020, respectively. Support services expenses make up 33 and 35 percent of governmental expenses for the years ended June 30, 2021 and 2020, respectively. The *Statement of Activities* shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Instruction				
Regular	\$ 37,214,677	\$ 34,075,091	\$ 24,860,894	\$ 24,608,619
Special Education	8,587,257	8,414,650	3,498,073	4,131,865
Other Instruction	336,441	134,919	(746,255)	7,261
School Sponsored Activities, Athletics and Programs	4,314,079	3,558,156	3,259,785	2,632,476
Support Services				
Student and Instruction Related Services	12,102,929	10,976,335	8,957,726	9,023,831
General and Business Administration Services	2,934,238	2,908,341	2,000,289	2,498,119
School Administration Services	3,235,847	3,145,409	2,777,212	2,705,334
Plant Operations and Maintenance	6,192,496	6,765,554	5,823,049	6,463,860
Pupil Transportation	1,270,749	1,647,369	933,865	1,330,098
Interest on Long-Term Debt	383,782	451,674	383,782	451,674
<b>Total</b>	<b><u>\$ 76,572,495</u></b>	<b><u>\$ 72,077,498</u></b>	<b><u>\$ 51,748,420</u></b>	<b><u>\$ 53,853,137</u></b>

**Business-Type Activities**

The District's total business-type activities revenues were \$23,678,775 and \$26,957,273 and expenses and operating transfers were \$25,040,996 and \$26,729,052 in fiscal years ended June 30, 2021 and 2020, respectively. Of the revenues, \$18,633,520 and \$21,883,343 was charges for services; \$5,026,406 and \$5,068,911 was from State related on behalf pension reimbursements for the years ended June 30, 2021 and 2020, respectively.

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

**The School 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 \$76,298,023 and \$72,161,186 and expenditures were \$73,184,959 and \$77,167,885 for the fiscal years ended June 30, 2021 and 2020, respectively. The net change in the governmental funds - fund balances for the year after other financing sources and uses was an increase of \$3,198,182.

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

<u>Revenue</u>	<u>Years Ended</u>		<u>Amount of Increase (Decrease)</u>	<u>Percent Change</u>
	<u>2021</u>	<u>2020</u>		
Local Sources	\$ 61,156,862	\$ 58,800,939	\$ 2,355,923	4.01%
State Sources	14,114,885	12,375,448	1,739,437	14.06%
Federal Sources	1,026,276	984,799	41,477	4.21%
Total Governmental Fund Revenues	<u>\$ 76,298,023</u>	<u>\$ 72,161,186</u>	<u>\$ 4,136,837</u>	5.73%

The following schedule represents a summary of the governmental funds expenditures for the fiscal years ending June 30, 2021 and 2020.

	<u>Years Ended</u>		<u>Amount of Increase (Decrease)</u>	<u>Percent Change</u>
	<u>2021</u>	<u>2020</u>		
Current Expense				
Instruction	\$ 44,626,302	\$ 42,826,816	\$ 1,799,486	4.20%
Support Services	23,238,382	22,438,596	799,786	3.56%
Capital Outlay	1,320,275	8,603,056	(7,282,781)	-84.65%
Debt Service				
Principal	3,385,190	2,748,859	636,331	23.15%
Interest and Other Charges	614,810	550,558	64,252	11.67%
Total Expenditures	<u>\$ 73,184,959</u>	<u>\$ 77,167,885</u>	<u>\$ (3,982,926)</u>	-5.16%

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

**General Fund Budgeting Highlights**

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

During the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to prevent over-expenditures in specific line item accounts.

**Capital Assets**

At the end of fiscal years 2021 and 2020, the District had \$26,230,116 and \$26,394,918 and \$125,318 and \$97,801 invested in land, land improvements, buildings and building improvements, furniture and equipment and vehicles and construction in progress for governmental and business-type activities net of accumulated depreciation, respectively. Overall capital assets for governmental activities decreased \$164,802 and business-type activities increased \$27,517 from the fiscal year ended June 30, 2020 to fiscal year ended June 30, 2021. Tables A-4 and A-5 show capital assets and the related depreciation for governmental activities and business-type activities at June 30, 2021 and 2020, respectively.

**Table A-4**  
**Capital Assets**  
**Governmental Activities**  
**as of June 30, 2021 and 2020**

	<u>2021</u>	<u>Total</u> <u>2020</u>
Land	\$ 2,643,627	\$ 2,643,627
Land Improvements	12,469,124	12,127,932
Construction in Progress	641,105	-
Buildings and Building Improvements	33,350,421	33,306,346
Machinery and Equipment	<u>3,380,853</u>	<u>3,197,595</u>
	52,485,130	51,275,500
Less Accumulated Depreciation	<u>26,255,014</u>	<u>24,880,582</u>
<b>Capital Assets, Net</b>	<u>\$26,230,116</u>	<u>\$26,394,918</u>

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

**Table A-5**  
**Capital Assets**  
**Business-type Activities**  
**as of June 30, 2021 and 2020**

	<u>2021</u>	<u>Total</u>	<u>2020</u>
Buildings and Building Improvements	\$ 26,611		
Land Improvements	8,950		
Machinery and Equipment	<u>514,224</u>	\$	<u>500,737</u>
Less Accumulated Depreciation	<u>424,467</u>		<u>402,936</u>
<b>Capital Assets, Net</b>	<b><u>\$ 125,318</u></b>	<b>\$</b>	<b><u>97,801</u></b>

Additional information about the District's capital assets can be found in Note 3 of this report.

**Long-Term Liabilities**

At June 30, 2021 and 2020, the District had \$38,741,345 and \$46,605,569 of long-term liabilities. Of this amount, \$1,248,022 and \$1,190,182 is for compensated absences; and \$12,764,175 and \$15,153,922 of bonds payable, including unamortized premium, and \$20,231,764 and \$24,589,711 for net pension liability and \$4,497,384 and \$5,671,754 for capital leases payable, including unamortized premium, respectively.

Additional information about the District's Long-Term Debt can be found in Note 3 of this report.

**For the Future**

Northern Valley Regional High School District demonstrated strengths in developing and implementing budgets was a major factor in the successes of the 2020-2021 school year. The process is broad based and includes the staff, administration and Board of Education. All effort in the development of a budget are directed at achieving district goals. As we look forward, the administration and staff are prepared to face the new economic realities of no increases in state aid and 2% caps on tax increases. In these difficult times improvement of student achievement will always be our paramount consideration.

**Contacting the District's Financial Management**

This financial report is designed to provide the citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Marc A. Capizzi, Business Administrator/Board Secretary at Northern Valley Regional High School District, 162 Knickerbocker Road, Demarest, New Jersey 07627.

## **FINANCIAL STATEMENTS**

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
AS OF JUNE 30, 2021**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 13,772,792	\$ 3,015,907	\$ 16,788,699
Receivables, net			
Receivables from Other Governments	263,034	23,484	286,518
Other		1,006,719	1,006,719
Internal Balances	23,484	(23,484)	-
Inventories		3,719	3,719
Capital Assets			
Not Being Depreciated	3,284,732		3,284,732
Being Depreciated, net	22,945,384	125,318	23,070,702
Total Assets	<u>40,289,426</u>	<u>4,151,663</u>	<u>44,441,089</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred Amount on Refunding of Debt	2,642		2,642
Deferred Amounts on Net Pension Liability	1,325,244	860,185	2,185,429
Total Deferred Outflow of Resources	<u>1,327,886</u>	<u>860,185</u>	<u>2,188,071</u>
Total Assets and Deferred Outflow of Resources	<u>41,617,312</u>	<u>5,011,848</u>	<u>46,629,160</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Liabilities	1,787,757	223,282	2,011,039
Intergovernmental Payable	23,569		23,569
Accrued Interest Payable	184,234		184,234
Unearned Revenue	51,906	1,700	53,606
Noncurrent Liabilities			
Due Within One Year	2,650,000		2,650,000
Due Beyond One Year	27,975,310	8,116,035	36,091,345
Total Liabilities	<u>32,672,776</u>	<u>8,341,017</u>	<u>41,013,793</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Amounts on Net Pension Liability	6,749,006	4,380,621	11,129,627
Total Liabilities and Deferred Inflows of Resources	<u>39,421,782</u>	<u>12,721,638</u>	<u>52,143,420</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	8,971,199	125,318	9,096,517
Restricted for:			
Capital Projects	8,788,924		8,788,924
Other	835,181		835,181
Unrestricted	(16,399,774)	(7,835,108)	(24,234,882)
Total Net Position	<u>\$ 2,195,530</u>	<u>\$ (7,709,790)</u>	<u>\$ (5,514,260)</u>

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



**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		<u>Total</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	
Governmental Activities:							
Instruction							
Regular	\$ 37,214,677	\$ 266,464	\$ 12,087,319		\$ (24,860,894)		\$ (24,860,894)
Special Education	8,587,257	820,773	4,268,411		(3,498,073)		(3,498,073)
Other Instruction	336,441	13,775	1,068,921		746,255		746,255
School Sponsored Activities and Athletics	4,314,079		1,007,853		(3,306,226)		(3,306,226)
Support Services							
Student and Instruction Related Services	12,102,929		3,191,644		(8,911,285)		(8,911,285)
School Administration Services	3,235,847		770,870		(2,464,977)		(2,464,977)
General Administration Services	1,657,276		255,731		(1,401,545)		(1,401,545)
Plant Operations and Maintenance	6,192,496		343,611	\$ 25,836	(5,823,049)		(5,823,049)
Pupil Transportation	1,270,749		336,884		(933,865)		(933,865)
Business and Other Support Services	1,276,962		365,983		(910,979)		(910,979)
Interest on Long-Term Debt and Other Charges	383,782	-	-	-	(383,782)	-	(383,782)
Total Governmental Activities	<u>76,572,495</u>	<u>1,101,012</u>	<u>23,697,227</u>	<u>25,836</u>	<u>(51,748,420)</u>	<u>-</u>	<u>(51,748,420)</u>
Business-Type Activities:							
Regional Cooperative Program	1,819,378	1,230,262	656,381			67,265	67,265
Regional Transportation	1,728,188	1,726,018				(2,170)	(2,170)
Regional Special Education	21,270,606	15,648,228	4,360,811			(1,261,567)	(1,261,567)
Other Nonmajor Programs	136,706	29,012	9,214	-	-	(98,480)	(98,480)
Total Business-Type Activities	<u>24,954,878</u>	<u>18,633,520</u>	<u>5,026,406</u>	<u>-</u>	<u>-</u>	<u>(1,294,952)</u>	<u>(1,294,952)</u>
Total Primary Government	<u>\$ 101,527,373</u>	<u>\$ 19,734,532</u>	<u>\$ 28,723,633</u>	<u>\$ 25,836</u>	<u>(51,748,420)</u>	<u>(1,294,952)</u>	<u>(53,043,372)</u>

Continued

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 STATEMENT OF ACTIVITIES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Net (Expense) Revenue and Changes in Net Position		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Total Primary Government (Carried Forward)	\$ (51,748,420)	\$ (1,294,952)	\$ (53,043,372)
General Revenues and Transfers			
Taxes:			
Property Taxes, Levied for General Purposes	55,279,936		55,279,936
Taxes Levied for Debt Service	2,444,033		2,444,033
State Aid Restricted for Debt Service	250,005		250,005
Miscellaneous Income	1,524,472	18,849	1,543,321
Transfers	<u>86,118</u>	<u>(86,118)</u>	<u>-</u>
Total General Revenues and Transfers	<u>59,584,564</u>	<u>(67,269)</u>	<u>59,517,295</u>
Change in Net Position	7,836,144	(1,362,221)	6,473,923
Net Position Beginning of Year , as Restated	<u>(5,640,614)</u>	<u>(6,347,569)</u>	<u>(11,988,183)</u>
Net Position End of Year	<u>\$ 2,195,530</u>	<u>\$ (7,709,790)</u>	<u>\$ (5,514,260)</u>

**FUND FINANCIAL STATEMENTS**

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF JUNE 30, 2021**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 12,885,325	\$ 788,039			\$ 13,673,364
Receivables, Net					
Receivables From Other Governments	132,826	130,208			263,034
Due from Other Funds	36,976				36,976
Restricted Cash with Fiscal Agents	<u>-</u>	<u>-</u>	\$ 99,428	-	<u>99,428</u>
 Total Assets	 <u>\$ 13,055,127</u>	 <u>\$ 918,247</u>	 <u>\$ 99,428</u>	 <u>\$ -</u>	 <u>\$ 14,072,802</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts Payable	\$ 1,643,480	\$ 52,829	\$ 89,848		\$ 1,786,157
Due to Other Funds	50	13,442			13,492
Other Payable	1,600				1,600
Payable to Other Governments		23,569			23,569
Unearned Revenue	<u>11,538</u>	<u>40,368</u>	<u>-</u>	<u>-</u>	<u>51,906</u>
 Total Liabilities	 <u>1,656,668</u>	 <u>130,208</u>	 <u>89,848</u>	 <u>-</u>	 <u>1,876,724</u>
Fund Balances					
Restricted					
Excess Surplus - Designated for Subsequent					-
Year's Budget	1,177,398				1,177,398
Capital Reserve	8,084,092				8,084,092
Capital Reserve - Designated for Subsequent					
Year's Budget	695,252				695,252
Unemployment Compensation	47,142				47,142
Student Activities		766,672			766,672
Scholarship Awards		21,367			21,367
Capital Projects			9,580		9,580
Committed					
Year-end Encumbrances	521,268				521,268
Assigned					
Year-end Encumbrances	137,273				137,273
FFCRA/SEMI - Designated for Subsequent					
Year's Expenditures	1,063				1,063
Unassigned	<u>734,971</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>734,971</u>
 Total Fund Balances	 <u>11,398,459</u>	 <u>788,039</u>	 <u>9,580</u>	 <u>-</u>	 <u>12,196,078</u>
 Total Liabilities and Fund Balances	 <u>\$ 13,055,127</u>	 <u>\$ 918,247</u>	 <u>\$ 99,428</u>	 <u>\$ -</u>	 <u>\$ 14,072,802</u>

EXHIBIT B-1

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 GOVERNMENTAL FUNDS  
 BALANCE SHEET  
 AS OF JUNE 30, 2021

Total Fund Balance - Governmental Funds (Exhibit B-1)		\$ 12,196,078
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 \$52,485,130 and the accumulated depreciation is \$26,255,014.		26,230,116
The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is:		(184,234)
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.		
Bonds Payable, Including Unamortized Premium	\$ (12,764,175)	
Compensated Absences	(1,095,209)	
Capital Leases Payable, Including Unamortized Premium	(4,497,384)	
Net Pension Liability	<u>(12,268,542)</u>	
		(30,625,310)
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.		2,642
Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and deferred over future years.		
Deferred Outflows of Resources	1,325,244	
Deferred Inflows of Resources	<u>(6,749,006)</u>	
		<u>(5,423,762)</u>
Net Position of Governmental Activities (Exhibit A-1)		<u>\$ 2,195,530</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
<b>REVENUES</b>					
Local Sources					
Property Tax Levy	\$ 55,279,936			\$ 2,444,033	\$ 57,723,969
Miscellaneous	<u>2,625,324</u>	<u>\$ 807,409</u>	<u>\$ 160</u>	<u>-</u>	<u>3,432,893</u>
Total - Local Sources	57,905,260	807,409	160	2,444,033	61,156,862
State Sources	13,583,522	281,358		250,005	14,114,885
Federal Sources	<u>19,089</u>	<u>1,007,187</u>	<u>-</u>	<u>-</u>	<u>1,026,276</u>
Total Revenues	<u>71,507,871</u>	<u>2,095,954</u>	<u>160</u>	<u>2,694,038</u>	<u>76,298,023</u>
<b>EXPENDITURES</b>					
Current					
Regular Instruction	32,254,829	302,661			32,557,490
Special Education Instruction	7,442,461	444,081			7,886,542
Other Instruction	10,228	116,119			126,347
School Sponsored Activities and Athletics	3,258,624	797,299			4,055,923
Support Services					
Student and Instruction Related Services	10,799,160	456,399			11,255,559
General Administration Services	1,576,827				1,576,827
School Administration Services	3,033,738				3,033,738
Plant Operations and Maintenance	4,963,208				4,963,208
Pupil Transportation	1,270,749				1,270,749
Business and Other Support Services	1,138,301				1,138,301
Debt Service					
Principal	1,060,190			2,325,000	3,385,190
Interest	245,772			369,038	614,810
Capital Outlay	<u>1,204,591</u>	<u>25,836</u>	<u>89,848</u>	<u>-</u>	<u>1,320,275</u>
Total Expenditures	<u>68,258,678</u>	<u>2,142,395</u>	<u>89,848</u>	<u>2,694,038</u>	<u>73,184,959</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,249,193</u>	<u>(46,441)</u>	<u>(89,688)</u>	<u>-</u>	<u>3,113,064</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
SDA Grant Cancelled, Net			(1,000)		(1,000)
Transfers In	287,823				287,823
Transfers Out	<u>(60,000)</u>	<u>-</u>	<u>(141,705)</u>	<u>-</u>	<u>(201,705)</u>
Total Other Financing Sources (Uses)	<u>227,823</u>	<u>-</u>	<u>(142,705)</u>	<u>-</u>	<u>85,118</u>
Net Change in Fund Balances	3,477,016	(46,441)	(232,393)	-	3,198,182
Fund Balance, Beginning of Year, as Restated	<u>7,921,443</u>	<u>834,480</u>	<u>241,973</u>	<u>-</u>	<u>8,997,896</u>
Fund Balance, End of Year	<u>\$ 11,398,459</u>	<u>\$ 788,039</u>	<u>\$ 9,580</u>	<u>\$ -</u>	<u>\$ 12,196,078</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2)** \$ 3,198,182

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

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

Depreciation Expense	\$ (1,485,077)	
Capital Outlay	<u>1,320,275</u>	(164,802)

The issuance of long-term debt (e.g., bonds, 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.

This amount is the net effect of these difference in the treatment of long term debt.

Principal Payments:

General Obligation Bonds	2,325,000	
Capital Leases Payable	<u>1,060,190</u>	3,385,190

Governmental Funds report the effect of issuance costs, premiums and deferred amounts on refundings pertaining to bonds issued when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Amortization of Premium	178,927	
Amortization of Deferred Amount on Refunding	<u>(4,601)</u>	174,326

In the statement of activities, certain operating expense 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).

Net Change in Compensated Absences	(21,837)	
Net Change in Pension Expense	<u>1,208,383</u>	1,186,546

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Decrease in Accrued Interest		<u>56,702</u>
------------------------------	--	---------------

**Change in Net Position of Governmental Activities (Exhibit A-2)** **\$ 7,836,144**

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
AS OF JUNE 30, 2021**

	Business-Type Activities					Total Enterprise Funds		
	Enterprise Fund				Other Nonmajor Enterprise Funds			
	Technical Services	Regional Coop Prgm	Regional Transportation	Regional Special Ed				
<b>ASSETS</b>								
Current Assets								
Cash and Cash Equivalents	\$	463,977		\$	2,415,412	\$	3,015,907	
Intergovernmental Receivable		2,466			21,018	-	23,484	
Other Accounts Receivable		26,275	\$	261,679	718,765	-	1,006,719	
Due from Other Funds		24,858				50	24,908	
Inventories	-	-	-	-	-	3,719	3,719	
<b>Total Current Assets</b>	-	517,576	261,679	3,155,195	140,287	-	4,074,737	
Capital Assets								
Building Improvements				26,611			26,611	
Land Improvements				8,950			8,950	
Furniture, machinery & equipment		5,268		247,454		261,502	514,224	
Less: Accumulated Depreciation	-	(4,216)	-	(206,701)	-	(213,550)	(424,467)	
<b>Total Capital Assets</b>	-	1,052	-	76,314	47,952	-	125,318	
<b>DEFERRED OUTFLOW OF RESOURCES</b>								
Deferred Amounts on Net Pension Liability	-	23,397	-	836,788	-	-	860,185	
<b>Total Deferred Outflow of Resources</b>	-	23,397	-	836,788	-	-	860,185	
<b>Total Assets and Deferred Outflow of Resources</b>	-	542,025	261,679	4,068,297	188,239	-	5,060,240	
<b>LIABILITIES</b>								
Current Liabilities								
Accounts Payable		8,339	76,141	65,067	51,105		200,652	
Due to Other Funds		2,466	24,858	21,068	-		48,392	
Other Payable				5,130	17,500		22,630	
Unearned Revenue	-	-	-	650	1,050		1,700	
<b>Total Current Liabilities</b>	-	10,805	100,999	91,915	69,655		273,374	
Noncurrent Liabilities								
Compensated Absences		85		144,420		8,308	152,813	
Net Pension Liability	-	216,600	-	7,746,622	-		7,963,222	
<b>Total Noncurrent Liabilities</b>	-	216,685	-	7,891,042	8,308		8,116,035	
<b>DEFERRED INFLOW OF RESOURCES</b>								
Deferred Amounts on Net Pension Liability	-	119,153	-	4,261,468	-		4,380,621	
<b>Total Deferred Inflow of Resources</b>	-	119,153	-	4,261,468	-		4,380,621	
<b>Total Liabilities and Deferred Inflow of Resources</b>	-	346,643	100,999	12,244,425	77,963		12,770,030	
<b>NET POSITION</b>								
Net Investment in Capital Assets	-	1,052	-	76,314	47,952		125,318	
Unrestricted	-	194,330	160,680	(8,252,442)	62,324		(7,835,108)	
<b>Total Net Position</b>	\$	195,382	\$	160,680	\$	(8,176,128)	\$	(7,709,790)

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



NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Business-Type Activities					
	Enterprise Fund				Other Nonmajor Enterprise Funds	Total Enterprise Funds
	Major Programs			Regional		
Technical Services	Regional Coop Prgm	Regional Transportation	Regional Special Ed			
<b>OPERATING REVENUES</b>						
Charges for Services						
Daily sales - non-reimbursable					\$ 22,017	\$ 22,017
Special Functions					5,455	5,455
Charges and Fees	\$ 1,230,262	\$ 1,726,018	\$ 15,648,228		1,540	18,606,048
Miscellaneous	-	14,339	4,054		-	18,393
Total Operating Revenues	1,230,262	1,740,357	15,652,282		29,012	18,651,913
<b>OPERATING EXPENSES</b>						
Cost of Sales - non-reimbursable				87,699		
Salaries/Salaries of Teachers	883,885		10,564,464		38,838	38,838
Unallocated Benefits	636,732		8,572,356		25,146	11,473,495
Purchased Professional and Technical Services	242,599		190,682		29,363	9,238,471
Purchased Property Services			982,673			433,281
Other Purchased Services	810	1,728,188	44,593		982,673	982,673
Supplies and Materials	9,557		292,514		31,856	1,805,447
Depreciation	1,054		15,829		6,855	308,926
Other Objects	44,721	-	607,495		4,648	21,531
Total Operating Expenses	1,819,378	1,728,188	21,270,606		136,706	24,954,878
Operating Income (Loss)	(589,116)	12,169	(5,618,324)		(107,694)	(6,302,965)
<b>NONOPERATING REVENUES/EXPENSES</b>						
On-Behalf (Non-Budgeted)						
TPAF Pension System						
Post Retirement Medical	58,526		551,328		1,413	611,267
Normal Cost	183,266		1,726,423		4,427	1,914,116
NCGI	3,487		32,848		84	36,419
Long-Term Disability	64		604		2	670
Reimbursed TPAF S.S.	52,270		493,539		1,253	547,062
GASB 68 - TPAF On Behalf Adjustment	84,234		794,004		2,035	880,273
GASB 75 - OPEB On Behalf Adjustment	116,824		1,100,511			1,217,335
Change in Net Pension Liability - PERS	157,710		(338,446)			(180,736)
Interest	320	-	-		136	456
Total Non-Operating Revenues/Expenses	656,381	-	4,360,811		9,350	5,026,862
Net Income (Loss) Transfers	320	67,265	12,169	(1,257,513)	(98,344)	(1,276,103)
Transfers						
Transfers In(Out)	(146,118)	-	-	-	60,000	(86,118)
Change in Net Position	(145,798)	67,265	12,169	(1,257,513)	(38,344)	(1,362,221)
Total Net Position - Beginning of Year	145,798	128,117	148,511	(6,918,615)	148,620	(6,347,569)
Total Net Position - Ending of Year	\$ -	\$ 195,382	\$ 160,680	\$ (8,176,128)	\$ 110,276	\$ (7,709,790)

