

**SCHOOL DISTRICT**

**OF**

**ROSELLE PARK**

**ROSELLE PARK BOARD OF EDUCATION  
ROSELLE PARK, NEW JERSEY**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**OF THE**

**ROSELLE PARK BOARD OF EDUCATION**

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

**PREPARED BY**

**ROSELLE PARK BOARD OF EDUCATION  
FINANCE DEPARTMENT**

# ROSELLE PARK SCHOOL DISTRICT

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## **INTRODUCTORY SECTION**



1.

*Roselle Park Public Schools  
510 Chestnut Street  
Roselle Park, New Jersey 07204*

*"A High Performing District"*

**Pedro Garrido**  
Superintendent of Schools  
(908) 245-1197  
FAX (908) 245-1226

**James Olobardi**  
Interim School Business Administrator/  
Board Secretary  
(908) 245-2103

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February 11, 2022

Honorable President and  
Members of the Board of Education  
Roselle Park School District  
County of Union, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report of the Roselle Park School 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, rest with the management of the board of education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups 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 principle officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The district is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations, Part 200, "Audits of State and Local Governments" and the State Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payment". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** The Roselle Park School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No.3. All funds and account groups of the district are included in this report. The Roselle Park Board of Education and all its schools constitute the district's reporting entity.

The district provides a full range of educational services appropriate to grade levels; preschool through 12 (PreK-12). These include regular and special education for handicapped youngsters. The district also provides after-school care (extended day) for elementary and middle school children, and a summer camp for parents who need or desire care for their children beyond the traditional school year.

The district completed the 2020-2021 school year with an enrollment of 2108 students, which represents an increase of 49 students over the previous June 30 enrollment.

2. **ECONOMIC CONDITION AND OUTLOOK:** Roselle Park is a community that lacks commercial and industrial ratables. Since seven of the top ten taxpayers are apartment complex owners, only three out of the ten largest taxpayers require no services from the school district. The apartment dwellers are responsible for generating approximately one-fifth of the total student population.

Property owners directly, and apartment dwellers indirectly, will continue to shoulder the major proportion of property taxes, based upon the current school funding formula.

3. **CURRICULUM/ STAFF DEVELOPMENT:** The Roselle Park School District continues to prioritize teacher and staff professional development. Three full and four half days of professional development/in-service training were again included in the 2020-2021 school year calendar, in addition to professional learning experiences our staff participate in regularly. As the impact of covid began effecting teaching and learning, students experienced learning loss. The district started shifting its efforts to supporting students leaving by adding support systems (tutoring, after school classes, etc.).

Diverse opportunities for job-embedded support have been established throughout the district. Monthly Professional Learning Community (PLC) meetings, Articulation Meetings, optional after-hours learning opportunities, release time for collaborative assessment review and discussion, data analysis, and small group coaching/lesson rehearsal. Teaching and administrative staff with expertise in virtual instruction tools assumed larger leadership roles. Staff who found success communicating with their students and parents remotely and/or delivering effective virtual instruction worked collaboratively with administration to provide informal and formal training sessions, which ultimately progressed into the district roadmap to consistent guidance and support to engage the school community during a very challenging time period for all school communities.

District Articulation, PLCs, and Staff Meetings structures were refined and prioritized for the 20-21 school year. Midyear, these structures became the

lifeline for the district to communicate rapid changes and expectations, taking place with much more frequency throughout the Spring. Instructional coaches and interventionist assumed a more significant and visible role to provide support for our teaching staff in the midst of students learning loss. Curriculum compacting, the identification and training to use new communication and instructional tools effectively, and technology device deployment and support for the community were clear priorities to adapt to the challenges of remote instruction.

Curriculum continues to be updated and digitized. Throughout the Spring, long-term curricula needs were balanced. Google suite continues to be the platform that curriculum revisions are maintained with up-to-date changes. In addition, the updated NJSL Standards were referenced as appropriate to begin the work to align curricula in anticipation of full alignment for numerous content areas for September 2022/2023. Short and long-term curricula revision will continue throughout the summer into the 21-22 school year.

The district continues to utilize the data warehouse and assessment system LinkIt to support our teachers' ability to provide data driven instruction to meet individual student needs. LinkIt was initially adopted for use in grades K-8, with research based formative assessments administered online in Math and English Language Arts three times per year to students in grades 2-8. The ongoing curriculum work noted above considered key points and trends identified in the data, as well as program updates and resource investments were prioritized to meet the identified needs of students. LinkIt benchmark assessments were extended into grades 9 and 10 in the High School during the 2020-2021 school year, following a similar implementation and support plan used to introduce these new tools in grades 2-8 in 2019-2020. Following the direction of NJDOE, emphasis will be placed on facilitating academic growth in subgroup populations, which is a district goal for 2020-21.

After a year-long digital registration pilot for incoming preschool students in 19-20, digital registration was expanded to all students. We continued our successful 1:1 laptop initiative in grades 6-12, now in its sixth year. Based on our experience in the first fifth-year purchase cycle of 1:1 devices, the district purchased Chromebooks for all secondary students. A planned gradual shift to the Google Suite began in September of 2019.

Once again, a summer program was offered to Title I and ESL students, funded by the ESEA grant. The fully virtual program served approximately 90 students who attended this valuable learning experience over the course of six weeks.

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

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

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

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

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

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

7. **CASH MANAGEMENT:** The investment policy of the district is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. 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. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

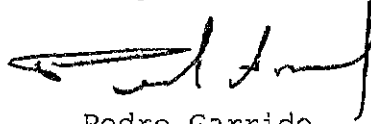
8. **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

9. **OTHER INFORMATION:** **Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Robert A. Hulsart and Company, CPA's, conducted the audit for the board of education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet

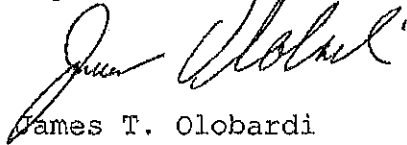
the requirements of the Title 2 U.S. Code of Federal Regulations, Part 200, 5.  
"Audits of State and Local Governments" and the State Treasury Circular  
Letter 15-08 OMB. The auditor's report on the general-purpose financial  
statements and combining and individual fund statements and schedules is  
included in the financial section of this report. The auditor's reports  
related specifically to the single audit are included in the financial  
section of this report.

10. ACKNOWLEDGEMENTS: We would like to express our appreciation to the  
members of the Roselle Park Board of Education for their desire to provide  
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 operations. The preparation of this report could  
not have been accomplished without the efficient and dedicated services of  
our financial and accounting staff.

Respectfully submitted,



Pedro Garrido  
Superintendent of Schools



James T. Olobardi  
Interim School Business Administrator/  
Board Secretary

ROSELLE PARK BOARD OF EDUCATIONROSELLE PARK, NEW JERSEYROSTER OF OFFICIALSJUNE 30, 2021

<u>Members of the Board of Education</u>	<u>Terms</u>
Susan Carlstrom, President	2022
Marissa Falcon, Vice President	2022
Marc Fernandez	2022
Loren Harms	2022
Chad Hemenway	2021
Zachary Infante	2024
Brittany Kirkland	2024
Khamele McLeod-Cato	2021
Constance Quintela	2024

Other Officials

Pedro Garrido, Superintendent

Michelle Calas, Board Secretary/School Business Administrator

Gregory Mayers, Treasurer

Anthony Sciarrillo, Esq., Board Attorney

**ROSELLE PARK BOARD OF EDUCATION  
CONSULTANTS AND ADVISORS**

**Audit Firm**

Robert A. Hulsart & Company  
P.O. Box 1409  
2807 Hurley Pond Road  
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**Attorney**

Anthony Sciarrillo  
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Westfield, New Jersey 07090

**Official Depository**

TD Bank, N.A.  
37 St. George Avenue  
Roselle, New Jersey 07203

**Architect**

Di Cara Rubino Architects  
30 Galesi Drive  
Wayne, New Jersey 07470

**Health and Dental**

Brown & Brown Benefit Advisors  
430 Mountain Avenue  
Murray Hill, New Jersey 07974

