

SCHOOL DISTRICT  
OF  
ROCHELLE PARK

Rochelle Park School District  
Board of Education  
Rochelle Park, New Jersey

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

Comprehensive Annual  
Financial Report

of the

Rochelle Park School District  
Board of Education

Rochelle Park, New Jersey

For Fiscal Year Ended June 30, 2021

Prepared by

Rochelle Park School District  
Board of Education

ROCHELLE PARK SCHOOL DISTRICT  
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INTRODUCTORY SECTION  
(UNAUDITED)



# Rochelle Park School District

300 Rochelle Avenue • Rochelle Park, NJ 07662 • 201-843-3120 • [www.rochellepark.org](http://www.rochellepark.org)

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SUPERINTENDENT  
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**Mrs. Cheryl Jiosi**  
BUSINESS ADMINISTRATOR  
BOARD SECRETARY  
[cjiosi@rochellepark.org](mailto:cjiosi@rochellepark.org)

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November 2, 2021

The Honorable President and  
Members of the Board of Education  
of the Rochelle Park School District  
County of Bergen  
Rochelle Park, New Jersey 07662

Dear Honorable President and Board Members:

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

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

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

The District continues to provide a full range of educational services appropriate to grade levels preschool through grade 8 and has a sending receiving relationship with Hackensack Public Schools for students in grades 9 through 12. These include regular, as well as, special education for handicapped students.

The District completed the 2020/2021 fiscal year with an average daily enrollment of 487 students, which is a decrease of 16 students over the previous year's average daily enrollment.

2. ECONOMIC CONDITONS AND MAJOR INITIATIVES: Significant upgrades in technology have been made. Outdated network switches and server hardware have been replaced. A server backup solution was implemented with security features and cloud backup. Every classroom now has a Ricoh Interactive Whiteboard. Students are currently 1:1 with devices having iPads PreK and kindergarten, and Chromebooks grades 1-8.

The District continues its work on further developing the home and school connection. This will include monthly character education themes and activities that can be done both in-person and in a virtual setting. Additionally, implementing activities to develop the home and school connection like 'Wellness Wednesdays' will assist the school community in addressing social and emotional learning. The District has also added a stipend position, the Community Service Advisor, to help further promote and strengthen the school and home/community connections.

The District will work to update all curriculum documents to ensure alignment with the New Jersey Student Learning Standards, as well as multiple accommodations/modifications, interdisciplinary connections, and assessments for each grade level and content area. Administration will organize professional development days that will be focused on teachers' instructional needs, including topics such as: enhancing instruction through technology and resources, rigor in the classroom, student engagement, teaching practices, and assessment in the blended classroom. The District is working with a teaching consultant to provide professional development instruction on the writing workshop model for all teachers K-8.

The building has had several improvements to improve air quality. Each classroom has been updated with an air ionization system as part of the HVAC system as well as air conditioners added to each room. The District is focusing on the creation of a STEAM room to further support the curriculum program in the areas of science, technology, engineering, arts, and math.

Personnel needs are addressed based upon demographics, class size, and related programming, supports and services. Retaining and hiring highly qualified staff to fulfill mandated requirements is ongoing.

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

The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. As a recipient of federal and state awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management.

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



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

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

5. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.
6. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
7. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, excess liability, auto liability and comprehensive/collision, hazard and theft insurance on property and contents, workers' compensation, and fidelity bonds. A schedule of insurance coverage is found on Exhibit J-20.
8. OTHER INFORMATION: **Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

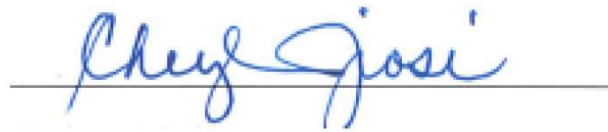
The Honorable President and Members  
of the Board of Education  
Rochelle Park School District  
Page 4  
November 2, 2021

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

Respectfully submitted,

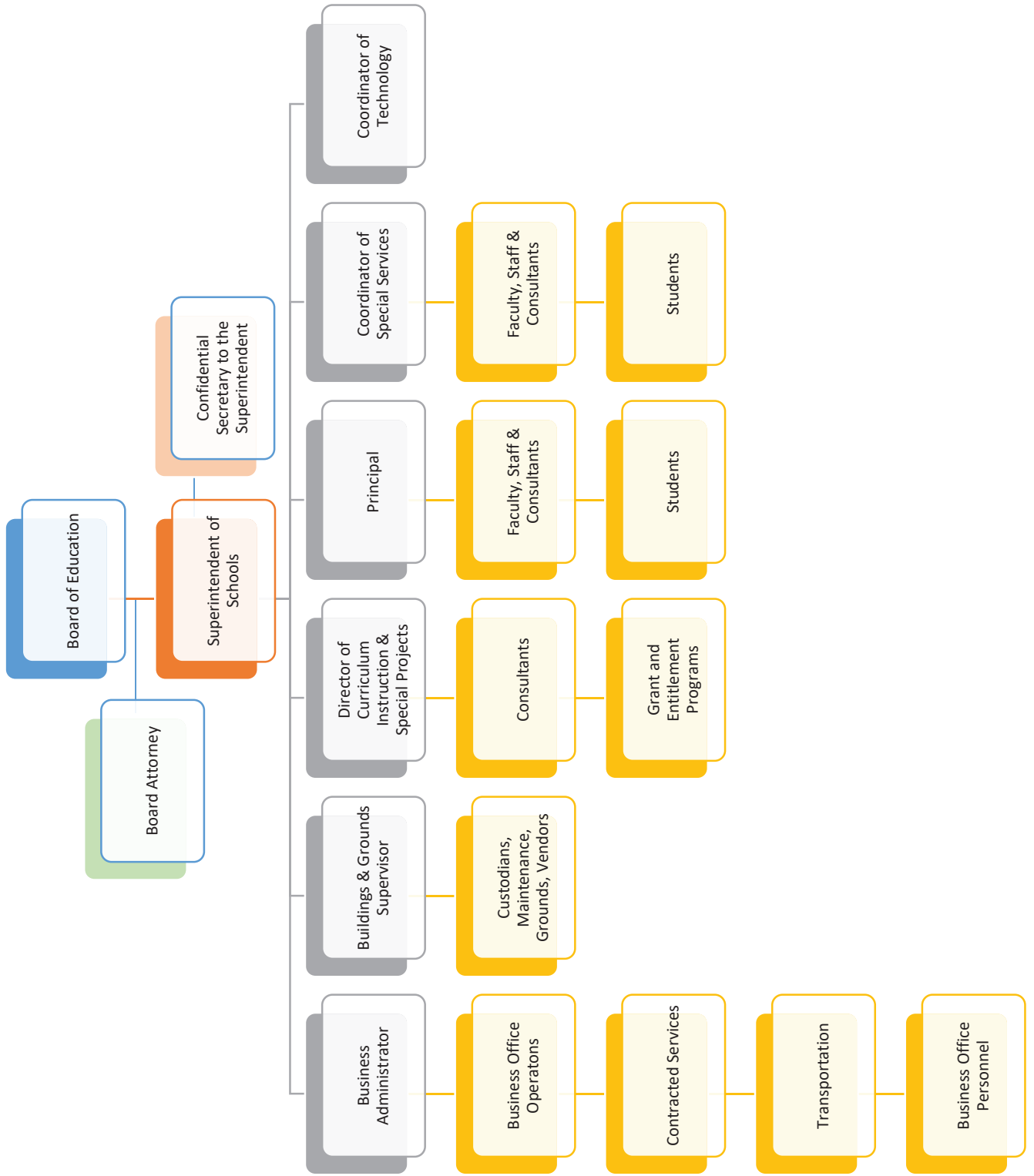


Dr. Sue DeNobile  
Superintendent of Schools



Cheryl Jiosi  
Business Administrator/Board Secretary

# ROCHELLE PARK SCHOOL DISTRICT ORGANIZATIONAL CHART



**ROCHELLE PARK SCHOOL DISTRICT**  
**ROSTER OF OFFICIALS**  
**JUNE 30, 2021**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Matt Trawinski, President	2022
Scott Kral, Vice President	2023
Adib Abboud	2021
Christina Holz	2022
Teresa Judge-Cravello	2021
Charles Schaadt	2023
Joseph Marolda	2023

<u>Other Officials</u>	<u>Title</u>
Dr. Sue DeNobile	Superintendent of Schools effective
Cheryl Jiosi	Business Administrator/Board Secretary
Ellen Kobylarz	Recording Secretary
Mark Jacobus	Treasurer of School Monies
Michael Alberta	Midland School Principal
Matthew J. Giacobbe	Board Attorney

# **ROCHELLE PARK SCHOOL DISTRICT**

Consultants and Advisors  
Fiscal Year Ended June 30, 2021

## **Audit Firm**

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

## **Attorney**

Matthew J. Giacobbe  
Cleary|Giacobbe|Alfieri|Jacobs LLC  
169 Ramapo Valley Road  
Upper Level Suite 105  
Oakland, New Jersey 07436

## **Architect**

Albert F. Zaccone, AIA  
Six Casson Lane  
North Haledon, New Jersey 07508

## **Official Depository**

Capital One Bank  
Government Banking  
499 Thornall Street – 11th Floor  
Edison, New Jersey 08837

FINANCIAL SECTION

## Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Rochelle Park School District  
County of Bergen, New Jersey

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

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

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

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

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

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

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

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

***Opinions***

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

***Emphasis of Matter***

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

***Other Matters***

***Required Supplementary Information***

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

***Other Information***

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



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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2021 on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.

November 2, 2021  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*  
\_\_\_\_\_  
Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION -  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**Rochelle Park School District  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2021**

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

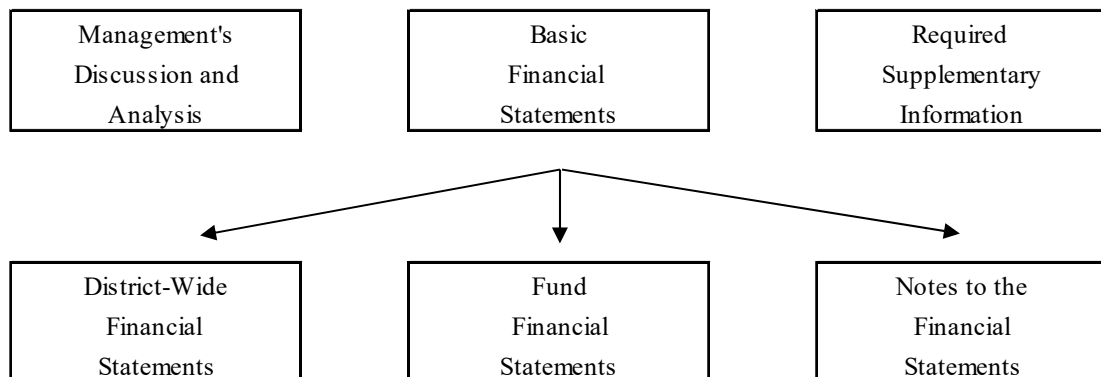
**Overview of the Financial Statements**

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

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

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

**Figure A-1  
Organization of Rochelle Park School District's Financial Report**



**Rochelle Park School District  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2021**

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

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

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

**Rochelle Park School District  
Management's Discussion and Analysis  
For 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 the District's assets, deferred inflows and outflows, and liabilities. All of the current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

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

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

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

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

**Fund Financial Statements**

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

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

The District has two kinds of funds:

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

**Rochelle Park School District  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2021**

**Notes to the Basic Financial Statements**

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

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

*Net Position.* The District's net position is shown in Figure A-3.

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

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change
	2021	2020*	2021	2020	2021	2020*	
Current and Other Assets	\$ 3,098,401	\$ 2,968,310	\$ 48,903	\$ 38,036	\$ 3,147,304	\$ 3,006,346	
Capital Assets, Net	9,211,817	8,596,969	12,786	8,919	9,224,603	8,605,888	
Total Assets	<u>12,310,218</u>	<u>11,565,279</u>	<u>61,689</u>	<u>46,955</u>	<u>12,371,907</u>	<u>11,612,234</u>	6.54%
Deferred Outflows of Resources	<u>308,045</u>	<u>400,019</u>			<u>308,045</u>	<u>400,019</u>	-22.99%
Other Liabilities	373,883	290,439	5,526	3,099	379,409	293,538	
Long-Term Liabilities	<u>6,605,018</u>	<u>6,782,173</u>			<u>6,605,018</u>	<u>6,782,173</u>	
Total Liabilities	<u>6,978,901</u>	<u>7,072,612</u>	<u>5,526</u>	<u>3,099</u>	<u>6,984,427</u>	<u>7,075,711</u>	-1.29%
Deferred Inflows of Resources	<u>687,304</u>	<u>766,541</u>			<u>687,304</u>	<u>766,541</u>	-10.34%
Net Position:							
Net Investment in Capital Assets	3,929,440	3,324,871	12,786	8,919	3,942,226	3,333,790	
Restricted	1,838,628	1,975,052			1,838,628	1,975,052	
Unrestricted/(Deficit)	<u>(816,010)</u>	<u>(1,173,778)</u>	<u>43,377</u>	<u>34,937</u>	<u>(772,633)</u>	<u>(1,138,841)</u>	
Total Net Position	<u>\$ 4,952,058</u>	<u>\$ 4,126,145</u>	<u>\$ 56,163</u>	<u>\$ 43,856</u>	<u>\$ 5,008,221</u>	<u>\$ 4,170,001</u>	20.10%

\* - Restated

**Rochelle Park School District  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2021**

*Changes in net position.* The District's *combined net position* was \$5,008,221 on June 30, 2021, \$838,220 or 20.10% higher than the year before (See Figure A-3). The net position of the governmental activities increased by \$825,913 primarily due to current year bond maturities, unexpended budget balances, and a decrease in the net pension liability. The net position of the business-type activities increased by \$12,307 primarily due to the increase in federal and state subsidy reimbursements and a decrease in food service operating expenses offset by a decrease in daily food sales.

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

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2021	2020	2021	2020	2021	2020	
Revenue:							
Program Revenue:							
Charges for Services	\$ 51,635	\$ 17,913	\$ 4,201	\$ 221,507	\$ 55,836	\$ 239,420	
Operating Grants and Contributions	3,441,863	2,925,395	194,404	62,174	3,636,267	2,987,569	
General Revenue:							
Property Taxes	12,385,087	11,948,142			12,385,087	11,948,142	
Unrestricted Federal & State Aid & Local Grants	203,416	206,675			203,416	206,675	
Other	232,875	166,603			232,875	166,603	
Total Revenue	<u>16,314,876</u>	<u>15,264,728</u>	<u>198,605</u>	<u>393,351</u>	<u>16,513,481</u>	<u>15,548,409</u>	6.21%
Expenses:							
Instruction	7,605,129	7,033,108			7,605,129	7,033,108	
Tuition	3,627,327	3,334,545			3,627,327	3,334,545	
Pupil & Instruction Services	1,564,564	1,715,875			1,564,564	1,715,875	
Administrative & Business	1,281,864	1,116,033			1,281,864	1,116,033	
Maintenance & Operations	802,627	709,661			802,627	709,661	
Transportation	366,190	321,835			366,190	321,835	
Other	230,358	281,392	191,618	370,531	421,976	651,923	
Total Expenses	<u>15,478,059</u>	<u>14,512,449</u>	<u>191,618</u>	<u>378,078</u>	<u>15,669,677</u>	<u>14,882,980</u>	5.29%
Other Items	<u>(10,904)</u>		<u>5,320</u>		<u>(5,584)</u>		100%
Increase/(Decrease) in Net Position	<u>\$ 825,913</u>	<u>\$ 752,279</u>	<u>\$ 12,307</u>	<u>\$ 23,491</u>	<u>\$ 838,220</u>	<u>\$ 665,429</u>	25.97%

**Rochelle Park School District  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2021**

**Governmental Activities**

As discussed elsewhere in this commentary, the financial position of the District improved significantly over the prior year. However, maintaining existing programs as well as providing for a multitude of improved programs and services for special needs pupils place great demands on the District's resources. Careful management of expenses remains essential for the District to sustain its financial health. Among the many significant cost savings actions implemented or continued during the year were:

- A significant number of special needs pupils continue to be educated in programs within the District rather than being sent out-of-District whereby the District would have to pay tuition as well as increased transportation costs. Rochelle Park School District has been cited for its inclusion programs.
- Rochelle Park School District is maximizing its joint purchasing/cooperative agreements. We currently jointly purchase supplies (teaching, custodial, etc.), and insurances (health, property/casualty). The District also participates in an energy purchasing consortium (ACES) and a telecommunication services consortium (ACTS).

It is crucial that the District examine its expenses carefully. Increasing parental and student demands for new activities and programs must be evaluated thoroughly.

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

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

	Total		Net	
	Cost of Services		Cost of Services	
	2021	2020	2021	2020
Instruction	\$ 7,605,129	\$ 7,033,108	\$ 4,305,916	\$ 4,566,371
Tuition	3,627,327	3,334,545	3,627,327	3,334,545
Pupil & Instruction Services	1,564,564	1,715,875	1,558,609	1,401,707
Administrative and Business	1,281,864	1,116,033	1,214,300	1,065,223
Maintenance & Operations	802,627	709,661	802,627	707,721
Transportation	366,190	321,835	245,424	212,182
Other	230,358	281,392	230,358	281,392
<b>Total</b>	<b>\$ 15,478,059</b>	<b>\$ 14,512,449</b>	<b>\$ 11,984,561</b>	<b>\$ 11,569,141</b>



**Rochelle Park School District  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2021**

**Business-Type Activities**

Net position of the business-type activities increased by \$12,307 due to the increase in federal and state subsidy reimbursements and a decrease in food service operating expenses offset by a decrease in daily food sales

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

Difficult economic times have had a direct impact upon the District's revenue sources. As overall revenue for the District is strained, the amount of funds generated for using surplus to reduce the tax levy likewise decreases. The ratables in the municipality of the District have decreased, thus generating concern for the local tax levy in the future.

All of these factors are likely to continue for the next several years. To maintain a stable financial position, the District must continue to practice sound fiscal management.

**General Fund Budgetary Highlights**

The 2020/2021 budget is reflective of the District's desire to provide its students and staff with the best opportunities, in a safe learning environment while being responsible to its taxpayers. Through careful budgeting, prudent planning and internal controls and the use of cooperative purchasing the District has been successful in maximizing its available resources.

Over the course of the year, the District revised its annual operating budget several times. These budget amendments were for changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.