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<b>Business-Type Activities</b>					
	<b>Enterprise Fund</b>					
	<b>Major Programs</b>				<b>Other Nonmajor Enterprise Funds</b>	<b>Total Enterprise Funds</b>
<b>Technical Services</b>	<b>Regional Coop Prgm</b>	<b>Regional Transportation</b>	<b>Regional Special Ed</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from Customers	\$ 49,735	\$ 1,217,947	\$ 2,043,233	\$ 16,040,925	\$ 26,227	\$ 19,378,067
Payments to Employees and Benefits	-	(1,053,003)	-	(14,378,831)	(36,987)	(15,468,821)
Payments to Suppliers for Goods and Services	(32,917)	(291,016)	(1,821,585)	(2,211,607)	(21,026)	(4,378,151)
Net Cash Provided (Used by) operating activities	<u>16,818</u>	<u>(126,072)</u>	<u>221,648</u>	<u>(549,513)</u>	<u>(31,786)</u>	<u>(468,905)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Cash received from State Subsidy Reimbursement	-	-	(221,648)	9,735	-	(211,913)
Interfund Transfers	(146,118)	221,736	-	-	65,744	141,362
Net cash provided by (used for) Noncapital financing activities	<u>(146,118)</u>	<u>221,736</u>	<u>(221,648)</u>	<u>9,735</u>	<u>65,744</u>	<u>(70,551)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Purchases of capital assets	-	-	-	(49,048)	-	(49,048)
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(49,048)</u>	<u>-</u>	<u>(49,048)</u>
<b>CASH FLOWS FROM INVESTMENTS AND RELATED FINANCING ACTIVITIES</b>						
Interest on Deposits	320	-	-	-	136	456
Net cash provided by (used for) capital and related financing activities	<u>320</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>136</u>	<u>456</u>
Net increase (decrease) in cash and cash equivalents	(128,980)	95,664	-	(588,826)	34,094	(588,048)
Cash and Cash Equivalents - Beginning of Year	128,980	368,313	-	3,004,238	102,424	3,603,955
Cash and Cash Equivalents - End of Year	<u>\$ -</u>	<u>\$ 463,977</u>	<u>\$ -</u>	<u>\$ 2,415,412</u>	<u>\$ 136,518</u>	<u>\$ 3,015,907</u>
Reconciliation of Operating Income (loss) to net cash provided (used) by operating activities						
Operating Income(Loss)	\$ -	\$ (589,116)	\$ 12,169	\$ (5,618,324)	\$ (107,694)	\$ (6,302,965)
Adjustments to reconcile operating income(loss) to net cash provided by (used for) operating activities						
Non-Cash State On Behalf TPAF Pension and OPEB Contributions	-	498,671	-	4,699,257	9,214	5,207,142
Depreciation	-	1,054	-	15,829	4,648	21,531
(Increase) Decrease in other accounts receivable, net	49,735	(12,315)	302,876	392,455	260	733,011
(Increase) Decrease in inventories	-	-	-	-	26,912	26,912
(Increase) Decrease in Deferred Outflows of Resources	-	-	-	-	-	-
Increase(decrease) in unearned revenues	-	-	-	(150)	450	300
Increase(decrease) in other payable	-	-	-	(3,662)	(3,495)	(7,157)
Increase(decrease) in accounts payable	(32,917)	6,671	(93,397)	(93,650)	29,611	(183,682)
Increase(decrease) in accrued salaries and benefits	-	-	-	-	-	-
Increase(decrease) in Deferred Inflows of Resources	-	-	-	-	-	-
Increase(decrease) in noncurrent liabilities	-	(31,037)	-	58,732	8,308	36,003
Total adjustments	<u>16,818</u>	<u>463,044</u>	<u>209,479</u>	<u>5,068,811</u>	<u>75,908</u>	<u>5,834,060</u>
Net cash provided by (used for) operating activities	<u>\$ 16,818</u>	<u>\$ (126,072)</u>	<u>\$ 221,648</u>	<u>\$ (549,513)</u>	<u>\$ (31,786)</u>	<u>\$ (468,905)</u>

**NOTES TO THE FINANCIAL STATEMENTS**

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Northern Valley Regional High School District (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 Regional High School district for grades 9 through 12.

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 Northern Valley Regional High School District this includes general operations, food service, preschool program, technical services program, regional cooperative program, regional transportation program, regional special education 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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation - Financial Statements**

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

**District-Wide Financial Statements**

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

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

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

**Fund Financial Statements**

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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 *technical services fund* accounts for the activities of the District's technical support to the seven (7) receiving districts.

The *regional cooperative program fund* (Region III) accounts for the Districts services to various districts for students who have special needs with a comprehensive educational program.

The *regional transportation fund* accounts for the Districts transportation services for the special education students received from various districts.

The *regional special education fund* (Valley Program and TIP Program) accounts for the Districts services for children three to eighteen years old with inclusion resources (Valley Program) and services for self-contained special education program (TIP Program).

The District reports the following non-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 teachers and special events.

The *teens and tots fund* accounts for the activities of the District's preschool program with an opportunity for teenagers to learn by experience.

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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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**

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

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

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

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

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

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

***1. Cash, Cash Equivalents and Investments***

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

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



**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 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)**

**2. *Receivables***

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

**3. *Inventories***

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

Food Service Fund inventories are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased.

**4. *Restricted Assets***

Certain assets are classified as restricted on the balance sheet because they are maintained in separate bank accounts and/or their use is limited by state or county regulations for capital projects and/or Lease-Purchase Agreements for capital projects.

**5. *Capital Assets***

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

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings and Building Improvements	15-50
Machinery and Equipment	5-15

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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. *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 of item, which arises only under the accrual basis of accounting that qualify 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.

**7. *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. Proprietary Funds accrue accumulated sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

**8. *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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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. 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 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.

***10. Net Position/Fund Balance***

**District-Wide Statements**

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

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

**Governmental Fund Statements**

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

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 2C).

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.

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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)

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

Governmental Fund Statements (Continued)

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

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

*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.

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

**Committed Fund Balance** – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

*Year-End Encumbrances* – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustees 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.

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

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

*FFCRA/SEMI Designated for Subsequent Year's Expenditures* – Represents amounts received from the State of New Jersey during fiscal year 2020/2021 for Special Education Medicaid Incentive (SEMI) claims. This amount may be appropriated for used in the 2021/2022 fiscal year.

**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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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)**

***11. 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.

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, investment earnings and miscellaneous revenues.

***2. Property Taxes***

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1<sup>st</sup> 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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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)**

**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 technical services enterprise fund, of the regional Co-op program enterprise fund, of the regional transportation enterprise fund, of the regional special education enterprise fund, of the teens and tots enterprise fund and of the food service 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.

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 February 13, 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 \$1,418,709. The increase was funded by the additional grant awards, student activity revenues, scholarship donations, the reappropriation of prior year general fund encumbrances and school sponsored activities and athletics.

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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**A. Budgetary Information (Continued)**

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. Deficit Fund Equity**

The Regional Special Education Enterprise Fund has a cumulative deficit in net position of \$8,176,128 as of June 30, 2021. The deficit is due to the District's accrual of the long-term liability associated with the fund's proportionate share of the District's total PERS net pension liability and related deferred outflow and inflow of resources as required under GASB Statement No. 68. The deficit alone does not indicate that the regional special education operations are facing financial difficulties. The net position excluding the pension related items is \$2,995,174.

**C. Capital Reserve**

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

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

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

Balance, July 1, 2020		\$ 5,895,285
Increased by		
Interest Earnings	\$ 22,669	
Deposits from Unexpended Capital Projects	141,705	
Deposits Approved by Board Resolution	<u>4,500,000</u>	
Total Increases		<u>4,664,374</u>
		10,559,659
Withdrawals		
Approved in District Budget		<u>1,780,315</u>
Balance, June 30, 2021		<u>\$ 8,779,344</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district's Long Range Facilities Plan. \$695,252 of the capital reserve balance at June 30, 2021 was designated and appropriated for use in the 2021/2022 original budget certified for taxes.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**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 \$1,177,398. Of this amount, \$1,777,398 was designated and appropriated in the 2021/2022 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 \$16,788,699 and bank and brokerage firm balances of the Board's deposits amounted to \$19,577,428. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

**Depository Account**

Insured	\$ <u>19,577,428</u>
---------	----------------------

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 none of the Board's bank balances were exposed to custodial credit risk.

**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.



**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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)**

**Investments (Continued)**

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 General Fund in accordance with Board policy.

**B. Receivables**

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

	<u>General</u>	<u>Special Revenue</u>	<u>Regional Coop Prgm</u>	<u>Regional Transportation</u>	<u>Regional Special Ed</u>	<u>Total</u>
Receivables:						
Intergovernmental-						
Federal		\$ 81,468				\$ 81,468
State	\$ 132,826	48,740	\$ 2,466		\$ 21,018	205,050
Other			-	\$ 261,679		261,679
Other	-	-	26,275	-	718,765	745,040
	<u>-</u>	<u>-</u>	<u>26,275</u>	<u>-</u>	<u>718,765</u>	<u>745,040</u>
Gross Receivables	132,826	130,208	28,741	261,679	739,783	1,293,237
Less: Allowance for Uncollectibles	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 132,826</u>	<u>\$ 130,208</u>	<u>\$ 28,741</u>	<u>\$ 261,679</u>	<u>\$ 739,783</u>	<u>\$ 1,293,237</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	
Unrealized Revenue	\$ 11,538
Special Revenue Fund	
Grant Draw Downs Reserved for Encumbrances	16,849
Unencumbered Grant Draw Downs	<u>23,519</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 51,906</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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, July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2021</u>
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 2,643,627			\$ 2,643,627
Construction in Progress	<u>-</u>	\$ 641,105	<u>-</u>	<u>641,105</u>
Total Capital Assets, Not Being Depreciated	<u>2,643,627</u>	<u>641,105</u>	<u>-</u>	<u>3,284,732</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	33,306,346	44,075		33,350,421
Land Improvements	12,127,932	341,192		12,469,124
Machinery and Equipment	<u>3,197,595</u>	<u>293,903</u>	\$ (110,645)	<u>3,380,853</u>
Total Capital Assets Being Depreciated	<u>48,631,873</u>	<u>679,170</u>	<u>(110,645)</u>	<u>49,200,398</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(16,196,891)	(879,972)		(17,076,863)
Land Improvements	(6,203,684)	(399,606)		(6,603,290)
Machinery and Equipment	<u>(2,480,007)</u>	<u>(205,499)</u>	110,645	<u>(2,574,861)</u>
Total Accumulated Depreciation	<u>(24,880,582)</u>	<u>(1,485,077)</u>	<u>110,645</u>	<u>(26,255,014)</u>
Total Capital Assets, Being Depreciated, Net	<u>23,751,291</u>	<u>(805,907)</u>	<u>-</u>	<u>22,945,384</u>
Governmental Activities Capital Assets, Net	<u>\$ 26,394,918</u>	<u>\$ (164,802)</u>	<u>\$ -</u>	<u>\$ 26,230,116</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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, July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2021</u>
<b>Business-Type Activities:</b>				
Capital Assets, Being Depreciated:				
Buildings and Building Improvements		\$ 26,611		\$ 26,611
Land Improvements		8,950		8,950
Machinery and Equipment	\$ 500,737	13,487	-	514,224
Total Capital Assets Being Depreciated	<u>500,737</u>	<u>49,048</u>	<u>-</u>	<u>549,785</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements		(1,331)		(1,331)
Land Improvements		(447)		(447)
Machinery and Equipment	(402,936)	(19,753)	-	(422,689)
Total Accumulated Depreciation	<u>(402,936)</u>	<u>(21,531)</u>	<u>-</u>	<u>(424,467)</u>
Total Capital Assets, Being Depreciated, Net	<u>97,801</u>	<u>27,517</u>	<u>-</u>	<u>125,318</u>
Business-Type Activities Capital Assets, Net	<u>\$ 97,801</u>	<u>\$ 27,517</u>	<u>\$ -</u>	<u>\$ 125,318</u>

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

<b>Governmental Activities:</b>	
Instruction	
Regular	\$ 96,503
Total Instruction	<u>96,503</u>
Support Services	
Support Services-Students	64,096
School Administrative Services	3,440
Operations and Maintenance of Plant	1,316,288
Business and Other Support Services	4,750
Total Support Services	<u>1,388,574</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,485,077</u>
<b>Business-Type Activities:</b>	
Regional Special Ed	\$ 15,829
Regional Coop Prgm	1,054
Food Service Fund	4,648
Total Depreciation Expense-Business-Type Activities	<u>\$ 21,531</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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>
Turf Fields	\$ 808,630	\$ 89,870
Resurfacing - Demarest Long Jump		150,926
Roof Project -Old Tappan	289,829	285,523
Roof Project -Demarest	289,829	<u>84,819</u>
		<u>\$ 611,138</u>

**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 Fund	\$ 13,442
General Fund	Regional Coop. Fund	2,466
General Fund	Regional Special Ed. Fund	21,068
Teens and Tots Fund	General Fund	50
Regional Coop. Fund	Regional Transportation Fund	<u>24,858</u>
Total		<u>\$ 61,884</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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 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:		
	General <u>Fund</u>	Teens and <u>Tots</u>	<u>Total</u>
Transfer Out:			
General Fund		\$ 60,000	\$ 60,000
Capital Projects	\$ 141,705		141,705
Technical Services	146,118	-	146,118
Total Transfers Out	<u>\$ 287,823</u>	<u>\$ 60,000</u>	<u>\$ 347,823</u>

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. Leases**

**Operating Leases**

The District leases computers, ipads, modular classrooms and copiers under noncancelable operating leases. Several leases were paid off early in 2020-2021. Lease payments for the fiscal year ended June 30, 2021 were \$1,138,444. The future minimum lease payments for these operating leases are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>
2022	\$ 87,919
2023	87,919
2024	87,919
2025	87,919
2026	14,653
Total	<u>\$ 366,329</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**F. Leases (Continued)**

**Capital Leases**

The District is leasing modular classrooms and turf fields totaling \$1,310,990 and a building in the amount of \$4,365,000 under capital leases. The leases are for terms of 4 to 13 years. The leases for the modular classrooms and turf field were paid off in 2020-2021.

The unexpended proceeds from the capital lease for the turf fields in the amount of \$99,428 at June 30, 2021 is held with the Fiscal Agent.

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

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>
2022	\$ 455,200
2023	451,450
2024	452,200
2025	452,200
2026	451,450
2027-2031	2,261,500
2032	<u>452,400</u>
Total minimum lease payments	4,976,400
Less: amount representing interest	<u>(1,121,400)</u>
Present value of minimum lease payments	<u>\$ 3,855,000</u>

**G. Long-Term Debt**

**General Obligation Bonds**

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

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

\$2,290,000, 2009 School Bonds, due in annual installments of \$240,000 to \$275,000 through August 1, 2024, interest at 3.50% to 4.00%	\$1,035,000
\$11,707,000, 2016 School Bonds, due in annual installments of \$575,000 to \$1,000,000 through August 1, 2031, interest at 2.00% to 2.50%	10,132,000
\$7,400,000, 2017 Refunding School Bonds, due in annual installments of \$560,000 to \$1,000,000 through February 1, 2022, interest at 3.00% to 4.00%	<u>1,560,000</u>
Total	<u>\$12,727,000</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**G. Long-Term Debt (Continued)**

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

**Governmental Activities:**

Fiscal Year Ending June 30,	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2022	\$ 2,375,000	\$ 288,050	\$ 2,663,050
2023	1,255,000	211,238	1,466,238
2024	1,265,000	181,475	1,446,475
2025	1,275,000	150,675	1,425,675
2026	1,000,000	125,175	1,125,175
2027-2031	4,750,000	330,375	5,080,375
2032	<u>807,000</u>	<u>10,088</u>	<u>817,088</u>
	<u>\$ 12,727,000</u>	<u>\$ 1,297,076</u>	<u>\$ 14,024,076</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:

3% of Equalized Valuation Basis (Municipal)	\$ 296,196,515
Less: Net Debt	<u>12,727,000</u>
Remaining Borrowing Power	<u>\$ 283,469,515</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**H. Other Long-Term Liabilities**

**Changes in Long-Term Liabilities**

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

	<u>Balance, July 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance, June 30, 2021</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable	\$ 15,052,000	-	\$ 2,325,000	\$ 12,727,000	\$ 2,375,000
Add: Premium	<u>101,922</u>	<u>-</u>	<u>64,747</u>	<u>37,175</u>	<u>-</u>
Total Bonds Payable	15,153,922	-	2,389,747	12,764,175	2,375,000
Net Pension Liability	15,387,646		3,119,104	12,268,542	
Capital Leases Payable	4,915,190		1,060,190	3,855,000	275,000
Add: Premium	<u>756,564</u>	<u>-</u>	<u>114,180</u>	<u>642,384</u>	<u>-</u>
Total Leases Payable	<u>5,671,754</u>	<u>-</u>	<u>1,174,370</u>	<u>4,497,384</u>	<u>275,000</u>
Compensated Absences	<u>1,073,372</u>	<u>\$ 21,837</u>	<u>-</u>	<u>1,095,209</u>	<u>-</u>
Governmental Activity Long-Term Liabilities	<u>\$ 37,286,694</u>	<u>\$ 21,837</u>	<u>\$ 6,683,221</u>	<u>\$ 30,625,310</u>	<u>\$ 2,650,000</u>
<b>Business-Type Activities:</b>					
Net Pension Liability	\$ 9,202,065		\$ 1,238,843	\$ 7,963,222	
Compensated Absences	<u>116,810</u>	<u>\$ 36,003</u>	<u>-</u>	<u>152,813</u>	<u>-</u>
Governmental Activity Long-Term Liabilities	<u>\$ 9,318,875</u>	<u>\$ 36,003</u>	<u>\$ 1,238,843</u>	<u>\$ 8,116,035</u>	<u>\$ -</u>

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



**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 4 OTHER INFORMATION**

**A. Risk Management**

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

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

The relationship between the Board and the Group 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 Group, to report claims on a timely basis, cooperate with the management of the Group, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the Group. Members have a contractual obligation to fund any deficit of the Group attributable to a membership year during which they were a member.

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

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

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

Fiscal Year Ended <u>June 30,</u>	Employee <u>Contributions</u>	Amount <u>Reimbursed</u>	Ending <u>Balance</u>
2021	\$ 193,898	\$ 163,204	\$ 47,142
2020	134,352	128,978	47,083
2019	103,425	130,827	41,064

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 4 OTHER INFORMATION (Continued)**

**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.

**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](http://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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 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)**

**Public Employees' Retirement System (PERS) (Continued)**

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon 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](http://www.state.nj.us/treasury/pensions).

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

The following represent the membership tiers for TPAF:

<b>Tier</b>	<b>Definition</b>
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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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)**

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

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

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

**Other Pension Funds**

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

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

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

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Plan Amendments**

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

**Measurement Focus and Basis of Accounting**

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

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

**Investment Valuation**

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

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Collective Net Pension Liability**

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

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

**Actuarial Methods and Assumptions**

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

**Employer and Employee Pension Contributions**

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

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

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

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2021	\$ 1,357,211	\$ 9,021,899	\$ 6,890
2020	1,327,451	7,138,047	7,836
2019	1,379,299	6,433,910	14,142

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Employer and Employee Pension Contributions (Continued)**

In addition for fiscal years 2021, 2020 and 2019 the District contributed \$0, \$7,180 and \$8,479, respectively for PERS and the State contributed \$3,098, \$3,934 and \$4,516, 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 \$2,530,643 during the fiscal year ended June 30, 2021 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

**Public Employees Retirement System (PERS)**

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

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

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

At June 30, 2021, the District reported in the statement of net position (accrual basis) a liability of \$20,231,764 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 0.12406 percent, which was a decrease of 0.01240 percent from its proportionate share measured as of June 30, 2019 of 0.13646 percent.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$329,564 for PERS. The pension contribution made by the District during the current 2020/2021 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2021 with a measurement date of the prior fiscal year end of June 30, 2020. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2021 for contributions made subsequent to the measurement date. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 368,387	\$ 71,548
Changes of Assumptions	656,341	8,471,231
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	691,538	
Changes in Proportion and Differences Between Borough Contributions and Proportionate Share of Contributions	<u>469,163</u>	<u>2,586,848</u>
Total	<u>\$ 2,185,429</u>	<u>\$ 11,129,627</u>
Governmental Activities	\$ 1,325,244	\$ 6,749,006
Business Type Activities	<u>860,185</u>	<u>4,380,621</u>
	<u>\$ 2,185,429</u>	<u>\$ 11,129,627</u>

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

Year Ending <u>June 30,</u>	<u>Total</u>
2022	\$ (2,931,849)
2023	(2,877,829)
2024	(1,956,605)
2025	(992,051)
2026	(185,864)
Thereafter	<u>-</u>
	<u>\$ (8,944,198)</u>



**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

*Actuarial Assumptions*

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

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

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

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Long-Term Expected Rate of Return***

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

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

***Discount Rate***

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

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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:

	<b>1% Decrease <u>6.00%</u></b>	<b>Current Discount Rate <u>7.00%</u></b>	<b>1% Increase <u>8.00%</u></b>
District's Proportionate Share of the PERS Net Pension Liability			
Governmental Activities	\$ 15,444,048	\$ 12,268,542	\$ 9,574,039
Business Type Activities	<u>10,024,368</u>	<u>7,963,222</u>	<u>6,214,283</u>
	<u>\$ 25,468,416</u>	<u>\$ 20,231,764</u>	<u>\$ 15,788,322</u>

The sensitivity analysis was based on the proportionate share of the District’s net pension liability at 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](http://www.state.nj.us/treasury/pensions).

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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 \$13,091,154 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 \$210,521,996. 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 0.31970 percent, which was a decrease of 0.00072 percent from its proportionate share measured as of June 30, 2019 of 0.32042 percent.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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%

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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:

	<u>1% Decrease (4.40%)</u>	<u>Current Discount Rate (5.40%)</u>	<u>1% Increase (6.40%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District			
Governmental Activities	\$ 193,820,211	\$ 165,007,140	\$ 141,082,721
Business Type Activities	<u>53,462,529</u>	<u>45,514,856</u>	<u>38,915,648</u>
	<u>\$ 247,282,740</u>	<u>\$ 210,521,996</u>	<u>\$ 179,998,369</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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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](http://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.