**Property and Casualty**

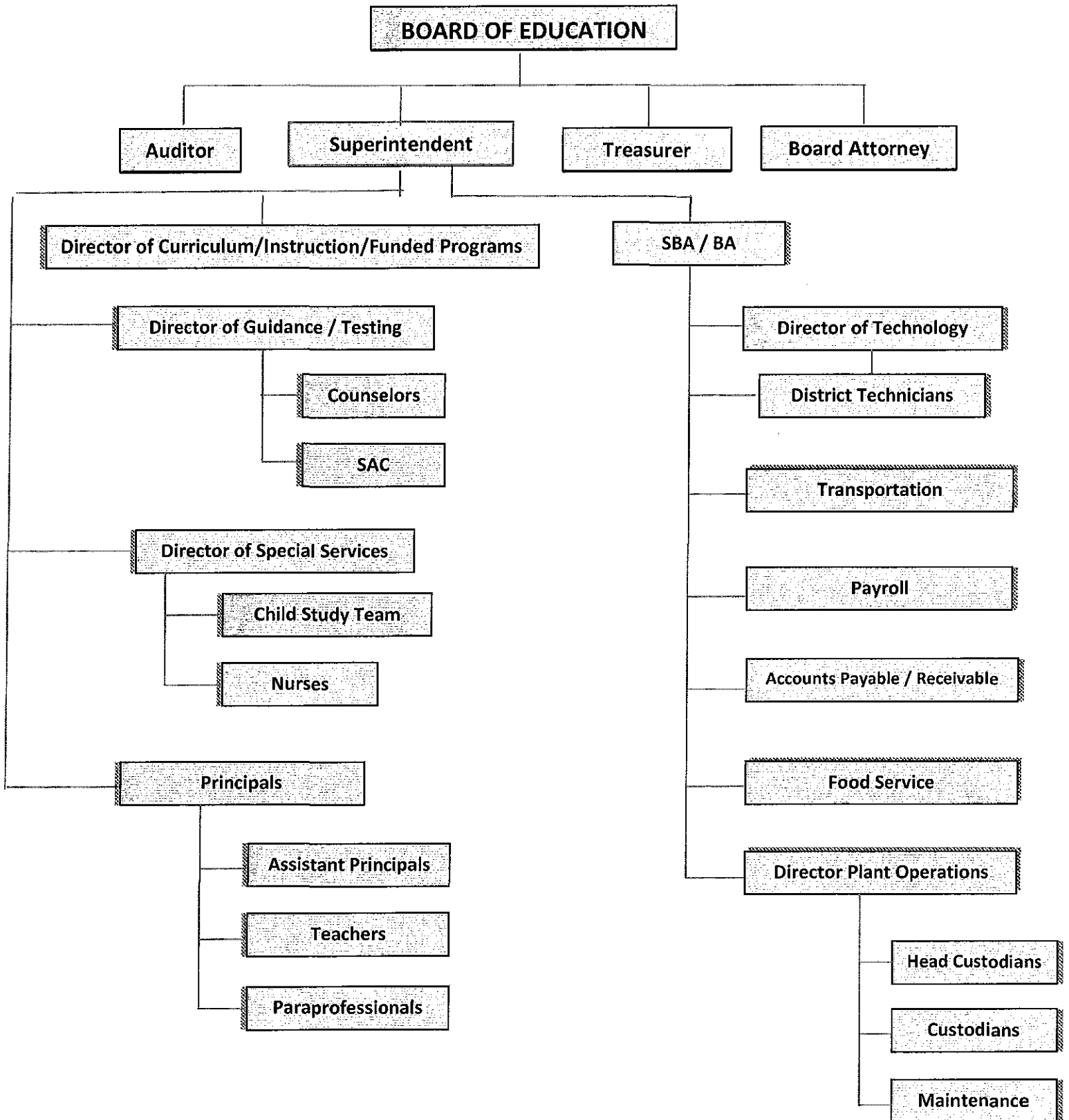
Davies & Associates, Inc.  
80 Floral Avenue  
Murray Hill Square  
Murray Hill, New Jersey 07974

**Bond Counsel**

Ronald J. Ianoale  
McManimon & Scotland, L.L.C.  
One Riverfront Plaza  
Fourth Floor  
Newark, New Jersey 07102-5408

# ROSELLE PARK SCHOOL DISTRICT ORGANIZATIONAL CHART

June 30, 2021





## **FINANCIAL SECTION**

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)  
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.  
ROBERT A. HULSART, JR., C.P.A., P.S.A.  
RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

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## **INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Roselle Park School District  
County of Union  
Roselle Park, New Jersey

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Roselle Park School District, in the County of Union, State of New Jersey, as of and for the 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 an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### *Opinions*

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

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Required Supplementary Information identified in the table of contents 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 Roselle Park School District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Requirements* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the schedule of federal awards and the schedule of state financial assistance as required by NJ OMB 15-08 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of state financial assistance as required by NJ OMB 15-08 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

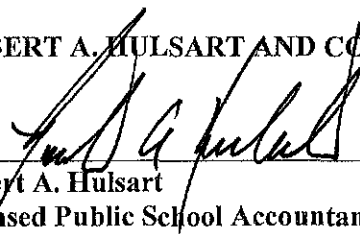
The introductory and statistical sections have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 11, 2022 on our consideration of the Roselle Park Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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 Roselle Park Board of Education's internal control over financial reporting and compliance.

Respectfully submitted,

**ROBERT A. HULSART AND COMPANY**




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Robert A. Hulsart  
 Licensed Public School Accountant  
 No. 322  
 Robert A. Hulsart and Company  
 Wall Township, New Jersey

February 11, 2022

**REQUIRED SUPPLEMENTARY INFORMATION**  
**PART I**

**ROSELLE PARK PUBLIC SCHOOL DISTRICT**  
**BOROUGH OF ROSELLE PARK**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

The discussion and analysis of Roselle Park School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; it should be read in conjunction with the Comprehensive Annual Financial Report's (ACFR) Letter of Transmittal which is found in the Introductory Section, and the School Board's financial statements found in the Financial Section and the notes thereto.

**Financial Highlights**

Key Financial highlights for the 2020-2021 fiscal year are as follows:

- Total assets as of June 30, 2021 were \$55,241,604 which included \$1,252,543 for Proprietary funds.
- The total Governmental net position included \$41,392,233 of capital assets and \$8,494,408 of restricted assets designated capital reserve, maintenance reserve and designations for subsequent years.
- Total revenues for the year were \$48,340,730 which included \$46,684,941 in Governmental Funds, and \$1,655,789 for Proprietary Funds.
- There was state aid payments of \$1,268,537 that was not made in 2020-21 as a result of the New Jersey Legislature's Appropriations Act. This amount will be received in 2021-22.
- Proprietary Fund revenues included \$1,440,273 for food service and \$215,516 for Summer Camp programs.
- Total District expenditures were \$44,191,385 of which \$42,995,623 were for Governmental Funds and \$1,195,762 for Proprietary Funds.

**Using this Comprehensive Annual Financial Report (ACFR)**

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

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole school district, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Roselle Park School District, the General Fund is the most significant fund, with the Special Revenue Fund and certain Proprietary Funds also having significance.

## **Using this Comprehensive Annual Financial Report (ACFR) (Continued)**

The School Board's auditor has provided assurance in his Independent Auditor's Report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each of the other parts of the Financial Section.

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

#### **Statement of Net Position and the Statement of Activities**

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions. The Statement of Net Position and the Statement of Activities helps provide this information. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- **Governmental activities** – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- **Business-Type Activities** – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service Enterprise Fund, the Extended Day Care and Summer Camp Programs are reported as a business activities.

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

#### **Fund Financial Statements**

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund and Debt Service Fund.

## Governmental Funds

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

## Proprietary Funds

The Proprietary Funds uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

## The School District as a Whole

Table 1 provides a summary of the School District's net position for the fiscal year 2019-2020 and 2020-2021.

**Table 1**  
**Net Position**

	<u>2020-2021</u>	<u>2019-2020</u>
<b><u>Assets</u></b>		
Current and Other Assets	\$ 11,396,874	6,052,437
Capital Assets, Net	<u>43,844,730</u>	<u>42,194,241</u>
Total Assets	<u>\$ 55,241,604</u>	<u>48,246,678</u>
<b><u>Deferred Outflows of Resources</u></b>		
Contribution to Pension Plans	<u>\$ 1,425,057</u>	<u>1,288,606</u>
<b><u>Deferred Inflows of Resources</u></b>		
Pension Deferrals	<u>\$ 2,969,809</u>	<u>2,917,358</u>
<b><u>Liabilities</u></b>		
Long-Term Liabilities	\$ 10,077,069	11,707,763
Other Liabilities	<u>1,529,121</u>	<u>633,734</u>
Total Liabilities	<u>\$ 11,606,190</u>	<u>12,341,497</u>
<b><u>Net Position</u></b>		
Invested in Capital Assets, Net of Debt	\$ 41,394,279	38,442,027
Restricted	8,494,408	5,301,901
Unrestricted	<u>(7,798,025)</u>	<u>(9,467,499)</u>
Total Net Position	<u>\$ 42,090,662</u>	<u>34,276,429</u>



Table 2 shows the changes in net position for fiscal year 2020-2021 and 2019-2020.