**Capital Assets**

**Figure A-6  
Capital Assets (net of depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		Total
	2021	2020*	2021	2020	2021	2020*	Percentage Change
Sites (Land)	\$ 15,740	\$ 15,740			\$ 15,740	\$ 15,740	
Construction in Progress		6,878,386				6,878,386	
Site Improvements	15,430	31,418			15,430	31,418	
Buildings & Building							
Improvements	8,520,820	1,467,182			8,520,820	1,467,182	
Machinery & Equipment	659,827	204,243	\$ 12,786	\$ 8,919	672,613	213,162	
Total	<u>\$ 9,211,817</u>	<u>\$ 8,596,969</u>	<u>\$ 12,786</u>	<u>\$ 8,919</u>	<u>\$ 9,224,603</u>	<u>\$ 8,605,888</u>	7.19%

\* - Restated

During the fiscal year, the District's governmental activities recorded \$907,366 in capital asset additions and depreciated \$292,518 of its capital assets. The District's business-type activities depreciated \$1,453 of its equipment and reflect a capital asset adjustment of \$5,320.

**Rochelle Park School District  
Management’s Discussion and Analysis  
For Fiscal Year Ended June 30, 2021**

**Long-Term Liabilities**

At year-end, the District had \$4,838,000 in general obligation bonds, as well as other long-term liabilities outstanding – a total decrease of \$177,155 from last year – as shown in Figure A-7. (More detailed information about the District’s long-term liabilities is presented in Note 6 to the financial statements.)

**Figure A-7**

**Outstanding Long-Term Liabilities**

	Total School District		Total
	2021	2020	Percentage Change 2020-2021
General Obligation Bonds	\$4,838,000	\$5,138,000	
Capital Leases Payable	444,377	134,098	
Net Pension Liability	1,142,673	1,310,820	
Compensated Absences Payable	179,968	199,255	
<b>Total</b>	<b>\$6,605,018</b>	<b>\$6,782,173</b>	-2.61%

**Looking Ahead**

BUILDING FOR THE FUTURE

As we look to the future, the District will revisit considerations for the Main and William Street parking lots as well as traffic safety features to these areas. These processes were halted by the COVID-19 pandemic as online learning did not allow for a proper traffic study. Given the increased electrical capacity, the District had already installed air conditioning systems and is now in a position to consider the possibility of a modest facilities expansion project to accommodate anticipated student population growth as well as the demands of a dynamic and diverse set of curricular offerings. The District is implementing plans to build a STEAM lab to promote student learning and achievement.

PLANNING FOR THE FUTURE

The Rochelle Park Public School District is actively addressing the economic challenges which are affecting New Jersey public school districts. Some of our financial goals are as follows:

- ✓ carefully develop balanced budgets for revenues and expenditures for all funds.
- ✓ ensure expenditures are within the budgeted amounts.
- ✓ monitor the budgets on an ongoing basis and ensure that appropriations are not overspent.
- ✓ develop a long-term (five-year) fiscal plan and update it annually.
- ✓ Continually investigate cost-savings measures which will allow the district to maintain and improve its programs in times of stagnant state funding

**BASIC FINANCIAL STATEMENTS**

DISTRICT-WIDE FINANCIAL STATEMENTS

ROCHELLE PARK SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2021

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,083,934	\$ 15,055	\$ 1,098,989
Receivables from Federal Government	41,026	25,759	66,785
Receivables from State Government	229,516	2,074	231,590
Receivables from Other Governments	120,836		120,836
Other Receivables	110,736		110,736
Restricted Cash and Cash Equivalents	1,512,353		1,512,353
Inventory		6,015	6,015
Capital Assets, Net:			
Sites (Land) and Construction in Progress	15,740		15,740
Depreciable Site Improvements, Buildings and Building Improvements, Machinery and Equipment	9,196,077	12,786	9,208,863
Total Assets	12,310,218	61,689	12,371,907
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows Related to Pensions	308,045		308,045
Total Deferred Outflows of Resources	308,045		308,045
<b>LIABILITIES</b>			
Accounts Payable	330,520		330,520
Accrued Interest Payable	41,747		41,747
Unearned Revenue	1,616	5,526	7,142
Noncurrent Liabilities:			
Due Within One Year	421,419		421,419
Due Beyond One Year	6,183,599		6,183,599
Total Liabilities	6,978,901	5,526	6,984,427
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to Pensions	687,304		687,304
Total Deferred Inflows of Resources	687,304		687,304
<b>NET POSITION</b>			
Net Investment in Capital Assets	\$ 3,929,440	\$ 12,786	\$ 3,942,226
Restricted for:			
Debt Service	1		1
Capital Projects	1,273,187		1,273,187
Maintenance	200,000		200,000
Unemployment Compensation	55,951		55,951
Student Activities	20,487		20,487
Scholarships	565		565
Excess Surplus	288,437		288,437
Unrestricted/(Deficit)	(816,010)	43,377	(772,633)
Total Net Position	\$ 4,952,058	\$ 56,163	\$ 5,008,221

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

ROCHELLE PARK SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Functions/Programs	Program Revenue			Net Expense and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 5,292,455	\$ 45,680	\$ 1,810,895	\$ (3,435,880)		\$ (3,435,880)
Special Education	1,868,259		1,293,493	(574,766)		(574,766)
Other Special Instruction	423,286		142,673	(280,613)		(280,613)
School Sponsored/Other Instruction	21,129		6,472	(14,657)		(14,657)
Support Services:						
Tuition	3,627,327			(3,627,327)		(3,627,327)
Student & Instruction Related Services	1,564,564	5,955		(1,558,609)		(1,558,609)
General Administrative Services	570,735			(570,735)		(570,735)
School Administrative Services	284,466		67,564	(216,902)		(216,902)
Central Services	244,375			(244,375)		(244,375)
Administration Information Technology	182,288			(182,288)		(182,288)
Plant Operations and Maintenance	802,627			(802,627)		(802,627)
Pupil Transportation	366,190		120,766	(245,424)		(245,424)
Capital Outlay	14,603			(14,603)		(14,603)
Transfer of Funds to Charter Schools	60,910			(60,910)		(60,910)
Interest on Long-Term Debt	154,845			(154,845)		(154,845)
Total Governmental Activities	15,478,059	51,635	3,441,863	(11,984,561)		(11,984,561)
Business-Type Activities:						
Latchkey Program	1,978	787			\$ (1,191)	(1,191)
Food Service	189,640	3,414	194,404		8,178	8,178
Total Business-Type Activities	191,618	4,201	194,404		6,987	6,987
Total Primary Government	\$ 15,669,677	\$ 55,836	\$ 3,636,267	\$ (11,984,561)	6,987	\$ (11,977,574)

ROCHELLE PARK SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Net Expense and Changes in Net Position		
<u>Functions/Programs</u>	Governmental Activities	Business-type Activities	Total
General Revenues and Other Items:			
Taxes:			
Property Taxes, Levied for General Purposes, Net	\$ 12,081,602		\$ 12,081,602
Taxes Levied for Debt Service	303,485		303,485
Federal and State Aid and Local Grants Not Restricted	203,416		203,416
Miscellaneous Income	232,875		232,875
Other Items:			
Cancellation of Lease Purchase Agreement Proceeds	(10,904)		(10,904)
Capital Assets Adjustment		\$ 5,320	5,320
Total General Revenues and Other Items	12,810,474	5,320	12,815,794
Change in Net Position	825,913	12,307	838,220
Net Position - Beginning - (Restated)	4,126,145	43,856	4,170,001
Net Position - Ending	\$ 4,952,058	\$ 56,163	\$ 5,008,221

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

FUND FINANCIAL STATEMENTS



ROCHELLE PARK SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 1,057,546		\$ 26,388		\$ 1,083,934
Receivables From Federal Government		\$ 41,026			41,026
Receivables From State Government	229,516				229,516
Receivables From Other Governments	120,836				120,836
Interfund Receivable	46,563		26	\$ 22,802	69,391
Other Receivables	110,736				110,736
Restricted Cash and Cash Equivalents	1,491,301	21,052			1,512,353
<b>Total Assets</b>	<b>\$3,056,498</b>	<b>\$ 62,078</b>	<b>\$ 26,414</b>	<b>\$ 22,802</b>	<b>\$ 3,167,792</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Interfund Payable	\$ 27	\$ 23,761	\$ 22,802	\$ 22,801	\$ 69,391
Accounts Payable	226,871	15,649			242,520
Unearned Revenue		1,616			1,616
<b>Total Liabilities</b>	<b>226,898</b>	<b>41,026</b>	<b>22,802</b>	<b>22,801</b>	<b>313,527</b>
<b>Fund Balances:</b>					
<b>Restricted:</b>					
Capital Reserve	1,235,350				1,235,350
Maintenance Reserve	200,000				200,000
Excess Surplus 2022-2023	38,437				38,437
Excess Surplus 2021-2022	250,000				250,000
Unemployment Compensation	55,951				55,951
Student Activities		20,487			20,487
Scholarships		565			565
Capital Projects Fund			37,837		37,837
Debt Service				1	1
<b>Assigned:</b>					
Year-End Encumbrances	444,101				444,101
Designated for Subsequent Year's Expenditures	6,691				6,691
Unassigned/(Deficit)	599,070		(34,225)		564,845
<b>Total Fund Balances</b>	<b>2,829,600</b>	<b>21,052</b>	<b>3,612</b>	<b>1</b>	<b>2,854,265</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$3,056,498</b>	<b>\$ 62,078</b>	<b>\$ 26,414</b>	<b>\$ 22,802</b>	<b>\$ 3,167,792</b>

ROCHELLE PARK SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021

Amounts Reported for *Governmental Activities* in the Statement of Net Position (A-1) are Different Because:

Total Fund Balances from above:	\$ 2,854,265
Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds.	9,211,817
Interest on long-term debt is not accrued in the Governmental Funds, but rather is recognized as an expenditure when due.	(41,747)
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.	(5,462,345)
The Net Pension Liability for PERS is not due and payable in the current period and is not reported in the Governmental Funds.	(1,142,673)
Certain amounts related to the Net Pension Liability are deferred and amortized in the Statement of Activities and are not reported in the Governmental Funds.	
Deferred Outflows	220,045
Deferred Inflows	<u>(687,304)</u>
Net Position of Governmental Activities	<u>\$ 4,952,058</u>

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

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUE:</b>					
Local Sources:					
Local Tax Levy	\$ 12,081,602			\$ 303,485	\$ 12,385,087
Tuition from Individuals	45,680				45,680
Interest Earned on Capital Reserve Funds	1,633				1,633
Restricted Miscellaneous	27,143	\$ 5,955			33,098
Unrestricted Miscellaneous	204,099	710			204,809
Total - Local Sources	<u>12,360,157</u>	<u>6,665</u>		<u>303,485</u>	<u>12,670,307</u>
State Sources	2,719,493			156,342	2,875,835
Federal Sources	341,613				341,613
Total Revenue	<u>15,079,650</u>	<u>348,278</u>		<u>459,827</u>	<u>15,887,755</u>
<b>EXPENDITURES:</b>					
Current:					
Regular Instruction	2,900,448				3,095,370
Special Education Instruction	1,010,250	194,922			1,157,651
Other Special Instruction	232,842	147,401			232,842
School Sponsored/Other Instruction	12,387				12,387
Support Services and Undistributed Costs:					
Tuition	3,627,327				3,627,327
Student & Instruction Related Services	1,282,862	8,535			1,291,397
General Administrative Services	338,952				338,952
School Administrative Services	167,096				167,096
Central Services	214,706				214,706
Administration Information Technology	133,269				133,269

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>EXPENDITURES (Cont'd):</b>					
Support Services and Undistributed Costs: (Cont'd)					
Plant Operations and Maintenance	\$ 745,815				\$ 745,815
Pupil Transportation	361,208				361,208
Unallocated Benefits	3,400,349				3,400,349
Debt Service:					
Principal				\$ 300,000	300,000
Interest and Other Charges				159,827	159,827
Capital Outlay	893,390		\$ 36,150		929,540
Transfer of Funds to Charter Schools	60,910				60,910
Total Expenditures	<u>15,381,811</u>	<u>\$ 350,858</u>	<u>36,150</u>	<u>459,827</u>	<u>16,228,646</u>
Excess/(Deficit) of Revenue Over/(Under) Expenditures	<u>(302,161)</u>	<u>(2,580)</u>	<u>(36,150)</u>		<u>(340,891)</u>
Other Financing Sources/(Uses):					
Cancellation of Lease Purchase Agreement Proceeds			(10,904)		(10,904)
Capital Leases (Non-Budgeted)	399,460				399,460
Total Other Financing Sources/(Uses)	<u>399,460</u>		<u>(10,904)</u>		<u>388,556</u>
Net Change in Fund Balances	97,299	(2,580)	(47,054)		47,665
Fund Balance - July 1 (Restated)	2,732,301	23,632	50,666	1	2,806,600
Fund Balance - June 30	<u>\$ 2,829,600</u>	<u>\$ 21,052</u>	<u>\$ 3,612</u>	<u>\$ 1</u>	<u>\$ 2,854,265</u>

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

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

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ 47,665

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

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

	Depreciation Expense	\$ (292,518)
	Capital Outlays	<u>907,366</u>
		614,848

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

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

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

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

Changes in Net Pension Liability	168,147
Change in Deferred Outflows	(97,974)
Change in Deferred Inflows	<u>79,237</u>

In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. When the accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition in the reconciliation. (+)

Capital leases entered into by the district is an other financing source in the governmental funds, however, the acquisition increases long-term liabilities in the statement of net position and is not reported in the statement of activities.

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

	(399,460)
	<u>\$ 825,913</u>

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

ROCHELLE PARK SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2021

	<u>Total Business-Type Activities</u> <u>Total Non-Major Enterprise Funds</u>
<u>ASSETS:</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 15,055
Accounts Receivable:	
Federal	25,759
State	2,074
Inventory	<u>6,015</u>
Total Current Assets	<u>48,903</u>
Non-Current Assets:	
Capital Assets	72,183
Accumulated Depreciation	<u>(59,397)</u>
Total Non-Current Assets	<u>12,786</u>
Total Assets	<u>61,689</u>
<u>LIABILITIES:</u>	
Current Liabilities:	
Unearned Revenue - Donated Commodities	974
Unearned Revenue - Prepaid Sales	<u>4,552</u>
Total Current Liabilities	<u>5,526</u>
<u>NET POSITION:</u>	
Investment in Capital Assets	12,786
Unrestricted	<u>43,377</u>
Total Net Position	<u>\$ 56,163</u>

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

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

	Total Business-Type Activities
	Total Non-Major Enterprise Funds
Operating Revenue:	
Local Sources:	
Daily Sales - Nonreimbursable Meals	\$ 3,414
Program Fees	787
	4,201
Total Operating Revenue	4,201
Operating Expenses:	
Cost of Sales for Reimbursable Programs	85,296
Cost of Sales for Nonreimbursable Programs	429
Salaries, Benefits & Payroll Taxes	43,080
Other Purchased Services	38,441
Management Fee	15,990
Supplies and Materials	5,201
Miscellaneous Expenses	1,728
Depreciation	1,453
	191,618
Total Operating Expenses	191,618
Operating Loss	(187,417)
Non-Operating Revenue:	
Federal Sources:	
COVID 19 - Seamless Summer Option:	
Lunch	109,806
Breakfast Program	57,970
U.S.D.A. Commodities	19,980
State Sources:	
COVID 19 - Seamless Summer Option - Lunch	6,648
	194,404
Total Non-Operating Revenue	194,404
Change in Net Position Before Other Items	6,987
Other Items:	
Capital Asset Adjustment	5,320
	5,320
Total Other Items	5,320
Change in Net Position	12,307
Net Position - Beginning of Year	43,856
Net Position - End of Year	\$ 56,163

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

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

	Total Business-Type Activities
	Total Non-Major Enterprise Funds
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 7,781
Payments to/for Employees	(250)
Payments to Food Service Contractor	(171,200)
Payments to Suppliers	(1,728)
	(165,397)
Net Cash Used for Operating Activities	
Cash Flows from Noncapital Financing Activities:	
Cash Received from General Fund - Interfund	5,797
Cash Received From Federal Reimbursements - Collected in Food Service Fund	147,773
Cash Received From State Reimbursements - Collected in Food Service Fund	4,633
	158,203
Net Cash Provided by Noncapital Financing Activities	
Net Decrease in Cash and Cash Equivalents	(7,194)
Cash and Cash Equivalents, July 1	22,249
Cash and Cash Equivalents, June 30	\$ 15,055
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	
Operating Loss	\$ (187,417)
Adjustment to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Depreciation	1,453
Food Distribution Program	19,980
Changes in Assets and Liabilities:	
Decrease/(Increase) in Inventory	(1,840)
Increase/(Decrease) in Accounts Payable	(1,617)
Increase/(Decrease) in Unearned Revenue - Prepaid Sales	3,580
Increase/(Decrease) in Unearned Revenue - Donated Commodities	464
	(165,397)
Net Cash Used for Operating Activities	\$ (165,397)
<u>Noncash Investing and Financing Activities:</u>	
The Food Service Enterprise Fund received U.S.D.A Commodities Through the Food Distribution Program Valued at \$20,444 and utilized \$19,980 for the fiscal year ended June 30, 2021.	

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



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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences, and tuition reimbursements.

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

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

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

Fund Financial Statements:

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

The District reports the following governmental funds:

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

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

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

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

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

B. Basis of Presentation: (Cont'd)

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

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

The District reports the following proprietary funds:

Food Service Enterprise Fund: The Food Service Fund accounts for all revenue and expenses pertaining to the Board's cafeteria operations.

Latchkey Program Enterprise Fund: The Latchkey Program Fund accounts for all revenue and expenses pertaining to the Board's after school childcare program.

The funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

C. Measurement Focus and Basis of Accounting:

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

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

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

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

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

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

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

D. Budgets/Budgetary Control:

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

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

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

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

The Capital Projects Fund budgetary revenue differs from GAAP revenue due to a difference in the recognition of SDA grants. These grants are recognized on the budgetary basis in full when they are awarded but recognized on the GAAP basis only to the extent of expenditures which have been submitted for reimbursement.