**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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](http://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	<u>149,304</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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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 an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2021, 2020 and 2019 were \$2,827,323, \$2,648,084 and \$2,918,411, 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 \$8,880,174. 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 \$156,726,074. 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 0.23113 percent, which was an increase of 0.00047 percent from its proportionate share measured as of June 30, 2019 of 0.23066 percent.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 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%.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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:

<b><u>Fiscal Year</u></b>	<b><u>Measurement Date</u></b>	<b><u>Discount Rate</u></b>
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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

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

**Changes in the Total OPEB Liability**

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

	Total OPEB Liability <u>(State Share 100%)</u>
Balance, June 30, 2019 Measurement Date	\$ <u>96,254,384</u>
Changes Recognized for the Fiscal Year:	
Service Cost	4,585,889
Interest on the Total OPEB Liability	3,483,507
Differences Between Expected and Actual Experience	26,419,598
Changes of Assumptions	28,628,468
Gross Benefit Payments	(2,728,472)
Contributions from the Member	<u>82,700</u>
<b>Net Changes</b>	<b>\$ <u>60,471,690</u></b>
Balance, June 30, 2020 Measurement Date	\$ <u><u>156,726,074</u></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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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:

	<b>1% Decrease <u>(1.21%)</u></b>	<b>Current Discount Rate <u>(2.21%)</u></b>	<b>1% Increase <u>(3.21%)</u></b>
State's Proportionate Share of the OPEB Liability Attributable to the District			
Governmental Activities	\$ 150,019,449	\$ 124,440,503	\$ 104,440,230
Business-Type Activities	<u>38,921,922</u>	<u>32,285,571</u>	<u>27,096,583</u>
	<u>\$ 188,941,372</u>	<u>\$ 156,726,074</u>	<u>\$ 131,536,814</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:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
Total OPEB Liability (School Retirees)			
Governmental Activities	\$ 100,452,570	\$ 124,440,503	\$ 153,004,799
Business-Type Activities	<u>26,062,002</u>	<u>32,285,571</u>	<u>39,696,459</u>
	<u>\$ 126,514,572</u>	<u>\$ 156,726,074</u>	<u>\$ 192,701,258</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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 4 OTHER INFORMATION (Continued)**

**F. Tax Abatements**

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

For Northern Valley Regional High School District, the District's share of abated taxes resulting from the seven (7) municipalities having entered into a tax abatement agreement is indeterminate.

**NOTE 5 RESTATEMENT**

On July 1, 2020, the Northern Valley Regional High School District implemented GASB Statement No. 84 "Fiduciary Activities". The Northern Valley Regional High School District 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 \$881,563 from \$(6,522,177) as previously reported to \$(5,640,614) 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 \$881,563 from \$8,116,333 as previously reported to \$8,997,896 as of June 30, 2020. General Fund fund balance increased \$47,083 from \$7,874,360 as previously reported to \$7,921,443 as of June 30, 2020. Special Revenue Fund fund balance increased \$834,480 from \$0 as previously reported to \$834,480 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 \$72,039 from \$72,039 as previously reported to \$0 as of June 30, 2020.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**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.

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

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

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



**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**BUDGETARY COMPARISON SCHEDULES**

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Exhibit C-1

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES</b>					
<b>Local Sources</b>					
Local Tax Levy	\$ 55,279,936	-	\$ 55,279,936	\$ 55,279,936	
Tuition from Individuals	300,272	-	300,272	266,464	\$ (33,808)
Tuition from Other LEAs within the State	831,375	-	831,375	820,773	(10,602)
Tuition from Summer School	10,062	-	10,062	13,775	3,713
Interest Earned on Capital Reserve Funds	5,000	-	5,000	22,669	17,669
Interest Earned on Unemployment Funds				59	59
Rents and Royalties	489,200	-	489,200	483,959	(5,241)
Miscellaneous	394,855	-	394,855	1,017,625	622,770
<b>Total Local Sources</b>	<u>57,310,700</u>	<u>-</u>	<u>57,310,700</u>	<u>57,905,260</u>	<u>594,560</u>
<b>State Sources (*See Note)</b>					
Special Education Aid	1,493,115	\$ (156,609)	1,336,506	1,336,506	-
Security Aid	42,643	-	42,643	42,643	-
Transportation Aid	307,800	-	307,800	307,800	-
Extraordinary Aid	591,237	-	591,237	774,464	183,227
Reimbursed Nonpublic Transportation Aid	14,578	-	14,578	34,214	19,636
TPAF Pension Contribution (On-Behalf)					
Normal Pension Contribution				6,939,334	6,939,334
NCGI Contribution				132,030	132,030
Long-Term Disability Contribution				2,428	2,428
Post Retirement Contribution				2,216,056	2,216,056
TPAF Social Security Contribution (On-Behalf)	-	-	-	1,983,581	1,983,581
<b>Total State Sources</b>	<u>2,449,373</u>	<u>(156,609)</u>	<u>2,292,764</u>	<u>13,769,056</u>	<u>11,476,292</u>
<b>Federal Source</b>					
Medicaid Reimbursement	20,428	-	20,428	19,089	(1,339)
<b>Total Federal Sources</b>	<u>20,428</u>	<u>-</u>	<u>20,428</u>	<u>19,089</u>	<u>(1,339)</u>
<b>Total Revenues</b>	<u>59,780,501</u>	<u>(156,609)</u>	<u>59,623,892</u>	<u>71,693,405</u>	<u>12,069,513</u>
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES</b>					
<b>Instruction - Regular Programs</b>					
<b>Salaries of Teachers</b>					
Grades 9-12	19,329,848	\$ (870,162)	18,459,686	18,283,835	175,851
\Other Salaries for Instruction		17,000	17,000	6,783	10,217
<b>Regular Programs - Home Instruction</b>					
Salaries of Teachers	66,950	-	66,950	44,902	22,048
Purchased Professional-Educational Services	26,050	-	26,050	6,506	19,544
<b>Regular Programs - Undistributed Instruction</b>					
Other Salaries for Instruction	1,000	620	1,620	(830)	2,450
Purchased Professional-Educational Services	40,500	(12,666)	27,834	14,164	13,670
Purchased Technical Services	849,935	(174,646)	675,289	576,457	98,832
Other Purchased Services	736,830	755,604	1,492,434	1,458,572	33,862
General Supplies	486,560	33,630	520,190	374,581	145,609
Textbooks	118,771	(30,131)	88,640	73,015	15,625
Other Objects	2,100	-	2,100	300	1,800
<b>Total Regular Programs</b>	<u>21,658,544</u>	<u>(280,751)</u>	<u>21,377,793</u>	<u>20,838,285</u>	<u>539,508</u>
<b>Special Education</b>					
<b>Cognitive - Mild</b>					
Salaries of Teachers	237,938	-	237,938	200,751	37,187
Other Salaries for Instruction	37,137	200	37,337	26,170	11,167
Other Purchased Services	777	-	777	71	706
General Supplies	1,223	-	1,223	-	1,223
<b>Total Cognitive - Mild</b>	<u>277,075</u>	<u>200</u>	<u>277,275</u>	<u>226,992</u>	<u>50,283</u>
<b>Cognitive - Moderate</b>					
Salaries of Teachers	95,379	(24,950)	70,429	67,242	3,187
Other Salaries for Instruction	64,306	-	64,306	58,291	6,015
Other Purchased Services	464	-	464	-	464
General Supplies	536	-	536	-	536
<b>Total Cognitive - Moderate</b>	<u>160,685</u>	<u>(24,950)</u>	<u>135,735</u>	<u>125,533</u>	<u>10,202</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Exhibit C-1

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
Visual Impairments					
Other Salaries for Instruction	\$ 33,595		\$ 33,595	\$ 32,427	\$ 1,168
General Supplies	697	-	697	-	697.00
<b>Total Visual Impairments</b>	<b>34,292</b>	<b>-</b>	<b>34,292</b>	<b>32,427</b>	<b>1,865</b>
Behavior Disabilities					
Salaries of Teachers	278,637	\$ 15,000	293,637	287,786	5,851
Other Salaries for Instruction	44,773	-	44,773	34,641	10,132
Other Purchased Services	625	-	625	-	625
General Supplies	1,000	-	1,000	-	1,000
<b>Total Behavior Disabilities</b>	<b>325,035</b>	<b>15,000</b>	<b>340,035</b>	<b>322,427</b>	<b>17,608</b>
Multiple Disabilities					
Salaries of Teachers	352,958	40,000	392,958	387,055	5,903
Other Salaries for Instruction	146,429	(30,250)	116,179	109,104	7,075
Purchased Professional-Educational Services	581,678	(89,893)	491,785	314,621	177,164
Purchased Technical Services	-	22,000	22,000	12,352	9,648
Other Purchased Services	125,344	25,360	150,704	148,078	2,626
General Supplies	15,000	4,952	19,952	4,695	15,257
<b>Total Multiple Disabilities</b>	<b>1,221,409</b>	<b>(27,831)</b>	<b>1,193,578</b>	<b>975,905</b>	<b>217,673</b>
Resource Room/Resource Center					
Salaries of Teachers	1,872,829	(5,000)	1,867,829	1,780,672	87,157
Other Salaries for Instruction	16,820	3,500	20,320	5,975	14,345
General Supplies	3,000	-	3,000	-	3,000
Textbooks	603	-	603	-	603
<b>Total Resource Room/Resource Center</b>	<b>1,893,252</b>	<b>(1,500)</b>	<b>1,891,752</b>	<b>1,786,647</b>	<b>105,105</b>
Home Instruction					
Salaries of Teachers	40,000	-	40,000	4,462	35,538
Purchased Professional-Educational Services	35,500	-	35,500	2,679	32,821
<b>Total Home Instruction</b>	<b>75,500</b>	<b>-</b>	<b>75,500</b>	<b>7,141</b>	<b>68,359</b>
Cognitive - Severe					
Salaries of Teachers	130,209	-	130,209	130,169	40
Other Salaries for Instruction	5,520	-	5,520	70	5,450
Other Purchased Services	464	-	464	-	464
General Supplies	3,236	-	3,236	-	3,236
<b>Total Cognitive-Severe</b>	<b>139,429</b>	<b>-</b>	<b>139,429</b>	<b>130,239</b>	<b>9,190</b>
<b>Total Special Education</b>	<b>4,126,677</b>	<b>(39,081)</b>	<b>4,087,596</b>	<b>3,607,311</b>	<b>480,285</b>
Bilingual Education					
General Supplies	-	169	169	168	1
<b>Total Bilingual Education</b>	<b>-</b>	<b>169</b>	<b>169</b>	<b>168</b>	<b>1</b>
School Sponsored Co-Curricular Activities					
Salaries	602,658	(48,291)	554,367	437,585	116,782
Purchased Services	9,550	-	9,550	3,800	5,750
Supplies and Materials	10,917	(3,000)	7,917	4,472	3,445
Other Objects	26,000	-	26,000	12,135	13,865
<b>Total School Sponsored Co-Curricular Activities</b>	<b>649,125</b>	<b>(51,291)</b>	<b>597,834</b>	<b>457,992</b>	<b>139,842</b>
School Sponsored Athletics - Instruction					
Salaries	1,459,923	(3,000)	1,456,923	1,444,148	12,775
Purchased Services	18,600	4,932	23,532	18,160	5,372
Supplies & Materials	185,422	11,855	197,277	152,580	44,697
Other Objects	56,620	2,946	59,566	37,027	22,539
Transfers to Cover Deficit (Agency Funds)	144,000	-	144,000	92,173	51,827
<b>Total School Sponsored Athletics - Instruction</b>	<b>1,864,565</b>	<b>16,733</b>	<b>1,881,298</b>	<b>1,744,088</b>	<b>137,210</b>
<b>Total - Instruction</b>	<b>28,298,911</b>	<b>(354,221)</b>	<b>27,944,690</b>	<b>26,647,844</b>	<b>1,296,846</b>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Exhibit C-1

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>EXPENDITURES</b>					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs within the State-Special	\$ 866,965	\$ (455,271)	\$ 411,694	\$ 362,915	\$ 48,779
Tuition to County Vocational School District-Reg.	1,228,275	(103,000)	1,125,275	1,123,182	2,093
Tuition to County Vocational School District-Special	234,950	100,000	334,950	329,042	5,908
Tuition to County Special Services - School Districts & Regional Day Schools	180,840	(87,819)	93,021	88,021	5,000
Tuition to Private Schools - Disabled w/ State	1,173,264	297,131	1,470,395	1,444,859	25,536
<b>Total Undistributed Expenditures - Instruction</b>	<b>3,684,294</b>	<b>(248,959)</b>	<b>3,435,335</b>	<b>3,348,019</b>	<b>87,316</b>
Attendance and Social Work					
Salaries	85,399	-	85,399	84,414	985
<b>Total Attendance and Social Work</b>	<b>85,399</b>	<b>-</b>	<b>85,399</b>	<b>84,414</b>	<b>985</b>
Health Services					
Salaries	340,321	(2,600)	337,721	337,658	63
Purchased Professional and Technical Services	67,300	93,398	160,698	130,051	30,647
Other Purchased Services	1,200	47	1,247	47	1,200
Supplies and Materials	27,474	4,920	32,394	31,495	899
Other Objects	86	-	86	-	86
<b>Total Health Services</b>	<b>436,381</b>	<b>95,765</b>	<b>532,146</b>	<b>499,251</b>	<b>32,895</b>
Speech, OT, PT & Related Services					
Purchased Professional/Educational Services	125,440	(121)	125,319	87,305	38,014
<b>Total Speech, OT, PT &amp; Related Services</b>	<b>125,440</b>	<b>(121)</b>	<b>125,319</b>	<b>87,305</b>	<b>38,014</b>
Oth Supp Serv Std - Extra Serv					
Salaries	195,245	(37,500)	157,745	151,329	6,416
Purchased Professional/Educational Services	402,957	41,608	444,565	313,526	131,039
<b>Total Oth Supp Serv Std - Extra Serv</b>	<b>598,202</b>	<b>4,108</b>	<b>602,310</b>	<b>464,855</b>	<b>137,455</b>
Guidance					
Salaries of Other Professional Staff	2,120,803	71,374	2,192,177	2,188,940	3,237
Salaries of Secretarial and Clerical Assistants	521,029	(56,374)	464,655	458,305	6,350
Supplies and Materials	31,644	(17,288)	14,356	14,141	215
Other Objects	5,200	225	5,425	4,730	695
<b>Total Guidance</b>	<b>2,678,676</b>	<b>(2,063)</b>	<b>2,676,613</b>	<b>2,666,116</b>	<b>10,497</b>
Child Study Teams					
Salaries of Other Professional Staff	1,157,881	33,711	1,191,592	1,179,102	12,490
Salaries of Secretarial and Clerical Assistants	167,015	183,300	350,315	329,445	20,870
Other Salaries	176,300	(176,300)	-	-	-
Purchased Prof. - Educational Services	357,298	(45,900)	311,398	195,328	116,070
Purchased Professional & Technical Services	10,930	(330)	10,600	-	10,600
Other Purchased Services	450	90	540	540	-
Supplies and Materials	15,000	(90)	14,910	4,538	10,372
Other Objects	1,000	1,175	2,175	2,135	40
<b>Total Child Study Teams</b>	<b>1,885,874</b>	<b>(4,344)</b>	<b>1,881,530</b>	<b>1,711,088</b>	<b>170,442</b>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Exhibit C-1

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>EXPENDITURES</b>					
CURRENT EXPENDITURES (Continued)					
Improvement of Instruction Services/ Other Support Services-Instructional Staff					
Salaries of Supervisor of Instruction	\$ 1,362,068	\$ (4,096)	\$ 1,357,972	\$ 1,348,754	\$ 9,218
Purchased Prof. - Educational Services	173,603	-	173,603	116,473	57,130
Supplies and Materials	9,364	150	9,514	766	8,748
Other Objects	17,606	(119)	17,487	17,289	198
<b>Total Improvement of Instruction Services/ Other Support Services-Instructional Staff</b>	<b>1,562,641</b>	<b>(4,065)</b>	<b>1,558,576</b>	<b>1,483,282</b>	<b>75,294</b>
Educational Media Services/School Library					
Salaries	275,698	(20,052)	255,646	242,681	12,965
Salaries of Technology Coordinators	289,188	(6,000)	283,188	276,302	6,886
Supplies and Materials	100,550	1,448	101,998	91,869	10,129
Other Objects	1,300	(515)	785	776	9
<b>Total Educational Media Services/School Library</b>	<b>666,736</b>	<b>(25,119)</b>	<b>641,617</b>	<b>611,628</b>	<b>29,989</b>
Instructional Staff Training Services					
Salaries of Secretarial and Clerical Assist	24,524	(24,524)	-	-	-
Other Salaries	6,982	1,777	8,759	8,759	-
Purchased Professional - Educational Services	-	2,000	2,000	-	2,000
Other Purchased Services	136,927	(35,994)	100,933	17,931	83,002
Other Objects	315	-	315	-	315
<b>Total Instructional Staff Training Services</b>	<b>168,748</b>	<b>(56,741)</b>	<b>112,007</b>	<b>26,690</b>	<b>85,317</b>
Support Services General Administration					
Salaries	529,797	35,698	565,495	564,523	972
Legal Services	192,500	9,478	201,978	119,143	82,835
Audit Fees	50,000	-	50,000	41,678	8,322
Other Purchased Professional Services	26,620	(7,500)	19,120	18,800	320
Purchased Technical Services	2,700	-	2,700	2,584	116
Communications/Telephone	156,400	-	156,400	107,467	48,933
BOE Other Purchased Services	5,000	-	5,000	-	5,000
Misc. Purchased Services	374,267	(15,557)	358,710	323,427	35,283
General Supplies	10,000	(150)	9,850	2,622	7,228
Miscellaneous Expenditures	36,629	14,418	51,047	51,017	30
<b>Total Support Services General Administration</b>	<b>1,383,913</b>	<b>36,387</b>	<b>1,420,300</b>	<b>1,231,261</b>	<b>189,039</b>
Support Services School Administration					
Salaries of Principals/Asst. Principals	969,436	2	969,438	969,437	1
Salaries of Other Professional Staff	548,896	4	548,900	545,180	3,720
Salaries of Secretarial and Clerical Assistants	410,796	128,818	539,614	535,578	4,036
Other Purchased Services	30,075	1,768	31,843	7,601	24,242
Supplies and Materials	17,475	3,947	21,422	19,385	2,037
Other Objects	7,065	-	7,065	2,500	4,565
<b>Total Support Services School Administration</b>	<b>1,983,743</b>	<b>134,539</b>	<b>2,118,282</b>	<b>2,079,681</b>	<b>38,601</b>
Central Services					
Salaries	473,136	(33,469)	439,667	437,988	1,679
Purchased Professional Services	7,027	4,001	11,028	11,028	-
Purchased Technical Services	35,079	(4,511)	30,568	29,827	741
Misc. Purchased Services	6,500	10,141	16,641	14,496	2,145
Supplies and Materials	13,500	-	13,500	11,664	1,836
Interest on Lease Purchase Agreements	210,828	27,914	238,742	238,742	-
Miscellaneous Expenditures	8,000	-	8,000	6,643	1,357
<b>Total Central Services</b>	<b>754,070</b>	<b>4,076</b>	<b>758,146</b>	<b>750,388</b>	<b>7,758</b>
Administration - Information Technology Services					
Salaries	222,264	5,800	228,064	197,367	30,697
Purchased Technical Services	118,094	(30,914)	87,180	64,341	22,839
Other Purchased Services	26,805	(9,352)	17,453	-	17,453
General Supplies	29,800	6,605	36,405	23,516	12,889
<b>Total Administration Information Technology Svcs.</b>	<b>396,963</b>	<b>(27,861)</b>	<b>369,102</b>	<b>285,224</b>	<b>83,878</b>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Exhibit C-1

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
Required Maintenance for School Facilities					
Salaries	\$ 304,899	\$ (2,538)	\$ 302,361	\$ 293,532	\$ 8,829
Cleaning, Repair and Maintenance Services	306,559	26,005	332,564	314,506	18,058
General Supplies	85,800	50,284	136,084	113,274	22,810
Other Objects	950	-	950	164	786
<b>Total Required Maint. For School Facilities</b>	<b>698,208</b>	<b>73,751</b>	<b>771,959</b>	<b>721,476</b>	<b>50,483</b>
Custodial Services					
Salaries	2,112,130	(195,392)	1,916,738	1,851,044	65,694
Purchased Professional and Technical Services	82,862	(36,210)	46,652	32,102	14,550
Cleaning, Repair and Maintenance Services	111,400	(43,463)	67,937	41,837	26,100
Other Purchased Property Services	141,400	11,000	152,400	121,656	30,744
Insurance	208,415	20,059	228,474	228,016	458
General Supplies	162,500	(36,046)	126,454	101,744	24,710
Energy (Natural Gas)	195,500	70,326	265,826	126,910	138,916
Energy (Electricity)	523,000	(120,000)	403,000	385,607	17,393
Other Objects	2,001	2,417	4,418	4,417	1
<b>Total Custodial Services</b>	<b>3,539,208</b>	<b>(327,309)</b>	<b>3,211,899</b>	<b>2,893,333</b>	<b>318,566</b>
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Svc.	106,443	76,078	182,521	173,495	9,026
General Supplies	36,350	3,525	39,875	30,029	9,846
<b>Total Care and Upkeep of Grounds</b>	<b>142,793</b>	<b>79,603</b>	<b>222,396</b>	<b>203,524</b>	<b>18,872</b>
Security					
Salaries	-	94,011	94,011	64,329	29,682
Purchased Professional and Technical Services	298,260	116	298,376	239,181	59,195
General Supplies	736	3,167	3,903	3,903	-
<b>Total Security</b>	<b>298,996</b>	<b>97,294</b>	<b>396,290</b>	<b>307,413</b>	<b>88,877</b>
Student Transportation Services					
Contracted Serv. - Aid in Lieu Pymts - NonPub Sch	47,000	(26,537)	20,463	20,463	-
Contracted Serv. (Bet. Home and Sch)-Vendors	414,817	39,798	454,615	397,938	56,677
Contracted Serv. (Oth. Than Bet. Home and Sch)-Vendors	608,315	53,033	661,348	208,450	452,898
Contracted Serv. - Joint Agreements	-	657	657	657	-
Contracted Serv. (Sp Ed Stds)-Vendors	800,000	-	800,000	643,241	156,759
<b>Total Student Transportation Services</b>	<b>1,870,132</b>	<b>66,951</b>	<b>1,937,083</b>	<b>1,270,749</b>	<b>666,334</b>
Unallocated Benefits - Employee Benefits					
Social Security Contributions	683,505	-	683,505	632,711	50,794
TPAF/PERS Special Assessments	-	12,505	12,505	12,505	-
Other Retirement Contribution-PERS	915,458	(92,445)	823,013	823,013	-
Other Retirement Contribution-Regular	-	19,845	19,845	6,890	12,955
Unemployment Compensation	25,000	(22,720)	2,280	2,280	-
Worker's Compensation	374,342	(11,925)	362,417	358,372	4,045
Health Benefits	6,245,791	(604,042)	5,641,749	5,432,659	209,090
Tuition Reimbursement	66,000	(52,922)	13,078	10,675	2,403
Other Employee Benefits	18,950	21,721	40,671	31,559	9,112
Unused Sick Payments to Terminated/Retired Staff	150,000	-	150,000	47,514	102,486
<b>Total Unallocated Benefits - Employee Benefits</b>	<b>8,479,046</b>	<b>(729,983)</b>	<b>7,749,063</b>	<b>7,358,178</b>	<b>390,885</b>
TPAF Pension Contribution (Non Budgeted)					
Normal Pension Contribution	-	-	-	6,939,334	(6,939,334)
NCGI Contribution	-	-	-	132,030	(132,030)
Long-Term Disability Contribution	-	-	-	2,428	(2,428)
Post Retirement Contribution	-	-	-	2,216,056	(2,216,056)
TPAF Social Security Contribution (Non Budgeted)	-	-	-	1,983,581	(1,983,581)
	-	-	-	11,273,429	(11,273,429)
<b>Total Undistributed Expenditures</b>	<b>31,439,463</b>	<b>(834,091)</b>	<b>30,605,372</b>	<b>39,357,304</b>	<b>(8,751,932)</b>
<b>Total Current Expenditures</b>	<b>59,738,374</b>	<b>(1,188,312)</b>	<b>58,550,062</b>	<b>66,005,148</b>	<b>(7,455,086)</b>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Exhibit C-1