**Table 2**  
**Changes in Net Position**

	<u>2020-2021</u>	<u>2019-2020</u>
<b><u>Revenues</u></b>		
Program Revenues		
Charges for Services	\$ 217,919	868,464
Operating Grants and Contributions	4,370,157	2,264,155
General Revenues		
Property Taxes	22,853,578	22,430,278
Grants and Entitlements	20,358,310	18,646,934
Other	<u>540,766</u>	<u>146,894</u>
Total Revenues	<u>48,340,730</u>	<u>44,356,725</u>
<b><u>Program Expenses</u></b>		
Instruction	16,475,800	17,117,693
Tuition	1,466,501	1,781,888
Depreciation	409,923	264,334
Support Services		
Pupils/Instructional Services	4,858,696	4,472,279
Administrative-General, School, Business	2,569,314	2,496,875
Operations and Maintenance of Facilities	1,825,727	3,057,253
Pupil Transportation	334,144	433,867
Employee Benefits	12,999,969	11,735,358
Debt Service	70,071	122,283
Capital Outlay		64,692
Charter Schools	10,032	10,393
Enterprise	<u>1,195,762</u>	<u>1,251,770</u>
Total	<u>42,215,939</u>	<u>42,808,685</u>
Adjustment for Capital Outlay	<u>1,428,312</u>	<u>                    </u>
Increase (Decrease) in Net Position	<u>\$ 7,553,103</u>	<u>1,548,040</u>

### **Governmental Activities**

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student.

Extra Curricular activities include school sponsored co-curricular activities such as publications, clubs, drama and music as well as interscholastic athletics.

Pupils/Instructional services include the activities involved with providing support services to pupils, both regular and special education, educational media services and assisting the staff with the content and process of teaching to students, including curriculum and staff development.

### **Governmental Activities (Continued)**

General administration, school administration and business include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Employee Benefits represent the cost of employer's share of pension and social security, health and dental insurance premiums, compensation for retiring employees' accumulated sick leave pursuant to collective bargaining agreements, and custodial uniforms.

Capital Outlay includes equipment items with a unit cost of \$2,000 or more, and facilities acquisition and construction services.

Debt Service involves the transactions associated with the payment of principal and interest on previously authorized debt incurred by the School District.

### **Business-Type Activities**

Revenues for the District's business-type activities (food service program and summer camp) were comprised of charges for services and federal and state reimbursements.

- Food service revenues exceeded expenses by \$314,794.
- Charges for services represent \$2,403 of revenue. This represents amount paid by patrons for daily food services.
- Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities was \$1,437,870.
- The Summer Camp program, which has a fee for service program, had total revenues of \$215,516.

### **The School Board's Funds**

The School Board uses funds to control and manage money for particular purposes. The Fund's basic financial statements allows the School Board to demonstrate its stewardship over and accountability for resources received from the Borough of Roselle Park's taxpayer's and other entities, including the State of New Jersey and the Federal Government. These statements also allow the reader to obtain more insight into the financial workings of the School Board, and assess further the School Board's overall financial health.

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

Over the course of the year, the School Board revises its budget as it attempts to take into consideration unexpected changes in revenue and expenditures. A schedule showing the School Board's original and final budget compared with actual operating results is provided in the section of the ACFR, entitled Budgetary Comparison Schedules.

### The School Board's Funds (Continued)

On June 30, 2021 the district's General Fund balance was \$8,979,328. This amount will be reduced by encumbrances of \$954,613, \$2,514,874 for Capital Reserve, and \$1,231,665 of excess surplus which is mandated for tax relief in 2021-2022; and \$1,911,257 for tax relief in 2022-2023, \$37,519 in maintenance reserve; \$270,527 is designated by the Board of Education for the 2021-2022 budget; \$300,000 is designated for Capital Reserve for the 2021-2022 budget for State Aid reduction leaving an unrestricted balance of \$1,687,421. The unrestricted balance represents 4% of the current year's budget; and \$71,452 is unemployment.

### Capital Assets

At June 30, 2021, the School Board had approximately \$43,844,730 million invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, instructional equipment and other equipment. This amount is net of accumulated depreciation to date. Table 3 below shows the net book value of capital assets at the end of the 2021 fiscal year.

**Table 3**

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Capital Assets at June 30, 2021		
Land and Improvements	\$ 27,821,301	
Buildings and Sites	15,310,170	
Machinery, Equipment and Vehicles	<u>711,213</u>	<u>2,046</u>
Total	<u>\$ 43,842,684</u>	<u>2,046</u>

### Debt Administration

At June 30, 2021, the School District had \$10,077,069 as outstanding debt. Of this amount \$1,131,388 is for compensated absences, and \$2,245,000 for bonds for school improvement, \$205,451 in capital leases; and \$6,495,230 for pension liability.

### Economic Factors and Next Year's Budget

At this time, the most important factor affecting the budget is the unsettled situation with State Aid, and recent legislation affecting future school budgets. The District can only assume that current funding levels from the state will be maintained, however, the legislation further restricts budget growth. The District expects to experience additional growth in student population. Additionally costs for personnel, special education and energy are expected to continue to increase. The tax levy will likely be the area that will need to absorb most of the increase in budget obligations.

In conclusion, the Roselle Park School District has committed itself to a thorough and efficient operation for delivering educational services to its school children. The School District is carefully managing its resources, and is planning to meet its future educational needs in as fiscally prudent a manner as possible.

**Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Jim Olobardi, Interim School Business Administrator/Board Secretary at Roselle Park Board of Education, 510 Chestnut Street, Roselle Park, NJ 07204.

## **BASIC FINANCIAL STATEMENTS**

**DISTRICT-WIDE FINANCIAL STATEMENTS – A**

**ROSELLE PARK SCHOOL DISTRICT****STATEMENT OF NET POSITION**

Exhibit A-1

**JUNE 30, 2021**

	<b><u>Governmental Activities</u></b>	<b><u>Business-Type Activities</u></b>	<b><u>Total</u></b>
<b><u>Assets</u></b>			
Cash and Cash Equivalents	\$ 71,807	1,102,127	1,173,934
Receivables, Net	1,580,162	134,104	1,714,266
Inventory		14,266	14,266
Restricted Assets:			
Cash and Cash Equivalents	8,494,408		8,494,408
Capital Assets - (Non-Depreciable)	27,821,301		27,821,301
Capital Assets, Net (Note 1)	16,021,383	2,046	16,023,429
Total Assets	<u>53,989,061</u>	<u>1,252,543</u>	<u>55,241,604</u>
<b><u>Deferred Outflow of Resources</u></b>			
Contribution to Pension Plan	<u>1,425,057</u>		<u>1,425,057</u>
<b><u>Deferred Inflow of Resources</u></b>			
Pension Deferrals	<u>2,969,809</u>		<u>2,969,809</u>
<b><u>Liabilities</u></b>			
Accounts Payable and Accrued Interest	976,201	149,739	1,125,940
Deferred Revenue	403,181		403,181
Noncurrent Liabilities: (Note 3)			
Due Within One Year	560,000		560,000
Due Beyond One Year	9,517,069		9,517,069
Total Liabilities	<u>11,456,451</u>	<u>149,739</u>	<u>11,606,190</u>
<b><u>Net Position</u></b>			
Invested in Capital Assets, Net of Related Debt	41,392,233	2,046	41,394,279
Restricted For:			
Other Purposes	8,494,408		8,494,408
Unrestricted	<u>(8,898,783)</u>	<u>1,100,758</u>	<u>(7,798,025)</u>
Total Net Position	<u>\$ 40,987,858</u>	<u>1,102,804</u>	<u>42,090,662</u>

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

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit A-2

Sheet 1 of 2

**STATEMENT OF ACTIVITIES**

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

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b><u>Functions/Programs</u></b>						
Governmental Activities:						
Instruction:						
Regular	\$10,277,539			(10,277,539)		(10,277,539)
Special Education	4,566,266		1,929,746	(2,636,520)		(2,636,520)
Other Special Instruction	1,631,995			(1,631,995)		(1,631,995)
Support Services:						
Tuition	1,466,501			(1,466,501)		(1,466,501)
Student & Instruction Related Services	4,858,696		1,002,541	(3,856,155)		(3,856,155)
School Administrative Services	1,229,350			(1,229,350)		(1,229,350)
General and Business Administrative Services	1,339,964			(1,339,964)		(1,339,964)
Plant Operations and Maintenance	1,825,727			(1,825,727)		(1,825,727)
Pupil Transportation	334,144			(334,144)		(334,144)
Employee Benefits	12,999,969			(12,999,969)		(12,999,969)
Charter Schools	10,032			(10,032)		(10,032)
Capital Outlay				-		-
Interest on Long-Term Debt	70,070			(70,070)		(70,070)
Depreciation	409,923			(409,923)		(409,923)
<b>Total Government Activities</b>	<b>41,020,176</b>	<b>-</b>	<b>2,932,287</b>	<b>(38,087,889)</b>	<b>-</b>	<b>(38,087,889)</b>
Business-Type Activities:						
Food Service and Miscellaneous	1,195,762	217,919	1,437,870		460,027	460,027
<b>Total Business-Type Activities</b>	<b>1,195,762</b>	<b>217,919</b>	<b>1,437,870</b>	<b>-</b>	<b>460,027</b>	<b>460,027</b>
<b>Total Primary Government</b>	<b>42,215,938</b>	<b>217,919</b>	<b>4,370,157</b>	<b>(38,087,889)</b>	<b>460,027</b>	<b>(37,627,862)</b>