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

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

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

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 15,086,294	\$ 357,385
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis recognizes Encumbrances as Revenue and Expenditures, whereas the GAAP Basis does not.		
Current Year Encumbrances		(9,331)
Prior Year Encumbrances		224
Prior Year State Aid Payments Recognized for GAAP Statements	22,415	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(29,059)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 15,079,650	\$ 348,278
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 15,381,811	\$ 359,965
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.		
		(9,107)
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 15,381,811	\$ 350,858
		Capital Projects Fund
		Fund Balance
Summary Schedule of Revenue, Expenditures and Changes in Fund Balance (Budgetary Basis) (per Exhibit F-1)		
Restricted		\$ 19,271
Restricted - Year End Encumbrances		18,566
Committed		87,975
Total Revenue/Fund Balance - Budgetary Basis		125,812
Reconciliation to Governmental Funds Statement (GAAP):		
SDA Grants are Recognized as Revenue on the Budgetary Basis when awarded but are not Recognized on the GAAP Basis until Expended and submitted for reimbursement.		
		(122,200)
Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds (GAAP Basis) (per Exhibit B-2)		\$ 3,612

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

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

E. Cash and Cash Equivalents, and Investments

Cash and cash equivalents include petty cash, change funds, amount in deposits, and short-term investments transaction between market participants at the measurement date.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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

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

F. Interfund Transactions:

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

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

G. Allowance for Uncollectible Accounts:

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

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

(Continued)

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

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

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

K. Capital Assets:

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

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

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

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

K. Capital Assets: (Cont'd)

	Estimated Useful Life
Buildings and Building Improvements	50 Years
Site Improvements	20 Years
Machinery and Equipment	10 to 15 Years

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

L. Long Term Liabilities:

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

M. Accrued Salaries and Wages:

The District allows employees who provide services to the District over the ten-month academic year the option to have their salaries evenly disbursed during the entire twelve month year; therefore, there were \$178,137 of accrued salaries and wages as of June 30, 2021.

N. Compensated Absences:

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

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

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

O. Unearned Revenue:

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



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

P. Fund Balance Appropriated:

General Fund: Of the \$2,829,600 General Fund fund balance at June 30, 2021, \$444,101 is assigned for year-end encumbrances, \$55,951 is restricted for unemployment compensation, \$1,235,350 is restricted in the capital reserve account, \$200,000 is restricted in the maintenance reserve account; \$250,000 is prior year excess surplus and has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2022; \$38,437 is restricted for current year excess surplus in accordance with N.J.S.A. 18A:7F-7, as amended and will be included as anticipated revenue for the year ending June 30, 2023, \$6,691 is assigned and designated for subsequent year's expenditures and \$599,070 is unassigned fund balance (which is \$29,059 less than the calculated maximum unassigned fund balance, on a GAAP basis, due to the final state aid payments, which are not recognized until the fiscal year ended June 30, 2022).

Special Revenue Fund: The Special Revenue Fund fund balance at June 30, 2021 is \$21,052 and is restricted for scholarships and student activities.

Debt Service Fund: The Debt Service Fund fund balance at June 30, 2021 is \$1 and is restricted.

Capital Projects Fund: Of the \$3,612 Capital Projects Fund balance at June 30, 2021, \$37,837 is restricted, and there is a deficit of (\$34,225) in unassigned fund balance. The unassigned fund balance is \$122,200 less than the budgetary basis due to SDA grants receivable not recognized on a GAAP basis until the expenditures are submitted for reimbursement.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, c.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had excess surplus at June 30, 2021 as detailed above.

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$29,059 as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event state school aid payments are not made until the following school budget year, districts must record the related state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize the last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments.

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

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

Q. Deficit Net Position and Fund Balance:

The District has a deficit in unrestricted net position of \$816,010 in governmental activities, which is primarily due to compensated absences payable and net pension liability and related deferred inflows and outflows. The District has a deficit in unassigned fund balance of \$34,425 in the Capital Projects Fund, which is due to the SDA grant receivable not being recognized on the GAAP basis until the related reimbursement requests are submitted to the State. These deficits do not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

R. Net Position:

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

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

The District had deferred inflows of resources at June 30, 2021 related to pensions.

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

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

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

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

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

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

S. Fund Balance Restrictions, Commitments and Assignments:

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

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

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District had committed resources at June 30, 2021 on the budgetary basis in the Capital Projects Fund.

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

T. Revenue - Exchange and Nonexchange Transactions:

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

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

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

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

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

U. Operating Revenue and Expenses:

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

V. Management Estimates:

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

W. Pensions:

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

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

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

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

Credit Risk - The District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed in the section entitled Investments of this note.

Deposits:

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

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

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

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located.

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

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

Investments: (Cont'd)

- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.). ;
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
  - (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
  - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
  - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
  - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and

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

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

Investments: (Cont'd)

- (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

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

	Restricted Cash and Cash Equivalents	Cash and Cash Equivalents	Total
Checking Accounts	\$ 1,512,353	\$ 1,098,989	\$ 2,611,342

During the period ended June 30, 2021, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2021, was \$2,611,342 and the bank balance was \$3,286,201.

NOTE 4. CAPITAL RESERVE ACCOUNT

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

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

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

Balance July 1, 2020	\$ 1,233,717
Deposits:	
Interest	1,633
Balance June 30, 2021	\$ 1,235,350

The balance in the capital reserve at June 30, 2021 did not exceed the balance of local support costs of uncompleted capital projects in the District's approved LRFP.

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

NOTE 5. CAPITAL ASSETS

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

	(Restated) Beginning Balance	Increases/ Adjustments	Decreases/ Adjustments	Ending Balance
Governmental Activities:				
Capital Assets not being Depreciated:				
Sites (Land)	\$ 15,740			\$ 15,740
Construction in Progress	6,878,386	\$ 36,150	\$(6,914,536)	
Total Capital Assets not Being Depreciated	6,894,126	36,150	(6,914,536)	15,740
Capital Assets Being Depreciated:				
Site Improvements	319,765			319,765
Buildings and Building Improvements	3,221,981	368,324	6,914,536	10,504,841
Machinery and Equipment	584,221	502,892	(140,012)	947,101
Total Capital Assets Being Depreciated	4,125,967	871,216	6,774,524	11,771,707
Governmental Activities Capital Assets	11,020,093	907,366	(140,012)	11,787,447
Less Accumulated Depreciation for:				
Site Improvements	(288,347)	(15,988)		(304,335)
Buildings and Building Improvements	(1,754,799)	(229,222)		(1,984,021)
Machinery and Equipment	(379,978)	(47,308)	140,012	(287,274)
Total Accumulated Depreciation	(2,423,124)	(292,518)	140,012	(2,575,630)
Governmental Activities Capital Assets, Net of Accumulated Depreciation	8,596,969	614,848		9,211,817
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	66,863	5,320		72,183
Less Accumulated Depreciation	(57,944)	(1,453)		(59,397)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	8,919	3,867		12,786
GRAND TOTAL	\$ 8,605,888	\$ 618,715	\$ -0-	\$ 9,224,603



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

NOTE 5. CAPITAL ASSETS (Cont'd)

The District expended \$36,150 towards construction projects in progress. As of June 30, 2021, the District has \$107,246 of unexpended capital projects fund construction projects as well as \$18,566 of encumbrances.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$	28,954
General Administration		169,645
School Administration		14,012
Administration Information Technology		27,775
Plant Operations and Maintenance		52,132
	<u>\$</u>	<u>292,518</u>

NOTE 6. LONG TERM LIABILITIES

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

	Balance 6/30/2020	Accrued	Retired	Balance 6/30/2021
Compensated Absences Payable	\$ 199,255	\$ 11,300	\$ 30,587	\$ 179,968
Capital Leases Payable	134,098	399,460	89,181	444,377
Net Pension Liability	1,310,820		168,147	1,142,673
Bonds Payable	<u>5,138,000</u>		<u>300,000</u>	<u>4,838,000</u>
	<u>\$ 6,782,173</u>	<u>\$ 410,760</u>	<u>\$ 587,915</u>	<u>\$ 6,605,018</u>

A. Bonds Payable:

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

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

Purpose	Final Maturity Date	Interest Rates	Amount
School Bonds- Series 2014 - Infrastructure Repairs and Building Security Enhancements	3/15/35	3.00%-3.50%	<u>\$ 4,838,000</u>

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

NOTE 6. LONG TERM LIABILITIES (Cont'd)

A. Bonds Payable: (Cont'd)

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

Fiscal Year Ending June 30,	Bonds		Total
	Principal	Interest	
2022	\$ 325,000	\$ 150,828	\$ 475,828
2023	325,000	141,078	466,078
2024	338,000	131,328	469,328
2025	350,000	121,188	471,188
2026	350,000	110,688	460,688
2027 - 2031	1,750,000	395,938	2,145,938
2032 - 2035	1,400,000	119,875	1,519,875
	<u>\$ 4,838,000</u>	<u>\$ 1,170,920</u>	<u>\$ 6,008,920</u>

The 2014 Bonds maturing on or after March 15, 2025 are subject to redemption at the option of the Board in whole or in part on any date on or after March 15, 2024 upon notice as required, at one hundred percent (100%) of the principal amount to be redeemed (the "Redemption Price"), together with interest accrued to the date of redemption.

Date	Sinking Fund Installment
March 15, 2025	\$ 350,000
March 15, 2026	350,000
March 15, 2027	350,000

The 2014 Bonds maturing on March 15, 2027 are subject to mandatory redemption from sinking fund installments made on each March 15, beginning March 15, 2025, and shall be redeemed on the dates set forth below at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Bonds called for redemption, plus interest accrued and unpaid to the date fixed for redemption, according to the schedule set forth below:

Date	Sinking Fund Installment
March 15, 2028	\$ 350,000
March 15, 2029	350,000

The 2014 Bonds maturing on March 15, 2029 are subject to mandatory redemption from sinking fund installments made on each March 15, beginning March 15, 2028, and shall be redeemed on the dates set forth below at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Bonds called for redemption, plus interest accrued and unpaid to the date fixed for redemption, according to the schedule set forth on the following page.

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

NOTE 6. LONG TERM LIABILITIES (Cont'd)

A. Bonds Payable: (Cont'd)

Date	Sinking Fund Installment
March 15, 2030	\$ 350,000
March 15, 2031	350,000
March 15, 2032	350,000
March 15, 2033	350,000
March 15, 2034	350,000
March 15, 2035	350,000

B. Bonds Authorized But Not Issued:

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

C. Capital Leases Payable:

On May 3, 2016 the District entered into a capital lease for energy conservation measures for \$230,000 which is for a period of 10 years and of which \$123,125 has been liquidated as of June 30, 2021. During the current fiscal year, the District entered into a capital lease for whiteboards for \$399,460 for a period of 5 years and of which \$61,958 has been liquidated as of June 30, 2021. The schedule of the future minimum lease payments under the District's capital leases and the present value of the net minimum lease payments at June 30, 2021 are detailed below.

Fiscal Year	Amount
2022	\$ 109,179
2023	109,386
2024	109,444
2025	110,588
2026	38,077
	476,674
Less: Amount representing interest	(32,297)
Present value of net minimum lease payments	\$ 444,377

The current portion of capital leases payable at June 30, 2021 is \$96,419 and the long-term portion is \$347,958. The District liquidated \$89,181 of its capital leases in the current year.

D. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. Of the balance, \$0 is the short-term portion and \$179,968 is the long term portion. The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2021, no liability existed for compensated absences in the Enterprise Funds.

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

NOTE 6. LONG TERM LIABILITIES (Cont'd)

The General Fund will be used to liquidate Compensated Absences Payable and Capital Leases Payable. The Debt Service Fund will be used to liquidate the Serial Bonds.

E. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2021 is \$-0- and the long-term portion is \$1,142,673. See Note 7 for further information on the PERS.

NOTE 7. PENSION PLANS

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

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

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

(Continued)

NOTE 7. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$76,654 for 2021.

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

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

At June 30, 2021, the District's liability was \$1,142,673 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2020, the District's proportion was 0.0070%, which was a decrease of 0.0002% from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the District recognized an actual pension benefit in the amount of (\$71,775). At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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

NOTE 7. PENSION PLANS (Cont'd)

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

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

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2016	5.57	\$ 37,070	
	2017	5.48		\$ (108,163)
	2018	5.63		(106,116)
	2019	5.21		(84,271)
	2020	5.16		(179,898)
			<u>37,070</u>	<u>(478,448)</u>
Changes in Proportion	2016	5.57		(42,549)
	2017	5.48		(28,556)
	2018	5.63		(85,108)
	2019	5.21	123,112	
	2020	5.16		(48,602)
			<u>123,112</u>	<u>(204,815)</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2017	5.00	(13,983)	
	2018	5.00	(12,968)	
	2019	5.00	3,138	
	2020	5.00	62,870	
			<u>39,057</u>	
Difference Between Expected and Actual Experience	2016	5.57	1,124	
	2017	5.48	3,216	
	2018	5.63		(4,041)
	2019	5.21	6,442	
	2020	5.16	10,024	
			<u>20,806</u>	<u>(4,041)</u>
District Contribution Subsequent to the Measurement Date	2020	1.00	88,000	
			<u>\$ 308,045</u>	<u>\$ (687,304)</u>

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

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

NOTE 7. PENSION PLANS (Cont'd)

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

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

Fiscal Year Ending June 30,	Total
2021	\$ (143,385)
2022	(130,723)
2023	(74,705)
2022	(30,209)
2025	(6,534)
	\$ (385,556)

Actuarial Assumptions

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

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

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

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

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

NOTE 7. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

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



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

NOTE 7. PENSION PLANS (Cont'd)

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

Discount Rate

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

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

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

	June 30, 2020		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 1,435,248	\$ 1,142,673	\$ 889,736

Pension plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

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

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

NOTE 7. PENSION PLANS (Cont'd)

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

Benefits Provided

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

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

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

Contributions

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

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

NOTE 7. PENSION PLANS (Cont'd)

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

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. This note discloses the portion of the District's total proportionate share of the net pension liability that is associated with the District. During the fiscal year ended 2021, the State of New Jersey contributed \$1,152,120 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$1,593,679.

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

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

At June 30, 2021, the State's proportionate share of the net pension liability associated with the District was \$25,628,339. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2020, the District's proportion was 0.039%, which was an increase of 0.001% from its proportion measured as of June 30, 2019.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>25,628,339</u>
Total	<u>\$ 25,628,339</u>

For the fiscal year ended June 30, 2020, the State recognized pension expense on behalf of the District in the amount of \$1,593,679 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2021 financial statements. The State reported collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions from the following sources:

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

NOTE 7. PENSION PLANS (Cont'd)

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

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

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

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

NOTE 7. PENSION PLANS (Cont'd)

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

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

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

Fiscal Year Ending June 30,	Total
2021	\$ (262,056,928)
2022	(188,358,995)
2023	(774,147,971)
2024	(1,939,112,462)
2025	(1,466,451,639)
Thereafter	(335,285,618)
	\$ (4,965,413,613)

Actuarial Assumptions

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

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

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

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

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

NOTE 7. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

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

Discount Rate – TPAF

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

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

NOTE 7. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2020		
	At 1% Decrease (4.40%)	At Current Discount Rate (5.40%)	At 1% Increase (6.40%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 30,103,485	\$ 25,628,339	\$ 21,912,481

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

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

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

For DCRP, the District recognized pension expense of \$14,812 for the fiscal year ended June 30, 2021. Employee contributions to DCRP amounted to \$24,686 for the fiscal year ended June 30, 2021.

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

NOTE 8. DEFERRED COMPENSATION

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

The plan administrators for the District's Internal Revenue Code Sections 403(b) plans are as follows:

AXA Equitable	Metropolitan Life
Valic	Lincoln Financial Advisors Corp.
Franklin Templeton	Vanguard

NOTE 9. RISK MANAGEMENT

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

Property, Liability and Health Benefits

The Board is a member of the Northeast Bergen County School Board Insurance Group ("NESBIG"). The NESBIG provides its members with Workers' Compensation, Comprehensive General Liability and Automobile Liability, Property, Boiler and Machinery, and School Board Legal Liability Insurance. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report. The NESBIG is a risk-sharing pool that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the NESBIG are elected.

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

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



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

NOTE 9. RISK MANAGEMENT (Cont'd)

Property, Liability and Health Benefits (Cont'd)

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

	Northeast Bergen County School Board Insurance Group
Total Assets	\$ 33,363,950
Net Position	\$ 20,844,500
Total Revenue	\$ 14,825,180
Total Expenses	\$ 11,386,888
Change in Net Position	\$ 3,438,292
Members Dividends	\$ 2,150,955

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

Burton Agency  
44 Bergen Street  
P.O. Box 270  
Westwood, NJ 07675

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

The following is a summary of the District's contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's Unemployment Compensation Restricted Fund Balance in the General Fund for the current and previous two years:

Fiscal Year	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2020-2021	\$ 7,500	\$ 27,251	\$ 22,515	\$ 55,951
2019-2020	27,500	13,222	22,367	43,715
2018-2019	10,000	11,634	23,860	25,360

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

NOTE 10. ECONOMIC DEPENDENCY

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

NOTE 11. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 46,563	\$ 27
Special Revenue Fund		23,761
Capital Projects Fund	26	22,802
Debt Service Fund	22,802	22,801
	\$ 69,391	\$ 69,391

The interfund receivable in the General Fund is due to cash deficits in the Special Revenue Fund for a cash deficit due to the timing lag between request and reimbursement on federal grants and in the Debt Service Fund due to the interfund receivable in the Debt Service Fund from the Capital Projects Fund for prior year interest earnings on the referendum bank account. The interfund receivable in the Capital Projects Fund is due from the General Fund and is related to a prior year interfund.

NOTE 12. TAX CALENDAR

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

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

NOTE 13. COMMITMENTS AND CONTINGENCIES

Grant Programs

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

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

NOTE 13. COMMITMENTS AND CONTINGENCIES (CONT'D)

Litigation

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

Encumbrances

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

General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
\$ 444,101	\$ 9,331	\$ 18,566	\$ 471,998

On the District's Governmental Funds Balance Sheet as of June 30, 2020, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$9,331 less than the actual year-end encumbrances on a budgetary basis. On the GAAP basis, encumbrances are not recognized until paid and this non-recognition of encumbrances on a GAAP basis is also reflected as either a reduction in grants receivable or an increase in unearned revenue in the Special Revenue Fund. The \$18,566 of year-end encumbrances in the Capital Projects Fund are included in the restricted fund balance at June 30, 2021.

NOTE 14. TRANSFERS TO CAPITAL OUTLAY

There were no transfers to the capital outlay accounts during the fiscal year ended June 30, 2021 which required County Superintendent approval.