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>CAPITAL OUTLAY</b>					
Equipment					
Instruction					
Grades 9-12		\$ 29,917	\$ 29,917	\$ 26,142	\$ 3,775
Undistributed Expenditures					
Instruction		69,815	69,815	49,439	20,376
Admin. Info. Tech.		162,493	162,493	162,465	28
Care and Upkeep of Grounds	-	56,583	56,583	30,021	26,562
Total Equipment	-	318,808	318,808	268,067	50,741
Facilities and Acquisitions					
Architectural/Engineering Services	\$ 142,625	9,600	152,225	74,292	77,933
Land Improvements		150,926	150,926		150,926
Construction Services	1,466,250	62,293	1,528,543	862,241	666,302
Lease Purchase Agreements - Principal	431,440	540,220	971,660	971,660	-
Assessment for Debt Service on SDA Funding	67,210	-	67,210	67,210	-
Total Facilities and Acquisitions	2,107,525	763,039	2,870,564	1,975,403	895,161
Interest Deposit to Capital Reserve	5,000	-	5,000	-	5,000
Total Capital Outlay	2,112,525	1,081,847	3,194,372	2,243,470	950,902
<b>SPECIAL SCHOOLS</b>					
Summer School - Instruction					
Salaries of Teachers	10,062	-	10,062	10,060	2
Total Summer School - Instruction	10,062	-	10,062	10,060	2
Total Special Schools	10,062	-	10,062	10,060	2
Total Expenditures - General Fund	61,860,961	(106,465)	61,754,496	68,258,678	(6,504,182)
Excess (Deficiency) of Revenues Over (Under)					
Expenditures	(2,080,460)	(50,144)	(2,130,604)	3,434,727	5,565,331
Other Financing Sources (Uses)					
Transfers In - Capital Projects		-		141,705	141,705
Transfers in - Enterprise Funds				146,118	146,118
Transfers to - Enterprise Funds	-	(60,000)	(60,000)	(60,000)	-
Total Other Financing Sources (Uses)	-	(60,000)	(60,000)	227,823	287,823
Excess (Deficiency) of Revenues Over (Under) Expenditures and Financing Sources	(2,080,460)	(110,144)	(2,190,604)	3,662,550	5,853,154
Fund Balances, Beginning of Year, as Restated	8,678,090	-	8,678,090	8,678,090	-
Fund Balances, End of Year	<u>\$ 6,597,630</u>	<u>\$ (110,144)</u>	<u>\$ 6,487,486</u>	<u>\$ 12,340,640</u>	<u>\$ 5,853,154</u>
<b>Recapitulation of Fund Balance</b>					
Restricted					
Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 1,177,398	
Capital Reserve				8,084,092	
Capital Reserve - Designated for Subsequent Year's Expenditures				695,252	
Unemployment Claims				47,142	
FFCRA/SEMI				1,063	
Committed					
Year-end Encumbrances				521,268	
Assigned					
Year-end Encumbrances				137,273	
Unassigned Fund Balance				<u>1,677,152</u>	
Less State Aid not Recognized on a GAAP Basis				<u>(942,181)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 11,398,459</u>	

\* Note: The On-Behalf TPAF contributions per Exhibit K-4 are allocated to the General and Enterprise Funds



**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES</b>					
Local Sources		\$ 883,729	\$ 883,729	\$ 814,993	\$ (68,736)
State Sources	\$ 280,087	26,703	306,790	282,340	(24,450)
Federal Sources	697,650	341,812	1,039,462	1,009,479	(29,983)
 Total Revenues	 <u>977,737</u>	 <u>1,252,244</u>	 <u>2,229,981</u>	 <u>2,106,812</u>	 <u>(123,169)</u>
<b>EXPENDITURES</b>					
Instruction					
Salaries of Teachers		95,814	95,814	87,868	7,946
Purchased Professional & Technical Svc	326,917	(260,701)	66,216	56,216	10,000
Purchased Professional & Educational Svc		500	500	500	-
Other Purchased Services	365,921	95,172	461,093	461,093	-
General Supplies	72,715	189,555	262,270	240,129	22,141
Textbooks	21,506	5,862	27,368	27,368	-
School Sponsored Activities and Athletics		797,299	797,299	797,299	-
Other Objects	-	35	35	35	-
 Total Instruction	 <u>787,059</u>	 <u>923,536</u>	 <u>1,710,595</u>	 <u>1,670,508</u>	 <u>40,087</u>
Support Services					
Salaries of Teachers		7,800	7,800	6,000	1,800
Personal Services - Employee Benefits		6,671	6,671	5,924	747
Purchased Professional & Technical Svc	159,048	(57,214)	101,834	98,384	3,450
Purchased Professional & Educational Svc	31,630	16,837	48,467	29,829	18,638
Other Purchased Services		225,251	225,251	217,339	7,912
General Supplies		80,438	80,438	78,028	2,410
Scholarships Awarded		3,750	3,750	3,750	-
Other Objects	-	19,185	19,185	17,655	1,530
 Total Support Services	 <u>190,678</u>	 <u>302,718</u>	 <u>493,396</u>	 <u>456,909</u>	 <u>36,487</u>
Facilities Acquisition and Construction					
Services					
Instructional Equipment	-	25,990	25,990	25,836	154
 Total Facilities Acquisition and Construction Services	 <u>-</u>	 <u>25,990</u>	 <u>25,990</u>	 <u>25,836</u>	 <u>154</u>
 Total Expenditures	 <u>977,737</u>	 <u>1,252,244</u>	 <u>2,229,981</u>	 <u>2,153,253</u>	 <u>76,728</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures					
	-	-	-	(46,441)	(46,441)
Fund Balances, Beginning of Year, as Restated					
	834,480	-	834,480	834,480	-
Fund Balances, End of Year					
	<u>\$ 834,480.00</u>	<u>\$ -</u>	<u>\$ 834,480.00</u>	<u>788,039</u>	<u>(46,441)</u>

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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.

	<u>General Fund</u>	<u>Special Revenue Fund</u>	
<b>Sources/Inflows of Resources</b>			
Actual revenue amounts (budgetary basis) (Exhibits C-1 and C-2)	\$ 71,693,405	\$ 2,106,812	
Difference - Budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized, net of cancellations			
June 30,2020		5,991	
June 30,2021		(16,849)	
State Aid payment not recognized for GAAP purposes, not recognized for budgetary statements. (2019/2020 State Aid)	756,647		
State Aid payment recognized for budgetary purposes, not recognized for GAAP statements. (2020/2021 State Aid)	<u>(942,181)</u>	<u>-</u>	
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 71,507,871</u>	<u>\$ 2,095,954</u>	
<b>Uses/Outflows of Resources</b>			
Actual expenditure amounts (budgetary basis) (Exhibits C-1 and C-2)	\$ 68,258,678	\$ 2,153,253	
Differences-Budget to GAAP			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.			
June 30,2020		\$ 5,991	
June 30,2021	<u>-</u>	<u>(16,849)</u>	
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 68,258,678</u>	<u>\$ 2,142,395</u>	

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**PENSION INFORMATION**  
**AND**  
**OTHER POST-EMPLOYMENT BENEFITS INFORMATION**

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Public Employees Retirement System**

Last Eight Fiscal Years\*  
(Dollar amounts in thousands)

	<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)	0.12406 %	0.13646 %	0.13866 %	0.13893 %	0.13114 %	0.13065 %	0.12026 %	0.12681 %
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 20,231,764</u>	<u>\$ 24,589,711</u>	<u>\$ 27,303,046</u>	<u>\$ 32,342,692</u>	<u>\$ 38,838,939</u>	<u>\$ 29,329,571</u>	<u>\$ 22,517,299</u>	<u>\$ 24,236,483</u>
District's Covered Payroll	<u>\$ 8,753,603</u>	<u>\$ 8,927,927</u>	<u>\$ 9,428,719</u>	<u>\$ 9,207,855</u>	<u>\$ 9,053,528</u>	<u>\$ 8,820,274</u>	<u>\$ 8,698,012</u>	<u>\$ 8,331,976</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	231.12%	275.42%	289.57%	351.25%	428.99%	332.52%	258.88%	290.89%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT CONTRIBUTIONS**

**Public Employees Retirement System**

Last Eight Fiscal Years  
(Dollar amounts in thousands)

	<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	\$ 1,357,211	\$ 1,327,445	\$ 1,379,299	\$ 1,287,118	\$ 1,165,000	\$ 1,123,288	\$ 991,465	\$ 1,063,968
Contributions in Relation to the Contractually Required Contribution	<u>1,357,211</u>	<u>1,327,451</u>	<u>1,379,299</u>	<u>1,287,118</u>	<u>1,165,000</u>	<u>1,123,288</u>	<u>991,465</u>	<u>1,063,968</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	<u>\$ 8,463,710</u>	<u>\$ 8,753,603</u>	<u>\$ 8,927,927</u>	<u>\$ 9,428,719</u>	<u>\$ 9,207,855</u>	<u>\$ 9,053,528</u>	<u>\$ 8,820,274</u>	<u>\$ 8,698,012</u>
Contributions as a Percentage of Covered Payroll	16.04%	15.16%	15.45%	13.65%	12.65%	12.41%	11.24%	12.23%

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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Teachers Pension and Annuity Fund**

Last Eight Fiscal Years\*  
(Dollar amounts in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 210,521,996</u>	<u>\$ 196,648,125</u>	<u>\$ 192,758,538</u>	<u>\$ 201,709,593</u>	<u>\$ 229,882,009</u>	<u>\$ 177,469,574</u>	<u>\$ 155,072,298</u>	<u>\$ 140,923,005</u>
<b>Total</b>	<u>\$ 210,521,996</u>	<u>\$ 196,648,125</u>	<u>\$ 192,758,538</u>	<u>\$ 201,709,593</u>	<u>\$ 229,882,009</u>	<u>\$ 177,469,574</u>	<u>\$ 155,072,298</u>	<u>\$ 140,923,005</u>
District's Covered Payroll	<u>\$ 35,112,703</u>	<u>\$ 33,579,088</u>	<u>\$ 34,006,335</u>	<u>\$ 32,968,540</u>	<u>\$ 31,124,171</u>	<u>\$ 30,464,167</u>	<u>\$ 28,604,258</u>	<u>\$ 28,131,131</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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**

**Changes of Benefit Terms:** None.

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



**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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>
<b>Total OPEB Liability</b>				
Service Cost	\$ 4,585,889	\$ 4,768,114	\$ 5,193,810	\$ 6,325,826
Interest on Total OPEB Liability	3,483,507	4,137,674	4,376,352	3,736,263
Differences Between Expected and Actual Experience	26,419,598	(14,787,906)	(9,818,763)	-
Changes of Assumptions	28,628,468	1,435,161	(11,885,001)	(15,639,149)
Gross Benefit Payments	(2,728,472)	(2,954,722)	(2,769,384)	(3,313,756)
Contribution from the Member	82,700	87,586	95,714	122,021
<b>Net Change in Total OPEB Liability</b>	60,471,690	(7,314,093)	(14,807,272)	(8,768,795)
<b>Total OPEB Liability - Beginning</b>	<u>96,254,384</u>	<u>103,568,477</u>	<u>118,375,749</u>	<u>127,144,544</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 156,726,074</u>	<u>\$ 96,254,384</u>	<u>\$ 103,568,477</u>	<u>\$ 118,375,749</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>156,726,074</u>	<u>96,254,384</u>	<u>103,568,477</u>	<u>118,375,749</u>
Total OPEB Liability - Ending	<u>\$ 156,726,074</u>	<u>\$ 96,254,384</u>	<u>\$ 103,568,477</u>	<u>\$ 118,375,749</u>
<b>District's Covered Payroll</b>	<u>\$ 43,866,306</u>	<u>\$ 42,507,015</u>	<u>\$ 43,435,054</u>	<u>\$ 42,176,395</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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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**

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Student Activity/ Athletics	Scholarships	Local Grants	Career Pathways	Nonpublic Nursing	Security Aid	Nonpublic Textbooks	Chapter 192		Chapter 193		Exhibit E-1a Totals	Grand Totals											
								Comp. Ed.	Home Instruction	Exam. and Class	Suppl. Inst.													
<b>REVENUES</b>																								
Intergovernmental																								
State			\$	94,094	\$	50,286	\$	80,763	\$	27,368	\$	1,742	\$	419	\$	14,311	\$	13,357	\$	1,009,479	\$	282,340	\$	1,009,479
Federal																								
Local Sources																								
Miscellaneous	\$ 754,447	\$ 161	\$ 60,385	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	814,993
Total Revenues	\$ 754,447	\$ 161	\$ 60,385	\$ 94,094	\$ 50,286	\$ 80,763	\$ 27,368	\$ 1,742	\$ 419	\$ 14,311	\$ 13,357	\$ 1,009,479	\$ 2,106,812											
<b>EXPENDITURES</b>																								
Instruction																								
Salaries of Teachers			\$ 16,018									\$ 71,850	\$ 87,868											
Purchased Professional & Technical Svc												56,216	56,216											
Purchased Professional & Educational Svc			500									-	500											
Other Purchased Services			28									461,065	461,093											
General Supplies			19,277	\$ 52,437								168,415	240,129											
Textbooks						\$ 27,368						-	27,368											
School Sponsored Activities and Athletics	\$ 797,299												797,299											
Other Objects	-		35										35											
Total Instruction	797,299	-	35,858	52,437	-	-	27,368	-	-	-	-	757,546	1,670,508											
Support Services																								
Salaries of Teachers			1,000	5,000									6,000											
Personal Services - Employee Benefits				382								5,542	5,924											
Purchased Professional & Technical Svc			19,216	\$ 50,286	3,190							25,692	98,384											
Purchased Professional & Educational Svc							\$ 1,742	\$ 419	\$ 14,311	\$ 13,357		-	29,829											
Other Purchased Services			2,066	5,350	77,573							132,350	217,339											
General Supplies			914	5,089								72,025	78,028											
Scholarships Awarded		\$ 3,750											3,750											
Other Objects	-	-	1,331									16,324	17,655											
Total Support Services	-	3,750	24,527	15,821	50,286	80,763	-	1,742	419	14,311	13,357	251,933	456,909											
Equipment																								
Instructional Equipment	-	-	-	25,836	-	-	-	-	-	-	-	-	25,836											
Total Facilities Acq. & Construction	-	-	-	25,836	-	-	-	-	-	-	-	-	25,836											
Total Expenditures	797,299	3,750	60,385	94,094	50,286	80,763	27,368	1,742	419	14,311	13,357	1,009,479	2,153,253											
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,852)	(3,589)	-	-	-	-	-	-	-	-	-	-	(46,441)											
Fund Balances, Beginning of Year, as Restated	809,524	24,956	-	-	-	-	-	-	-	-	-	834,480	834,480											
Fund Balances, End of Year	\$ 766,672	\$ 21,367	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 834,480	\$ 788,039											

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	ESEA					Individuals with Disabilities Education Act Part B, Basic	CARES Emergency Relief Grant	Coronavirus Relief Fund	NonPublic Digital Divide	CARES Act- Through County	Total Exhibit E-1a
	Title I	Title IIA	Title III	Title III - Immigrant	Title IV						
<b>REVENUES</b>											
Intergovernmental Federal	\$ 132,225	\$ 127,661	\$ 44,103	\$ 9,199	\$ 71,348	\$ 464,181	\$ 57,798	\$ 55,454	\$ 15,414	\$ 32,096	\$ 1,009,479
Total Revenues	\$ 132,225	\$ 127,661	\$ 44,103	\$ 9,199	\$ 71,348	\$ 464,181	\$ 57,798	\$ 55,454	\$ 15,414	\$ 32,096	\$ 1,009,479
<b>EXPENDITURES</b>											
Instruction											
Salaries of Teachers	\$ 71,850										\$ 71,850
Purchased Professional & Technical Svc	24,000		\$ 4,202	\$ 2,499	\$ 25,515						56,216
Other Purchased Services						\$ 444,081	\$ 7,732	\$ 9,252			461,065
General Supplies	22,073	-	37,532	6,516	30,268	-	50,066	6,274	\$ 15,414	\$ 272	168,415
Total Instruction	117,923	-	41,734	9,015	55,783	444,081	57,798	15,526	15,414	272	757,546
Support Services											
Personal Services - Employee Benefits	5,542										5,542
Purchased Professional & Technical Svc.	3,600				1,992	20,100					25,692
Other Purchased Services		\$ 121,005	1,570		9,775						132,350
General Supplies		273						39,928		\$ 31,824	72,025
Other Objects	5,160	6,383	799	184	3,798	-	-	-	-	-	16,324
Total Support Services	14,302	127,661	2,369	184	15,565	20,100	-	39,928	-	31,824	251,933
Total Expenditures	132,225	127,661	44,103	9,199	71,348	464,181	57,798	55,454	15,414	32,096	1,009,479
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	-	-
fund balances, beginning of year, as restated	-	-	-	-	-	-	-	-	-	-	-
fund balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
PRESCHOOL EDUCATION PROGRAM AID  
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

THIS SCHEDULE IS NOT APPLICABLE

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Balance</u> <u>July 1, 2020</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance,</u> <u>June 30, 2021</u>
<b>SENIOR HIGH SCHOOLS:</b>				
Demarest:				
General Organization Account	\$ 460,970	\$ 302,429	\$ 360,224	\$ 403,175
Athletic Account		54,408	54,408	-
Old Tappan:				
General Organization Account	348,554	348,448	333,505	363,497
Athletic Account	-	49,162	49,162	-
	<u>\$ 809,524</u>	<u>\$ 754,447</u>	<u>\$ 797,299</u>	<u>\$ 766,672</u>

**CAPITAL PROJECTS FUND**



NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Issue/Project Title	Approval Date	Appropriations	Appropriation Modifications	Modified Appropriation	Expenditures to Date		Cancelled	Balance, June 30, 2021
					Prior Year	Current Year		
HVAC and Roof Replacement	7/24/2015	\$ 821,102		\$ 821,102	\$ 323,920		\$ 497,182	-
Various Improvements to Demarest and Old Tappan High Schools	3/8/2016	11,707,485	\$ 435,863	12,143,348	12,122,100	-	21,248	-
Turf Field Project	7/10/2019	898,500	9,558	908,058	808,630	\$ 89,848	-	\$ 9,580
		<u>\$ 13,427,087</u>	<u>\$ 445,421</u>	<u>\$ 13,872,508</u>	<u>\$ 13,254,650</u>	<u>\$ 89,848</u>	<u>\$ 518,430</u>	<u>\$ 9,580</u>
Project Balances, June 30, 2021								<u>\$ 9,580</u>
<b><u>Recapitulation of Fund Balance - June 30, 2021 (GAAP Basis)</u></b>								
Restricted:								
Available for Capital Projects								<u>9,580</u>
Total Fund Balance - Restricted for Capital Projects								<u>\$ 9,580</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**REVENUES AND OTHER FINANCING SOURCES**

## Revenues

Interest Income - Lease Proceeds	\$ 97
Interest Income	<u>63</u>

Total Revenues	<u>160</u>
----------------	------------

**EXPENDITURES AND OTHER FINANCING USES**

Construction Services	89,848
Transfer to Capital Reserve	141,705
SDA Grant Cancelled	<u>376,303</u>

Total Expenditures and Other Financing Uses	<u>607,856</u>
---	----------------

Excess (Deficiency) of Revenues Over (Under) Expenditures	(607,696)
---	-----------

Fund Balance, July 1, 2020	<u>617,276</u>
----------------------------	----------------

Fund Balance, June 30, 2021 (Budgetary Basis)	<u>\$ 9,580</u>
---	-----------------

Fund Balance- June 30, 2021 (GAAP Basis)	<u>\$ 9,580</u>
--	-----------------

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS  
HVAC AND ROOF REPLACEMENT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SDA Grant	\$ 484,902	\$ (376,303)	\$ 108,599	\$ 108,599
Transfer from Capital Reserve	336,200	(120,879)	215,321	215,321
	<u>821,102</u>	<u>(497,182)</u>	<u>323,920</u>	<u>323,920</u>
<b>Total Revenues</b>				
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services	17,112		17,112	17,112
Construction Services	306,808	\$ -	306,808	306,808
	<u>323,920</u>	<u>-</u>	<u>323,920</u>	<u>323,920</u>
<b>Total Expenditures</b>				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 497,182</u>	<u>\$ (497,182)</u>	<u>\$ -</u>	<u>\$ -</u>
 Additional Project Information:				
Project Numbers	3710-050-14-1002-604			
Grant Date	7/24/2015			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 1,212,256			
Additional Authorized Cost	\$ (888,336)			
Revised Authorized Cost	\$ 323,920			
 Percentage Increase Over Original Authorized Cost				
	-73.28%			
Percentage Completion				
	100.00%			
Original Target Completion Date				
	09/01/15			
Revised Target Completion Date				
	06/30/19			

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS  
VARIOUS IMPROVEMENTS AT DEMAREST AND OLD TAPPAN HIGH SCHOOLS  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Bond Proceeds	\$ 11,707,000		\$ 11,707,000	\$ 11,707,000
Transfer from Capital Reserve	<u>435,863</u>	<u>(20,763)</u>	<u>415,100</u>	<u>415,100</u>
 Total Revenues	 <u>12,142,863</u>	 <u>(20,763)</u>	 <u>12,122,100</u>	 <u>12,122,100</u>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services	1,171,550		1,171,550	1,171,550
Construction Services	10,563,697		10,563,697	10,563,697
General Supplies	<u>386,853</u>	<u>-</u>	<u>386,853</u>	<u>386,853</u>
 Total Expenditures	 <u>12,122,100</u>	 <u>-</u>	 <u>12,122,100</u>	 <u>12,122,100</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>\$ 20,763</u>	 <u>\$ (20,763)</u>	 <u>\$ -</u>	 <u>\$ -</u>
 Additional Project Information:				
Project Numbers:	3710-060-14-2000			
	3710-060-14-3000			
	3710-060-14-4000			
	3710-050-15-1000			
	3710-050-15-2000			
	3710-060-15-1000			
	3710-060-16-1000			
	3710-050-14-3000			
Grant Date	N/A			
Bond Authorization Date	03/08/16			
Bonds Authorized	07/12/16			
Bonds Issued	\$ 11,707,000			
Original Authorized Cost	\$ 11,707,485			
Additional Authorized Cost	\$ 414,615			
Revised Authorized Cost	\$ 12,122,100			
 Percentage Increase Over Original Authorized Cost	4%			
Percentage Completion	100%			
Original Target Completion Date	06/30/18			
Revised Target Completion Date	06/30/18			

