

**OGDENSBURG BOROUGH
SCHOOL DISTRICT**

**Ogdensburg Borough Board of Education
Ogdensburg, New Jersey**

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

**Comprehensive Annual
Financial Report**

of the

OGDENSBURG BOROUGH SCHOOL DISTRICT

Ogdensburg, New Jersey

For the Fiscal Year Ended June 30, 2021

Prepared by

**Ogdensburg Borough Board of Education
Finance Department**

OGDENSBURG BOROUGH BOARD OF EDUCATION
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INTRODUCTORY SECTION
(UNAUDITED)

OGDENSBURG BOROUGH BOARD OF EDUCATION

100 Main Street
Ogdensburg NJ 07439
obboe.org

David Astor
Superintendent/Principal
(973) 827-7126 voice

Richard Rennie
Business Administrator/Board Secretary
(973) 827-2643 fax

October 4, 2021

The Honorable President and
Members of the Board of Education
of the Ogdensburg Borough School District
County of Sussex
Ogdensburg, New Jersey 07439

Dear Honorable President and Board Members:

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

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors' Report, management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected economic and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** Ogdensburg Borough School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) Codification Section 2100. All funds of the District are included in this report. The Ogdensburg Borough Board of Education and its school constitute the District's reporting entity.

The District continues to provide a full range of educational services appropriate to grade levels Preschool through Grade 8. These include regular, as well as, special education for special needs students and an extended school year.

The District completed the 2020/2021 school year with an average daily enrollment of 254 students; 2 students less than the prior year.

2. ECONOMIC CONDITONS AND OUTLOOK: The Ogdensburg Elementary School is located in the Borough of Ogdensburg, New Jersey, on the Wallkill River in Sussex County, 53.4 miles from New York City. Land area covers 2.28 miles at an elevation of 693 feet. The community is named after Robert Ogden, a distiller and mine owner. The zinc mine closed in 1986, which curtailed the Borough's economic potential.

The programs and services afforded to the Ogdensburg community are implemented based on community need and input. The school is supported by an approximately \$5 million budget and provides educational programs for children attending preschool through eighth grade. High school age children attend Wallkill Valley Regional High School in nearby Hamburg, New Jersey.

The District also provides an extensive, supportive special services program. On average, the District supports approximately sixty students with special education needs. A multiple disabled program was developed to help students remain in district. The District currently has one student placed out of district with 2 students attending the local Charter School.

In the past the voters of the Borough of Ogdensburg have supported the school budget. The District has stayed under the 2% budget growth cap so voter approval of the budget is no longer required. However, there are many examples of the community supporting the School District. The relationship between the Borough and School is held in high regard and beneficial to both. Attendance by school families and community members at all events remain strong. The School has a standing room only audience when performing at holiday events, plays or concerts.

Every opportunity the Borough and school has to share resources or services such as snow removal, garbage/recycling services, playground maintenance, grounds equipment, etc. they do so. The Ogdensburg Police Department participated in the design and implementation of the District's emergency response system. Ties between the municipality and the school are strong.

3. MAJOR INITIATIVES: Student achievement is the driving force behind all educational decision-making. We believe our commitment to value-added instructional and technology-infused support is the prerequisite to evolutionary improvements.

All classrooms have projectors and laptops; as well as smart boards, and document readers. Teachers have the opportunity to plan lessons with iPads, laptops, and Chromebooks. The school has upgraded its wireless capability to accommodate the need for virtual instruction within the school. Extra devices and hotspots have been ordered to assist students needing devices at home during virtual instruction.

The District is in the process of upgrading all of the Univents (a multi-year project), installed touchless faucets and toilets, installed hand sanitizing stations and purchased PPE's and disinfecting products in order to open the District in a safe capacity. The nurse's office has been upgraded in order to be utilized as an isolation station for individuals who display symptoms.

Students needing assistance to perform at grade level are supported with on-line programs to guide them through lessons giving immediate feedback and assistance. The programs also provide the teachers with student performance evaluations to plan subsequent interactions. The online programs not only support the teacher's lesson plan, but continue to allow the students to reinforce the newly acquired knowledge with additional interactive activities in a fun, but stimulating way. On-course, Lexia Learning, MAPS, Ixl, Learning A-Z, and Career Cruising are just a few of the programs the staff utilizes to ensure children are reaching their potential. All students in grade 4-8 participated in the Start Strong assessment and the teachers are reviewing the data collected in order to create educational plans.

4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP).

The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

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

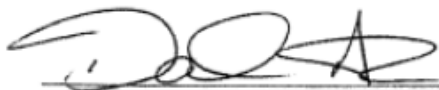
An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as fund balance restrictions,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

6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.
7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA").

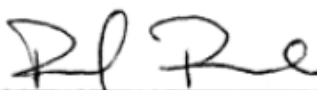
GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8. **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, excess liability, auto liability and comprehensive/collision, hazard and theft insurance on property and contents, workers' compensation, and fidelity bonds. The District is a member of the School Alliance Insurance Fund ("SAIF"). The SAIF is a risk-sharing public entity risk management pool that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage to its members. A schedule of insurance coverage is found on Exhibit J-20.
9. **OTHER INFORMATION:** **Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.
10. **ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the Board for their concern in providing fiscal accountability to the citizens and taxpayers of the District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

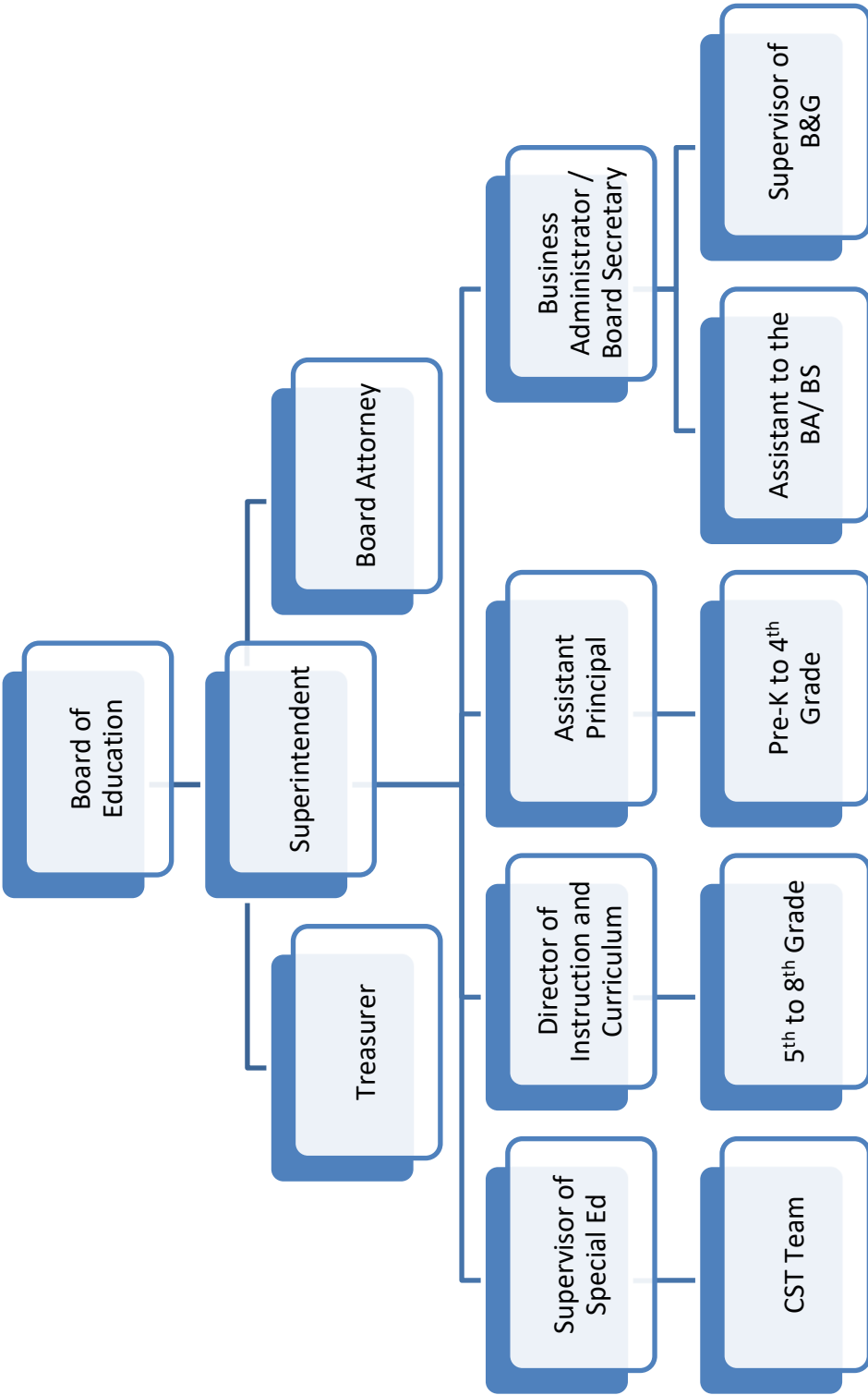


David Astor
Superintendent /Principal



Richard Rennie
Business Administrator/Board Secretary

Ogdensburg Board of Education Organization Chart 2020 / 2021 School Year



OGDENSBURG BOROUGH BOARD OF EDUCATION
ROSTER OF OFFICIALS
JUNE 30, 2021

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Toni Corban, President	2024
Brendan Donegan, Vice President	2022
Joshua Conklin	2023
Lisa La Monica	2022
Mary Donegan	2024
Jennifer Gough	2023
Stacy Walsh	2024

Other Officials

David Astor, Superintendent/Principal
Richard Rennie, School Business Administrator/Board Secretary
Linda Padula, Treasurer of School Monies
Skye Patete, Assistant Principal
Leanne Paolazzi, Supervisor of Special Education
Valerie Reeth, Director of Instruction and Curriculum

OGDENSBURG BOROUGH SCHOOL DISTRICT

Consultants and Advisors
Fiscal Year Ended June 30, 2021

Audit Firm

Nisivoccia LLP
Mount Arlington Corporate Center
200 Valley Road Suite 300
Mount Arlington, New Jersey 07856

And

Lawrence Business Park
11 Lawrence Road
Newton, New Jersey 07860

Attorney

Matthew Giacobbe
Cleary, Giacobbe, Alfieri, Jacobs
169 Ramapo Valley Rd.
Oakland, New Jersey 07436

Official Depositories

Lakeland Bank
Rt. 23 & 517
Franklin, New Jersey 07416

First Hope Bank
201 Route 94
Columbia, New Jersey 07832

FINANCIAL SECTION

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Ogdensburg Borough Board of Education
County of Sussex, New Jersey

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

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

Emphasis of Matter

As discussed in Note 19 to the basic financial statements, the District implemented Governmental Accounting Standards Board (“GASB”) Statement No. 84, *Fiduciary Activities*, during the fiscal year ended June 30, 2021. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, which follows this report, the pension and post-retirement schedules in Exhibits L-1 through L-5 and the related notes, and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The accompanying other supplementary schedules and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey’s OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and the other information, such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The Honorable President and Members
of the Board of Education
Ogdensburg Borough Board of Education
Page 3

The accompanying other information such as the introductory and statistical sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

October 4, 2021
Mount Arlington, New Jersey

Nisivoccia LLP
NISIVOCCIA LLP

Heidi A. Wohlleb

Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT’S DISCUSSION AND ANALYSIS

FOR FISCAL YEAR ENDED JUNE 30, 2021

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

Overview of the Financial Statements

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

- The first two statements are *District-wide financial statements* that provide both *short-term* and *long-term* information about the District’s *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District’s operations in *more* detail than the District-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short- and long-term* financial information about the activities the District operates like a business, such as food services.
- *Notes to Basic Financial Statements*: Provide additional information essential to a full understanding of the district-wide and fund financial statements.

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

Figure A-1
Organization of Ogdensburg Borough School District’s Financial Report

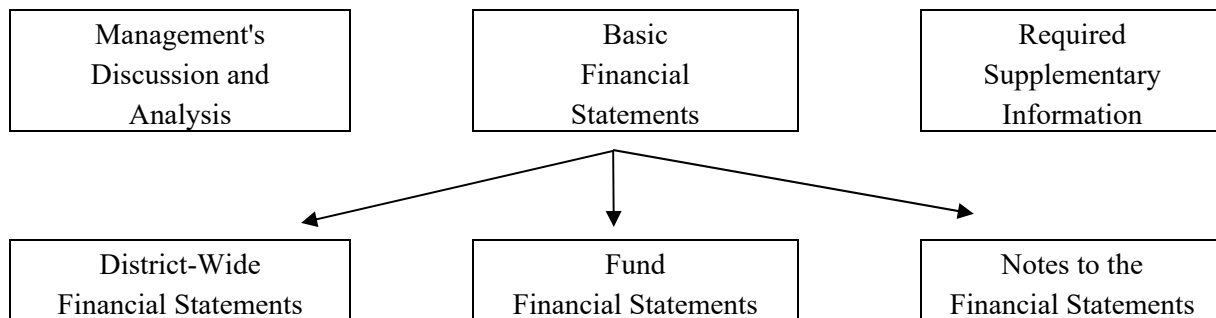


Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and contents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

Figure A-2
Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire District	The activities of the District that are not proprietary such as special education and building maintenance	Activities the District operates similar to private businesses - food services
Required Financial Statements	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenue, Expenditures, and Changes in Fund Balances 	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Revenue, Expenses, and Changes in Fund Net Position • Statement of Cash Flows
Accounting basis and measurement focus	Accrual Accounting and Economic Resources focus	Modified Accrual Accounting and Current Financial Resources Focus	Accrual Accounting and Economic Resources focus
Type of Asset/Liability Information	All Assets and Liabilities, both Financial and Capital, Short-Term and Long-Term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term
Type of Inflow/Outflow Information	All Revenue and Expenses during the year, regardless of when Cash is Received or Paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liabilities are due and payable	All Revenue and Expenses during the year, regardless of when cash is received or paid

District-wide Statements

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

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

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

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

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

Fund Financial Statements

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

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

The District has three kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The District uses *internal service funds* (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The District currently does not maintain any internal service funds.

Financial Analysis of the District as a Whole

The Statement of Net Position provides the perspective of the School District as a whole. Net position may serve over time as a useful indicator of a District's financial position.

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

Net Position. The District's combined net position increased by \$463,318. Net position from governmental activities increased by \$455,877 and net position from business activities increased by \$7,441. Net investment in capital assets increased by \$3,857, restricted net position increased by \$419,151, and unrestricted net position increased by \$40,310.

The following tables present financial position and operating information for June 30, 2021 and the fiscal year then ended as compared with the prior fiscal year.

Table 1
Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change 2020/2021
	Restated		Restated		Restated		
	2021	2020	2021	2020	2021	2020	
Current and Other Assets	\$ 1,900,331	\$ 1,335,049	\$ 32,027	\$ 19,282	\$ 1,932,358	\$ 1,354,331	
Capital Assets, Net	910,593	919,340	8,029	9,782	918,622	929,122	
Total Assets	<u>2,810,924</u>	<u>2,254,389</u>	<u>40,056</u>	<u>29,064</u>	<u>2,850,980</u>	<u>2,283,453</u>	24.85%
Deferred Outflows of Resources	<u>376,406</u>	<u>415,526</u>			<u>376,406</u>	<u>415,526</u>	-9.41%
Other Liabilities	308,423	158,408	10,385	6,834	318,808	165,242	
Long-term Liabilities	1,094,093	1,134,491			1,094,093	1,134,491	
Total Liabilities	<u>1,402,516</u>	<u>1,292,899</u>	<u>10,385</u>	<u>6,834</u>	<u>1,412,901</u>	<u>1,299,733</u>	8.71%
Deferred Inflows of Resources	<u>551,003</u>	<u>599,082</u>			<u>551,003</u>	<u>599,082</u>	-8.03%
Net Position:							
Net Investment in Capital							
Assets	910,593	904,983	8,029	9,782	918,622	914,765	
Restricted	1,549,604	1,130,453			1,549,604	1,130,453	
Unrestricted/(Deficit)	<u>(1,226,386)</u>	<u>(1,257,502)</u>	<u>21,642</u>	<u>12,448</u>	<u>(1,204,744)</u>	<u>(1,245,054)</u>	
Total Net Position	<u>\$ 1,233,811</u>	<u>\$ 777,934</u>	<u>\$ 29,671</u>	<u>\$ 22,230</u>	<u>\$ 1,263,482</u>	<u>\$ 800,164</u>	57.90%

Changes in Net Position. The District's combined net position is \$1,263,482 on June 30, 2021, or \$463,318 more than it was the year before. The increase in net investment in capital assets is due primarily to current year depreciation expense offset by the capital additions and the current year maturities of capital leases. The increase in restricted net position is due to increases in the maintenance and capital reserves and excess surplus. The increase in unrestricted net position is due primarily to the unexpended General Fund budget balances and the decrease in the net pension liability and related deferred inflows and outflows. (See Table 1).