NOTE 15. ACCOUNTS PAYABLE

Payables as of June 30, 2021 were as detailed below:

	Governmental Funds		District Contribution Subsequent to the Measurement Date	Total Governmental Activities
	General Fund	Special Revenue Fund		
Vendors	\$ 2,849	\$ 15,649		\$ 18,498
Accrued Salaries and Wages	178,137			178,137
Payroll Deductions and Withholdings	45,885			45,885
State of NJ			\$ 88,000	88,000
	\$ 226,871	\$ 15,649	\$ 88,000	\$ 330,520

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

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

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

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

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

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

Employees Covered by Benefit Terms

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

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

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

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Total Nonemployer OPEB Liability

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

Actuarial Assumptions and Other Inputs

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

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

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

Mortality Rates

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

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

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Health Care Trend Assumptions

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

Discount Rate

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

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

	Total OPEB Liability
Balance at June 30, 2018	\$ 14,153,259
Changes for Year:	
Service Cost	518,290
Interest on the Total OPEB Liability	560,565
Changes of Assumptions	188,671
Differences between Expected and Actual Experience	(2,389,933)
Gross Benefit Payments by the State	(388,438)
Contributions from Members	11,514
Net Changes	(1,499,331)
Balance at June 30, 2019	\$ 12,653,928

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

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

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

	June 30, 2019		
	At 1% Decrease (2.50%)	At Discount Rate (3.50%)	At 1% Increase (4.50%)
Total OPEB Liability Attributable to the District	\$ 14,949,289	\$ 12,653,928	\$ 10,830,619

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

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

	June 30, 2019		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 10,426,273	\$ 12,653,928	\$ 15,602,886

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

For the fiscal year ended June 30, 2021 the District recognized OPEB expense of \$353,488 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

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

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

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

	<u>Deferral</u> <u>Year</u>	<u>Period</u> <u>in Years</u>	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Changes in Assumptions	2017	9.54		\$ 1,473,173
	2018	9.51		1,267,128
	2019	9.29	\$ 168,362	
			<u>168,362</u>	<u>2,740,301</u>
Differences between Expected and Actual Experience	2018	9.51		1,197,830
	2019	9.29		1,981,631
				<u>3,179,461</u>
Changes in Proportion	N/A	N/A	<u>574,778</u>	<u>201,148</u>
			<u>\$ 743,140</u>	<u>\$ 6,120,910</u>

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Total</u>
2020	\$ (772,208)
2021	(772,209)
2022	(772,209)
2023	(772,209)
2024	(772,209)
Thereafter	<u>(1,890,356)</u>
	<u>\$ (5,751,400)</u>



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

NOTE 17. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$200,000 was established by the Rochelle Park School District during the year ended June 30, 2021. The funds for the establishment of this reserve were withdrawn from unassigned general fund balance. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the district by transferring unassigned general fund balance or by transferring excess, unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year’s budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the district’s school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year’s budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Balance at June 30, 2020	\$	100,000
Deposits:		
Transfer by Resolution June 15, 2021		100,000
Balance at June 30, 2021	\$	200,000

NOTE 18: SUBSEQUENT EVENT

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

The District’s Enterprise Funds have been impacted by COVID-19 for the fiscal year ending June 30, 2022 as the District continues to offer free lunch to all students under the Seamless Summer Option. The Latchkey program did not resume during the 2022 fiscal year.

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

NOTE 19. PRIOR PERIOD ADJUSTMENTS

GASB 84, *Fiduciary Activities*, was implemented during the fiscal year ended June 30, 2021. As part of this implementation, the activity for the Unemployment Compensation Insurance Trust Fund which had previously been reported in the Fiduciary Funds is now reported in the General Fund. The Student Activities Fund and Private Purpose Scholarship Trust Fund are now reported in the Special Revenue Fund. The District also made a prior year adjustment to the District Wide Financial Statements to correct the amount of capital assets recorded as of June 30, 2020. The ending balances as of June 30, 2020 were restated due to this implementation as follows:

	Balance June 30, 2020 as Previously Reported	Retroactive Adjustments	Balance June 30, 2020 as Restated
<u>Statement of Net Activities - Governmental Activities:</u>			
Net Position:			
Net Investment in Capital Assets	\$ 3,656,627	\$ (331,756)	\$ 3,324,871
Restricted Net Position	\$ 1,907,705	\$ 67,347	\$ 1,975,052
Net Position - Ending	\$ 4,390,554	\$ (264,409)	\$ 4,126,145
 <u>Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds:</u>			
General Fund:			
Fund Balance - June 30	\$ 2,688,586	\$ 43,715	\$ 2,732,301
 Special Revenue Fund:			
Fund Balance - June 30		\$ 23,632	\$ 23,632
 <u>Statement of Changes in Fiduciary Net Position - Fiduciary Funds:</u>			
Unemployment Compensation Trust:			
Net Position - End of the Year	\$ 43,715	\$ (43,715)	\$ -0-
Private Purpose Scholarship Trust:			
Net Position - End of the Year	\$ 565	\$ (565)	\$ -0-

REQUIRED SUPPLEMENTARY INFORMATION

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

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
District's proportion of the net pension liability	0.0096909750%	0.0097788635%	0.0076854005%	0.0072005062%	0.0063927290%	0.0072748642%	0.0070070872%
District's proportionate share of the net pension liability	\$ 1,814,416	\$ 2,195,159	\$ 2,276,195	\$ 1,676,163	\$ 1,258,696	\$ 1,310,820	\$ 1,142,673
District's covered employee payroll	\$ 643,899	\$ 643,899	\$ 529,650	\$ 498,898	\$ 459,288	\$ 445,578	\$ 515,820
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	281.79%	340.92%	429.75%	335.97%	274.05%	294.18%	221.53%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%

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

ROCHELLE PARK SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT'S CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST SEVEN FISCAL YEARS

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
Contractually required contribution	\$ 79,891	\$ 84,072	\$ 68,359	\$ 67,386	\$ 63,587	\$ 70,763	\$ 76,654
Contributions in relation to the contractually required contribution	(79,891)	(84,072)	(68,359)	(67,386)	(63,587)	(70,763)	(76,654)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 643,899	\$ 529,650	\$ 498,898	\$ 459,288	\$ 445,578	\$ 515,820	\$ 545,066
Contributions as a percentage of covered employee payroll	12.41%	15.87%	13.70%	14.67%	14.27%	13.72%	14.06%

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

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

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
State's proportion of the net pension liability attributable to the District	0.0333773035%	0.0341445621%	0.0364051605%	0.0389545809%	0.0374451254%	0.0388351517%	0.0389199802%
State's proportionate share of the net pension liability attributable to the District	\$ 17,839,082	\$ 21,580,821	\$ 28,638,617	\$ 26,264,583	\$ 23,821,784	\$ 23,833,509	\$ 25,628,339
District's covered employee payroll	\$ 3,552,551	\$ 3,552,551	\$ 3,829,646	\$ 3,934,460	\$ 4,090,352	\$ 4,268,716	\$ 4,304,493
State's proportionate share of the net pension liability attributable to the District as a percentage of District's covered employee payroll	502.15%	607.47%	747.81%	667.55%	582.39%	558.33%	595.39%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.23%	25.41%	26.49%	26.95%	24.60%

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

ROCHELLE PARK SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATE'S CONTRIBUTIONS  
TEACHERS' PENSION AND ANNUITY FUND  
LAST SEVEN FISCAL YEARS

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
Contractually required contribution	\$ 959,910	\$ 1,317,703	\$ 2,151,794	\$ 1,819,477	\$ 1,388,727	\$ 1,405,763	\$ 1,593,679
Contributions in relation to the contractually required contribution	(184,598)	(291,473)	(422,842)	(551,434)	(763,794)	(853,664)	(1,152,120)
Contribution deficiency/(excess)	<u>\$ 775,312</u>	<u>\$ 1,026,230</u>	<u>\$ 1,728,952</u>	<u>\$ 1,268,043</u>	<u>\$ 624,933</u>	<u>\$ 552,099</u>	<u>\$ 441,559</u>
District's covered employee payroll	\$ 3,552,551	\$ 3,829,646	\$ 3,934,460	\$ 4,090,352	\$ 4,268,716	\$ 4,304,493	\$ 4,744,285
Contributions as a percentage of covered employee payroll	5.20%	7.61%	10.75%	13.48%	17.89%	19.83%	24.28%

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

ROCHELLE PARK SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONAL SHARE OF THE TOTAL OPEB LIABILITY  
ATTRIBUTABLE TO THE DISTRICT AND RELATED RATIOS  
LAST THREE FISCAL YEARS

	Fiscal Year Ending June 30,		
	2017	2018	2019
Service Cost	\$ 687,345	\$ 569,393	\$ 518,290
Interest Cost	499,935	581,821	560,565
Changes in Assumptions	(1,999,652)	(1,624,157)	188,671
Differences between Expected and Actual Experience	(872,106)	(872,106)	(2,389,933)
Member Contributions	13,530	13,080	11,514
Gross Benefit Payments	(367,437)	(378,453)	(388,438)
Net Change in Total OPEB Liability	(1,166,279)	(1,710,422)	(1,499,331)
Total OPEB Liability - Beginning	17,029,960	15,863,681	14,153,259
Total OPEB Liability - Ending	<u>\$ 15,863,681</u>	<u>\$ 14,153,259</u>	<u>\$ 12,653,928</u>
State's Covered Employee Payroll *	\$ 4,359,296	\$ 4,433,358	\$ 4,549,640
Total OPEB Liability as a Percentage of Covered Employee Payroll	364%	319%	278%

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

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



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

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

C. State Health Benefit Local Education Retired Employees OPEB Plan

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

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

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

C. State Health Benefit Local Education Retired Employees OPEB Plan (Cont'd)

Changes of Actuarial Assumptions (Cont'd)

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

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

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

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

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

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

BUDGETARY COMPARISON SCHEDULES

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 12,081,602		\$ 12,081,602	\$ 12,081,602	\$ 10,680
Tuition from Individuals	35,000		35,000	45,680	1,633
Interest Earned on Capital Reserve Funds				27,143	27,143
Restricted Miscellaneous				204,099	104,099
Unrestricted Miscellaneous	100,000		100,000		
<b>Total - Local Sources</b>	<b>12,216,602</b>		<b>12,216,602</b>	<b>12,360,157</b>	<b>143,555</b>
State Sources:					
Categorical Special Education Aid	495,600	\$ (50,609)	444,991	444,991	
Security Aid	47,531		47,531	47,531	
Transportation Aid	103,197		103,197	103,197	
Extraordinary Aid	125,000		125,000	210,956	85,956
Extraordinary Aid - Additional Prior Year				8,866	8,866
Nonpublic Transportation				18,560	18,560
On-Behalf TPAF Post Retirement Contributions (non-budgeted)				367,926	367,926
On-Behalf TPAF Pension Contributions (non-budgeted)				1,152,120	1,152,120
On-Behalf TPAF Non-Contributory Insurance (non-budgeted)				21,921	21,921
On-Behalf TPAF Long-Term Disability Insurance (non-budgeted)				572	572
Reimbursed TPAF Social Security Contributions (non-budgeted)				349,497	349,497
<b>Total State Sources</b>	<b>771,328</b>	<b>(50,609)</b>	<b>720,719</b>	<b>2,726,137</b>	<b>2,005,418</b>
<b>TOTAL REVENUES</b>	<b>12,987,930</b>	<b>(50,609)</b>	<b>12,937,321</b>	<b>15,086,294</b>	<b>2,148,973</b>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Preschool - Salaries of Teachers	\$ 246,270	\$ 76,870	\$ 76,870	\$ 76,870	
Kindergarten - Salaries of Teachers		(211)	246,059	246,059	
Grades 1-5 - Salaries of Teachers	1,520,457	(97,944)	1,422,513	1,415,002	\$ 7,511
Grades 6-8 - Salaries of Teachers	895,137	6,574	901,711	898,558	3,153
Regular Programs - Home Instruction:					
Salaries of Teachers	2,000	(1,360)	640	640	
Purchased Professional -Educational Services		20,290	20,290	7,200	13,090
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	87,500	(87,363)	137	137	
Purchased Technical Services	56,148	2,029	58,177	51,917	6,260
Other Purchased Services (400-500 series)	162,065	(2,831)	159,234	155,977	3,257
General Supplies	56,359	89,488	145,847	44,668	101,179
Textbooks	10,000	(6,580)	3,420	3,420.00	
<b>Total Regular Programs - Instruction</b>	<u>3,035,936</u>	<u>(1,038)</u>	<u>3,034,898</u>	<u>2,900,448</u>	<u>134,450</u>
<b>Multiple Disabilities:</b>					
Salaries of Teachers	26,560	79,680	106,240	106,240	
Other Salaries for Instruction		63,774	63,774	63,773	1
General Supplies	125	957	1,082	981	101
<b>Total Multiple Disabilities</b>	<u>26,685</u>	<u>144,411</u>	<u>171,096</u>	<u>170,994</u>	<u>102</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Resource Room/Resource Center:					
Salaries of Teachers	\$ 802,760	\$ (108,268)	\$ 694,492	\$ 683,855	\$ 10,637
Other Salaries for Instruction	85,107	(17,516)	67,591	63,003	4,588
General Supplies	2,000	352	2,352	538	1,814
<b>Total Resource Room/Resource Center</b>	<b>889,867</b>	<b>(125,432)</b>	<b>764,435</b>	<b>747,396</b>	<b>17,039</b>
<b>Autism</b>					
Salaries of Teachers	28,775	(27,568)	1,207	1,198	9
Other Salaries for Instruction	93,085	(93,085)			
General Supplies	375	(375)			
<b>Total Autism</b>	<b>122,235</b>	<b>(121,028)</b>	<b>1,207</b>	<b>1,198</b>	<b>9</b>
<b>Preschool Disabilities - Part Time:</b>					
Other Salaries for Instruction		41,292	41,292	41,292	
Purchased Professional - Educational Services		38,046	38,046	37,014	1,032
<b>Total Preschool Disabilities - Part Time</b>		<b>79,338</b>	<b>79,338</b>	<b>78,306</b>	<b>1,032</b>
<b>Preschool Disabilities - Full Time:</b>					
Salaries of Teachers	79,346	(76,710)	2,636	2,635	1
Other Salaries for Instruction	45,258	(45,258)			
General Supplies	250	(250)			
<b>Total Preschool Disabilities - Full Time</b>	<b>124,854</b>	<b>(122,218)</b>	<b>2,636</b>	<b>2,635</b>	<b>1</b>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Home Instruction:					
Purchased Professional Educational Services	\$ 18,000	\$ 94	\$ 18,094	\$ 9,721	\$ 8,373
Total Home Instruction	18,000	94	18,094	9,721	8,373
Total Special Education Instruction	1,181,641	(144,835)	1,036,806	1,010,250	26,556
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	173,073	6,649	179,722	179,722	
General Supplies	750		750		750
Total Basic Skills/Remedial - Instruction	173,823	6,649	180,472	179,722	750
Bilingual Education - Instruction					
Salaries of Teachers	53,120		53,120	53,120	
Total Bilingual Education - Instruction	53,120		53,120	53,120	
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	18,500	2,000	20,500	10,562	9,938
Supplies and Materials	2,000		2,000	1,825	175
Total School-Sponsored Cocurricular Activities - Instruction	20,500	2,000	22,500	12,387	10,113

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
School-Sponsored Cocurricular Athletics - Instruction:					
Salaries	\$ 17,000		\$ 17,000		\$ 17,000
Purchased Services (300-500 series)	3,500		3,500		3,500
Supplies and Materials	3,000	\$ (2,000)	1,000		1,000
<b>Total School-Sponsored Cocurricular Athletics - Instruction</b>	<b>23,500</b>	<b>(2,000)</b>	<b>21,500</b>		<b>21,500</b>
<b>Total Instruction</b>	<b>4,488,520</b>	<b>(139,224)</b>	<b>4,349,296</b>	<b>\$ 4,155,927</b>	<b>193,369</b>
<b>Undistributed Expenditures:</b>					
<b>Instruction:</b>					
Tuition to Other LEAs Within the State - Regular	2,152,413	(85,380)	2,067,033	2,051,988	15,045
Tuition to Other LEAs Within the State - Special	262,899	117,405	380,304	380,304	
Tuition to County Vocational School District - Regular	232,000	24,779	256,779	242,788	13,991
Tuition to County Vocational School District - Special	287,000	(71,000)	216,000	204,850	11,150
Tuition to CSSD and Regional Day Schools Within the State	346,116	(39,996)	306,120	306,120	
Tuition to Private Schools for the Handicapped Within the State	422,790	38,205	460,995	441,277	19,718
<b>Total Undistributed Expenditures - Instruction:</b>	<b>3,703,218</b>	<b>(15,987)</b>	<b>3,687,231</b>	<b>3,627,327</b>	<b>59,904</b>
<b>Attendance &amp; Social Work:</b>					
Salaries	11,152	(877)	10,275	10,275	
Purchased Professional and Technical Services	18,339	2,022	20,361	20,361	
<b>Total Attendance &amp; Social Work</b>	<b>29,491</b>	<b>1,145</b>	<b>30,636</b>	<b>30,636</b>	



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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Health Services:					
Salaries	\$ 91,142	\$ 1	\$ 91,143	\$ 91,143	
Purchased Professional and Technical Services	2,400	1,600	4,000	4,000	
Other Purchased Services (400-500 series)	500	(500)			
Supplies and Materials	1,000	106	1,106	634	\$ 472
Total Health Services	95,042	1,207	96,249	95,777	472
Speech, OT, PT & Related Services:					
Salaries	130,690	47,020	177,710	177,709	1
Purchased Professional Educational Services	98,136	(39,698)	58,438	39,875	18,563
Supplies and Materials	250	12,447	12,697	2,697	10,000
Total Speech, OT, PT & Related Services	229,076	19,769	248,845	220,281	28,564
Other Support Services - Students - Extraordinary Services:					
Salaries	86,539	76,743	163,282	160,911	2,371
Purchased Professional - Educational Services	158,452	(57,311)	101,141	78,548	22,593
Total Other Support Services - Students - Extraordinary Services	244,991	19,432	264,423	239,459	24,964
Guidance:					
Salaries of Other Professional Staff	71,790	(6,530)	65,260	65,260	
Purchased Professional Educational Services	3,400	(97)	3,303	3,303	
Supplies and Materials	3,000	(1,350)	1,650	1,650	
Total Guidance	78,190	(7,977)	70,213	70,213	