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS  
TURF FIELD PROJECT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Lease Proceeds	\$ 898,500		\$ 898,500	\$ 898,500
Interest on Deposits	<u>9,461</u>	<u>97</u>	<u>9,558</u>	<u>9,558</u>
Total Revenues	<u>907,961</u>	<u>97</u>	<u>908,058</u>	<u>908,058</u>
<b>Expenditures and Other Financing Uses</b>				
Construction Services	<u>808,630</u>	<u>89,848</u>	<u>898,478</u>	<u>908,058</u>
Total Expenditures	<u>808,630</u>	<u>89,848</u>	<u>898,478</u>	<u>908,058</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 99,331</u>	<u>\$ (89,751)</u>	<u>\$ 9,580</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Numbers:	N/A			
Grant Date	N/A			
Bond Authorization Date				
Bonds Authorized				
Bonds Issued	\$ -			
Original Authorized Cost	\$ 898,500			
Additional Authorized Cost	\$ 9,558			
Revised Authorized Cost	\$ 908,058			
Percentage Increase Over Original Authorized Cost	1%			
Percentage Completion	99%			
Original Target Completion Date	06/30/21			
Revised Target Completion Date	06/30/21			

**ENTERPRISE FUNDS**

**NORTHERN REGIONAL HIGH SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2021**

	Business Type Activities		
	Non-Major Programs		
	<u>Food Service</u>	<u>Teens and Tots</u>	<u>Totals</u>
<b>ASSETS</b>			
Current Assets			
Cash and Cash Equivalents	\$ 84,280	\$ 52,238	\$ 136,518
Intergovernmental Receivable			-
Other Accounts Receivable			-
Due from Other Funds		50	50
Inventories	3,719	-	3,719
Total Current Assets	<u>87,999</u>	<u>52,288</u>	<u>140,287</u>
Capital Assets			
Furniture, machinery & equipment	261,502		261,502
Less: Accumulated Depreciation	<u>(213,550)</u>	<u>-</u>	<u>(213,550)</u>
Total Capital Assets	<u>47,952</u>	<u>-</u>	<u>47,952</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred Amounts on Net Pension Liability	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Outflow of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflow of Resources	<u>135,951</u>	<u>52,288</u>	<u>188,239</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	42,797	8,308	51,105
Due to Other Funds			-
Other Payable		17,500	17,500
Unearned Revenue	<u>-</u>	<u>1,050</u>	<u>1,050</u>
Total Current Liabilities	<u>42,797</u>	<u>26,858</u>	<u>69,655</u>
Noncurrent Liabilities			
Compensated Absences		8,308	8,308
Net Pension Liability	<u>-</u>	<u>-</u>	<u>-</u>
Total Noncurrent Liabilities	<u>-</u>	<u>8,308</u>	<u>8,308</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred Amounts on Net Pension Liability	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Inflow of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflow of Resources	<u>42,797</u>	<u>35,166</u>	<u>77,963</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	47,952	-	47,952
Unrestricted	<u>45,202</u>	<u>17,122</u>	<u>62,324</u>
Total Net Position	<u>\$ 93,154</u>	<u>\$ 17,122</u>	<u>\$ 110,276</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**ENTERPRISE FUNDS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Business Type Activities		
	Non-Major Programs		
	Food Service	Teens and Tots	Totals
<b>OPERATING REVENUES</b>			
Charges for Services			
Daily sales - non-reimbursable	\$ 22,017		\$ 22,017
Special Functions	5,455		5,455
Charges and Fees	-	\$ 1,540	1,540
Total Operating Revenues	<u>27,472</u>	<u>1,540</u>	<u>29,012</u>
<b>OPERATING EXPENSES</b>			
Cost of Sales - non-reimbursable	38,838		38,838
Salaries/Salaries of Teachers	8,329	16,817	25,146
Unallocated Benefits	3,477	25,886	29,363
Other Purchased Services	31,392	464	31,856
Supplies and Materials	3,570	3,285	6,855
Depreciation	4,648	-	4,648
Total Operating Expenses	<u>90,254</u>	<u>46,452</u>	<u>136,706</u>
Operating Income (Loss)	<u>(62,782)</u>	<u>(44,912)</u>	<u>(107,694)</u>
<b>NONOPERATING REVENUES</b>			
On-Behalf (Non-Budgeted)			
TPAF Pension System			
Post Retirement Medical		1,413	1,413
Normal Cost		4,427	4,427
NCGI		84	84
Long-Term Disability		2	2
Reimbursed TPAF S.S.		1,253	1,253
GASB 68 - TPAF On Behalf Adjustment		2,035	2,035
Interest	59	77	136
Total Non-Operating Revenues	<u>59</u>	<u>9,291</u>	<u>9,350</u>
Net Income (Loss) Before Transfers	(62,723)	(35,621)	(98,344)
Transfers			
Transfers In	-	60,000	60,000
Change in Net Position	(62,723)	24,379	(38,344)
Total Net Position - Beginning of Year	<u>155,877</u>	<u>(7,257)</u>	<u>148,620</u>
Total Net Position - Ending of Year	<u>\$ 93,154</u>	<u>\$ 17,122</u>	<u>\$ 110,276</u>



**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
ENTERPRISE FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Business Type Activities		
	Non-Major Programs		
	Food Service	Teens and Tots	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 27,472	\$ (1,245)	\$ 26,227
Payments to Employees and Benefits	(11,806)	(25,181)	(36,987)
Payments to Suppliers for Goods and Services	(12,677)	(8,349)	(21,026)
Net Cash Provided by(Used for) operating activities	<u>2,989</u>	<u>(34,775)</u>	<u>(31,786)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash received from State Subsidy Reimbursement			-
Interfund Transfers	-	65,744	65,744
Net cash provided by (used for) Noncapital financing activities	-	<u>65,744</u>	<u>65,744</u>
<b>CASH FLOWS FROM INVESTMENTS AND RELATED FINANCING ACTIVITIES</b>			
Interest on Deposits	59	77	136
Net cash provided by(used for) capital and related financing activities	<u>59</u>	<u>77</u>	<u>136</u>
Net increase (decrease) in cash and cash equivalents	3,048	31,046	34,094
Cash and Cash Equivalents - Beginning of Year	<u>81,232</u>	<u>21,192</u>	<u>102,424</u>
Cash and Cash Equivalents - End of Year	<u>\$ 84,280</u>	<u>\$ 52,238</u>	<u>\$ 136,518</u>
Reconciliation of Operating Income (loss) to net cash provided by (used for) operating activities			
Operating Income(Loss)	\$ (62,782)	\$ (44,912)	\$ (107,694)
Adjustments to reconcile operating income(loss) to net cash provided (used) by operating activities			
Non-Cash State On Behalf TPAF Pension and OPEB Contributions		9,214	9,214
Depreciation	4,648		4,648
(Increase) Decrease in accounts receivable, net		260	260
(Increase) Decrease in inventories	26,912		26,912
Increase(decrease) in unearned revenues		450	450
Increase(decrease) in other payable		(3,495)	(3,495)
Increase(decrease) in accounts payable	34,211	(4,600)	29,611
Increase(decrease) in accrued salaries and benefits			-
Increase(decrease) in noncurrent liabilities	-	8,308	8,308
Total adjustments	<u>65,771</u>	<u>10,137</u>	<u>75,908</u>
Net cash provided by (used for) operating activities	<u>\$ 2,989</u>	<u>\$ (34,775)</u>	<u>\$ (31,786)</u>

**FIDUCIARY FUNDS**

**NOT APPLICABLE**

**LONG-TERM DEBT**

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
LONG TERM DEBT  
SCHEDULE OF SERIAL BONDS PAYABLE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2020</u>	<u>Retired</u>	<u>Balance, June 30, 2021</u>
			<u>Date</u>	<u>Amount</u>				
2009 School Bonds	8/4/2009	\$ 2,290,000	8/1/2021	\$ 240,000	3.50 %	\$ 1,265,000	\$ 230,000	\$ 1,035,000
			8/1/2022	255,000	3.50			
			8/1/2023	265,000	4.00			
			8/1/2024	275,000	4.00			
2016 School Bonds	7/12/2016	11,707,000	8/1/2021	575,000	2.00	10,682,000	550,000	10,132,000
			8/1/2022-8/1/2028	1,000,000	2.00			
			8/1/2029	900,000	2.00			
			8/1/2030	850,000	2.00			
			8/1/2031	807,000	2.50			
2017 Refunding School Bonds	2/2/2017	7,400,000	2/1/2022	1,000,000	3.00	3,105,000	1,545,000	1,560,000
			2/1/2022	560,000	4.00			
						<u>\$ 15,052,000</u>	<u>\$ 2,325,000</u>	<u>\$ 12,727,000</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
LONG TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE AGREEMENTS/LEASE PURCHASE AGREEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>Issue</u>	<u>Interest Rate</u>	Amount of <u>Original Issue</u>	<u>Balance, July 1, 2020</u>	<u>Retired</u>	<u>Balance, June 30, 2021</u>
Modular Classroom Building	7.94%	\$ 412,490	\$ 88,531	\$ 88,531	-
Athletic Fields	2.477%	898,500	711,659	711,659	-
Ground Lease - Valley Program Project	4.00%-5.00%	4,365,000	<u>4,115,000</u>	<u>260,000</u>	<u>\$ 3,855,000</u>
			<u>\$ 4,915,190</u>	<u>\$ 1,060,190</u>	<u>\$ 3,855,000</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES</b>					
Local Sources					
Local Tax Levy	\$ 2,444,033		\$ 2,444,033	\$ 2,444,033	
State Sources					
Debt Service Aid	250,005	\$ -	250,005	250,005	-
Total Revenues	<u>2,694,038</u>	<u>-</u>	<u>2,694,038</u>	<u>2,694,038</u>	<u>-</u>
<b>EXPENDITURES</b>					
Regular Debt Service					
Principal	2,325,000		2,325,000	2,325,000	-
Interest	369,038	-	369,038	369,038	-
Total Expenditures	<u>2,694,038</u>	<u>-</u>	<u>2,694,038</u>	<u>2,694,038</u>	<u>-</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	-		-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## STATISTICAL SECTION

This part of the Northern Valley Regional High School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the 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.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(accrual basis of accounting)*

	Fiscal Year									
	2012	2013	2014 (Restated)	2015	2016	2017 (Restated)	2018	2019	2020 (Restated)	2021
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ (7,702,913)	\$ (6,002,113)	\$ (5,679,679)	\$ (4,835,391)	\$ (2,655,839)	\$ (1,537,942)	\$ (212,540)	\$ 1,751,382	\$ 5,576,485	\$ 8,971,199
Restricted	2,302,913	2,695,898	1,632,252	2,576,665	2,299,137	2,194,207	3,450,445	4,567,420	7,018,821	9,624,105
Unrestricted	110,430	(932,197)	269,738	(14,728,127)	(15,276,946)	(15,062,664)	(16,699,317)	(17,764,349)	(18,235,920)	(16,399,774)
<b>Total Governmental Activities Net Position</b>	<b>\$ (5,289,570)</b>	<b>\$ (4,238,412)</b>	<b>\$ (3,777,689)</b>	<b>\$ (16,986,853)</b>	<b>\$ (15,633,648)</b>	<b>\$ (14,406,399)</b>	<b>\$ (13,461,412)</b>	<b>\$ (11,445,547)</b>	<b>\$ (5,640,614)</b>	<b>\$ 2,195,530</b>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 94,520	\$ 106,452	\$ 107,934	\$ 88,085	\$ 95,402	\$ 92,526	\$ 106,483	\$ 92,748	\$ 97,801	\$ 125,318
Unrestricted	3,344,331	3,701,448	4,934,685	(3,984,203)	(4,492,879)	(6,135,564)	(7,757,032)	(6,668,538)	(6,445,370)	(7,835,108)
<b>Total Business-Type Activities Net Position</b>	<b>\$ 3,438,851</b>	<b>\$ 3,807,900</b>	<b>\$ 5,042,619</b>	<b>\$ (3,896,118)</b>	<b>\$ (4,397,477)</b>	<b>\$ (6,043,038)</b>	<b>\$ (7,650,549)</b>	<b>\$ (6,575,790)</b>	<b>\$ (6,347,569)</b>	<b>\$ (7,709,790)</b>
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ (7,608,393)	\$ (5,895,661)	\$ (5,571,745)	\$ (4,747,306)	\$ (2,560,437)	\$ (1,445,416)	\$ (106,057)	\$ 1,844,130	\$ 5,674,286	\$ 9,096,517
Restricted	2,302,913	2,695,898	1,632,252	2,576,665	2,299,137	2,194,207	3,450,445	4,567,420	7,018,821	9,624,105
Unrestricted	3,454,761	2,769,251	5,204,423	(18,712,330)	(19,769,825)	(21,198,228)	(24,456,349)	(24,432,887)	(24,681,290)	(24,234,882)
<b>Total District Net Position</b>	<b>\$ (1,850,719)</b>	<b>\$ (430,512)</b>	<b>\$ 1,264,930</b>	<b>\$ (20,882,971)</b>	<b>\$ (20,031,125)</b>	<b>\$ (20,449,437)</b>	<b>\$ (21,111,961)</b>	<b>\$ (18,021,337)</b>	<b>\$ (11,988,183)</b>	<b>\$ (5,514,260)</b>

(1) - Net Position at June 30, 2014 is restated to reflect the implementation of GASB No. 68 "Accounting and Financial Reporting for Pensions".

(2) - Fund Balances at June 30, 2020 have been restated to reflect the implementation of GASB No. 84 "Fiduciary Activities".



**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(Unaudited)  
(accrual basis of accounting)**

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
<b>Governmental Activities</b>										
<b>Instruction</b>										
Regular	\$ 25,153,023	\$ 26,346,867	\$ 25,455,524	\$ 26,513,942	\$ 32,470,087	\$ 36,453,238	\$ 37,509,266	\$ 35,994,518	\$ 34,075,091	\$ 37,214,677
Special Education	2,979,516	2,974,170	2,956,280	3,612,972	7,590,218	8,573,915	9,014,717	7,038,978	8,414,650	8,587,257
Other Instruction	2,098,270	2,662,527	2,706,078	2,573,423	215,251	274,467	367,800	384,015	134,919	336,441
School Sponsored Activities and Athletics					3,194,204	3,588,010	3,893,781	3,430,891	3,558,156	4,314,079
<b>Support Services:</b>										
Tuition	3,103,510	3,730,827	3,954,180	4,339,032						
Student and Instruction Related Services	7,583,943	7,868,758	7,958,877	7,699,646	8,754,056	9,243,193	9,705,031	9,196,610	10,976,335	12,102,929
School Administration Services	3,649,567	3,805,148	3,656,647	3,500,274	4,417,188	4,898,033	4,722,623	4,817,049	3,145,409	3,235,847
General Administrative Services	1,845,039	1,888,064	2,261,567	1,887,360	1,301,361	1,288,164	1,471,261	1,279,639	1,661,752	1,657,276
Plant Operations And Maintenance	4,460,706	4,643,563	5,103,097	4,954,125	5,591,664	6,124,479	6,931,247	7,391,167	6,765,554	6,192,496
Pupil Transportation	1,626,519	1,683,728	1,654,579	1,641,240	1,619,265	1,720,084	1,756,972	2,040,701	1,647,369	1,270,749
Business and Other Support Services	-	-	-	-	965,986	946,417	1,048,946	1,132,655	1,246,589	1,276,962
Special Schools	82,407	75,940	68,385	24,058						
SDA Debt Service Assessment	48,392	67,210	67,210	67,210						
Interest on Long-Term Debt	814,257	749,942	682,605	612,133	537,815	653,603	428,469	397,139	451,674	383,782
<b>Total Governmental Activities Expenses</b>	<b>53,445,149</b>	<b>56,496,744</b>	<b>56,525,029</b>	<b>57,425,415</b>	<b>66,657,095</b>	<b>73,763,603</b>	<b>76,850,113</b>	<b>73,103,362</b>	<b>72,077,498</b>	<b>76,572,495</b>
<b>Business-Type Activities</b>										
Non-Major Programs	1,306,605	1,637,461	1,468,489	1,540,339	1,774,493	1,885,936	1,601,127	1,327,067	1,025,239	136,706
Technical Services	2,394,890	2,105,617	2,666,938	1,550,888	1,116,044	960,341	929,634	927,736	355,934	-
Teens and Tots	282,741	-	-	-	-	-	-	-	-	-
Regional Cooperative Program	904,957	958,507	956,561	1,183,505	1,434,251	1,579,032	1,621,187	1,739,102	1,695,216	1,819,378
Regional Transportation	1,654,686	1,774,394	1,739,880	1,694,080	1,828,084	2,001,992	2,054,891	2,441,722	1,861,787	1,728,188
Regional Special Education	12,677,576	13,402,912	14,188,829	15,232,292	19,955,763	24,203,108	24,119,979	20,350,154	20,990,876	21,270,606
<b>Total Business-Type Activities Expense</b>	<b>19,221,455</b>	<b>19,878,891</b>	<b>21,020,697</b>	<b>21,201,104</b>	<b>26,108,635</b>	<b>30,630,409</b>	<b>30,326,818</b>	<b>26,785,781</b>	<b>25,929,052</b>	<b>24,954,878</b>
<b>Total District Expenses</b>	<b>\$ 72,666,604</b>	<b>\$ 76,375,635</b>	<b>\$ 77,545,726</b>	<b>\$ 78,626,519</b>	<b>\$ 92,765,730</b>	<b>\$ 104,394,012</b>	<b>\$ 107,176,931</b>	<b>\$ 99,889,143</b>	<b>\$ 98,006,550</b>	<b>\$ 101,527,373</b>
<b>Program Revenues</b>										
<b>Governmental Activities</b>										
Charges For Services										
Regular					\$ 436,515	\$ 479,534	\$ 459,388	\$ 464,142	\$ 372,079	\$ 266,464
Special Education						57,000	155,686	238,533	566,510	820,773
Other Instruction								2,612	7,858	13,775
Interest on long-term debt	\$ 73,639	\$ 69,537	\$ 64,137	\$ 9,913						
Operating Grants and Contributions	721,118	656,418	588,837	519,927	14,760,738	20,543,568	22,383,681	18,239,000	17,042,824	23,697,227
Capital Grants and Contributions	7,022,318	8,685,113	8,169,263	7,567,533	109,599	41,640	29,250	50,502	235,090	25,836
<b>Total Governmental Activities Program Revenues</b>	<b>7,817,075</b>	<b>9,411,068</b>	<b>8,822,237</b>	<b>8,097,373</b>	<b>15,306,852</b>	<b>21,121,742</b>	<b>23,028,005</b>	<b>18,994,789</b>	<b>18,224,361</b>	<b>24,824,075</b>
<b>Business-Type Activities</b>										
Charges For Services										
Non-Major Programs	1,285,589	1,605,810	1,506,624	1,477,105	1,675,582	1,705,663	1,522,582	1,252,368	949,787	29,012
Technical Services	3,156,038	2,069,949	2,610,416	1,318,642	716,682	934,104	891,546	1,062,438	396,015	-
Teens and Tots	279,858	-	-	-	-	-	-	-	-	-
Regional Cooperative Program	1,027,687	1,006,340	1,094,086	1,334,198	1,264,099	1,357,097	1,243,284	1,034,182	1,032,428	1,230,262
Regional Transportation	1,645,055	1,751,827	1,751,827	1,968,757	1,580,097	1,960,733	2,051,960	2,437,176	1,836,462	1,726,018
Regional Special Education	13,255,069	13,803,688	15,286,985	15,419,458	17,097,926	18,015,364	17,187,273	17,207,858	17,668,651	15,648,228
Operating Grants And Contributions	-	-	-	-	3,210,006	4,867,159	5,748,006	4,768,312	5,068,911	5,026,406
<b>Total Business Type Activities Program Revenues</b>	<b>20,649,296</b>	<b>20,237,614</b>	<b>22,249,938</b>	<b>21,518,160</b>	<b>25,544,392</b>	<b>28,840,120</b>	<b>28,644,651</b>	<b>27,762,334</b>	<b>26,952,254</b>	<b>23,659,926</b>
<b>Total District Program Revenues</b>	<b>\$ 28,466,371</b>	<b>\$ 29,648,682</b>	<b>\$ 31,072,175</b>	<b>\$ 29,615,533</b>	<b>\$ 40,851,244</b>	<b>\$ 49,961,862</b>	<b>\$ 51,672,656</b>	<b>\$ 46,757,123</b>	<b>\$ 45,176,615</b>	<b>\$ 48,484,001</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (45,628,074)	\$ (47,085,676)	\$ (47,702,792)	\$ (49,328,042)	\$ (51,350,243)	\$ (52,641,861)	\$ (55,822,108)	\$ (54,108,573)	\$ (53,853,137)	\$ (51,748,420)
Business-Type Activities	1,427,841	358,723	1,229,241	317,056	(564,243)	(1,790,289)	(1,682,167)	976,553	1,023,202	(1,294,952)
<b>Total District-Wide Net Expenses</b>	<b>\$ (44,200,233)</b>	<b>\$ (46,726,953)</b>	<b>\$ (46,473,551)</b>	<b>\$ (49,010,986)</b>	<b>\$ (51,914,486)</b>	<b>\$ (54,432,150)</b>	<b>\$ (55,504,275)</b>	<b>\$ (53,132,020)</b>	<b>\$ (52,829,935)</b>	<b>\$ (53,043,372)</b>

