

RIDGEWOOD BOARD OF EDUCATION

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Ridgewood Board of Education
Ridgewood, New Jersey

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

Ridgewood Board of Education

Village of Ridgewood, New Jersey

For The Fiscal Year Ended June 30, 2021

Prepared by

**Ridgewood Board of Education
Business Office**

**RIDGEWOOD BOARD OF EDUCATION
TABLE OF CONTENTS**

Page

INTRODUCTORY SECTION

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

FINANCIAL SECTION

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

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Management's Discussion and Analysis	4-18
Basic Financial Statements	
A. District-wide Financial Statements:	
A-1 Statement of Net Position	19
A-2 Statement of Activities	20
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	21-22
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	23
B-3 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances with the District-Wide Statement	24
Proprietary Funds:	
B-4 Statement of Net Position	25
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	26
B-6 Statement of Cash Flows	27
Fiduciary Funds: Not Applicable	
Notes to the Financial Statements	28-73

**RIDGEWOOD BOARD OF EDUCATION
TABLE OF CONTENTS**

	<u>Page</u>
REQUIRED SUPPLEMENTARY INFORMATION – PART II	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule – General Fund	74-82
C-2 Budgetary Comparison Schedule – Special Revenue Fund	83
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART II	
C-3 Budgetary Comparison Schedule – Notes to the Required Supplementary Information	84
REQUIRED SUPPLEMENTARY INFORMATION - PART III	
L. Schedules Related to Accounting and Reporting for Pensions and OPEB (GASB 68 and 75)	
L-1 Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Public Employees Retirement System	85
L-2 Required Supplementary Information – Schedule of District Contributions – Public Employees Retirement System	86
L-3 Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Teachers Pension and Annuity Fund	87
L-4 Notes to Required Supplementary Information – Net Pension Liability	88
L-5 Required Supplementary Information – Schedule of Changes in the District’s Proportionate Share of Total OPEB Liability	89
L-6 Notes to Required Supplementary Information – OPEB Liability	90
Other Supplementary Information	
D. School Level Schedules – Not Applicable	
E. Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues and Expenditures Special Revenue Fund – Budgetary Basis	91-92
E-2 Schedule of Preschool Education Aid – Budgetary Basis – Not Applicable	93
E-3 Schedule of Receipts and Disbursements	94
F. Capital Projects Fund:	
F-1 Summary Statement of Project Expenditures – Budgetary Basis	95
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis	96
F-2a- Schedule of Project Revenues, Expenditures, Project Balance and Project Status	
F-2b	97-98

**RIDGEWOOD BOARD OF EDUCATION
TABLE OF CONTENTS**

		<u>Page</u>
G.	Proprietary Funds: Not Applicable	
H.	Fiduciary Funds: Not Applicable	
I.	Long-Term Debt:	
I-1	Schedule of Serial Bonds Payable	99-100
I-2	Schedule of Capital Leases and Lease Purchase Agreements	101
I-3	Debt Service Fund Budgetary Comparison Schedule	102

STATISTICAL SECTION (Unaudited)

J-1	Net Position by Component	103
J-2	Changes in Net Position	104-105
J-3	Fund Balances – Governmental Funds	106
J-4	Changes in Fund Balances - Governmental Funds	107
J-5	General Fund Other Local Revenue by Source	108
J-6	Assessed Value and Actual Value of Taxable Property	109
J-7	Direct and Overlapping Property Tax Rates	110
J-8	Principal Property Taxpayers	111
J-9	Property Tax Levies and Collections	112
J-10	Ratios of Outstanding Debt by Type	113
J-11	Ratios of Net General Bonded Debt Outstanding	114
J-12	Direct and Overlapping Governmental Activities Debt	115
J-13	Legal Debt Margin Information	116
J-14	Demographic and Economic Statistics	117
J-15	Principal Employers	118
J-16	Full-Time Equivalent District Employees by Function/Program	119
J-17	Operating Statistics	120
J-18	School Building Information	121-122
J-19	Schedule of Required Maintenance for School Facilities	123
J-20	Schedule of Insurance	124

**RIDGEWOOD BOARD OF EDUCATION
TABLE OF CONTENTS**

Page

SINGLE AUDIT SECTION

K-1	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards – Independent Auditor’s Report	125-126
K-2	Report on Compliance for Each Major Federal and State Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance as Required by New Jersey OMB Circular 15-08 – Independent Auditor’s Report	127-129
K-3	Schedule of Expenditures of Federal Awards	130
K-4	Schedule of Expenditures of State Financial Assistance	131
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	132-133
K-6	Schedule of Findings and Questioned Costs – Part 1 – Summary of Auditor’s Results	134-135
K-6	Schedule of Findings and Questioned Costs – Part 2 – Schedule of Financial Statement Findings	136
K-6	Schedule of Findings and Questioned Costs – Part 3 – Schedule of Federal and State Award Findings and Questioned Costs	137
K-7	Summary Schedule of Prior Year Findings	138

INTRODUCTORY SECTION

BOARD MEMBERS
Hyunju Kwak, President
Michael Lembo, Vice
President
Sheila Brogan
Saurabh Dani
Muhammad Mahmoud



RIDGEWOOD

PUBLIC SCHOOLS

ADMINISTRATION
Thomas A. Gorman, Ed.D.
Superintendent
Stacie Poelstra
Asst. Superintendent
Scott Bisig
Business Administrator/Board
Secretary

Honorable President and Members
of the Board of Education
Village of Ridgewood School District
County of Bergen
Ridgewood, NJ

Dear Board Members:

The Annual Comprehensive Financial Report (ACFR) of the Village of Ridgewood School District (District) for the fiscal year ending June 30, 2021 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects. It is reported in a manner designed to fairly present the financial position and results of operations of the various funds 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 as follows:

- The Introductory Section contains a Table of Contents, Letter of Transmittal, Organizational Chart and a List of Principal Officials of the District;
- The Financial Section begins with the Independent Auditor's Report and includes the Management's Discussion and Analysis, the Basic Financial Statements including the district-wide financial statements presented in accordance with the provisions of the *Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. The basic financial statements also include individual fund financial statements, notes to the Financial Statements and Required Supplementary Information (RSI).
- The Statistical Section includes selected financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information of the District, generally presented on a multi-year basis;
- The Single Audit Section – The District is required to undergo an annual single audit in conformity with the provisions of the U.S. Uniform Guidance, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the single audit section of this report.

Reporting Entity and Its Services

The Village of Ridgewood School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB No. 14. All funds of the District are included in this report. The Village of Ridgewood Board of Education and all its schools constitute the District's reporting entity. The District consists of one high school, two middle schools, seven elementary schools, and an administration building.

The District provides education to approximately 5,576 students in grades kindergarten through twelve as well as a pre-k disabled program.

An elected five-member Board of Education (the "Board") serves as the policy maker for the District. The Board adopts an annual budget and directly approves all expenditures, which serve as the basis for control over, and authorization for, all expenditures of the District's tax money.

The Superintendent is the chief executive officer of the District, responsible to the Board for total educational and support operations. The Business Administrator/Board Secretary is the chief financial officer of the District, responsible to the Board for maintaining all financial records, making payments of liabilities incurred by the District, acting as custodian of all District funds, and investing funds as permitted by New Jersey law.

Economic Conditions and Outlook

The District completed the 2020-2021 school fiscal year with an average daily enrollment of 5,576 students, which is 118 students less than the previous year's average daily student enrollment. The following details the changes in the average daily student enrollment of the District over the last eight years.

Fiscal Year	Average Daily Student Enrollment	% Change
2020-21	5,576	-2.07%
2019-20	5,694	0.74%
2018-19	5,652	-0.21%
2017-18	5,664	0.09%
2016-17	5,659	0.07%
2015-16	5,655	0.09%
2014-15	5,650	-1.17%
2013-14	5,717	-0.59%
2012-13	5,751	0.89%

The District's actual enrollment on October 15, 2020 was 5,565, a decrease of approximately 134 students from October 2019.

The District's primary funding source is property tax revenue. As a result, the District, along with many other public-school systems in the State, faces some difficult economic situations in the future. General fund Budget expenditures increased by 1.77% The local tax levy increased by 1.99%. The District's administration is closely monitoring the cost of operations and continues to look for innovative ways to contain costs in addition to new funding sources in order to maintain the quality educational services that the District has been accustomed to providing. The District remains accountable to the residents and taxpayers and attributes much of its past education success to the community's demand for, and support of a quality school system.

Educational Program

The mission statement for the Ridgewood Public Schools is as follows:

The Ridgewood Public Schools, committed to a tradition of excellence and innovation, in partnership with the community, provide a rich and challenging learning environment, enabling students to maximize their unique potentials to become life-long learners and productive, responsible citizens.

The Ridgewood Public School system is composed of seven elementary schools (Pre-K-5), two middle schools (6-8), and one high school (9-12), serving approximately 5,565 students. All public schools are accredited by the New Jersey Department of Education.

To maintain and advance instructional excellence, the District promotes comprehensive programs of staff and curriculum development. Our staff development and curriculum improvement efforts have focused on balanced literacy, mathematics, science and technology in alignment with the Common Core State Standards.

Ridgewood High School is a comprehensive high school, grades 9-12, which attempts to meet the needs of all students. It is also an institution with a long-standing tradition of providing a sound and challenging academic program for college-bound students. The present school population is 1,790. The high school is the largest in Bergen County. The class of 2021 included 438 students. The following page details the post-graduation plans for this class.

**Post-
Secondary Plans: Class of 2021**

4-Year Colleges	88.7%
2-Year Colleges	5.8%

The Class of 2021 received acceptances from the following colleges and universities:

Colleges ATTENDING Summary - Class of 2021

American University	4	James Madison University	5	United States Air Force Academy	1
Arcadia University	1	Lafayette College	2	United States Military Academy	1
Arizona State University-Tempe	1	Lehigh University	2	University for the Creative Arts at Farnham	1
Auburn University	1	Loyola University Maryland	2	University of British Columbia	1
Babson College	1	Manhattan College	2	University of California-Irvine	1
Bates College	1	Marist College	3	University of California-Los Angeles	1
Belmont University	1	Marymount Manhattan College	1	University of California-Santa Barbara	1
Bentley University	1	Marywood University	1	University of Colorado Boulder	6
Bergen Community College	21	Massachusetts Institute of Technology	2	University of Connecticut	3
Berklee College of Music	1	Mercy College	1	University of Delaware	5
Binghamton University	1	Merrimack College	1	University of Florida	1
Boston College	4	Messiah University	1	University of Greenwich	1
Boston University	3	Michigan State University	1	University of Illinois at Urbana-Champaign	1
Brandeis University	1	Monmouth University	1	University of Maryland-College Park	4
Brigham Young University-Idaho	1	Montclair State University	12	University of Massachusetts-Amherst	6
Bucknell University	7	Moore College of Art and Design	1	University of Miami	6
Canisius College	1	Muhlenberg College	3	University of Michigan-Ann Arbor	6
Carnegie Mellon University	1	Nazareth College	2	University of New Hampshire-Main Campus	1
Case Western Reserve University	2	New York University	9	University of Oregon	1
Catholic University of America	1	Northeastern University	9	University of Pennsylvania	3
Clarkson University	1	Nova Southeastern University	1	University of Pittsburgh-Pittsburgh Campus	2
Coastal Carolina University	1	Ohio State University-Main Campus	1	University of Rhode Island	1
Colby College	1	Orange Coast College	1	University of Richmond	3
Colgate University	2	Pellissippi State Community College	1	University of Rochester	1
College of Charleston	2	Pennsylvania State University-Main Campus	8		
College of the Holy Cross	2	Pennsylvania State University-Berks	1		
Colorado School of Mines	1	Penn State Berks	1		
Columbia University in the City of New York	1	Pratt Institute-Main	1		
Connecticut College	1				
Cornell University	2				
Culinary Institute of America	1				

CUNY John Jay College of Criminal Justice	1	Princeton University	1	University of Scranton	4
Curry College	1	Providence College	6	University of South Carolina-Columbia	2
Davidson College	1	Purdue University-Main Campus	3	University of South Florida-Main Campus	1
DePaul University	1	Quinnipiac University	2	University of Southern California	2
Dickinson College	2	Ramapo College of New Jersey	7	University of the Arts London	1
Drew University	1	Roanoke College	1	University of Vermont	3
Elizabethtown College	1	Rochester Institute of Technology	1	University of Virginia-Main Campus	2
Elon University	2	Rowan University	2	University of Washington-Seattle Campus	2
Emerson College	2	Rutgers University-New Brunswick	20	University of Waterloo	1
Emory University	2	Sacred Heart University	2	University of Wisconsin-Madison	7
Endicott College	1	Saint Elizabeth University	1	Villanova University	6
Fairfield University	6	Savannah College of Art and Design	1	Virginia Polytechnic Institute and State University	4
Fashion Institute of Technology	1	Seton Hall University	2	Wagner College	1
SUNY		Stanford University	2	Wake Forest University	2
Florida Southern College	1	Stevens Institute of Technology	8	Washington and Lee University	2
Florida State University	3	Susquehanna University	1	Washington College	1
Fordham University	5	Swarthmore College	1	Wellesley College	1
Franklin and Marshall College	2	Syracuse University	9	Wesleyan University	1
Full Sail University	1	Temple University	4	Wilkes University	1
George Washington University	3	The College of New Jersey	5	William Paterson University of New Jersey	1
Georgetown University	3	The New School	1	Williams College	1
Gettysburg College	2	The University of Alabama	1		
Hamilton College	1	The University of Tampa	6		
Haverford College	1	Trinity College Dublin	1		
Hobart William Smith Colleges	1	Tufts University	1		
Immaculata University	1	Tulane University of Louisiana	1		
Indiana University-Bloomington	2	Union College	2		
Ithaca College	9				

Major Initiatives

Capital Projects

The District retrofitted existing Alerton Controls to New Honeywell BA CNET Open Controls in the following locations: Orchard Elementary School Art Corridor, Somerville Elementary School Art Wing & Kindergarten Wing and Travel Elementary School rooms 104, 110, 111, 112 114. The district also completed the High School Switch Station project which included new service/switch panels, and adjacent electrical up-grades within that space. The Ben Franklin Middle School's Track was resurfaced.

In District Special Education Classes

The District offers specialized classes for students with disabilities that are located in-district. At Glen School, the Ridgewood Early Development (RED) classes offer a comprehensive educational experience for a child who has been identified as a preschool disabled student, ages 3-5 that focuses on skill development within the social, motor, cognitive, and communications domains. The district also offers Language Learning Disabled (LLD) classes at Ridgewood High School, George Washington Middle School, Benjamin Franklin Middle School, Willard Elementary and Hawes Elementary School. The District's ABA-Based program, Ridgewood Intensive Services (RISe), is offered at Ridgewood High School, George Washington Middle School, Ridge Elementary and Glen School. Additionally, Strategic Actions for Innovative Learning (SAIL) is the District's multiply disabled program and is offered at Ridgewood High School, Benjamin Franklin Middle School, and Hawes Elementary School. The Ridgewood NOVA Program is a self-contained class designed for students with behavioral disabilities who are dysregulated emotionally/behaviorally and is offered at Somerville Elementary School. The District's transition to adulthood class, School Transition and Employment Program for Student Success (STEPSS) offers students ages 18-21-year-old who have met state graduation requirements, but continue to need more time and skill development before entering independent or interdependence adulthood.

These classes provide Ridgewood students with the opportunity to remain in the Ridgewood Public School system rather than be sent to potentially more restrictive out-of-district specialized schools for the disabled. In-district programs provide these students with disabilities additional inclusive opportunities to learn and work alongside their non-disabled peers in regular education classes and non-academic activities in their home school buildings when appropriate.

Financial Information

Internal Accounting Controls: Management of the District is responsible for establishing and maintaining internal control designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Internal control 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 awards and state financial assistance, the District also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws, regulations, contracts and grants related to those programs. Internal control 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 internal control, including that portion related to the federal awards and state financial assistance programs, as well as to determine that the District has complied with applicable laws, regulations, contracts and grants.

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as committed or assigned fund balance on June 30, 2021.

Cash Management: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements". 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.

Risk Management: The District carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. A schedule of insurance coverage is found in Exhibit J-20.

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci and Higgins, 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 the U.S. Uniform Guidance, and New Jersey OMB's Circular 15-08.

The auditor's report on the basic financial statements and specific required supplemental information is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

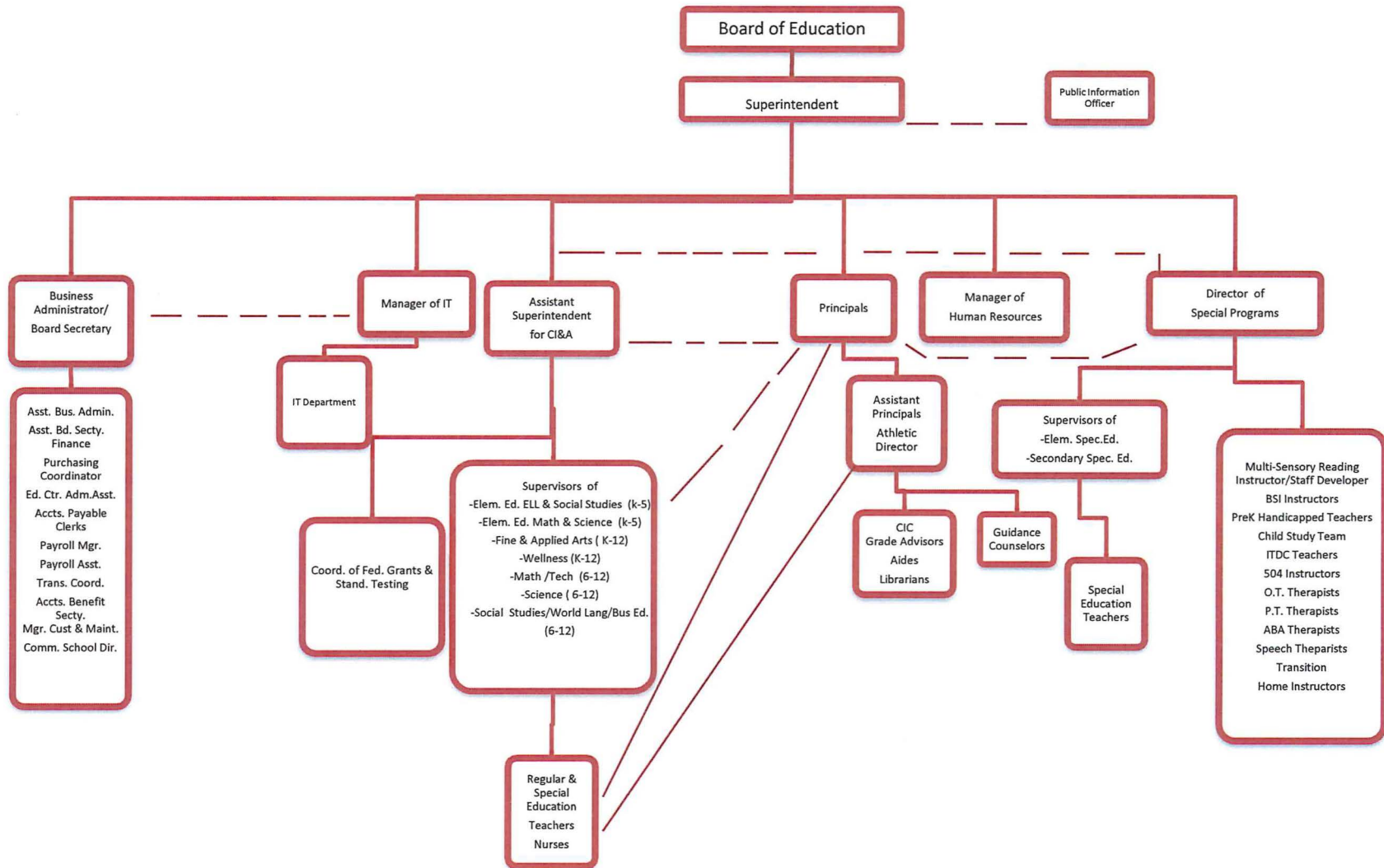
We would like to express our appreciation to the members of the Village of Ridgewood School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Scott T. Bisig". The signature is written in a cursive style with a large initial "S".

Scott T. Bisig, M.Ed.
Business Administrator/Board Secretary

T.T.A



RIDGEWOOD BOARD OF EDUCATION

ROSTER OF OFFICIALS

June 20, 2021

Members of the Board of Education

Mr. Michael Lembo, President

Ms. HyunJu Kwak, Vice President

Ms. Sheila Brogan

Mr. Saurabh Dani

Mr. Christopher Kaufman

Other Officials

ROSTER OF OFFICIALS

JUNE 30, 2021

Dr. Thomas Gordan, Ed. D, Superintendent

Mr. Scott T. Bisig, School Business Administrator/Board Secretary

Mr. Angelo DeSimone, Treasurer

RIDGEWOOD BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

June 30, 2021

Independent Auditor

Lerch, Vinci & Higgins, LLP

17-17 Route 208

Fair Lawn, NJ 07410

Attorney

Cleary, Giacobbe, Alfieri, Jacobs, LLC

169 Ramapo Valley Road

Upper Level – Suite 105

Oakland, New Jersey, 07436

Official Depositories

Columbia Bank

19-01 Route 208 North

Fair Lawn, New Jersey 0741

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR’S REPORT

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

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

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

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

Opinions

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

Emphasis of Matter

Adoption of New Accounting Pronouncement

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

Other Matters

Required Supplementary Information

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

Other Information

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

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

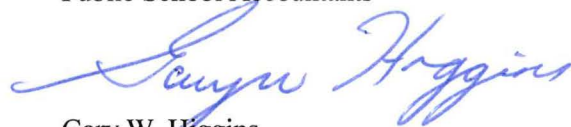
The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated March 3, 2022 on our consideration of the Ridgewood Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Ridgewood Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Ridgewood Board of Education's internal control over financial reporting and compliance.



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



Gary W. Higgins
Public School Accountant
PSA Number CS00814

Fair Lawn, New Jersey
March 3, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

RIDGEWOOD BOARD OF EDUCATION

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

As management of the Ridgewood Board of Education (the Board or District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the Ridgewood Board of Education for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2020-2021 fiscal year include the following:

- The assets and deferred outflows of resources of the Ridgewood Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$52,123,985 (Net Position).
- Overall District revenues and other special items were \$147,280,317 and were \$6,141,010 more than overall Board expenses of \$141,139,307. General revenues accounted for \$102,067,375 or 69% of all revenues and special items. Program specific revenues in the form of charges for services, grants and contributions account for \$44,201,999 or 30% of total revenues and special items. Other special items were \$1,010,943 and relate to the change in the net pension liability.
- The School District had \$139,716,736 in expenses for governmental activities; only \$43,277,550 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$102,066,662 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$14,445,044. Of that amount, \$2,236,960 (15%) is available for spending at the District's discretion (unassigned fund balance).
- The General Fund unassigned GAAP basis fund balance was \$2,236,960 at June 30, 2021, an increase of \$2,029,700 when compared with the beginning unassigned GAAP basis fund balance at July 1, 2020 of \$207,260.
- The General Fund unassigned budgetary basis fund balance at June 30, 2021 was \$5,424,775 which represents an increase of \$2,930,754 compared to the ending unassigned budgetary basis fund balance at June 30, 2020 of \$2,494,021.