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Undistributed Expenditures:					
Child Study Teams:					
Salaries of Other Professional Staff	\$ 382,209	\$ 4,047	\$ 386,256	\$ 386,059	\$ 197
Salaries of Secretarial and Clerical Assistants	24,780	(24,780)			
Purchased Professional - Educational Services	25,840	(4,394)	21,446	17,318	4,128
Other Purchased Professional and Technical Services	5,000	(2,945)	2,055	2,055	
Supplies and Materials	6,000	6,901	12,901	549	12,352
Other Objects	13,000	24,038	37,038	37,038	
<b>Total Child Study Teams</b>	<b>456,829</b>	<b>2,867</b>	<b>459,696</b>	<b>443,019</b>	<b>16,677</b>
<b>Improvement of Instruction Services:</b>					
Salaries of Supervisor of Instruction	92,756	1,767	94,523	94,450	73
Purchased Professional Educational Services	12,500	(2,429)	10,071	9,668	403
Other Purchased Services (400-500 series)		60	60	60	
Supplies and Materials	1,000	5,200	6,200	2,055	4,145
Other Objects	1,000	2	1,002	1,002	
<b>Total Improvement of Instruction Services</b>	<b>107,256</b>	<b>4,600</b>	<b>111,856</b>	<b>107,235</b>	<b>4,621</b>
<b>Educational Media Services/School Library:</b>					
Salaries	68,820		68,820	68,820	
Other Purchased Services (400-500 series)	13,500	(600)	12,900	6,157	6,743
Supplies and Materials	1,500		1,500	302	1,198
<b>Total Educational Media Services/School Library</b>	<b>83,820</b>	<b>(600)</b>	<b>83,220</b>	<b>75,279</b>	<b>7,941</b>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Undistributed Expenditures:					
Instructional Staff Training:					
Purchased Professional - Educational Services	\$ 5,000	\$ (4,000)	\$ 1,000	\$ 963	\$ 37
<b>Total Instructional Staff Training</b>	<u>5,000</u>	<u>(4,000)</u>	<u>1,000</u>	<u>963</u>	<u>37</u>
Support Services - General Administration:					
Salaries	242,368	(2,008)	240,360	240,360	
Legal Services	47,600	(2,860)	44,740	24,096	20,644
Audit Fees	18,000	7,500	25,500	25,500	
Architectural/Engineering Services	4,500	(4,500)			
Other Purchased Professional Services	2,500	4,900	7,400	3,583	3,817
Purchased Technical Services	4,730	2,735	7,465	2,735	4,730
Communications/Telephone	34,000	(8,659)	25,341	22,717	2,624
Miscellaneous Purchased Services	10,000	(632)	9,368	5,863	3,505
Supplies & Materials	5,216	1,628	6,844	4,979	1,865
BOE Membership Dues and Fees	9,000	196	9,196	9,119	77
<b>Total Support Services - General Administration</b>	<u>377,914</u>	<u>(1,700)</u>	<u>376,214</u>	<u>338,952</u>	<u>37,262</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	\$ 111,405	\$ (1,139)	\$ 110,266	\$ 110,266	\$ 558
Salaries of Secretarial and Clerical Assistants	51,853		51,853	51,853	704
Other Purchased Services	1,000	(1,000)			
Supplies and Materials	1,800	2,389	4,189	3,631	
Other Objects	2,300	(250)	2,050	1,346	
<b>Total Support Services - School Administration</b>	<b>168,358</b>		<b>168,358</b>	<b>167,096</b>	<b>1,262</b>
Undistributed Expenditures:					
Central Services:					
Salaries	139,229	(780)	138,449	138,449	
Purchased Professional Services	21,700	19,650	41,350	37,150	4,200
Purchased Technical Services	24,797	999	25,796	24,263	1,533
Other Purchased Services (400-500 series)	2,000	2,778	4,778	4,745	33
Supplies and Materials	4,015	4,804	8,819	4,318	4,501
Miscellaneous Expenditures	6,000	(219)	5,781	5,781	
<b>Total Central Services</b>	<b>197,741</b>	<b>27,232</b>	<b>224,973</b>	<b>214,706</b>	<b>10,267</b>
Administration Information Technology:					
Salaries	82,400	(80)	82,320	82,320	
Purchased Technical Services	48,000	(2,217)	45,783	40,331	5,452
Other Purchased Services (400-500 series)	2,800	(1,682)	1,118	1,118	
Supplies and Materials	3,185	12,148	15,333	6,679	8,654
Other Objects	4,500	(1,679)	2,821	2,821	
<b>Total Admin. Info. Technology</b>	<b>140,885</b>	<b>6,490</b>	<b>147,375</b>	<b>133,269</b>	<b>14,106</b>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Undistributed Expenditures:					
Required Maintenance of School Facilities:					
Salaries	\$ 73,868	\$ (10,508)	\$ 63,360	\$ 63,360	
Cleaning, Repair and Maintenance Services	60,255	60,807	121,062	78,556	\$ 42,506
General Supplies	8,391	56,383	64,774	53,178	11,596
Other Objects	1,450	(1,075)	375	375	
Total Required Maintenance of School Facilities	<u>143,964</u>	<u>105,607</u>	<u>249,571</u>	<u>195,469</u>	<u>54,102</u>
Custodial Services:					
Salaries	199,660	68,996	268,656	254,803	13,853
Salaries of Non-Instructional Aides	44,280	(2,348)	41,932	41,764	168
Purchased Professional and Technical Services		26	26	26	
Insurance	82,000	3,386	85,386	85,386	
General Supplies	23,465	20,343	43,808	27,281	16,527
Energy (Electricity)	79,702	5,000	84,702	73,415	11,287
Other Objects	400	160	560	160	400
Interest - Energy Savings Improvement Program Bonds	3,800	(3,800)			
Principal - Energy Savings Improvement Program Bonds	27,000	(27,000)			
Lease Purchase Payments - Energy Savings Improvement Program		18,369	18,369	18,369	
Energy (Natural Gas)	18,684	25,900	44,584	36,529	8,055
Total Custodial Services	<u>478,991</u>	<u>109,032</u>	<u>588,023</u>	<u>537,733</u>	<u>50,290</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
Undistributed Expenditures:					
Care and Upkeep of Grounds:					
Purchased Professional and Technical Services	\$ 2,500	\$ 3,300	\$ 5,800	\$ 5,387	\$ 413
Cleaning, Repair and Maintenance Services	800	(30)	770	770	
General Supplies	800	4,005	4,805	2,858	1,947
Other Objects	550	(133)	417	186	231
<b>Total Care and Upkeep of Grounds</b>	<b>4,650</b>	<b>7,142</b>	<b>11,792</b>	<b>9,201</b>	<b>2,591</b>
Security:					
Cleaning, Repair and Maintenance Services	1,000	20	1,020	1,010	10
General Supplies	250	2,180	2,430	2,402	28
<b>Total Security</b>	<b>1,250</b>	<b>2,200</b>	<b>3,450</b>	<b>3,412</b>	<b>38</b>
Student Transportation Services:					
Salaries for Pupil Transport (Between Home & School) - Regular	19,477	(171)	19,306	19,306	
Contracted Services:					
Other Between Home and School - Vendors	1,170	(1,170)			
Special Education Students - Joint Agreements	3,500	(3,332)	168	168	
Regular Students - ESCs and CTSAAs	210,881	(53,177)	157,704	116,471	41,233
Special Education Students - ESCs and CTSAAs	229,921	1	229,922	194,560	35,362
Aid in Lieu Payments - Nonpublic School	42,001	7,125	49,126	30,674	18,452
General Supplies		29	29	29	
<b>Total Student Transportation Services</b>	<b>506,950</b>	<b>(50,695)</b>	<b>456,255</b>	<b>361,208</b>	<b>95,047</b>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
Undistributed Expenditures:					
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	\$ 95,306	\$ 227	\$ 95,533	\$ 90,862	\$ 4,671
Other Retirement Contributions - PERS	82,000	(5,346)	76,654	76,654	
Other Retirement Contributions - Regular	18,000		18,000	14,812	3,188
Unemployment Compensation	2,500	20,015	22,515	22,515	
Workmen's Compensation	60,000	(8,520)	51,480	51,353	127
Health Benefits	1,306,000	(67,976)	1,238,024	1,214,670	23,354
Tuition Reimbursement	30,000		30,000	9,750	20,250
Other Employee Benefits	15,000	6,072	6,072	5,760	312
Unused Sick Payment to Terminated/Retired Staff		6,937	21,937	21,937	
Total Unallocated Benefits - Employee Benefits	<u>1,608,806</u>	<u>(48,591)</u>	<u>1,560,215</u>	<u>1,508,313</u>	<u>51,902</u>
TPAF Contributions (Non-Budgeted):					
On-Behalf TPAF Post Retirement Contributions				367,926	(367,926)
On-Behalf TPAF Pension Contributions				1,152,120	(1,152,120)
On-Behalf TPAF Non-Contributory Insurance				21,921	(21,921)
On-Behalf TPAF Long-Term Disability Insurance				572	(572)
Reimbursed TPAF Social Security Contributions				349,497	(349,497)
Total TPAF Contributions				<u>1,892,036</u>	<u>(1,892,036)</u>
Total Personal Services - Employee Benefits	<u>1,608,806</u>	<u>(48,591)</u>	<u>1,560,215</u>	<u>3,400,349</u>	<u>(1,840,134)</u>
Total Undistributed Expenses	<u>8,662,422</u>	<u>177,173</u>	<u>8,839,595</u>	<u>10,271,584</u>	<u>(1,431,989)</u>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<u>13,150,942</u>	<u>37,949</u>	<u>13,188,891</u>	<u>14,427,511</u>	<u>(1,238,620)</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>CAPITAL OUTLAY:</b>					
Equipment:					
Undistributed Expenditures - Instruction	\$ 123,399	\$ (14,628)	\$ 108,771	\$ 100,956	\$ 7,815
Required Maintenance of School Facilities	6,770	18,950	25,720	25,720	
Total Equipment	<u>130,169</u>	<u>4,322</u>	<u>134,491</u>	<u>126,676</u>	<u>7,815</u>
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services	13,564	(5,001)	8,563	8,563	
Other Purchased Professional and Technical Services	15,000	(15,000)			
Construction Services	465,855	(88,866)	376,989	344,088	32,901
Assessment for Debt Service SDA Funding	14,603		14,603	14,603	
Total Facilities Acquisition and Construction Services	<u>509,022</u>	<u>(108,867)</u>	<u>400,155</u>	<u>367,254</u>	<u>32,901</u>
Assets Acquired Under Capital Leases (non-budgeted):					
Regular Instruction				399,460	(399,460)
Total Assets Acquired Under Capital Leases (non-budgeted)				<u>399,460</u>	<u>(399,460)</u>
<b>TOTAL CAPITAL OUTLAY</b>	<u>639,191</u>	<u>(104,545)</u>	<u>534,646</u>	<u>893,390</u>	<u>(358,744)</u>
Transfer of Funds to Charter Schools	54,644	15,987	70,631	60,910	9,721
<b>TOTAL EXPENDITURES</b>	<u>13,844,777</u>	<u>(50,609)</u>	<u>13,794,168</u>	<u>15,381,811</u>	<u>(1,587,643)</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>(856,847)</u>		<u>(856,847)</u>	<u>(295,517)</u>	<u>561,330</u>
Other Financing Sources:					
Capital Leases (Non-Budgeted)				399,460	399,460
Total Other Financing Sources				<u>399,460</u>	<u>399,460</u>



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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ (856,847)		\$ (856,847)	\$ 103,943	\$ 960,790
Fund Balance, July 1 (Restated)	2,754,716		2,754,716	2,754,716	
Fund Balance, June 30	\$ 1,897,869	\$ -0-	\$ 1,897,869	\$ 2,858,659	\$ 960,790
<u>Recapitulation:</u>					
Restricted Fund Balance:					
Excess Surplus 2022-2023				\$ 38,437	
Excess Surplus 2021-2022				250,000	
Capital Reserve				1,235,350	
Maintenance Reserve				200,000	
Unemployment Compensation				55,951	
Assigned Fund Balance:					
Year-End Encumbrances				444,101	
Designated for Subsequent Year's Expenditures				6,691	
Unassigned Fund Balance				628,129	
				2,858,659	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payments not Recognized on GAAP Basis				(29,059)	
Fund Balance per Governmental Funds (GAAP)				\$ 2,829,600	

ROCHELLE PARK SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources	\$ 210,794	\$ 13,242	\$ 13,242	\$ 34,046	\$ 20,804
Federal Sources		137,548	348,342	323,339	(25,003)
<b>Total Revenues</b>	<b>210,794</b>	<b>150,790</b>	<b>361,584</b>	<b>357,385</b>	<b>(4,199)</b>
<b>EXPENDITURES:</b>					
Instruction					
Salaries	54,584	(15,461)	39,123	39,123	
Purchased Professional and Educational Services	10,864	6,526	17,390	17,390	
Tuition	135,346	(8,893)	126,453	126,453	
General Supplies	10,000	141,010	151,010	149,391	1,619
Other Objects		3,424	3,424	3,424	
<b>Total Instruction</b>	<b>210,794</b>	<b>126,606</b>	<b>337,400</b>	<b>335,781</b>	<b>1,619</b>
Support Services					
Personal Services - Employee Benefits		15,649	15,649	15,649	
Student Activities		8,535	8,535	8,535	
<b>Total Support Services</b>		<b>24,184</b>	<b>24,184</b>	<b>24,184</b>	
<b>Total Expenditures</b>	<b>210,794</b>	<b>150,790</b>	<b>361,584</b>	<b>359,965</b>	<b>1,619</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ (2,580)	\$ 2,580

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

Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 15,086,294	\$ 357,385
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis recognizes Encumbrances as Revenue and Expenditures, while the GAAP Basis does not:		
Current Year Encumbrances		(9,331)
Prior Year Encumbrances		224
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	22,415	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(29,059)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 15,079,650	\$ 348,278
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 15,381,811	\$ 359,965
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.		(9,107)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 15,381,811	\$ 350,858

Budgets/Budgetary Control:

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

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

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

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

SCHOOL LEVEL SCHEDULES  
(NOT APPLICABLE)

SPECIAL REVENUE FUND

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

IDEA, Part B	CARES	Coronavirus Relief Fund	County of Bergen	Digital Divide	Coronavirus Relief Fund
Basic	Emergency Relief	Preschool	County of Bergen	Digital Divide	Coronavirus Relief Fund
REVENUES:					
Local Sources					
Federal Sources	\$ 126,453	\$ 5,299	\$ 46,275	\$ 25,000	\$ 36,030
Total Revenues	126,453	5,299	46,275	25,000	36,030
EXPENDITURES:					
Instruction:					
Salaries		5,299			
Purchased Professional and Educational Services					
Tuition	126,453				
General Supplies			42,851		32,419
Other Objects			3,424		
Total Instruction	126,453	5,299	46,275	25,000	32,419
Support Services:					
Personal Services - Employee Benefits					
Student Activities					
Total Support Services					
Total Expenditures	\$ 126,453	\$ 5,299	\$ 46,275	\$ 25,000	\$ 36,030
					\$ 32,419

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

	Elementary and Secondary Education Act		Student Activities	Local	Totals June 30, 2021
	Title I	Title II - Part A Title IV			
REVENUES:					
Local Sources			\$ 5,955	\$ 3,091	\$ 9,046
Federal Sources	\$ 54,772	\$ 12,091	\$ 10,000		\$ 348,339
Total Revenues	54,772	12,091	5,955	3,091	357,385
EXPENDITURES:					
Instruction:					
Salaries	39,123				39,123
Purchased Professional and Educational Services		12,091			17,390
Tuition					126,453
General Supplies			10,000		149,391
Other Objects				3,091	3,424
Total Instruction	39,123	12,091	10,000	3,091	335,781
Support Services:					
Personal Services - Employee Benefits	15,649				15,649
Student Activities			8,535		8,535
Total Support Services	15,649		8,535		24,184
Total Expenditures	\$ 54,772	\$ 12,091	\$ 10,000	\$ 3,091	\$ 359,965

CAPITAL PROJECTS FUND



ROCHELLE PARK SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Revenue and Other Financing Sources:	
Lease Purchase Agreements Proceeds Cancelled	\$ (10,904)
Total Revenues and Other Financing Sources	<u>(10,904)</u>
Expenditures and Other Financing Uses:	
Construction Services	<u>36,150</u>
Total Expenditures and Other Financing Uses	<u>36,150</u>
Deficit of Revenue and Other Financing Sources Under Expenditures and Other Financing Uses	(47,054)
Fund Balance - Beginning Balance	<u>172,866</u>
Fund Balance - Ending Balance	<u><u>\$ 125,812</u></u>
Recapitulation of Fund Balance:	
Restricted	\$ 19,271
Restricted - Year End Encumbrances	18,566
Committed	<u>87,975</u>
Fund Balance per Governmental Funds (Budgetary Basis)	125,812
Reconciliation to Governmental Funds Statement (GAAP):	
SDA Grants not Recognized on the GAAP Basis	<u>(122,200)</u>
Fund Balance per Governmental Funds (GAAP)	<u><u>\$ 3,612</u></u>

ROCHELLE PARK SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES, AND PROJECT STATUS  
BUDGETARY BASIS  
INFRASTRUCTURE REPAIRS AND BUILDING SECURITY ENHANCEMENTS  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Prior Periods	Current Year	Total	Authorized Cost
Revenue and Other Financing Sources:				
Bond Proceeds	\$ 6,513,000		\$ 6,513,000	\$ 6,513,000
Total Revenue and Other Financing Sources	6,513,000		6,513,000	6,513,000
Expenditures:				
Other Purchased Professional and Technical Services	722,370		722,370	722,370
Legal Services	71,533		71,533	71,533
Construction Services	5,280,280	\$ 36,150	5,316,430	5,331,458
General Supplies	145		145	145
Other Objects	364,685		364,685	387,494
Total Expenditures	6,439,013	36,150	6,475,163	6,513,000
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 73,987	\$ (36,150)	\$ 37,837	\$ 0

Additional Project Information:

State Project Numbers:	4470-050-14-4000
	4470-050-14-5000
	12/10/2013
Bond Authorization Date	\$ 6,513,000
Bonds Authorized	6,513,000
Bonds Issued	6,513,000
Original Authorized Cost	-0-
Additional Authorized Cost	6,513,000
Revised Authorized Cost	0%
Percentage Increase over Original Authorized Cost	99%
Percentage Completion	8/31/2015
Original Target Completion Date	8/31/2021
Revised Target Completion Date	

ROCHELLE PARK SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES, AND PROJECT STATUS  
BUDGETARY BASIS  
MIDLAND ELEMENTARY SCHOOL - SPRINKLER SYSTEM CONSTRUCTION SERVICES  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Prior Periods	Current Year	Total	Authorized Cost
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 122,200	\$	\$ 122,200	\$ 122,200
Transfer from Capital Reserve	183,300		183,300	183,300
Total Revenue and Other Financing Sources	305,500		305,500	305,500
Expenditures:				
Other Purchased Professional and Technical Services	26,361		26,361	40,500
Legal Services				6,500
Construction Services	190,804		190,804	235,000
Other Objects	360		360	23,500
Total Expenditures	217,525		217,525	305,500
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 87,975	\$ -0-	\$ 87,975	\$ -0-