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 CHANGES IN NET POSITION  
 LAST TEN FISCAL YEARS  
 (Unaudited)  
 (accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Revenues and Other Changes in Net Assets</b>										
<b>Governmental Activities</b>										
Property Taxes Levied For General Purposes, Net	\$ 45,603,296	\$ 46,515,362	\$ 47,399,154	\$ 48,526,678	\$ 49,835,108	\$ 50,727,156	\$ 51,731,554	\$ 52,910,341	\$ 54,206,644	\$ 55,279,936
Taxes Levied For Debt Service	1,082,867	1,147,183	1,214,763	1,569,746	2,091,842	2,100,486	2,226,494	2,396,656	2,425,745	2,444,033
Federal and State Aid - Unrestricted	72,500	151,402	38,883	81,489	44,968	23,541	32,806	1,091		
Tuition (other than special schools)	307,422	204,028	315,572	336,071						
Investment earnings	19,488	24,853	12,573	12,684						
Miscellaneous Income	213,458	94,008	143,252	187,837	688,436	534,874	504,924	593,014	1,098,787	1,524,472
Adjustment to Capital Assets	(30,412,316)	-	(937,461)	-						
N.J. Economic Development Authority grants	-	-	(23,221)	484,902						
Refunding bond proceeds	4,956	-	-	-						
State Aid Restricted for Debt Service					92,242	92,135	204,739	239,673	245,331	250,005
Transfers	-	-	-	-	(49,148)	(27,452)	66,578	(16,337)	800,000	86,118
<b>Total Governmental Activities</b>	<b>16,891,671</b>	<b>48,136,836</b>	<b>48,163,515</b>	<b>51,199,407</b>	<b>52,703,448</b>	<b>53,450,740</b>	<b>54,767,095</b>	<b>56,124,438</b>	<b>58,776,507</b>	<b>59,584,564</b>
<b>Business-Type Activities</b>										
Investment earnings	9,325	10,326	5,477	6,239	13,736	13,828	27,598	70,635	5,019	456
Refund on prior year revenue	-	-	-	-						
Miscellaneous Income										18,393
Transfers					49,148	27,452	(66,578)	16,337	(800,000)	(86,118)
Change in Net Pension Liability	-	-	-	-	-	-	113,636	11,234	-	-
<b>Total Business-Type Activities</b>	<b>9,325</b>	<b>10,326</b>	<b>5,477</b>	<b>6,239</b>	<b>62,884</b>	<b>41,280</b>	<b>74,656</b>	<b>98,206</b>	<b>(794,981)</b>	<b>(67,269)</b>
<b>Total District-Wide</b>	<b>\$ 16,900,996</b>	<b>\$ 48,147,162</b>	<b>\$ 48,168,992</b>	<b>\$ 51,205,646</b>	<b>\$ 52,766,332</b>	<b>\$ 53,492,020</b>	<b>\$ 54,841,751</b>	<b>\$ 56,222,644</b>	<b>\$ 57,981,526</b>	<b>\$ 59,517,295</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ (28,736,403)	\$ 1,051,160	\$ 460,723	\$ 1,871,365	\$ 1,353,205	\$ 808,879	\$ 944,987	\$ 2,015,865	\$ 4,923,370	\$ 7,836,144
Business-Type Activities	1,437,166	369,049	1,234,718	323,295	(501,359)	(1,749,009)	(1,607,511)	1,074,759	228,221	(1,362,221)
<b>Total District</b>	<b>\$ (27,299,237)</b>	<b>\$ 1,420,209</b>	<b>\$ 1,695,441</b>	<b>\$ 2,194,660</b>	<b>\$ 851,846</b>	<b>\$ (940,130)</b>	<b>\$ (662,524)</b>	<b>\$ 3,090,624</b>	<b>\$ 5,151,591</b>	<b>\$ 6,473,923</b>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(modified accrual basis of accounting)*

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020 (Restated)	2021
General Fund										
Restricted	\$ 1,751,542	\$ 1,904,293	\$ 1,549,498	\$ 1,656,070	\$ 2,784,289	\$ 2,822,534	\$ 4,074,593	\$ 4,740,392	\$ 7,419,766	\$ 10,004,947
Committed						54,537	94,060	125,013	62,293	521,268
Assigned	1,235,849	1,609,490	895,598	842,072	1,052,956	1,101,784	88,288	677,947	47,996	137,273
Unassigned	949,913	912,470	996,136	970,618	461,077	364,690	427,170	388,028	391,388	734,971
Total general fund	<u>3,937,304</u>	<u>4,426,253</u>	<u>3,441,232</u>	<u>3,468,760</u>	<u>4,298,322</u>	<u>4,343,545</u>	<u>4,684,111</u>	<u>5,931,380</u>	<u>7,921,443</u>	<u>11,398,459</u>
All Other Governmental Funds										
Restricted, reported in:										
Special revenue fund									834,480	788,039
Capital projects fund	29,108	11,469	(3,716)	544,886	(485,672)	1,854,173	192,564	142,642	241,973	9,580
Debt service fund		418	869	971	520	26,102	31,251	5,149		
Assigned, reported in:										
Capital projects fund	151,649	8,036		272,500						
Total all other governmental funds	<u>180,757</u>	<u>19,923</u>	<u>(2,847)</u>	<u>818,357</u>	<u>(485,152)</u>	<u>1,880,275</u>	<u>223,815</u>	<u>147,791</u>	<u>1,076,453</u>	<u>797,619</u>
Total Fund Balances	<u>\$ 4,118,061</u>	<u>\$ 4,446,176</u>	<u>\$ 3,438,385</u>	<u>\$ 4,287,117</u>	<u>\$ 3,813,170</u>	<u>\$ 6,223,820</u>	<u>\$ 4,907,926</u>	<u>\$ 6,079,171</u>	<u>\$ 8,997,896</u>	<u>\$ 12,196,078</u>

Source: District records

(1) - Fund Balances at June 30, 2020 have been restated to reflect the implementation of GASB No. 84 "Fiduciary Activities".

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(Unaudited)  
(modified accrual basis of accounting)**

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Tax Levy	\$ 47,407,281	\$ 48,318,962	\$ 49,202,754	\$ 50,616,351	\$ 51,926,950	\$ 52,827,642	\$ 53,958,048	\$ 55,306,997	\$ 56,632,389	\$ 57,723,969
Tuition Charges	381,060	273,565	379,708	345,984						
Interest Earnings	19,488	24,853	12,573	12,684						
Miscellaneous	233,786	175,503	209,914	267,794	1,169,933	1,160,817	1,197,361	1,370,715	2,168,550	3,432,893
State Sources	6,182,621	7,898,059	7,408,709	6,809,259	7,367,594	8,830,390	10,380,557	12,024,517	12,375,448	14,114,885
Federal Sources	891,869	856,961	732,776	759,805	820,747	892,991	890,525	928,610	984,799	1,026,276
<b>Total Revenues</b>	<b>55,116,105</b>	<b>57,547,903</b>	<b>57,946,434</b>	<b>58,811,877</b>	<b>61,285,224</b>	<b>63,711,840</b>	<b>66,426,491</b>	<b>69,630,839</b>	<b>72,161,186</b>	<b>76,298,023</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	18,479,017	18,247,034	19,240,020	19,926,862	27,563,772	29,024,367	30,274,458	32,157,939	31,432,628	32,557,490
Special Education Instruction	2,281,264	2,187,182	2,241,351	2,794,832	6,999,967	7,528,240	7,914,188	6,780,956	7,971,295	7,886,542
Other Instruction					214,899	274,143	366,709	383,047	133,559	126,347
School Sponsored Activities and Athletics	1,834,887	1,971,572	2,052,440	1,980,532	2,713,609	2,851,148	3,144,961	3,083,755	3,289,334	4,055,923
<b>Support Services</b>										
Tuition	3,103,510	3,730,827	3,954,180	4,339,032						
Student and Inst. Related Services	5,861,341	5,933,221	6,252,773	6,096,964	7,841,390	7,929,546	8,226,288	8,214,741	10,151,191	11,255,559
School Administration Services	2,674,623	2,695,827	2,550,169	2,642,592	3,825,645	4,002,277	3,849,880	4,245,254	2,883,823	3,033,738
General Administration Services	1,498,256	1,514,279	1,833,043	1,587,750	1,272,702	1,122,811	1,366,951	1,178,650	1,586,057	1,576,827
Business and Other Support Services					914,227	878,093	924,383	1,023,959	1,172,045	1,138,301
Plant Operations And Maintenance	3,658,417	3,714,825	4,325,075	4,176,152	4,833,781	5,251,786	5,163,571	5,641,330	5,018,258	4,963,208
Pupil Transportation	1,579,595	1,631,308	1,597,668	1,587,075	1,602,455	1,697,256	1,723,740	2,010,397	1,627,222	1,270,749
Other Support Services										
Unallocated Employee Benefits	10,684,269	12,158,179	12,056,282	10,925,005						
Transfer of Funds to Charter Schools	61,740	55,520	50,953	18,339						
Capital Outlay	959,117	1,202,645	600,762	190,616	1,258,138	10,544,861	2,332,190	965,238	8,603,056	1,320,275
<b>Debt Service</b>										
Principal	1,330,000	1,400,000	1,465,000	1,540,000	1,615,000	1,795,560	1,810,396	2,220,985	2,748,859	3,385,190
Interest and Other Charges	840,388	777,369	711,288	642,297	569,535	607,912	711,248	537,006	550,558	614,810
<b>Total Expenditures</b>	<b>54,846,424</b>	<b>57,219,788</b>	<b>58,931,004</b>	<b>58,448,048</b>	<b>61,225,120</b>	<b>73,508,000</b>	<b>67,808,963</b>	<b>68,443,257</b>	<b>77,167,885</b>	<b>73,184,959</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>269,681</b>	<b>328,115</b>	<b>(984,570)</b>	<b>363,829</b>	<b>60,104</b>	<b>(9,796,160)</b>	<b>(1,382,472)</b>	<b>1,187,582</b>	<b>(5,006,699)</b>	<b>3,113,064</b>
<b>Other Financing Sources (Uses)</b>										
Proceeds from Borrowing						11,707,000				
Capital Leases (Non-Budgeted)						412,490			5,263,500	
Premium on Leases									815,361	
Foundation Contribution									165,000	
Proceeds from Refunding						7,862,649				
Payments to Escrow Agent						(7,747,877)				
N.J. Economic Development Authority Grants			(23,221)	484,902						(1,000)
Transfers in	275,362	280,662	279,371	336,720		500,345	102,374	10,353	1,600,000	287,823
Transfers Out	(274,998)	(280,662)	(279,371)	(336,720)	(49,148)	(527,797)	(35,796)	(26,690)	(800,000)	(201,705)
<b>Total Other Financing Sources (Uses)</b>	<b>364</b>	<b>-</b>	<b>(23,221)</b>	<b>484,902</b>	<b>(49,148)</b>	<b>12,206,810</b>	<b>66,578</b>	<b>(16,337)</b>	<b>7,043,861</b>	<b>85,118</b>
<b>Net Change in Fund Balances</b>	<b>\$ 270,045</b>	<b>\$ 328,115</b>	<b>\$ (1,007,791)</b>	<b>\$ 848,731</b>	<b>\$ 10,956</b>	<b>\$ 2,410,650</b>	<b>\$ (1,315,894)</b>	<b>\$ 1,171,245</b>	<b>\$ 2,037,162</b>	<b>\$ 3,198,182</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>4.03%</b>	<b>3.89%</b>	<b>3.73%</b>	<b>3.75%</b>	<b>3.64%</b>	<b>3.82%</b>	<b>3.85%</b>	<b>4.09%</b>	<b>4.81%</b>	<b>5.57%</b>

\* Noncapital expenditures are total expenditures less capital outlay.

Note - The District did not allocate unallocated employee benefits and tuition prior to the fiscal year ended June 30, 2016.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 GOVERNMENTAL FUND OTHER LOCAL REVENUE BY SOURCE  
 LAST TEN FISCAL YEARS  
 (Unaudited)**

<u>Fiscal Year Ended June 30,</u>	<u>Summer School</u>	<u>Tuition</u>	<u>Interest</u>	<u>Gate Receipts</u>	<u>Rentals</u>	<u>Athletics and Activities Fees</u>	<u>Laptop Maintenance and Rentals</u>	<u>Sale of Assets</u>	<u>Unemployment Contributions</u>	<u>Insurance Refund</u>	<u>Miscellaneous</u>	<u>Total</u>
2012	\$ 87,504	\$ 291,956	\$ 19,099	\$ 15,695		\$ 115,502				\$ 17,000	\$ 65,262	\$ 612,018
2013	70,975	202,591	24,436	14,033	\$ 204	60,838					18,932	392,009
2014	64,137	315,572	12,122	14,223	5,075	38,458					85,496	535,083
2015	9,913	336,071	12,163	17,680	11,105	90,275					4	477,211
2016	5,225	431,290	27,351	18,955	24,381	158,609	\$ 175,051	\$ 233,982			50,107	1,124,951
2017	6,650	529,884	26,575	25,890	15,828	138,238	267,986				32,005	1,043,056
2018	6,413	608,661	55,529	23,629	28,392	59,303	71,898	169,053			70,732	1,093,610
2019	2,612	702,675	165,758	21,972	11,642	92,839	163,487				126,963	1,287,948
2020	7,858	938,569	141,525		416,030	104,335	158,868				268,588	2,035,773
2021	13,775	1,087,237	103,820		483,959	93,006	151,719		193,957		497,851	2,625,324

Source: School District's Records

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN YEARS  
 (Unaudited)

Closter Borough

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>a</sup>
2012	\$ 24,006,400	\$ 1,784,300,900	\$ 5,503,300	\$ 220,571,000	\$ 15,045,700	\$ 959,600	\$ 2,050,386,900	\$ 5,642,577	\$ 2,056,029,477	\$ 2,094,167,079	\$ 0.522
2013	20,163,200	1,796,514,400	5,503,300	218,075,800	15,045,700	959,600	2,056,262,000	100,000	2,056,362,000	2,035,360,558	0.520
2014	21,831,400	1,799,979,800	4,572,100	219,295,200	19,545,700	959,600	2,066,183,800	100,000	2,066,283,800	2,030,585,074	0.520
2015	20,358,100	1,805,323,200	4,572,100	216,624,800	18,964,000	959,600	2,066,801,800	100,000	2,066,901,800	2,099,516,054	0.539
2016	19,884,100	1,816,990,700	4,642,700	216,412,100	18,964,000	959,600	2,077,853,200	100,000	2,077,953,200	2,129,915,670	0.553
2017	19,611,500	1,825,939,100	4,638,400	215,541,300	19,914,000	959,600	2,086,603,900	100,000	2,086,703,900	2,140,987,596	0.565
2018	18,196,800	1,884,747,100	5,062,100	237,104,000	21,569,100		2,166,679,100	100,000	2,166,779,100	2,168,261,971	0.544
2019	18,903,200	1,923,578,700	5,457,800	256,031,300	22,812,900		2,226,783,900	100,000	2,226,883,900	2,226,975,293	0.528
2020	18,627,800	1,956,453,700	5,572,500	265,247,800	23,968,500		2,269,870,300	100,000	2,269,970,300	2,293,283,498	0.525
2021	17,355,800	1,948,606,900	5,528,800	262,408,600	24,092,200		2,257,992,300	100,000	2,258,092,300	2,260,654,086	0.539

Demarest Borough

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>a</sup>
2012	\$ 18,514,400	\$ 1,183,373,100		\$ 36,920,200		\$ 1,350,000	\$ 1,240,157,700	\$ 632,812	\$ 1,240,790,512	\$ 1,396,024,774	\$ 0.555
2013	15,219,900	1,199,148,900		36,920,200		1,350,000	1,252,639,000	91,530	1,252,730,530	1,387,669,514	0.550
2014	14,578,200	1,213,910,800		36,920,200		1,350,000	1,266,759,200	88,910	1,266,848,110	1,425,536,144	0.551
2015	12,778,100	1,225,059,400		36,920,200		1,350,000	1,276,107,700	85,020	1,276,192,720	1,501,723,835	0.567
2016	12,763,100	1,240,829,500		36,920,200		1,350,000	1,291,862,800	85,020	1,291,947,820	1,516,882,756	0.575
2017	10,281,800	1,272,223,900		36,920,200		1,350,000	1,320,775,900	83,130	1,320,859,030	1,589,584,628	0.572
2018	10,281,800	1,284,770,200		36,920,200		1,350,000	1,333,322,200	83,130	1,333,405,330	1,602,178,919	0.602
2019	10,281,800	1,295,887,500		36,920,200		1,350,000	1,344,439,500	83,130	1,344,522,630	1,622,129,602	0.648
2020	10,281,800	1,306,164,300		36,920,200		1,350,000	1,354,716,300	81,710	1,354,798,010	1,658,936,268	0.682
2021	8,810,900	1,312,340,700		36,920,200		1,350,000	1,359,421,800	82,810	1,359,504,610	1,642,574,368	0.705

a Tax rates are per \$100

Source: County Abstract of Ratables

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN YEARS  
 (Unaudited)

Harrington Park Borough

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>a</sup>
2012	\$ 14,736,500	\$ 1,015,222,100		\$ 32,442,300			\$ 1,062,400,900	\$ 820,664	\$ 1,063,221,564	\$ 983,913,449	\$ 0.458
2013	12,498,400	856,365,100		28,418,700			897,282,200		897,282,200	918,267,901	0.546
2014	12,498,400	855,446,400		28,221,900			896,166,700		896,166,700	940,449,312	0.576
2015	12,498,400	854,583,200		28,151,900			895,233,500		895,233,500	957,430,915	0.587
2016	12,498,400	856,178,500		27,192,100			895,869,000		895,869,000	977,108,511	0.591
2017	12,498,400	856,483,100		27,192,100			896,173,600		896,173,600	995,996,199	0.610
2018	12,498,400	856,504,400		27,192,100			896,194,900		896,194,900	993,808,185	0.610
2019	12,470,900	860,351,100		26,732,100			899,554,100		899,554,100	997,967,848	0.618
2020	12,470,900	859,526,400		30,473,600			902,470,900		902,470,900	1,020,306,460	0.631
2021	13,205,500	860,276,100		55,351,600			928,833,200		928,833,200	1,059,914,304	0.646

103

Haworth Borough

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>a</sup>
2012	\$ 14,802,000	\$ 683,084,200		\$ 97,551,200			\$ 795,437,400	\$ 507,416	\$ 795,944,816	\$ 1,036,587,284	\$ 0.617
2013	15,354,600	681,765,000		97,638,300			794,757,900	577,488	795,335,388	988,226,052	0.664
2014	15,027,000	683,331,400		94,794,900			793,153,300	571,705	793,725,005	927,314,313	0.691
2015	13,886,600	684,502,500		92,027,800			790,416,900	572,378	790,989,278	947,007,450	0.715
2016	12,288,800	688,316,600		91,150,400			791,755,800	581,033	792,336,833	938,535,971	0.721
2017	12,100,500	691,773,000		91,150,400			795,023,900	613,996	795,637,896	918,832,229	0.693
2018	12,041,100	699,524,400		91,125,400			802,690,900	584,214	803,275,114	937,029,912	0.674
2019	11,304,000	703,395,900		91,125,400			805,825,300	589,249	806,414,549	935,150,231	0.682
2020	10,346,000	709,836,000		84,689,800			804,871,800	589,673	805,461,473	935,052,600	0.699
2021	11,949,300	716,453,100		82,831,200			811,233,600	592,673	811,826,273	944,901,562	0.694

<sup>a</sup> Tax rates are per \$100

Source: County Abstract of Ratables

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN YEARS  
 (Unaudited)**

**Northvale Borough**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>a</sup>
2012	\$ 10,447,800	\$ 577,248,700		\$ 76,057,200	\$ 188,365,500		\$ 852,119,200	\$ 908,803	\$ 853,028,003	\$ 974,575,740	\$ 0.594
2013	10,277,900	576,719,800		77,344,700	187,827,700		852,170,100		852,170,100	929,610,243	0.600
2014	10,277,900	575,935,300		77,344,700	187,827,700		851,385,600	908,803	852,294,403	923,036,029	0.634
2015	10,049,700	576,016,200		81,420,700	186,088,200		853,574,800	908,803	854,483,603	913,012,611	0.639
2016	10,641,100	576,988,300		81,392,200	185,749,300		854,770,900	908,803	855,679,703	947,649,798	0.636
2017	9,122,000	579,726,300		81,214,600	185,541,400		855,604,300	908,803	856,513,103	937,826,702	0.657
2018	9,122,000	581,350,700		81,256,200	185,541,400		857,270,300	908,803	858,179,103	981,568,465	0.687
2019	11,071,200	590,031,600		81,313,300	183,330,100		865,746,200	908,803	866,655,003	1,007,436,738	0.702
2020	9,479,800	595,688,700		81,272,000	175,972,000		862,412,500	908,803	863,321,303	1,010,414,027	0.706
2021	9,727,700	596,193,900		87,977,300	171,472,000		865,370,900	908,803	866,279,703	989,031,798	0.687

**Norwood Borough**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>a</sup>
2012	\$ 7,705,900	\$ 986,809,800	\$ 44,300	\$ 70,643,900	\$ 97,495,300	\$ 16,500,000	\$ 1,179,199,200	\$ 1,103,992	\$ 1,180,303,192	\$ 1,327,086,242	\$ 0.568
2013	7,230,100	988,084,400	44,300	70,643,900	97,495,300	16,500,000	1,179,998,000		1,179,998,000	1,273,704,913	0.572
2014	7,059,100	987,504,100	44,300	70,643,900	97,495,300	16,500,000	1,179,246,700		1,179,246,700	1,225,344,833	0.556
2015	6,850,100	988,459,100	44,300	71,289,200	97,395,300	16,500,000	1,180,538,000		1,180,538,000	1,240,810,250	0.567
2016	11,878,400	990,623,100	44,300	69,189,200	97,173,900	16,500,000	1,185,408,900		1,185,408,900	1,291,038,163	0.604
2017	8,763,400	996,442,100	44,300	65,125,900	97,167,600	16,500,000	1,184,043,300		1,184,043,300	1,298,979,351	0.611
2018	8,213,100	999,496,800	44,300	63,525,800	96,999,600	16,500,000	1,184,779,600		1,184,779,600	1,274,815,010	0.617
2019	8,991,100	1,000,494,000	44,300	82,870,900	100,799,100	16,500,000	1,209,699,400		1,209,699,400	1,305,700,439	0.621
2020	8,555,900	1,003,243,300	44,300	81,331,300	95,983,200	16,500,000	1,205,658,000		1,205,658,000	1,300,794,605	0.641
2021	6,244,400	1,008,455,300	44,300	82,173,500	95,983,200	16,500,000	1,209,400,700		1,209,400,700	1,317,628,166	0.658

<sup>a</sup> Tax rates are per \$100

Source: County Abstract of Ratables



**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN YEARS  
 (Unaudited)**

	<b>Old Tappan Borough</b>							Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>a</sup>
	Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment					
105	2012	\$ 47,906,700	\$ 1,597,442,700	\$ 373,800	\$ 81,586,500		\$ 698,100	\$ 1,728,007,800	\$ 1,361,524	\$ 1,729,369,324	\$ 1,776,965,605	\$ 0.501
	2013	47,525,500	1,600,828,900	373,800	81,308,800		698,100	1,730,735,100	1,299,066	1,732,034,166	1,783,242,734	0.528
	2014	43,661,000	1,594,422,600	373,800	80,435,200		698,100	1,719,590,700	1,156,788	1,720,747,488	1,708,954,754	0.557
	2015	43,312,500	1,599,653,900	373,800	80,399,200		698,100	1,724,437,500	1,190,284	1,725,627,784	1,733,909,301	0.570
	2016	40,450,900	1,606,134,700	373,800	80,545,500		2,817,100	1,730,322,000	1,149,128	1,731,471,128	1,721,634,054	0.570
	2017	39,118,600	1,609,983,000	373,800	80,256,200		2,817,100	1,732,548,700	1,117,527	1,733,666,227	1,765,955,122	0.589
	2018	37,566,000	1,619,099,500	373,800	80,256,200		2,817,100	1,740,112,600	1,117,699	1,741,230,299	1,769,692,974	0.617
	2019	37,375,800	1,612,161,900	373,800	80,256,200		2,817,100	1,732,984,800	1,128,230	1,734,113,030	1,748,800,451	0.627
	2020	35,410,500	1,605,531,900	373,800	80,256,200		9,176,500	1,730,748,900	1,141,337	1,731,890,237	1,747,913,050	0.629
	2021	34,618,500	1,617,168,200	373,800	62,970,400		8,955,400	1,724,086,300	1,146,335	1,725,232,635	1,742,930,480	0.628