**ROSELLE PARK SCHOOL DISTRICT**

**Exhibit A-2**

**Sheet 2 of 2**

**STATEMENT OF ACTIVITIES**

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

	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General Revenues:						
Taxes						
Property Taxes, Levied for General Purpose, Net				22,190,078		22,190,078
Taxes Levied for Debt Service				663,500		663,500
Federal and State Aid Not Restricted				20,358,310		20,358,310
Miscellaneous Income				540,766		540,766
Total General Revenues and Transfers				<u>43,752,654</u>	<u>-</u>	<u>43,752,654</u>
Other Financing Sources (Uses):						
Adjustment for Capital Outlay				1,426,120	2,192	1,428,312
Total Other Financing Sources (Uses):				<u>1,426,120</u>	<u>2,192</u>	<u>1,428,312</u>
Change in Net Position				7,090,884	462,219	7,553,103
Net Position - Beginning				33,635,844	640,585	34,276,429
Prior Period Adjustment				<u>261,130</u>		<u>261,130</u>
Net Position - Ending				<u>\$ 40,987,858</u>	<u>1,102,804</u>	<u>42,090,662</u>

**FUND FINANCIAL STATEMENTS – B**

## ROSELLE PARK SCHOOL DISTRICT

Exhibit B-1

BALANCE SHEETGOVERNMENTAL FUNDSJUNE 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b><u>Assets</u></b>				
Cash and Cash Equivalents	\$ 7,363,714	210,693	991,808	8,566,215
Receivables, Net	559,881	654,764		1,214,645
Interfund Receivable	365,517			365,517
Total Assets	<u>\$ 8,289,112</u>	<u>865,457</u>	<u>991,808</u>	<u>10,146,377</u>
<b><u>Liabilities and Fund Balance</u></b>				
<b>Liabilities:</b>				
Interfund Payable	\$ -	365,517		365,517
Payroll Deductions and Withholdings	5,156			5,156
Accounts Payable	573,165			573,165
Deferred Revenue		403,181		403,181
Total Liabilities	<u>578,321</u>	<u>768,698</u>	<u>-</u>	<u>1,347,019</u>
<b>Fund Balance:</b>				
<b>Restricted for:</b>				
Capital Projects Fund			991,808	991,808
Excess Surplus	1,911,257			1,911,257
Unemployment	71,452			71,452
Student Activities		204,232		204,232
Scholarships		6,461		6,461
<b>Committed To:</b>				
Capital Reserve	2,514,874			2,514,874
Maintenance Reserve	37,519			37,519
<b>Assigned To:</b>				
Designated for Subsequent Year's Expenditures				
Excess Surplus	1,231,665			1,231,665
Designated for Subsequent Year's Expenditures				
By the Board of Education	270,527			270,527
Designated for Subsequent Year's Expenditures				
Capital Reserve	300,000			300,000
Other Purposes	954,613			954,613
<b>Unassigned:</b>				
Special Revenue		(113,934)		(113,934)
General Fund	418,884			418,884
Total Fund Balances	<u>7,710,791</u>	<u>96,759</u>	<u>991,808</u>	<u>8,799,358</u>
Total Liabilities and Fund Balance	<u>\$ 8,289,112</u>	<u>865,457</u>	<u>991,808</u>	

Amounts reported for governmental activities in the Statement of Net Position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$55,888,494 and the accumulated depreciation is \$11,667,399. 43,842,684

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. (10,077,069)

Deferred outflow of resources - contributions to the pension plan 1,425,057

Deferred inflow of resources - acquisition of assets applicable to future reporting periods (2,969,809)

Accrued Interest (32,363)

Net Position of Governmental Activities \$ 40,987,858

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

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit B-2  
Sheet 1 of 2

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**GOVERNMENTAL FUNDS**

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b><u>Revenues</u></b>					
Local Sources:					
Local Tax Levy	\$ 22,190,078			663,500	22,853,578
Tuition Charges	11,927				11,927
Restricted Miscellaneous Funds	67,466	262,880			330,346
Miscellaneous	210,420				210,420
Total Local Sources	<u>22,479,891</u>	<u>262,880</u>	<u>-</u>	<u>663,500</u>	<u>23,406,271</u>
State Sources	20,525,653	1,076,394			21,602,047
Federal Sources	65,565	1,611,058			1,676,623
Total Revenues	<u>43,071,109</u>	<u>2,950,332</u>	<u>-</u>	<u>663,500</u>	<u>46,684,941</u>
<b><u>Expenditures</u></b>					
Current:					
Regular Instruction	10,263,199				10,263,199
Special Education Instruction	2,614,712	1,951,554			4,566,266
Other Special Instruction	1,631,995				1,631,995
Support Services and Undistributed Costs:					
Tuition	1,466,501				1,466,501
Student and Instruction Related Services	3,856,155	1,002,541			4,858,696
School Administrative Services	1,229,350				1,229,350
Other Administrative Services	1,339,964				1,339,964
Plant Operations and Maintenance	2,572,490				2,572,490
Pupil Transportation	334,144				334,144
Unallocated Benefits	13,427,240				13,427,240
Debt Service:					
Principal				555,000	555,000
Interest and Other Charges				108,500	108,500
Capital Outlay	614,201	18,045			632,246
Charter Schools	10,032				10,032
Total Expenditures	<u>39,359,983</u>	<u>2,972,140</u>	<u>-</u>	<u>663,500</u>	<u>42,995,623</u>

**ROSELLE PARK SCHOOL DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**GOVERNMENTAL FUNDS**

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

	<b><u>General Fund</u></b>	<b><u>Special Revenue Fund</u></b>	<b><u>Capital Projects Fund</u></b>	<b><u>Debt Service Fund</u></b>	<b><u>Total Governmental Funds</u></b>
Excess (Deficiency) of Revenues Over Expenditures	<u>3,711,126</u>	<u>(21,808)</u>	<u>-</u>	<u>-</u>	<u>3,689,318</u>
Other Financing Sources (Uses):					
Transfers	<u>(1,007,219)</u>	<u>15,411</u>	<u>991,808</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	<u>2,703,907</u>	<u>(6,397)</u>	<u>991,808</u>	<u>-</u>	<u>3,689,318</u>
Net Change in Fund Balances	<u>2,703,907</u>	<u>(6,397)</u>	<u>991,808</u>	<u>-</u>	<u>3,689,318</u>
Fund Balance - July 1	4,942,936	(94,026)			4,848,910
Prior Period Adjustment	<u>63,948</u>	<u>197,182</u>			<u>261,130</u>
Fund Balance, July 1, Restated	<u>5,006,884</u>	<u>103,156</u>	<u>-</u>	<u>-</u>	<u>5,110,040</u>
Fund Balance - June 30	<u>\$ 7,710,791</u>	<u>96,759</u>	<u>991,808</u>	<u>-</u>	<u>8,799,358</u>

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

ROSELLE PARK SCHOOL DISTRICT

Exhibit B-3

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURESAND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDSTO THE STATEMENT OF ACTIVITIESJUNE 30, 2021

Total Net Change in Fund Balances - Governmental Funds (From B-2)	\$ 3,689,318
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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 capital outlays exceeded depreciation in the period.

Depreciation Expense	(409,923)	
Capital Outlays	<u>2,805,129</u>	
		2,395,206

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.	555,000
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Accrued Interest	38,430
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Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position	136,451
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Net Pension Liability	343,271
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Pension Related Deferrals	(52,451)
---------------------------	----------

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).	<u>(14,340)</u>
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Change in Net Position of Governmental Activities	<u><u>\$ 7,090,885</u></u>
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The accompanying Notes to Financial Statements are an integral part of this statement.