**Additional Project Information:**

Project Numbers	4470-050-14-1003
Grant Date	1/6/2014
Original Authorized Cost	\$ 305,500
Additional Authorized Cost	-0-
Revised Authorized Cost	305,500
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	71%
Original Target Completion Date	8/31/2014
Revised Target Completion Date	8/31/2021

ROCHELLE PARK SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES, AND PROJECT STATUS  
BUDGETARY BASIS  
ENERGY CONSERVATION MEASURES PROJECT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Prior Periods	Current Year	Total	Revised Authorized Cost
Revenue and Other Financing Sources:				
Capital Lease Purchase Agreement Proceeds	\$ 230,000	\$ (10,904)	\$ 219,096	\$ 219,096
Total Revenue and Other Financing Sources	230,000	(10,904)	219,096	219,096
Expenditures:				
Other Purchased Professional and Technical Services	33,640		33,640	33,640
Legal Services	15,000		15,000	15,000
Construction Services	170,456		170,456	170,456
Total Expenditures	219,096		219,096	219,096
Excess of Revenue and Other Financing Sources Over Expenditures	\$ 10,904	(10,904)	\$ -0-	\$ -0-

Additional Project Information:

State Project Numbers:	N/A
Lease Authorization Date	5/3/2016
Lease Authorized	\$ 230,000
Lease Issued	230,000
Original Authorized Cost	230,000
Leases Cancelled	(10,904)
Revised Authorized Cost	219,096
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	12/31/2016
Revised Target Completion Date	12/31/2020

PROPRIETARY FUNDS

ROCHELLE PARK SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2021

	<u>Non Major Funds</u>		<u>Total</u>
	<u>Latchkey Program</u>	<u>Food Service</u>	
<u>ASSETS:</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 10,541	\$ 4,514	\$ 15,055
Accounts Receivable:			
Federal		25,759	25,759
State		2,074	2,074
Inventory		6,015	6,015
Total Current Assets	<u>10,541</u>	<u>38,362</u>	<u>48,903</u>
Non-Current Assets:			
Capital Assets	9,580	62,603	72,183
Accumulated Depreciation	<u>(9,580)</u>	<u>(49,817)</u>	<u>(59,397)</u>
Total Non-Current Assets		<u>12,786</u>	<u>12,786</u>
Total Assets	<u>10,541</u>	<u>51,148</u>	<u>61,689</u>
<u>LIABILITIES:</u>			
Current Liabilities:			
Unearned Revenue - Donated Commodities		974	974
Unearned Revenue - Prepaid Sales		<u>4,552</u>	<u>4,552</u>
Total Current Liabilities		<u>5,526</u>	<u>5,526</u>
<u>NET POSITION:</u>			
Investment in Capital Assets		12,786	12,786
Unrestricted	<u>10,541</u>	<u>32,836</u>	<u>43,377</u>
Total Net Position	<u>\$ 10,541</u>	<u>\$ 45,622</u>	<u>\$ 56,163</u>

ROCHELLE PARK SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUE, EXPENSES  
AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Non Major Funds</u>		<u>Total</u>
	<u>Latchkey Program</u>	<u>Food Service</u>	
Operating Revenue:			
Local Sources:			
Daily Sales - Nonreimbursable Meals		\$ 3,414	\$ 3,414
Program Fees	\$ 787		787
Total Operating Revenue	<u>787</u>	<u>3,414</u>	<u>4,201</u>
Operating Expenses:			
Cost of Sales for Reimbursable Programs		85,296	85,296
Cost of Sales for Nonreimbursable Programs		429	429
Salaries, Benefits & Payroll Taxes	250	42,830	43,080
Other Purchased Services		38,441	38,441
Management Fee		15,990	15,990
Supplies and Materials		5,201	5,201
Miscellaneous Expenses	1,728		1,728
Depreciation		1,453	1,453
Total Operating Expenses	<u>1,978</u>	<u>189,640</u>	<u>191,618</u>
Operating Income/(Loss)	<u>(1,191)</u>	<u>(186,226)</u>	<u>(187,417)</u>
Non-Operating Revenue:			
Federal Sources:			
COVID 19 - Seamless Summer Option:			
Lunch		109,806	109,806
Breakfast Program		57,970	57,970
U.S.D.A. Commodities		19,980	19,980
State Sources:			
COVID 19 - Seamless Summer Option - Lunch		6,648	6,648
Total Non-Operating Revenue		<u>194,404</u>	<u>194,404</u>
Change in Net Position	(1,191)	8,178	6,987
Other Items:			
Capital Asset Adjustment		5,320	5,320
Total Other Items		<u>5,320</u>	<u>5,320</u>
Change in Net Position After Other Items	(1,191)	13,498	12,307
Net Position - Beginning of Year	<u>11,732</u>	<u>32,124</u>	<u>43,856</u>
Net Position - End of Year	<u>\$ 10,541</u>	<u>\$ 45,622</u>	<u>\$ 56,163</u>

ROCHELLE PARK SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Non Major Funds</u>		
	<u>Latchkey Program</u>	<u>Food Service</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 787	\$ 6,994	\$ 7,781
Payments to/for Employees	(250)		(250)
Payments to Food Service Contractor		(171,200)	(171,200)
Payments to Suppliers	(1,728)		(1,728)
Net Cash Used for Operating Activities	<u>(1,191)</u>	<u>(164,206)</u>	<u>(165,397)</u>
Cash Flows from Noncapital Financing Activities:			
Cash Received from General Fund - Interfund Collected in Food Service Fund:		5,797	5,797
Cash Received From Federal Reimbursements		147,773	147,773
Cash Received From State Reimbursements		4,633	4,633
Net Cash Provided by Noncapital Financing Activities		<u>158,203</u>	<u>158,203</u>
Net Decrease in Cash and Cash Equivalents	(1,191)	(6,003)	(7,194)
Cash and Cash Equivalents, July 1	<u>11,732</u>	<u>10,517</u>	<u>22,249</u>
Cash and Cash Equivalents, June 30	<u>\$ 10,541</u>	<u>\$ 4,514</u>	<u>\$ 15,055</u>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	\$ (1,191)	\$(186,226)	\$(187,417)
Adjustment to Reconcile Operating Loss to Net Cash Used for Operating Activities:			
Depreciation		1,453	1,453
Food Distribution Program		19,980	19,980
Changes in Assets and Liabilities:			
Decrease/(Increase) in Inventory		(1,840)	(1,840)
Increase/(Decrease) in Accounts Payable		(1,617)	(1,617)
Increase/(Decrease) in Unearned Revenue - Prepaid Sales		3,580	3,580
Increase/(Decrease) in Unearned Revenue - Donated Commodities		464	464
Net Cash Used for Operating Activities	<u>\$ (1,191)</u>	<u>\$(164,206)</u>	<u>\$(165,397)</u>

Noncash Investing and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A Commodities Through the Food Distribution Program Valued at \$20,444 and utilized \$19,980 for the fiscal year ended June 30, 2021.



FIDUCIARY ACTIVITIES  
(NOT APPLICABLE)

LONG-TERM DEBT

ROCHELLE PARK SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance July 1, 2020	Matured	Balance June 30, 2021
			Date	Amount				
School Bonds- Series 2014 - Infrastructure Repairs and Building Security Enhancements	03/27/14	\$6,513,000	3/15/2022	\$ 325,000	3.000 %	\$ 5,138,000	\$ 300,000	\$ 4,838,000
			3/15/2023	325,000	3.000 %			
			3/15/2024	338,000	3.000 %			
			3/15/2025	350,000	3.000 %			
			3/15/2026	350,000	3.000 %			
			3/15/2027	350,000	3.000 %			
			3/15/2028	350,000	3.000 %			
			3/15/2029	350,000	3.000 %			
			3/15/2030	350,000	3.000 %			
			3/15/2031	350,000	3.125 %			
			3/15/2032	350,000	3.250 %			
		3/15/2033	350,000	3.250 %				
		3/15/2034	350,000	3.500 %				
		3/15/2035	350,000	3.500 %				
						<u>\$ 5,138,000</u>	<u>\$ 300,000</u>	<u>\$ 4,838,000</u>

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

Item	Interest Rate	Original Issue	Balance July 1, 2020	Issued	Retirements	Balance June 30, 2021
Energy Conservation Measures	2.42%	\$ 230,000	\$ 134,098		\$ 27,223	\$ 106,875
Whiteboard Lease	3.40%	399,460		\$ 399,460	61,958	337,502
			\$ 134,098	\$ 399,460	\$ 89,181	\$ 444,377

ROCHELLE PARK SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 303,485		\$ 303,485	\$ 303,485	
State Sources:					
Debt Service Aid	156,342		156,342	156,342	
Total Revenues	459,827		459,827	459,827	
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	159,827		159,827	159,827	
Redemption of Principal	300,000		300,000	300,000	
Total Regular Debt Service	459,827		459,827	459,827	
Total Expenditures	459,827		459,827	459,827	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures					
Fund Balance, July 1	1		1	1	
Fund Balance, June 30	1	-0-	1	1	-0-
Recapitulation:					
Restricted			\$ 1	\$ 1	

**STATISTICAL SECTION**  
(UNAUDITED)

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

**Contents**

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

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

ROCHELLE PARK SCHOOL DISTRICT  
NET POSITION BY COMPONENT,  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
UNAUDITED

	June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020*	2021
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 601,914	\$ 787,894	\$ 967,901	\$ 1,149,409	\$ 1,183,574	\$ 2,250,181	\$ 2,989,685	\$ 3,068,296	\$ 3,324,871	\$ 3,929,440
Restricted	85,696	762,007	776,812	629,046	1,957,283	1,774,495	1,862,381	2,157,188	1,975,052	1,838,628
Unrestricted/(Deficit)	349,264	376,405	(1,481,367)	(1,401,756)	(1,781,180)	(1,751,032)	(1,838,031)	(1,723,080)	(1,173,778)	(816,010)
Total Governmental Activities										
Net Position	\$ 1,036,874	\$ 1,926,306	\$ 263,346	\$ 376,719	\$ 1,359,677	\$ 2,273,644	\$ 3,014,035	\$ 3,502,404	\$ 4,126,145	\$ 4,952,058
<b>Business-Type Activities</b>										
Investment in Capital Assets	\$ 22,294	\$ 16,498	\$ 27,429	\$ 26,023	\$ 19,626	\$ 7,656	\$ 4,007	\$ 10,372	\$ 8,919	\$ 12,786
Unrestricted	133,451	147,174	54,956	56,719	113,269	118,659	126,772	120,334	34,937	43,377
Total Business-Type Activities										
Net Position	\$ 155,745	\$ 163,672	\$ 82,385	\$ 82,742	\$ 132,895	\$ 126,315	\$ 130,779	\$ 130,706	\$ 43,856	\$ 56,163
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ 624,208	\$ 804,392	\$ 995,330	\$ 995,330	\$ 1,203,200	\$ 2,257,837	\$ 2,993,692	\$ 3,078,668	\$ 3,333,790	\$ 3,942,226
Restricted	85,696	762,007	776,812	776,812	1,957,283	1,774,495	1,862,381	2,157,188	1,975,052	1,838,628
Unrestricted/(Deficit)	482,715	523,579	(1,426,411)	(1,345,017)	(1,667,911)	(1,632,373)	(1,711,259)	(1,602,746)	(1,138,841)	(772,633)
Total District-Wide Net Position	\$ 1,192,619	\$ 2,089,978	\$ 345,731	\$ 427,125	\$ 1,492,572	\$ 2,399,959	\$ 3,144,814	\$ 3,633,110	\$ 4,170,001	\$ 5,008,221

\* - Restated

Source: School District Financial Reports

ROCHELLE PARK SCHOOL DISTRICT  
CHANGE IN NET POSITION BY COMPONENT, LAST TEN FISCAL YEARS  
UNAUDITED  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30.									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 3,812,794	\$ 3,577,736	\$ 3,874,004	\$ 4,599,659	\$ 4,845,825	\$ 5,549,003	\$ 5,535,999	\$ 5,115,289	\$ 4,615,427	\$ 5,292,455
Special Education	878,544	982,242	964,163	1,140,360	1,555,783	1,568,832	2,066,691	2,079,696	1,961,852	1,868,259
Other Special Instruction	305,811	369,982	353,283	404,569	228,565	267,561	306,006	367,371	406,786	423,286
School-Sponsored/Other Instruction	40,956	39,986	38,778	60,791	116,304	124,482	58,659	56,318	49,043	21,129
Support Services:										
Tuition	2,755,948	3,088,795	3,412,474	3,560,980	3,077,760	2,918,034	3,064,743	3,115,857	3,334,545	3,627,327
Student and Instruction Related Services	874,633	876,642	814,337	858,857	1,129,648	1,305,598	1,391,307	1,322,481	1,715,875	1,564,564
General Administrative Services	294,656	256,588	275,701	349,459	464,101	472,196	633,946	528,970	452,014	570,735
School Administrative Services	283,464	211,090	286,785	287,788	284,485	293,386	292,407	263,758	257,491	284,466
Central Services	195,349	244,219	213,836	269,338	178,759	145,765	138,318	224,414	235,823	244,375
Administration Information Technology			190,560	173,734	169,222	137,699	150,196	138,661	170,705	182,288
Plant Operations and Maintenance	590,287	664,467	675,858	785,920	819,657	1,033,824	1,025,721	872,176	709,661	802,627
Pupil Transportation	369,318	292,327	318,507	344,778	359,645	322,916	318,140	369,662	321,835	366,190
Unallocated Depreciation	52,231	52,153	52,149	50,434	50,434	40,639	227	194,118	60,089	
Transfer of Funds to Charter Schools	36,826	35,245	73,215	102,716	18,820	51,559	70,831	64,137	40,155	60,910
Capital Outlay	5,213			32,600	71,654	16,238	31,160	21,573	14,603	14,603
Interest on Long-Term Debt	51,830	41,808	83,183	218,786	212,181	188,909	183,875	174,793	166,545	154,845
Total Governmental Activities Expenses	10,547,860	10,733,280	11,626,833	13,242,484	13,582,843	14,436,641	15,268,226	14,909,274	14,512,449	15,478,059
Expenses:										
Business-Type Activities:										
Food Service	172,029	193,904	193,903	212,045	180,128	237,107	188,640	206,777	174,896	189,640
Latchkey and Preschool Programs	136,999	280,714	280,714	151,003	123,454	170,513	189,438	222,883	195,635	1,978
Total Business-Type Activities Expense	309,028	474,618	474,617	363,048	303,582	407,620	378,078	429,660	370,531	191,618
Total District Expenses	\$10,856,888	\$11,207,898	\$12,101,450	\$13,605,532	\$13,886,425	\$14,844,261	\$15,646,304	\$15,338,934	\$14,882,980	\$15,669,677
Program Revenues:										
Governmental Activities:										
Charges for Services	\$ 1,302,745	\$ 1,474,900	\$ 1,464,573	\$ 50,310	\$ 67,833	\$ 27,731	\$ 36,881	\$ 36,335	\$ 17,913	\$ 51,635
Operating Grants and Contributions		1,474,900	1,464,573	2,505,726	2,726,583	3,511,367	3,816,205	3,284,750	2,925,395	3,441,863
Total Governmental Activities Program Revenues	1,302,745	1,474,900	1,464,573	2,556,036	2,794,416	3,539,098	3,853,086	3,321,085	2,943,308	3,493,498



ROCHELLE PARK SCHOOL DISTRICT  
CHANGE IN NET POSITION BY COMPONENT, LAST TEN FISCAL YEARS  
UNAUDITED  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30.									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Business-Type Activities:</b>										
Charges for Services:										
Food Service	\$ 121,780	\$ 109,088	\$ 106,788	\$ 110,645	\$ 125,725	\$ 136,512	\$ 190,851	\$ 150,420	\$ 104,660	\$ 3,414
Latchkey and Preschool Programs	196,875	153,206	205,557	160,563	166,387	188,831	138,844	208,752	116,847	787
Operating Grants and Contributions	45,682	56,928	59,995	55,281	61,623	75,697	63,656	70,415	62,174	194,404
Total Business-Type Activities Program Revenues	364,337	319,222	372,340	326,489	353,735	401,040	393,351	429,587	283,681	198,605
Total District Program Revenues	\$ 1,667,082	\$ 1,794,122	\$ 1,836,913	\$ 2,882,525	\$ 3,148,151	\$ 3,940,138	\$ 4,246,437	\$ 3,750,672	\$ 3,226,989	\$ 3,692,103
<b>Net (Expense)/Revenue:</b>										
Governmental Activities	\$ (9,245,115)	\$ (9,258,380)	\$ (10,162,260)	\$ (10,686,448)	\$ (10,788,427)	\$ (10,897,543)	\$ (11,415,140)	\$ (11,588,189)	\$ (11,569,141)	\$ (11,984,561)
Business-Type Activities	55,309	(155,396)	(102,277)	(36,559)	50,153	(6,580)	15,273	(73)	(86,850)	6,987
Total District-Wide Net Expense	\$ (9,189,806)	\$ (9,413,776)	\$ (10,264,537)	\$ (10,723,007)	\$ (10,738,274)	\$ (10,904,123)	\$ (11,399,867)	\$ (11,588,262)	\$ (11,655,991)	\$ (11,977,574)
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 9,442,533	\$ 9,691,383	\$ 9,963,292	\$ 10,308,529	\$ 10,747,678	\$ 10,978,185	\$ 11,197,749	\$ 11,421,704	\$ 11,638,716	\$ 12,081,602
Taxes Levied for Debt Service	276,698	275,473	273,797	239,228	524,495	453,337	303,816	298,345	309,426	303,485
Unrestricted Grants and Contributions	41,637	48,325	47,095	58,593	312,161	187,892	226,872	203,076	206,675	203,416
Miscellaneous Income	72,217	152,631	124,578	230,166	187,051	192,096	173,042	153,433	166,603	232,875
Other Item	(20,000)	(20,000)	(20,000)	(36,695)						(10,904)
Transfers	9,813,085	10,147,812	10,388,762	10,799,821	11,771,385	11,811,510	11,901,479	12,076,558	12,321,420	12,810,474
Total Governmental Activities										
Business-Type Activities:										
Other Items	28	813	992	221			8,218			5,320
Miscellaneous Income	20,000	20,000	20,000	36,695						
Transfers	20,028	20,813	20,992	36,916			8,218			5,320
Total Business-Type Activities	\$ 9,833,113	\$ 10,168,625	\$ 10,409,754	\$ 10,836,737	\$ 11,771,385	\$ 11,811,510	\$ 11,909,697	\$ 12,076,558	\$ 12,321,420	\$ 12,815,794
Total District-Wide										
Change in Net Position:										
Governmental Activities	\$ 567,970	\$ 889,432	\$ 226,502	\$ 113,373	\$ 982,958	\$ 913,967	\$ 486,339	\$ 488,369	\$ 752,279	\$ 825,913
Business-Type Activities	75,337	(134,583)	(81,285)	357	50,153	(6,580)	23,491	(73)	(86,850)	12,307
Total District	\$ 643,307	\$ 754,849	\$ 145,217	\$ 113,730	\$ 1,033,111	\$ 907,387	\$ 509,830	\$ 488,296	\$ 665,429	\$ 838,220