Table 2
Changes in Net Position from Operating Results

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2021	2020	2021	2020	2021	2020	2020/2021
Revenue:							
Program Revenue:							
Charges for Services	\$ 8,158		\$ 730	\$ 35,973	\$ 8,888	\$ 35,973	
Operating Grants and Contributions	1,915,429	\$ 2,053,752	73,306	32,794	1,988,735	2,086,546	
General Revenue:							
Property Taxes	2,552,809	2,502,754			2,552,809	2,502,754	
Tuition		3,320				3,320	
Unrestricted Federal and State Aid	1,788,897	1,954,882			1,788,897	1,954,882	
Other	3,314	2,084	11	28	3,325	2,112	
Total Revenue	<u>6,268,607</u>	<u>6,516,792</u>	<u>74,047</u>	<u>68,795</u>	<u>6,342,654</u>	<u>6,585,587</u>	-3.69%
Expenses:							
Instruction	3,870,903	3,997,038			3,870,903	3,997,038	
Pupil and Instruction Services	827,945	805,032			827,945	805,032	
Administrative and Business	468,414	483,018			468,414	483,018	
Maintenance and Operations	566,970	520,755			566,970	520,755	
Transportation	45,162	115,634			45,162	115,634	
Capital Outlay	6,657	6,657			6,657	6,657	
Other	26,679	98,519	66,606	80,039	93,285	178,558	
Total Expenses	<u>5,812,730</u>	<u>6,026,653</u>	<u>66,606</u>	<u>80,039</u>	<u>5,879,336</u>	<u>6,106,692</u>	-3.72%
Increase/(Decrease) in Net Position	<u>\$ 455,877</u>	<u>\$ 490,139</u>	<u>\$ 7,441</u>	<u>\$ (11,244)</u>	<u>\$ 463,318</u>	<u>\$ 478,895</u>	-3.25%

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of those functions.

Table 3**Net Cost of Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2021	2020	2021	2020
Instruction	\$ 3,870,903	\$ 3,997,038	\$ 2,085,442	\$ 2,147,935
Pupil & Instruction Services	827,945	805,032	775,190	718,050
Administrative and Business	468,414	483,018	402,997	407,157
Maintenance & Operations	566,970	520,755	566,970	500,273
Transportation	45,162	115,634	25,208	94,310
Capital Outlay	6,657	6,657	6,657	6,657
Other	26,679	98,519	26,679	98,519
Total	\$ 5,812,730	\$ 6,026,653	\$ 3,889,143	\$ 3,972,901

Business-Type Activities

Net position from the District's business-type activities increased by \$7,441. (Refer to Table 2). The most significant factors contributing to these results were an increase in revenue from federal and state grants and a decrease in operating expenses.

Financial Analysis of the District's Funds

The District's financial position improved primarily due to unexpended budget appropriations. To maintain a stable financial position, the District must continue to practice sound fiscal management.

General Fund Budgeting Highlights

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

Over the course of the year, the District revised the annual operating budget when the educational needs of the District required it. Approved budgets are a snapshot in time and include estimates and projections that are available during the planning and submission stages. As more specificity becomes available, the projections and estimates are replaced with sound data and the budget is revised accordingly.

Capital Assets

At the end of the fiscal year 2021, the School District had \$918,622 invested in sites, buildings and building improvements and machinery and equipment. Table 4 shows fiscal year 2021 balances compared to 2020.

Table 4**Capital Assets (net of depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change 2020/2021
	2021	2020	2021	Restated 2020	2021	Restated 2020	
Sites and Site Improvements	\$ 31,484	\$ 9,865			\$ 31,484	\$ 9,865	
Buildings & Building Improvements	780,610	785,697			780,610	785,697	
Machinery and Equipment	98,499	123,778	\$ 8,029	\$ 9,782	106,528	133,560	
Total	\$ 910,593	\$ 919,340	\$ 8,029	\$ 9,782	\$ 918,622	\$ 929,122	-1.13%

Overall, capital assets decreased by \$10,500 from fiscal year 2020 to fiscal year 2021. The net decrease in capital assets is due to \$84,117 of depreciation expense offset by \$73,617 of capital additions.

Long – Term Liabilities

At June 30, 2021, the School District had \$1,094,093 of long-term liabilities. Of this amount, \$137,145 is for compensated absences and \$956,948 is for the Net Pension Liability.

Table 5

Long-Term Liabilities

	Total School District		Percentage
	2021	2020	Change 2020/2021
Net Pension Liability	\$ 956,948	\$ 1,001,505	
Other Long Term Liabilities	137,145	132,986	
Total	<u>\$ 1,094,093</u>	<u>\$ 1,134,491</u>	<u>-3.56%</u>

Factors Bearing on the District’s Future

Reduction of state aid continues to remain the main concern impacting the District’s future. The fact that the State has not allowed an increase to the Cap that was placed on how many Choice Students the District could take has also negatively impacted the District’s population. We have had many inquires about our Choice program but have not been able to accept all students interested due to open seats being filled by families moving out of town and/or siblings of Choice students.

Fortunately for the District, the District remains very attractive to parents as well as other school districts looking for an established special needs program. We are a State recognized Future Ready School (the only one in Sussex County) and are one of only six schools in the State to have a middle school Future Business Leaders of America Chapter (FBLA).

The school has upgraded its wireless capability to accommodate the need for virtual instruction within the school. Extra devices have been provided to assist students needing devices at home as well as hot spots.

The District has upgraded some of the Univents in the school, maintained the touchless faucets and toilets, installed hand sanitizing stations and purchased PPE’s and disinfecting products in order to open the District in a safe capacity. The nurse’s office has been upgraded in order to be utilized as an isolation station for individuals who display symptoms. ESSER funds will be utilized to continue the upgrade of the remaining Univents and the school’s roof top fans.

Professional development of teachers, coupled with updated curriculum and innovative instruction provide opportunities for student growth and improved test scores. The faculty seems to be stable at this point of time. There is a possibility of three faculty members retiring within the next three to five years. Due to budget cuts, the District might not be able to rehire for those positions.

As of late, there has been an increase of sales in the housing market within the community and an increase in student population. The District is willing to work with the Borough Council and local business to ascertain ways to continue to attract homebuyers. The District will see improved revenues by an increased total population within the Borough.

Contacting the School District’s Financial Management

This financial report is designed to provide the District’s citizens, taxpayers, customers and investors and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for the money it receives. If you have questions about this report or need additional information, contact the Board of Education Office, 100 Main Street, Ogdensburg, NJ 07439.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

OGDENSBURG BOROUGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 963,549	\$ 19,727	\$ 983,276
Receivables, net:			
Receivables from State Government	26,666	431	27,097
Receivables from Federal Government	42,398	6,571	48,969
Internal Balances	(958)	958	
Inventories		4,340	4,340
Restricted Assets:			
Cash and Cash Equivalents	868,676		868,676
Capital Assets, Net:			
Sites (Land)	9,865		9,865
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	900,728	8,029	908,757
Total Assets	<u>2,810,924</u>	<u>40,056</u>	<u>2,850,980</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	309,406		309,406
District Contribution Subsequent to the Measurement Date - Pensions	67,000		67,000
Total Deferred Outflows of Resources	<u>376,406</u>		<u>376,406</u>
LIABILITIES			
Accounts Payable	163,758	5,232	168,990
Unearned Revenue	144,665	5,153	149,818
Noncurrent Liabilities:			
Due Beyond One Year	1,094,093		1,094,093
Total Liabilities	<u>1,402,516</u>	<u>10,385</u>	<u>1,412,901</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	551,003		551,003
Total Deferred Inflows of Resources	<u>551,003</u>		<u>551,003</u>
NET POSITION			
Net Investment in Capital Assets	910,593	8,029	918,622
Restricted for:			
Capital Projects	354,377		354,377
Maintenance Reserve	350,699		350,699
Excess Surplus	680,928		680,928
Unemployment Compensation	77,191		77,191
Scholarships	58,116		58,116
Student Activities	28,293		28,293
Unrestricted/(Deficit)	(1,226,386)	21,642	(1,204,744)
Total Net Position	<u>\$ 1,233,811</u>	<u>\$ 29,671</u>	<u>\$ 1,263,482</u>

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

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 2,671,786		\$ 1,168,590		\$ (1,503,196)		\$ (1,503,196)
Special Education	1,016,422		560,409		(456,013)		(456,013)
Other Special Instruction	113,127		35,215		(77,912)		(77,912)
School-Sponsored/Other Instruction	69,568		21,247		(48,321)		(48,321)
Support Services:							
Tuition	45,947				(45,947)		(45,947)
Student & Instruction Related Services	781,998	\$ 8,158	44,597		(729,243)		(729,243)
General Administrative Services	191,830		58,566		(133,264)		(133,264)
School Administrative Services	165,750		6,851		(158,899)		(158,899)
Central Services	107,844				(107,844)		(107,844)
Administrative Information Technology	2,990				(2,990)		(2,990)
Plant Operations and Maintenance	566,970				(566,970)		(566,970)
Pupil Transportation	45,162		19,954		(25,208)		(25,208)
Capital Outlay	6,657				(6,657)		(6,657)
Transfer to Charter School	26,679				(26,679)		(26,679)
Total Governmental Activities	5,812,730	8,158	1,915,429		(3,889,143)		(3,889,143)
Business-Type Activities:							
Food Service	66,606	730	73,306			\$ 7,430	7,430
Total Business-Type Activities	66,606	730	73,306			7,430	7,430
Total Primary Government	\$ 5,879,336	\$ 8,888	\$ 1,988,735	\$ -0-	(3,889,143)	7,430	(3,881,713)

OGDENSBURG BOROUGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenue:			
Taxes:			
Property Taxes, Levied for General Purposes, Net	\$ 2,552,809		\$ 2,552,809
Federal and State Aid not Restricted	1,788,897		1,788,897
Interest Income	1,196	\$ 11	1,207
Miscellaneous Income	2,118		2,118
Total General Revenue	4,345,020	11	4,345,031
Change in Net Position	455,877	7,441	463,318
Net Position - Beginning (Restated)	777,934	22,230	800,164
Net Position - Ending	\$ 1,233,811	\$ 29,671	\$ 1,263,482

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

FUND FINANCIAL STATEMENTS

OGDENSBURG BOROUGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS:			
Cash and Cash Equivalents	\$ 885,740	\$ 77,809	\$ 963,549
Intergovernmental Receivable:			
State	26,666		26,666
Federal		42,398	42,398
Restricted Assets:			
Cash and Cash Equivalents	782,267	86,409	868,676
Total Assets	\$ 1,694,673	\$ 206,616	\$ 1,901,289
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Accounts Payable	\$ 70,953	\$ 25,805	\$ 96,758
Interfund Payable:			
Food Service Fund	958		958
Unearned Revenue		144,665	144,665
Total Liabilities	71,911	170,470	242,381
Fund Balances:			
Restricted:			
Capital Reserve Account	354,377		354,377
Maintenance Reserve Account	350,699		350,699
Excess Surplus	680,928		680,928
Unemployment Compensation	77,191		77,191
Scholarships		58,116	58,116
Student Activities		28,293	28,293
Assigned:			
Encumbrances	90,189		90,189
Unassigned/(Deficit)	69,378	(50,263)	19,115
Total Fund Balances	1,622,762	36,146	1,658,908
Total Liabilities and Fund Balances	\$ 1,694,673	\$ 206,616	

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.	910,593
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.	(956,948)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:	
Deferred Outflows	309,406
Deferred Inflows	(551,003)
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.	(137,145)
Net Position of Governmental Activities	\$ 1,233,811

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

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

	General Fund	Special Revenue Fund	Total Governmental Funds
REVENUE:			
Local Sources:			
Local Tax Levy	\$ 2,552,809		\$ 2,552,809
Interest Earned on Capital Reserve Funds	617		617
Interest Earned on Maintenance Reserve Funds	440		440
Restricted Miscellaneous Revenue	139	\$ 8,187	8,326
Unrestricted Miscellaneous Revenue	2,118		2,118
Total - Local Sources	2,556,123	8,187	2,564,310
State Sources	2,931,124	450,553	3,381,677
Federal Sources		185,168	185,168
Total Revenue	5,487,247	643,908	6,131,155
EXPENDITURES:			
Current:			
Regular Instruction	1,089,214	591,272	1,680,486
Special Education Instruction	496,265	83,730	579,995
Other Special Instruction	60,611		60,611
School Sponsored/Other Instruction	37,883		37,883
Support Services and Undistributed Costs:			
Tuition	45,947		45,947
Student & Instruction Related Services	596,099	9,441	605,540
General Administration	152,786		152,786
School Administration	96,630		96,630
Central Services	80,163		80,163
Administration Information Technology	2,990		2,990
Plant Operations and Maintenance	535,802		535,802
Pupil Transportation	39,150		39,150
Unallocated Benefits	1,706,153		1,706,153
Capital Outlay	55,073		55,073
Transfer of Funds to Charter Schools	26,679		26,679
Total Expenditures	5,021,445	684,443	5,705,888
Excess/(Deficit) of Revenue Over/(Under) Expenditures	465,802	(40,535)	425,267
Other Financing Sources/(Uses):			
Transfer to Special Revenue Fund - Preschool Education Grant	(38,448)	38,448	
Total Other Financing Sources/(Uses)	(38,448)	38,448	
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	427,354	(2,087)	425,267
Fund Balance—July 1 (Restated)	1,195,408	38,233	1,233,641
Fund Balance—June 30	\$ 1,622,762	\$ 36,146	\$ 1,658,908

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

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

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ 425,267

Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation differs from capital outlays in the period.

	Depreciation expense	\$ (82,364)	
	Capital outlays	73,617	(8,747)

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+)

Repayment of capital leases principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. (+)

The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:

Change in Net Pension Liability	44,557	
Change in Deferred Outflows	(49,120)	
Change in Deferred Inflows	48,079	
Change in Net Position - Governmental Activities (from A-2)	\$ 455,877	

Change in Net Position - Governmental Activities (from A-2)

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

	Business-type Activities - Enterprise <hr/> Food Service
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 19,727
Intergovernmental Accounts Receivable:	
State	431
Federal	6,571
Interfund Receivable - General Fund	958
Inventories	4,340
	<hr/>
Total Current Assets	32,027
	<hr/>
Non-Current Assets:	
Capital Assets	63,269
Less: Accumulated Depreciation	(55,240)
	<hr/>
Total Non-Current Assets	8,029
	<hr/>
Total Assets	40,056
	<hr/>
LIABILITIES:	
Current Liabilities:	
Accounts Payable	5,232
Unearned Revenue - Prepaid Sales	2,241
Unearned Revenue - Donated Commodities	2,912
	<hr/>
Total Current Liabilities	10,385
	<hr/>
NET POSITION:	
Investment in Capital Assets	8,029
Unrestricted	21,642
	<hr/>
Total Net Position	\$ 29,671
	<hr/> <hr/>

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

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

	Business-type Activities - Enterprise Funds Food Service
Operating Revenue:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 730
Total Operating Revenue	730
Operating Expenses:	
Cost of Sales - Reimbursable Programs	28,085
Salaries, Benefits & Payroll Taxes	24,506
Supplies, Insurance & Other Costs	4,687
Management Fee	7,575
Depreciation Expense	1,753
Total Operating Expenses	66,606
Operating Loss	(65,876)
Non-Operating Income:	
Local Sources:	
Interest Income	11
State Sources:	
COVID 19 - Seamless Summer Option	2,245
State School Lunch Program	194
Federal Sources:	
COVID 19 - Seamless Summer Option	64,532
Food Distribution Program	6,335
Total Non-Operating Income	73,317
Change in Net Position	7,441
Net Position - Beginning of Year (Restated)	22,230
Net Position - End of Year	\$ 29,671

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

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

	Business-type Activities - Enterprise Food Service
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 730
Payments to Food Service Contractor	(52,502)
Payments to Other Suppliers	(80)
Net Cash Used for Operating Activities	(51,852)
Cash Flows from Investing Activities:	
Local Sources:	
Interest Income	11
Net Cash Provided by Investing Activities	11
Cash Flows from Noncapital Financing Activities:	
State Sources:	
State School Lunch Program - Received in Food Service Food	2,099
Federal Sources:	
National School Lunch Program - Received in Food Service Fund	62,943
Net Cash Provided by Noncapital Financing Activities	65,042
Net Increase in Cash and Cash Equivalents	13,201
Cash and Cash Equivalents, July 1	6,526
Cash and Cash Equivalents, June 30	\$ 19,727
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	
Operating Loss	\$ (65,876)
Adjustment to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Depreciation	1,753
Food Distribution Program	6,335
Changes in Assets and Liabilities:	
Decrease in Inventories	2,385
Increase in Unearned Revenue	36
Increase in Accounts Payable	3,515
Net Cash Used for Operating Activities	\$ (51,852)

Noncash Investing and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$6,204 and utilized U.S.D.A. Commodities valued at \$6,335.

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function.