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

Exhibit B-4

	<b><u>Business-Type Activities Enterprise Funds</u></b>
<b><u>Assets</u></b>	
Current Assets:	
Cash and Cash Equivalents	\$ 1,102,127
Accounts Receivable:	
State	5,578
Federal	124,228
Other	4,298
Inventory	14,266
Total Current Assets	<u>1,250,497</u>
Noncurrent Assets:	
Equipment	273,637
Accumulated Depreciation	<u>(271,591)</u>
Total Fixed Assets	<u>2,046</u>
Total Assets	<u>\$ 1,252,543</u>
<b><u>Liabilities</u></b>	
Current Liabilities:	
Accounts Payable	<u>\$ 149,739</u>
Total Current Liabilities	<u>\$ 149,739</u>
<b><u>Net Position</u></b>	
Investments in Capital Assets	\$ 2,046
Unrestricted	<u>1,100,758</u>
Total Net Position	<u>\$ 1,102,804</u>

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

ROSELLE PARK SCHOOL DISTRICTSTATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

Exhibit B-5

PROPRIETARY FUNDSJUNE 30, 2021

	<u>Business-Type Activities Enterprise Funds</u>
Operating Revenues:	
Daily Sales - Reimbursable	\$ 2,403
Fees Charged	215,516
Total Operating Revenues	<u>217,919</u>
Operating Expenses:	
Salaries	319,616
Other Employee Benefits	60,203
Cost of Goods Sold - Reimbursable	667,141
Contracted Services	10,521
Supplies and Materials	38,166
Depreciation	146
Management Fee	75,969
Miscellaneous	24,000
Operating Expenses	<u>1,195,762</u>
Operating Gain/(Loss)	(977,843)
Non-Operating Revenues:	
State Sources:	
State School Lunch Program - Extra Aid	2,386
State School Lunch Program	36,637
Federal Sources:	
National School Lunch Program	786,271
PB Lunch Program	15,681
Breakfast Program	495,558
Food Distribution Program	101,337
Total Non-Operating Revenues	<u>1,437,870</u>
Change in Net Position	460,027
Adjustments to Fixed Assets	2,192
Total Net Position - Beginning	<u>640,585</u>
Total Net Position - Ending	<u>\$ 1,102,804</u>

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



ROSELLE PARK SCHOOL DISTRICTSTATEMENT OF CASH FLOWSPROPRIETARY FUNDSJUNE 30, 2021

Exhibit B-6

	<u>Business-Type Activities Enterprise Funds</u>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 217,919
Payments for Salaries	(319,616)
Payments to Suppliers	(750,998)
Net Provided (Used) by Operating Activities	<u>(852,695)</u>
Cash Flows from Noncapital Financing Activities	
Federal & State Sources	1,336,533
Net Cash Provided by Noncapital Financing Activities	<u>1,336,533</u>
Net Increase (Decrease) in Cash and Cash Equivalents	483,838
Balances - Beginning of Year	<u>618,289</u>
Balances - End of Year	<u>\$ 1,102,127</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (977,843)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided (Used) by Operating Activities	
Depreciation	146
Federal Commodities Consumed	101,337
Decrease/(Increase) in Inventory	(6,887)
(Decrease)/Increase in Accounts Payable	104,282
Decrease/(Increase) in Accounts Receivable	(73,730)
Net Provided (Used) by Operating Activities	<u>\$ (852,695)</u>

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

## **NOTES TO FINANCIAL STATEMENTS**

**BOARD OF EDUCATION**  
**ROSELLE PARK SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1: Summary of Significant Accounting Policies**

The financial statements of the Board of Education (Board) of the Roselle Park School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental 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 appointed 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.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Government Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The government-wide and fund financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include three elementary schools, a middle school and a high school located in Roselle Park, County of Union, New Jersey. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. GASB Statement 14 established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. Furthermore the District is not includable in any other reporting entity on the basis of such criteria.

**B. Government-wide and Fund Financial Statements**

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**B. Government-Wide and Fund Financial Statements (Continued)**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

In regards to the fund financial statements, the School District segregates transaction related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Fiduciary funds are reported by fund type.

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Proprietary and fiduciary fund financial statements also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met. The Unemployment Trust Fund recognizes employer and employee contributions in the period in which contributions are due.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to apply current liabilities. The District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for long-term pension and compensated absences, which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual includes Intergovernmental revenues, and the property tax levy. In general, other revenues are recognized when cash is received.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for food sales and for services provided to other governmental entities. Principles operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

**D. Fund Accounting:**

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. Each fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

**Governmental Fund Types**

General Fund: The general fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund.

Special Revenue Fund: The District accounts for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes in the special revenue funds.

Capital Projects: The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Debt Service Fund: The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

**Proprietary Fund Type**

Enterprise Fund: To account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent of the District is that the costs of providing goods or services to the District on a continuing basis be financed or recovered primarily through user charges.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**D. Fund Accounting (Continued):**

**Fiduciary Fund Types**

Trust and Agency Funds: The trust and agency funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District.

Unemployment Compensation Trust Fund: The trust fund is used to account for assets held under the terms of a formal trust agreement. The District reimburses the costs of unemployment benefits paid by the New Jersey Department of Labor.

Private-Purpose Trust Fund: The trust fund encompasses other trust fund arrangements for which principal and income benefit individuals outside of the school district. The District issued scholarships to students.

Agency Funds (Payroll and Student Activities Fund): Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

**E. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the County office and are voted upon at the annual school election on the third Tuesday in April. 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. 6A:23-2.2(g). All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2021 were insignificant.

The Public School Education Act of 1975, limits the annual increase of any district's net current expense budget. The Commissioner of Education certifies the allowable amount for each district but may grant a higher level of increase if he determines that the sums so provided would be insufficient to meet the identified goals and needs of the district or that an anticipated enrollment increase requires additional funds.

The Commissioner must also review every proposed local school district budget for the next school year. He examines every item of appropriations for current expenses and budgeted capital outlay to determine their adequacy in relation to the identified needs and goals of the district. If, in his view, they are insufficient, the Commissioner must order remedial action. If necessary, he is authorized to order changes in the local district budget.

**NOTE 1: Summary of Significant Accounting Policies (Continued)****E. Budgets/Budgetary Control (Continued):**

Once a budget is approved, it can be amended by transfers or additional appropriation of fund balances by approval of a majority of the members of the Board. Amendments are presented to the Board at their regular meetings. Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year-end as dictated by law. All uncommitted budget appropriations lapse at year-end.

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 legally mandated revenue recognition of the last state aid payment for budgetary purposes only and 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. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

A reconciliation of the special revenue funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule (C-2) to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds (B-2) is presented in the Budget-to-GAAP Reconciliation (C-3).

The following represents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General, Special Revenues and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances – All Governmental Fund Types. Note that the district does not report encumbrances outstanding at year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payment.

**F. 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 reservations of 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 deferred revenues and/or reductions of receivables of other governments at fiscal year end.

**NOTE 1: Summary of Significant Accounting Policies (Continued)****F. Encumbrances (Continued):**

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.

**G. Short-Term Interfund Receivables/Payables:**

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

**H. Inventories and Prepaid Expenses**

Inventories and prepaid expenses, which benefit future periods, are recorded as an expenditure during the year of purchase. The value of inventories remaining at the end of the fiscal year is not included on the balance sheet.

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.

**I. Capital Assets and Depreciation**

The District's property, buildings and improvements, equipment, vehicles, furniture and fixtures with useful lives of five years or more are stated at historical or estimated historical cost and are reported in the government-wide financial statements. Proprietary Fund capital assets are reported in its respective fund.

The District contracted with an outside service company during the 2003 fiscal year to provide a report with a comprehensive detail of capital assets and depreciation. The report dated October 10, 2002, included capital assets purchased during the 2002 fiscal year and prior with a historical cost of \$500 or more and capital assets purchased during the 2002-03 fiscal year with a historical cost of \$2,000 or more. Accumulated depreciation prior to fiscal year 2003, fiscal year 2003 depreciation expense, total accumulated depreciation and book values were also provided. The District has provided updates subsequent to 2003. The records are updated annually. The costs of normal maintenance and repairs that do not add to the asset value or materially extend the useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings and Improvements	20 – 50
Equipment and Vehicles	5 – 20
Furniture and Fixtures	5 – 20

The District currently has software that maintains proper capital asset and depreciation records.



**NOTE 1: Summary of Significant Accounting Policies (Continued)****I. Capital Assets and Depreciation (Continued)**

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

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adj.</u>	<u>Balance June 30, 2021</u>
Governmental Activities:					
Capital Assets That are Not Being Depreciated:					
Land	\$ 27,615,850				27,615,850
Capital Leases	<u>952,214</u>		(746,763)		<u>205,451</u>
Total Capital Assets Not Being Depreciated	<u>28,568,064</u>		<u>(746,763)</u>		<u>27,821,301</u>
Depreciable Assets:					
Site Improvements	957,203	127,837			1,085,040
Buildings & Sites	19,168,205	2,497,712			21,665,917
Equipment	<u>5,333,484</u>			(395,659)	<u>4,937,825</u>
Total	<u>25,458,892</u>	<u>2,625,549</u>		<u>(395,659)</u>	<u>27,688,782</u>
Less: Accumulated Depreciation:					
Sites	(923,948)	(10,713)		(34,901)	(969,562)
Buildings	(5,980,606)	(268,893)		(221,726)	(6,471,225)
Equipment	<u>(4,928,161)</u>	<u>(130,317)</u>		<u>831,866</u>	<u>(4,226,612)</u>
Total Accumulated Depreciation	<u>(11,832,715)</u>	<u>(409,923)</u>		<u>575,239</u>	<u>(11,667,399)</u>
Net Depreciable Assets	<u>13,626,177</u>	<u>2,215,626</u>		<u>179,580</u>	<u>16,021,383</u>
Governmental Activities Capital Assets (Net)	<u>\$ 42,194,241</u>	<u>2,215,626</u>	<u>(746,763)</u>	<u>179,580</u>	<u>43,842,684</u>
Business-Type Activities:					
Equipment	\$ 286,297			(12,660)	273,637
Less Accumulated Depreciation for:					
Equipment	<u>(286,297)</u>	<u>(146)</u>		<u>14,852</u>	<u>(271,591)</u>
Business-Type Activities Capital Assets, Net	<u>\$ _____</u>	<u>(146)</u>		<u>2,192</u>	<u>2,046</u>

Depreciation expense was charged to governmental functions as follows:

Unallocated \$ 409,923

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**J. Compensated Absences**

District employees are permitted, within certain limitations, to accrue vacation and sick leave in varying amounts under the Districts personnel policies and may be paid at a later date according to contractual agreements.