RIDGEWOOD BOARD OF EDUCATION

Management Discussion and Analysis

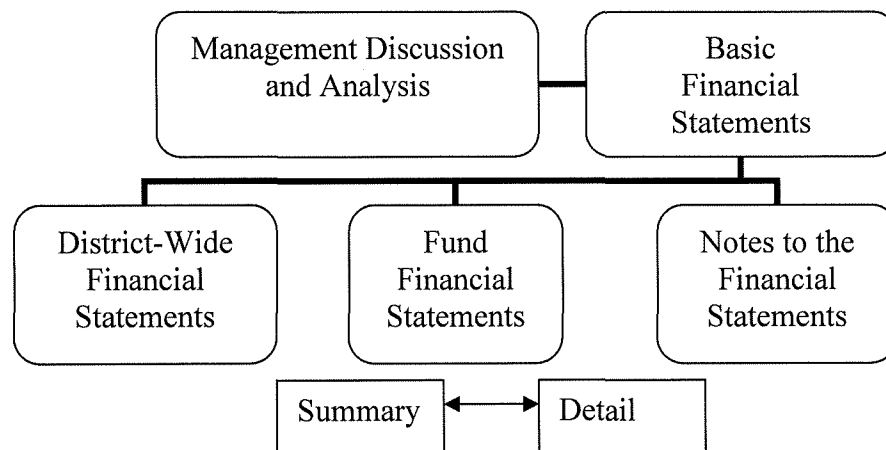
Fiscal Year Ended June 30, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor’s Report, required supplementary information which includes the management’s discussion and analysis (this section), the basic financial statements, and supplemental 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 were financed in the *short term* as well as what remains for future spending
- *Proprietary funds statements* offer *short-term* and *long-term* financial information about the activities the district operated like *businesses*.

The basic financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. The Figure below shows how the various parts of this annual report are arranged and related to one another.



RIDGEWOOD BOARD OF EDUCATION

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

The following table 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 the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as instruction; building maintenance, transportation, and administration.	Activities the district operates similar to private businesses; food service.
Required Financial Statements	Statements of Net Position Statement of Activities	Balance Sheet Statements of Revenues Expenditures and changes in Fund Balances	Statement of Net Position Statement of Revenues, 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 focus	Accrual accounting and economic resources focus
Type of Asset, Liabilities and Deferred Inflows/outflows Information	All assets, liabilities and deferred outflows/inflows of resources, 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, liabilities and deferred outflows/inflows of resources, both financial and capital, short-term and long-term
Type of Inflow/Outflow Information	All revenues and expenses during the year, regardless of when cash is received and the related liability is due and payable	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.

RIDGEWOOD BOARD OF EDUCATION

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

District-Wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the district's assets, liabilities and deferred outflows/inflows of resources. All of the current year's revenues 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 Districts *net position* and how they have changed. Net position – the difference between the District's assets/deferred outflows and liabilities/deferred inflows – is one way to measure the District's financial health or *position*.

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

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

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration, and community education. Property taxes and State and Federal aids finance most of these activities.
- *Business-type activities* – The District charges fees to customers to help it cover the costs of certain services it provides. The District's food service, infant/toddler development, technology initiative and photography lab fee programs are included here.

Fund Financial Statements

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

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

RIDGEWOOD BOARD OF EDUCATION

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

Fund Financial Statements (Continued)

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 resources* 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 to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District’s programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) 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.
 - *Enterprise Funds* – These funds are established to account for operations that are financed and operated in a manner similar to private business enterprises. The state intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has four enterprise funds for its food service operations, infant toddler development, technology’s initiative and photography lab fee programs.

Notes to the Financial Statements

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

RIDGEWOOD BOARD OF EDUCATION

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

Other Information

In addition to the financial statements and accompanying notes, which together comprise the basic financial statements, this report also presents certain *required supplementary information* concerning the District's budget process. The District adopts an annual revenue and expenditure budget for the general, special revenue and debt service funds. Budgetary comparison schedules have been provided for the general, special revenue and debt service funds as required supplementary information. Information regarding the District's employee retirement systems and pension plans and postemployment medical benefits plan has also been provided as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

Combining statements and schedules are presented immediately following the major budgetary comparisons and pension information.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

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

The following provides a summary of the school district's net position as of June 30, 2021 and 2020.

Net Position. The District's *combined* net position was \$52,123,985 and \$45,982,975, as restated, on June 30, 2021 and 2020, respectively.

RIDGEWOOD BOARD OF EDUCATION

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

Table 1
Net Position
as of June 30, 2021 and 2020

	Governmental Activities		Business-Type Activities		Total	
	2021	2020 (Retated)	2021	2020	2021	2020 (Retated)
Assets						
Current and Other Assets	\$ 16,552,396	\$ 11,021,775	\$ (127,336)	\$ 329,292	\$ 16,425,060	\$ 11,351,067
Capital Assets						
Net of Accumulated Depreciation	<u>94,910,863</u>	<u>96,843,376</u>	<u>127,413</u>	<u>165,766</u>	<u>95,038,276</u>	<u>97,009,142</u>
Total Assets	<u>111,463,259</u>	<u>107,865,151</u>	<u>77</u>	<u>495,058</u>	<u>111,463,336</u>	<u>108,360,209</u>
Deferred Outflows of Resources						
Deferred Amounts on Refunding of Debt	2,297,064	2,581,359			2,297,064	2,581,359
Deferred Amount on Net Pension Liability	<u>969,147</u>	<u>1,604,576</u>	<u>-</u>	<u>-</u>	<u>969,147</u>	<u>1,604,576</u>
Total Deferred Outflows of Resources	<u>3,266,211</u>	<u>4,185,935</u>	<u>-</u>	<u>-</u>	<u>3,266,211</u>	<u>4,185,935</u>
Liabilities						
Non Current Liabilities	54,227,196	58,676,652			54,227,196	58,676,652
Other Liabilities	<u>2,518,030</u>	<u>964,595</u>	<u>122,992</u>	<u>120,564</u>	<u>2,641,022</u>	<u>1,085,159</u>
Total Liabilities	<u>56,745,226</u>	<u>59,641,247</u>	<u>122,992</u>	<u>120,564</u>	<u>56,868,218</u>	<u>59,761,811</u>
Deferred Inflows of Resources						
Deferred Amount on Net Pension Liability	<u>5,737,344</u>	<u>6,801,358</u>	<u>-</u>	<u>-</u>	<u>5,737,344</u>	<u>6,801,358</u>
Total Deferred Inflows of Resources	<u>5,737,344</u>	<u>6,801,358</u>	<u>-</u>	<u>-</u>	<u>5,737,344</u>	<u>6,801,358</u>
Net Position						
Net Investment in						
Capital Assets	54,926,054	54,281,797	127,413	165,766	55,053,467	54,447,563
Restricted	8,869,817	7,448,522			8,869,817	7,448,522
Unrestricted (Deficit)	<u>(11,548,971)</u>	<u>(16,121,838)</u>	<u>(250,328)</u>	<u>208,728</u>	<u>(11,799,299)</u>	<u>(15,913,110)</u>
Total Net Position	<u>\$ 52,246,900</u>	<u>\$ 45,608,481</u>	<u>\$ (122,915)</u>	<u>\$ 374,494</u>	<u>\$ 52,123,985</u>	<u>\$ 45,982,975</u>

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, machinery and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Restricted net position represents amounts reserved for specific purposes by outside parties or state laws and regulations. Unrestricted net position represents amounts available to the government that are neither restricted nor invested in capital assets.

RIDGEWOOD BOARD OF EDUCATION

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

The District's total net position of \$52,123,985 at June 30, 2021 represents a \$6,141,010 or 13%, increase from the prior year. The following shows changes in net position for the fiscal years 2021 and 2020.

Table 2
Change in Net Position
for the Fiscal Years Ended June 30, 2021 and 2020

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues and Special Items						
Program Revenues:						
Charge for Services	\$ 1,121,858	\$ 2,743,299	\$ 924,449	\$ 2,818,732	\$ 2,046,307	\$ 5,562,031
Operating Grants and Contributions	42,155,692	30,227,961			42,155,692	30,227,961
Capital Grants and Contributions		77,300			-	77,300
General Revenues:						
Property Taxes	100,322,919	98,884,675			100,322,919	98,884,675
Federal and State Aid - Restricted	135,122	134,178			135,122	134,178
Other	1,608,621	795,091	713	3,320	1,609,334	798,411
Special Item						
Change in Net Pension Liability	1,010,943	896,029	-	-	1,010,943	896,029
Total Revenues and Special Items	<u>146,355,155</u>	<u>133,758,533</u>	<u>925,162</u>	<u>2,822,052</u>	<u>147,280,317</u>	<u>136,580,585</u>
Program Expenses						
Instruction						
Regular	60,024,888	54,161,384			60,024,888	54,161,384
Special Education	22,136,941	21,180,542			22,136,941	21,180,542
Other Instruction	4,057,750	4,262,453			4,057,750	4,262,453
School Sponsored Activities and Athletics	2,468,142	2,033,520			2,468,142	2,033,520
Support Services:						
Student and Instruction Related Services	22,926,003	21,296,956			22,926,003	21,296,956
General Administration,	1,404,133	1,260,916			1,404,133	1,260,916
School Administration	6,340,651	5,932,010			6,340,651	5,932,010
Central Services	1,771,767	1,707,813			1,771,767	1,707,813
Administration Information Technology	1,184,993	1,166,129			1,184,993	1,166,129
Plant Operations and Maintenance	13,051,420	12,552,287			13,051,420	12,552,287
Pupil Transportation	2,898,396	3,150,196			2,898,396	3,150,196
Interest and Other Charges on Debt	1,451,652	1,503,626			1,451,652	1,503,626
Food Service			356,127	1,872,969	356,127	1,872,969
Infant/Toddler Development			977,939	1,191,263	977,939	1,191,263
Technology Initiative	-	-	88,505	177,570	88,505	177,570
Total Expenses	<u>139,716,736</u>	<u>130,207,832</u>	<u>1,422,571</u>	<u>3,241,802</u>	<u>141,139,307</u>	<u>133,449,634</u>
Change in Net Position Before Transfers	6,638,419	3,550,701	(497,409)	(419,750)	6,141,010	3,130,951
Transfers	-	(497,672)	-	497,672	-	-
Change in Net Position	6,638,419	3,053,029	(497,409)	77,922	6,141,010	3,130,951
Net Position, Beginning of Year	<u>45,608,481</u>	<u>39,364,197</u>	<u>374,494</u>	<u>296,572</u>	<u>45,982,975</u>	<u>39,660,769</u>
Prior Period Adjustment	-	3,191,255	-	-	-	3,191,255
Net Position, End of Year	<u>\$ 52,246,900</u>	<u>\$ 45,608,481</u>	<u>\$ (122,915)</u>	<u>\$ 374,494</u>	<u>\$ 52,123,985</u>	<u>\$ 45,982,975</u>

RIDGEWOOD BOARD OF EDUCATION

Management Discussion and Analysis

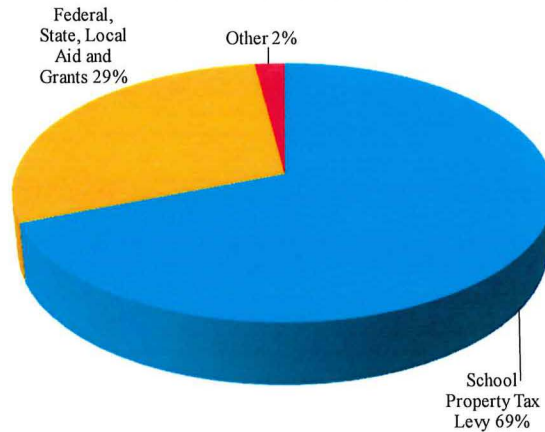
Fiscal Year Ended June 30, 2021

Governmental Activities. The District's total governmental activities' revenues and special items, which includes State and Federal grants, were \$146,355,155 for the year ended June 30, 2021, property taxes of \$100,322,919 represented 69% of revenues and special items. Another significant portion of revenues came from grant aid; total State, Federal and Local Aid and Grants were \$42,290,814 and represented 29% of revenues and special items. In addition, revenue and other special items in the amount of \$3,741,422 (2%) was earned from tuition, transportation fees and miscellaneous income which includes items such as interest, prior year refunds and other miscellaneous items.

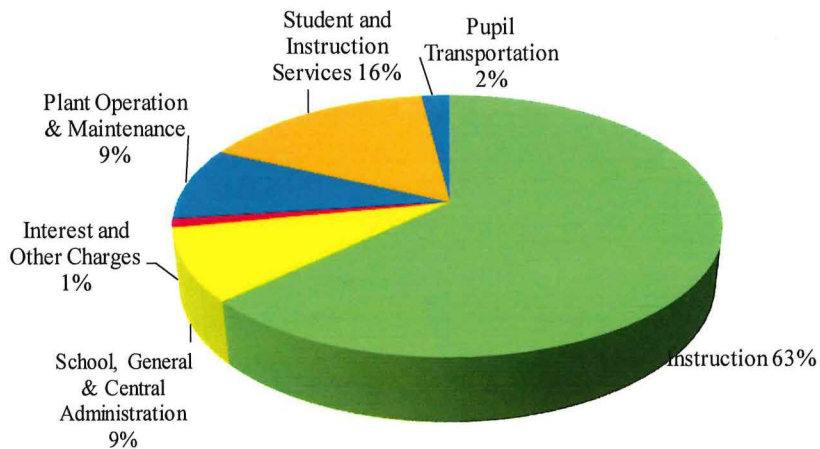
The total cost of all governmental activities programs and services was \$139,716,736. The district's expenses are predominantly related to educating and caring for students. Instruction totaled \$88,687,721 (63%) of total expenses. Support services, totaled \$49,577,363 (36%) of total expenses. The remaining expenses were for interest costs on long-term debt outstanding in the amount of \$1,451,652 (1%).

Total governmental activities revenues and special items exceeded expenses and transfers out increasing net position by \$6,638,419 from the previous year.

**Revenues by Type – Governmental Activities
For Fiscal Year 2021**



**Expenses by Type – Governmental Activities
For Fiscal Year 2021**



RIDGEWOOD BOARD OF EDUCATION

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

Total and Net Cost of Governmental Activities. The District's total cost of services for the fiscal years ended June 30, 2021 and 2020 were \$139,716,736 and \$130,207,832, respectively. After applying program revenues derived from operating and capital grants and contributions of \$42,155,692 and \$30,305,261 and charges for services of \$1,121,858 and \$2,743,299, the net cost of services of the District is \$96,439,186 and \$97,159,272, respectively.

Table 3
Total and Net Cost of Governmental Activities
for the Fiscal Year Ended June 30, 2021 and 2020

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Instruction				
Regular	\$ 60,024,888	\$ 54,161,384	\$ 38,965,294	\$ 38,735,944
Special Education	22,136,941	21,180,542	11,277,880	12,379,701
Other Instruction	4,057,750	4,262,453	2,440,572	1,611,251
School Sponsored Activities and Athletics	2,468,142	2,033,520	1,912,028	1,749,570
Support Services:				
Student and Instructional Related Services	22,926,003	21,296,956	17,197,133	18,075,837
General Administration	1,404,133	1,260,916	1,369,143	1,260,916
School Administration	6,340,651	5,932,010	4,564,103	4,709,068
Central Services	1,771,767	1,707,813	1,642,348	1,707,813
Plant Operations and Maintenance	13,051,420	12,552,287	12,277,864	11,785,815
Administrative Information Technology	1,184,993	1,166,129	1,103,160	1,166,129
Pupil Transportation	2,898,396	3,150,196	2,238,009	2,473,602
Interest on Debt	1,451,652	1,503,626	1,451,652	1,503,626
Total Expenses	<u>\$ 139,716,736</u>	<u>\$ 130,207,832</u>	<u>\$ 96,439,186</u>	<u>\$ 97,159,272</u>

RIDGEWOOD BOARD OF EDUCATION

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

Business-Type Activities

The cost of Business-Type Activities for the fiscal year ended June 30, 2021 was \$1,422,571. Food service costs were \$356,127 (25%), infant/toddler development costs were \$977,939 (69%) and technology initiative costs were \$88,505 (6%). These costs were funded by revenue from charges for services of \$924,449, as detailed in the change in net position schedule. Revenues from food service charges for services were \$16,573 (2%), infant/toddler development charges for services were \$813,726 (88%) technology initiative charges for services were \$94,150 (10%).

Total business-type activities revenues and transfers were less than expenses decreasing net position by \$497,409 over the previous year. At June 30, 2021 the net position (deficit) balance of the food service program was \$(10,959), the infant/toddler development program fund net position (deficit) was \$(125,660), the technology initiative fund net position was \$12,084 and the photography lab fee fund net position was \$1,620.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$14,445,044 at June 30, 2021 compared to a combined fund balance of \$10,492,157 at June 30, 2020 as restated. The increase is mainly attributable to an increase in State Aid and district taxes net of additional expenditures.

Revenues and capital lease proceeds in for the District's governmental funds were \$134,500,752 while total expenditures were \$130,547,865.

GENERAL FUND

The General fund includes the primary operations of the District in providing educational services to students from Pre-Kindergarten through Grade 12 including pupil transportation, extra-curricular activities and capital outlay projects.

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

<u>Revenues</u>	<u>Amount</u>		<u>Increase/(Decrease)</u>	
	<u>2021</u>	<u>2020</u>	<u>Amount</u>	<u>Percent</u>
Local Sources	\$ 100,035,303	\$ 99,543,808	\$ 491,495	0.49%
State Sources	27,120,948	22,785,062	4,335,886	19.03%
Federal Sources	22,202	15,582	6,620	42.48%
Total	<u>\$ 127,178,453</u>	<u>\$ 122,344,452</u>	<u>\$ 4,834,001</u>	3.95%

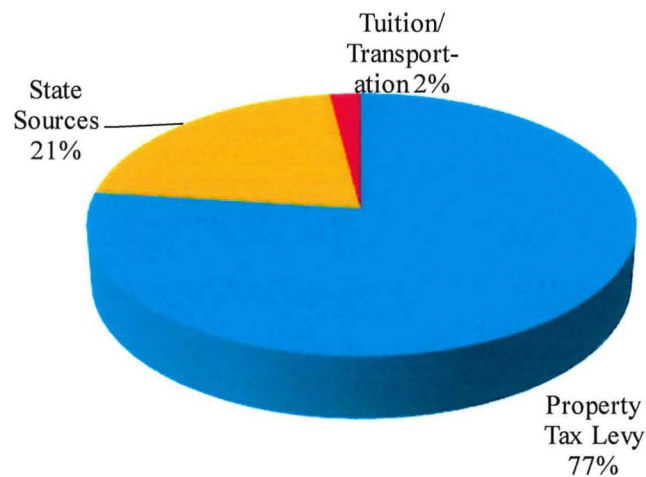
RIDGEWOOD BOARD OF EDUCATION

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

The majority of revenues come from property taxes which accounted for 77% of total revenue while state sources represented 21% of total revenue for the 2021 fiscal year. Miscellaneous revenues primarily tuition and transportation fees represented 2% of the total revenue for the 2021 fiscal year. Federal sources represented less than 1% of total revenues for the 2021 fiscal year.

General Fund Revenues by Source For Fiscal Year 2021



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

<u>Expenditures</u>	<u>Amount</u>		<u>Increase/(Decrease)</u>	
	<u>2021</u>	<u>2020</u>	<u>Amount</u>	<u>Percent</u>
Current Expenditures:				
Instruction	\$ 76,744,532	\$ 74,254,917	\$ 2,489,615	3.35%
Support Services	43,269,000	42,918,580	350,420	0.82%
Capital Outlay	1,949,512	497,925	1,451,587	291.53%
Debt Service:	<u>1,840,284</u>	<u>1,945,552</u>	<u>(105,268)</u>	-5.41%
Total	<u>\$ 123,803,328</u>	<u>\$ 119,616,974</u>	<u>\$ 4,186,354</u>	3.50%

Total General Fund expenditures increased \$4,186,354 or 3.5% from the previous year. Instruction represented 62% of total expenditures while support services accounted for 35% and debt service and capital outlay accounted for 3% of total expenditures for the 2021 fiscal year.

RIDGEWOOD BOARD OF EDUCATION

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

For the 2020-2021 school year General Fund revenues and transfers in exceeded expenditures and transfers out by \$3,375,125. After adjusting for restricted, committed and assigned fund balances, the unassigned fund balance increased from \$207,260 at June 30, 2020 to \$2,236,960 at June 30, 2021. In addition, the District ended the June 30, 2021 fiscal year with \$1,557,000 of excess surplus of which \$650,000 was designated for the subsequent year's budget (2021/2022) and \$907,000 is designated for the 2022/2023 budget. In addition, the District had restricted fund balances of \$2,361,827 in capital reserve of which \$1,242,837 was designated for the 2021/22 budget, \$2,733,778 in maintenance reserve and \$636,636 in emergency reserve none of which was designated for the 2021/22 budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At the end of fiscal years 2021 and 2020, the District had \$95,038,276 and \$97,009,142, respectively, invested in land, buildings, furniture, machinery and equipment for both governmental and business-type activities. Depreciation charges for fiscal year 2020-2021 amounted to \$3,882,025 for governmental activities and \$38,353 for business-type activities. The following is a comparison of the June 30, 2021 and 2020 balances.

Capital Assets As of June 30, 2021 and 2020

Table 4
Capital Assets at June 30, 2021 and 2020

	<u>Governmental</u>		<u>Business Type</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 7,435,206	\$ 7,435,206			\$ 7,435,206	\$ 7,435,206
Construction in Progress		221,587			-	221,587
Land Improvements	8,998,821	7,714,690			8,998,821	7,714,690
Buildings and Building Improvements	130,347,222	129,678,202			130,347,222	129,678,202
Machinery and Equipment	<u>6,605,206</u>	<u>6,387,258</u>	<u>\$ 479,800</u>	<u>\$ 479,800</u>	<u>7,085,006</u>	<u>6,867,058</u>
 Subtotal	 153,386,455	 151,436,943	 479,800	 479,800	 153,866,255	 151,916,743
 Less: Accumulated Depreciation	 <u>(58,475,592)</u>	 <u>(54,593,567)</u>	 <u>(352,387)</u>	 <u>(314,034)</u>	 <u>(58,827,979)</u>	 <u>(54,907,601)</u>
 Total Capital Assets, Net of Accumulated Depreciation	 <u>\$ 94,910,863</u>	 <u>\$ 96,843,376</u>	 <u>\$ 127,413</u>	 <u>\$ 165,766</u>	 <u>\$ 95,038,276</u>	 <u>\$ 97,009,142</u>

Additional information on the District's capital assets is presented in Note 3 of this report.