Source: School District Financial Reports

ROCHELLE PARK SCHOOL DISTRICT  
FUND BALANCES, GOVERNMENT FUNDS  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(modified accrual basis of accounting)*

	June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020*	2021
<b>General Fund:</b>										
Restricted	\$ 84,333	\$ 760,644	\$ 768,971	\$ 606,271	\$ 834,758	\$ 1,308,751	\$ 1,611,437	\$ 1,910,930	\$ 1,877,432	\$ 1,779,738
Assigned	99,152	175,155	124,000	234,875	139,624	281,674	136,192	29,030	606,847	450,792
Unassigned	354,451	300,164	426,277	272,492	235,164	219,030	240,529	338,017	248,022	599,070
<b>Total General Fund</b>	<b>\$ 537,936</b>	<b>\$ 1,235,963</b>	<b>\$ 1,319,248</b>	<b>\$ 1,113,638</b>	<b>\$ 1,209,546</b>	<b>\$ 1,809,455</b>	<b>\$ 1,988,158</b>	<b>\$ 2,277,977</b>	<b>\$ 2,732,301</b>	<b>\$ 2,829,600</b>
<b>All Other Governmental Funds:</b>										
Unassigned/(Deficit):										
Capital Projects Fund			\$ (9,793)		\$ (2,674)	\$ (19,324)	\$ (23,320)	\$ (23,321)	\$ (23,321)	\$ (34,225)
Committed:										
Capital Projects Fund				\$ 160,179						
Restricted:										
Student Activities									23,067	20,487
Scholarships									565	565
Capital Projects Fund			6,313,423	4,164,797	1,107,564	465,717	250,917	246,257	73,987	37,837
Debt Service Fund	\$ 1,363	\$ 1,363	7,841	22,775	14,961	27	27	1	1	1
<b>Total All Other Governmental Funds</b>	<b>\$ 1,363</b>	<b>\$ 1,363</b>	<b>\$ 6,311,471</b>	<b>\$ 4,347,751</b>	<b>\$ 1,119,851</b>	<b>\$ 446,420</b>	<b>\$ 227,624</b>	<b>\$ 222,937</b>	<b>\$ 74,299</b>	<b>\$ 24,665</b>

\* - Restated

Source: School District Financial Reports

ROCHELLE PARK SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENT FUNDS  
LAST TEN FISCAL YEARS

UNAUDITED  
(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues:</b>										
Local Tax Levy	\$9,719,231	\$9,966,856	\$10,237,089	\$10,547,757	\$11,272,173	\$11,431,522	\$11,501,565	\$11,720,049	\$11,948,142	\$12,385,087
Tuition Charges				50,310	67,833	27,731	36,881	36,335	17,913	45,680
Interest Earnings on Capital Reserve	3	70	71	40	27	7,873	11,077	27,591	24,869	1,633
Miscellaneous	72,214	152,561	124,507	230,126	187,024	184,223	161,965	125,954	143,742	237,907
State Sources	1,124,970	1,336,787	1,311,532	1,506,104	1,783,397	1,786,054	1,950,303	2,316,776	2,336,275	2,875,835
Federal Sources	219,412	186,438	200,136	282,903	229,117	199,577	212,480	208,395	210,570	341,613
<b>Total Revenue</b>	<b>11,135,830</b>	<b>11,642,712</b>	<b>11,873,335</b>	<b>12,617,240</b>	<b>13,539,571</b>	<b>13,636,980</b>	<b>13,874,271</b>	<b>14,435,100</b>	<b>14,681,511</b>	<b>15,887,755</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular Instruction	2,725,742	2,473,166	2,724,869	2,957,564	2,991,081	3,152,142	3,197,729	3,046,238	2,833,942	3,095,370
Special Education Instruction	674,484	697,602	708,940	766,375	987,208	950,584	1,162,925	1,326,472	1,215,803	1,157,651
Other Special Instruction	207,805	244,587	241,962	248,967	106,834	109,436	160,061	203,615	236,285	232,842
School-Sponsored/Other Instruction	33,245	32,291	27,327	40,462	96,322	99,018	35,183	35,298	35,368	12,387
<b>Support Services:</b>										
Tuition	2,755,948	3,088,795	3,412,474	3,560,980	3,077,760	2,918,034	3,064,743	3,115,857	3,334,545	3,627,327
Student and Instruction Related Services	698,392	692,128	676,331	650,421	817,377	840,434	891,607	917,094	1,175,465	1,291,397
General Administrative Services	251,301	218,194	236,976	272,544	362,913	340,671	474,488	424,197	381,332	338,952
School Administrative Services	215,287	153,278	211,925	190,796	170,080	168,431	164,940	167,916	166,248	167,096
Central Services	179,769	204,065	183,185	206,688	177,780	145,441	138,318	186,862	203,821	214,706
Administration Information Technology			96,972	142,934	126,431	86,105	93,850	91,444	131,715	133,269
Plant Operations and Maintenance	523,226	523,713	597,980	642,511	676,049	896,532	777,500	770,152	646,940	745,815
Pupil Transportation	367,481	290,356	318,507	344,778	359,645	322,916	318,140	369,662	317,028	361,208
Unallocated Benefits	1,773,386	1,917,896	1,886,337	1,968,464	2,136,477	2,355,436	2,613,024	2,942,158	3,036,218	3,400,349
Capital Outlay	29,102	77,896	300,782	2,220,072	3,958,162	683,235	290,697	36,789	219,479	929,540
Charter Schools	36,826	35,245	73,215	102,716	71,654	51,559	70,831	64,137	40,155	60,910
Debt Service:										
Principal	220,000	230,000	240,000	215,000	570,000	395,000	275,000	275,000	300,000	300,000
Interest and Other Charges	55,335	45,473	35,160	218,603	215,790	195,528	185,328	177,077	168,828	159,827
<b>Total Expenditures</b>	<b>10,747,329</b>	<b>10,924,685</b>	<b>11,972,942</b>	<b>14,749,875</b>	<b>16,901,563</b>	<b>13,710,502</b>	<b>13,914,364</b>	<b>14,149,968</b>	<b>14,443,172</b>	<b>16,228,646</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>388,501</b>	<b>718,027</b>	<b>(99,607)</b>	<b>(2,132,635)</b>	<b>(3,361,992)</b>	<b>(73,522)</b>	<b>(40,093)</b>	<b>285,132</b>	<b>238,339</b>	<b>(340,891)</b>

ROCHELLE PARK SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENT FUNDS  
LAST TEN FISCAL YEARS

UNAUDITED  
(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Financing Sources (Uses):										
Bond Proceeds			\$ 6,513,000							
Transfers In			7,841	\$ 392,609	\$ 27	\$ 44	\$ 92	\$ 198	\$ 153	
Transfers Out	\$ (20,000)	\$ (20,000)	(27,841)	(429,304)	(27)	(44)	(92)	(198)	(153)	
Capital Leases (Non-Budgeted)					230,000					\$ 399,460
Cancellation of Lease Purchase Agreement Proceeds										(10,904)
Total Other Financing Sources (Uses)	(20,000)	(20,000)	6,493,000	(36,695)	230,000					388,556
Net Change in Fund Balances	\$ 368,501	\$ 698,027	\$ 6,393,393	\$ (2,169,330)	\$ (3,131,992)	\$ (73,522)	\$ (40,093)	\$ 285,132	\$ 238,339	\$ 47,665
Debt Service as a Percentage of Noncapital Expenditures	2.57 %	2.54 %	2.36 %	3.46 %	6.07 %	4.53 %	3.38 %	3.20 %	3.30 %	3.01 %

Source: School District Financial Reports

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

Fiscal Year Ending June 30,	Interest on Investments	Prior Year Refunds	Other	Tuition from Individuals	Contribution from Township	Total
2012	\$ 38	\$ 30,457	\$ 41,722			\$ 72,217
2013	70	36,817	15,744		\$ 100,000	152,631
2014	71	11,061	10,998		94,607	116,737
2015	40	18,870	778	\$ 50,310	195,544	265,542
2016			89,024	67,833	98,000	254,857
2017	7,829	34,757	52,283	27,731	97,183	219,783
2018	10,985		62,323	36,881	99,642	209,831
2019	27,393		26,662	36,335	99,180	189,570
2020	24,869		42,581	17,913	99,000	184,363
2021	3,266	64,479	65,329	45,680	99,801	278,555

Source: Rochelle Park School District records

ROCHELLE PARK SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN YEARS  
UNAUDITED

Year Ended Dec. 31,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value		Tax-Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
						Value	Value					
2011	\$ 5,803,900	\$ 604,321,800	\$ 315,635,400	\$ 32,392,800	\$ 20,821,200	\$ 978,975,100	\$ 60,951,000	\$ 24,940,711	\$ 1,003,915,811	\$	0.96	\$ 1,070,397,320
2012	5,374,000	603,442,100	314,727,200	32,247,600	20,821,200	976,612,100	60,951,000	26,451,640	1,003,063,740		0.98	980,904,991
2013	4,934,400	601,560,500	312,497,200	32,045,600	20,626,700	971,664,400	60,675,500		971,664,400		1.04	896,065,307
2014	5,112,800	600,122,200	305,389,200	31,876,500	20,821,500	963,322,200	62,929,500		963,322,200		1.08	954,162,242
2015	4,733,000	598,696,400	294,709,900	31,388,900	20,821,500	950,349,700	62,929,500		950,349,700		1.18	945,928,214
2016	4,413,700	597,374,700	296,392,800	31,311,400	29,696,600	959,189,200	63,521,500		959,189,200		1.17	947,909,282
2017	4,043,500	596,210,100	283,406,400	31,147,400	30,050,900	944,858,300	60,393,200		944,858,300		1.21	945,993,492
2018	4,068,300	597,064,400	280,698,900	31,147,400	30,050,900	943,029,900	60,097,400		943,029,900		1.23	948,063,146
2019	3,814,500	598,496,800	273,563,100	31,337,700	30,050,900	937,263,000	60,435,500		937,263,000		1.26	996,925,561
2020	12,504,400	599,833,500	271,136,200	30,070,000	30,050,900	943,595,000	59,505,400		943,595,000		1.30	1,042,140,721

\* A Revaluation of Real Property was effective in this year.

<sup>a</sup> Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies.

<sup>b</sup> Tax Rates are per \$100 of Assessed Value.

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

Source: Municipal Tax Assessor

ROCHELLE PARK SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
UNAUDITED  
(RATE PER \$100 OF ASSESSED VALUE)

Year Ended December 31,	Rochelle Park School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Township of Rochelle Park	Bergen County		
2011	\$ 0.93	\$ 0.03	\$ 0.96	\$ 0.84	\$ 0.22	\$ 2.01	
2012	0.96	0.03	0.98	0.86	0.21	2.06	
2013	1.02	0.03	1.04	0.86	0.21	2.11	
2014	1.06	0.02	1.08	0.89	0.24	2.21	
2015	1.12	0.05	1.18	0.96	0.24	2.37	
2016	1.13	0.05	1.17	0.97	0.24	2.38	
2017	1.18	0.03	1.21	0.95	0.24	2.40	
2018	1.20	0.03	1.23	0.98	0.24	2.46	
2019	1.23	0.03	1.26	1.01	0.26	2.53	
2020	1.27	0.03	1.30	1.01	0.27	2.58	

<sup>a</sup> The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

<sup>b</sup> Rates for debt service are based on each year's requirements.

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

Source: Municipal Tax Collector and School Business Administrator

ROCHELLE PARK SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS,  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

	2020		2012	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Aerial Realty LLC	\$ 26,000,000	2.76 %		
Rochelle Park Holding LLC	16,000,000	1.70 %		
Coolidge Park 17 LLC	14,875,500	1.58 %		
SAC Realty LLC	13,750,000	1.46 %		
216 Route 17 North LLC	13,535,300	1.43 %		
395 Rochelle Park LLC	12,900,000	1.37 %		
Rochelle Pk. Jt. Vent.	11,463,900	1.21 %		
Sims Associates	11,370,900	1.21 %		
Sherebrooke Holding Company	10,267,700	1.09 %		
Rega Rochelle Park, LLC	10,236,300	1.08 %		
	<u>\$ 140,399,600</u>	<u>14.88 %</u>		
			NOT AVAILABLE	

Source: Municipal Tax Assessor



ROCHELLE PARK SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS,  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2012	\$ 9,719,231	\$ 9,719,231	100.00 %	\$ -0-
2013	9,966,856	9,966,856	100.00 %	-0-
2014	10,237,089	10,237,089	100.00 %	-0-
2015	10,547,757	10,547,757	100.00 %	-0-
2016	11,272,173	11,272,173	100.00 %	-0-
2017	11,431,522	11,431,522	100.00 %	-0-
2018	11,501,565	11,501,565	100.00 %	-0-
2019	11,720,049	11,720,049	100.00 %	-0-
2020	11,948,142	11,948,142	100.00 %	-0-
2021	12,385,087	12,385,087	100.00 %	-0-

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

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

ROCHELLE PARK SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Capital Leases			
2012	\$ 1,125,000	\$ -0-	\$ 1,125,000	0.29 %	\$ 202
2013	895,000	-0-	895,000	0.22 %	161
2014	7,168,000	-0-	7,168,000	1.80 %	1,283
2015	6,953,000	-0-	6,953,000	1.70 %	1,243
2016	6,383,000	230,000	6,613,000	1.54 %	1,179
2017	5,988,000	208,323	6,196,323	1.43 %	1,107
2018	5,713,000	185,396	5,898,396	1.30 %	1,052
2019	5,438,000	160,323	5,598,323	1.16 %	1,001
2020	5,138,000	134,098	5,272,098	1.06 %	947
2021	4,838,000	444,377	5,282,377	1.07 %	953

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

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

Source: School District Financial Reports

ROCHELLE PARK SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2012	\$ 1,125,000	\$ -0-	\$ 1,125,000	0.11 %	\$ 202
2013	895,000	-0-	895,000	0.09 %	161
2014	7,168,000	-0-	7,168,000	0.74 %	1,283
2015	6,953,000	-0-	6,953,000	0.72 %	1,243
2016	6,383,000	-0-	6,383,000	0.67 %	1,138
2017	5,988,000	-0-	5,988,000	0.62 %	1,069
2018	5,713,000	-0-	5,713,000	0.60 %	1,019
2019	5,438,000	-0-	5,438,000	0.58 %	972
2020	5,138,000	-0-	5,138,000	0.55 %	923
2021	4,838,000	-0-	4,838,000	0.51 %	873

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

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

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

ROCHELLE PARK SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2020  
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid With Property Taxes			
Township of Rochelle Park	\$ 10,958,241	100.00 %	\$ 10,958,241
Bergen County General Obligation Debt	954,754,121	0.57 %	<u>5,407,812</u>
Subtotal, Overlapping Debt			16,366,053
Rochelle Park School District			<u>5,138,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 21,504,053</u></u>

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

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

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

ROCHELLE PARK SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

Legal Debt Margin Calculated for Fiscal Year 2021

	\$ 1,012,549,630
2020	\$ 1,012,549,630
2019	1,031,205,853
2018	999,184,043
	\$ 3,042,939,526
Average Equalized Valuation of Taxable Property	\$ 1,014,313,175
Debt Limit (3% of Average Equalization Value) <sup>a</sup>	\$ 30,429,395
Net Bonded School Debt at June 30, 2021	4,838,000
Legal Debt Margin	\$ 25,591,395

	Fiscal Year				
	2017	2018	2019	2020	2021
Debt Limit	\$ 28,487,745	\$ 28,364,293	\$ 28,930,866	\$ 29,763,834	\$ 30,429,395
Total Net Debt Applicable to Limit	5,988,000	5,713,000	5,438,000	5,138,000	4,838,000
Legal Debt Margin	\$ 22,499,745	\$ 22,651,293	\$ 23,492,866	\$ 24,625,834	\$ 25,591,395
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	21.02 %	20.14 %	18.80 %	17.26 %	15.90 %

	Fiscal Year				
	2012	2013	2014	2015	2016
Debt Limit	\$ 30,503,516	\$ 28,943,420	\$ 29,309,875	\$ 28,644,291	\$ 28,469,971
Total Net Debt Applicable to Limit	1,125,000	895,000	7,168,000	6,953,000	6,383,000
Legal Debt Margin	\$ 29,378,516	\$ 28,048,420	\$ 22,141,875	\$ 21,691,291	\$ 22,086,971
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	3.69 %	3.09 %	24.46 %	24.27 %	22.42 %

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

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

ROCHELLE PARK SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Year	Population <sup>a</sup>	Personal Income (thousands of dollars) <sup>b</sup>	Bergen County Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2012	5,574	\$ 401,066,022	\$ 71,953	9.30 %
2013	5,585	399,042,665	71,449	12.10 %
2014	5,595	410,074,335	73,293	5.70 %
2015	5,607	428,307,516	76,388	5.70 %
2016	5,599	432,170,013	77,187	4.30 %
2017	5,607	455,305,221	81,203	4.00 %
2018	5,592	480,637,992	85,951	4.30 %
2019	5,569	498,180,464	89,456	3.60 %
2020	5,540	495,586,240	89,456 *	11.90 %
2021	5,540 **	495,586,240 ***	89,456 *	N/A

\* - Latest Bergen County per capita personal income available (2019).

\*\* - Latest population data available (2020).