The liability for vested compensated absences of the governmental fund types is recorded in the government-wide financial statements as a non-current liability. Governmental funds report only matured compensated absences payable to currently terminating employees and are included in wages and benefits payable

**K. Deferred Revenue**

Deferred revenue in the general and special revenue funds represent cash which has been received but not yet earned. See Note 1(F) regarding the special revenue fund.

**L. Fund Equity**

The governmental fund financial statements report reserved fund balance for amounts not available for appropriation or legally restricted for specified purposes. The general fund reserve for restricted purposes includes net assets relating to capital reserve.

**M. Net Position**

Net position represents the difference between the summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified into the following three components:

*Net Investment in Capital Assets* – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

*Restricted* – Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

*Unrestricted* – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**Fund Balance**

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

***Nonspendable*** – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

***Restricted*** – The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

***Committed*** – The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) if employed to previously commit those amounts.

***Assigned*** – The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education.

***Unassigned*** – The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order; committed, assigned, then unassigned.

**NOTE 2: Cash and Cash Equivalents and Investments**

Cash and cash equivalents for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

Investments are stated at cost, which approximates market. The District 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.

**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.

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:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or any United States Bank for cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds or other obligations of the school district.

**NOTE 2: Cash and Cash Equivalents and Investments (Continued)**

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

	<b>Cash and Cash Equivalents</b>
Checking and Money Market Accounts	<u>\$ 9,672,450</u>

The carrying amount of the District's cash and cash equivalents at June 30, 2021 was \$9,672,450 and the bank balance was \$10,409,097. Of the bank balance, \$250,000 was covered by federal depository insurance and \$10,065,679 was covered by a collateral pool maintained by the banks as required by New Jersey statutes; and \$93,418 was uninsured.

**Credit Risk Categories**

All bank deposits and investments as of the balance sheet date are classified as to credit risk by the following two categories described below:

GUDPA	\$ 10,065,679
FDIC	250,000
Uninsured	<u>93,418</u>
	<u>\$ 10,409,097</u>

As of June 30, 2021, the District did not hold any long-term investments.

**Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The District does not have a formal policy for custodial credit risk.

**NOTE 3: General Long-Term Debt**

During the fiscal year ended June 30, 2021, the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2021</u>	<u>Long-Term Portion</u>	<u>Amount Due in One Year</u>
Pension Liability	\$ 6,838,501		(343,271)	6,495,230	6,495,230	
Compensated Absences Payable	1,117,048	14,340		1,131,388	1,131,388	
Capital Leases Payable	952,214		(746,763)	205,451	205,451	
Bonds Payable	<u>2,800,000</u>		<u>(555,000)</u>	<u>2,245,000</u>	<u>1,685,000</u>	<u>560,000</u>
	<u>\$ 11,707,763</u>	<u>14,340</u>	<u>(1,645,034)</u>	<u>10,077,069</u>	<u>9,517,069</u>	<u>560,000</u>

**NOTE 3: General Long-Term Debt (Continued)****Capital Leases**

Capital lease for equipment for \$700,000 dated June 22, 2018 for four years at 3.0414% interest maturing July 15, 2021 with a balance of \$-0- at June 30, 2021.

Capital lease for equipment for \$800,000 dated June 14, 2019 for four years at 2.4569% interest maturing July 15, 2022 with a balance of \$205,451 at June 30, 2021.

**Schedule of Capital Leases**

<u>2019 Lease</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022-2023	<u>\$ 205,451</u>	<u>5,048</u>	<u>210,499</u>

**Bonds Payable**

Bonds sold 8/15/2004 for \$9,219,000 at interest from 3.50% to 4.50% maturing 2/15/2025 with a balance of \$2,245,000 at June 30, 2021.

**Schedule of Payments**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 560,000	86,300	646,300
2023	560,000	67,400	627,400
2024	560,000	45,000	605,000
2025	<u>565,000</u>	<u>22,600</u>	<u>587,600</u>
	<u>\$ 2,245,000</u>	<u>221,300</u>	<u>2,466,300</u>

**NOTE 4: Pension Plans**

**Description of Plans** – All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teacher's Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

**NOTE 4: Pension Plans (Continued)**

**Teachers' Pension and Annuity Fund (TPAF)** – The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

**Public Employees' Retirement System (PERS)** – The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

**Vesting and Benefit Provisions** – The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provide for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provision of the System.

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 contribution. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

**Significant Legislation** - During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997), changed the asset valuation method from market related value to full-market value. This legislation also contains a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the Districts' normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits, accordingly, the pension costs for TPAF and PERS were reduced.

**NOTE 4: Pension Plans (Continued)**

**Funding Policy** -- The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 7.06% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

Legislation enacted during 1993 provides early retirement incentives for certain members of TPAF and PERS who met certain age and service requirements and who applied for retirement between certain dates in the 1994 fiscal year. The early retirement incentives included: (a) an additional five years of service credit for employees at least age 50 with a minimum of 25 years of service; (b) free health benefits for employees at least 60 years old with at least 20 years of service; and (c) an additional \$500 per month for two years for employees at least age 60 with 10 years but less than 20 years of service. The Board will assume the increased cost for the early retirement as it affects their districts.

The District's contributions to PERS for the year ended June 30, 2021 was \$509,164 for 2021 and \$400,107 for 2020, respectively, equal to the required contributions for each year.

During the year ended June 30, 2021, the State of New Jersey contributed \$5,973,177 to the TPAF pension benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$1,201,829 during the year ended June 30, 2021 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts have been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditure in accordance with GASB 24.

**Three-Year Trend Information for TPAF**

<b>Year</b>	<b>Annual</b>	<b>Percentage</b>	<b>Net</b>
<b><u>Funding</u></b>	<b><u>Pension</u></b>	<b><u>of APC</u></b>	<b><u>Pension</u></b>
	<b><u>Cost (APC)</u></b>	<b><u>Contributed</u></b>	<b><u>Obligation</u></b>
6/30/21	\$ 5,973,177	100%	0
6/30/20	4,718,298	100%	0
6/30/19	4,450,988	100%	0

**Three-Year Trend Information for PERS**

<b>Year</b>	<b>Annual</b>	<b>Percentage</b>	<b>Net</b>
<b><u>Funding</u></b>	<b><u>Pension</u></b>	<b><u>of APC</u></b>	<b><u>Pension</u></b>
	<b><u>Cost (APC)</u></b>	<b><u>Contributed</u></b>	<b><u>Obligation</u></b>
6/30/21	\$ 509,164	100%	0
6/30/20	400,107	100%	0
6/30/19	402,485	100%	0



**NOTE 4: Pension Plans (Continued)****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).

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of  $1/55^{\text{th}}$  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  $1/60^{\text{th}}$  of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more 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.

**Basis of Presentation**

The schedule of employer allocations and the schedule of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**NOTE 4: Pension Plans (Continued)****Allocation Methodology and Reconciliation to Financial Statements**

GASB Statement No. 68, *Accounting and Financial Reporting for Pension*, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented in the schedule of employer allocations and applied to amounts presented in the schedule of pension amounts by employer based on the ratio of the contributions of an individual employer to the total contributions to PERS during the measurement period July 1, 2019 through June 30, 2020. Employer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of pension amounts by employer may result in immaterial differences. Contributions from employers are recognized when due, based on statutory requirements.

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

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

A special funding situation exists for certain Local employers of the Public Employees' Retirement System. The State of New Jersey, as a nonemployer, is required to pay the additional costs incurred by Local employers under Chapter 366, P.L. 2001. This legislation established the Prosecutors Part of the PERS which provides enhanced retirement benefits for Prosecutors enrolled in the PERS. The State is liable for the increased pension costs to a County that resulted from the enrollment of Prosecutors in the Prosecutors Part. The June 30, 2020 State special funding situation net pension liability amount of \$128.2 million is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The State special funding situation pension expense of \$11 million, for the fiscal year ending June 30, 2020, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2020. The pension expense is deemed to be a State administrative expense due to the special funding situation.

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

**NOTE 4: Pension Plans (Continued)**

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.