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

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

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

The District reports the following governmental funds:

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

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

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

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

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

B. Basis of Presentation: (Cont'd)

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

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

The District reports the following proprietary fund:

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

C. Measurement Focus and Basis of Accounting:

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

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

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

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

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

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

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

D. Budgets/Budgetary Control:

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

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

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

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

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

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

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

Explanation of Differences between Budgetary Inflows and Outflows and
GAAP Revenues and Expenditures:

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue and Other Financing Sources" from the Budgetary Comparison Schedule	\$ 5,470,288	\$ 660,281
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, Whereas the GAAP Basis does not:		
Current Year Encumbrances		(15,540)
Prior Year State Aid Payments Recognized for GAAP Statements	211,643	49,430
Current Year State Aid Payment Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(194,684)	(50,263)
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 5,487,247	\$ 643,908
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 5,021,445	\$ 699,983
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:		
Current Year Encumbrances		(15,540)
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 5,021,445	\$ 684,443

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

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

E. Cash and Cash Equivalents, and Investments:

Cash and cash equivalents include petty cash, change funds, amount in deposits, and short-term investments with maturities of one year or less.

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

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

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

F. Interfund Transactions:

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

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

G. Allowance for Uncollectible Accounts:

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

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

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

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

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

K. Capital Assets:

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

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line.

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

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

K. Capital Assets: (Cont'd)

The estimated useful lives of capital assets reported in the district-wide statements and proprietary funds are as follows:

	Estimated Useful Life
Buildings and Building Improvements	50 Years
Site Improvements	20 Years
Machinery and Equipment	10 to 15 Years
Computer and Related Technology	5 Years
Vehicles	8 Years

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

L. Long Term Liabilities:

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

M. Accrued Salaries and Wages:

The District allow employees, who provide services to the District over the ten-month academic year the option to have their salaries evenly disbursed during the entire twelve month year. As of June 30, 2021, the amount earned by these employees but not disbursed was \$67,624.

N. Compensated Absences:

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

It is the District's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. A long-term liability of accumulated vacation and sick leave has been recorded in the governmental activities in the district-wide statements, representing the District's commitment to fund such costs from future operations. A liability is reported in the governmental funds only to the amount due and payable within sixty days of year end as a result of employee resignations and retirements.

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

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

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

O. Unearned Revenue:

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

P. Fund Balance Appropriated:

General Fund: Of the \$1,622,762 General Fund fund balance at June 30, 2021, \$354,377 is restricted in the capital reserve account; \$350,699 is restricted in the maintenance reserve account; \$343,610 is prior fiscal year excess surplus and is included as anticipated revenue for the fiscal year ending June 30, 2022; \$337,318 is current year excess surplus and will be anticipated and included as anticipated revenue for the fiscal year ending June 30, 2023; \$77,191 is restricted for unemployment compensation; \$90,189 is assigned for encumbrances; and \$69,378 is unassigned which is \$194,684 less on the GAAP basis than the calculated maximum unassigned fund balance (budgetary basis) due to the June state aid payments which are not recognized until the fiscal year ended June 30, 2022.

Special Revenue Fund: Of the \$36,146 Special Revenue Fund fund balance at June 30, 2021, \$58,116 is restricted for scholarships; \$28,293 is restricted for student activities; and there is a deficit in unassigned fund balance of \$50,263 at June 30, 2021 in the Special Revenue Fund on a GAAP basis due to the June state aid payments that are not recognized until the fiscal year ending June 30, 2022.

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

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$194,684, as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the related state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize the last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments.

Q. Net Position:

Net position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2021 related to pensions.

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

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

Q. Net Position: (Cont'd)

A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred inflows of resources related to pensions at June 30, 2021.

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

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

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

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

R. Deficit Fund Balance/Net Position:

The District has a deficit in unassigned fund balance in the Special Revenue Fund of \$50,263 as of June 30, 2021 due to the June state aid payments that were not recognized on the GAAP basis as explained in Note 1P on the previous page. The District's governmental activities has a \$1,226,386 deficit in unrestricted net position, primarily due to the accrual of compensated absences payable, deferred inflows of resources related to pensions and net pension liability, offset by deferred outflows of resources related to pensions and Governmental Funds unassigned and assigned fund balances. These deficits do not indicate that the District is having financial difficulties and are a permitted practice under generally accepted accounting principles.

S. Fund Balance Restrictions, Commitments and Assignments:

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

Fund balance restrictions have been established in the General Fund for a capital reserve, a maintenance reserve, excess surplus and unemployment compensation. Fund balance restrictions have been established in the Special Revenue Fund for scholarships and student activities.

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

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

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

S. Fund Balance Restrictions, Commitments and Assignments: (Cont'd)

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

T. Revenue - Exchange and Nonexchange Transactions:

Revenue, resulting from exchange transactions in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

U. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Enterprise Fund.

V. Management Estimates:

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

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

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

W. Pensions

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

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

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

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

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

Deposits:

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

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

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

Deposits (Cont'd):

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

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

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.). ;
 - (b) the custody of collateral is transferred to a third party;

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

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

Investments (Cont'd):

- (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
- (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
 - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
 - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
 - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
 - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

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

	<u>Cash and Cash Equivalents</u>						<u>Total</u>
	<u>Restricted</u>					<u>Unrestricted</u>	
	<u>Capital Reserve</u>	<u>Maintenance Reserve</u>	<u>Unemployment Compensation</u>	<u>Scholarships</u>	<u>Student Activities</u>		
Checking Accounts	<u>\$354,377</u>	<u>\$ 350,699</u>	<u>\$ 77,191</u>	<u>\$ 58,116</u>	<u>\$28,293</u>	<u>\$ 983,276</u>	<u>\$ 1,851,952</u>

During the period ended June 30, 2021, the District did not hold any investments. The carrying amount of the District's cash and cash equivalents at June 30, 2021, was \$1,851,952 and the bank balance was \$1,878,172.

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

(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Ogdensburg Borough School District for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Balance at June 30, 2020	\$	350,710
Deposits:		
Interest Earnings		617
June 2021 Board Resolution		100,000
Transfer from Capital Outlay - Unexpended Project Funds		28,050
		479,377
Decreased by:		
Budgeted Withdrawal		125,000
		\$ 354,377

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

NOTE 5. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$50,000 was established by Board resolution on June 6, 2017. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current fiscal year in the advertised recapitulation of balances of the subsequent fiscal year’s budget that is certified for taxes.

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

NOTE 5. MAINTENANCE RESERVE ACCOUNT (Cont'd)

Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the fiscal year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan.

Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any fiscal year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at fiscal year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current fiscal year of the District's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent fiscal year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Balance at June 30, 2020	\$ 250,259
Deposits:	
Interest Earnings	440
June 2021 Board Resolution	100,000
Balance at June 30, 2021	\$ 350,699

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

NOTE 6. CAPITAL ASSETS

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

	Beginning Balance Restated	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets not being Depreciated:				
Sites (Land)	\$ 9,865			\$ 9,865
Total Capital Assets not Being Depreciated	9,865			9,865
Capital Assets Being Depreciated:				
Site Improvements	116,730	\$ 24,021		140,751
Buildings and Building Improvements	2,545,075	47,135		2,592,210
Machinery and Equipment	497,579	2,461		500,040
Total Capital Assets Being Depreciated	3,159,384	73,617		3,233,001
Governmental Activities Capital Assets	3,169,249	73,617		3,242,866
Less Accumulated Depreciation for:				
Site Improvements	(116,730)	(2,402)		(119,132)
Buildings and Building Improvements	(1,759,378)	(52,222)		(1,811,600)
Machinery and Equipment	(373,801)	(27,740)		(401,541)
Total Accumulated Depreciation	(2,249,909)	(82,364)		(2,332,273)
Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 919,340	\$ (8,747)	\$ -0-	\$ 910,593
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 63,269			\$ 63,269
Less Accumulated Depreciation	(53,487)	\$ (1,753)		(55,240)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	\$ 9,782	\$ (1,753)	\$ -0-	\$ 8,029
GRAND TOTAL	\$ 929,122	\$ (10,500)	\$ -0-	\$ 918,622

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

(Continued)

NOTE 6. CAPITAL ASSETS (Cont'd)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$	61,155
Student and Instruction Related Services		1,242
School Administration		1,374
Operations and Maintenance of Plant		13,307
Central Services		5,286
	\$	82,364

NOTE 7. TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2021, there were transfers to the capital outlay account for facilities acquisition and construction services for which county superintendent approval was required and obtained.

NOTE 8. LONG TERM LIABILITIES

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

	Balance 6/30/2020	Accrued	Retired	Balance 6/30/2021
Compensated Absences Payable	\$ 118,629	\$ 27,519	\$ 9,003	\$ 137,145
Net Pension Liability	1,001,505		44,557	956,948
Obligations Under Capital Leases	14,357		14,357	
	\$ 1,134,491	\$ 27,519	\$ 67,917	\$ 1,094,093

A. Bonds Payable:

The District had no bonds outstanding as of June 30, 2021.

B. Bonds Authorized But Not Issued:

As of June 30, 2021, the District has no bonds authorized but not issued.

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

(Continued)

NOTE 8. LONG TERM LIABILITIES (Cont'd)

C. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. There is no current portion of the compensated absences liability at June 30, 2021. Thus, the entire balance of compensated absences of \$137,145 is a long-term portion.

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

The General Fund will be used to liquidate the Compensated Absences Payable.

D. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2021 is \$-0- and the long-term portion is \$956,948. See Note 9 for further information on the PERS.

NOTE 9. PENSION PLANS

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

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

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

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 or more years of service credit before age 62 and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$64,195 for fiscal year 2021.

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

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

At June 30, 2021, the District reported a liability of \$956,948 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2020, the District's proportion was 0.00587%, which was an increase of 0.0003% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$20,677. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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

NOTE 9. PENSION PLANS (Cont'd)

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

Pension Liabilities and Pension Expense (Cont'd)

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions:	2016	5.57	\$ 31,044	
	2017	5.48		\$ 90,583
	2018	5.63		88,868
	2019	5.21		70,574
	2020	5.16		150,658
Subtotal			<u>31,044</u>	<u>400,683</u>
Changes in Proportion:	2016	5.57	5,043	
	2017	5.48		96,208
	2018	5.63		50,728
	2019	5.21	166,925	
	2020	5.16	56,261	
Subtotal			<u>228,229</u>	<u>146,936</u>
Difference Between Expected and Actual Experience:	2016	5.47	942	
	2017	5.48	2,694	
	2018	5.63		3,384
	2019	5.21	5,394	
	2020	5.16	8,394	
Subtotal			<u>17,424</u>	<u>3,384</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments:	2017	5.00	(11,710)	
	2018	5.00	(10,860)	
	2019	5.00	2,628	
	2020	5.00	52,651	
Subtotal			<u>32,709</u>	
District Contribution Subsequent to the Measurement Date	2020	1.00	67,000	
			<u>\$ 376,406</u>	<u>\$ 551,003</u>

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

NOTE 9. PENSION PLANS (Cont'd)

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

Pension Liabilities and Pension Expense (Cont'd)

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

Fiscal Year Ending June 30,	Total
2021	\$ (120,079)
2022	(109,476)
2023	(62,563)
2024	(25,299)
2025	(5,473)
	\$ (322,890)

Actuarial Assumptions

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 – 6.00% based on years of service
Thereafter	3.00 – 7.00% based on years of service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and a 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

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

NOTE 9. PENSION PLANS (Cont'd)

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

Actuarial Assumptions (Cont'd)

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

Long Term Expected Rate of Return

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

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

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

NOTE 9. PENSION PLANS (Cont'd)

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

Discount Rate

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

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

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

	June 30, 2020		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 1,201,969	\$ 956,948	\$ 745,122

Pension Plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division).

For additional information about the TPAF, please refer to the Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

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

NOTE 9. PENSION PLANS (Cont'd)

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

Benefits Provided

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

The following represents the membership tiers for TPAF:

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

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

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2021, the State's pension contribution was less than the actuarial determined amount.

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

NOTE 9. PENSION PLANS (Cont'd)

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

Contributions (Cont'd)

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. This note discloses the portion of the District's total proportionate share of the net pension liability that is associated with the District. During the fiscal year ended 2021, the State of New Jersey contributed \$579,951 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$775,427.

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

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

At June 30, 2021, the State's proportionate share of the net pension liability associated with the District was \$12,469,824. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2020, the District's proportion was 0.0189%, which was a decrease of 0.0025% from its proportion measured as of June 30, 2019.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	12,469,824
Total	\$ 12,469,824

For the fiscal year ended June 30, 2021, the State recognized pension expense on behalf of the District in the amount of \$775,427 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2021 financial statements.

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

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions:	2014	8.50	\$ 461,324,773	
	2015	8.30	1,638,696,238	
	2016	8.30	4,304,747,820	
	2017	8.30		\$ 6,882,861,832
	2018	8.29		4,349,959,805
	2019	8.04		3,009,143,115
	2020	7.99	1,411,170,422	
			<u>7,815,939,253</u>	<u>14,241,964,752</u>
Difference Between Expected and Actual Experience:	2014	8.50		4,393,807
	2015	8.30	101,207,836	
	2016	8.30		53,533,223
	2017	8.30	122,460,660	
	2018	8.29	763,099,015	
	2019	8.04		116,909,940
	2020	7.99		7,520,890
			<u>986,767,511</u>	<u>182,357,860</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments:	2017	5.00	(226,008,261)	
	2018	5.00	(192,060,744)	
	2019	5.00	108,662,078	
	2020	5.00	965,582,162	
			<u>656,175,235</u>	
			<u>\$ 9,458,881,999</u>	<u>\$ 14,424,322,612</u>

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

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

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

Actuarial Assumptions

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

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

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

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

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

NOTE 9. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

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

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

NOTE 9. PENSION PLANS (Cont'd)

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

Discount Rate – TPAF

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

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

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

	June 30, 2020		
	1% Decrease (4.40%)	Current Discount Rate (5.40%)	1% Increase (6.40%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 14,647,269	\$ 12,469,824	\$ 10,661,822

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

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

NOTE 9. PENSION PLANS (Cont'd)

C. Defined Contribution Retirement Program (DCRP) (Cont'd)

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

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

For DCRP, the District recognized pension expense of \$12,742 for the fiscal year ended June 30, 2021. Employee contributions to DCRP amounted to \$18,559 for the fiscal year ended June 30, 2021.

NOTE 10. DEFERRED COMPENSATION

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

The plan administrators are as follows:

AXA Equivest	Equitable
Valic	MetLife

Equitable Life Assurance and MetLife are the plan administrators for the District's Internal Revenue Code 457 plans.

NOTE 11. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. Health benefits are provided to employees through the State of New Jersey Health Benefits Plan as of January 1, 2021.

Property, Liability and Health Benefits

The District is a member of the School Alliance Insurance Fund ("SAIF"). The SAIF provides its members with Workers' Compensation, Comprehensive General Liability and Automobile Liability, Property, Boiler and Machinery, and School Board Legal Liability Insurance. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report.

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

NOTE 11. RISK MANAGEMENT (Cont'd)

Property, Liability and Health Benefits

The SAIF is a risk-sharing fund that is an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the SAIF are elected.

As a member of the SAIF, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the SAIF were to be exhausted, members would become responsible for their respective shares of the SAIF's liabilities.

The SAIF can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with the Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

The June 30, 2021 audit report is not available as of the date of this report. Selected summarized financial information for the SAIF as of June 30, 2020 is as follows:

	<u>School Alliance Insurance Fund</u>
Total Assets	<u>\$ 51,526,293</u>
Net Position	<u>\$ 20,539,909</u>
Total Revenue	<u>\$ 43,264,716</u>
Total Expenses	<u>\$ 41,642,794</u>
Change in Net Position	<u>\$ 1,621,922</u>
Members Dividends	<u>\$ -0-</u>

Financial statements for the SAIF are available at the SAIF's Executive Director's Office:

Public Entity Group Administrative Services
51 Everett Drive
Suite B-40
West Windsor, NJ 08550

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

NOTE 11. RISK MANAGEMENT (Cont'd)

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the Unemployment Compensation Restricted Fund Balance 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 the District’s contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District’s Unemployment Compensation Restricted Fund Balance for the current and previous two years:

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020-2021	\$ 5,534	\$ 139	\$ 6,196	\$ 77,191
2019-2020	5,444	159	14,482	77,714
2018-2019	5,326	164	135	86,593

NOTE 12. ECONOMIC DEPENDENCY

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

NOTE 13. INTERFUND RECEIVABLES AND PAYABLES

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund		\$ 958
Food Service Fund	\$ 958	
	<u>\$ 958</u>	<u>\$ 958</u>

The interfund payable in the General Fund is Federal and State Lunch Program subsidy reimbursements not remitted to the Food Service Fund.

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

NOTE 14. TAX CALENDAR

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

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

NOTE 15. CONTINGENT LIABILITIES

Grant Programs

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

Litigation

The District is periodically involved in various lawsuits. The District estimates that the potential claims against it resulting from any such litigation and not covered by insurance would not materially affect the financial position of the District.