RIDGEWOOD BOARD OF EDUCATION

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

Debt Administration. As of June 30, 2021 and 2020 the District had long-term debt and outstanding long-term liabilities in the amount of \$54,227,196 and \$58,676,652, respectively. For fiscal year 2020-2021 total outstanding long-term liabilities decreased by \$4,449,456. The following is a comparison of the June 30, 2021 and 2020 balances.

	<u>2021</u>	<u>2020</u>
Serial Bonds (including unamortized premium)	\$ 40,384,285	\$ 43,111,688
Capital Leases/Lease Purchase Agreements	1,897,714	2,031,739
Net Pension Liability	11,424,535	12,773,286
Compensated Absences	<u>520,662</u>	<u>759,939</u>
Total	<u>\$ 54,227,196</u>	<u>\$ 58,676,652</u>

Additional information on the District's long-term liabilities is presented in Note 3 of this report.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the annual operating budget. These budget amendments fall into two categories:

- Reinstating prior year purchase orders being carried over.
- Appropriation of additional State and Federal Aid.

General Fund budgetary basis revenues and other financing sources exceeded budgetary basis expenditures and other financing uses by \$4,276,179 during the 2020/21 fiscal year. After deducting restricted, committed and assigned fund balances, the unassigned budgetary fund balance increased \$2,930,574 from \$2,494,021 at June 30, 2020 to \$5,424,775 at June 30, 2021. The District has retained a capital reserve balance in the amount of \$2,361,827 at June 30, 2021. In addition, the District has a maintenance reserve in the amount of \$2,733,778 and an emergency reserve balance of \$626,636 at June 30, 2021.

RIDGEWOOD BOARD OF EDUCATION

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

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

Many factors were considered by the District's administration during the process of developing the fiscal year 2021-2022 budget. The primary factors were the District's projected student population, anticipated state and federal aid, contractual salary and related benefit cost increases, as well as, increased special education tuition costs.

These indicators were considered when adopting the budget for fiscal year 2021-2022. Budgeted expenditures in the General Fund increased \$2,271,408 to \$111,858,925 for fiscal year 2021-2022.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our 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 financial information contact the Business Office, Ridgewood Board of Education, Education Center, 49 Cottage Place, Ridgewood, New Jersey 07451.

DISTRICT-WIDE FINANCIAL STATEMENTS

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

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 13,143,832	\$ 19,269	\$ 13,163,101
Investments, at Fair Value	2,772,435		2,772,435
Receivables, Net:			
Receivables from Other Governments	403,075		403,075
Other	67,489	2,045	69,534
Internal Balances	165,565	(165,565)	-
Inventories		16,915	16,915
Capital Assets Not Being Depreciated	7,435,206		7,435,206
Capital Assets, Being Depreciated, net	87,475,657	127,413	87,603,070
Total Assets	111,463,259	77	111,463,336
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	2,297,064		2,297,064
Deferred Amounts on Net Pension Liability	969,147	-	969,147
Total Deferred Outflows of Resources	3,266,211	-	3,266,211
Total Assets and Deferred Outflows of Resources	114,729,470	77	114,729,547
LIABILITIES			
Accounts Payable and Other Current Liabilities	998,041	-	998,041
Accrued Interest Payable	410,678		410,678
Payable to Other Governments	7,680		7,680
Unearned Revenue	1,101,631	122,992	1,224,623
Noncurrent Liabilities			
Due Within One Year	2,918,605		2,918,605
Due Beyond One Year	51,308,591	-	51,308,591
Total Liabilities	56,745,226	122,992	56,868,218
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	5,737,344	-	5,737,344
Total Deferred Inflows of Resources	5,737,344	-	5,737,344
Total Liabilities and Deferred Inflows of Resources	62,482,570	122,992	62,605,562
NET POSITION			
Net Investment in Capital Assets	54,926,054	127,413	55,053,467
Restricted for			
Capital Projects	2,449,558		2,449,558
Facility Maintenance	2,733,778		2,733,778
Other Purposes	3,686,481		3,686,481
Unrestricted (Deficit)	(11,548,971)	(250,328)	(11,799,299)
Total Net Position	\$ 52,246,900	\$ (122,915)	\$ 52,123,985

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 60,024,888	\$ 723,873	\$ 20,335,721		\$ (38,965,294)		\$ (38,965,294)
Special Education	22,136,941		10,859,061		(11,277,880)		(11,277,880)
Other Instruction	4,057,750	126,258	1,490,920		(2,440,572)		(2,440,572)
School Sponsored Activities and Athletics	2,468,142		556,114		(1,912,028)		(1,912,028)
Support Services							
Student and Instruction Related Services	22,926,003		5,728,870		(17,197,133)		(17,197,133)
School Administration Services	6,340,651		1,776,548		(4,564,103)		(4,564,103)
General Administration Services	1,404,133		34,990		(1,369,143)		(1,369,143)
Central Services	1,771,767		129,419		(1,642,348)		(1,642,348)
Administration Information Technology	1,184,993		81,833		(1,103,160)		(1,103,160)
Plant Operations And Maintenance	13,051,420	271,727	501,829		(12,277,864)		(12,277,864)
Pupil Transportation	2,898,396		660,387		(2,238,009)		(2,238,009)
Interest On Long-Term Debt	1,451,652	-	-	-	(1,451,652)	-	(1,451,652)
Total Governmental Activities	<u>139,716,736</u>	<u>1,121,858</u>	<u>42,155,692</u>	<u>-</u>	<u>(96,439,186)</u>	<u>-</u>	<u>(96,439,186)</u>
Business-Type Activities							
Food Service	356,127	16,573	-			\$ (339,554)	(339,554)
Infant/Toddler Development	977,939	813,726				(164,213)	(164,213)
Technology Initiative	88,505	94,150				5,645	5,645
Total Business-Type Activities	<u>1,422,571</u>	<u>924,449</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(498,122)</u>	<u>(498,122)</u>
Total Primary Government	<u>\$ 141,139,307</u>	<u>\$ 2,046,307</u>	<u>\$ 42,155,692</u>	<u>\$ -</u>	<u>(96,439,186)</u>	<u>(498,122)</u>	<u>(96,937,308)</u>
General Revenues							
Taxes							
Property Taxes Levied for General Purposes					\$ 97,305,242		\$ 97,305,242
Property Taxes Levied for Debt Service					3,017,677		3,017,677
State Aid Restricted - Debt Service					135,122		135,122
Interest Income					67,503	\$ 713	68,216
Miscellaneous Income					1,541,118		1,541,118
Special Items							
Change in Net Pension Liability					1,010,943	-	1,010,943
Total General Revenues and Special Items					<u>103,077,605</u>	<u>713</u>	<u>103,078,318</u>
Change in Net Position					6,638,419	(497,409)	6,141,010
Net Position, Beginning of Year, as Restated					<u>45,608,481</u>	<u>374,494</u>	<u>45,982,975</u>
Net Position, End of Year					<u>\$ 52,246,900</u>	<u>\$ (122,915)</u>	<u>\$ 52,123,985</u>

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

FUND FINANCIAL STATEMENTS

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 12,154,046	\$ 902,055	\$ 87,731		\$ 13,143,832
Investments, at Fair Value		2,772,435			2,772,435
Receivables, Net					
Receivables from Other Governments	48,554	354,521			403,075
Other Accounts Receivable	67,489				67,489
Due from Other Funds	<u>165,565</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>165,565</u>
Total Assets	<u>\$ 12,435,654</u>	<u>\$ 4,029,011</u>	<u>\$ 87,731</u>	<u>\$ -</u>	<u>\$ 16,552,396</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 917,669	\$ 80,372			\$ 998,041
Payable to State Government		7,680			7,680
Unearned Revenue	<u>654,481</u>	<u>447,150</u>	<u>-</u>	<u>-</u>	<u>1,101,631</u>
Total Liabilities	<u>1,572,150</u>	<u>535,202</u>	<u>-</u>	<u>-</u>	<u>2,107,352</u>
Fund Balances					
Restricted Fund Balance					
Legally Restricted - Designated for					
Future Year's Budget	108,884				108,884
Excess Surplus	907,000				907,000
Excess Surplus - Designated for					
Subsequent Year's Expenditures	650,000				650,000
Capital Reserve	1,118,990				1,118,990
Capital Reserve - Designated for					
Subsequent Year's Expenditures	1,242,837				1,242,837
Maintenance Reserve	2,733,778				2,733,778
Emergency Reserve	626,636				626,636
Unemployment Compensation	192,672				192,672
Student Activity/Athletic Funds		272,235			272,235
Scholarship		3,221,574			3,221,574
Capital Projects			\$ 87,731		87,731
Assigned Fund Balance					
Year End Encumbrances	229,092				229,092
Designated for Subsequent Year's Expenditures - 2022/2023	816,655				816,655
Unassigned Fund Balance:					
General Fund	<u>2,236,960</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,236,960</u>
Total Fund Balances	<u>10,863,504</u>	<u>3,493,809</u>	<u>87,731</u>	<u>-</u>	<u>14,445,044</u>
Total Liabilities and Fund Balances	<u>\$ 12,435,654</u>	<u>\$ 4,029,011</u>	<u>\$ 87,731</u>	<u>\$ -</u>	<u>\$ 16,552,396</u>

Continued

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

Total Fund Balances - Governmental Funds	\$	14,445,044
<p>Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$153,386,455 and the accumulated depreciation is \$58,475,592.</p>		94,910,863
<p>Accrued interest on long-term bonds, notes and capital leases is not due and payable in the current period and therefore is not reported as a liability in the funds.</p>		(410,678)
<p>Amounts resulting from the refunding of debt are reported as deferred outflows of reserves on the statement of net position and amortized over the life of the debt.</p>		2,297,064
<p>Certain amounts resulting from the measurement of the net pension liability are reported as either deferred outflows of resources or deferred inflows of resources on the statement of net position and deferred over future years.</p>		
Deferred Outflows of Resources	\$	969,147
Deferred Inflows of Resources		(5,737,344)
		(4,768,197)
<p>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.</p>		
Serial Bonds Payable (including unamortized premium)		(40,384,285)
Capital Leases/Lease Purchase Agreements		(1,897,714)
Compensated Absences		(520,662)
Net Pension Liability		(11,424,535)
		(54,227,196)
Net position of governmental activities (Exhibit A-1)	\$	52,246,900

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 97,305,242			\$ 3,017,677	\$ 100,322,919
Tuition	850,131				850,131
Miscellaneous	<u>1,879,930</u>	<u>\$ 1,305,880</u>	<u>\$ 418</u>	<u>-</u>	<u>3,186,228</u>
Total - Local Sources	100,035,303	1,305,880	418	3,017,677	104,359,278
State Sources	27,120,948			135,122	27,256,070
Federal Sources	<u>22,202</u>	<u>1,923,202</u>	<u>-</u>	<u>-</u>	<u>1,945,404</u>
Total Revenues	<u>127,178,453</u>	<u>3,229,082</u>	<u>418</u>	<u>3,152,799</u>	<u>133,560,752</u>
EXPENDITURES					
Current					
Instruction:					
Regular	51,972,215	533,604	857,028		53,362,847
Special Education	19,448,205	1,133,827			20,582,032
Other Instruction	3,447,403	183,691			3,631,094
School Sponsored Activities and Athletics	1,876,709	550,964			2,427,673
Support Services					
Student and Instruction Related Services	20,887,916	332,623			21,220,539
School Administrative Services	5,588,874				5,588,874
General Administration Services	1,391,004				1,391,004
Central Services	1,723,209				1,723,209
Administration Information Technology	1,154,290				1,154,290
Plant Operations And Maintenance	9,628,376				9,628,376
Pupil Transportation	2,895,331				2,895,331
Debt Service:					
Principal	1,624,025			1,800,000	3,424,025
Interest and Other Charges	216,259			1,352,800	1,569,059
Capital Outlay	<u>1,949,512</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,949,512</u>
Total Expenditures	<u>123,803,328</u>	<u>2,734,709</u>	<u>857,028</u>	<u>3,152,800</u>	<u>130,547,865</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>3,375,125</u>	<u>494,373</u>	<u>(856,610)</u>	<u>(1)</u>	<u>3,012,887</u>
Other Financing Sources (Uses)					
Capital Lease Proceeds	<u>-</u>	<u>-</u>	<u>940,000</u>	<u>-</u>	<u>940,000</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>940,000</u>	<u>-</u>	<u>940,000</u>
Net Change in Fund Balances	3,375,125	494,373	83,390	(1)	3,952,887
Fund Balance, Beginning of Year, as Restated	<u>7,488,379</u>	<u>2,999,436</u>	<u>4,341</u>	<u>1</u>	<u>10,492,157</u>
Fund Balance, End of Year	<u>\$ 10,863,504</u>	<u>\$ 3,493,809</u>	<u>\$ 87,731</u>	<u>\$ -</u>	<u>\$ 14,445,044</u>

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

Total net change in fund balances - governmental funds (Exhibit B-2) **\$ 3,952,887**

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

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

Capital Additions	\$ 1,949,512	
Depreciation Expense	<u>(3,882,025)</u>	(1,932,513)

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

Accrued Interest		24,299
------------------	--	--------

Repayments of bond and capital lease principal are expenditures 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.

Serial Bonds		2,350,000
Capital Lease/Lease Purchase Agreements Payable		1,074,025

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Capital Lease/Lease Purchase Agreement Proceeds		(940,000)
---	--	-----------

Governmental funds report the effect of discounts and losses on the refunding of debt when debt is first issued whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences.

Amortization of Bond Premium	377,403	
Amortization of Deferred Amounts on Refunding	<u>(284,295)</u>	93,108

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) and pension expense are measured by the amounts earned or accrued during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid).

Decrease in Compensated Absences	239,277	
Decrease in Pension Expense	<u>1,777,336</u>	<u>2,016,613</u>

Change in net position of governmental activities (Exhibit A-2) **\$ 6,638,419**

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

**RIDGEWOOD BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

Business-Type Activities - Enterprise Fund

	<u>Food Service</u>	<u>Infant/ Toddler Development</u>	<u>Non-Major Technology Initiative</u>	<u>Non-Major Photography Lab Fee</u>	<u>Totals</u>
ASSETS					
Current Assets					
Cash and Cash Equivalents	\$ 5,565	-	\$ 12,084	\$ 1,620	\$ 19,269
Other Accounts Receivable	2,045				2,045
Inventories	16,915	-	-	-	16,915
Total Current Assets	24,525	-	12,084	1,620	38,229
Capital Assets					
Equipment	376,361	\$ 103,439			479,800
Less: Accumulated Depreciation	(267,028)	(85,359)	-	-	(352,387)
Total Capital Assets, Net	109,333	18,080	-	-	127,413
Total Assets	133,858	18,080	12,084	1,620	165,642
LIABILITIES					
Current Liabilities					
Due to Other Funds	54,225	111,340			165,565
Unearned Revenue	90,592	32,400	-	-	122,992
Total Current Liabilities	144,817	143,740	-	-	288,557
NET POSITION					
Net Investment in Capital Assets	109,333	18,080			127,413
Unrestricted	(120,292)	(143,740)	12,084	1,620	(250,328)
Total Net Position	\$ (10,959)	\$ (125,660)	\$ 12,084	\$ 1,620	\$ (122,915)

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

	<u>Business-Type Activities - Enterprise Fund</u>				<u>Totals</u>
	<u>Food Service</u>	<u>Infant/ Toddler Development</u>	<u>Non-Major Technology Initiative</u>	<u>Non-Major Photography Lab Fee</u>	
OPERATING REVENUES					
Charges for Services					
Daily Sales - Non-Reimbursable Programs	\$ 16,573				\$ 16,573
Program Fees	<u>-</u>	<u>\$ 813,726</u>	<u>\$ 94,150</u>	<u>-</u>	<u>\$ 907,876</u>
 Total Operating Revenues	 <u>16,573</u>	 <u>813,726</u>	 <u>94,150</u>	 <u>-</u>	 <u>924,449</u>
OPERATING EXPENSES					
Salaries and Employee Benefits	111,648	830,009	2,070		943,727
Cost of Sales - Non-Reimbursable Programs	50,852				50,852
Other Purchased Services	59,921	125,624			185,545
Supplies and Materials	94,617	8,814	86,435		189,866
Miscellaneous	8,937	5,291			14,228
Depreciation	<u>30,152</u>	<u>8,201</u>	<u>-</u>	<u>-</u>	<u>38,353</u>
 Total Operating Expenses	 <u>356,127</u>	 <u>977,939</u>	 <u>88,505</u>	 <u>-</u>	 <u>1,422,571</u>
Operating Income (Loss)	<u>(339,554)</u>	<u>(164,213)</u>	<u>5,645</u>	<u>-</u>	<u>(498,122)</u>
NONOPERATING REVENUES					
Interest Income	<u>713</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>713</u>
 Total Nonoperating Revenues	 <u>713</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>713</u>
Change in Net Position	(338,841)	(164,213)	5,645	-	(497,409)
Net Position, Beginning of Year	<u>327,882</u>	<u>38,553</u>	<u>6,439</u>	<u>1,620</u>	<u>374,494</u>
Net Position, End of Year	<u>\$ (10,959)</u>	<u>\$ (125,660)</u>	<u>\$ 12,084</u>	<u>\$ 1,620</u>	<u>\$ (122,915)</u>

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

	<u>Business-Type Activities - Enterprise Fund</u>				<u>Totals</u>
	<u>Food Service</u>	<u>Infant/ Toddler Development</u>	<u>Non-Major Technology Initiative</u>	<u>Non-Major Photography Lab Fee</u>	
Cash Flows from Operating Activities					
Receipts from Customers	\$ 33,505	\$ 816,776	\$ 94,150	-	\$ 944,431
Payments for Employees' Salaries and Benefits	(111,648)	(830,009)	(2,070)		(943,727)
Payments to Suppliers for Goods and Services	(211,213)	(139,729)	(86,435)	-	(437,377)
Net Cash Provided by (Used for) Operating Activities	<u>(289,356)</u>	<u>(152,962)</u>	<u>5,645</u>	<u>-</u>	<u>(436,673)</u>
Cash Flows from Noncapital Financing Activities					
Transfers from Other Funds	-	111,340	-	-	111,340
Net Cash Provided By Noncapital Financing Activities	<u>-</u>	<u>111,340</u>	<u>-</u>	<u>-</u>	<u>111,340</u>
Cash Flows from Investing Activities					
Interest Earnings	713	-	-	-	713
Net Cash Provided by Investing Activities	<u>713</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>713</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(288,643)	(41,622)	5,645	-	(324,620)
Cash and Cash Equivalents, Beginning of Year	294,208	41,622	6,439	\$ 1,620	343,889
Cash and Cash Equivalents, End of Year	<u>\$ 5,565</u>	<u>\$ -</u>	<u>\$ 12,084</u>	<u>\$ 1,620</u>	<u>\$ 19,269</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities					
Operating Income (Loss)	\$ (339,554)	\$ (164,213)	\$ 5,645	\$ -	\$ (498,122)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities					
Depreciation	30,152	8,201			38,353
Change in Assets and Liabilities:					
Decrease/(Increase) in Accounts Receivable	8,813				8,813
(Decrease)/Increase in Unearned Revenue	8,119	3,050			11,169
(Increase)/Decrease in Inventories	11,855				11,855
Increase/(Decrease) in Accounts Payable	(8,741)	-	-	-	(8,741)
Total Adjustments	<u>50,198</u>	<u>11,251</u>	<u>-</u>	<u>-</u>	<u>61,449</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (289,356)</u>	<u>\$ (152,962)</u>	<u>\$ 5,645</u>	<u>\$ -</u>	<u>\$ (436,673)</u>

NOTES TO THE FINANCIAL STATEMENTS

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Ridgewood Board of Education this includes general operations, food service, infant/toddler development, technology initiative, photography lab fee and student related activities of the District.

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

B. New Accounting Standards

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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

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

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

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

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

The *infant/toddler development fund* accounts for the activities of the District's teaching and recreational school program which provides daycare and recreation to infants and toddlers.

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

The *technology initiative fund* accounts for the non refundable deposits charged to repair and replenish the districts chromebooks which are provided to students.

The *photography lab fee* accounts for the annual lab fees collected for the photography program at Ridgewood High School.

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

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

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

3. Inventories

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

4. *Capital Assets*

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

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings and Building Improvements	20-45
Machinery and Equipment	5-10

5. *Deferred Outflows/Inflows of Resources*

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

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

6. *Compensated Absences*

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

7. Pensions

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

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

8. Long-Term Obligations

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

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

9. Net Position/Fund Balance

District-Wide Statements

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

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

Governmental Fund Statements

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

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

Legally Restricted – Designated for Future Year's Budget —This restriction was created to represent the unexpended capital projects fund balance designated by Board resolution for tax relief in the 2021/22 general fund budget.

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

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

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

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

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

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

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

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

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

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

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

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

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

10. Fund Balance Policies

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses

1. Program Revenues

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

2. Property Taxes

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

3. Tuition Revenues and Expenditures

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

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

4. Proprietary Funds, Operating and Nonoperating Revenues and Expenses

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

Budget adoptions and amendments are recorded in the District’s board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2020/2021. Also, during 2020/2021 the Board increased the original budget by \$1,019,464. The increase was funded by the additional appropriation of maintenance reserve, grant awards, student activity revenues, scholarship donations and the reappropriation of prior year general fund encumbrances.

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Deficit Net Position

The District has an accumulated deficit in unrestricted net position of \$120,292 in the Food Service Enterprise Fund and \$143,740 in the Infant/Toddler Development Enterprise Fund as of June 30, 2021. The District expects to eliminate these deficits through normal operations in future years and/or District subsidies.

C. Capital Reserve

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

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

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

Balance, July 1, 2020		\$ 3,228,493
Increased by:		
Interest Earnings	\$ 4,459	
Unexpended Balance on Withdrawal to Capital Outlay	278,875	
Deposits Approved by Board Resolution	<u>500,000</u>	
Total Increases		<u>783,334</u>
		4,011,827
Decreased by:		
Withdrawals Approved in District Budget		<u>1,650,000</u>
Balance, June 30, 2021		<u>\$ 2,361,827</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district's Long Range Facilities Plan. \$1,242,837 of the capital reserve balance at June 30, 2021 was designated and appropriated for use in the 2021/2022 original budget certified for taxes.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Maintenance Reserve

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

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

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

Balance, July 1, 2020		\$ 915,548
Increased by:		
Deposits Approved by Board Resolution		<u>2,191,594</u>
		3,107,142
Decreased by:		
Withdrawals Approved in District Budget	\$ 150,000	
Withdrawals Approved by Resolution	<u>223,364</u>	
		<u>373,364</u>
Balance, June 30, 2021		<u>\$ 2,733,778</u>

The June 30, 2021 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$5,223,567. The withdrawals from the maintenance reserve were for use in required maintenance activities for school facilities.