<sup>a</sup> Tax rates are per \$100

Source: County Abstract of Ratables

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
(Unaudited)  
(rate per \$100 of assessed value)**

Fiscal Year Ended December 31,	Total Direct School Tax Rate	Closter Borough Overlapping Rates			Total Direct and Overlapping Tax Rate
		Municipality	Local School	County	
2012	\$ 0.522	\$ 0.517	\$ 0.821	\$ 0.224	\$ 2.084
2013	0.520	0.521	0.834	0.227	2.102
2014	0.520	0.535	0.844	0.230	2.129
2015	0.539	0.547	0.860	0.244	2.190
2016	0.553	0.559	0.875	0.252	2.239
2017	0.565	0.569	0.890	0.258	2.282
2018	0.544	0.556	0.881	0.245	2.226
2019	0.528	0.555	0.889	0.245	2.217
2020	0.525	0.561	0.904	0.251	2.241
2021	0.539	0.578	0.934	0.253	2.304

Source: Municipal Tax Collector

Fiscal Year Ended December 31,	Total Direct School Tax Rate	Demarest Borough Overlapping Rates			Total Direct and Overlapping Tax Rate
		Municipality	Local School	County	
2012	\$ 0.555	\$ 0.511	\$ 0.989	\$ 0.240	\$ 2.295
2013	0.550	0.543	1.000	0.255	2.348
2014	0.551	0.551	0.995	0.263	2.360
2015	0.567	0.562	1.000	0.283	2.412
2016	0.575	0.565	1.016	0.289	2.445
2017	0.572	0.566	1.044	0.302	2.484
2018	0.602	0.562	1.087	0.294	2.545
2019	0.648	0.573	1.110	0.295	2.626
2020	0.682	0.593	1.125	0.304	2.704
2021	0.705	0.618	1.143	0.303	2.769

Source: Municipal Tax Collector

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
(Unaudited)  
(rate per \$100 of assessed value)**

**Harrington Park Borough**

Fiscal Year Ended December 31,	Total Direct School Tax Rate	Overlapping Rates			Total Direct and Overlapping Tax Rate
		Municipality	Local School	County	
2012	\$ 0.458	\$ 0.453	\$ 0.969	\$ 0.201	\$ 2.081
2013	0.546	0.544	1.172	0.233	2.495
2014	0.576	0.554	1.218	0.245	2.593
2015	0.587	0.555	1.255	0.257	2.654
2016	0.591	0.568	1.295	0.268	2.722
2017	0.610	0.582	1.330	0.280	2.802
2018	0.610	0.595	1.355	0.272	2.832
2019	0.618	0.608	1.389	0.270	2.885
2020	0.631	0.624	1.412	0.280	2.947
2021	0.646	0.639	1.398	0.277	2.960

Source: Municipal Tax Collector

**Haworth Borough**

Fiscal Year Ended December 31,	Total Direct School Tax Rate	Overlapping Rates			Total Direct and Overlapping Tax Rate
		Municipality	Local School	County	
2012	\$ 0.617	\$ 0.703	\$ 1.032	\$ 0.288	\$ 2.640
2013	0.664	0.697	1.052	0.286	2.699
2014	0.691	0.714	1.074	0.273	2.752
2015	0.715	0.729	1.063	0.288	2.795
2016	0.721	0.756	1.149	0.284	2.910
2017	0.693	0.772	1.128	0.290	2.883
2018	0.674	0.771	1.136	0.286	2.867
2019	0.682	0.782	1.164	0.283	2.911
2020	0.699	0.795	1.137	0.288	2.919
2021	0.694	0.809	1.150	0.291	2.944

Source: Municipal Tax Collector

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
(Unaudited)  
(rate per \$100 of assessed value)**

Fiscal Year Ended December 31,	Total Direct School Tax Rate	Northvale Borough Overlapping Rates			Total Direct and Overlapping Tax Rate
		Municipality	Local School	County	
2012	\$ 0.594	\$ 0.662	\$ 0.982	\$ 0.251	\$ 2.489
2013	0.600	0.663	1.001	0.251	2.515
2014	0.634	0.663	1.023	0.253	2.573
2015	0.639	0.696	1.041	0.257	2.633
2016	0.636	0.709	1.059	0.272	2.676
2017	0.657	0.722	1.083	0.274	2.736
2018	0.687	0.765	1.108	0.280	2.840
2019	0.702	0.811	1.129	0.283	2.925
2020	0.706	0.865	1.173	0.288	3.032
2021	0.687	0.880	1.175	0.284	3.026

Source: Municipal Tax Collector

Fiscal Year Ended December 31,	Total Direct School Tax Rate	Norwood Borough Overlapping Rates			Total Direct and Overlapping Tax Rate
		Municipality	Local School	County	
2012	\$ 0.568	\$ 0.639	\$ 0.766	\$ 0.245	\$ 2.218
2013	0.572	0.650	0.779	0.248	2.249
2014	0.556	0.662	0.794	0.243	2.255
2015	0.567	0.671	0.790	0.253	2.281
2016	0.604	0.682	0.820	0.268	2.374
2017	0.611	0.690	0.855	0.274	2.430
2018	0.617	0.708	0.854	0.263	2.442
2019	0.621	0.707	0.854	0.262	2.444
2020	0.641	0.721	0.891	0.264	2.517
2021	0.658	0.729	0.914	0.274	2.575

Source: Municipal Tax Collector

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
(Unaudited)  
(rate per \$100 of assessed value)**

Fiscal Year Ended December 31,	Total Direct School Tax Rate	Old Tappan Borough Overlapping Rates			Total Direct and Overlapping Tax Rate
		Municipality	Local School	County	
2012	\$ 0.501	\$ 0.277	\$ 0.747	\$ 0.226	\$ 1.751
2013	0.528	0.284	0.765	0.237	1.814
2014	0.557	0.292	0.790	0.232	1.871
2015	0.570	0.305	0.805	0.242	1.922
2016	0.570	0.316	0.822	0.245	1.953
2017	0.589	0.325	0.835	0.256	2.005
2018	0.617	0.332	0.823	0.249	2.021
2019	0.627	0.340	0.850	0.246	2.063
2020	0.629	0.340	0.873	0.250	2.092
2021	0.628	0.347	0.894	0.254	2.123

Source: Municipal Tax Collector

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS,  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)

Fiscal Year Ended June 30,	Closter Borough			
	2021		2012	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Closter Marketplace (EBA) LLC	\$ 59,366,700	2.63%	\$ 31,500,000	1.53%
Railroad Avenue Real Estate Holdings, LLC	8,657,100	0.38%	8,645,300	0.42%
Closter Grocery	8,500,000	0.38%		
Heidenberg Closter Assoc.	8,250,000	0.37%	6,999,700	0.34%
Closter Golf, Inc	7,609,200	0.34%	7,368,000	0.36%
Suez C/O Altus Group	5,891,200	0.26%		
Fred Reuten, Inc.	4,926,600	0.22%	4,492,400	0.22%
DWL Monmouth c/o Daniel Cho	4,864,600	0.22%	4,553,500	0.22%
50 Railroad LLC	4,705,000	0.21%		
Reuten Associates	4,617,800	0.20%	4,581,700	0.22%
United Water New Jersey			5,891,200	0.29%
Verizon			5,642,577	0.27%
BR NJ LLC			4,167,400	0.20%
<b>Total</b>	<b>\$ 117,388,200</b>	<b>5.20%</b>	<b>\$ 83,841,777</b>	<b>4.07%</b>

Source: Municipal Tax Assessor

Fiscal Year Ended June 30,	Demarest Borough			
	2021		2012	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Alpine Country Club	\$ 32,323,800	2.38%		
Lavie Management Company, LLC	4,232,600	0.31%		
Individual Taxpayer #1	3,850,000	0.28%		
Individual Taxpayer #2	3,700,000	0.27%		
Individual Taxpayer #3	3,598,000	0.26%		
Individual Taxpayer #4	3,330,600	0.24%		
Individual Taxpayer #5	3,250,000	0.24%		
Individual Taxpayer #6	3,178,800	0.23%		
Individual Taxpayer #7	3,177,000	0.23%		
Individual Taxpayer #9	3,107,800	0.23%		
<b>Total</b>	<b>\$ 63,748,600</b>	<b>4.69%</b>		

INFORMATION NOT AVAILABLE

Source: Municipal Tax Assessor

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS,  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)

Fiscal Year Ended June 30,	Harrington Park Borough			
	2021		2012	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
The Allegro at Harrington Park, LLC	\$ 40,000,000	4.31%		
Suez United Water c/o Altus Group	10,526,000	1.13%		
United Water Resources			32,008,900	3.36%
Quantmeyer	2,779,300	0.30%	3,915,100	0.41%
Rockland Electric Co.	2,681,800	0.29%	3,018,900	0.32%
76 Schralenburgh Road			2,274,600	0.24%
Red Pin Properties LLC	1,440,000	0.16%		
Individual Taxpayer #1	1,379,900	0.15%	1,564,800	0.16%
Individual Taxpayer #2	1,200,000	0.13%	1,555,500	0.16%
Artpaul			1,369,200	0.14%
Individual Taxpayer #3	1,159,900	0.12%	1,427,200	0.15%
Individual Taxpayer #4	1,155,200	0.12%	1,327,700	0.14%
Individual Taxpayer #5	1,123,000	0.12%	1,250,000	0.13%
<b>Total</b>	<b>\$ 63,445,100</b>	<b>6.83%</b>	<b>\$ 49,711,900</b>	<b>5.21%</b>

Source: Municipal Tax Assessor

Fiscal Year Ended June 30,	Haworth Borough			
	2021		2012	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Suez C/O Altus Group US, Inc	\$ 51,789,000	6.38%		
Haworth Country Club	18,000,000	2.22%		
White Beeches Golf Club	9,000,000	1.11%		
Individual Taxpayer #1	2,207,500	0.27%		
Haworth BWR 4, LLC	2,202,300	0.27%		
342 Whitman, LLC	2,200,700	0.27%		
Lakeshore Estates, LLC	1,825,000	0.22%		
Individual Taxpayer #2	1,638,500	0.20%		
Individual Taxpayer #3	1,564,600	0.19%		
Individual Taxpayer #4	1,553,800	0.19%		
<b>Total</b>	<b>\$ 91,981,400</b>	<b>11.33%</b>	<b>\$ -</b>	<b>0.00%</b>

INFORMATION NOT AVAILABLE

Source: Municipal Tax Assessor

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS,  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)

Fiscal Year Ended June 30,	Northvale Borough			
	2021		2012	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Maxim Enterprises, LLC	\$ 21,128,000	2.44%	\$ 26,729,600	3.13%
251 Union Holdings, LLC	7,399,000	0.85%		
Northvale Shopping Center Assoc.	8,406,700	0.97%	9,504,700	1.11%
GEA Mechanical Equipment	4,568,700	0.53%		
S & R Costa Realty LP	4,731,000	0.55%		
PSI Atlantic Northvale NJ, LLC	5,615,100	0.65%		
Northvale Holding Co. LLC	5,101,000	0.59%	6,094,000	0.71%
Trasco Realty LLC	4,123,400	0.48%		
Klaus Rexroth Incorporated	5,466,900	0.63%		
Ludlow Realty, LLC	3,348,600	0.39%		
1554 Union Street Assoc.			12,711,200	1.49%
Roselle Costa			6,252,400	0.73%
Cho Dae Presbyterian Church			6,120,200	0.72%
173 Northvale, LLC			4,976,700	0.58%
Roselle Costa			4,352,200	0.51%
Bergen Vale Associates			3,611,700	0.42%
Hausman Industries			3,555,700	0.42%
<b>Total</b>	<b>\$ 69,888,400</b>	<b>8.07%</b>	<b>\$ 83,908,400</b>	<b>9.82%</b>

Source: Municipal Tax Assessor

Fiscal Year Ended June 30,	Norwood Borough			
	2021		2012	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
CSH Norwood LLC				
Buckingham at Norwood Real Estate				
Norwood Associates II, LLC				
335 Chestnut Street LLC				
Life Storage LP				
355 Chestnut Assoc. C/O Sanzai, A.	INFORMATION NOT AVAILABLE		INFORMATION NOT AVAILABLE	
Winpak Control Group LLC				
Norwest LLC				
Norwood Self Storage C/O Yelland Prop.				
Ghula, Robert M.				
<b>Total</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>	<b>0.00%</b>

Source: Municipal Tax Assessor



NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS,  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)

Fiscal Year Ended June 30,	Old Tappan Borough			
	2021		2012	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
United Water NJ	\$ 26,460,000	1.53%	\$ 26,460,000	1.53%
Prentice Hall			19,000,000	1.10%
200 OTR LLC; HRP Construction	4,550,500	0.26%		
SZR Old Tappan Assisted Living	10,860,800	0.63%	10,860,800	0.63%
A&R, A LTD Ptnr.	9,869,000	0.57%	10,242,600	0.59%
A&R, A LTD Ptnr.	7,227,800	0.42%	7,727,800	0.45%
Individual Taxpayer #1	3,398,400	0.20%	5,515,600	0.32%
Individual Taxpayer #2	2,960,000	0.17%	3,636,700	0.21%
JP Morgan Chase Bank Nat'l Assoc.	3,400,000	0.20%		
Individual Taxpayer #3	2,606,300	0.15%	3,230,700	0.19%
MCH-OT Realty LLC	2,809,800	0.16%		
Individual Taxpayer #4			2,889,900	0.17%
Individual Taxpayer #5			2,264,300	0.13%
<b>Total</b>	<b>\$ 74,142,600</b>	<b>4.30%</b>	<b>\$ 91,828,400</b>	<b>5.32%</b>

Source: Municipal Tax Assessor

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2012	\$ 47,407,281	\$ 47,407,281	100.00%	
2013	48,318,962	48,318,962	100.00%	
2014	49,202,754	49,202,754	100.00%	
2015	50,616,351	50,616,351	100.00%	
2016	51,926,950	51,926,950	100.00%	
2017	52,827,642	52,827,642	100.00%	
2018	53,958,048	53,958,048	100.00%	
2019	55,306,997	55,306,997	100.00%	
2020	56,632,389	56,632,389	100.00%	
2021	57,723,969	57,723,969	100.00%	

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(Unaudited)**

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		<u>Total District</u>	<u>Population</u>	<u>Per Capita</u>
	<u>General Obligation Bonds</u>	<u>Capital Leases</u>			
2012	\$ 17,495,000	\$ 478,685	\$ 17,973,685	37,949	\$ 474
2013	16,095,000	199,050	16,294,050	38,134	427
2014	14,630,000		14,630,000	38,170	383
2015	13,090,000		13,090,000	38,300	342
2016	11,475,000		11,475,000	38,330	299
2017	21,167,000	316,930	21,483,930	38,414	559
2018	19,427,000	246,534	19,673,534	38,264	514
2019	17,282,000	170,549	17,452,549	38,147	458
2020	15,052,000	4,915,190	19,967,190	37,896 A	527
2021	12,727,000	3,855,000	16,582,000	37,896 A	438

A - Estimate

Source: District records

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
(Unaudited)**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions			
2012	\$ 17,495,000		\$ 17,495,000	0.20%	461
2013	16,095,000		16,095,000	0.18%	422
2014	14,630,000		14,630,000	0.17%	383
2015	13,090,000		13,090,000	0.15%	342
2016	11,475,000	\$ 520	11,474,480	0.13%	299
2017	21,167,000	26,102	21,140,898	0.24%	550
2018	19,427,000	31,251	19,395,749	0.22%	507
2019	17,282,000	5,149	17,276,851	0.19%	453
2020	15,052,000		15,052,000	0.16%	397
2021	12,727,000		12,727,000	0.14%	336

Source: District records

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2020  
(Unaudited)**

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Municipal Debt: (1)			
Local School Purposes	\$ 7,787,000	\$ 7,787,000	
Regional School Purposes	14,272,485	14,272,485	
Municipal/County General Obligations	<u>73,459,338</u>	<u>1,432,691</u>	\$ 72,026,647
	<u>\$ 95,518,823</u>	<u>\$ 23,492,176</u>	72,026,647
Bergen County			
County of Bergen (A)			81,364,291
Bergen County Utilities Authority (B)			<u>6,637,719</u>
			<u>88,002,010</u>
 Total Direct and Overlapping Debt			 <u>\$ 160,028,657</u>

## Source:

(1) Seven (7) Municipalities 2020 Annual Debt Statement

(A) The debt for this entity was apportioned to the seven (7) municipalities by dividing the municipalities 2020 equalized value by the total 2020 equalized value for Bergen County relating to the seven (7) municipalities.

(B) The debt was computed based upon usage for all seven (7) municipalities.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(Unaudited)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 295,936,990	\$ 286,919,769	\$ 279,854,050	\$ 278,038,974	\$ 280,932,046	\$ 283,847,535	\$ 286,910,594	\$ 290,107,166	\$ 293,919,487	\$ 296,196,515
Total Net Debt Applicable to Limit	17,495,000	16,095,000	14,630,000	13,090,000	23,182,485	21,167,485	19,427,485	17,282,485	15,052,485	12,727,000
Legal Debt Margin	\$ 278,441,990	\$ 270,824,769	\$ 265,224,050	\$ 264,948,974	\$ 257,749,561	\$ 262,680,050	\$ 267,483,109	\$ 272,824,681	\$ 278,867,002	\$ 283,469,515
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	5.91%	5.61%	5.23%	4.71%	8.25%	7.46%	6.77%	5.96%	5.12%	4.30%

**Legal Debt Margin Calculation for Fiscal Year 2021**

Equalized Valuation Basis		
	2020	\$ 9,888,891,237
	2019	9,955,176,035
	2018	9,775,584,181
		<u>\$ 29,619,651,453</u>
	3 Year Average	<u>\$ 9,873,217,151</u>
3% of Avg. Equalized Valuation		\$ 296,196,515
Less Net Debt		<u>12,727,000</u>
Remaining Borrowing Power		<u>\$ 283,469,515</u>

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation for all seven (7) municipalities

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC STATISTICS  
LAST TEN YEARS  
(Unaudited)**

**Closter Borough**

<b><u>Year Ended December 31,</u></b>	<b><u>Unemployment Rate (1)</u></b>	<b><u>Per Capita Income(2)</u></b>	<b><u>Population</u></b>
2012	4.5%	\$ 72,164	8,548
2013	4.5%	71,699	8,582
2014	4.5%	74,480	8,591
2015	3.7%	77,767	8,593
2016	3.2%	79,407	8,605
2017	3.0%	81,676	8,619
2018	2.9%	86,404	8,548
2019	2.5%	89,456	8,512
2020	7.8%	N/A	8,446
2021	N/A	N/A	8,446 (A)

Source: (1) NJ Department of Labor, Bureau of Labor Force Statistics  
(2) County Per Capital Personal Income  
(A) Estimate

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC STATISTICS  
LAST TEN YEARS  
(Unaudited)**

**Demarest Borough**

<u>Year Ended December 31,</u>	<u>Unemployment Rate (1)</u>	<u>Per Capita Income(2)</u>	<u>Population</u>
2012	8.6%	\$ 72,164	4,976
2013	5.8%	71,699	4,999
2014	4.1%	74,480	4,991
2015	3.4%	77,767	4,999
2016	2.9%	79,407	4,956
2017	2.6%	81,676	4,961
2018	2.3%	86,404	4,925
2019	2.2%	89,456	4,895
2020	6.7%	N/A	4,838
2021	N/A	N/A	4,838 (A)

Source: (1) NJ Department of Labor, Bureau of Labor Force Statistics  
(2) County Per Capital Personal Income  
(A) Estimate



**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC STATISTICS  
LAST TEN YEARS  
(Unaudited)**

**Harrington Park Borough**

<u>Year Ended December 31,</u>	<u>Unemployment Rate (1)</u>	<u>Per Capita Income(2)</u>	<u>Population</u>
2012	5.8%	\$ 72,164	4,721
2013	8.3%	71,699	4,737
2014	4.8%	74,480	4,746
2015	3.7%	77,767	4,763
2016	3.4%	79,407	4,751
2017	3.2%	81,676	4,764
2018	2.9%	86,404	4,743
2019	2.3%	89,456	4,729
2020	7.6%	N/A	4,693
2021	N/A	N/A	4,693 (A)

Source: (1) NJ Department of Labor, Bureau of Labor Force Statistics  
(2) County Per Capital Personal Income  
(A) Estimate

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC STATISTICS  
LAST TEN YEARS  
(Unaudited)**

**Haworth Borough**

<u>Year Ended December 31,</u>	<u>Unemployment Rate (1)</u>	<u>Per Capita Income(2)</u>	<u>Population</u>
2012	8.0%	\$ 72,164	3,401
2013	11.3%	71,699	3,417
2014	4.0%	74,480	3,415
2015	3.3%	77,767	3,417
2016	3.1%	79,407	3,416
2017	2.7%	81,676	3,430
2018	2.4%	86,404	3,414
2019	2.3%	89,456	3,393
2020	6.7%	N/A	3,374
2021	N/A	N/A	3,374 (A)

Source: (1) NJ Department of Labor, Bureau of Labor Force Statistics  
(2) County Per Capital Personal Income  
(A) Estimate

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC STATISTICS  
LAST TEN YEARS  
(Unaudited)**

**Northvale Borough**

<u>Year Ended December 31,</u>	<u>Unemployment Rate (1)</u>	<u>Per Capita Income(2)</u>	<u>Population</u>
2012	5.4%	\$ 72,164	4,675
2013	7.1%	71,699	4,722
2014	4.3%	74,480	4,723
2015	4.2%	77,767	4,771
2016	3.6%	79,407	4,860
2017	3.2%	81,676	4,885
2018	2.8%	86,404	4,895
2019	2.6%	89,456	4,920
2020	8.1%	N/A	4,923
2021	N/A	N/A	4,923 (A)

Source: (1) NJ Department of Labor, Bureau of Labor Force Statistics  
(2) County Per Capital Personal Income  
(A) Estimate

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC STATISTICS  
LAST TEN YEARS  
(Unaudited)**

**Norwood Borough**

<u>Year Ended December 31,</u>	<u>Unemployment Rate (1)</u>	<u>Per Capita Income(2)</u>	<u>Population</u>
2012	9.0%	\$ 72,164	5,787
2013	7.2%	71,699	5,794
2014	5.2%	74,480	5,801
2015	4.0%	77,767	5,817
2016	3.4%	79,407	5,807
2017	3.6%	81,676	5,813
2018	3.0%	86,404	5,809
2019	2.6%	89,456	5,796
2020	7.8%	N/A	5,752
2021	N/A	N/A	5,752 (A)

Source: (1) NJ Department of Labor, Bureau of Labor Force Statistics  
(2) County Per Capital Personal Income  
(A) Estimate

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC STATISTICS  
LAST TEN YEARS  
(Unaudited)**