Encumbrances

At June 30, 2021, there were encumbrances as detailed below in the governmental funds.

<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<u>\$ 90,189</u>	<u>\$ 15,540</u>	<u>\$ 105,729</u>

On the District's Governmental Funds Balance Sheet as of June 30, 2021, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$15,540 less than the actual year-end encumbrances on a budgetary basis. Encumbrances are not recognized on a GAAP basis and are reflected as either a reduction in grants receivable or an increase in unearned revenue in the Special Revenue Fund.

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

NOTE 16. ACCOUNTS PAYABLE

Payables, as of June 30, 2021, were as follows:

	<u>Governmental</u>		District Contribution Subsequent to Measurement Date	Total Governmental Activities	<u>Business-Type</u>
	<u>Funds</u>	<u>Special</u>			<u>Activities</u>
	General	Revenue			Proprietary
	Fund	Fund			Funds
Vendors	\$ 2,805	\$ 25,805		\$ 28,610	\$ 5,232
Payroll Deductions and Withholdings	524			524	
Accrued Salaries and Wages	67,624			67,624	
Due to:					
State of New Jersey			\$ 67,000	67,000	
	<u>\$ 70,953</u>	<u>\$ 25,805</u>	<u>\$ 67,000</u>	<u>\$ 163,758</u>	<u>\$ 5,232</u>

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

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

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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Plan Description and Benefits Provided (Cont'd)

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A. 52:14-17.32f. According to N.J.S.A. 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 years or more of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on based on the retiree's annual retirement benefit and level of coverage.

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

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

Employees Covered by Benefit Terms

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

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

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. The total nonemployer OPEB liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2016 which was rolled forward to June 30, 2017.

Actuarial Assumptions and Other Inputs

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

Inflation Rate	2.50%
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OGDENSBURG BOROUGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Actuarial Assumptions and Other Inputs (Cont'd)

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

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

Mortality Rates

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

Health Care Trend Assumptions

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

Discount Rate

The discount rate for June 30, 2019 was 3.50%. The discount rate for June 30, 2018 was 3.87%, a change of -.37%. This represents the municipal bond rate as chosen by the State of New Jersey Division of Pensions and Benefits. The source is the Bond Buyer Go 20-Bond Municipal bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

	<u>Total OPEB Liability</u>
Balance at June 30, 2018	\$ 10,184,197
Changes for Year:	
Service Cost	322,073
Interest	401,403
Changes of Assumptions	135,537
Differences between Expected and Actual Experience	(1,682,132)
Gross Benefit Payments by the State	(279,045)
Contributions from Members	<u>8,272</u>
Net Changes	<u>(1,093,892)</u>
Balance at June 30, 2019	<u>\$ 9,090,305</u>

Sensitivity of the Total Nonemployer OPEB Liability Attributable to the District to Changes in the Discount Rate

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

	June 30, 2019		
	At 1% Decrease (2.50%)	At Discount Rate (3.50%)	At 1% Increase (4.50%)
	Total OPEB Liability Attributable to the District	\$ 10,739,242	\$ 9,090,305

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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Sensitivity of the Total Nonemployer OPEB Liability Attributable to the District to Changes in the Healthcare Trend Rate

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

	June 30, 2019		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 7,490,006	\$ 9,090,305	\$ 11,208,772

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

For the fiscal year ended June 30, 2021 the District recognized OPEB expense of \$127,181 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

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

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		\$ 1,058,295
	2018	9.51		910,277
	2019	9.29	\$ 120,947	
			120,947	1,968,572
Differences Between Expected and Actual Experience	2018	9.51		860,495
	2019	9.29		1,423,560
				2,284,055
Changes in Proportion	N/A	N/A		296,904
			\$ 120,947	\$ 4,549,531

N/A - Not Available

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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

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

Fiscal Year Ending June 30,	Total
2020	\$ (554,738)
2021	(554,738)
2022	(554,738)
2023	(554,738)
2024	(554,738)
Thereafter	(1,357,990)
	\$ (4,131,680)

NOTE 18. SUBSEQUENT EVENT

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

The District’s Food Service Fund has been impacted by COVID-19 for the fiscal year ending June 30, 2022 as the District continues to offer free lunch to all students under the Seamless Summer Option.

NOTE 19. PRIOR YEAR ADJUSTMENT

GASB 84, *Fiduciary Activities*, was implemented during the fiscal year ended June 30, 2021. As part of this implementation, the activity for the Unemployment Compensation Insurance Trust Fund which had previously been reported in the Fiduciary Funds is now reported in the General Fund. The Student Activities Fund (which includes Athletic Activities) and Private Purpose Scholarship Trust Fund are now reported in the Special Revenue Fund.

The District also made an adjustment to correct the amount reported for capital assets and related accumulated depreciation for equipment in the Food Service Fund.

The ending balances as of June 30, 2020 were restated due to the implementation of GASB 84 and the adjustment to capital assets as shown on the following page:

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

NOTE 19. PRIOR YEAR ADJUSTMENT (Cont'd)

	Balance June 30, 2020 as Previously Reported	Retroactive Adjustments	Balance June 30, 2020 as Restated
<u>Statement of Net Activities - Governmental Activities:</u>			
Net Position - Ending	\$ 612,557	\$ 165,377	\$ 777,934
<u>Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds:</u>			
General Fund:			
Fund Balance - June 30	\$ 1,117,694	\$ 77,714	\$ 1,195,408
Special Revenue Fund:			
Fund Balance - June 30	\$ (49,430)	\$ 87,663	\$ 38,233
<u>Statement of Changes in Fiduciary Net Position - Fiduciary Funds:</u>			
Unemployment Compensation Trust:			
Net Position - End of the Year	\$ 77,714	\$ (77,714)	\$ -0-
Private Purpose Scholarship Trust:			
Net Position - End of the Year	\$ 58,612	\$ (58,612)	\$ -0-
<u>Statement of Net Activities - Business-type Activities:</u>			
Net Position - Ending	\$ 19,976	\$ 2,254	\$ 22,230
<u>Statement of Net Position - Business-type Activities:</u>			
Assets:			
Capital Assets, Net:			
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	\$ 7,528	\$ 2,254	\$ 9,782
Total Assets	\$ 26,810	\$ 2,254	\$ 29,064
Net Position:			
Net Investment in Capital Assets	\$ 7,528	\$ 2,254	\$ 9,782
Total Net Position	\$ 19,976	\$ 2,254	\$ 22,230

SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION

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

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
District's proportion of the net pension liability	0.0060888984%	0.0062295008%	0.0064774792%	0.0048436236%	0.0043621199%	0.0055582089%	0.0058681864%
District's proportionate share of the net pension liability	\$ 1,140,008	\$ 1,398,398	\$ 1,918,444	\$ 1,127,518	\$ 858,880	\$ 1,001,505	\$ 956,948
District's covered employee payroll	\$ 428,776	\$ 445,580	\$ 341,823	\$ 306,331	\$ 387,772	\$ 378,572	\$ 381,168
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	265.87%	313.84%	561.24%	368.07%	221.49%	264.55%	251.06%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%

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

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

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
Contractually required contribution	\$ 50,196	\$ 53,557	\$ 57,545	\$ 45,200	\$ 43,490	\$ 54,261	\$ 64,195
Contributions in relation to the contractually required contribution	(50,196)	(53,557)	(57,545)	(45,200)	(43,490)	(54,261)	(64,195)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 445,580	\$ 341,823	\$ 306,331	\$ 387,772	\$ 378,572	\$ 381,168	\$ 402,446
Contributions as a percentage of covered employee payroll	11.27%	15.67%	18.79%	11.66%	11.49%	14.24%	15.95%

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

OGDENSBURG BOROUGH SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
 SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE
 NET PENSION LIABILITY ATTRIBUTABLE TO THE DISTRICT
 TEACHERS' PENSION AND ANNUITY FUND
 LAST SEVEN FISCAL YEARS

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
State's proportion of the net pension liability attributable to the District	0.0204468736%	0.0202466869%	0.0218972437%	0.0201438309%	0.0179663055%	0.0214023553%	0.0189370572%
State's proportionate share of the net pension liability attributable to the District	\$ 10,928,188	\$ 12,796,771	\$ 17,225,766	\$ 13,581,697	\$ 11,429,778	\$ 13,134,827	\$ 12,469,824
District's covered employee payroll	\$ 2,179,535	\$ 2,061,316	\$ 1,918,969	\$ 2,159,938	\$ 2,060,932	\$ 2,140,025	\$ 2,171,068
State's proportionate share of the net pension liability attributable to the District as a percentage of its covered employee payroll	501.40%	620.81%	897.66%	628.80%	554.59%	613.77%	574.36%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%

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

OGDENSBURG BOROUGH BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND
LAST SEVEN FISCAL YEARS

	Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
Contractually required contribution	\$ 588,039	\$ 781,358	\$ 1,294,277	\$ 940,871	\$ 666,316	\$ 774,727	\$ 775,427
Contributions in relation to the contractually required contribution	(109,461)	(175,318)	(218,656)	(264,580)	(429,744)	(415,362)	(579,951)
Contribution deficiency/(excess)	<u>\$ 478,578</u>	<u>\$ 606,040</u>	<u>\$ 1,075,621</u>	<u>\$ 676,291</u>	<u>\$ 236,572</u>	<u>\$ 359,365</u>	<u>\$ 195,476</u>
District's covered employee payroll	\$ 2,061,316	\$ 1,918,969	\$ 2,159,938	\$ 2,060,932	\$ 2,140,025	\$ 2,171,068	\$ 2,194,032
Contributions as a percentage of covered employee payroll	5.31%	9.14%	10.12%	12.84%	20.08%	19.13%	26.43%

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

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

	Fiscal Year Ending June 30,		
	2017	2018	2019
Service Cost	\$ 421,685	\$ 351,615	\$ 322,073
Interest	377,414	435,689	401,403
Changes in Assumptions	(1,537,031)	(1,168,688)	135,537
Differences between Expected and Actual Experience		(1,120,282)	(1,682,132)
Member Contributions	10,191	9,412	8,272
Gross Benefit Payments	(276,759)	(272,322)	(279,045)
Net Change in Total OPEB Liability	(1,004,500)	(1,764,576)	(1,093,892)
Total OPEB Liability - Beginning	12,953,273	11,948,773	10,184,197
Total OPEB Liability - Ending	<u>\$ 11,948,773</u>	<u>\$ 10,184,197</u>	<u>\$ 9,090,305</u>
District's Covered Employee Payroll *	\$ 2,403,139	\$ 2,466,269	\$ 2,448,704
Total OPEB Liability as a Percentage of Covered Employee Payroll	497%	413%	371%

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

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

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

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

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

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

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

Changes of Actuarial Assumptions (Cont'd)

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

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

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

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

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

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

BUDGETARY COMPARISON SCHEDULES

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 2,552,809		\$ 2,552,809	\$ 2,552,809	\$ (3,240)
Tuition from Individuals	3,240		3,240		
Interest on Maintenance Reserve	125		125	440	315
Interest on Capital Reserve Funds	375		375	617	242
Restricted Miscellaneous Revenues (SUI Interest)				139	139
Unrestricted Miscellaneous Revenues	2,000		2,000	2,118	118
Total - Local Sources	2,558,549		2,558,549	2,556,123	(2,426)
State Sources:					
Categorical Special Education Aid	162,828		162,828	162,828	
Equalization Aid	1,369,767		1,369,767	1,369,767	
Categorical Security Aid	27,247		27,247	27,247	
Adjustment Aid	74,635		74,635	74,635	
Categorical Transportation Aid	17,372		17,372	17,372	
School Choice Aid	300,292		300,292	300,292	
Extraordinary Aid	14,013		14,013	23,476	9,463
Prior Year Revised Extraordinary Aid				1,409	1,409
Additional Nonpublic Transportation Aid				3,190	3,190
On-Behalf TPAF Contributions (Non-Budgeted):					
Pension				579,951	579,951
Post-Retirement Medical Benefits				185,205	185,205
Non-Contributory Insurance				11,034	11,034
Long-Term Disability Insurance				390	390
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				157,369	157,369
Total - State Sources	1,966,154		1,966,154	2,914,165	948,011
TOTAL REVENUES	4,524,703		4,524,703	5,470,288	945,585

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 151,172	\$ (1)	\$ 151,171	\$ 118,333	\$ 32,838
Grades 1-5 - Salaries of Teachers	563,000	(22,912)	540,088	513,627	26,461
Grades 6-8 - Salaries of Teachers	420,000	22,912	442,912	432,347	10,565
Regular Programs - Undistributed Instruction:					
General Supplies	42,688	(2,000)	40,688	23,559	17,129
Textbooks	2,000	2,000	4,000	1,348	2,652
Other Objects	1,026		1,026		1,026
Total Regular Programs - Instruction	1,179,886	(1)	1,179,885	1,089,214	90,671
Special Education - Instruction:					
Multiple Disabilities:					
Salaries of Teachers	73,335		73,335	73,335	
General Supplies	1,610		1,610	938	672
Total Multiple Disabilities	74,945		74,945	74,273	672
Resource Room/Resource Center:					
Salaries of Teachers	261,001	(18,959)	242,042	209,098	32,944
Other Salaries for Instruction	191,874	18,959	210,833	210,833	
General Supplies	2,176		2,176	2,061	115
Total Resource Room/Resource Center	455,051		455,051	421,992	33,059
Special Education - Instruction:					
Preschool Disabilities - Full Time:					
Salaries of Teachers	35,000	(35,000)			
Other Salaries for Instruction	5,000	(5,000)			
General Supplies	15,000	(15,000)			
Total Preschool Disabilities - Full Time	55,000	(55,000)			
Total Special Education Instruction	584,996	(55,000)	529,996	496,265	33,731

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	\$ 65,585	\$	65,585	60,112	\$ 5,473
Purchased Technical Services	4,009		4,009		4,009
General Supplies	528		528	499	29
Total Basic Skills/Remedial - Instruction	70,122		70,122	60,611	9,511
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	25,065		25,065	8,880	16,185
Supplies and Materials	4,675		4,675	1,203	3,472
Total School-Sponsored Cocurricular Activities - Instruction	29,740		29,740	10,083	19,657
School-Sponsored Athletics - Instruction:					
Salaries	26,302		26,302	1,937	24,365
Supplies and Materials	2,110		2,110	270	1,840
Other Objects	1,222		1,222	40	1,182
Transfer to Cover Deficit (Agency Funds)	4,000		4,000		4,000
Total School-Sponsored Athletics - Instruction	33,634		33,634	2,247	31,387
Summer School - Instruction:					
Salaries of Teachers	10,000	\$ 2,432	12,432	12,432	
Other Salaries for Instruction	5,500	2,182	7,682	7,682	
Purchased Professional and Technical Services	2,400	(2,400)			
General Supplies	500	(397)	103	103	
Total Summer School - Instruction	18,400	1,817	20,217	20,217	

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Summer School - Support Services:					
Salaries	\$ 7,700	\$ (1,816)	\$ 5,884	\$ 5,336	\$ 548
Total Summer School - Support Services	7,700	(1,816)	5,884	5,336	548
Total Instruction	1,924,478	(55,000)	1,869,478	1,683,973	185,505
Undistributed Expenditures:					
Instruction:					
Tuition to Private School for the Disabled Within State	21,575	24,372	45,947	45,947	
Total Undistributed Expenditures - Instruction	21,575	24,372	45,947	45,947	
Attendance and Social Work Services:					
Salaries of Family Support Teams	27,045		27,045	27,045	
Total Attendance and Social Work Services	27,045		27,045	27,045	
Health Services:					
Salaries	75,079	4,888	79,967	74,275	5,692
Purchased Professional and Technical Services	5,230	(530)	4,700	4,700	
Other Purchased Services (400-500 Series)	285	(43)	242	165	77
Supplies and Materials	2,099	(121)	1,978	1,978	
Other Objects	185	134	319	319	
Total Health Services	82,878	4,328	87,206	81,437	5,769

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Speech, OT, PT and Other Related Services:					
Salaries	\$ 57,325	\$	\$ 57,325	\$ 57,310	\$ 15
Purchased Professional- Educational Services	49,407	\$ (4,328)	45,079	22,661	22,418
Supplies and Materials	559		559	558	1
Speech, OT, PT and Other Related Services	107,291	(4,328)	102,963	80,529	22,434
Other Support Services - Students - Extraordinary Services:					
Salaries	29,451		29,451	29,451	
Total Other Support Services - Students - Extraordinary Services	29,451		29,451	29,451	
Child Study Teams:					
Salaries of Other Professional Staff	195,644	4,640	200,284	191,114	9,170
Salaries of Secretarial and Clerical Assistants	50,200		50,200	50,197	3
Purchased Professional Educational Services	4,200	(4,100)	100	100	
Other Purchased Services (400-500 series)	800	(540)	260		260
Supplies and Materials	1,776		1,776	1,601	175
Other Objects	345		345	150	195
Total Child Study Teams	252,965		252,965	243,162	9,803