E. Emergency Reserve

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

E. Emergency Reserve (Continued)

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

Balance, July 1, 2020	\$ 500,000
Increased by:	
Deposits Approved by Board Resolution	<u>350,000</u>
	850,000
Decreased by:	
Withdrawals Approved by Resolution	<u>223,364</u>
Balance, June 30, 2021	<u>\$ 626,636</u>

F. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 4% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year’s budget. The excess fund balance at June 30, 2021 is \$1,557,000. Of this amount, \$650,000 was designated and appropriated in the 2021/2022 original budget certified for taxes and the remaining amount of \$907,000 will be appropriated in the 2022/23 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2021, the book value of the Board's deposits were \$13,163,101 and bank and brokerage firm balances of the Board’s deposits amounted to \$17,274,336. The Board's deposits which are displayed on the various fund balance sheets as “cash and cash equivalents” are categorized as:

Depository Account

Insured	<u>\$ 17,274,336</u>
---------	----------------------

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2021 none of the Board’s bank balances were exposed to custodial credit risk.

Investments

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

As of June 30, 2021, the Board had the following investments:

<u>Investment Type:</u>	<u>Fair Value</u>
U.S. Government Securities	
Fixed Income and Preferreds	\$ 402,169
Equities	2,190,795
Alternative Investments	<u>179,471</u>
	<u>\$ 2,772,435</u>

The investments which were received as donations to the school district, are to be invested with specific custodians, according to donor stipulations. These custodians, which are subsidiaries of banks, make all investment decisions.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial risk. As of June 30, 2021, \$2,772,435 of the Board’s investments was exposed to custodial credit risk as follows:

	<u>Fair Value</u>
Uninsured and Collateralized:	
Collateral held by pledging financial institutions' trust department or agent but not in the Board's name	\$ 2,772,435
	<u>\$ 2,772,435</u>

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

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

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Board’s investment in a single issuer. The Board places no limit in the amount the District may invest in any one issuer. More than five (5) percent of the Board’s investments are in BNY Mellon and Morgan Stanley brokerage accounts. These investments are 100% of the District’s total investments.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

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

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Other			\$ 2,045	\$ 2,045
Intergovernmental-				
Federal		\$ 354,521		354,521
State	48,554			48,554
Local	<u>\$ 67,489</u>	<u>-</u>	<u>-</u>	<u>67,489</u>
Gross Receivables	116,043	354,521	2,045	472,609
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 116,043</u>	<u>\$ 354,521</u>	<u>\$ 2,045</u>	<u>\$ 472,609</u>

C. Unearned Revenue

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

General Fund	
Prepaid Fees	\$ 654,481
Special Revenue Fund	
Unencumbered Grant Draw Downs	307,057
Grant Draw Downs Reserved for Encumbrances	140,093
Total Unearned Revenue for Governmental Funds	<u>\$ 1,101,631</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	<u>Balance, July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments</u>	<u>Balance, June 30, 2021</u>
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 7,435,206				\$ 7,435,206
Construction in Progress	<u>221,587</u>	-	-	\$ (221,587)	<u>-</u>
Total Capital Assets, Not Being Depreciated	<u>7,656,793</u>	-	-	<u>(221,587)</u>	<u>7,435,206</u>
Capital Assets, Being Depreciated:					
Land Improvements	7,714,690	\$ 1,284,131			8,998,821
Building and Building Improvements	129,678,202	447,433		221,587	130,347,222
Machinery and Equipment	<u>6,387,258</u>	<u>217,948</u>	-	-	<u>6,605,206</u>
Total Capital Assets Being Depreciated	<u>143,780,150</u>	<u>1,949,512</u>	-	<u>221,587</u>	<u>145,951,249</u>
Less Accumulated Depreciation for:					
Land Improvements	(3,543,260)	(551,184)			(4,094,444)
Building and Building Improvements	(46,431,057)	(2,619,931)			(49,050,988)
Machinery and Equipment	<u>(4,619,250)</u>	<u>(710,910)</u>	-	-	<u>(5,330,160)</u>
Total Accumulated Depreciation	<u>(54,593,567)</u>	<u>(3,882,025)</u>	-	-	<u>(58,475,592)</u>
Total Capital Assets, Being Depreciated, Net	<u>89,186,583</u>	<u>(1,932,513)</u>	-	<u>221,587</u>	<u>87,475,657</u>
Governmental Activities Capital Assets, Net	<u>\$ 96,843,376</u>	<u>\$ (1,932,513)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,910,863</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, July 1, 2020	Increases	Decreases	Balance, June 30, 2021
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Equipment	\$ 479,800	\$ -	\$ -	\$ 479,800
Total Capital Assets Being Depreciated	<u>479,800</u>	<u>-</u>	<u>-</u>	<u>479,800</u>
Less Accumulated Depreciation for:				
Equipment	(314,034)	(38,353)	-	(352,387)
Total Accumulated Depreciation	<u>(314,034)</u>	<u>(38,353)</u>	<u>-</u>	<u>(352,387)</u>
Total Capital Assets, Being Depreciated, Net	<u>165,766</u>	<u>(38,353)</u>	<u>-</u>	<u>127,413</u>
Business-Type Activities Capital Assets, Net	<u>\$ 165,766</u>	<u>\$ (38,353)</u>	<u>\$ -</u>	<u>\$ 127,413</u>

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

Governmental Activities:	
Instruction	
Regular	\$ 198,782
Total Instruction	<u>198,782</u>
Support Services	
Student and Instruction Related Services	109,332
School Administration	166,853
Operations and Maintenance of Plant	<u>3,407,058</u>
Total Support Services	<u>3,683,243</u>
Total Depreciation Expense - Governmental Funds	<u>\$ 3,882,025</u>
Business-Type Activities:	
Food Service Fund	\$ 30,152
Infant/Toddler Development Fund	<u>8,201</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 38,353</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

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

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Computer Equipment and Supplies	\$ 852,686	\$ 89,250
Total		<u>\$ 89,250</u>

Asset Impairment and Insurance Proceeds

Storm Damage – Impairment and Contents Losses

The recording of the asset impairment to hurricane or tropical storm damaged assets was determined in accordance with GASB No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Proceeds*. The impairments to the District’s assets is summarized as follows:

E. Interfund Receivables, Payables, and Transfers

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

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Infant/Toddler Development Fund	\$ 111,340
General Fund	Food Service Fund	<u>54,225</u>
Total		<u>\$ 165,565</u>

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

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

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases

Capital Leases

The District is leasing computers and technology totaling \$4,358,969 under capital leases. The leases are for terms of 5 years.

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

Fiscal Year Ending <u>June 30,</u>	Governmental <u>Activities</u>
2022	\$ 799,478
2023	582,142
2024	390,782
2025	<u>193,787</u>
Total minimum lease payments	1,966,189
Less: amount representing interest	<u>(68,475)</u>
Present value of minimum lease payments	<u>\$ 1,897,714</u>

G. Long-Term Debt

General Obligation Bonds

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

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

\$3,475,000, 2011 Refunding Bonds, due in annual installments of \$230,000 to \$235,000 through February 15, 2028, interest at 3.25% to 5.00%	\$1,630,000
\$32,860,000, 2016 School Refunding Bonds, due in annual installments of \$1,630,000 to \$2,755,000 through March 15, 2035, interest at 3.00% to 4.00%	31,105,000
\$6,660,000, 2016 Energy Savings Improvement Bonds, due in annual installments of \$210,000 to \$460,000 through November 15, 2035, interest at 2.00% to 4.00%	<u>4,760,000</u>
Total	<u>\$37,495,000</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt (Continued)

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

Governmental Activities:

Fiscal Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 2,155,000	\$ 1,438,750	\$ 3,593,750
2023	2,215,000	1,360,075	3,575,075
2024	2,225,000	1,279,200	3,504,200
2025	2,320,000	1,192,075	3,512,075
2026	2,450,000	1,101,300	3,551,300
2027-2031	13,255,000	4,000,175	17,255,175
2032-2036	<u>12,875,000</u>	<u>1,195,800</u>	<u>14,070,800</u>
Total	<u>\$ 37,495,000</u>	<u>\$ 11,567,375</u>	<u>\$ 49,062,375</u>

Statutory Borrowing Power

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

4% of Equalized Valuation Basis (Municipal)	\$ 270,479,613
Less: Net Debt	<u>37,495,000</u>
Remaining Borrowing Power	<u>\$ 232,984,613</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	Balance, July 1, 2020	Additions	Reductions	Balance, June 30, 2021	Due Within One Year
Governmental Activities:					
Bonds Payable	\$ 39,845,000		\$ 2,350,000	\$ 37,495,000	\$ 2,155,000
Add: Original Issue Premium	3,266,688	-	377,403	2,889,285	-
Total Bonds Payable	43,111,688	-	2,727,403	40,384,285	2,155,000
Capital Leases	2,031,250	\$ 940,000	1,073,662	1,897,588	763,479
Lease Purchase Agreement	489		363	126	126
Compensated Absences	759,939		239,277	520,662	
Net Pension Liability	12,773,286	-	1,348,751	11,424,535	-
Governmental Activity Long-Term Liabilities	<u>\$ 58,676,652</u>	<u>\$ 940,000</u>	<u>\$ 5,389,456</u>	<u>\$ 54,227,196</u>	<u>\$ 2,918,605</u>

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

NOTE 4 OTHER INFORMATION

A. Risk Management

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

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

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

Fiscal Year Ended <u>June 30,</u>	Employee <u>Contributions</u>	Interest <u>Earnings</u>	Amount <u>Reimbursed</u>	Ending <u>Balance</u>
2021	\$ 62,392	\$ 853	\$ 23,565	\$ 192,672
2020	84,343	1,952	121,695	191,819
2019	81,227	1,501	43,303	227,219

B. Contingent Liabilities

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

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

C. Federal Arbitrage Regulations

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

The following represents the membership tiers for PERS:

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

The following represent the membership tiers for TPAF:

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

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

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

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

Other Pension Funds

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

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

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

Actuarial Methods and Assumptions

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

Employer and Employee Pension Contributions

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

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

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

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2021	\$ 766,393	\$ 13,258,918	\$ 115,410
2020	689,544	9,962,215	121,085
2019	716,258	8,883,951	152,309

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2021, 2020 and 2019 the District contributed \$0, \$3,299 and \$4,055, respectively for PERS and the State contributed \$5,535, \$6,187 and \$6,607, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$3,624,391 during the fiscal year ended June 30, 2021 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

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

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

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

At June 30, 2021, the District reported in the statement of net position (accrual basis) a liability of \$11,424,535 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2020. At June 30, 2020, the District's proportionate share was 0.07005 percent, which was a decrease of 0.00083 percent from its proportionate share measured as of June 30, 2019 of 0.07088 percent.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$1,010,943 for PERS. The pension contribution made by the District during the current 2020/2021 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2021 with a measurement date of the prior fiscal year end of June 30, 2020. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2021 for contributions made subsequent to the measurement date. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 208,022	\$ 40,402
Changes of Assumptions	370,625	4,783,561
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	390,500	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	-	913,381
Total	<u>\$ 969,147</u>	<u>\$ 5,737,344</u>

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

<u>Year Ending June 30,</u>	<u>Total</u>
2022	\$ (1,894,265)
2023	(1,611,553)
2024	(864,138)
2025	(329,539)
2026	(68,702)
Thereafter	-
	<u>\$ (4,768,197)</u>

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

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

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

Discount Rate

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

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

Sensitivity of Net Pension Liability

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

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 14,381,584</u>	<u>\$ 11,424,535</u>	<u>\$ 8,915,398</u>

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

Pension Plan Fiduciary Net Position

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

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

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

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

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$18,270,668 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2021 the State's proportionate share of the net pension liability attributable to the District is \$293,815,005. The net pension liability was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2020. At June 30, 2020, the State's share of the net pension liability attributable to the District was 0.44619 percent, which was an increase of 0.00375 percent from its proportionate share measured as of June 30, 2019 of 0.44244 percent.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

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

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

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

Period of Projected Benefit

Payments for which the Following
Rates were Applied:

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

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

Sensitivity of Net Pension Liability

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

	1% Decrease (4.40%)	Current Discount Rate (5.40%)	1% Increase (6.40%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 345,120,134</u>	<u>\$ 293,815,005</u>	<u>\$ 251,214,707</u>

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

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

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

Plan Description and Benefits Provided

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Plan Membership

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

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

Collective Net OPEB Liability

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

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

Post-Retirement Medical Benefits Contributions

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

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2021, 2020 and 2019 were \$4,155,139, \$3,695,799 and \$4,029,746, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

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

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

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$10,926,849. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2021 the State's proportionate share of the OPEB liability attributable to the District is \$221,072,490. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2020 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2020. At June 30, 2020, the state's share of the OPEB liability attributable to the District was 0.32602 percent, which was a decrease of 0.00005 percent from its proportionate share measured as of June 30, 2019 of 0.32607 percent.

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions (Continued)

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

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

Discount Rate

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Changes in the Total OPEB Liability

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

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2019 Measurement Date	\$ <u>136,067,465</u>
Changes Recognized for the Fiscal Year:	
Service Cost	5,599,218
Interest on the Total OPEB Liability	4,893,585
Differences Between Expected and Actual Experience	37,861,911
Changes of Assumptions	40,382,347
Gross Benefit Payments	(3,848,690)
Contributions from the Member	116,654
Net Changes	\$ <u>85,005,025</u>
Balance, June 30, 2020 Measurement Date	\$ <u>221,072,490</u>

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

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

	1% Decrease <u>(1.21%)</u>	Current Discount Rate <u>(2.21%)</u>	1% Increase <u>(3.21%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 266,514,298</u>	<u>\$ 221,072,490</u>	<u>\$ 185,541,373</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	<u>\$ 178,780,063</u>	<u>\$ 221,472,490</u>	<u>\$ 272,309,682</u>

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

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

NOTE 4 OTHER INFORMATION (Continued)

F. Tax Abatements

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

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

NOTE 5 RESTATEMENT

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

Governmental Activities

The financial statements of the governmental activities as of June 30, 2020 have been restated to reflect the reclassification of certain activities related to unemployment compensation, student activities, scholarships and payroll related activities which were previously reported as fiduciary activities to governmental activities. The effect of this restatement is to increase net position of governmental activities by \$3,191,255 from \$42,417,226 as previously reported to \$45,608,481 as of June 30, 2020.

Governmental Funds

The financial statements of the governmental funds as of June 30, 2020 have been restated to reflect the reclassification of certain activities related to unemployment compensation, student activities, scholarships and payroll activities previously reported as fiduciary funds to governmental funds. The effect of this restatement is to increase fund balances of governmental funds by \$3,191,255 from \$7,300,902 as previously reported to \$10,492,157 as of June 30, 2020. General Fund fund balance increased \$191,819 from \$7,296,560 as previously reported to \$7,488,379 as of June 30, 2020. Special Revenue Fund fund balance increased \$2,999,436 from \$0 as previously reported to \$2,999,436 as of June 30, 2020.

Fiduciary Funds

The financial statements of the fiduciary funds as of June 30, 2020 have been restated to reflect the reclassification of certain activities to governmental funds as noted above. The effect of this restatement is to decrease total fiduciary net position by \$2,816,310 from \$2,816,310 as previously reported to \$0 as of June 30, 2020.

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

NOTE 6 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC

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

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

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

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

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

BUDGETARY COMPARISON SCHEDULES

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
REVENUES					
Local Sources					
Property Tax Levy	\$ 97,305,242	-	\$ 97,305,242	\$ 97,305,242	
Tuition from Individuals	210,000	-	210,000	193,511	\$ (16,489)
Tuition from Other LEAs within the State	836,777	-	836,777	530,362	(306,415)
Tuition from Summer School	-	-	-	126,258	126,258
Rents and Royalties	170,000	-	170,000	271,727	101,727
Unrestricted Miscellaneous Revenue	887,927	-	887,927	1,086,952	199,025
Interest Earned on Current Expense Emergency Reserve	50	-	50		(50)
Interest Earned on Maintenance Reserve	50	-	50		(50)
Interest Earned on Capital Reserve Account	100	-	100	4,459	4,359
Interest Earned on Unemployment Account				853	853
Other Restricted Miscellaneous Revenues	1,293,604	-	1,293,604	515,939	(777,665)
State Sources					
Extraordinary Aid	1,576,345	-	1,576,345	2,842,192	1,265,847
Categorical Special Education Aid	3,465,724	\$ (446,728)	3,018,996	3,018,996	-
Security Aid	447,742	-	447,742	447,742	-
Transportation Aid	620,535	-	620,535	620,535	-
Additional Nonpublic Transportation Aid				48,554	48,554
Reimbursed TPAF Social Security Payments (Non-Budget)				3,624,391	3,624,391
On-behalf TPAF Pension System Contribution (Non-Budget)				13,011,360	13,011,360
On-behalf TPAF Pension - NCGI Premium (Non-Budget)				247,558	247,558
On-behalf TPAF Post Retirement Medical Contribution (Non-Budget)				4,155,139	4,155,139
On-behalf TPAF Long-Term Disability Insurance (Non-Budget)				5,535	5,535
Federal Sources					
Medicaid Reimbursement	16,421	-	16,421	22,202	5,781
Total Revenues	106,830,517	(446,728)	106,383,789	128,079,507	21,695,718
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	1,602,157	219,041	1,821,198	1,750,354	70,844
Grades 1-5	11,243,613	(417,371)	10,826,242	10,571,398	254,844
Grades 6-8	8,727,905	155,040	8,882,945	8,695,128	187,817
Grades 9-12	10,527,153	(56,427)	10,470,726	10,383,604	87,122
Regular Programs - Home Instruction					
Salaries of Teachers	10,000	-	10,000	6,606	3,394
Purchased Professional-Educational Services	16,500	(8,500)	8,000	2,242	5,758
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	27,305	16,530	43,835	33,762	10,073
Purchased Professional-Educational Services	24,775	(2,038)	22,737	15,285	7,452
Other Purchased Services	1,142,363	(3,439)	1,138,924	1,087,090	51,834
General Supplies	961,504	(14,542)	946,962	799,134	147,828
Textbooks	375,064	(81,526)	293,538	183,239	110,299
Other Objects	7,145	(4,779)	2,366	1,373	993
Total Regular Programs	34,665,484	(198,011)	34,467,473	33,529,215	938,258
Special Education					
Learning and/or Language Disabilities					
Salaries of Teachers	694,101	269,836	963,937	962,287	1,650
Other Salaries for Instruction	139,901	31,044	170,945	129,233	41,712
General Supplies	18,300	(14,387)	3,913	3,882	31
Total Learning and/or Language Disabilities	852,302	286,493	1,138,795	1,095,402	43,393

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Behavioral Disabilities					
Purchased Professional-Educational Services	\$ 350,000	\$ 57,171	\$ 407,171	\$ 407,153	18
Total Behavioral Disabilities	350,000	57,171	407,171	407,153	18
Multiple Disabilities					
Salaries of Teachers	\$ 791,324	149,570	940,894	929,342	\$ 11,552
Other Salaries for Instruction	339,426	34,683	374,109	277,547	96,562
Purchased Professional-Educational Services	-	78,750	78,750	78,698	52
General Supplies	29,300	(7,447)	21,853	20,556	1,297
Other Objects	250	(250)	-	-	-
Total Multiple Disabilities	1,160,300	255,306	1,415,606	1,306,143	109,463
Resource Room/Resource Center					
Salaries of Teachers	5,132,203	(343,917)	4,788,286	4,713,664	74,622
Other Salaries for Instruction	1,032,250	165,405	1,197,655	1,020,615	177,040
General Supplies	19,250	(7,716)	11,534	10,875	659
Total Resource Room	6,183,703	(186,228)	5,997,475	5,745,154	252,321
Preschool Disabilities - Full Time					
Salaries of Teachers	581,453	84,173	665,626	635,592	30,034
Other Salaries for Instruction	166,000	33,141	199,141	198,754	387
Purchased Professional-Educational Services	21,000	(19,094)	1,906	1,800	106
General Supplies	28,665	(19,531)	9,134	9,126	8
Other Objects	-	1,000	1,000	600	400
Total Preschool Disabilities - Full Time	797,118	79,689	876,807	845,872	30,935
Home Instruction					
Salaries of Teachers	13,000	-	13,000	6,891	6,109
Purchased Professional-Educational Services	20,000	(4,575)	15,425	2,685	12,740
Total Home Instruction	33,000	(4,575)	28,425	9,576	18,849
Total Special Education	9,376,423	487,856	9,864,279	9,409,300	454,979
Basic Skills/Remedial					
Salaries of Teachers	1,375,300	(106,541)	1,268,759	1,208,322	60,437
General Supplies	6,800	(3,643)	3,157	2,854	303
Total Basic Skills/Remedial	1,382,100	(110,184)	1,271,916	1,211,176	60,740
Bilingual Education					
Salaries of Teachers	497,963	81,133	579,096	575,867	3,229
General Supplies	3,260	(1,240)	2,020	1,502	518
Total Bilingual Education	501,223	79,893	581,116	577,369	3,747

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

	<u>Original Budget</u>	<u>Adjustments/ Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
School Sponsored Co-Curricular Activities					
Salaries	\$ 375,100	\$ 3,393	\$ 378,493	\$ 296,263	\$ 82,230
Purchased Services	13,700	(11,000)	2,700	2,571	129
Supplies and Materials	13,400	(7,715)	5,685	5,650	35
Other Objects	21,650	(2,899)	18,751	18,601	150
Total School-Sponsored Co/Extra Curricular Activities	423,850	(18,221)	405,629	323,085	82,544
School Sponsored Athletics - Instruction					
Salaries	762,353	3,018	765,371	691,562	73,809
Purchased Services	101,000	(7,316)	93,684	91,772	1,912
Supplies and Materials	104,640	62,686	167,326	165,743	1,583
Other Objects	50,182	(10,653)	39,529	37,286	2,243
Total School Sponsored Athletics	1,018,175	47,735	1,065,910	986,363	79,547
Summer School - Instruction					
Salaries of Teachers	111,197	(49,815)	61,382	61,382	-
General Supplies	500	(500)	-	-	-
Total Summer School - Instruction	111,697	(50,315)	61,382	61,382	-
Total Instruction	47,478,952	238,753	47,717,705	46,097,890	1,619,815
Undistributed Expenditures					
Instruction					
Tuition to Other LEA's Within the State - Special	725,430	(44,790)	680,640	621,243	59,397
Tuition to County Vocational School District-Regular	528,075	74,883	602,958	602,958	-
Tuition to CSSD & Regional Day Schools	818,640	(119,764)	698,876	559,182	139,694
Tuition to Private Schools for Disabled - Within State	4,522,471	(161,960)	4,360,511	3,686,596	673,915
Tuition to Private Schools for Disabled & Other LEAs-Spl,O/S State	-	270,450	270,450	265,882	4,568
Tuition - Other	-	1,800	1,800	1,770	30
Total Undistributed Expenditures - Instruction	6,594,616	20,619	6,615,235	5,737,631	877,604
Attendance and Social Work					
Salaries	49,702	18	49,720	49,720	-
Supplies and Materials	100	(18)	82	80	2
Total Attendance and Social Work	49,802	-	49,802	49,800	2