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

N/A - Information Unavailable

Source:

<sup>a</sup> Population information provided by the New Jersey Department of Labor and Workforce Development

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented

<sup>c</sup> Per capita personal income by county provided by the New Jersey Department of Labor and Workforce Development

<sup>d</sup> Unemployment data provided by the New Jersey Department of Labor and Workforce Development

ROCHELLE PARK SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS - BERGEN COUNTY  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

	2020		2011			
	Employer	Employees	Percentage of Total Employment	Employer	Employees	Percentage of Total Employment
Hackensack University Medical Center		N/A	N/A	Hackensack University Medical Center	N/A	N/A
Valley Health Systems, Inc.		N/A	N/A	Valley Health Systems, Inc.	N/A	N/A
Bio-Reference Laboratories		N/A	N/A	Medco Solutions, Inc.	N/A	N/A
Express Scripts		N/A	N/A	Quest Diagnostics	N/A	N/A
Quest Diagnostics		N/A	N/A	Bio-Reference Laboratories	N/A	N/A
KPMG LLP		N/A	N/A	Englewood Hospital and Medical Center	N/A	N/A
Englewood Hospital and Medical Center		N/A	N/A	Becton Dickinson and Co.	N/A	N/A
Englewood Hospital Home Health Care		N/A	N/A	Englewood Hospital Home Health Care	N/A	N/A
Unilever Best Foods		N/A	N/A	Unilever Best Foods	N/A	N/A
Stryker		N/A	N/A	Stryker	N/A	N/A

N/A - Not Available

NOTE: The District was unsuccessful in its attempt to obtain all information regarding the principal employers of the County.

Source - Township of Rochelle Park Audits

ROCHELLE PARK SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM,  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Instruction:										
Regular	42.0	42.0	44.0	45.0	46.0	47.0	47.0	47.0	48.0	48.0
Support Services:										
Student and Instruction Related Services	13.0	13.0	13.0	13.0	19.0	20.0	20.0	21.0	23.0	23.0
School Administrative Services	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0
General Administrative Services	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Plant Operations and Maintenance	5.0	5.0	5.0	5.0	5.0	5.5	5.5	5.5	4.5	4.5
Business and Other Support Services	3.0	3.0	3.0	3.0				2.0	3.0	3.0
	<u>67.0</u>	<u>67.0</u>	<u>69.0</u>	<u>70.0</u>	<u>75.0</u>	<u>77.5</u>	<u>77.5</u>	<u>80.5</u>	<u>83.5</u>	<u>83.5</u>
Food Service	6.0	6.0	6.0	6.0						
Latchkey/After School Program	4.0	4.0	4.0	4.0	4.0	6.0	6.0	14.0	15.0	-0-*
	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>	<u>4.0</u>	<u>6.0</u>	<u>6.0</u>	<u>14.0</u>	<u>15.0</u>	<u>-0-</u>
Total	<u>77.0</u>	<u>77.0</u>	<u>79.0</u>	<u>80.0</u>	<u>79.0</u>	<u>83.5</u>	<u>83.5</u>	<u>94.5</u>	<u>98.5</u>	<u>83.5</u>

\* - Due to COVID-19, there was no Latchkey Program for 2020-21.

Source: District Personnel Records



ROCHELLE PARK SCHOOL DISTRICT  
OPERATING STATISTICS,  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>b</sup>	Percentage Change	Teaching Staff <sup>c</sup>	Pupil/Teacher Ratio	Elementary/Middle		Average Daily Attendance (ADA) <sup>d</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
							Average Daily Enrollment (ADE) <sup>d</sup>	Average Daily Attendance			
2012	462	\$ 10,442,892	\$ 22,604	-1.48 %	47	9:6	462	442	442	2.21 %	95.67 %
2013	463	10,571,316	22,832	1.01 %	47	9:6	456	435	435	-1.30 %	95.39 %
2014	458	11,397,000	24,884	8.99 %	48	9:5	458	437	437	0.44 %	95.41 %
2015	479	12,096,200	25,253	1.48 %	45	9:5	470	448	448	2.62 %	95.32 %
2016	497	12,157,611	24,462	-3.13 %	45	9:5	497	474	474	5.74 %	95.37 %
2017	498	12,436,739	24,973	2.09 %	47	9:5	497	474	474	0.09%	95.37 %
2018	486	13,163,339	27,085	8.46 %	49	9:9	483	460	460	-2.91%	95.23 %
2019	503	13,661,102	27,159	0.27 %	47	9:9	501	479	479	3.73%	95.60 %
2020	522	13,754,865	26,350	-2.98 %	48	9:9	503	486	486	0.40%	96.61 %
2021	500	14,839,279	29,679	12.63 %	48	9:9	487	474	474	-3.18%	97.32 %

<sup>a</sup> Operating expenditures equal total expenditures less debt service and capital outlay.

<sup>b</sup> Cost per pupil is the sum as operating expenditures divided by enrollment. This cost per pupil may be different from the State's per pupil calculations.

<sup>c</sup> Teaching staff includes only full-time equivalents of certificated staff.

<sup>d</sup> Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Note: Enrollment based on annual October district count.

Source: Rochelle Park School District records

ROCHELLE PARK SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>District Building</u>										
Midland School										
Square Feet	33,500	33,500	33,500	33,500	33,500	33,500	33,500	33,500	33,500	71,935
Capacity (Students)	506	506	506	506	506	506	506	506	506	506
Enrollment	462	463	458	479	497	498	486	503	522	500

Number of Schools at June 30, 2021  
 Elementary = 1

Note: Enrollment is based on the annual October district count.

Source: Rochelle Park School District Facilities Office

ROCHELLE PARK SCHOOL DISTRICT  
SCHEDULE OF ALLOWABLE MAINTENANCE EXPENDITURES BY SCHOOL FACILITIES  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>School Facility</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>
<u>UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES</u>										
<u>ACCOUNT #11-000-261-xxx</u>										
Midland School	\$ 101,571	\$ 79,657	\$ 77,131	\$ 131,763	\$ 259,403	\$ 295,057	\$ 267,979	\$ 307,201	\$ 173,115	\$ 195,469
	<u>\$ 101,571</u>	<u>\$ 79,657</u>	<u>\$ 77,131</u>	<u>\$ 131,763</u>	<u>\$ 259,403</u>	<u>\$ 295,057</u>	<u>\$ 267,979</u>	<u>\$ 307,201</u>	<u>\$ 173,115</u>	<u>\$ 195,469</u>

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

Source: Rochelle Park School District records

ROCHELLE PARK SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2021  
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Northeast Bergen County School Board Insurance Group (NESBIG):		
Package Policy - Great American Insurance Company		
Property	\$ 15,323,399	\$ 5,000
Earthquake/Flood (Outside Zones A & V)	5,000,000	50,000
Flood Zones A & V	1,000,000	500,000
Liability		
Automobile (Comprehensive & Collision)	1,000,000	1,000
Comprehensive General Liability	1,000,000	None
Worker's Compensation & Employer's Liability	Statutory 1,000,000	
Crime (Non-statutory Bonds)		
Per Employee (Primary)	100,000	5,000
Per Loss (Excess)	400,000	None
Boiler & Machinery	Property Limit	
Environmental - ACE/Chubb	14,000,000	15,000
Fund Aggregate	20,000,000	
Educator's Legal Liability/ Employment Practices - XL	1,000,000	10,000 20,000
Commercial Umbrella - Great American	9,000,000	10,000
Excess Umbrella - Fireman's Fund	50,000,000	
Fund Aggregate (Shared 1/2 Fund)	2,000,000	
Cyber Liability - XL	1,000,000	15,000
Fund Aggregate	6,000,000	
Accident Policy- All Students	1,000,000	
Surety Bond Coverage:		
Treasurer of School Monies	190,000	
Business Administrator	200,000	
Starstone Nat/Markel		
Excess Umbrella	30,000,000	

Source: Rochelle Park School District records

SINGLE AUDIT SECTION

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

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Town of Rochelle Park School District  
County of Bergen, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Rochelle Park School District, in the County of Bergen (the "District") as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 2, 2021.

**Internal Control Over Financial Reporting**

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

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

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

The Honorable President and Members  
of the Board of Education  
Town of Rochelle Park School District  
Page 2

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

November 2, 2021  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*

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Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
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Independent Member  
BKR International

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

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Town of Rochelle Park School District  
County of Bergen, New Jersey

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

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

***Management's Responsibility***

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

***Auditors' Responsibility***

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

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



The Honorable President and Members  
of the Board of Education  
Town of Rochelle Park School District  
Page 2

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

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

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

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

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

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

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

November 2, 2021  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*

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

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

Federal Grantor/ Pass Through Grantor/ Program/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2020		Cash Received	Budgetary Expenditures	Balance at June 30, 2021		Amounts Provided to Subrecipients
					Unearned Revenue (Accounts Receivable)	Due to Grantor			(Accounts Receivable)	Unearned Revenue	
U.S. Department of Agriculture											
Passed-through State Department of Agriculture:											
Child Nutrition Cluster:											
COVID 19 - Seamless Summer Option	10.555	N/A	3/18/20-6/30/20	\$ 13,619	\$ (5,756)	\$ 5,756					
COVID 19 - Seamless Summer Option Lunch	10.555	N/A	7/1/20-6/30/21	109,806		88,602	\$ (109,806)	\$ (21,204)			
COVID 19 - Seamless Summer Option Breakfast	10.553	N/A	7/1/20-6/30/21	57,970		53,415	(57,970)	(4,555)			
Federal Food Distribution Program	10.555	N/A	7/1/19-6/30/20	10,259	510		(510)				
Federal Food Distribution Program	10.555	N/A	7/1/20-6/30/21	20,444		20,444	(19,470)		\$ 974		
Total Child Nutrition Cluster						168,217	(187,756)	(25,759)	974		
Total U.S. Department of Agriculture						168,217	(187,756)	(25,759)	974		
Total Enterprise Funds						168,217	(187,756)	(25,759)	974		
Special Revenue Fund:											
U.S. Department of Education:											
Passed-through State Department of Education:											
Elementary and Secondary Education Act:											
Title I - Part A	84.010A	ESEA-4470-21	7/1/20-9/30/21	54,772		31,298	(54,772)	(23,474)			
Title II- Part A	84.367A	ESEA-4470-21	7/1/20-9/30/21	12,091		11,949	(12,091)	(142)			
Title IV- Part A	84.424	ESEA-4470-20	7/1/19-9/30/20	10,000	(1,651)	1,651					
Title IV- Part A	84.424	ESEA-4470-21	7/1/20-9/30/21	10,000	(1,651)	5,201	(10,000)	(6,450)			
Total Title IV						5,201	(10,000)	(6,450)			
Total Elementary and Secondary Education Act						48,448	(76,863)	(30,066)			
Special Education Cluster:											
IDEA Part B, Basic	84.027	IDEA-4470-21	7/1/20-9/30/21	126,453		114,532	(126,453)	(11,921)			
IDEA Part B, Preschool	84.173	IDEA-4470-21	7/1/20-9/30/21	5,299		3,965	(5,299)	(1,334)			
Total Special Education Cluster						118,497	(131,752)	(13,255)			
Education Stabilization Fund:											
COVID 19 - CARES Emergency Relief Grant	84.425D	CARES447021	3/13/20-9/30/22	46,278		39,239	(46,275)	(7,036)			
COVID 19 - Digital Divide	84.425D	S425D200027	7/16/20-10/31/20	36,030		36,030	(36,030)				
Total Education Stabilization Fund						75,269	(82,305)	(7,036)			
Total U.S. Department of Education						242,214	(290,920)	(50,357)			
U.S. Department of Treasury -											
Passed-through State Department of Education:											
COVID 19 - Coronavirus Relief Rund	21.019	N/A	3/1/20-12/30/20	32,419		32,419	(32,419)				
Passed-through the County of Bergen:											
COVID 19 - Coronavirus Relief Rund	21.019	N/A	3/1/20-12/30/20	25,000		25,000	(25,000)				
Total U.S. Department of Treasury						\$ 467,850	\$(536,095)	\$(76,116)	\$ 974	\$ -0-	
Total Federal Financial Awards											

N/A - Not Available/Applicable

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

ROCHELLE PARK SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance		Balance		Memo	
				June 30, 2020		June 30, 2021			
				(Accounts Receivable)	Cash Received	(Accounts Receivable)	Budgetary Expenditures	(Accounts Receivable)	Budgetary (Accounts Receivable)
State Department of Education:									
General Fund:									
Special Education Categorical Aid	20-495-034-5120-089	7/1/19-6/30/20	\$ 421,417	\$ 16,510	\$ 423,285	\$ (444,991)	\$ (21,706)	\$ 421,417	
Special Education Categorical Aid	21-495-034-5120-089	7/1/20-6/30/21	444,991		1,862			444,991	
Security Aid	20-495-034-5120-084	7/1/19-6/30/20	47,531	(1,862)	45,212	(47,531)	(2,319)	47,531	
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	47,531	(4,043)	4,043			47,531	
Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	103,197		98,163	(103,197)	(5,034)	103,197	
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	103,197	(88,524)	97,390	(8,866)		103,197	
Extraordinary Special Education Aid	20-495-034-5120-044	7/1/19-6/30/20	97,390		97,390	(210,956)	(210,956)	97,390	
Extraordinary Special Education Aid	21-495-034-5120-044	7/1/20-6/30/21	210,956	(6,913)	6,913			210,956	
Nonpublic Transportation	20-495-034-5120-014	7/1/19-6/30/20	6,913			(18,560)	(18,560)	6,913	
Nonpublic Transportation	21-495-034-5120-014	7/1/20-6/30/21	18,560		349,497	(349,497)		18,560	
Reimbursed TPAF Social Security Contributions	21-495-034-5094-003	7/1/20-6/30/21	349,497		367,926	(367,926)		349,497	
On-Behalf TPAF Post Retirement Contributions	21-495-034-5094-001	7/1/20-6/30/21	367,926		1,152,120	(1,152,120)		367,926	
On-Behalf TPAF Pension Contributions	21-495-034-5094-002	7/1/20-6/30/21	1,152,120		21,921	(21,921)		1,152,120	
On-Behalf TPAF Non-Contributory Insurance	21-495-034-5094-004	7/1/20-6/30/21	21,921		572	(572)		21,921	
On-Behalf TPAF Long-Term Disability Insurance	21-495-034-5094-004	7/1/20-6/30/21	572					572	
Total General Fund State Aid				(117,852)	2,585,414	(2,726,137)	(229,516)	(258,575)	3,393,719
Debt Service Fund:									
Debt Service Aid Type II	21-495-034-5120-125	7/1/20-6/30/21	156,342		156,342	(156,342)		156,342	
Total Debt Service Fund					156,342	(156,342)		156,342	

**ROCHELLE PARK SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance		Balance		Memo	
				June 30, 2020 (Accounts Receivable)	Cash Received	June 30, 2021 (Accounts Receivable)	Budgetary Expenditures	Budgetary (Accounts Receivable)	Cumulative Total Expenditures
<b>Enterprise Fund:</b>									
COVID 19 - Seamless Summer Option	21-100-010-3350-023	7/1/20-6/30/21	\$ 6,648	\$ 4,574	\$ (2,074)	\$ (2,074)	\$ (2,074)	\$ (2,074)	\$ 6,648
COVID 19 - Seamless Summer Option	20-100-010-3350-023	3/18/20-6/30/20	141	59					141
<b>Total Enterprise Fund</b>			<b>(59)</b>	<b>4,633</b>	<b>(2,074)</b>	<b>(2,074)</b>	<b>(2,074)</b>	<b>(2,074)</b>	<b>6,789</b>
<b>Capital Projects Fund:</b>									
Schools Development Authority:									
Educational Facilities Construction & Financing Act:									
Midland Elementary School - Sprinkler System	4470-050-14-1003	7/1/13-9/30/2022	122,200		(122,200)			(122,200)	
Construction Services									
<b>Total Capital Projects Fund</b>					<b>(122,200)</b>			<b>(122,200)</b>	
<b>Total State Awards Subject to Single Audit Determination</b>				<b>\$ 2,746,389</b>	<b>\$ (240,111)</b>	<b>\$ (231,590)</b>	<b>\$ (2,889,127)</b>	<b>\$ (382,849)</b>	<b>\$3,556,850</b>
<b>Less: State Awards Not Subject to Single Audit Major Program Determination</b>									
<b>On-Behalf TPAF Pension System Contributions:</b>									
On-Behalf TPAF Pension System Contributions	21-495-034-5094-001	7/1/20-6/30/21	(367,926)				\$ 367,926		
On-Behalf TPAF Post Retirement Contributions	21-495-034-5094-002	7/1/20-6/30/21	(1,152,120)				1,152,120		
On-Behalf TPAF Pension Contributions	21-495-034-5094-004	7/1/20-6/30/21	(21,921)				21,921		
On-Behalf TPAF Non-Contributory Insurance	21-495-034-5094-004	7/1/20-6/30/21	(572)				572		
On-Behalf TPAF Long-Term Disability Insurance	21-495-034-5094-004	7/1/20-6/30/21							
<b>Subtotal - On-Behalf TPAF Pension System Contribution</b>							<b>1,542,539</b>		
<b>Total State Awards Subject to Single Audit Major Program Determination</b>									<b>\$ (1,346,588)</b>

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

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

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. Summary of Significant Accounting Policies

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

NOTE 3. Indirect Cost Rate

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

NOTE 4. Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$6,644) for the general fund and (\$9,107) (which includes \$2,381 for local grant funds) for the special revenue fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

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

(Continued)

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

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 2,719,493	\$ 2,719,493
Special Revenue Fund	\$ 341,613		341,613
Debt Service Fund		156,342	156,342
Food Service Fund	<u>187,756</u>	<u>6,648</u>	<u>194,404</u>
Total Awards	<u>\$ 529,369</u>	<u>\$ 2,882,483</u>	<u>\$ 3,411,852</u>

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. FEDERAL AND STATE LOANS OUTSTANDING

Rochelle Park School District had no outstanding federal or state loan balances at June 30, 2021.

NOTE 7. OTHER

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

NOTE 8. NJ SCHOOLS DEVELOPMENT AUTHORITY (SDA) GRANTS

The District has an active grant awarded in the amount of \$122,200 from the Schools Development Authority (SDA) under the Educational Facilities Construction and Financing Act. As of June 30, 2021, the grant funds have not been expended, or drawn down or received. The District realizes grant revenue in the Capital Projects Fund on the GAAP basis as it is expended and submitted for reimbursement.

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

Summary of Auditors' Results:

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

	State Grant Number	Grant Period	Award Amount	Budgetary Expenditures
State Aid - Public:				
Special Education Categorical Aid	21-495-034-5120-089	7/1/20-6/30/21	\$ 444,991	\$ 444,991
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	47,531	47,531

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

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

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

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

Findings and Questioned Costs for Federal Awards:

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

Findings and Questioned Costs for State Awards:

- The audit did not disclose any finding or questioned costs for state awards as defined in section 2 CFR 200.516(a) of the Uniform Guidance or NJOMB 15-08.



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

Status of Prior Year Findings:

There were no prior year audit findings.