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Improvement of Instructional Services:					
Salaries of Supervisor of Instruction	\$ 40,335		\$ 40,335	\$ 35,342	\$ 4,993
Total Improvement of Instructional Services	40,335		40,335	35,342	4,993
Undistributed Expenditures:					
Educational Media Services/School Library:					
Salaries	10,000		10,000		10,000
Salaries of Technology Coordinators	34,000		34,000	33,603	397
Purchased Professional and Technical Services	68,467		68,467	62,754	5,713
Supplies and Materials	3,324		3,324	1,468	1,856
Total Educational Media Services/School Library	115,791		115,791	97,825	17,966
Instructional Staff Training Services:					
Salaries of Other Professional Staff	1,000		1,000		1,000
Purchased Professional - Educational Services	4,000	\$ (2,147)	1,853		1,853
Other Purchased Services (400-500 Series)	982	2,147	3,129	1,308	1,821
Supplies and Materials	500		500		500
Total Instructional Staff Training Services	6,482		6,482	1,308	5,174

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Support Services - General Administration:					
Salaries	\$ 88,101		\$ 88,101	\$ 87,589	\$ 512
Legal Services	15,000		15,000	3,380	11,620
Audit Fees	24,500	\$ 500	25,000	25,000	
Architectural/Engineering Services	9,858	(9,858)			
Other Purchased Professional Services	16,410	(4,614)	11,796	10,172	1,624
Communications/Telephone	22,700	64	22,764	18,321	4,443
BOE Other Purchased Services	3,500	(64)	3,436	35	3,401
Miscellaneous Purchased Services	1,850		1,850		1,850
General Supplies	3,690		3,690	3,101	589
BOE In-House Training/Meeting Supplies	250		250		250
Miscellaneous Expenditures	2,000	55	2,055	2,055	
BOE Memberships and Dues	3,300	(55)	3,245	3,133	112
Total Support Services - General Administration	191,159	(13,972)	177,187	152,786	24,401
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	86,005	(324)	85,681	84,987	694
Salaries of Secretarial and Clerical Assistants	11,075	324	11,399	11,399	
Supplies and Materials	1,000		1,000	49	951
Other Objects	1,980		1,980	195	1,785
Total Support Services - School Administration	100,060		100,060	96,630	3,430

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Central Services:					
Salaries	\$ 105,568	\$ (288)	\$ 105,280	\$ 64,137	\$ 41,143
Purchased Professional Services	12,850	595	13,445	13,445	
Miscellaneous Purchased Services (400-500 Series)	500	(307)	193	150	43
Supplies and Materials	2,000		2,000	1,045	955
Miscellaneous Expenditures	1,400		1,400	1,386	14
Total Central Services	122,318		122,318	80,163	42,155
Administration Information Technology:					
Purchased Technical Services	4,000		4,000	2,990	1,010
Total Administration Information Technology	4,000		4,000	2,990	1,010
Required Maintenance of School Facilities:					
Salaries	9,145	(1,057)	8,088	7,722	366
Cleaning, Repair and Maintenance Services	82,556	3,405	85,961	80,442	5,519
General Supplies	1,200	(1)	1,199	181	1,018
Total Required Maintenance of School Facilities	92,901	2,347	95,248	88,345	6,903

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Custodial Services:					
Salaries	\$ 192,680	\$ 9,238	\$ 201,918	\$ 187,538	\$ 14,380
Salaries of Non-Instructional Aides	60,000	(7,646)	52,354	27,890	24,464
Purchased Professional and Technical Services	14,400	(3,349)	11,051	6,001	5,050
Cleaning, Repair and Maintenance Services	51,257	9,449	60,706	58,546	2,160
Insurance	55,000		55,000	46,088	8,912
Miscellaneous Purchased Services	3,350	(342)	3,008	968	2,040
General Supplies	25,531	(8,748)	16,783	10,339	6,444
Energy (Natural Gas)	37,000	13,141	50,141	42,955	7,186
Energy (Electricity)	42,000	(10,765)	31,235	27,209	4,026
Other Objects	325		325	325	
Total Custodial Services	481,543	978	482,521	407,859	74,662
Care and Upkeep of Grounds:					
Salaries	30,605	1,213	31,818	31,318	500
General Supplies	7,043	(4,537)	2,506	2,506	
Total Care and Upkeep of Grounds	37,648	(3,324)	34,324	33,824	500

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Security:					
Purchased Professional and Technical Services	\$ 3,500	\$	3,500	2,320	\$ 1,180
Cleaning, Repair and Maintenance Services	1,750		1,750	1,732	18
General Supplies	2,000		2,000	1,722	278
Total Security	7,250		7,250	5,774	1,476
Student Transportation Services:					
Salary for Pupil Transportation (Other than between Home & School)	28,000	\$ 176	28,176	28,176	
Management Fee - ESC Transportation Programs	4,500	(176)	4,324	308	4,016
Other Between Home and School - Vendors	10,500		10,500	10,500	
Special Education Students - Vendors	71,300		71,300	3,883	67,417
Regular Students - ESC & CTSA	18,500		18,500	6,783	11,717
Aid in Lieu Payments - Nonpublic School Students	4,420		4,420		4,420
Total Student Transportation Services	137,220		137,220	39,150	98,070

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Unallocated Benefits:					
Social Security Contributions	\$ 75,000		\$ 75,000	\$ 68,402	\$ 6,598
Other Retirement Contribution - PERS	57,000	7,195	64,195	64,195	
Other Retirement Contribution - Regular	13,500		13,500	12,742	758
Workmen's Compensation	60,089	(14,167)	45,922	35,376	10,546
Health Benefits	581,228	(14,116)	567,112	567,112	
Tuition Reimbursement	25,000	(11,843)	13,157	12,068	1,089
Other Employee Benefits	3,750	8,559	12,309	12,309	
Total Unallocated Benefits	815,567	(24,372)	791,195	772,204	18,991
On-Behalf TPAF Contributions (Non-Budgeted):					
Pension				579,951	(579,951)
Post-Retirement Medical Benefits				185,205	(185,205)
Non-Contributory Insurance				11,034	(11,034)
Long-Term Disability Insurance				390	(390)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				157,369	(157,369)
Total Personal Services - Employee Benefits				933,949	(933,949)
Total Undistributed Expenses	2,673,479	(13,971)	2,659,508	3,255,720	(596,212)
TOTAL GENERAL CURRENT EXPENSE	4,597,957	(68,971)	4,528,986	4,939,693	(410,707)

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CAPITAL OUTLAY					
Facilities Acquisition and Construction Services:					
Construction Services	\$ 24,395	\$ 125,000	\$ 149,395	\$ 48,416	\$ 100,979
Debt Service Assessment for SDA Funding	6,657		6,657	6,657	
Total Facilities Acquisition and Construction Services	31,052	125,000	156,052	55,073	100,979
TOTAL CAPITAL OUTLAY	31,052	125,000	156,052	55,073	100,979
Transfer of Funds to Charter Schools	12,708	13,971	26,679	26,679	
GENERAL FUND GRAND TOTAL	4,641,717	70,000	4,711,717	5,021,445	(309,728)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(117,014)	(70,000)	(187,014)	448,843	635,857
Other Financing Uses:					
Operating Transfer Out - Preschool Education Aid		(55,000)	(55,000)	(38,448)	16,552
Transfer to Capital Projects Fund from Capital Reserve	(125,000)	125,000			
Total Other Financing Uses	(125,000)	70,000	(55,000)	(38,448)	16,552

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess/(Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Uses	\$ (242,014)	\$ -0-	\$ (242,014)	\$ 410,395	\$ 652,409
Fund Balance, July 1 (Restated)	1,329,337		1,407,051	1,407,051	
Fund Balance, June 30	\$ 1,087,323	\$ -0-	\$ 1,165,037	\$ 1,817,446	\$ 652,409
 <u>Recapitulation:</u>					
Restricted:					
Capital Reserve				\$ 354,377	
Maintenance Reserve				350,699	
Excess Surplus - 2022/2023				337,318	
Excess Surplus - Designated for Subsequent Year's Expenditures (2021-2022)				343,610	
Unemployment Compensation				77,191	
Assigned:					
Year-End Encumbrances				90,189	
Unassigned				264,062	
				1,817,446	
Reconciliation to Governmental Funds Statements (GAAP):					
Last Two State Aid Payments not Recognized on GAAP Basis				(194,684)	
Fund Balance per Governmental Funds (GAAP)				\$ 1,622,762	

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenue:					
Local Sources		\$ 8,187	\$ 8,187	\$ 8,187	
Federal Sources	\$ 96,936	89,611	186,547	186,547	
State Sources	503,994	90,678	594,672	465,547	\$ (129,125)
Total Revenue	600,930	188,476	789,406	660,281	(129,125)
Other Financing Sources:					
Transfer In - General Fund		38,448	38,448	38,448	
Total Revenue and Other Financing Sources	600,930	226,924	827,854	698,729	(129,125)
Expenditures:					
Instruction:					
Salaries of Teachers	159,435	156,198	315,633	213,377	102,256
Other Salaries for Instruction	50,203	24,436	74,639	47,770	26,869
Purchased Professional - Educational Services	15,000	(15,000)			
Purchased Professional/Technical Services	8,000	(8,000)			
Tuition	56,730	(6,730)	50,000	50,000	
Other Purchased Services	1,000	(1,000)			
General Supplies	19,500	36,437	55,937	55,937	
Other Objects	2,500	(2,500)			
Total Instruction	312,368	183,841	496,209	367,084	129,125
Support Services:					
Salaries of Supervisors of Instruction	12,000		12,000	12,000	
Salaries of Other Professional Staff	17,785	(3,785)	14,000	14,000	
Salaries of Secretarial and Clerical Assistants	6,000		6,000	6,000	
Other Salaries	32,000	605	32,605	32,605	
Salaries of Family/Parent Liaison	4,600	3,785	8,385	8,385	
Salaries of Facilitator/Coach	4,900		4,900	4,900	
Personal Services - Employee Benefits	122,500	12,520	135,020	135,020	
Other Purchased Professional Services	17,570	(17,570)			
Purchased Professional/Technical Services		5,384	5,384	5,384	
Purchased Professional - Educational Services	2,718	31,012	33,730	33,730	
Cleaning, Repair and Maintenance Services	35,000	1,496	36,496	36,496	
Contracted Services - Transportation (Field Trips)	5,000	(5,000)			
Other Purchased Services	4,378	(2,285)	2,093	2,093	
Travel		225	225	225	
Supplies and Materials	12,145	13,634	25,779	25,779	
Other Objects	5,125	(5,125)			
Scholarships Awarded		525	525	525	
Student Activities		8,916	8,916	8,916	
Total Support Services	281,721	44,337	326,058	326,058	
Facilities Acquisition:					
Instructional Equipment	2,841	(2,841)			
Noninstructional Equipment	4,000	2,841	6,841	6,841	
Total Facilities Acquisition	6,841		6,841	6,841	
Total Expenditures	600,930	228,178	829,108	699,983	129,125
Excess (Deficiency) of Revenue					
Over (Under) Expenditures	\$ -0-	\$ (1,254)	\$ (1,254)	\$ (1,254)	\$ -0-

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

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue and Other Financing Sources" from the Budgetary Comparison Schedule	\$ 5,470,288	\$ 660,281
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis recognizes Encumbrances as Revenue and Expenditures, whereas the GAAP Basis does not:		
Current Year Encumbrances		(15,540)
Prior Year State Aid Payments Recognized for GAAP Statements	211,643	49,430
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(194,684)	(50,263)
 Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	 \$ 5,487,247	 \$ 643,908
 Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 5,021,445	\$ 699,983
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:		
Current Year Encumbrances		(15,540)
 Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	 \$ 5,021,445	 \$ 684,443

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

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

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

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

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

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

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

	Elementary and Secondary Education Act		IDEA Part B		Preschool Education
	Title I	Title II Part A	Basic	Preschool	Expansion Aid
REVENUE:					
Federal Sources	\$ 44,099	\$ 7,477	\$ 80,216	\$ 3,514	
State Sources					\$ 465,547
Total Revenue	44,099	7,477	80,216	3,514	465,547
Other Financing Sources:					
Transfer In - Board Contribution - General Fund					38,448
Total Revenue and Other Financing Sources	44,099	7,477	80,216	3,514	503,995
EXPENDITURES:					
Instruction:					
Salaries of Teachers	31,579				181,798
Other Salaries for Instruction					47,770
Tuition			50,000		
General Supplies					19,826
Total Instruction	31,579		50,000		249,394
Support Services:					
Salaries of Supervisors of Instruction					12,000
Salaries of Other Professional Staff					14,000
Salaries of Secretarial and Clerical Assistants					6,000
Other Salaries					32,605
Salaries of Family/Parent Liaison					8,385
Salaries of Facilitator/Coach					4,900
Personal Services - Employee Benefits	12,520				122,500
Purchased Professional and Technical Services		5,384			
Purchased Professional - Educational Services			30,216	3,514	
Cleaning, Repair and Maintenance Services					36,496
Other Purchased Services		2,093			
Travel					225
Supplies and Materials					10,649
Total Support Services	12,520	7,477	30,216	3,514	247,760
Facilities Acquisition:					
Noninstructional Equipment					6,841
Total Facilities Acquisition					6,841
Total Expenditures	\$ 44,099	\$ 7,477	\$ 80,216	\$ 3,514	\$ 503,995

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

	Student Activities Fund	Scholarship Fund	COVID-19			Totals
			Coronavirus Relief Fund Grant	CARES Emergency Relief	Digital Divide Grant	
REVENUE:						
Local Sources	\$ 8,158	\$ 29				\$ 8,187
Federal Sources			\$ 13,130	\$ 25,418	\$ 12,693	186,547
State Sources						465,547
Total Revenue	8,158	29	13,130	25,418	12,693	660,281
Other Financing Sources:						
Transfer In - Board Contribution - General Fund						38,448
Total Revenue and Other Financing Sources	8,158	29	13,130	25,418	12,693	698,729
EXPENDITURES:						
Instruction:						
Salaries of Teachers						213,377
Other Salaries for Instruction						47,770
Tuition						50,000
General Supplies				23,418	12,693	55,937
Total Instruction				23,418	12,693	367,084
Support Services:						
Salaries of Supervisors of Instruction						12,000
Salaries of Other Professional Staff						14,000
Salaries of Secretarial and Clerical Assistants						6,000
Other Salaries						32,605
Salaries of Family/Parent Liaison						8,385
Salaries of Facilitator/Coach						4,900
Personal Services - Employee Benefits						135,020
Purchased Professional and Technical Services						5,384
Purchased Professional - Educational Services						33,730
Cleaning, Repair and Maintenance Services						36,496
Other Purchased Services						2,093
Travel						225
Supplies and Materials			13,130	2,000		25,779
Scholarships Awarded		525				525
Student Activities	8,916					8,916
Total Support Services	8,916	525	13,130	2,000		326,058
Facilities Acquisition:						
Noninstructional Equipment						6,841
Total Facilities Acquisition						6,841
Total Expenditures	\$ 8,916	\$ 525	\$ 13,130	\$ 25,418	\$ 12,693	\$ 699,983

OGDENSBURG BOROUGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION EXPANSION AID (PEEA) SCHEDULE OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

District-Wide Total

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 220,245	\$ 181,798	\$ 38,447
Other Salaries for Instruction	47,770	47,770	
General Supplies	19,826	19,826	
Total Instruction	<u>287,841</u>	<u>249,394</u>	<u>38,447</u>
Support Services:			
Salaries of Supervisors of Instruction	12,000	12,000	
Salaries of Other Professional Staff	14,000	14,000	
Salaries of Secretarial and Clerical Assistants	6,000	6,000	
Other Salaries	32,605	32,605	
Salaries of Family/Parent Liaison	8,385	8,385	
Salaries of Facilitator/Coach	4,900	4,900	
Personal Services - Employee Benefits	122,500	122,500	
Cleaning, Repair and Maintenance Services	36,496	36,496	
Travel	225	225	
Supplies and Materials	10,649	10,649	
Total Support Services	<u>247,760</u>	<u>247,760</u>	
Facilities Acquisition:			
Noninstructional Equipment	6,841	6,841	
Total Facilities Acquisition	<u>6,841</u>	<u>6,841</u>	
Total Expenditures	<u>\$ 542,442</u>	<u>\$ 503,995</u>	<u>\$ 38,447</u>

SUMMARY OF LOCATION TOTALS

Total Revised 2020-21 Preschool Education Expansion Aid Allocation	\$ 503,994
Actual Preschool Education Expansion Aid Carryover (June 30, 2020)	90,678
Add: Budgeted Transfer from General Fund 2020-21	38,448
Add: Budgeted Tuition 2020-21	-0-
Total Preschool Education Expansion Aid Funds Available for 2020-21	<u>633,120</u>
Less: 2020-21 Budgeted Preschool Education Expansion Aid Funds	(542,442)
Available & Unbudgeted Preschool Education Expansion Aid Funds as of June 30, 2021	<u>90,678</u>
Add: June 30, 2021 Unexpended Preschool Education Expansion Aid	38,447
Less: 2020-21 Commissioner Approved Transfer to the General Fund	-0-
2020-21 Carryover - Preschool Education Expansion Aid	<u>\$ 129,125</u>
2020-21 Carryover - Preschool Education Expansion Aid	
Budgeted for Preschool Programs in 2021-22	<u>\$ -0-</u>