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Health Services					
Salaries	\$ 851,532	\$ 7,269	\$ 858,801	\$ 812,932	\$ 45,869
Purchased Professional and Technical Services	53,225	11,770	64,995	31,425	33,570
Other Purchased Services	600	(100)	500	450	50
Supplies and Materials	46,300	22,972	69,272	49,701	19,571
Total Health Services	951,657	41,911	993,568	894,508	99,060
Speech, OT, PT and Related Svcs.					
Salaries	1,673,534	37,282	1,710,816	1,641,411	69,405
Purchased Professional-Educational Services	900,000	26,025	926,025	727,558	198,467
Supplies and Materials	12,720	(2,688)	10,032	7,364	2,668
Total Speech, OT, PT and Related Svcs.	2,586,254	60,619	2,646,873	2,376,333	270,540
Other Support Services - Students - Extra Services					
Salaries	978,797	83,607	1,062,404	830,707	231,697
Purchased Professional-Educational Services	1,521,925	(181,236)	1,340,689	1,077,369	263,320
Supplies and Materials	23,220	(5,156)	18,064	17,588	476
Total Other Support Services - Students - Extra Services	2,523,942	(102,785)	2,421,157	1,925,664	495,493
Guidance					
Salaries of Other Professional Staff	2,114,051	(19,124)	2,094,927	2,055,766	39,161
Salaries of Secretarial and Clerical Assistants	255,031	(6,945)	248,086	221,133	26,953
Purchased Professional-Educational Services	274,765	13,657	288,422	279,607	8,815
Other Purchased Services	1,800	-	1,800	-	1,800
Supplies and Materials	5,860	102,058	107,918	104,554	3,364
Other Objects	900	-	900	270	630
Total Guidance	2,652,407	89,646	2,742,053	2,661,330	80,723
Child Study Teams					
Salaries of Other Professional Staff	3,273,281	(76,211)	3,197,070	3,091,768	105,302
Salaries of Secretarial and Clerical Assistants	464,059	(4,090)	459,969	442,203	17,766
Purchased Professional-Educational Services	65,000	54,075	119,075	102,820	16,255
Other Purchased Professional-Technical Services	69,000	(62,260)	6,740	3,413	3,327
Other Purchased Services	9,500	50	9,550	4,292	5,258
Supplies and Materials	29,650	16,964	46,614	44,383	2,231
Other Objects	1,000	-	1,000	587	413
Total Child Study Teams	3,911,490	(71,472)	3,840,018	3,689,466	150,552
Improvement of Instructional Services					
Salaries of Supervisors of Instruction	1,286,438	1,911	1,288,349	1,288,349	-
Salaries of Other Professional Staff	256,380	3,678	260,058	222,914	37,144
Salaries of Secretarial and Clerical Assistants	248,357	9,520	257,877	249,503	8,374
Purchased Professional - Educational Services	33,224	-	33,224	18,774	14,450
Other Purchased Services	16,550	(15,634)	916	499	417
Supplies and Materials	2,500	20,308	22,808	869	21,939
Other Objects	11,627	-	11,627	10,305	1,322
Total Improvement of Instructional Services	1,855,076	19,783	1,874,859	1,791,213	83,646

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Educational Media Services/School Library					
Salaries	\$ 1,399,181	\$ 1,911	\$ 1,401,092	\$ 1,324,610	\$ 76,482
Purchased Professional and Technical Services	74,676	(4,126)	70,550	56,864	13,686
Other Purchased Services	250	(250)	-	-	-
Supplies and Materials	145,350	7,001	152,351	137,516	14,835
Total Educational Media Serv./School Library	1,619,457	4,536	1,623,993	1,518,990	105,003
Instructional Staff Training Services					
Salaries of Other Professional Staff	41,500	739	42,239	12,342	29,897
Purchased Professional - Educational Services	125,122	(33,052)	92,070	70,945	21,125
Other Purchased Services	149,200	(55,343)	93,857	28,391	65,466
Supplies and Materials	4,750	26,000	30,750	496	30,254
Total Instructional Staff Training Services	320,572	(61,656)	258,916	112,174	146,742
Support Services - General Administration					
Salaries	338,140	13,583	351,723	320,453	31,270
Legal Services	150,000	112,456	262,456	262,456	-
Audit Fees	55,620	4,146	59,766	59,766	-
Architectural/Engineering Services	25,000	(16,936)	8,064	7,191	873
Other Purchased Professional Services	-	13,164	13,164	13,164	-
Communications/Telephone	215,909	(30,896)	185,013	174,770	10,243
BOE Other Purchased Services	4,500	(2,000)	2,500	1,738	762
Misc Purchased Services	295,994	(23,998)	271,996	267,626	4,370
General Supplies	95,486	1,237	96,723	93,490	3,233
Judgments Against the School District	50,000	(50,000)	-	-	-
Miscellaneous Expenditures	25,488	(6,750)	18,738	14,063	4,675
BOE Membership Dues and Fees	29,580	(1,279)	28,301	26,663	1,638
Total Support Services - General Administration	1,285,717	12,727	1,298,444	1,241,380	57,064
Support Services - School Administration					
Salaries of Principal/Asst. Principals	2,700,423	30,529	2,730,952	2,658,027	72,925
Salaries of Secretarial and Clerical Assistants	911,874	65,027	976,901	954,736	22,165
Other Purchased Services	16,400	(12,205)	4,195	130	4,065
Supplies and Materials	130,946	(49,632)	81,314	57,878	23,436
Other Objects	3,500	(1,971)	1,529	119	1,410
Total Support Services - School Administration	3,763,143	31,748	3,794,891	3,670,890	124,001
Central Services					
Salaries	1,131,429	60,699	1,192,128	1,185,272	6,856
Purchased Professional Services	201,897	(3,768)	198,129	103,203	94,926
Misc Purchased Services	28,189	(4,679)	23,510	16,744	6,766
Supplies and Materials	27,808	27,565	55,373	18,241	37,132
Miscellaneous Expenditures	4,953	(110)	4,843	4,773	70
Total Central Services	1,394,276	79,707	1,473,983	1,328,233	145,750

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Admin. Info. Technology					
Salaries	\$ 782,960	\$ -	\$ 782,960	\$ 749,461	\$ 33,499
Purchased Professional Services	205,071	(890)	204,181	151,688	52,493
Other Purchased Services	29,785	(27,574)	2,211	1,411	800
Supplies and Materials	1,000	498	1,498	1,407	91
Other Objects	575	-	575	575	-
Total Admin. Info. Technology	1,019,391	(27,966)	991,425	904,542	86,883
Required Maintenance for School Facilities					
Salaries	160,358	276	160,634	160,634	-
Cleaning, Repair and Maintenance Services	906,795	661,558	1,568,353	1,553,291	15,062
General Supplies	381,800	143,335	525,135	514,189	10,946
Other Objects	2,000	6,450	8,450	8,450	-
Total Required Maintenance for School Facilities	1,450,953	811,619	2,262,572	2,236,564	26,008
Custodial Services					
Salaries	170,555	(22,287)	148,268	96,483	51,785
Salaries of Non-Instructional Aides	144,561	(23,782)	120,779	80,052	40,727
Purchased Professional and Technical Services	-	27,684	27,684	26,610	1,074
Cleaning, Repair and Maintenance Services	5,139,018	(1,137,615)	4,001,403	3,999,460	1,943
Rental of Land & Bldg. Oth. Than Lease Pur Agrmt	48,250	26,216	74,466	70,058	4,408
Other Purchased Property Services	155,764	10,656	166,420	166,420	-
Insurance	387,375	31,549	418,924	418,924	-
General Supplies	449,600	128,197	577,797	552,542	25,255
Energy (Natural Gas)	379,500	91,111	470,611	419,104	51,507
Energy (Electricity)	720,000	(91,360)	628,640	564,124	64,516
Interest - Energy Savings Impr Prog Bonds	168,600	-	168,600	168,600	-
Principal - Energy Savings Impr Prog Bonds	550,000	-	550,000	550,000	-
Total Custodial Services	8,313,223	(959,631)	7,353,592	7,112,377	241,215
Care and Upkeep of Grounds					
Purchased Professional and Technical Services	88,664	(88,664)	-	-	-
Cleaning, Repair and Maintenance Services	187,177	327,055	514,232	509,518	4,714
General Supplies	115,050	(8,939)	106,111	103,651	2,460
Total Care and Upkeep of Grounds	390,891	229,452	620,343	613,169	7,174
Security					
Salaries	59,309	2,019	61,328	53,054	8,274
Purchased Professional and Technical Services	163,180	(11,188)	151,992	118,161	33,831
Cleaning, Repair and Maintenance Services	61,710	10,696	72,406	71,206	1,200
General Supplies	16,584	12	16,596	12,918	3,678
Total Security	300,783	1,539	302,322	255,339	46,983

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Student Transportation Services					
Salaries for Pupil Transportation(Bet Home & Sch) Reg	\$ 66,196	\$ 27	\$ 66,223	\$ 66,223	\$ -
Salaries for Pupil Transportation(Other than Bet Home & Sch)	36,625	(252)	36,373	8,596	27,777
Management Fee-ESC and CTSA Transportation Prog.	53,878	-	53,878	53,878	-
Cleaning, Repair and Maintenance Services	10,500	225	10,725	6,609	4,116
Contracted Services - Aid in Lieu of Payments - Non Public	150,000	(9,800)	140,200	65,523	74,677
Contracted Svcs. (Between Home & School) - Vendors	833,292	7,688	840,980	838,520	2,460
Contracted Svcs. (Other than Between Home and School) - Vendors	249,100	(91,840)	157,260	98,097	59,163
Contracted Services (Bet. Home & Sch)-Joint Agreements	130,560	(19,159)	111,401	111,401	-
Contracted Services (Special Ed. Students)-Vendors	80,300	49,750	130,050	97,984	32,066
Contracted Services (Special Ed. Students)-Joint Agreements	2,150,000	(4,873)	2,145,127	1,523,291	621,836
Misc. Purchased Services - Transportation	250	-	250	-	250
Transportation Supplies	-	10,300	10,300	277	10,023
Total Student Transportation Services	3,760,701	(57,934)	3,702,767	2,870,399	832,368
Unallocated Benefits - Employee Benefits					
Social Security Contributions	959,044	-	959,044	900,284	58,760
Other Retirement Contributions - PERS	750,000	16,393	766,393	766,393	-
Other Retirement Contributions - Regular	145,000	-	145,000	115,410	29,590
Unemployment Compensation	-	-	-	(38)	38
Workmen's Compensation	281,775	(77,442)	204,333	142,720	61,613
Health Benefits	11,894,754	7,525	11,902,279	10,911,368	990,911
Tuition Reimbursement	275,000	12,687	287,687	185,350	102,337
Other Employee Benefits	67,000	32,000	99,000	63,510	35,490
Unused Sick Payment to Terminated/Retired Staff	5,000	-	5,000	-	5,000
Total Unallocated Benefits-Employee Benefits	14,377,573	(8,837)	14,368,736	13,084,997	1,283,739
Reimbursed TPAF Social Security Payments (Non-Budget)	-	-	-	3,624,391	(3,624,391)
On-behalf TPAF Pension System Contribution (Non-Budget)	-	-	-	13,011,360	(13,011,360)
On-behalf TPAF Pension - NCGI Premium (Non-Budget)	-	-	-	247,558	(247,558)
On-behalf TPAF Post Retirement Medical Contribution (Non-Budget)	-	-	-	4,155,139	(4,155,139)
On-behalf TPAF Long-Term Disability Insurance (Non-Budget)	-	-	-	5,535	(5,535)
Total On-Behalf TPAF	-	-	-	21,043,983	(21,043,983)
Total Undistributed Expenditures	59,121,924	113,625	59,235,549	75,118,982	(15,883,433)
Interest Earned on Maintenance Reserve	50	-	50	-	50
Interest Earned on Current Expense Emergency Res	50	-	50	-	50
Total Expenditures - Current Expenditures	106,600,976	352,378	106,953,354	121,216,872	(14,263,518)
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction					
Grades 1-5	-	40,479	40,479	40,073	406
Grades 6-8	-	5,600	5,600	5,600	-
Grades 9-12	-	41,941	41,941	33,094	8,847
Special Programs - Instruction					
School-Sponsored Other Instructional	-	26,526	26,526	26,526	-
Undistributed Expenditures					
Support Services - School Administration	-	3,206	3,206	-	3,206
Support Services - Required Maint for School Fac.	-	351,754	351,754	351,754	-
Support Services - Custodial Services	-	49,037	49,037	49,037	-
Total Equipment	-	518,543	518,543	506,084	12,459

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
CAPITAL OUTLAY (Continued)					
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	\$ 40,000	\$ (30,759)	\$ 9,241	\$ 7,880	\$ 1,361
Other Purchased Professional and Technical Services	100,000	(100,000)			
Construction Services	1,510,000	203,913	1,713,913	1,435,038	278,875
Assessment for Debt Service on SDA Funding	42,837	-	42,837	42,837	-
Total Facilities Acquisition and Construction Services	1,692,837	73,154	1,765,991	1,485,755	280,236
Interest Deposit into Capital Reserve	100	-	100	-	100
Total Capital Outlay	1,692,937	591,697	2,284,634	1,991,839	292,795
SPECIAL SCHOOLS					
Summer School - Instruction					
Salaries of Teachers	210,000	(210,000)			
General Supplies	9,200	(9,200)	-	-	-
Total Summer School - Instruction	219,200	(219,200)	-	-	-
Summer School - Support Services					
Salaries	48,722	-	48,722	32,637	16,085
Personal Services - Employee Benefits	39,035	360	39,395	18,315	21,080
Other Purchased Services	33,420	(27,945)	5,475	5,425	50
Other Objects	11,750	(2,000)	9,750	4,902	4,848
Total Summer School - Support Services	132,927	(29,585)	103,342	61,279	42,063
Other Special Schools - Instruction					
Salaries of Teachers	320,000	-	320,000	132,831	187,169
Purchased Professional and Technical Services	30,000	-	30,000	1,040	28,960
General Supplies	16,000	(500)	15,500	1,205	14,295
Total Other Special Schools - Instruction	366,000	(500)	365,500	135,076	230,424
Other Special Schools - Support Services					
Salaries	45,694	-	45,694	45,692	2
Personal Services - Employee Benefits	55,045	502	55,547	36,504	19,043
Other Purchased Services	56,979	30,257	87,236	86,848	388
Supplies and Materials	650	3,210	3,860	2,677	1,183
Other Objects	24,450	(51)	24,399	6,863	17,536
Total Other Special Schools - Support Services	182,818	33,918	216,736	178,584	38,152
Adult Education - Local - Instruction					
Salaries of Teachers	125,000	-	125,000	30,197	94,803
Purchased Professional and Technical Services	53,500	(585)	52,915	12,320	40,595
Other Purchased Services	1,700	-	1,700	255	1,445
General Supplies	4,000	-	4,000	-	4,000
Total Adult Education - Local - Instruction	184,200	(585)	183,615	42,772	140,843

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Adult Education - Local - Support Services					
Salaries	\$ 52,419	\$ -	\$ 52,419	\$ 52,219	\$ 200
Personal Services - Employee Benefits	42,796	575	43,371	30,824	12,547
Other Purchased Services	95,244	(3,323)	91,921	78,904	13,017
Supplies and Materials	1,000	-	1,000	80	920
Other Objects	17,000	4,000	21,000	14,879	6,121
Total Adult Education - Local - Support Services	<u>208,459</u>	<u>1,252</u>	<u>209,711</u>	<u>176,906</u>	<u>32,805</u>
Total Special Schools	<u>1,293,604</u>	<u>(214,700)</u>	<u>1,078,904</u>	<u>594,617</u>	<u>484,287</u>
Total Expenditures	<u>109,587,517</u>	<u>729,375</u>	<u>110,316,892</u>	<u>123,803,328</u>	<u>(13,486,436)</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>(2,757,000)</u>	<u>(1,176,103)</u>	<u>(3,933,103)</u>	<u>4,276,179</u>	<u>8,209,282</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources	<u>(2,757,000)</u>	<u>(1,176,103)</u>	<u>(3,933,103)</u>	<u>4,276,179</u>	<u>8,209,282</u>
Change in Fund Balance	<u>(2,757,000)</u>	<u>(1,176,103)</u>	<u>(3,933,103)</u>	<u>4,276,179</u>	<u>8,209,282</u>
Fund Balance, Beginning of Year, as Restated	<u>9,775,140</u>	<u>-</u>	<u>9,775,140</u>	<u>9,775,140</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 7,018,140</u>	<u>\$ (1,176,103)</u>	<u>\$ 5,842,037</u>	<u>\$ 14,051,319</u>	<u>\$ 8,209,282</u>

Recapitulation Of Fund Balance:

Restricted Fund Balance:					
Legally Restricted - Designated for Future Year's Budget				\$ 108,884	
Excess Surplus - Designated for Subsequent Year's Expenditures				650,000	
Excess Surplus				907,000	
Capital Reserve				1,118,990	
Capital Reserve - Designated for Subsequent Year's Expenditures				1,242,837	
Emergency Reserve				626,636	
Maintenance Reserve				2,733,778	
Unemployment Claims				192,672	
Assigned Fund Balance:					
Year End Encumbrances				229,092	
Designated for Subsequent Year's Expenditures				816,655	
Unassigned Fund Balance				<u>5,424,775</u>	
Reconciliation to Governmental Fund Statement (GAAP)				14,051,319	
State Aid Payments Not Recognized on GAAP Basis					
Extraordinary Aid			\$ (2,842,192)		
Delayed State Aid Payments			<u>(345,623)</u>		
				<u>(3,187,815)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 10,863,504</u>	

**RIDGEWOOD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Adjustments/ Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 17,173	\$ (7,375)	\$ 9,798	-	\$ 9,798
Local	554,606	849,738	1,404,344	\$ 1,404,344	-
Federal	<u>1,365,442</u>	<u>619,479</u>	<u>1,984,921</u>	<u>1,945,027</u>	<u>39,894</u>
Total Revenues	<u>1,937,221</u>	<u>1,461,842</u>	<u>3,399,063</u>	<u>3,349,371</u>	<u>49,692</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	107,267	88,545	195,812	188,599	7,213
Other Salaries for Instruction		57,655	57,655	58,869	(1,214)
Purchased Prof./Educational Services	544,468	(544,468)		-	-
Purchased Technical Services		11,800	11,800	10,000	1,800
Tuition	1,062,865	64,283	1,127,148	1,127,148	-
Supplies and Materials	11,163	390,241	401,404	388,996	12,408
Textbooks	1,423	2,242	3,665		3,665
Student Co-Curricular and Athletics			550,964	550,964	-
Miscellaneous	<u>1,260</u>	<u>1,149</u>	<u>2,409</u>	<u>2,409</u>	<u>-</u>
Total Instruction	<u>1,728,446</u>	<u>71,447</u>	<u>2,350,857</u>	<u>2,326,985</u>	<u>23,872</u>
Support Services					
Salaries of Other Professional Staff	57,516	43,671	101,187	93,634	7,553
Personnel Services - Employee Benefits	137,894	(44,104)	93,790	85,421	8,369
Purchased Prof./Educational Services	9,528	15,815	25,343	17,420	7,923
Rental		1,529	1,529	1,529	
Transportation	3,837	5,082	8,919	8,919	-
Insurance		2,370	2,370	2,370	-
Travel		2,150	2,150	175	1,975
General Supplies		78,174	78,174	78,174	-
Scholarships Awarded			126,456	126,456	-
Miscellaneous Expenditures	<u>-</u>	<u>2,666</u>	<u>2,666</u>	<u>2,666</u>	<u>-</u>
Total Support Services	<u>208,775</u>	<u>107,353</u>	<u>442,584</u>	<u>416,764</u>	<u>25,820</u>
Facilities Acquisition and Construction Services					
Instructional		1,280	1,280	1,280	-
Non-instructional Equipment	<u>-</u>	<u>109,969</u>	<u>109,969</u>	<u>109,969</u>	<u>-</u>
Total Facilities Acquisition and Const.Ser.	<u>-</u>	<u>111,249</u>	<u>111,249</u>	<u>111,249</u>	<u>-</u>
Total Expenditures	<u>1,937,221</u>	<u>290,049</u>	<u>2,904,690</u>	<u>2,854,998</u>	<u>49,692</u>
Excess of Revenues over Expenses	-	1,171,793	494,373	494,373	-
Fund Balance, July 1, as Restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,999,436</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 1,171,793</u>	<u>\$ 494,373</u>	<u>\$ 3,493,809</u>	<u>\$ -</u>
Student Activity/Athletic Funds				\$ 272,235	
Scholarships				<u>3,221,574</u>	
				<u>\$ 3,493,809</u>	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**RIDGEWOOD BOARD OF EDUCATION
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

The accounting records of the Special Revenue 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 revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules (Exhibits C-1 and C-2)	\$ 128,079,507	\$ 3,349,371
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances June 30, 2020		19,804
Encumbrances June 30, 2021		(140,093)
State Aid payments recognized for budgetary purposes not recognized for GAAP statements		
Prior Year	2,286,761	
Current Year	(3,187,815)	-
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 127,178,453</u>	<u>\$ 3,229,082</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 123,803,328	\$ 2,854,998
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.		
Encumbrances June 30, 2020		19,804
Encumbrances June 30, 2021	-	(140,093)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 123,803,328</u>	<u>\$ 2,734,709</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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

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

	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Position Liability (Asset)	0.07005%	0.07088%	0.07200%	0.07514%	0.07918%	0.08106%	0.12008%	0.11244%
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 11,424,535</u>	<u>\$ 12,273,286</u>	<u>\$ 14,178,235</u>	<u>\$ 17,491,143</u>	<u>\$ 23,451,718</u>	<u>\$ 18,196,878</u>	<u>\$ 22,482,937</u>	<u>\$ 21,488,873</u>
District's Covered Payroll	<u>\$ 5,222,317</u>	<u>\$ 5,068,384</u>	<u>\$ 4,924,565</u>	<u>\$ 5,000,343</u>	<u>\$ 5,088,990</u>	<u>\$ 5,355,142</u>	<u>\$ 7,167,298</u>	<u>\$ 7,023,952</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	218.76%	242.15%	287.91%	349.80%	460.83%	339.80%	313.69%	305.94%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

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

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 766,393	\$ 689,544	\$ 716,258	\$ 696,082	\$ 703,450	\$ 696,919	\$ 989,952	\$ 847,187
Contributions in Relation to the Contractually Required Contributions	<u>766,393</u>	<u>689,544</u>	<u>716,258</u>	<u>696,082</u>	<u>703,450</u>	<u>696,919</u>	<u>989,952</u>	<u>847,187</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	<u>\$ 5,105,332</u>	<u>\$ 5,222,317</u>	<u>\$ 5,068,384</u>	<u>\$ 4,924,565</u>	<u>\$ 5,000,343</u>	<u>\$ 5,088,990</u>	<u>\$ 5,355,142</u>	<u>\$ 7,167,298</u>
Contributions as a Percentage of Covered Payroll	15.01%	13.20%	14.13%	14.13%	14.07%	13.69%	18.49%	11.82%

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

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

**TEACHERS PENSION AND ANNUITY FUND
Last Eight Fiscal Years ***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)								
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>293,815,005</u>	<u>271,531,940</u>	<u>272,952,994</u>	<u>300,609,650</u>	<u>346,457,855</u>	<u>280,128,643</u>	<u>231,014,249</u>	<u>223,403,034</u>
Total	<u>\$ 293,815,005</u>	<u>\$ 271,531,940</u>	<u>\$ 272,952,994</u>	<u>\$300,609,650</u>	<u>\$346,457,855</u>	<u>\$ 280,128,643</u>	<u>\$ 231,014,249</u>	<u>\$ 223,403,034</u>
District's Covered Payroll	<u>\$ 51,351,946</u>	<u>\$ 48,375,614</u>	<u>\$ 47,693,601</u>	<u>\$ 45,578,273</u>	<u>\$ 44,290,765</u>	<u>\$ 44,690,162</u>	<u>\$ 43,796,359</u>	<u>\$ 42,920,432</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	572.16%	561.30%	572.31%	659.55%	782.23%	626.82%	527.47%	520.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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

Change of Benefit Terms: None.