For the year ended June 30, 2021, the District recognized pension expense of \$509,164. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 118,267	22,970
Changes of Assumptions	210,713	2,719,614
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	222,012	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions District Contributions Subsequent to the Measurement Date	364,901	227,225
	<u>509,164</u>	<u>          </u>
Total	<u>\$ 1,425,057</u>	<u>2,969,809</u>

\$509,164 reported as deferred outflows of resources related to pensions resulting from school district, project contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2021, the plan measurement date is June 30, 2020) will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b><u>Year Ending June 30,</u></b>	
2021	\$ (808,689)
2022	(737,279)
2023	(421,336)
2024	(170,381)
2025	<u>(36,850)</u>
	<u>\$ 2,174,535</u>

**NOTE 4: Pension Plans (Continued)****Additional Information**

Collective balances at December 31, 2020 and 2019 are as follows:

	<u>Dec. 31, 2020</u>	<u>Dec. 31, 2019</u>
Collective Deferred Outflows of Resources	\$ 1,425,057	1,288,606
Collective Deferred Inflows of Resources	2,969,809	2,917,358
Collective Net Pension Liability	6,495,230	6,838,501
District's Proportion	.03952%	.03769%

**Components of Net Pension Liability**

The components of the collective net pension liability of the participating employers as of June 30, 2020 were as follows:

	<u>2020</u>		
	<u>State</u>	<u>Local</u>	<u>Total</u>
Total Pension Liability	\$ 28,272,160,382	39,432,792,871	67,704,953,253
Plan Fiduciary Net Position	<u>6,048,192,857</u>	<u>22,997,176,445</u>	<u>29,045,369,302</u>
Net Pension Liability	<u>\$ 22,223,967,525</u>	<u>16,435,616,426</u>	<u>38,659,583,951</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	21.39%	58.32%	42.90%

The collective 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%

**NOTE 4: Pension Plans (Continued)**

Pre-retirement mortality rates were based on the Pub-2010 General Below-Medial 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-Medial Income Healthy Retiree mortality table with a 91.4% adjustment for males and 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.

In accordance with State statute, the long-term expected rate of return on 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 rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market 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 Mitigation Strategies	3.00%	3.40%

**NOTE 4: Pension Plans (Continued)****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 on 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 Collective Net Pension Liability to Changes in the Discount Rate**

The following presents the collective net pension liability of the participating employers as of June 30, 2020, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>2020</u>		
	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
School District's Proportionate Share Of the Net Pension Liability	<u>\$8,176,411</u>	<u>6,495,230</u>	<u>5,068,702</u>

**Teachers Pensions and Annuity Fund (TPAF)****Plan Description**

The State of New Jersey, Teacher's 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 contribution, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division).

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

**NOTE 4: Pension Plans (Continued)**

The following represents the membership tiers for TPAF:

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

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 tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more 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.

**Basis of Presentation**

The Schedule of employers and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of TPAF and the State as an employer/nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of TPAF or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of TPAF to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**Allocation Methodology**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense. The employer and nonemployer allocation percentages presented in the schedule of employer and nonemployer allocation and applied to, presented in the schedule of pension amount by employer and nonemployer are based on the ratio of the State's actual contributions made as an employer and nonemployer adjusted for unpaid early retirement incentives to total contributions to TPAF during the year ended June 30, 2020. Employer and nonemployer allocation percentages have been rounded for presentation purposes, therefore amounts presented in the schedule of pension amounts by employer and nonemployer may result in immaterial differences.

**NOTE 4: Pension Plans (Continued)**

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

**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. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

**Components of Net Pension Liability**

The components of the net pension liability of the State as of June 30, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Total Pension Liability	\$ 87,522,678,686	84,215,846,719
Plan Fiduciary Net Position	<u>21,529,179,998</u>	<u>22,696,734,276</u>
Net Pension Liability	<u>\$ 65,993,498,688</u>	<u>61,519,112,443</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 24.60%	 26.95%

**State Proportionate Share of Net Pension Liability Attributable to District**

	<u>2020</u>	<u>2019</u>
District's Liability	<u>\$ 101,444,112</u>	<u>93,522,577</u>
District's Proportion	.15372%	.15202%



**NOTE 4: Pension Plans (Continued)**

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 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.

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on 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. 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:

**NOTE 4: Pension Plans (Continued)**

<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 Market 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 Mitigation Strategies	3.00%	3.40%

**Discount Rate**

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 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 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.

**NOTE 4: Pension Plans (Continued)****Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the State 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 was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>2020</u>		
	<u>At 1% Decrease (4.40%)</u>	<u>At Current Discount Rate (5.40%)</u>	<u>At 1% Increase (6.40%)</u>
School District's Proportionate Share Of the Net Pension Liability	\$ 0	0	0
State of New Jersey's Proportionate Share Of the District's Net Pension Liability	<u>119,157,990</u>	<u>101,444,112</u>	<u>86,735,709</u>
	<u>\$ 119,157,990</u>	<u>101,444,112</u>	<u>86,735,709</u>

**NOTE 5: Post-Retirement Benefits****General Information about the OPEB Plan****Plan description and benefits provided**

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefit for State Health Benefit Local Education Retired Employees 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 paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other than Pension*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

**NOTE 5: Post-Retirement Benefits (Continued)**

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 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

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

**Total Nonemployer OPEB Liability**

The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 20, 2019, with was rolled forward to June 30, 2020. 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:

Total Nonemployer OPEB Liability      \$67,809,962,608

Inflation rate      2.50%

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:			
Through 2026	1.55 – 4.45% based on service years	2.00% - 6.00% based on service years	3.25% - 15.25% based on service years
Thereafter	1.55 – 4.45% based on service years	3.00% - 7.00% based on service years	Applied to all future years

Preretirement 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-2020. Postretirement 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-2020. 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-2020.

**NOTE 5: Post-Retirement Benefits (Continued)**

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

***(a) Health Care Trend Assumptions***

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

***(b) Discount Rate***

The discount rate for June 30, 2020 was 2.21%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the State of New Jersey's proportionate share of the total Non-Employer OPEB Liability associated with the School District:

	<b>Total <u>OPEB Liability</u></b>
Balances at June 30, 2019	\$ 60,104,431
Changes for the Year:	
Service Cost	2,547,512
Interest	2,164,119
Difference Between Expected and Actual Experience	16,926,209
Changes in Assumptions or Other Inputs	17,898,849
Benefit Payments	(1,705,872)
Member Contributions	<u>51,705</u>
Balance at June 30, 2020	<u>\$ 97,986,953</u>

There were no changes in benefit terms between the June 30, 2019 measurement date and the June 30, 2020 measurement date.

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

**NOTE 5: Post-Retirement Benefits (Continued)**

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the State for school board retirees, as well as what the State's total OPEB liability for school board would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	<b>1% Decrease <u>(1.21%)</u></b>	<b>Discount Rate <u>(2.21%)</u></b>	<b>1% Increase <u>(3.21%)</u></b>
State of New Jersey's Proportionate Share Of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 118,128,330</u>	<u>97,986,953</u>	<u>82,238,336</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the State, as well as what the State's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
State of New Jersey's Proportionate Share Of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 79,098,373</u>	<u>97,986,953</u>	<u>120,479,054</u>

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the year ended June 30, 2020, the Board of Education recognized OPEB expense of \$4,610,984 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

In accordance with GASBS No. 75, the Roselle Park Board of Education proportionate share of school retirees OPEB is zero; there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows or resources. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference Between Expected and Actual Experience	\$ 14,876,972	13,251,877
Changes in Proportion	253,164	1,327,507
Changes of Assumptions or Other Inputs	<u>16,667,258</u>	<u>11,180,866</u>
Total	<u>\$ 31,797,394</u>	<u>25,760,250</u>

**NOTE 5: Post-Retirement Benefits (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired school employee’s OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	
2022	\$ 710,252
2023	710,252
2024	710,252
2025	710,252
2026	710,252
Thereafter	<u>2,485,884</u>
	<u>\$ 6,037,144</u>

**NOTE 6: Interfund Receivables and Payables**

Transfers between governmental and business-type activities on the governmental-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. 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 proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

There were interfunds as of June 30, 2021 as follows:

	<u>From</u>	<u>To</u>
Special Revenue Fund	\$ 365,517	
General Fund	_____	<u>365,517</u>
	<u>\$ 365,517</u>	<u>365,517</u>

The interfund loan is due to the Special Revenue Fund awaiting Federal reimbursements. Once received, the interfund will be eliminated, which is expected to be within one year.

**NOTE 7: Compensated Absences**

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), “Accounting for Compensated Absences”. 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 right to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District’s personnel policy. Upon termination, employees are paid for accrued vacation. The District’s policy permits 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 District’s agreements with the various employee unions.