CAPITAL PROJECTS FUND
(NOT APPLICABLE)

PROPRIETARY FUNDS

OGDENSBURG BOROUGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF NET POSITION
JUNE 30, 2021

ASSETS:

Current Assets:

Cash and Cash Equivalents	\$ 19,727
Intergovernmental Accounts Receivable:	
State	431
Federal	6,571
Interfund Receivable - General Fund	958
Inventories	4,340

Total Current Assets	<u>32,027</u>
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Non-Current Assets:

Capital Assets	63,269
Less: Accumulated Depreciation	<u>(55,240)</u>

Total Non-Current Assets	<u>8,029</u>
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Total Assets	<u>40,056</u>
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LIABILITIES:

Current Liabilities:

Accounts Payable	5,232
Unearned Revenue - Prepaid Sales	2,241
Unearned Revenue - Donated Commodities	<u>2,912</u>

Total Current Liabilities	<u>10,385</u>
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NET POSITION:

Investment in Capital Assets	8,029
Unrestricted	<u>21,642</u>

Total Net Position	<u><u>\$ 29,671</u></u>
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OGDENSBURG BOROUGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Operating Revenue:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 730
Total Operating Revenue	<u>730</u>
Operating Expenses:	
Cost of Sales - Reimbursable Programs	28,085
Salaries, Benefits & Payroll Taxes	24,506
Supplies, Insurance & Other Costs	4,687
Management Fee	7,575
Depreciation Expense	1,753
Total Operating Expenses	<u>66,606</u>
Operating Loss	<u>(65,876)</u>
Non-Operating Income:	
Local Sources:	
Interest Income	11
State Sources:	
COVID 19 - Seamless Summer Option	2,245
State School Lunch Program	194
Federal Sources:	
COVID 19 - Seamless Summer Option	64,532
Food Distribution Program	6,335
Total Non-Operating Income	<u>73,317</u>
Change in Net Position	7,441
Net Position - Beginning of Year (Restated)	<u>22,230</u>
Net Position - End of Year	<u>\$ 29,671</u>

OGDENSBURG BOROUGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 730
Payments to Food Service Contractor	(52,502)
Payments to Other Suppliers	(80)
	<hr/>
Net Cash Used for Operating Activities	(51,852)
Cash Flows from Investing Activities:	
Local Sources:	
Interest Income	11
	<hr/>
Net Cash Provided by Investing Activities	11
Cash Flows from Noncapital Financing Activities:	
State Sources:	
State School Lunch Program - Received in Food Service Fund	2,099
Federal Sources:	
National School Lunch Program - Received in Food Service Fund	62,943
	<hr/>
Net Cash Provided by Noncapital Financing Activities	65,042
Net Increase in Cash and Cash Equivalents	13,201
Cash and Cash Equivalents, July 1	6,526
	<hr/>
Cash and Cash Equivalents, June 30	\$ 19,727
	<hr/> <hr/>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	
Operating Loss	\$ (65,876)
Adjustment to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Depreciation	1,753
Food Distribution Program	6,335
Changes in Assets and Liabilities:	
Decrease in Inventories	2,385
Increase in Unearned Revenue	36
Increase in Accounts Payable	3,515
	<hr/>
Net Cash Used for Operating Activities	\$ (51,852)
	<hr/> <hr/>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$6,204 and utilized U.S.D.A. Commodities valued at \$6,335.

FIDUCIARY ACTIVITIES
(NOT APPLICABLE)

LONG-TERM DEBT

OGDENSBURG BOROUGH SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

<u>Series</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance July 1, 2020</u>	<u>Retired or Matured</u>
School Van	3.50%	\$ 23,947	\$ 14,357	\$ 14,357
			<u>\$ 14,357</u>	<u>\$ 14,357</u>

STATISTICAL SECTION
(UNAUDITED)

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

Contents

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

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

OGDENSBURG BOROUGH SCHOOL DISTRICT
NET POSITION BY COMPONENT,
LAST TEN FISCAL YEARS
UNAUDITED
 (accrual basis of accounting)

	June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
									(Restated)	
Governmental Activities										
Net Investment in Capital Assets	\$ 858,407	\$ 999,590	\$ 1,038,098	\$ 1,135,494	\$ 1,025,999	\$ 1,007,786	\$ 970,803	\$ 908,992	\$ 904,983	\$ 910,593
Restricted	131	50,132	55,098	91,723	228,105	312,972	440,554	555,457	1,130,453	1,549,604
Unrestricted/(Deficit)	33,699	(97,346)	(1,124,221)	(1,168,908)	(1,208,875)	(1,345,278)	(1,387,707)	(1,342,031)	(1,257,502)	(1,226,386)
Total Governmental Activities Net Position/(Deficit)	\$ 892,237	\$ 952,376	\$ (31,025)	\$ 58,309	\$ 45,229	\$ (24,520)	\$ 23,650	\$ 122,418	\$ 777,934	\$ 1,233,811
Business-Type Activities										
Net Investment in Capital Assets	\$ 12,707	\$ 11,182	\$ 9,863	\$ 8,545	\$ 7,226	\$ 14,120	\$ 12,215	\$ 9,556	\$ 9,782	\$ 8,029
Unrestricted	12,405	16,865	22,401	26,380	22,692	23,280	27,642	21,664	12,448	21,642
Total Business-Type Activities Net Position	\$ 25,112	\$ 28,047	\$ 32,264	\$ 34,925	\$ 29,918	\$ 37,400	\$ 39,857	\$ 31,220	\$ 22,230	\$ 29,671
District-Wide										
Net Investment in Capital Assets	\$ 871,114	\$ 1,010,772	\$ 1,047,961	\$ 1,144,039	\$ 1,033,225	\$ 1,021,906	\$ 983,018	\$ 918,548	\$ 914,765	\$ 918,622
Restricted	131	50,132	55,098	91,723	228,105	312,972	440,554	555,457	1,130,453	1,549,604
Unrestricted/(Deficit)	46,104	(80,481)	(1,101,820)	(1,142,528)	(1,186,183)	(1,321,998)	(1,360,065)	(1,320,367)	(1,245,054)	(1,204,744)
Total District Net Position	\$ 917,349	\$ 980,423	\$ 1,239	\$ 93,234	\$ 75,147	\$ 12,880	\$ 63,507	\$ 153,638	\$ 800,164	\$ 1,263,482

Source: School District Financial Reports

OGDENSBURG BOROUGH SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 1,802,802	\$ 2,058,304	\$ 2,019,847	\$ 2,387,210	\$ 2,668,436	\$ 2,790,583	\$ 2,367,068	\$ 2,509,295	\$ 2,681,101	\$ 2,671,786
Special Education	697,382	738,859	812,554	975,883	974,239	1,164,523	1,073,133	990,785	1,055,532	1,016,422
Other Special Instruction	125,812	115,795	136,861	94,533	113,336	111,815	128,566	110,984	113,475	113,127
School Sponsored/Other Instruction	75,181	98,187	115,870	124,506	131,475	142,810	135,477	146,272	146,930	69,568
Support Services:										
Tuition	96,859	10,142	13,096	33,933	9,852	11,181	46,811	32,843	34,066	45,947
Student & Instruction Related Services	626,820	664,013	651,418	702,673	670,280	943,919	803,275	827,000	770,966	781,998
General Administrative Services	188,514	195,285	209,961	244,488	232,904	261,194	241,583	194,161	192,982	191,830
School Administrative Services	189,586	204,144	198,187	215,527	143,936	188,097	162,143	172,037	182,475	165,750
Central Services	172,321	173,095	182,299	202,096	228,637	196,502	178,068	143,433	104,441	107,844
Administrative Information Technology	9,764	42,955	27,535	24,592	9,744	7,172	2,609	2,680	3,120	2,990
Plant Operations And Maintenance	498,800	514,459	503,315	511,123	596,764	584,078	606,214	628,784	520,755	566,970
Pupil Transportation	69,924	81,177	58,423	56,221	72,720	96,937	166,646	171,235	115,634	45,162
Capital Outlay	18,448	12,686	25,803	13,857				30,605	6,657	6,657
Charter Schools	83,556	44,036	68,888	51,878	64,125	46,285	130,820	153,578	98,519	26,679
Interest On Long-Term Debt	11,252	7,995	5,564	3,608	1,795	72				
Total Governmental Activities Expenses	4,667,021	4,961,132	5,031,621	5,642,128	5,918,243	6,545,168	6,042,413	6,113,692	6,026,653	5,812,730
Business-type activities:										
Food Service	89,766	87,004	92,956	93,369	92,606	92,297	84,810	107,256	80,039	66,606
Total Business-Type Activities Expense	89,766	87,004	92,956	93,369	92,606	92,297	84,810	107,256	80,039	66,606
Total District Expenses	\$ 4,756,787	\$ 5,048,136	\$ 5,124,577	\$ 5,735,497	\$ 6,010,849	\$ 6,637,465	\$ 6,127,223	\$ 6,220,948	\$ 6,106,692	\$ 5,879,336

OGDENSBURG BOROUGH SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Program Revenues:										
Governmental Activities:										
Charges For Services:										
Student & Instruction Related Services										\$ 8,158
Operating Grants and Contributions	\$ 728,709	\$ 739,825	\$ 704,557	\$ 1,222,984	\$ 1,456,421	\$ 1,952,045	\$ 1,580,328	\$ 1,719,162	\$ 2,053,752	\$ 1,915,429
Capital Grants and Contributions	138,259	34,565		25,596						
Total Governmental Activities Program Revenues	866,968	774,390	704,557	1,248,580	1,456,421	1,952,045	1,580,328	1,719,162	2,053,752	1,923,587
Business-Type Activities:										
Charges for Services:										
Food Service	\$ 58,633	\$ 52,276	\$ 54,323	\$ 49,695	\$ 51,532	\$ 54,291	\$ 50,794	\$ 55,140	\$ 35,973	\$ 730
Operating Grants and Contributions	33,534	37,631	42,816	46,288	36,019	37,267	36,430	43,447	32,794	73,306
Capital Grants and Contributions						8,800				
Total Business Type Activities Program Revenues	92,167	89,907	97,139	95,983	87,551	100,358	87,224	98,587	68,767	74,036
Total District Program Revenues	\$ 959,135	\$ 864,297	\$ 801,696	\$ 1,344,563	\$ 1,543,972	\$ 2,052,403	\$ 1,667,552	\$ 1,817,749	\$ 2,122,519	\$ 1,997,623
Net (Expense)/Revenue:										
Governmental Activities	\$ (3,800,053)	\$ (4,186,742)	\$ (4,327,064)	\$ (4,393,548)	\$ (4,461,822)	\$ (4,593,123)	\$ (4,462,085)	\$ (4,394,530)	\$ (3,972,901)	\$ (3,889,143)
Business-Type Activities	2,401	2,903	4,183	2,614	(5,055)	8,061	2,414	(8,669)	(11,272)	7,430
Total District-Wide Net (Expense)/Revenue	\$ (3,797,652)	\$ (4,183,839)	\$ (4,322,881)	\$ (4,390,934)	\$ (4,466,877)	\$ (4,585,062)	\$ (4,459,671)	\$ (4,403,199)	\$ (3,984,173)	\$ (3,881,713)

OGDENSBURG BOROUGH SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 2,178,585	\$ 2,222,157	\$ 2,266,600	\$ 2,289,266	\$ 2,335,051	\$ 2,358,402	\$ 2,405,570	\$ 2,453,681	\$ 2,502,754	\$ 2,552,809
Taxes Levied for Debt Service	73,763	67,210	55,824	68,703	25,413	19,215				
Tuition	24,440	17,105	19,650	8,910	13,520	14,205	16,334	4,160	3,320	
Unrestricted Grants and Contributions	1,855,676	1,912,794	2,098,913	2,111,649	2,113,898	2,124,042	2,084,612	2,033,885	1,954,882	1,788,897
Investment Earnings	9,052	27,615	3,059	4,354	234	979	665	604	829	1,196
Miscellaneous Income	(5,970)				6,863	6,531	3,074	968	1,255	2,118
Transfers										
Total Governmental Activities	4,135,546	4,246,881	4,444,046	4,482,882	4,494,979	4,523,374	4,510,255	4,493,298	4,463,040	4,345,020
Business-Type Activities:										
Investment Earnings	31	32	34	47	48	35	43	32	28	11
Other Item						(614)				
Transfers	5,970									
Total Business-Type Activities	6,001	32	34	47	48	(579)	43	32	28	11
Total District-Wide	\$ 4,141,547	\$ 4,246,913	\$ 4,444,080	\$ 4,482,929	\$ 4,495,027	\$ 4,522,795	\$ 4,510,298	\$ 4,493,330	\$ 4,463,068	\$ 4,345,031
Change in Net Position:										
Governmental Activities	\$ 335,493	\$ 60,139	\$ 116,982	\$ 89,334	\$ 33,157	\$ (69,749)	\$ 48,170	\$ 98,768	\$ 490,139	\$ 455,877
Business-Type Activities	8,402	2,935	4,217	2,661	(5,007)	7,482	2,457	(8,637)	(11,244)	7,441
Total District	\$ 343,895	\$ 63,074	\$ 121,199	\$ 91,995	\$ 28,150	\$ (62,267)	\$ 50,627	\$ 90,131	\$ 478,895	\$ 463,318

Source: School District Financial Reports

OGDENSBURG BOROUGH SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

	June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	(Restated) 2020	2021
General Fund:										
Restricted	\$ 129	\$ 50,129	\$ 55,097	\$ 72,513	\$ 228,105	\$ 312,972	\$ 440,554	\$ 555,457	\$ 1,042,790	\$ 1,463,195
Assigned	185,648	34,109	117,484	42,421	48,634	50,176	17,812	12,695	97,017	90,189
Unassigned				23,904	25,581	20,617	27,863	41,679	55,601	69,378
Total General Fund	\$ 185,777	\$ 84,238	\$ 172,581	\$ 138,838	\$ 302,320	\$ 383,765	\$ 486,229	\$ 609,831	\$ 1,195,408	\$ 1,622,762
All Other Governmental Funds:										
Restricted	\$ 2	\$ 3	\$ 1	\$ 19,210					\$ 87,663	\$ 86,409
Committed		4,896								
Unassigned/(Deficit)	(29,669)								(49,430)	(50,263)
Total All Other Governmental Funds/(Deficit)	\$ (29,667)	\$ 4,899	\$ 1	\$ 19,210	\$ -0-	\$ -0-	\$ -0-	\$ (28,682)	\$ 38,233	\$ 36,146
Total Governmental Funds:										
Restricted	\$ 131	\$ 50,132	\$ 55,098	\$ 91,723	\$ 228,105	\$ 312,972	\$ 440,554	\$ 555,457	\$ 1,130,453	\$ 1,549,604
Committed		4,896								
Assigned	185,648	34,109	117,484	42,421	48,634	50,176	17,812	12,695	97,017	90,189
Unassigned/(Deficit)	(29,669)			23,904	25,581	20,617	27,863	12,997	6,171	19,115
Total Governmental Funds	\$ 156,110	\$ 89,137	\$ 172,582	\$ 158,048	\$ 302,320	\$ 383,765	\$ 486,229	\$ 581,149	\$ 1,233,641	\$ 1,658,908