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

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

Postemployment Health Benefit Plan

Last Four Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service Cost	\$ 5,599,218	\$ 5,381,730	\$ 6,008,296	\$ 7,186,978
Interest on Total OPEB Liability	4,893,585	5,966,519	6,302,473	5,465,675
Differences Between Expected and Actual Experience	37,861,911	(24,055,695)	(12,281,458)	(22,719,433)
Changes of Assumptions	40,382,347	2,028,777	(17,304,961)	(4,113,092)
Gross Benefit Payments	(3,848,690)	(4,176,865)	(4,032,316)	(4,113,092)
Contribution from the Member	<u>116,654</u>	<u>123,814</u>	<u>139,363</u>	<u>151,454</u>
Net Change in Total OPEB Liability	85,005,025	(14,731,720)	(21,168,603)	(14,028,418)
Total OPEB Liability - Beginning	<u>136,067,465</u>	<u>150,799,185</u>	<u>171,967,788</u>	<u>185,996,206</u>
Total OPEB Liability - Ending	<u>\$ 221,072,490</u>	<u>\$ 136,067,465</u>	<u>\$ 150,799,185</u>	<u>\$ 171,967,788</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>221,072,490</u>	<u>136,067,465</u>	<u>150,799,185</u>	<u>171,967,788</u>
Total OPEB Liability - Ending	<u>\$ 221,072,490</u>	<u>\$ 136,067,465</u>	<u>\$ 150,799,185</u>	<u>\$ 171,967,788</u>
District's Covered Payroll	<u>\$ 56,574,263</u>	<u>\$ 53,443,998</u>	<u>\$ 52,618,166</u>	<u>\$ 50,578,616</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%

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

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

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

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

Changes in Benefit Terms:

None.

Changes of Assumptions

Assumptions used in calculating the OPEB liability are presented in Note 4.

SCHOOL LEVEL SCHEDULES

NOT APPLICABLE

SPECIAL REVENUE FUND

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

	I.D.E.A.		Student			Subtotal Page 2	Total
	Part B Basic	Preschool	Activities and Athletics	Scholarships	Other Grants		
REVENUES							
Local			\$ 448,254	\$ 723,539	\$ 232,551		1,404,344
Federal	\$ 1,100,258	\$ 39,069	-	-	-	805,700	1,945,027
Total Revenues	\$ 1,100,258	\$ 39,069	\$ 448,254	\$ 723,539	\$ 232,551	\$ 805,700	\$ 3,349,371
EXPENDITURES							
Instruction							
Salaries of Teachers					\$ 21,939	\$ 166,660	\$ 188,599
Other Salaries for Instruction						58,869	58,869
Purchased Technical Services					10,000		10,000
Tuition	\$ 1,088,079	\$ 39,069					1,127,148
Supplies and Materials	12,179				66,819	309,998	388,996
Student Co-Curricular and Athletics			550,964				550,964
Miscellaneous	-	-	-	-	2,409	-	2,409
Total Instruction	1,100,258	39,069	550,964	-	101,167	535,527	2,326,985
Support Services							
Salaries of Other Professional Staff						93,634	93,634
Personnel Services - Employee Benefits					4,651	80,770	85,421
Purchased Prof./Educational Services						17,420	17,420
Rental					1,529		1,529
Transportation					8,919		8,919
Insurance					2,370		2,370
Travel						175	175
General Supplies						78,174	78,174
Scholarships Awarded				126,456			126,456
Miscellaneous Expenditures	-	-	-	-	2,666	-	2,666
Total Support Services	-	-	-	126,456	20,135	270,173	416,764
Facilities Acquisition and Construction Services							
Instructional					1,280		1,280
Non-Instructional Equipment	-	-	-	-	109,969	-	109,969
Total Facilities Acquisition and Construction Services	-	-	-	-	111,249	-	111,249
Total Expenditures	1,100,258	39,069	550,964	126,456	232,551	805,700	2,854,998
Excess of Revenues over Expenses	-	-	(102,710)	597,083	-	-	494,373
Fund Balance, July 1, as Restated	-	-	374,945	2,624,491	-	-	2,999,436
Fund Balance, June 30	\$ -	\$ -	\$ 272,235	\$ 3,221,574	\$ -	\$ -	\$ 3,493,809

Continued

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

	CARES Grant	Bergen Cty. CARES Grant	CRF Grant	ESSER I	Title I	Title II A	Title III	Page 2 Total
REVENUES								
Federal	\$ 122,408	\$ 36,043	\$ 156,896	\$ 224,595	\$ 162,312	\$ 82,666	\$ 20,780	805,700
Total Revenues	<u>\$ 122,408</u>	<u>\$ 36,043</u>	<u>\$ 156,896</u>	<u>\$ 224,595</u>	<u>\$ 162,312</u>	<u>\$ 82,666</u>	<u>\$ 20,780</u>	<u>\$ 805,700</u>
EXPENDITURES								
Instruction								
Salaries of Teachers	\$ 1,605			\$ 31,339	\$ 120,342		\$ 13,374	\$ 166,660
Other Salaries for Instruction	44,076	\$ 3,019		11,774				58,869
Supplies and Materials	60,889	-	\$ 111,296	137,813	-	-	-	309,998
Total Instruction	<u>106,570</u>	<u>3,019</u>	<u>111,296</u>	<u>180,926</u>	<u>120,342</u>	<u>-</u>	<u>13,374</u>	<u>535,527</u>
Support Services								
Salaries of Other Professional Staff	3,106			32,516		\$ 58,012		93,634
Personnel Services - Employee Benefits	3,732	450		4,433	41,970	24,479	5,706	80,770
Purchased Prof./Educational Services	9,000			6,720			1,700	17,420
Travel	-	-	-	-	-	175	-	175
General Supplies	-	32,574	45,600	-	-	-	-	78,174
Total Support Services	<u>15,838</u>	<u>33,024</u>	<u>45,600</u>	<u>43,669</u>	<u>41,970</u>	<u>82,666</u>	<u>7,406</u>	<u>270,173</u>
Total Expenditures	<u>122,408</u>	<u>36,043</u>	<u>156,896</u>	<u>224,595</u>	<u>162,312</u>	<u>82,666</u>	<u>20,780</u>	<u>805,700</u>
Excess of Revenues over Expenses	-	-	-	-	-	-	-	-
Fund Balance, July 1, as Restated	-	-	-	-	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**RIDGEWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID
SCHEDULE OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOT APPLICABLE

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

	<u>Balance, July 1, 2020</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance, June 30, 2021</u>
ELEMENTARY SCHOOLS				
Hawes	\$ 10,258	\$ 34	-	\$ 10,292
Orchard	15,691	2,161	\$ 6,228	11,624
Ridge	5,020	5,909	7,201	3,728
Somerville	19,221	1,834	3,889	17,166
Travell	1,318	26		1,344
Willard	<u>42,478</u>	<u>133</u>	<u>24,807</u>	<u>17,804</u>
Total Elementary Schools	<u>93,986</u>	<u>10,097</u>	<u>42,125</u>	<u>61,958</u>
MIDDLE SCHOOLS				
Benjamin Franklin	50,124	4,148	19,245	35,027
George Washington	<u>25,771</u>	<u>5,287</u>	<u>3,878</u>	<u>27,180</u>
Total Junior High School	<u>75,895</u>	<u>9,435</u>	<u>23,123</u>	<u>62,207</u>
HIGH SCHOOL				
Ridgewood High School	194,317	363,561	413,263	144,615
Athletic Accounts	<u>10,747</u>	<u>65,161</u>	<u>72,453</u>	<u>3,455</u>
Total Senior High School	<u>205,064</u>	<u>428,722</u>	<u>485,716</u>	<u>148,070</u>
Total All Schools	<u>\$ 374,945</u>	<u>\$ 448,254</u>	<u>\$ 550,964</u>	<u>\$ 272,235</u>

CAPITAL PROJECTS FUND

**RIDGEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>Issue Project Title</u>	<u>Modified Appropriation</u>	<u>Prior Years</u>	<u>Expenditures to Date</u>		<u>Cancelled</u>	<u>Balance, June 30, 2021</u>
			<u>Current Year</u>			
<u>Capital Leases</u>						
2019-2020 Capital Lease - Computer Equipment	\$ 949,525	\$ 945,184	\$ 4,341	-	-	-
2020-2021 Capital Lease - Computer Equipment	<u>940,418</u>	<u>-</u>	<u>852,687</u>	<u>-</u>	<u>-</u>	<u>\$ 87,731</u>
	<u>\$ 1,889,943</u>	<u>\$ 945,184</u>	<u>\$ 857,028</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 87,731</u>

Reconciliation to GAAP

Project Balances, June 30, 2021 - Budgetary	<u>\$ 87,731</u>
Fund Balance, June 30, 2021 - GAAP	<u>\$ 87,731</u>

Recapitulation of Fund Balance

Restricted for Capital Projects	
Available for Capital Projects	<u>\$ 87,731</u>
Total Fund Balance - Restricted for Capital Projects	<u>\$ 87,731</u>

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

Revenues and Other Financing Sources	
Capital Lease Proceeds	\$ 940,000
Interest	<u>418</u>
Total Revenues and Other Financing Sources	<u>940,418</u>
Expenditures and Other Financing Uses	
Professional Services	100,760
Supplies and Materials	709,824
Equipment	<u>46,444</u>
Total Expenditures and Other Financing Uses	<u>857,028</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	83,390
Fund Balance, Beginning of Year	<u>4,341</u>
Fund Balance - End of Year	<u>\$ 87,731</u>
Reconciliation to GAAP Basis	
Fund Balance, June 30, 2021 - Budgetary Basis	<u>\$ 87,731</u>
Fund Balance, June 30, 2021 - GAAP Basis	<u>\$ 87,731</u>

**RIDGEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
2019-2020 CAPITAL LEASE - COMPUTER EQUIPMENT
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Capital Lease Proceeds	\$ 945,248		\$ 945,248	\$ 945,248
Interest	4,277	-	4,277	-
	<u>949,525</u>	<u>-</u>	<u>949,525</u>	<u>945,248</u>
EXPENDITURES AND OTHER FINANCING SOURCES				
Professional Services	54,150		54,150	54,150
Supplies and Materials	835,913	\$ 4,341	840,254	835,977
Equipment	55,121	-	55,121	55,121
	<u>945,184</u>	<u>4,341</u>	<u>949,525</u>	<u>945,248</u>
Excess of Revenues over Expenditures	<u>\$ 4,341</u>	<u>\$ (4,341)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

NJ DOE Project Number	N/A
SDA Project Number	N/A
Grant Number	N/A
Grant Notification Date	N/A
Grant Amount	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 945,248
Additional Authorized Cost	\$ 4,277
Revised Authorized Cost	\$ 949,525

Percentage Increase (Decrease) over Original Authorized

Cost	0.45%
Percentage Completion	100.00%
Original Target Completion Date	06/30/2020
Revised Target Completion Date	06/30/2020

RIDGEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
2020-2021 CAPITAL LEASE - COMPUTER EQUIPMENT
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Capital Lease Proceeds	-	\$ 940,000	\$ 940,000	\$ 940,418
Interest	-	418	418	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	-	940,418	940,418	940,418
EXPENDITURES AND OTHER FINANCING SOURCES				
Professional Services	-	100,760	100,760	99,178
Supplies and Materials	-	705,483	705,483	794,796
Equipment	-	46,444	46,444	46,444
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures and other Financing Sources	-	852,687	852,687	940,418
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>\$ 87,731</u>	<u>\$ 87,731</u>	<u>\$ -</u>

Additional Project Information:

NJ DOE Project Number	N/A
SDA Project Number	N/A
Grant Number	N/A
Grant Notification Date	N/A
Grant Amount	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 940,000
Additional Authorized Cost	\$ 418
Revised Authorized Cost	\$ 940,418

Percentage Increase (Decrease) over Original Authorized

Cost	0.04%
Percentage Completion	90.67%
Original Target Completion Date	06/30/2022
Revised Target Completion Date	06/30/2022

ENTERPRISE FUND

NOT APPLICABLE

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

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

69	<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance July 1, 2020</u>	<u>Retired</u>	<u>Balance June 30, 2021</u>
	Additions and Renovations to Various Schools (Refunded 2003 Bonds Maturing 2/15/2016 to 2/15/2028)	June 1, 2011	\$ 3,475,000	2/15/22-2/15/23 2/15/24-2/15/27 2/15/28	\$ 230,000 235,000 230,000	3.25% 4.00% 4.00%	\$ 1,850,000	220,000	\$ 1,630,000
	School Refunding Bonds	November 1, 2016	32,860,000	3/15/22 3/15/23 3/15/24 3/15/25 3/15/26 3/15/27 3/15/28 3/15/29 3/15/30 3/15/31 3/15/32 3/15/33 3/15/34 3/15/35	1,630,000 1,680,000 1,780,000 1,860,000 1,975,000 2,050,000 2,175,000 2,275,000 2,370,000 2,465,000 2,610,000 2,755,000 2,745,000 2,735,000	4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 3.00%	32,685,000	1,580,000	31,105,000

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

100

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance July 1, 2020</u>	<u>Retired</u>	<u>Balance June 30, 2021</u>
Energy Savings Improvement Bonds	November 1, 2016	\$ 6,660,000	11/15/21	\$ 295,000	2.00%			
			11/15/22	305,000	2.00%			
			11/15/23	210,000	3.00%			
			11/15/24	225,000	3.00%			
			11/15/25	240,000	3.00%			
			11/15/26	255,000	3.00%			
			11/15/27	270,000	3.00%			
			11/15/28	290,000	4.00%			
			11/15/29	310,000	4.00%			
			11/15/30	330,000	3.00%			
			11/15/31	355,000	4.00%			
			11/15/32	380,000	4.00%			
			11/15/33	405,000	4.00%			
			11/15/34	430,000	4.00%			
			11/15/35	460,000	4.00%			
						<u>\$ 39,845,000</u>	<u>\$ 2,350,000</u>	<u>\$ 37,495,000</u>
							Paid by General Fund	\$ 550,000
							Paid by Debt Service Fund	<u>1,800,000</u>
								<u>\$ 2,350,000</u>

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

<u>Capital Leases</u>	<u>Interest Rate Payable</u>	<u>Amount of Original Issue</u>	<u>Balance, July 1, 2020</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Balance, June 30, 2021</u>
Technology Equipment - 2016-2017	1.5730%	\$ 995,000	\$ 202,425		\$ 202,425	-
Technology Equipment - 2017-2018	1.7300%	915,000	370,229		183,527	\$ 186,702
Technology Equipment - 2018-2019	2.8970%	900,000	542,356		175,648	366,708
Technology Equipment - 2019-2020	2.0619%	940,000	748,980		181,552	567,428
Technology Equipment - 2020-2021	1.0190%	940,000		\$ 940,000	190,331	749,669
42 Konica Digital Copier	2.6900%	635,645	157,216		134,408	22,808
2 Savin Digital Copiers	4.8420%	15,400	5,681		3,337	2,344
1 Konica Digital Copier	4.8430%	11,293	<u>4,363</u>	<u>-</u>	<u>2,434</u>	<u>1,929</u>
			2,031,250	940,000	1,073,662	1,897,588
<u>Lease Purchase Agreements</u>						
1 Savin Digital Copier	5.0170%	1,631	<u>489</u>	<u>-</u>	<u>363</u>	<u>126</u>
			<u>\$ 2,031,739</u>	<u>\$ 940,000</u>	<u>\$ 1,074,025</u>	<u>\$ 1,897,714</u>

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

	<u>Original Budget</u>	<u>Adjustments/ Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local Sources					
Local Tax Levy	\$ 3,017,677		\$ 3,017,677	\$ 3,017,677	
State Sources					
State Aid Type II	<u>135,122</u>	<u>-</u>	<u>135,122</u>	<u>135,122</u>	<u>-</u>
Total Revenues	<u>3,152,799</u>	<u>-</u>	<u>3,152,799</u>	<u>3,152,799</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Principal on Bonds	1,800,000	-	1,800,000	1,800,000	
Interest on Bonds	<u>1,352,800</u>	<u>-</u>	<u>1,352,800</u>	<u>1,352,800</u>	<u>-</u>
Total Expenditures	<u>3,152,800</u>	<u>-</u>	<u>3,152,800</u>	<u>3,152,800</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1)	-	(1)	(1)	-
Fund Balance, Beginning of Year	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

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

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

	Fiscal Year Ended June 30.									
	2012 (Restated)	2013	2014 (Restated)	2015	2016	2017	2018	2019 (Restated)	2020 (Restated)	2021
Governmental Activities										
Net Investment in Capital Assets	\$ 41,756,338	\$ 46,132,466	\$ 46,434,486	\$ 47,460,901	\$ 50,296,485	\$48,026,214	\$ 52,024,622	\$ 53,460,402	\$ 54,281,797	\$ 54,926,054
Restricted	7,834,188	5,262,133	5,271,884	4,818,989	2,446,640	6,721,461	3,154,358	3,367,381	7,448,522	8,869,817
Unrestricted (Deficit)	(1,415,055)	277,381	479,002	(21,862,874)	(18,159,172)	(18,984,086)	(19,296,734)	(17,463,586)	(16,121,838)	(11,548,971)
Total Governmental Activities Net Position	\$ 48,175,471	\$ 51,671,980	\$ 52,185,372	\$ 30,417,016	\$ 34,583,953	\$35,763,589	\$ 35,882,246	\$ 39,364,197	\$ 45,608,481	\$ 52,246,900
Business-Type Activities										
Net Investment in Capital Assets	\$ 200,277	\$ 200,056	\$ 182,963	\$ 165,869	\$ 157,906	\$ 161,011	\$ 168,572	\$ 155,576	\$ 165,766	\$ 127,413
Unrestricted (Deficit)	(14,732)	(262,802)	(177,875)	(127,338)	(52,385)	(75,778)	169,197	140,996	208,728	(250,328)
Total Business-Type Activities Net Position	\$ 185,545	\$ (62,746)	\$ 5,088	\$ 38,531	\$ 105,521	\$ 85,233	\$ 337,769	\$ 296,572	\$ 374,494	\$ (122,915)
District-Wide										
Net Investment in Capital Assets	\$ 41,956,615	\$ 46,332,522	\$ 46,617,449	\$ 47,626,770	\$ 50,454,391	\$48,187,225	\$ 52,193,194	\$ 53,615,978	\$ 54,447,563	\$ 55,053,467
Restricted	7,834,188	5,262,133	5,271,884	4,818,989	2,446,640	6,721,461	3,154,358	3,367,381	7,448,522	8,869,817
Unrestricted (Deficit)	(1,429,787)	14,579	301,127	(21,990,212)	(18,211,557)	(19,059,864)	(19,127,537)	(17,322,590)	(15,913,110)	(11,799,299)
Total District Net Position	\$ 48,361,016	\$ 51,609,234	\$ 52,190,460	\$ 30,455,547	\$ 34,689,474	\$35,848,822	\$ 36,220,015	\$ 39,660,769	\$ 45,982,975	\$ 52,123,985

Note 1 - Net Position at June 30, 2012 is restated to reflect the implementation of GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position" and GASB Statement No. 65, "Items Previously Reported in Assets and Liabilities".

Note 2 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB No. 68, "Accounting and Financial Reporting for Pensions".

Note 3 - Net position at June 30, 2019 is restated to reflect the reclassification of expenditures/expenses between the Governmental and Business Type Activities.