**Old Tappan Borough**

<u>Year Ended December 31,</u>	<u>Unemployment Rate (1)</u>	<u>Per Capita Income(2)</u>	<u>Population</u>
2012	6.7%	\$ 72,164	5,841
2013	6.8%	71,699	5,883
2014	4.1%	74,480	5,903
2015	3.6%	77,767	5,940
2016	3.1%	79,407	5,935
2017	3.0%	81,676	5,942
2018	2.8%	86,404	5,930
2019	2.1%	89,456	5,902
2020	7.3%	N/A	5,870
2021	N/A	N/A	5,870 (A)

Source: (1) NJ Department of Labor, Bureau of Labor Force Statistics  
(2) County Per Capital Personal Income  
(A) Estimate

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS,  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)**

**INFORMATION NOT AVAILABLE**

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

<b><u>Function/Program</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>
Instruction										
Regular	186	185	185	185	190.0	190.0	190.0	180.0	187.0	176.0
Special Education	27	26	26	26	31.0	28.0	28.0	26.0	27.0	29.0
Support Services:										
Student & Instruction-Related Services	22	22	22	22	22.0	22.0	22.0	23.0	26.0	28.0
School Administration Services	12	12	12	12	12.0	9.0	7.0	8.0	8.0	8.0
General Administration Services	5	5	5	5	5.4	4.0	4.0	5.0	5.0	5.0
Central Services/Administrative	21	21	21	21		22.0	22.0	25.0	22.0	21.0
Plant Operations and Maintenance	29	29	29	29	29.0	31.0	31.0	31.0	30.0	31.0
Pupil Transportation	2	2	2	2	2.0	2.0	2.0	2.0	2.0	2.0
Child Care	1	1	1	1		2.0	2.0	2.0	2.0	2.0
Regional Special Education	64	64	64	64		63.0	63.0	67.0	65.0	47.0
Regional Transportation	2	2	2	2	21.0	2.0	2.0	2.0	2.0	2.0
<b>Total</b>	<b><u>371</u></b>	<b><u>369</u></b>	<b><u>369</u></b>	<b><u>369</u></b>	<b><u>312.4</u></b>	<b><u>375.0</u></b>	<b><u>373.0</u></b>	<b><u>371.0</u></b>	<b><u>376.0</u></b>	<b><u>351.0</u></b>

Source: District Personnel Records

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 OPERATING STATISTICS  
 LAST TEN FISCAL YEARS  
 (Unaudited)

Fiscal Year	Enrollment <sup>a</sup>	Operating Expenditures <sup>b</sup>	Cost Per Pupil <sup>c</sup>	Percentage Change	Teaching Staff	Pupil/Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						High School					
2012	2,684	\$ 51,716,920	\$ 19,269	-3.20%	221	1:12.1		2,483	2,391	-2.97%	96.29%
2013	2,529	53,839,775	21,289	10.49%	264	9.6		2,481	2,393	-0.08%	96.45%
2014	2,586	56,153,954	21,715	2.00%	282	9.2		2,575	2,493	3.79%	96.82%
2015	2,291	56,075,135	24,476	12.72%	282	8.1		2,334	2,242	-9.36%	96.06%
2016	2,504	57,782,447	23,076	-5.72%	221	10.4		2,285	2,204	-2.10%	96.43%
2017	2,462	60,559,667	24,598	6.59%	218	11.3		2,448	2,347	7.13%	95.87%
2018	2,467	62,955,129	25,519	3.74%	218	11.3		2,255	2,170	-7.88%	96.23%
2019	2,390	64,720,028	27,080	6.12%	206	10.5		2,171	2,088	-3.73%	96.18%
2020	2,326	65,265,412	28,059	3.62%	214	10.9		2,121	2,064	-2.30%	97.31%
2021	2,236	67,864,684	30,351	8.17%	205	10.9		2,111	1,999	-0.47%	94.69%

Sources: District records

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



**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b><u>District Building</u></b>										
<b><u>Northern Valley Regional High School District</u></b>										
Demarest High School (1950) (2004)										
Square Feet	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000
Capacity (students)	1,234	1,234	1,234	1,234	1,234	1,234	1,234	1,234	1,234	1,234
Enrollment	1,137	1,136	1,070	1,032	1,046	1,018	1,018	1,018	959	949
<b><u>Northern Valley Regional High School District</u></b>										
Old Tappan High School (1950) (2004)										
Square Feet	177,800	177,800	177,800	177,800	177,800	177,800	177,800	177,800	177,800	177,800
Capacity (students)	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349	1,349
Enrollment	1,346	1,317	1,293	1,259	1,251	1,233	1,244	1,244	1,166	1,095
Central Administration (1981)										
Square Feet	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500

Number of Schools at June 30, 2021

Elementary = 0

Middle School = 0

Senior High School = 2

**Source:** District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of and additions. Enrollment is based on the annual October district count.

NORTHRN VALLEY REGIONAL HIGH SCHOOL  
 GENERAL FUND  
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
 LAST TEN FISCAL YEARS  
 (Unaudited)

	<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>
<b><u>School Facilities</u></b>										
Demarest High School	\$ 189,426	\$ 217,935	\$ 240,326	\$ 256,987	\$ 236,628	\$ 239,918	\$ 214,056	\$ 202,481	\$ 341,194	\$ 344,320
Old Tappan High School	171,216	201,104	211,866	273,611	244,544	240,646	160,365	209,488	324,610	364,318
John J. Haworth Administration Building	34,009	10,000	5,767	3,749	6,015	6,016	7,012	4,314	5,559	12,838
Grand Total	<u>\$ 394,651</u>	<u>\$ 429,039</u>	<u>\$ 457,959</u>	<u>\$ 534,347</u>	<u>\$ 487,187</u>	<u>\$ 486,580</u>	<u>\$ 381,433</u>	<u>\$ 416,283</u>	<u>\$ 671,363</u>	<u>\$ 721,476</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2021  
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
New Jersey Schools Insurance Group:		
Multi Peril Package Policy		
Commercial General Liability	\$ 16,000,000	
Employee Dishonesty	1,000,000	\$ 1,000
Business Automobile Liability	16,000,000	1,000
Computer Fraud	5,000,000	1,000
School Leaders Errors & Omissions Liability	16,000,000	15,000
 NJ Schools Ins. Group		
Property- Blanket Building and Contents (Insured Value) - Includes Energy Systems	139,726,247	5,000
 Firemen's Fund Insurance Company		
Excess Umbrella Liability	25,000,000	
Hudson & Allied Insurance Companies		
Excess Umbrella Liability	20,000,000	
 Surety Bonds:		
School Business Administrator/Board Secretary	400,000	
 Beazley/Lloyds Syndicates		
Environment Pollution Liability Policy	1,000,000	10,000

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 Education  
Northern Valley Regional High School District  
Demarest, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Northern Valley Regional High School District as of and for the fiscal year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Northern Valley Regional High School District's basic financial statements and have issued our report thereon dated February 17, 2022.

**Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

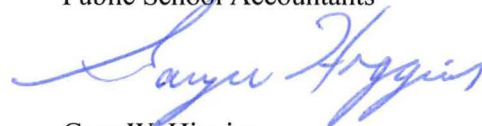
As part of obtaining reasonable assurance about whether the Northern Valley Regional High School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 Northern Valley Regional High School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Northern Valley Regional High School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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



Gary W. Higgins  
Public School Accountant  
PSA Number CS00814

Fair Lawn, New Jersey  
February 17, 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  
CHRIS SOHN, 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 Education  
Northern Valley Regional High School District  
Demarest, New Jersey

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

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

***Management’s Responsibility***

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

***Auditor’s Responsibility***

Our responsibility is to express an opinion on compliance for each of the Northern Valley Regional High School District’s major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; 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 Northern Valley Regional High School District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

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

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with New Jersey OMB Circular 15-08 which is described in the accompanying schedule of findings and questioned costs as item 2021-001. Our opinion on each major federal and state program is not modified with respect to this matter.

The Northern Valley Regional High School District's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Northern Valley Regional High School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Management of the Northern Valley Regional High School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Northern Valley Regional High School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the 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 Northern Valley Regional High School District's internal control over compliance.

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

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

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

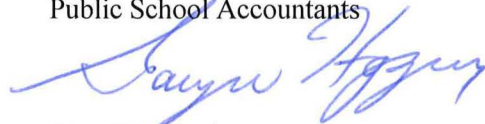


**Report on Schedule of Expenditures of Federal Awards Required by the U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Northern Valley Regional High School District, 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 17, 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



Gary W. Higgins  
Public School Accountant  
PSA Number CS00814

Fair Lawn, New Jersey  
February 17, 2022

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or Project Number	Grant Period	Award Amount	July 1, 2020				Unearned Rev. Carryover Amount	A/R Carryover Amount	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	June 30, 2021			Memo GAAP Receivable
						Accounts Receivable	Unearned Revenue	Due to Grantor							Accounts Receivable	Unearned Revenue	Due to Grantor	
<b>U.S. Department of Education Passed-through State Department of Education</b>																		
<b>General Fund</b>																		
Medical Assistance Program	93.778	2105NJ5MAP	N/A	7/1/20-6/30/21	\$ 19,089	-	-	-	-	-	\$ 19,089	\$ 19,089	-	-	-	-	-	
<b>Total General Fund</b>						-	-	-	-	-	19,089	19,089	-	-	-	-	-	
<b>Special Revenue Fund</b>																		
ESEA Title III	84.365	S365A190030	ESEA-3710-20	7/1/19-9/30/20	36,687	\$ (5,900)	\$ 4,159		\$ (4,159)	\$ 4,159	1,741						-	
ESEA Title III	84.365	S365A200030	ESEA-3710-21	7/1/20-9/30/21	39,944				4,159	(4,159)	42,530	44,103		\$ (1,573)	-		\$ (1,573)	
ESEA Title III Immigrant	84.365	S365A190030	ESEA-3710-20	7/1/19-9/30/20	5,297	(371)					371						-	
ESEA Title III Immigrant	84.365	S365A200030	ESEA-3710-21	7/1/20-9/30/21	9,199						8,457	9,199		(742)	-		(742)	
<b>Total English Language Acquisition Cluster (Title III)</b>												53,302						
Advanced Computer Science Competitive Grant	84.368	N/A	19E00140	1/15/19-6/30/20	46,896	(19,743)	19,435				308						-	
ESEA Title I	84.010	S010A190030	ESEA-3710-20	7/1/19-9/30/20	133,066	(71,795)	20,880		(20,880)	20,880	50,915						-	
ESEA Title I	84.010	S010A200030	ESEA-3710-21	7/1/20-9/30/21	133,804				20,880	(20,880)	80,068	132,225		(74,616)	\$ 22,459		(52,157)	
ESEA Title II-A	84.367A	S367A190029	ESEA-3710-20	7/1/19-9/30/20	110,217	(6,809)					6,809						-	
ESEA Title II-A	84.367A	S367A200029	ESEA-3710-21	7/1/20-9/30/21	127,661						121,278	127,661		(6,383)	-		(6,383)	
ESEA Title IV	84.424	S424A190031	ESEA-3710-20	7/1/19-9/30/20	80,000	(13,761)	1,348		(1,348)	1,348	12,413						-	
ESEA Title IV	84.424	S424A200031	ESEA-3710-21	7/1/20-9/30/21	70,000				1,348	(1,348)	54,785	71,348		(16,563)	-		(16,563)	
I.D.E.A. Part B, Basic	84.027	H027A190100	IDEA-3710-20	7/1/19-9/30/20	455,499	(85,277)	21,086		(21,086)	21,086	64,191						-	
I.D.E.A. Part B, Basic	84.027	H027A200100	IDEA-3710-21	7/1/20-9/30/21	467,631	-	-		21,086	(21,086)	460,131	464,181		(28,586)	24,536		(4,050)	
<b>Total U.S. Department of Education</b>						(203,656)	66,908	-	-	-	903,997	848,717	-	(128,463)	46,995	-	(81,468)	
<b>Elementary and Secondary School Emergency Relief (ESSER)</b>																		
<b>Coronavirus Aid, Relief, and Economic Security (CARES) Act</b>																		
CARES Emergency Relief Grant	84.425	S425D200027		3/13/20-9/30/22	112,832	(106,987)	51,953				112,832	57,798					-	
<b>Elementary and Secondary School Emergency Relief (ESSER II)</b>																		
<b>Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act</b>																		
ESSER II	84.425D	S425D210027		3/13/20-9/30/23	438,584									(438,584)	438,584		-	
Learning Acceleration	84.425D	S425D210027		3/13/20-9/30/23	28,146									(28,146)	28,146		-	
Mental Health	84.425D	S425D210027		3/13/20-9/30/23	45,000									(45,000)	45,000		-	
<b>Coronavirus Relief Fund</b>																		
Coronavirus Relief Fund	21.019			7/16/20-10/31/20	55,454						55,454	55,454					-	
Nonpublic Digital Divide	21.019	S377A130031		7/16/20-10/31/20	19,488						15,414	15,414		(4,074)	4,074		-	
CARES Act - Bergen County	21.019			7/1/20-12/31/20	32,096	-	-		-	-	32,096	32,096		-	-		-	
<b>Total Special Revenue Fund</b>						(310,643)	118,861	-	-	-	1,119,793	1,009,479	-	(644,267)	562,799	-	(81,468)	
<b>Total Federal Financial Awards</b>						\$ (310,643)	\$ 118,861	\$ -	\$ -	\$ -	\$ 1,138,882	\$ 1,028,568	\$ -	\$ (644,267)	\$ 562,799	\$ -	\$ (81,468)	

Note: FAIN numbers are only applicable for current year grant awards.  
 N/A - Not Available

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 SCHEDULE OF STATE FINANCIAL ASSISTANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2020				Cash Received	Budgetary Expenditures	Adjustment	Refund of Prior Years' Balances	Balance, June 30, 2021			Memo	
				(Accounts Receivable)	Unearned Revenue	Due to Grantor						(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
<b>State Department of Education</b>																
<i>General Fund, Regional Cooperative, Regional Special Ed &amp; Teens and Tots Funds</i>																
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	\$ 1,336,506				\$ 1,203,630	\$ 1,336,506				\$ (132,876)			\$ 1,336,506	
Special Education Aid	20-495-034-5120-089	7/1/19-6/30/20	1,263,555	\$ (104,564)			104,564								-	
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	42,643				38,404	42,643				(4,239)			42,643	
Security Aid	20-495-034-5120-084	7/1/19-6/30/20	42,643	(3,529)			3,529								-	
Total State Aid Public Cluster								1,379,149							1,379,149	
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	307,800				277,198	307,800				(30,602)			307,800	
Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	307,800	(25,472)			25,472								-	
Additional Nonpublic Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	34,214					34,214				(34,214)	\$ (34,214)		34,214	
Additional Nonpublic Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	12,408	(12,408)			12,408								-	
Total Transportation Aid								342,014							342,014	
Extraordinary Aid	21-495-034-5120-044	7/1/20-6/30/21	774,464					774,464				(774,464)			774,464	
Extraordinary Aid	20-495-034-5120-044	7/1/19-6/30/20	623,082	(623,082)			623,082								-	
Reimbursed TPAF Pension Contribution Normal	21-495-034-5094-002	7/1/20-6/30/21	8,853,450				8,853,450	8,853,450							8,853,450	
Reimbursed TPAF Pension Contribution NCGI	21-495-034-5094-004	7/1/20-6/30/21	168,449				168,449	168,449							168,449	
Reimbursed TPAF Pension Contribution Long-Term Disability	21-495-034-5094-004	7/1/20-6/30/21	3,098				3,098	3,098							3,098	
Reimbursed TPAF Pension Contribution Post Retirement	21-495-034-5094-001	7/1/20-6/30/21	2,827,323				2,827,323	2,827,323							2,827,323	
Reimbursed TPAF Social Security Contributions	21-495-034-5094-003	7/1/20-6/30/21	2,530,643				2,408,547	2,530,643				(122,096)	(122,096)		2,530,643	
Reimbursed TPAF Social Security Contributions	20-495-034-5094-003	7/1/19-6/30/20	2,569,626	(121,604)			121,604								-	
Total General Fund, Regional Cooperative, Regional Special Ed & Teens and Tots Funds				(890,659)			16,670,758	16,878,590				(1,098,491)			(156,310)	
<i>Special Revenue Fund</i>																
Career Pathways Grant	21E0004	3/1/20-6/30/21	98,777	(98,777)	\$ 94,094		50,456	94,094				\$ (48,321)		\$ (48,321)	94,094	
Career Pathways Grant		3/1/19-2/28/20	99,798	(10,305)	10,305										-	
<i>New Jersey Nonpublic Aid:</i>																
<i>Auxiliary Services:</i>																
Compensatory Education	21-100-034-5120-067	7/1/20-6/30/21	2,613				2,613	1,742						\$ 871	1,742	
Compensatory Education	20-100-034-5120-067	7/1/19-6/30/20	811	(81)	\$ 811		81			\$ 811					-	
Home Instruction	21-100-034-5120-067	7/1/20-6/30/21	419					419				(419)		(419)	419	
Home Instruction	20-100-034-5120-067	7/1/19-6/30/20	3,194	(3,194)			3,194								-	
Total Nonpublic Auxiliary Aid (Chapter 192) Cluster								2,161							2,161	
<i>Handicapped Services:</i>																
Examination & Classification	21-100-034-5120-066	7/1/20-6/30/21	28,988				28,988	14,311							14,311	
Examination & Classification	20-100-034-5120-066	7/1/19-6/30/20	21,555	(4,837)		1,673	4,837			1,673					-	
Supplemental Instruction	21-100-034-5120-066	7/1/20-6/30/21	15,866				15,866	13,357						2,509	13,357	
Supplemental Instruction	20-100-034-5120-066	7/1/19-6/30/20	20,237			19,913				19,913					-	
Total Nonpublic Handicapped Aid (Chapter 193) Cluster								27,668							27,668	
Textbook Aid	21-100-034-5120-064	7/1/20-6/30/21	27,368				27,368	27,368							27,368	
Nursing Services	21-100-034-5120-070	7/1/20-6/30/21	50,286				50,286	50,286							50,286	
Technology Aid	20-100-034-5120-373	7/1/19-6/30/20	17,280			4				4					-	
Security Aid	21-100-034-5120-509	7/1/20-6/30/21	86,275				86,275	80,763						5,512	80,763	
Security Aid	20-100-034-5120-509	7/1/19-6/30/20	80,250			45				45					-	
Total Special Revenue Fund				(117,194)	104,399	22,446	269,964	282,340			22,446	(48,740)		23,569	(48,740)	

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
 SCHEDULE OF STATE FINANCIAL ASSISTANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Grantor/Program Title <i>Capital Projects Fund</i>	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2020				Budgetary Expenditures	Adjustment	Refund of Prior Years' Balances	Balance, June 30, 2021			Memo	
				(Accounts Receivable)	Unearned Revenue	Due to Grantor	Cash Received				(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
NJ School Development Authority HVAC and Roof Replacement	SP3710-050-14-GIFH		\$ 484,902	\$ (376,303)	\$ 375,303	-	-	-	\$ 1,000	-	-	-	-	-	-
Total Capital Projects Fund				(376,303)	375,303	-	-	-	1,000	-	-	-	-	-	-
Debt Service Fund Debt Service Aid	21-495-034-5120-075	7/1/20-6/30/21	250,005	-	-	-	\$ 250,005	\$ 250,005	-	-	-	-	-	-	\$ 250,005
State Financial Assistance Subject to Single Audit Determination				\$ (1,384,156)	\$ 479,702	\$ 22,446	17,190,727	17,410,935	\$ 1,000	\$ 22,446	\$ (1,147,231)	\$ -	\$ 23,569	\$ (205,050)	\$ 17,410,935
<b>Less On-Behalf TPAF Pension and Annuity Aid Not Subject to Single Audit Determination</b>															
Normal Pension Costs							8,853,450	8,853,450							
NonContributory Insurance							168,449	168,449							
Long-Term Disability							3,098	3,098							
Post Retirement							2,827,323	2,827,323							
							11,852,320	11,852,320							
<b>Total for State Financial Assistance Subject to Major Program Determination</b>							\$ 5,338,407	\$ 5,558,615							

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**NOTE 1 GENERAL**

The accompanying schedules present the activity of all federal and state financial assistance programs of the Northern Valley Regional High School District. 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 \$185,534 for the general fund and a decrease of \$10,858 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 19,089	\$ 13,583,522	\$ 13,602,611
Special Revenue Fund	1,007,187	281,358	1,288,545
Debt Service Fund		250,005	250,005
Regional Coop. Prgm. Fund		381,847	381,847
Regional Special Ed. Fund		3,598,746	3,598,746
Teens and Tots Fund	-	9,214	9,214
	<u>          </u>	<u>          </u>	<u>          </u>
Total Awards Financial Assistance	<u>\$ 1,026,276</u>	<u>\$ 18,104,692</u>	<u>\$ 19,130,968</u>

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021****NOTE 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 \$2,530,643 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 \$9,021,899, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,827,323 and TPAF Long-Term Disability Insurance in the amount of \$3,098 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2021.

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

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

**NOTE 7 DE MINIMIS INDIRECT COST RATE**

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







**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

***Part 2 – Schedule of Financial Statement Findings***

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

There are none.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

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

**CURRENT YEAR FEDERAL AWARDS**

There are none.

**CURRENT YEAR STATE AWARDS**

**Finding 2021-001**

A review of students' Individual Education Plans (IEP) revealed certain students reported on the application for State Extraordinary Aid did not have an intensive related service specified in their IEP. A minimum of one intensive related service is required to be specified in a student's IEP to be eligible for inclusion on the Extraordinary Aid application.

**State program information:**

Extraordinary Special Education Aid	495-034-5120-044
-------------------------------------	------------------

**Criteria or specific requirement:**

State Grant Compliance Supplement – Extraordinary Aid – Eligibility

**Condition:**

Certain students included on the Extraordinary Aid application did not have an intensive related service specified in their IEP.

**Questioned Costs:**

Unknown.

**Context:**

Eight (8) students tested out of twenty-nine (29) sampled did not have an intensive related service specified in their IEP. The Extraordinary Aid application listed thirty-four (34) eligible students.

**Effect:**

Certain students included on the Extraordinary Aid application may not have met eligibility requirements of the program.

**Cause:**

Certain students included on the Extraordinary Aid application claimed related services for six or more hours per week, however this related service was not clearly specified in their IEP.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

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

**Finding 2021-001**

**Recommendation:**

Procedures be reviewed and revised to ensure student IEP's specifically identify the intensive related service that is required to be provided to the respective student reported on the application for State Extraordinary Aid.

**Views of Responsible Officials and Planned Corrective Action Plan:**

Management has reviewed this finding and has indicated it will review and revise its procedures to ensure corrective action is taken.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

**STATUS OF PRIOR YEAR FINDINGS**

**Finding 2020-001:**

Our audit of the District's capital assets maintained by a third party provider noted the following:

- The prior year construction in progress balance was not added to the capital assets report.
- The turf fields project was added to the capital assets report twice.
- There were certain capital asset additions that were charged to the incorrect budget account codes in the General Fund.
- There were certain expenditures that were charged to capital outlay budget account codes in the Special Revenue Fund that were not capital assets.

**Current Status:**

Corrective action has been taken.