Source: School District Financial Reports

OGDENSBURG BOROUGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,

LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenue:										
Tax Levy	\$ 2,252,348	\$ 2,289,367	\$ 2,322,424	\$ 2,357,969	\$ 2,360,464	\$ 2,377,617	\$ 2,405,570	\$ 2,453,681	\$ 2,502,754	\$ 2,552,809
Tuition Charges	24,440	17,105	19,650	8,910	13,520	14,205	16,334	8,890	3,320	
Interest Earnings				204	234	314		604	829	1,057
Miscellaneous	10,979	27,615	3,716	4,150	9,936	7,196	3,739	968	1,255	10,444
State Sources	2,534,698	2,571,778	2,671,596	2,753,524	2,831,372	2,876,712	2,861,619	3,218,435	3,316,383	3,381,677
Federal Sources	186,019	115,406	131,217	128,127	129,834	123,754	127,030	123,097	124,595	185,168
Total Revenue	5,008,484	5,021,271	5,148,603	5,252,884	5,345,360	5,399,798	5,414,292	5,805,675	5,949,136	6,131,155
Expenditures:										
Instruction:										
Regular Instruction	1,222,921	1,372,122	1,367,489	1,385,257	1,428,721	1,370,476	1,208,494	1,470,452	1,630,322	1,680,486
Special Education Instruction	501,450	517,604	573,725	602,215	560,374	596,377	583,796	563,090	587,516	579,995
Other Special Instruction	85,777	77,094	93,769	54,531	63,654	56,413	65,125	58,365	59,000	60,611
School Sponsored/Other Instruction	55,585	71,064	84,777	81,521	74,238	71,128	71,647	78,965	80,437	37,883
Support Services:										
Tuition	95,429	11,572	13,096	33,933	9,852	11,181	46,811	32,843	34,066	45,947
Student & Instruction Related Services	492,916	532,295	501,513	513,145	506,175	629,979	581,628	613,938	575,532	605,540
General Administrative Services	165,184	171,980	184,313	192,578	177,241	165,021	182,258	160,318	145,951	152,786
School Administrative Services	133,471	140,826	140,223	148,474	94,225	121,258	105,030	100,244	109,723	96,630
Central Services	135,371	136,621	141,404	144,023	160,380	137,733	137,960	108,282	75,159	80,163
Administrative Information Technology	9,764	39,829	22,905	20,673	9,744	7,172	2,609	2,680	3,120	2,990
Plant Operations And Maintenance	399,006	486,781	470,749	471,107	480,763	461,648	529,559	542,417	442,888	535,802
Pupil Transportation	69,924	81,177	58,423	56,221	72,720	94,529	163,554	162,761	112,702	39,150
Unallocated Benefits	1,065,712	1,202,942	1,238,552	1,354,687	1,441,853	1,460,278	1,463,654	1,617,215	1,440,730	1,706,153
Charter Schools	83,556	44,036	68,888	51,878	64,125	46,285	130,820	153,578	98,519	26,679
Capital Outlay	454,634	191,297	46,692	107,690	72,257	48,015	38,883	69,554	66,356	55,073
Debt Service:										
Redemption of Principal	84,576	79,807	52,051	45,000	42,000	40,000				
Interest And Other Charges	12,662	9,332	6,589	4,494	2,623	860				
Total Expenditures	5,067,938	5,166,379	5,065,158	5,267,427	5,260,945	5,318,353	5,311,828	5,734,702	5,462,021	5,705,888

OGDENSBURG BOROUGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,

LAST TEN FISCAL YEARS
UNAUDITED

(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Excess/(Deficit) of Revenues Under/ (Over) Expenditures	\$ (59,454)	\$ (145,108)	\$ 83,445	\$ (14,543)	\$ 84,415	\$ 81,445	\$ 102,464	\$ 70,973	\$ 487,115	\$ 425,267
Other Financing Sources/(Uses)										
Capital Leases (non-budgeted)	103,955	78,135			59,857			23,947	31,838	38,448
Transfers In	60,000		4,896			21,645		25,833	(31,838)	(38,448)
Transfers Out	(65,970)		(4,896)			(21,645)		(25,833)		
Total Other Financing Sources/(Uses)	97,985	78,135			59,857			23,947		
Net Change In Fund Balances	\$ 38,531	\$ (66,973)	\$ 83,445	\$ (14,543)	\$ 144,272	\$ 81,445	\$ 102,464	\$ 94,920	\$ 487,115	\$ 425,267
Debt Service As A Percentage Of Noncapital Expenditures	2.11%	1.79%	1.17%	0.96%	0.86%	0.78%	0.00%	0.00%	0.00%	0.00%

Source: School District Financial Reports

OGDENSBURG BOROUGH SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Refunds</u>	<u>Tuition</u>	<u>Miscellaneous</u>	<u>Total</u>
2012		\$ 7,771	\$ 24,440	\$ 1,281	\$ 33,492
2013	\$ 108	19,309	17,105	7,610	44,132
2014	72		19,650	2,987	22,709
2015	204		8,910	2,987	12,101
2016	234		13,520	6,863	20,617
2017	979		14,205	6,531	21,715
2018	665		16,334	3,074	20,073
2019	1,418		4,160	154	5,732
2020	829		3,320	1,255	5,404
2021	1,196			2,118	3,314

Source: Ogdensburg Borough School District records

OGDENSBURG BOROUGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN YEARS
UNAUDITED

Year Ended December 31,	Vacant Land		Residential		Farm		Commercial		Industrial		Apartment		Total Assessed Value		Public Utilities ^a		Net Valuation Taxable		Tax-Exempt Property		Total Direct School Tax Rate ^b		Estimated Actual (County Equalized Value)	
2011	\$ 3,232,200	\$ 215,743,200	\$ 317,600	\$ 15,900	\$ 15,747,300	\$ 3,137,000	\$ 2,788,100	\$ 240,981,300	\$ 414,607	\$ 241,395,907	\$ 22,516,400	\$ 0.924	\$ 243,352,322											
2012	3,430,500	215,323,000	317,600	15,900	15,549,000	3,137,000	2,788,100	240,561,100	436,209	240,997,309	22,775,300	0.942	233,041,034											
2013	3,392,900	214,338,300	317,600	15,900	15,549,000	3,024,300	2,710,800	239,348,800	416,585	239,765,385	22,424,100	0.969	216,669,834											
2014	2,858,300	178,456,800	279,200	13,500	11,442,000	2,672,200	1,648,200	197,370,200	405,852	197,776,052	20,907,700	1.183	216,669,834											
2015	2,485,200	178,218,900	279,200	13,500	11,944,200	1,912,300	1,905,900	196,759,200	451,311	197,210,511	20,907,700	1.196	195,475,339											
2016	2,049,300	178,136,500	279,200	13,500	11,944,200	1,912,300	1,905,900	196,240,900	400,323	196,641,223	21,433,100	1.203	190,649,453											
2017	2,049,300	178,049,000	279,200	13,500	12,022,600	1,912,300	1,905,900	196,231,800	391,667	196,623,467	21,439,500	1.218	187,038,817											
2018	2,049,300	177,706,600	279,200	13,500	12,022,600	1,912,300	1,905,900	195,889,400	387,553	196,276,953	21,656,800	1.238	191,473,801											
2019	1,678,100	178,038,900	279,200	14,300	12,022,600	1,912,300	1,905,900	195,851,300	359,978	196,211,278	21,656,800	1.264	198,719,119											
2020	1,678,100	177,742,400	279,200	9,000	10,920,000	1,912,300	1,905,900	194,446,900		194,446,900	21,767,900	1.300	198,709,240											

* - Revaluation Year

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

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

b Tax rates are per \$100 of assessed value.

Source: Municipal Tax Assessor

OGDENSBURG BOROUGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)

Year Ended December 31,	Ogdensburg Borough School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Walkill Valley Regional	Borough of Ogdensburg	Sussex County	
2011	\$ 0.894	\$ 0.030	\$ 0.924	\$ 0.333	\$ 0.905	\$ 0.437	\$ 2.599
2012	0.971	0.029	0.942	0.368	0.906	0.447	2.663
2013	0.945	0.023	0.969	0.391	0.906	0.445	2.711
2014	* 1.148	0.035	1.183	0.555	1.088	0.530	3.356
2015	1.183	0.013	1.196	0.605	1.088	0.512	3.401
2016	1.193	0.010	1.203	0.631	1.102	0.538	3.474
2017	1.218		1.218	0.671	1.103	0.544	3.536
2018	1.238		1.238	0.661	1.125	0.568	3.592
2019	1.264		1.264	0.643	1.153	0.588	3.648
2020	1.300		1.300	0.636	1.179	0.598	3.713

* - Revaluation Year

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

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

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

Source: Municipal Tax Collector and School Business Administrator

OGDENSBURG BOROUGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2021			2012		
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Sterling Hill Mining Museum, Inc.		1,628,000	0.84%	Jimmy Dobbins PL	\$ 3,778,500	1.57%
Grater, LLC		1,550,000	0.80%	Ogdensburg Associates	2,328,000	0.97%
Ogdensburg Presbyterian Church		1,292,900	0.66%	AA-1 Self Storage LLC	2,192,200	0.91%
Ogdensburg Associates		\$ 1,598,500	0.82%	Sterling Hill Mining Museum, Inc.	1,975,800	1.00%
Pokorny Properties, LLC		1,025,000	0.53%	Individual Taxpayer #1	1,275,200	0.65%
Saint Thomas of Aquin Church		965,800	0.50%	Individual Taxpayer #2	1,032,300	0.52%
Oorch, LLC		556,900	0.29%	Individual Taxpayer #3	791,500	0.40%
Individual Taxpayer #1		528,400	0.27%	Individual Taxpayer #4	790,800	0.40%
Individual Taxpayer #2		501,400	0.26%	Individual Taxpayer #5	712,600	0.36%
Individual Taxpayer #3		486,100	0.25%	Individual Taxpayer #6	671,500	0.35%
Total		\$ 8,505,000	5.21%	Total	\$ 15,548,400	7.13%

Notes: Individual taxpayers may be different in 2021 and 2012. A revaluation was effective in 2014.

Source: Ogdensburg Borough Tax Assessor

OGDENSBURG BOROUGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal</u> <u>Year of the Levy^a</u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2012	\$ 2,252,348	\$ 2,252,348	100.00%	\$ - 0 -
2013	2,289,367	2,289,367	100.00%	- 0 -
2014	2,322,424	2,322,424	100.00%	- 0 -
2015	2,357,969	2,357,969	100.00%	- 0 -
2016	2,360,464	2,360,464	100.00%	- 0 -
2017	2,377,617	2,364,911	99.47%	12,706
2018	2,405,570	2,405,570	100.00%	- 0 -
2019	2,453,681	2,453,681	100.00%	- 0 -
2020	2,502,754	2,502,754	100.00%	- 0 -
2021	2,552,809	2,552,809	100.00%	- 0 -

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

Source: Ogdensburg Borough School District records including the Certificate and Report of School Taxes (A4F form)

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

Fiscal Year Ended June 30,	Governmental Activities										Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Loans	Bond Anticipation Notes (BANs)		Business-Type Activities		Capital Leases	Capital Leases	Capital Leases	Capital Leases			
			\$	\$	\$	\$							
2012	\$ 245,000	\$ 13,858	\$ 82,592	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 341,450	0.28%	142.75
2013	172,000	7,051	115,500	-0-	-0-	-0-	-0-	-0-	-0-	-0-	294,551	0.24%	124.55
2014	127,000	-0-	68,741	-0-	-0-	-0-	-0-	-0-	-0-	-0-	195,741	0.16%	83.54
2015	82,000	-0-	21,073	-0-	-0-	-0-	-0-	-0-	-0-	-0-	103,073	0.08%	44.56
2016	40,000	-0-	47,326	-0-	-0-	-0-	-0-	-0-	-0-	-0-	87,326	0.07%	38.23
2017	-0-	-0-	35,902	-0-	-0-	-0-	-0-	-0-	-0-	-0-	35,902	0.03%	15.79
2018	-0-	-0-	24,210	-0-	-0-	-0-	-0-	-0-	-0-	-0-	24,210	0.02%	10.68
2019	-0-	-0-	31,068	-0-	-0-	-0-	-0-	-0-	-0-	-0-	31,068	0.02%	13.78
2020	-0-	-0-	14,357	-0-	-0-	-0-	-0-	-0-	-0-	-0-	14,357	0.01%	6.40
2021	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	0.00%	-0-

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

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

Source: School District Financial Reports

OGDENSBURG BOROUGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Valuation ^a Taxable	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2012	\$ 245,000	-0-	\$ 245,000	0.10%	\$ 102.42
2013	172,000	-0-	172,000	0.07%	72.73
2014	127,000	-0-	127,000	0.05%	54.20
2015	82,000	-0-	82,000	0.04%	35.45
2016	40,000	-0-	40,000	0.02%	17.51
2017	- 0 -	-0-	- 0 -	0.00%	0.00
2018	- 0 -	-0-	- 0 -	0.00%	0.00
2019	- 0 -	-0-	- 0 -	0.00%	0.00
2020	- 0 -	-0-	- 0 -	0.00%	0.00
2021	- 0 -	-0-	- 0 -	0.00%	0.00

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

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

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

Source: School District Financial Reports

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

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid With Property Taxes			
Wallkill Valley Regional School District	\$ 1,780,000	9.59%	\$ 170,624
Borough of Ogdensburg	1,837,747	100.00%	1,837,747
Sussex County General Obligation Debt	97,520,409	1.20%	<u>1,167,010</u>
Subtotal, Overlapping Debt			3,175,382
Ogdensburg Borough Board of Education School District Direct Debt			<u>- 0 -</u>
Total Direct And Overlapping Debt			<u><u>\$ 3,175,382</u></u>

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

a For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable equalized property values. Applicable percentages were estimated by determining the portion of Ogdensburg Borough's equalized property value that is within the Sussex County's boundaries and dividing it by Sussex County's total equalized property value.

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

OGDENSBURG BOROUGH SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION,
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2021

	Equalized valuation basis	
	2020	\$ 202,485,577
	2019	198,250,127
	2018	196,557,696
		<u>\$ 597,293,400</u>
Average Equalized Valuation of Taxable Property		<u>\$ 199,097,800</u>
Debt Limit (3% of average equalization value)	a	\$ 5,972,934
Net Bonded School Debt		- 0 -
Legal Debt Margin		<u>\$ 5,972,934</u>

	Fiscal Year				
	2017	2018	2019	2020	2021
Debt Limit	\$ 5,671,170	\$ 5,631,369	\$ 5,709,205	\$ 5,844,038	\$ 5,972,934
Total Net Debt Applicable to Limit	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
Legal Debt Margin	<u>\$ 5,671,170</u>	<u>\$ 5,631,369</u>	<u>\$ 5,709,205</u>	<u>\$ 5,844,038</u>	<u>\$ 5,972,934</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

	Fiscal Year				
	2012	2013	2014	2015	2016
Debt Limit	\$ 7,154,945	\$ 6,860,767	\$ 6,444,083	\$ 6,076,008	\$ 5,814,922
Total Net Debt Applicable to Limit	245,000	172,000	127,000	82,000	40,000
Legal Debt Margin	<u>\$ 6,909,945</u>	<u>\$ 6,688,767</u>	<u>\$ 6,317,083</u>	<u>\$ 5,994,008</u>	<u>\$ 5,774,922</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	3.42%	2.51%	1.97%	1.35%	0.69%

a Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts

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

OGDENSBURG BOROUGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

<u>Year</u>	<u>Population ^a</u>	<u>Borough Personal Income ^b</u>	<u>Sussex County Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2012	2,392	\$ 121,618,848	\$ 50,844	7.80%
2013	2,365	121,693,440	51,456	4.40%
2014	2,343	126,095,574	53,818	6.30%
2015	2,313	128,780,901	55,677	6.90%
2016	2,284	129,991,576	56,914	4.60%
2017	2,274	133,522,458	58,717	5.80%
2018	2,266	139,941,362	61,757	4.10%
2019	2,255	143,832,920	63,784	3.50%
2020	2,245	143,195,080	63,784 *	10.60%
2021	2,245 **	143,195,080 ***	63,784 *	N/A

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

** - Latest population data available (2020) was used for calculation purposes.

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

N/A - Information Unavailable

Sources:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Personal income has been estimated based upon the municipal population and per capita personal income presented

^c Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

OGDENSBURG BOROUGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - COUNTY OF SUSSEX,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

<u>Employer</u>	<u>2020</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>
Selective Insurance Group Inc.	1,000-4,999	1.40%-7.00%
Crystal Springs Resort	1,000-4,999	1.40%-7.00%
Newton Medical Center	500-999	0.70%-1.40%
Sussex County Offices	500-999	0.70%-1.40%
Thorlabs	500-999	0.70%-1.40%
Mountain Creek Resort	500-999	0.70%-1.40%
Shop Rite	250-499	0.35%-0.70%
Sussex County Community College	250-499	0.35%-0.70%
United Methodist Community Bristol Glen	250-499	0.35%-0.70%
Andover Subacute & Rehab Center	100-249	0.14%-0.35%
	<u>4,850-15,740</u>	<u>6.79%-22.05%</u>
Total County Employment	<u>71,429</u>	
	<u>2011</u>	
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Crystal Springs Golf and Spa Resort	2,000	2.57%
Newton Memorial Hospital	1,200	1.54%
Selective Insurance	900	1.16%
County of Sussex	830	1.07%
Mountain Creek Resort	800	1.03%
Ames Rubber Corp	445	0.57%
Shop Rite	301	0.39%
Andover Subacute & Rehab Center	300	0.39%
Sussex County Community College	300	0.39%
SCARC, Inc.	287	0.37%
	<u>7,363</u>	<u>9.46%</u>
Total Employment	<u>77,821</u>	