Note 4 - Net Position at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities"

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

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019 (Restated)	2020	2021
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 39,520,534	\$ 41,066,546	\$ 42,268,110	\$ 49,809,263	\$ 52,476,438	\$ 59,694,002	\$ 60,234,080	\$ 55,317,248	\$ 54,161,384	\$ 60,024,888
Special Education	8,659,407	9,677,014	10,365,003	12,214,247	20,423,801	22,405,915	22,237,366	21,481,554	21,180,542	22,136,941
Other Special Instruction	1,832,543	1,865,523	1,917,159	2,259,204						
Other Instruction	2,226,960	2,333,329	2,209,523	3,249,504	4,078,298	4,593,792	5,307,856	4,931,423	4,262,453	4,057,750
School Sponsored Activities and Athletics					1,560,774	1,761,876	1,718,793	1,672,880	2,033,520	2,468,142
Support Services:										
Tuition	6,268,526	6,513,811	6,400,731	6,896,926						
Student and Instruction Related Services	15,693,498	16,593,369	17,168,297	20,121,714	19,624,092	21,377,496	21,458,596	20,863,948	21,296,956	22,926,003
School Administrative Services	4,630,097	4,912,473	5,124,205	5,956,806	5,921,747	6,433,802	6,405,997	6,103,999	5,932,010	6,340,651
General Administration Services	1,002,754	996,072	1,030,247	992,004	1,105,974	1,431,937	1,361,502	1,188,610	1,260,916	1,404,133
Central Services	1,566,374	1,557,969	1,647,350	1,802,578	1,500,900	1,678,752	1,539,412	1,634,597	1,707,813	1,771,767
Administration Information Technology	784,880	712,561	893,325	1,148,311	1,148,506	1,444,498	1,147,762	1,069,133	1,166,129	1,184,993
Plant Operations And Maintenance	7,743,196	7,760,169	8,829,531	9,002,078	8,907,317	9,519,429	12,395,800	12,613,773	12,552,287	13,051,420
Pupil Transportation	2,691,737	2,831,955	3,096,229	3,214,020	3,420,974	3,390,261	3,707,638	3,455,619	3,150,196	2,898,396
Special Schools	940,027	915,697	1,010,334	763,467						
Interest On Long-Term Debt	2,167,806	2,084,878	2,136,514	1,786,823	1,811,652	1,561,651	1,400,202	1,544,586	1,503,626	1,451,652
Unallocated Depreciation	2,337,989	3,478,605								
Total Governmental Activities Expenses	98,066,328	103,299,971	104,096,558	119,216,945	121,980,473	135,293,411	138,915,004	131,877,370	130,207,832	139,716,736
Business-Type Activities:										
Food Service	1,234,287	1,272,615	1,467,124	1,491,101	1,643,143	1,845,060	1,969,904	2,073,207	1,872,969	356,127
Infant/Toddler Development Program	1,005,350	923,260	716,747	952,967	1,005,800	1,054,794	933,221	1,315,770	1,191,263	977,939
Technology Initiative					58,239	85,159	89,063	67,522	177,570	88,505
Inclusive Preschool						14,140	30,834	-	-	-
Total Business-Type Activities Expense	2,239,637	2,195,875	2,183,871	2,444,068	2,707,182	2,999,153	3,023,022	3,456,499	3,241,802	1,422,571
Total District Expenses	\$ 100,305,965	\$ 105,495,846	\$ 106,280,429	\$ 121,661,013	\$ 124,687,655	\$ 138,292,564	\$ 141,938,026	\$ 135,333,869	\$ 133,449,634	\$ 141,139,307
Program Revenues										
Governmental Activities:										
Charges for Services	\$ 1,440,927	\$ 1,932,584	\$ 879,643	\$ 689,432	\$ 390,244	\$ 1,541,938	\$ 1,570,131	\$ 2,736,701	\$ 2,743,299	\$ 1,121,858
Operating Grants and Contributions	10,101,630	12,062,765	1,730,518	1,999,970	28,730,584	39,130,298	40,845,805	33,160,633	30,227,961	42,155,692
Capital Grants And Contributions	3,440,895	1,012,305	177,260	1,815,883	10,828	-	11,027	64,121	77,300	-
Total Governmental Activities Program Revenues	14,983,452	15,007,654	2,787,421	4,505,285	29,131,656	40,672,236	42,426,963	35,961,455	33,048,560	43,277,550
Business-Type Activities:										
Charges For Services										
Food Service	1,078,878	1,096,927	1,395,639	1,537,697	1,678,546	1,883,039	2,013,836	2,150,930	1,915,025	16,573
Infant/Toddler Development Program	961,850	728,458	853,846	939,697	1,012,840	989,001	1,090,435	1,181,341	806,137	813,726
Technology Initiative					96,600	97,890	94,927	98,625	95,950	94,150
Inclusive Preschool						8,700	55,000		1,620	-
Operating Grants And Contributions	124,847	121,800	2,124							
Total Business Type Activities Program Revenues	2,165,575	1,947,185	2,251,609	2,477,394	2,787,986	2,978,630	3,254,198	3,430,896	2,818,732	924,449
Total District Program Revenues	\$ 17,149,027	\$ 16,954,839	\$ 5,039,030	\$ 6,982,679	\$ 31,919,642	\$ 43,650,866	\$ 45,681,161	\$ 39,392,351	\$ 35,867,292	\$ 44,201,999
Net (Expense)/Revenue										
Governmental Activities	\$ (83,082,876)	\$ (88,292,317)	\$ (101,309,137)	\$ (114,711,660)	\$ (92,848,817)	\$ (94,621,175)	\$ (96,488,041)	\$ (95,915,915)	\$ (97,159,272)	\$ (96,439,186)
Business-Type Activities	(74,062)	(248,690)	67,738	33,326	80,804	(20,523)	231,176	(25,603)	(423,070)	(498,122)
Total District-Wide Net Expense	\$ (83,156,938)	\$ (88,541,007)	\$ (101,241,399)	\$ (114,678,334)	\$ (92,768,013)	\$ (94,641,698)	\$ (96,256,865)	\$ (95,941,518)	\$ (97,582,342)	\$ (96,937,308)

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

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019 (Restated)	2020	2021
General Revenues And Other Changes In Net Position										
Governmental Activities:										
Property Taxes Levied for:										
General Purposes	\$ 81,323,178	\$ 82,949,642	\$ 84,608,635	\$ 86,223,037	\$ 87,947,497	\$ 90,636,248	\$ 91,519,173	\$ 94,279,356	\$ 96,014,943	\$ 97,305,242
Debt Service	3,105,755	3,200,686	3,239,342	3,214,082	3,313,073	3,323,724	3,265,783	3,164,901	2,869,732	3,017,677
State Aid Restricted							417,813	409,204	134,178	135,122
Unrestricted Grants And Contributions	3,146,320	5,239,532	12,345,398	23,699,314	436,954	440,918	55,859	4,556		-
Investment Earnings	119,899	27,018	13,687	13,391	32,868	18,164	27,426	126,118	165,977	67,503
Miscellaneous	285,421	371,948	1,510,467	1,282,353	1,820,195	1,381,757	1,341,503	741,427	629,114	1,541,118
Transfers								18,726	(497,672)	-
Special Items			105,000				(20,859)	653,578	896,029	1,010,943
Total Governmental Activities	<u>87,980,573</u>	<u>91,788,826</u>	<u>101,822,529</u>	<u>114,432,177</u>	<u>93,550,587</u>	<u>95,800,811</u>	<u>96,606,698</u>	<u>99,397,866</u>	<u>100,212,301</u>	<u>103,077,605</u>
Business-Type Activities:										
Investment Earnings	1,033	399	96	117	254	235	501	3,132	3,320	713
Transfers In/(Out)							20,859	(18,726)	497,672	-
Total Business-Type Activities	<u>1,033</u>	<u>399</u>	<u>96</u>	<u>117</u>	<u>254</u>	<u>235</u>	<u>21,360</u>	<u>(15,594)</u>	<u>500,992</u>	<u>713</u>
Total District-Wide	<u>\$ 87,981,606</u>	<u>\$ 91,789,225</u>	<u>\$ 101,822,625</u>	<u>\$ 114,432,294</u>	<u>\$ 93,550,841</u>	<u>\$ 95,801,046</u>	<u>\$ 96,628,058</u>	<u>\$ 99,382,272</u>	<u>\$ 100,713,293</u>	<u>\$ 103,078,318</u>
Change In Net Position										
Governmental Activities	\$ 4,897,697	\$ 3,496,509	\$ 513,392	\$ (279,483)	\$ 701,770	\$ 1,179,636	\$ 118,657	\$ 3,481,951	\$ 3,053,029	\$ 6,638,419
Business-Type Activities	(73,029)	(248,291)	67,834	33,443	81,058	(20,288)	252,536	(41,197)	77,922	(497,409)
Total District	<u>\$ 4,824,668</u>	<u>\$ 3,248,218</u>	<u>\$ 581,226</u>	<u>\$ (246,040)</u>	<u>\$ 782,828</u>	<u>\$ 1,159,348</u>	<u>\$ 371,193</u>	<u>\$ 3,440,754</u>	<u>\$ 3,130,951</u>	<u>\$ 6,141,010</u>

Note 1 - The Changes in Net Position for the fiscal year ended June 30, 2019 is restated to reflect the reclassification of expenditures/expenses between the Governmental and Business-Type Activities.

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

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019 (Restated)	2020 (Restated)	2021
General Fund										
Restricted	\$ 4,137,931	\$ 4,285,603	\$ 5,271,884	\$ 4,818,989	\$ 4,390,327	\$ 4,637,415	\$ 4,466,451	\$ 5,244,057	\$ 6,294,744	\$ 7,580,797
Committed	524,538	863,807			936,100	208,900	290,930	137,166	118,451	
Assigned	67,945	81,909	201,232	57,326	1,532,412	1,349,639	298,823	439,418	867,924	1,045,747
Unassigned	595,619	2,131,432	2,121,012	1,757,257	359,127	459,218	472,835	437,229	207,260	2,236,960
Total General Fund	<u>\$ 5,326,033</u>	<u>\$ 7,362,751</u>	<u>\$ 7,594,128</u>	<u>\$ 6,633,572</u>	<u>\$ 7,217,966</u>	<u>\$ 6,655,172</u>	<u>\$ 5,529,039</u>	<u>\$ 6,257,870</u>	<u>\$ 7,488,379</u>	<u>\$ 10,863,504</u>
All Other Governmental Funds										
Reserved										
Unreserved										
Restricted	\$ 2,682,320	\$ 112,723	\$ 238,428	\$ 217,185	\$ 1,354,153	\$ 4,898,207	\$ 1,082,373	\$ 173,324	\$ 3,003,778	\$ 3,581,540
Committed	2,697,335									
Assigned	175,087		997,506	980,585						
Unassigned	(2,383,023)									
Total All Other Governmental Funds	<u>\$ 3,171,719</u>	<u>\$ 112,723</u>	<u>\$ 1,235,934</u>	<u>\$ 1,197,770</u>	<u>\$ 1,354,153</u>	<u>\$ 4,898,207</u>	<u>\$ 1,082,373</u>	<u>\$ 173,324</u>	<u>\$ 3,003,778</u>	<u>\$ 3,581,540</u>

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

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

	Fiscal Year Ended June 30,										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues											
Tax Levy	\$ 82,687,514	\$ 84,428,933	\$ 86,150,328	\$ 87,847,977	\$ 89,437,119	\$ 91,260,570	\$ 93,959,972	\$ 94,784,956	\$ 97,444,257	\$ 98,884,675	\$ 100,322,919
Tuition	465,061	340,410	551,917	879,643	689,432	1,188,229	1,541,938	1,570,131	2,123,032	2,124,331	850,131
Interest Earnings	207,272	119,899	27,018	13,687	13,391						
Miscellaneous	2,284,237	2,391,509	2,924,860	3,124,804	2,142,073	1,620,019	1,954,998	2,187,119	2,064,730	1,892,764	3,186,228
State Sources	12,297,765	14,021,944	15,669,656	12,311,320	13,924,734	13,657,818	16,704,906	18,790,535	21,897,041	22,933,441	27,256,070
Federal Sources	1,963,964	1,893,252	1,672,701	1,297,519	1,256,141	1,377,359	1,294,706	1,277,600	1,325,257	1,343,026	1,945,404
Total Revenue	99,905,813	103,195,947	106,996,480	105,474,950	107,462,890	109,103,995	115,456,520	118,610,341	124,854,317	127,178,237	133,560,752
Expenditures											
Instruction											
Regular Instruction	30,442,131	30,223,875	30,930,494	31,968,923	32,726,271	41,966,925	44,795,853	47,820,687	49,267,272	50,279,813	53,362,847
Special Education Instruction	5,265,323	6,335,189	7,038,909	7,462,101	7,638,879	18,151,458	19,168,515	19,722,511	20,291,108	20,456,406	20,582,032
Other Special Instruction	957,878	1,349,859	1,352,093	1,417,159	1,450,732						
Other Instruction	1,925,886	1,776,047	1,866,881	1,709,523	1,750,022	3,510,599	3,749,114	4,063,010	4,441,746	4,046,251	3,631,094
School Sponsored Activities and Athletics						1,609,224	1,700,797	1,675,626	1,683,110	1,988,216	2,427,673
Support Services:											
Tuition	5,488,915	6,268,526	6,513,811	6,400,731	6,896,926						
Student & Inst. Related Services	11,382,241	12,058,142	12,843,206	13,209,750	13,762,418	17,516,888	18,128,037	18,892,425	19,586,562	20,676,504	21,220,539
School Administration Services	926,283	911,760	897,146	896,078	812,902	4,967,525	5,175,251	5,295,387	5,405,831	5,493,359	5,588,874
General Administration Services	3,552,799	3,394,576	3,584,519	3,734,917	3,769,146	1,059,126	1,404,735	1,128,302	1,191,911	1,280,374	1,391,004
Central Services	1,174,765	1,177,958	1,181,180	1,246,810	1,182,702	1,494,132	1,625,937	1,496,184	1,645,760	1,767,869	1,723,209
Administrative Information Technology Services	589,380	617,686	548,276	679,276	774,375	1,142,986	1,301,853	1,115,710	1,076,304	1,206,649	1,154,290
Plant Operations And Maintenance	7,500,654	8,008,255	8,037,721	8,345,568	8,409,424	8,574,472	9,477,746	9,435,958	9,642,962	9,514,239	9,628,376
Pupil Transportation	2,644,397	2,664,944	2,806,253	2,939,264	3,020,649	3,301,115	3,352,012	3,703,386	3,456,768	3,155,266	2,895,331
Employee Benefits	17,271,044	18,897,615	20,406,898	18,215,072	19,683,350						
Special Schools	996,687	940,027	915,697	1,010,334	841,165						
Capital Outlay	25,114,187	21,742,993	6,127,501	2,266,611	3,461,864	1,317,861	6,740,799	5,163,118	1,547,590	1,801,809	1,949,512
Debt Service:											
Principal	1,260,000	1,565,000	1,640,000	1,755,000	1,975,000	3,019,821	3,394,979	3,339,836	4,098,633	3,426,623	3,424,025
Interest And Other Charges	2,102,778	2,085,255	2,053,173	2,004,717	1,745,785	1,726,086	1,425,961	1,579,309	1,717,704	1,657,479	1,569,059
Total Expenditures	118,595,348	120,017,707	108,743,758	105,261,834	109,901,610	109,358,218	121,441,589	124,431,449	125,053,261	126,750,857	130,547,865
Excess (Deficiency) Of Revenues											
Over (Under) Expenditures	(18,689,535)	(16,821,760)	(1,747,278)	213,116	(2,438,720)	(254,223)	(5,985,069)	(5,821,108)	(198,944)	427,380	3,012,887
Other Financing Sources (Uses)											
Proceeds from Borrowing							6,660,000				
Premium (Discount) on Bonds				(31,800)			1,037,360				
Capital Leases (Non-Budgeted)	1,215,000	715,000	725,000	975,000	1,440,000	995,000	1,578,969	900,000		940,000	940,000
Proceeds from Refunding	3,609,274			5,300,000			32,860,000				
Payments to Refunded Bond Escrow Agent	(3,553,528)			(5,206,728)			(33,170,000)				
Special Item				105,000							
Transfers In	115,897	37,468	1,255		651,330		315,000	98,256	159,524	1,408,884	-
Transfers Out	(115,897)	(37,468)	(1,255)		(651,330)		(315,000)	(119,115)	(140,798)	(1,906,556)	-
Total Other Financing Sources (Uses)	1,270,746	715,000	725,000	1,141,472	1,440,000	995,000	8,966,329	879,141	18,726	442,328	940,000
Net Change In Fund Balances	\$ (17,418,789)	\$ (16,106,760)	\$ (1,022,278)	\$ 1,354,588	\$ (998,720)	\$ 740,777	\$ 2,981,260	\$ (4,941,967)	\$ (180,218)	\$ 869,708	\$ 3,952,887
Debt Service As A Percentage Of											
Noncapital Expenditures	3.60%	3.71%	3.60%	3.65%	3.50%	4.39%	4.20%	4.12%	4.71%	4.07%	3.88%

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

<u>Fiscal Year Ended June 30,</u>	<u>Rentals</u>	<u>Transportation</u>	<u>Reimbursements/ Refunds</u>	<u>Miscellaneous Restricted</u>	<u>Miscellaneous Unrestricted</u>	<u>Summer School Tuition and Fees</u>	<u>Adult School and Other Special School Fees</u>	<u>Student Activity Fees</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 443,372	\$ 22,261		\$ 68,737	\$ 77,555		\$ 836,173	\$ 169,762		\$ 1,617,860
2013	442,037	16,169		217,516	119,653	\$ 41,545	813,197	302,498		1,952,615
2014	409,329	32,749		289,969	374,403	56,625	879,643	361,079		2,403,797
2015	282,355	22,750		521,180	59,698	100,940	689,432	308,821	\$ 13,391	1,998,567
2016	329,492	58,413			278,441	38,575	797,985	258,817	32,868	1,794,591
2017	386,446	144,251	\$ 160,391		381,187	34,655		273,551	18,164	1,398,645
2018	407,209		261,231		319,600	65,865		287,598	25,361	1,366,864
2019	247,891	2,673	77,874		723,013			303,645	121,941	1,477,037
2020	301,833		77,117		532,626	73,300		263,206	156,452	1,404,534
2021	271,727		507,636		821,384			211,680	67,503	1,879,930

Source: District Records

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2012	\$ 23,955,900	\$ 5,908,926,300	\$ 574,609,800	\$ 102,767,000	\$ 6,610,259,000	\$ 10,000	\$ 6,610,269,000	\$ 6,342,573,286	\$ 1.304
2013 (b)	16,795,700	5,111,925,100	506,624,400	88,306,400	5,723,651,600		5,723,651,600	5,968,091,065	1.535
2014	17,989,100	5,122,760,900	504,096,500	88,306,400	5,733,152,900		5,733,152,900	6,022,176,495	1.560
2015	18,991,800	5,138,526,500	504,214,500	88,306,400	5,750,039,200		5,750,039,200	6,224,840,527	1.590
2016	16,723,800	5,163,336,500	506,142,200	88,156,400	5,774,358,900		5,774,358,900	6,404,608,448	1.592
2017	20,509,500	5,176,844,900	503,089,400	87,624,700	5,788,068,500		5,788,068,500	6,461,282,869	1.654
2018	17,793,600	5,198,029,600	505,395,700	87,624,700	5,808,843,600		5,808,843,600	6,651,451,246	1.678
2019	26,605,500	5,215,426,000	492,242,000	87,624,700	5,821,898,200		5,821,898,200	6,810,324,473	1.699
2020	24,532,000	5,214,285,800	493,934,100	87,624,700	5,820,376,600		5,820,376,600	6,741,842,545	1.724
2021	20,276,800	5,215,465,600	492,469,300	97,837,900	5,826,049,600		5,826,049,600	6,786,081,183	1.763

109

Source: County Abstract of Ratables

a Tax rates are per \$100

b The Village reassessed real property effective 2013 and 2008

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

Assessment Year	Basic Rate	General Obligation Debt Services	Total District School	Overlapping Rates		Total Direct and Overlapping Tax Rate
				Village of Ridgewood	County of Bergen	
2012	\$ 1.255	\$ 0.049	\$ 1.304	\$ 0.500	\$ 0.210	\$ 2.014
2013 (A)	1.489	0.046	1.535	0.577	0.247	2.359
2014	1.518	0.042	1.560	0.540	0.243	2.343
2015	1.554	0.036	1.590	0.545	0.257	2.392
2016	1.534	0.058	1.592	0.551	0.269	2.412
2017	1.601	0.053	1.654	0.560	0.270	2.484
2018	1.616	0.062	1.678	0.608	0.279	2.565
2019	1.649	0.050	1.699	0.615	0.283	2.597
2020	1.672	0.052	1.724	0.626	0.287	2.637
2021	1.713	0.050	1.763	0.652	0.293	2.708

Source: The Village Tax Duplicate

(A) The Village reassessed real property effective 2013

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

Taxpayer	2021		2012	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% Total of District Net Assessed Value
INFORMATION NOT AVAILABLE				
Total	\$ -	0.00%	\$ -	0.00%

Source: Municipal Tax Assessor

The Village reassessed real property effective 2013

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2012	\$ 84,454,658	\$ 84,454,658	100.00%	N/A
2013	86,150,328	86,150,328	100.00%	N/A
2014	87,847,977	87,847,977	100.00%	N/A
2015	89,437,119	89,437,119	100.00%	N/A
2016	91,260,570	91,260,570	100.00%	N/A
2017	93,959,972	93,959,972	100.00%	N/A
2018	94,784,956	94,784,956	100.00%	N/A
2019	97,444,257	97,444,257	100.00%	N/A
2020	98,884,675	98,884,675	100.00%	N/A
2021	100,322,919	100,322,919	100.00%	N/A

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

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Capital Leases/Lease Purchases			
2012	\$ 50,350,000	\$ 1,763,477	\$ 52,113,477	25,148	\$ 2,072
2013	48,710,000	1,662,254	50,372,254	25,200	1,999
2014	47,230,000	2,720,676	49,950,676	25,209	1,981
2015	45,255,000	3,137,662	48,392,662	25,284	1,914
2016	43,200,000	3,167,841	46,367,841	25,238	1,837
2017	47,275,000	3,626,831	50,901,831	25,258	2,015
2018	45,120,000	3,341,995	48,461,995	25,165	1,926
2019	42,200,000	2,163,362	44,363,362	25,056	1,771
2020	39,845,000	2,031,739	41,876,739	24,915	1,681
2021	37,495,000	1,897,714	39,392,714	24,915 (A)	1,581

Source: District records

(A) -Estimated

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions			
2012	\$ 50,350,000		\$ 50,350,000	0.76%	\$ 2,002
2013	48,710,000		48,710,000	0.85%	1,933
2014	47,230,000		47,230,000	0.82%	1,874
2015	45,255,000		45,255,000	0.79%	1,790
2016	43,200,000		43,200,000	0.75%	1,712
2017	47,275,000	\$ 111,032	47,163,968	0.81%	1,867
2018	45,120,000	111,031	45,008,969	0.77%	1,789
2019	42,200,000	134,641	42,065,359	0.72%	1,679
2020	39,845,000	1	39,844,999	0.68%	1,599
2021	37,495,000		37,495,000	0.64%	1,505

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.

**RIDGEWOOD BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
FOR YEAR ENDED DECEMBER 31, 2020
(Unaudited)**

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
MUNICIPAL DEBT: (1)			
School Purposes	\$ 39,295,000	\$ 39,295,000	
Local Utilities	55,775,565	54,941,145	\$ 834,420
Municipal Purposes	<u>59,222,580</u>	<u>365,789</u>	<u>58,856,791</u>
	<u>\$ 154,293,145</u>	<u>\$ 94,601,934</u>	<u>59,691,211</u>
OVERLAPPING DEBT APPORTIONED TO THE MUNICIPALITY			
Bergen County			
County of Bergen (A)			55,034,484
Northwest Bergen County Utilities Authority (B)			<u>34,455</u>
			<u>55,068,939</u>
Total Direct and Overlapping Bonded Debt			<u>\$ 114,760,150</u>

SOURCE:

(1) Village of Ridgewood 2020 Annual Debt Statement

(A) The debt information for this entity was obtained from the Bergen County Treasurer's office and was apportioned to the Village of Ridgewood by dividing the municipality's 2020 equalized value by the total 2020 equalized value for Bergen County.

(B) Overlapping debt was computed based upon municipal flow to the Authority.

Source: Village of Ridgewood Chief Financial Officer and Bergen County Treasurer's Office.

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

Legal Debt Margin Calculation for Fiscal Year 2020

Equalized Valuation Basis	
2020	\$ 6,770,241,480
2019	6,732,074,699
2018	6,783,654,794
	<u>\$ 20,285,970,973</u>
Average Equalized Valuation of Taxable Property	<u>\$ 6,761,990,324</u>
Debt Limit	270,479,613
Total Net Debt Applicable to Limit	37,495,000
Legal debt margin	<u>\$ 232,984,613</u>

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 260,721,259	\$ 253,879,774	\$ 200,299,151	\$ 199,955,909	\$ 247,500,182	\$ 253,282,184	\$ 258,897,167	\$ 264,461,941	\$ 268,429,030	\$ 270,479,613
Total Net Debt Applicable to Limit	50,350,000	48,710,000	47,230,000	45,255,000	43,200,000	47,275,000	45,120,000	42,200,000	39,845,000	37,495,000
Legal Debt Margin	<u>\$ 210,371,259</u>	<u>\$ 205,169,774</u>	<u>\$ 153,069,151</u>	<u>\$ 154,700,909</u>	<u>\$ 204,300,182</u>	<u>\$ 206,007,184</u>	<u>\$ 213,777,167</u>	<u>\$ 222,261,941</u>	<u>\$ 228,584,030</u>	<u>\$ 232,984,613</u>
Total net debt applicable to the limit as a percentage of debt limit	19.31%	19.19%	23.58%	22.63%	17.45%	18.66%	17.43%	15.96%	14.84%	13.86%

Source: Annual Debt Statements

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

<u>Year Ended December 31,</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2012	25,148	\$ 72,164	5.9%
2013	25,200	71,699	5.3%
2014	25,209	74,480	4.0%
2015	25,284	77,767	5.3%
2016	25,238	79,407	3.2%
2017	25,258	81,676	3.1%
2018	25,165	86,404	2.5%
2019	25,056	89,456	2.1%
2020	24,915	89,456 (A)	6.3%
2021	24,915 (A)	89,456 (A)	N/A

(A) - Estimated

N/A - Not Available

Source: New Jersey State Department of Education

**RIDGEWOOD BOARD OF EDUCATION
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	348	350	341	344	350	352	352	353	353	353
Special education	78	76	89	82	73	77	77	78	79	79
Other special education - suppl/mainstreaming	107	119	95	101	102	101	102	102	102	102
Other Instruction										
Support Services:										
Student & instruction related services	108	108	95	114	95	108	108	108	108	108
General administration	4	4	2	2	2	2	2	2	2	2
School administrative services	54	54	44	40	40	35	35	35	35	35
Central services	20	20	15	14	14	13	13	13	13	13
Administrative Information Technology	19	19	7	11	11	10	10	10	10	10
Plant operations and maintenance	7	6	3	2	2	3	3	3	3	2
Pupil Transportation	1	1	1	1	1	1	1	1	1	1
Special Schools	2	2	2	2	2	2	2	2	2	2
Infant/Toddler Development Center	33	32	33	33	33	33	33	33	33	31
Total	<u>781</u>	<u>791</u>	<u>727</u>	<u>746</u>	<u>725</u>	<u>737</u>	<u>738</u>	<u>740</u>	<u>741</u>	<u>738</u>

Source: District Personnel Records

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

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2012	5,793	\$ 94,624,459	\$ 16,334	5.53%	431.30	13.9	12.8	13.1	5,700	5,520.5	-0.19%	96.85%
2013	5,829	98,923,084	16,971	3.90%	432.00	14.0	12.7	13.0	5,751	5,542.3	0.89%	96.37%
2014	5,743	99,235,506	17,279	1.83%	430.10	13.6	12.6	11.1	5,717	5,517.9	-0.59%	96.52%
2015	5,650	102,718,961	18,180	5.21%	426.00	15.5	15.9	15.0	5,650	5,463.0	-1.17%	96.69%
2016	5,655	103,293,950	18,266	0.47%	423.00	13.6	13.2	10.3	5,655	5,478.0	0.09%	96.87%
2017	5,678	109,577,063	19,299	5.65%	426.00	13.8	13.0	13.3	5,659	5,473.0	0.07%	96.71%
2018	5,691	114,349,186	20,093	4.12%	429.00	13.8	13.0	13.3	5,664	5,451.2	0.09%	96.24%
2019	5,676	117,109,630	20,632	2.68%	431.00	13.6	13.0	13.3	5,652	5,449.0	-0.21%	96.41%
2020	5,699	119,864,946	21,033	1.94%	431.00	13.5	13.0	13.6	5,694	5,546.0	0.74%	97.40%
2021	5,582	123,605,269	22,144	5.28%	431.00	13.6	13.0	13.7	5,576	5,447.0	-2.07%	97.69%

Sources: District records

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

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>District Building</u>										
<u>Elementary</u>										
<u>Glen (1959)</u>										
Square Feet	27,300	27,300	27,300	27,300	27,300	27,300	27,300	27,300	27,300	27,300
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	37	42	42	42	42	42	48	66	67	110
<u>Hawes (1966)</u>										
Square Feet	39,765	39,765	39,765	39,765	39,765	39,765	39,765	39,765	39,765	39,765
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	405	407	407	407	407	423	408	419	408	369
<u>Orchard (1966)</u>										
Square Feet	42,133	42,133	42,133	42,133	42,133	42,133	42,133	42,133	42,133	42,133
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	337	333	333	333	333	316	308	292	308	321
<u>Ridge (1960)</u>										
Square Feet	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	497	514	514	514	514	432	442	447	463	447
<u>Somerville (1950)</u>										
Square Feet	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	502	517	517	517	517	411	416	430	421	375
<u>Travel (1966)</u>										
Square Feet	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	395	365	365	365	365	385	389	394	390	353
<u>Willard (1926)</u>										
Square Feet	50,500	50,500	50,500	50,500	50,500	50,500	50,500	50,500	50,500	50,500
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	479	500	500	500	500	496	491	488	496	485
<u>Middle School</u>										
<u>Benjamin Franklin (1954)</u>										
Square Feet	190,400	190,400	190,400	190,400	190,400	190,400	190,400	190,400	190,400	190,400
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	697	738	738	738	738	711	713	686	681	703
<u>George Washington (1928)</u>										
Square Feet	99,600	99,600	99,600	99,600	99,600	99,600	99,600	99,600	99,600	99,600
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	688	652	652	652	652	732	712	706	676	629

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>District Building</u>										
<u>High School</u>										
<u>Ridgewood High School</u>										
Square Feet	248,286	248,286	248,286	248,286	248,286	248,286	248,286	248,286	248,286	248,286
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	1,662	1,663	1,684	1,684	1,684	1,684	1,730	1,746	1,789	1,790
<u>Other</u>										
Central Administration (1895)										
Square Feet	32,640	32,640	32,640	32,640	32,640	32,640	32,640	32,640	32,640	32,640

122

Number of Schools at June 30, 2021
 Elementary = 7
 Middle School = 2
 Senior High School = 1
 Other = 1

Source: District Facilities Office

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

N/A - Information is not available

**RIDGEWOOD BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)**

**UNDISTRIBUTED EXPENDITURES -
REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
11-000-261-XXX**

		<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
*School Facilities	School #										
Ridgewood High School	050	\$ 377,586	\$ 374,705	\$ 355,471	\$ 346,196	\$ 351,787	\$ 493,690	\$ 477,170	\$ 391,537	\$ 286,977	\$ 534,539
Benjamin Franklin Middle School	060	349,328	287,346	204,427	199,093	269,770	295,869	365,920	180,005	202,181	377,979
George Washington Middle School	070	173,071	149,408	141,019	137,340	141,119	216,994	191,417	165,307	160,250	299,476
Glen Elementary School	080	37,476	41,200	52,398	51,031	38,681	73,316	52,467	45,729	45,675	84,989
Hawes Elementary School	085	25,864	52,821	89,505	87,170	56,341	72,499	76,423	83,418	67,424	125,248
Ridge Elementary School	090	52,033	71,565	66,201	64,474	67,726	79,050	91,865	96,435	58,106	109,592
Somerville Elementary School	100	116,760	102,623	142,082	138,375	96,347	115,136	130,685	131,631	68,110	127,037
Travel Elementary School	110	83,408	69,120	70,942	69,091	67,726	117,861	91,865	71,580	68,731	128,155
Orchard Elementary School	120	126,520	58,103	66,450	64,716	59,697	101,684	80,974	69,656	46,270	84,989
Willard Elementary School	130	25,329	76,213	73,703	71,780	71,551	99,301	97,054	143,221	118,523	221,420
Education Center	999	<u>111,929</u>	<u>49,259</u>	<u>83,579</u>	<u>81,398</u>	<u>46,246</u>	<u>55,209</u>	<u>62,729</u>	<u>38,942</u>	<u>76,696</u>	<u>143,140</u>
Total School Facilities		<u>\$ 1,479,304</u>	<u>\$ 1,332,363</u>	<u>\$ 1,345,777</u>	<u>\$ 1,310,664</u>	<u>\$ 1,266,991</u>	<u>\$ 1,720,609</u>	<u>\$ 1,718,569</u>	<u>\$ 1,417,461</u>	<u>\$ 1,198,943</u>	<u>\$ 2,236,564</u>

Source: District Records

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

	<u>Coverage</u>	<u>Deductible</u>
PACKAGE POLICY - Great American Ins. Co.		
Property	\$ 262,768,595	\$ 5,000
Earthquake/Flood (Outside Zones A & V)	5,000,000	100,000
Flood (Zones A & V)	1,000,000	500,000
Automobile	1,000,000	\$1,000/COMP&COLL
Comprehensive General Liability	1,000,000	2,500
Crime (Non-Statutory Bonds) Selective Ins. Co.	\$100,000 Per Employee \$500,000 Excess	5,000 100,000
Boiler & Machinery	262,768,595	
ENVIRONMENTAL - ACE	4,000,000 20,000,000 Group Aggregate	25,000
EDUCATOR'S LEGAL LIABILITY/ EMPLOYMENT PRACTICES - Greenwich	1,000,000	25,000
COMMERCIAL UMBRELLA-Great American Ins. Co.	9,000,000	10,000
EXCESS UMBRELLA - Fireman's Fund	\$25,000,000 Group Aggregate	
CYBER LIABILITY-Indian Harbor Ins. Co.	\$1,000,000 Occurrence \$6,000,000 Group Aggregate (Subject to Sublimits)	100,000
WORKER'S COMPENSATION-Safety National		
Maximum Limit of Indemnity per Occurrence	Statutory	
Employer's Liability Per Occurrence	1,000,000	
TRAVEL ACCIDENT POLICY - Gerber Life	\$100,000 AD&D	
Board Members, Business Admin., Superintendent		
STUDENT AND ATHLETIC ACCIDENT-Zurich Ins. Co.	5,000,000	20% Co insurance on 1st \$25,000
Voluntary - Monumental Life	500,000	

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Ridgewood Board of Education
Ridgewood, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ridgewood Board of Education as of and for the fiscal year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Ridgewood Board of Education's basic financial statements and have issued our report thereon dated March 3, 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

We also noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Ridgewood Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated March 3, 2022.

Purpose of this Report

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



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



Gary W. Higgins
Public School Accountant
PSA Number CS00814

Fair Lawn, New Jersey
March 3, 2022



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

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

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

INDEPENDENT AUDITOR’S REPORT

Honorable President and Members
of the Board of Education
Ridgewood Board of Education
Ridgewood, New Jersey

Report on Compliance for Each Major Federal and State Program

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

Management’s Responsibility

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

Auditor’s Responsibility

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

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

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

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

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

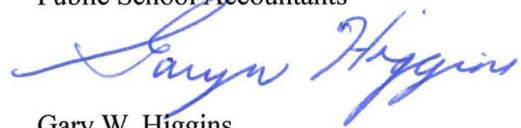
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ridgewood Board of Education, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated March 3, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



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



Gary W. Higgins
Public School Accountant
PSA Number CS00814

Fair Lawn, New Jersey
March 3, 2022

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

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant Period	Award Amount	July 1, 2020			Def. Rev. Carryover Amount	Cash Received	Budgetary Expenditures	June 30, 2021				MEMO GAAP Receivable
					Accounts Receivable	Unearned Revenue	A/R Carryover Amount				Accounts Receivable	Unearned Revenue	Due to Grantor		
General Fund															
U.S. Department of Human Services Passed-through State Department of Education															
Medicaid Assistance	93.778	2005NJ5MAP	7/1/19-6/30/20	\$ 15,582	\$ (369)	-	-	\$ 369	-	-	-	-	-	-	
Medicaid Assistance	93.778	2105NJ5MAP	7/1/20-6/30/21	22,202	-	-	-	22,202	22,202	-	-	-	-	-	
Total General Fund					(369)	-	-	22,571	22,202	-	-	-	-	-	
Special Revenue Fund															
U.S. Department of Education Passed-through State Department of Education															
LD.E.A. Part B	84.027	H027A200100	7/1/20-9/30/21	1,095,574		\$ 4,735	\$ (4,735)	1,065,717	1,100,258		(34,592)	\$ 51		(34,541)	
LD.E.A. Part B	84.027	H027A190100	7/1/19-9/30/20	1,023,981	(8,216)	4,735	(4,735)	3,481							
LD.E.A. Preschool	84.173	H173A200114	7/1/20-9/30/21	39,069	-	-	-	39,069	39,069	-	-	-	-	-	
Total Special Education Cluster (IDEA)					(8,216)	4,735	-	1,108,267	1,139,327	-	(34,592)	51	-	(34,541)	
Title I Part A	84.010	S010A190030	7/1/19-9/30/20	179,819	(82,791)	\$ 26,585	\$ (26,585)	56,206						-	
Title I Part A	84.010	S010A200030	7/1/20-9/30/21	144,740		26,585	(26,585)	109,852	162,312		(61,473)	9,013		(52,460)	
Title II A	84.367A	S367A190029	7/1/19-9/30/20	78,161	(16,397)	116	(116)	16,281						-	
Title II A	84.367A	S367A200029	7/1/20-9/30/21	82,587		116	(116)	62,208	82,666		(20,495)	37		(20,458)	
Title III	84.365	S365A190030	7/1/19-9/30/20	22,549	(8,647)	1,874	(1,875)	6,773						-	
Title III	84.365	S365A200030	7/1/20-9/30/21	20,780		1,875	(1,875)	13,742	20,780		(8,913)	1,875		(7,038)	
Title III, Immigrant	84.365	S365A190030	7/1/19-9/30/20	21,928	(5,993)	2,389	(2,390)	3,604						-	
Title III, Immigrant	84.365	S365A200030	7/1/20-9/30/21	2,390	-	-	(2,390)	-	-		(2,390)	2,390		-	
Total Title III Cluster					(14,640)	4,263	-	24,119	20,780	-	(11,303)	4,265	-	(7,038)	
Total U.S. Department of Education Passed-through State Department of Education					(122,044)	35,699	-	1,376,933	1,405,085	-	(127,863)	13,366	-	(114,497)	
U.S. Department of Education															
Teaching American History	84.215X	N/A	9/1/10-8/31/15	999,479	-	5,383	-	-	-	-	-	5,383	-	-	
Total U.S. Department of Education					(122,044)	41,082	-	1,376,933	1,405,085	-	(127,863)	18,749	-	(114,497)	
Elementary and Secondary School Emergency Relief (ESSER)															
Coronavirus Aid, Relief, and Economic Security (CARES) Act															
CARES Emergency Relief Grant	84.425	S425D200027	3/13/20-9/30/22	123,856				108,248	122,408		(15,608)	1,448		(14,160)	
Elementary and Secondary School Emergency Relief (ESSER II)															
Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act															
ESSER II	84.425D	S425D210027	3/13/20-9/30/23	474,421					224,595		(474,421)	249,826		(224,595)	
Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	30,446							(30,446)	30,446		-	
Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000							(45,000)	45,000		-	
Coronavirus Relief Fund															
Coronavirus Relief Fund	21.019		7/16/20-10/31/20	156,896				156,896	156,896		-	-		-	
CARES Act - Bergen County	21.019		7/1/20-12/31/20	36,043				34,774	36,043		(1,269)	-		(1,269)	
Total Special Revenue Fund					(122,044)	41,082	-	1,676,851	1,945,027	-	(694,607)	345,469	-	(354,521)	
Total Federal Awards					\$ (122,413)	\$ 41,082	\$ -	\$ -	\$ 1,699,422	\$ 1,967,229	\$ -	\$ (694,607)	\$ 345,469	\$ -	

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

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2020			Cash Received	Budgetary Expenditures	Accounts Receivable Adjustment	Deferred Revenue Adjustment	Refund of Prior Years' Balances	June 30, 2021			MEMO		
				(Accounts Receivable)	Deferred Revenue	Due to Grantor						Accounts Receivable	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
General Fund																	
State Department of Education																	
Special Education Aid	20-495-034-5120-089	7/1/19-6/30/20	\$ 2,810,902	\$ (223,503)			\$ 223,503										
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	3,018,996				2,763,707	\$ 3,018,996			\$ (255,289)					\$ 3,018,996	
Security Aid	20-495-034-5120-084	7/1/19-6/30/20	447,742	(49,340)			49,340										
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	447,742	-	-	-	409,881	447,742	-	-	-	(37,861)	-	-		447,742	
Total State Aid Public Cluster				(272,843)	-	-	3,446,431	3,466,738	-	-	-	(293,150)	-	-		3,466,738	
Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	620,535	(35,601)			35,601										
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	620,535				568,062	620,535				(52,473)				620,535	
Additional Non Public Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	7,919	(7,919)			7,919										
Additional Non Public Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	48,554	-	-	-	48,554					(48,554)	-	-	\$ (48,554)	48,554	
Total State Aid Transportation Cluster				(43,520)	-	-	611,582	669,089	-	-	-	(101,027)	-	-	\$ (48,554)	669,089	
Extraordinary Aid	20-495-034-5120-044	7/1/19-6/30/20	1,978,317	(1,978,317)			1,978,317										
Extraordinary Aid	21-495-034-5120-044	7/1/20-6/30/21	2,842,192					2,842,192				(2,842,192)				2,842,192	
On-Behalf TPAF Pension Benefits	21-495-034-5094-002	7/1/20-6/30/21	13,011,360				13,011,360	13,011,360								13,011,360	
On-Behalf TPAF - Pension - NCGI Premium	21-495-034-5094-004	7/1/20-6/30/21	247,558				247,558	247,558								247,558	
On-Behalf TPAF - Post Retirement Medical Contributions	21-495-034-5094-001	7/1/20-6/30/21	4,155,139				4,155,139	4,155,139								4,155,139	
On-Behalf TPAF - Long-Term Disability Insurance	21-495-034-5094-004	7/1/20-6/30/21	5,535				5,535	5,535								5,535	
Reimbursed TPAF Social Security Contr.	20-495-034-5094-003	7/1/19-6/30/20	3,543,954	(176,848)			176,848										
Reimbursed TPAF Social Security Contr.	21-495-034-5094-003	7/1/20-6/30/21	3,624,391	-	-	-	3,624,391	3,624,391	-	-	-	-	-	-		3,624,391	
Total General Fund				(2,471,528)	-	-	27,257,161	28,022,002	-	-	-	(3,236,369)	-	-	\$ (48,554)	28,022,002	
Special Revenue Fund																	
N.J. Nonpublic Aid:																	
Handicapped Services																	
Corrective Speech	21-100-034-5120-066	7/1/20-6/30/21															
Examination & Classification	20-100-034-5120-066	7/1/19-6/30/20	8,732			\$ 3,161	1,547				3,161			\$ 1,547			
Examination & Classification	21-100-034-5120-066	7/1/20-6/30/21	6,133	-	-	-	6,133							6,133			
Total Handicapped Aid				-	-	3,161	7,680				3,161			7,680			
Textbook Aid	20-100-034-5120-064	7/1/19-6/30/20	1,423			398					\$ 398						
Textbook Aid	21-100-034-5120-064	7/1/20-6/30/21	3,665														
Technology Aid	20-100-034-5120-373	7/1/19-6/30/20	972			972					972						
Security Aid	20-100-034-5120-509	7/1/19-6/30/20	5,250			100					100						
Nursing Services	20-100-034-5120-070	7/1/19-6/30/20	3,395			940					940						
Total Special Revenue Fund				-	-	5,571	7,680				5,571			7,680			
Debt Service Fund																	
Debt Service Aid	21-495-034-5120-017	7/1/20-6/30/21	135,122	-	-	-	135,122	135,122	-	-	-	-	-	-		135,122	
Total State Financial Subject to Single Audit Determination				\$ (2,471,528)	\$ -	\$ 5,571	\$ 27,399,963	\$ 28,157,124	\$ -	\$ -	\$ 5,571	\$ (3,236,369)	\$ -	\$ 7,680	\$ (48,554)	\$ 28,157,124	
Less Amounts Not Subject to Single Audit:																	
On-Behalf TPAF Pension Benefits	21-495-034-5094-002	7/1/20-6/30/21	13,011,360				(13,011,360)	(13,011,360)									(13,011,360)
On-Behalf TPAF - Pension - NCGI Premium	21-495-034-5094-004	7/1/20-6/30/21	247,558				(247,558)	(247,558)									(247,558)
On-Behalf TPAF - Post Retirement Medical Contributions	21-495-034-5094-001	7/1/20-6/30/21	4,155,139				(4,155,139)	(4,155,139)									(4,155,139)
On-Behalf TPAF - Long-Term Disability Insurance	21-495-034-5094-004	7/1/20-6/30/21	5,535				(5,535)	(5,535)									(5,535)
Total State Financial Assistance Utilized for Calculation to Determine Major Programs				\$ (2,471,528)	\$ -	\$ 5,571	\$ 9,980,371	\$ 10,737,532	\$ -	\$ -	\$ 5,571	\$ (3,236,369)	\$ -	\$ 7,680	\$ (48,554)	\$ 10,737,532	

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

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

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

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

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$901,054 for the general fund and a decrease of \$120,289 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 22,202	\$ 27,120,948	\$ 27,143,150
Special Revenue Fund	1,923,202		1,923,202
Debt Service Fund	-	135,122	135,122
	<hr/>	<hr/>	<hr/>
Total Awards Financial Assistance	<u>\$ 1,945,404</u>	<u>\$ 27,256,070</u>	<u>\$ 29,201,474</u>

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

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$3,624,391 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2021. The amount reported as TPAF Pension System Contributions in the amount of \$13,258,918, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$4,155,139 and TPAF Long-Term Disability Insurance in the amount of \$5,535 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2021.

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

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

NOTE 7 DE MINIMIS INDIRECT COST RATE

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

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

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

1) Were material weakness(es) identified? yes X no

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

Noncompliance material to the basic financial statements noted? yes X no

Federal Awards Section

Internal Control over major programs:

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

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

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

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

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>FAIN Number</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027</u>	<u>H027A200100</u>	<u>IDEA Part B</u>
<u>84.173</u>	<u>H173A200114</u>	<u>IDEA Preschool</u>

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

Auditee qualified as low-risk auditee? X yes no

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

Part 2 – Schedule of Financial Statement Findings

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

There are none.

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

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs (Cont'd)

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

CURRENT YEAR FEDERAL AWARDS

There are none.

CURRENT YEAR STATE AWARDS

There are none.

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

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

STATUS OF PRIOR YEAR FINDINGS

Finding 2020-001

Our audit of the District's capital assets revealed the capital assets report provided for audit did not accurately reflect all current year additions.

Current Status

Partial corrective action has been taken. See Auditor's Management Report

Finding 2020-002

The audit indicated that the District did not submit the post-award notice for the contract for custodial, maintenance, grounds and management services within 20 days after the award to the Office of State comptroller in accordance with N.J.S.A. 52:15 C-10.

Current Status

Corrective action has been taken.