Source: County of Sussex

OGDENSBURG BOROUGH SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

UNAUDITED

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Instruction										
Regular	22.9	23.1	23	23.5	20	19	19	19	18	18
Special Education	5	5	6	6	6.5	6.6	6.6	6.6	6.6	6.6
Other Special Education	4.5	8	8.7	9.5	9.5	10.4	10.4	10.4	10.4	10.4
Support Services:										
Instructional Support Staff	2.2	2.2	2.2	2.2	2	2.2	2.2	2.2	2.2	2.2
School Administrative Services	3.3	3.4	3.5	4	1	1.5	1.5	1.5	1.5	1.5
General and Business Administrative Services	3	3	3	3	2	2	2	1.7	1.7	1.7
Plant Operations and Maintenance	3.5	4	4	4	4	3.9	3.9	3.9	3.9	3.9
Total	44.4	48.7	50.4	52.2	45.0	45.6	45.6	45.3	44.3	44.3

Source: District Personnel Records

OGDENSBURG BOROUGH SCHOOL DISTRICT
OPERATING STATISTICS,
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil ^d	Percentage Change	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
					Elementary	Elementary				
2012	301.2	\$ 4,516,066	\$ 14,994	-2.80%	1:10	1:10	301.2	286.9	5.13%	95.25%
2013	317.0	4,885,943	15,413	2.80%	1:10.3	1:10.3	312.5	295.3	3.75%	94.50%
2014	290.0	4,959,826	17,103	10.96%	1:9.3	1:9.3	289.1	272.7	-7.49%	94.33%
2015	277.0	5,110,243	18,449	7.87%	1:8.6	1:8.6	273.7	258.2	-5.33%	94.32%
2016	266.0	5,144,065	19,339	4.82%	1:8.3	1:8.3	263.7	249.7	-3.65%	94.69%
2017	252.0	5,229,478	20,752	7.31%	1:9.0	1:9.0	250.7	235.9	-4.93%	94.10%
2018	233.0	5,272,945	22,631	9.05%	1:8.3	1:8.3	232.4	220.1	-7.29%	94.68%
2019	235.0	5,673,959	24,145	6.69%	1:8.10	1:8.10	235.0	221.0	1.11%	94.04%
2020	256.0	5,395,665	21,077	-12.71%	1:10.4	1:10.4	256.0	246.0	8.94%	96.09%
2021	254.0	5,650,815	22,247	5.55%	1:10.4	1:10.4	254.0	244.0	-0.78%	96.06%

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- d The Cost Per Pupil calculated above is the sum of the operating expenditures divided by enrollment. This Cost Per Pupil may be different from other Cost Per Pupil calculat

Source: Ogdensburg Borough School District records

OGDENSBURG BOROUGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>District Buildings</u>										
<u>Elementary</u>										
Ogdensburg Elementary School										
Square Feet (1927); Addition - 1967	60,050	60,050	60,050	60,050	60,050	60,050	60,050	60,050	60,050	60,050
Capacity (students)	347	347	347	347	347	347	347	347	347	347
Enrollment	304	317	290	277	266	252	233	235	256	254

Number of Schools at June 30, 2021
 Elementary = 1

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

Source: Ogdensburg Borough School District Facilities Office

OGDENSBURG BOROUGH SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS
UNAUDITED

Undistributed Expenditures - Required
 Maintenance For School Facilities
 11-000-261-xxx

Fiscal Year Ended June 30,	Ogdensburg Public School
2012	\$ 40,314
2013	56,150
2014	37,879
2015	44,519
2016	41,033
2017	46,645
2018	32,408
2019	56,083
2020	19,356
2021	88,345

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

Source: Ogdensburg Borough School District records

ODGENSBURG BOROUGH SCHOOL DISTRICT
INSURANCE SCHEDULE
AS OF JUNE 30, 2021
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - School Alliance		
Insurance Fund:		
Property - Blanket Building and Contents Including		
Boiler and Building and Personal Property	\$ 500,000,000	\$ 2,500
Inland Marine - Auto Physical Damage		1,000
General Liability including Auto, Employee Benefits	5,000,000	
Each Occurrence		
General Aggregate	Agreed upon based on membership	
Product Completed Ops		
Personal Injury		
Fire Damage	2,500,000	
Medical Expenses	10,000	
(Excluding Students Taking Part in Athletics)		
Automobile Coverage	10,000,000 Occurrence	1,000
Combined Single Limit		
Hired/Non Owned		
Environmental Impairment Liability	1,000,000/25,000,000 Fund Aggregate	10,000
Mold Excluded		
Cyber Coverage	2,000,000 Multiple	
Crime Coverage	50,000 Inside/Outside	1,000
Blanket Dishonesty Bond	500,000	1,000
Boiler & Machinery	100,000,000	2,500
Excess Liability (AL/GL)	5,000,000	
School Board Legal Liability (SLPL)	5,000,000/5,000,000	5,000
Workers' Compensation:	Statutory	
Employer's Liability	5,000,000	
Supplemental Indemnity	Statutory	
Bond for Business Administrator	160,000 Selective Insurance	
Bond for Treasurer of School Monies	160,000 Selective Insurance	
Student Accident	Voluntary Only	

Source: Borough of Ogdensburg School District records.

SINGLE AUDIT SECTION



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

11 Lawrence Road
Newton, NJ 07860
973.383.6699

nisivoccia.com

Independent Member
BKR International

Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Ogdensburg Borough School District
County of Sussex, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Borough of Ogdensburg, in the County of Sussex (the "District") as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 4, 2021.

Internal Control Over Financial Reporting

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

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

October 4, 2021
Mount Arlington, New Jersey

Nisivoccia LLP
NISIVOCCIA LLP

Heidi A. Wohlleb

Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant



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

11 Lawrence Road
Newton, NJ 07860
973.383.6699

nisivoccia.com

Independent Member
BKR International

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

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Ogdensburg Borough School District
County of Sussex, New Jersey

Report on Compliance for Each Major State Program

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

Management's Responsibility

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

Auditors' Responsibility

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

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

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

Opinion on Each Major State Program

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

Report on Internal Control Over Compliance

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

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

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

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

October 4, 2021
Mount Arlington, New Jersey

Nisivoccia LLP
NISIVOCCIA LLP

Heidi A. Wohlleb

Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant

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

Federal Grantor/Pass Through Grantor Program Title/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2020			Balance at June 30, 2021		
					Budgetary Accounts Receivable	Budgetary Unearned Revenue	Cash Received	Budgetary Expenditures	Budgetary Accounts Receivable	Budgetary Unearned Revenue
U.S. Department of Education Passed-through State Department of Education:										
Special Revenue Fund:										
Elementary and Secondary Education Act:										
Title I	84.010A	ESEA-3840-21	7/1/20-9/30/21	\$ 44,099	\$ (10,730)	\$ 24,499	\$ (44,099)	\$ (19,600)		
Title I	84.010A	ESEA-3840-20	7/1/19-9/30/20	41,388	(10,730)	10,730	(44,099)	(19,600)		
Total Title I						35,229				
Title II, Part A	84.367A	ESEA-3840-21	7/1/20-9/30/21	7,477	(10,730)	6,098	(7,477)	(1,379)		
Total Elementary and Secondary Education Act						41,327	(51,576)	(20,979)		
Education Stabilization Fund:										
COVID 19 - CARES Emergency Relief	84.425D	CARES384020	3/13/20-9/30/22	26,607		14,439	(25,418)	(10,979)		
COVID 19 - Digital Divide Grant	84.425D	N/A	7/16/20-10/31/20	12,693		12,693	(12,693)			
Total Education Stabilization Fund						27,132	(38,111)	(10,979)		
Special Education Cluster:										
I.D.E.A. Part B, Basic	84.027	IDEA-3840-21	7/1/20-9/30/21	80,216		73,290	(80,216)	(6,926)		
I.D.E.A. Part B, Preschool	84.173	IDEA-3840-21	7/1/20-9/30/21	3,514			(3,514)			
Total Special Education Cluster						73,290	(83,730)	(10,440)		
Total U.S. Department of Education					(10,730)	141,749	(173,417)	(42,398)		
U.S. Department of Treasury										
COVID 19 - Coronavirus Relief Fund Grant	21.019	N/A	7/1/20 - 6/30/21	13,130		13,130	(13,130)			
Total U.S. Department of Treasury						13,130	(13,130)			
U.S. Department of Agriculture:										
Passed-through State Department of Agriculture:										
Child Nutrition Cluster:										
Food Distribution Program	10.555	N/A	7/1/19-6/30/20	7,075		6,204	(3,043)			
Food Distribution Program	10.555	N/A	7/1/20-6/30/21	6,204		6,204	(3,292)		\$ 2,912	
Total Food Distribution Program					(958)	958	(6,335)		2,912	
COVID-19 - Seamless Summer Option	10.555	N/A	7/1/19-6/30/20	3,011		57,961	(64,532)	(6,571)		
COVID-19 - Seamless Summer Option	10.555	N/A	7/1/20-6/30/21	64,532		58,919	(64,532)	(6,571)		
Total COVID-19 - Seamless Summer Option					(958)	65,123	(70,867)	(6,571)	2,912	
Total Child Nutrition Cluster					(958)	65,123	(70,867)	(6,571)	2,912	
Total U.S. Department of Agriculture					(11,688)	3,043	(257,414)	(48,969)	2,912	\$ -0-
Total Federal Awards						220,002				
N/A - Not Applicable										

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARD

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2020		Cash Received	Budgetary Expenditures	Balance at June 30, 2021		MEMO	
				Budgetary Accounts Receivable	Budgetary Unearned Revenue			GAAP Accounts Receivable	Budgetary Unearned Revenue	Budgetary Accounts Receivable	Cumulative Total Expenditures
New Jersey Department of Education											
General Fund:											
Special Education Categorical Aid	20-495-034-5120-089	7/1/19 - 6/30/20	\$ 162,828	\$ (16,241)	\$	\$ 16,241	\$			\$	162,828
Equalization Aid	20-495-034-5120-078	7/1/19 - 6/30/20	1,369,767	(136,628)		136,628					1,369,767
Security Aid	20-495-034-5120-084	7/1/19 - 6/30/20	27,247	(2,718)		2,718					27,247
Adjustment Aid	20-495-034-5120-085	7/1/19 - 6/30/20	245,583	(24,496)		24,496					245,583
Transportation Aid	20-495-034-5120-014	7/1/19 - 6/30/20	17,372	(1,733)		1,733					17,372
School Choice Aid	20-495-034-5120-068	7/1/19 - 6/30/20	299,034	(29,827)		29,827					299,034
Additional Nonpublic Transportation Aid	20-495-034-5120-014	7/1/19 - 6/30/20	3,177	(3,177)		3,177					3,177
Extraordinary Aid	20-100-034-5120-473	7/1/19 - 6/30/20	15,476	(14,067)		15,476	\$ (1,409)				15,476
Special Education Categorical Aid	21-495-034-5120-089	7/1/20 - 6/30/21	162,828			146,589	(162,828)			\$ (16,239)	162,828
Equalization Aid	21-495-034-5120-078	7/1/20 - 6/30/21	1,369,767			1,233,162	(1,369,767)			(136,605)	1,369,767
Security Aid	21-495-034-5120-084	7/1/20 - 6/30/21	27,247			24,530	(27,247)			(2,717)	27,247
Adjustment Aid	21-495-034-5120-085	7/1/20 - 6/30/21	74,655			67,192	(74,655)			(7,443)	74,655
Transportation Aid	21-495-034-5120-014	7/1/20 - 6/30/21	17,372			15,640	(17,372)			(1,732)	17,372
School Choice Aid	21-495-034-5120-068	7/1/20 - 6/30/21	300,292			270,344	(300,292)			(29,948)	300,292
Additional Nonpublic Transportation Aid	21-495-034-5120-014	7/1/20 - 6/30/21	3,190				(3,190)	\$ (3,190)		(3,190)	3,190
Extraordinary Aid	21-100-034-5120-473	7/1/20 - 6/30/21	23,476				(23,476)			(23,476)	23,476
On-Behalf TPAF Contributions:											
Post-Retirement Medical	21-495-034-5094-001	7/1/20 - 6/30/21	185,205			185,205	(185,205)				185,205
Pension	21-495-034-5094-002	7/1/20 - 6/30/21	579,951			579,951	(579,951)				579,951
Non-Contributory Insurance	21-495-034-5094-004	7/1/20 - 6/30/21	11,034			11,034	(11,034)				11,034
Long-Term Disability Insurance	21-495-034-5094-004	7/1/20 - 6/30/21	390			390	(390)				390
Reimbursed TPAF Contributions:											
Social Security Aid	21-495-034-5094-003	7/1/20 - 6/30/21	157,369			157,369	(157,369)				157,369
Total General Fund State Aid						2,921,702	(2,914,165)			(221,350)	5,053,240
Special Revenue Fund:											
Preschool Education Expansion Aid Grant	20-495-034-5120-086	7/1/19 - 6/30/20	495,558	(49,430)	\$ 90,678	49,430	(465,547)	\$ 90,678		(50,263)	404,880
Preschool Education Expansion Aid Grant	21-495-034-5120-086	7/1/20 - 6/30/21	503,994	(49,430)	90,678	453,731	(465,547)	38,447		(50,263)	465,547
Total Special Revenue Fund						503,161	(465,547)	129,125		(50,263)	870,427
Enterprise Fund:											
State School Lunch Program	21-100-010-3350-023	7/1/20 - 6/30/21	194	(242)		242	(194)			(194)	194
State School Lunch Program	20-100-010-3350-023	7/1/19 - 6/30/20	910	(242)		242	(194)			(194)	910
Total State School Lunch Program						2,008	(2,245)			(237)	1,104
COVID-19 - Seamless Summer Option	21-100-010-3350-023	7/1/20 - 6/30/21	2,245	(10)		10	(2,245)			(237)	31
COVID-19 - Seamless Summer Option	20-100-010-3350-023	7/1/19 - 6/30/20	31	(252)		2,660	(2,439)			(431)	2,276
Total Enterprise Fund						2,660	(2,439)			(431)	3,380
TOTAL STATE AWARDS SUBJECT TO SINGLE AUDIT DETERMINATION						\$ 3,427,123	\$ (3,382,151)	\$ 129,125		\$ (272,044)	\$ 5,927,047
Less - State Awards Not Subject to Single Audit Major Program Determination											
On-Behalf TPAF Pension System Contributions:											
Post-Retirement Medical	21-495-034-5094-001	7/1/20 - 6/30/21	185,205			185,205	(185,205)				185,205
Pension	21-495-034-5094-002	7/1/20 - 6/30/21	579,951			579,951	(579,951)				579,951
Non-Contributory Insurance	21-495-034-5094-004	7/1/20 - 6/30/21	11,034			11,034	(11,034)				11,034
Long-Term Disability Insurance	21-495-034-5094-004	7/1/20 - 6/30/21	390			390	(390)				390
Subtotal On-Behalf TPAF Pension System Contributions						776,580	(776,580)				776,580
TOTAL STATE AWARDS SUBJECT TO SINGLE AUDIT MAJOR PROGRAM DETERMINATION						\$ (2,605,571)					\$ (2,605,571)

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

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

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the “Schedules”) include the federal and state grant activity of the Ogdensburg Borough Board of Education under programs of the federal and state governments for the fiscal year ended June 30, 2021. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile revenue from the budgetary basis to the GAAP basis is \$16,959 for the general fund and (\$16,373) for the special revenue fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general fund.

OGDENSBURG BOROUGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

Revenue from federal and state awards are reported on the Board's basic financial statements on a GAAP basis as presented below:

	Federal	State	Total
General Fund		\$ 2,931,124	\$ 2,931,124
Special Revenue Fund	\$ 185,168	450,553	635,721
Food Service Fund	70,867	2,439	73,306
 Total Awards	<u>\$ 256,035</u>	<u>\$ 3,384,116</u>	<u>\$ 3,640,151</u>

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. FEDERAL AND STATE LOANS OUTSTANDING

Ogdensburg Borough School District had no loan balances at June 30, 2021.

NOTE 7. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2021.

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

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major State Program; Report on Internal Control Over Compliance*.
- The auditor's report on compliance for the major state programs for the District expresses an unmodified opinion on all major state programs.
- The District was not subject to the single audit provisions of the Uniform Guidance for the fiscal year ended June 30, 2021 as federal grant expenditures were less than the single audit threshold of \$750,000 identified in the Uniform Guidance.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.
- The District's programs tested as major state programs for the current fiscal year consisted of the following state aid:

<u>Program Title</u>	<u>Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>General Fund State Aid:</u>				
Special Education Categorical Aid	21-495-034-5120-089	7/1/20 - 6/30/21	\$ 162,828	\$ 162,828
Equalization Aid	21-495-034-5120-078	7/1/20 - 6/30/21	1,369,767	1,369,767
Security Aid	21-495-034-5120-084	7/1/20 - 6/30/21	27,247	27,247
Adjustment Aid	21-495-034-5120-085	7/1/20 - 6/30/21	74,635	74,635
School Choice Aid	21-495-034-5120-068	7/1/20 - 6/30/21	300,292	300,292

- The threshold for distinguishing between Type A and Type B state programs was \$750,000.
- The District was determined to be a "low-risk auditee" for state programs.

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

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

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

Findings and Questioned Costs for Federal Awards:

- Not applicable since federal expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

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

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

Status of Prior Year Findings:

There were no prior year audit findings.