**NOTE 7: Compensated Absences (Continued)**

The liability for vested compensated absences of the governmental fund types is recorded in the general long-term debt account group (or current and long-term liabilities). The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability balance of compensated absences.

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

**NOTE 8: Economic Dependency**

The District 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 of the District's programs and activities.

**NOTE 9: Capital Reserve Account**

A capital reserve account was established by the Borough of Roselle Park Board of Education by inclusion of \$100 in 1999, 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 department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. 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 balances 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:

Beginning Balance, July 1, 2020	\$ 1,814,874
Deposit by Board Resolution	1,300,000
2020-2021 Transfer	<u>(300,000)</u>
Ending Balance, June 30, 2021	<u>\$ 2,814,874</u>

The District has also appropriated \$300,000 from Capital Reserve to offset expenses in the 2021-2022 budget.



**NOTE 10: 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.

**Property and Liability Insurance** – The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

**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 the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District’s expendable trust fund for the current year and previous year:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Reimbursed</u>	<u>Balance</u>
2020-2021	\$ 0	32,466	24,962	71,452
2019-2020	0	35,971	12,891	63,948
2018-2019	0	37,237	52,616	40,868

**NOTE 11: Contingent Liabilities**

The Board is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect of the financial position of the District.

**NOTE 12: Equity Balance**

At June 30, 2021, the General Fund equity balance was as follows:

Unemployment	\$ 71,452
Maintenance Reserve	37,519
Capital Reserve	2,514,874
Excess Surplus	1,911,257
Designated for Subsequent Years Expenditures – Excess Surplus	1,231,665
Designated for Subsequent Years Expenditures – By the BOE	270,527
Designated for Subsequent Years Expenditures – Capital Reserve	300,000
Committed Fund Balance:	
Year-End Encumbrances	954,613
Unassigned Fund Balance	<u>1,687,421</u>
	<b><u>\$ 8,979,328</u></b>

**NOTE 12: Equity Balance (Continued)****4% Calculation of Excess Surplus**

2020-21 Total General Fund Expenditures Per the ACFR	\$ 39,359,983
Decreased by:	
On-Behalf TPAF Pension & Social Security	<u>(7,175,006)</u>
Adjusted 2020-21 General Fund Expenditures	<u>\$ 32,184,977</u>
4% of Adjusted 2020-21 General Fund Expenditures	\$ 1,287,399
Increased by Allowable Adjustments	<u>400,022</u>
Maximum Unassigned Fund Balance	<u>\$ 1,687,421</u>

**Section 2**

Total General Fund – Fund Balance @ 6-30-21	\$ 8,979,328
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Decreased by:	
Reserved for Encumbrances	(954,613)
Designated for Subsequent Years Expenditures – Excess Surplus	(1,231,665)
Designated for Subsequent Years Expenditures – BOE	(270,527)
Designated for Subsequent Years Expenditures – Capital Reserve	(300,000)
Reserve for Unemployment	(71,452)
Other Reserves	<u>(2,552,393)</u>

Total Unassigned Fund Balance	<u>\$ 3,598,678</u>
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Excess Surplus	<u>\$ 1,911,257</u>
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**Section 3**

Reserved Fund Balance – Excess Surplus	\$ 1,911,257
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Designated for Subsequent Years Expenditures - Excess Surplus	<u>1,231,665</u>
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	<u>\$ 3,142,922</u>
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**Detail of Allowable Adjustments**

Extraordinary Aid	<u>\$ 400,002</u>
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**Detail of Other Reserved Fund Balance**

Capital Reserve	\$ 2,514,874
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Maintenance Reserve	<u>37,519</u>
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	<u>\$ 2,552,393</u>
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Reserved excess surplus represents a calculation under N.J.S.A. 18A:7F-7 which identifies an amount of surplus under the statute which must be restricted for use in the next succeeding budget. Designated for subsequent year's represents the amount appropriated in the 2021-2022 budget.

Unrestricted is surplus not previously committed or reserved for any other purpose.

**NOTE 13: Impact of COVID-19**

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, was first detected in China and has since spread to other countries, including the United States, and to each state within the United States, including New Jersey, has been declared a Public Health Emergency of International Concern by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. The outbreak of COVID-19 across the United States has caused the federal government to declare a national state of emergency. The State has likewise declared a state of emergency. While the potential impact on the State cannot be predicted at this time, the continued spread of the outbreak could have a material adverse effect on the finances of the State and the Board of Education (collectively, the "Affected Entities").

The degree of any such impact to the Affected Entities' respective operations and finances, is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the Affected Entities and their respective economies.

**NOTE 14: Prior Period Adjustment/Restatement of Fund Balance and Net Position**

Net position as of July 1, 2020, has been restated as follows for the implementation of GASB Statement No. 84, *Fiduciary Funds*.

Net Position as Previously Reported At June 30, 2020	\$ 33,635,844
Prior Period Adjustment -- Implementation of GASB 84:	
Restricted Fund Balance – Unemployment	63,948
Restricted Fund Balance – Student Activities	194,721
Restricted Fund Balance – Scholarship	<u>2,000</u>
Total Prior Period Adjustment	<u>260,669</u>
Net Position as Restated, July 1, 2020	<u>\$ 33,896,513</u>

**NOTE 14: Prior Period Adjustment/Restatement of Fund Balance and Net Position**  
**(Continued)**

Fund Balance in the General Fund and the Special Revenue Fund as of July 1, 2020, has been restated as follows for the implementation of GASB Statement No. 84, *Fiduciary Funds*.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Fund Balance as Previously Reported at June 30, 2020	\$ 4,942,936	(94,026)
Prior Period Adjustments:		
Implementations of GASB 84:		
Restricted Fund Balance - Unemployment	63,948	
Restricted Fund Balance – Student Activities		194,721
Restricted Fund Balance – Scholarship		<u>2,000</u>
Total Prior Period Adjustment	<u>63,948</u>	<u>196,721</u>
Fund Balance as Restated, July 1, 2020	<u>\$ 5,006,884</u>	<u>102,695</u>

**NOTE 15: Subsequent Events**

Subsequent events have been evaluated through February 11, 2022, which is the date the financial statements were available to be issued. No additional subsequent event disclosures are required.

**REQUIRED SUPPLEMENTARY INFORMATION  
PART II**

**BUDGETARY COMPARISON SCHEDULES – C**

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 1 of 13

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2021**

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 22,190,078		22,190,078	22,190,078	-
Tuition From Individuals	15,000		15,000	120	(14,880)
Tuition From Other LEA's Within The State	93,437		93,437	11,807	(81,630)
Restricted Miscellaneous Revenues	72,000		72,000	35,000	(37,000)
Other Restricted Miscellaneous Revenues			-	32,466	32,466
Unrestricted Miscellaneous Revenues	10,000		10,000	210,420	200,420
Total Local Sources	<u>22,380,515</u>	<u>-</u>	<u>22,380,515</u>	<u>22,479,891</u>	<u>99,376</u>
State Sources:					
Equalization Aid	11,863,410		11,863,410	10,895,834	(967,576)
Special Education Aid	1,320,686		1,320,686	1,320,686	-
Extraordinary Aid	200,000		200,000	600,022	400,022
Security Aid	443,400		443,400	443,400	-
Transportation Aid	128,375		128,375	128,375	-
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)			-	1,424,655	1,424,655
On-Behalf T.P.A.F Pension Contributions - Normal Cost (Non-Budgeted)			-	4,461,151	4,461,151
On-Behalf T.P.A.F Non-Contributory Insurance			-	84,879	84,879
On-Behalf T.P.A.F Pension Contributions - Long-Term Disability			-	2,492	2,492
Reimbursed TPAF Social Security Contribution (Non-Budgeted)			-	1,201,829	1,201,829
Total State Sources	<u>13,955,871</u>	<u>-</u>	<u>13,955,871</u>	<u>20,563,323</u>	<u>6,607,452</u>
Federal Sources:					
Medicaid Reimbursement			-	65,565	65,565
Total Federal Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,565</u>	<u>65,565</u>
Total Revenues	<u>36,336,386</u>	<u>-</u>	<u>36,336,386</u>	<u>43,108,779</u>	<u>6,772,393</u>

ROSELLE PARK SCHOOL DISTRICT

Exhibit C-1

Sheet 2 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

JUNE 30, 2021

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Expenditures:					
Current Expense:					
Instruction - Regular Programs:					
Salaries of Teachers:					
Kindergarten	455,454		455,454	431,625	23,829
Grades 1-5	3,230,640	(220,756)	3,009,884	2,846,306	163,578
Grades 6-8	2,576,900	(52,000)	2,524,900	2,458,003	66,897
Grades 9-12	3,538,574	(208,826)	3,329,748	3,249,374	80,374
Home Instruction:					
Salaries of Teachers	12,000		12,000	2,055	9,945
Purchased Professional Educational Services	20,000	1,000	21,000	6,842	14,158
Undistributed:					
Other Salaries For Instruction	102,617		102,617	45,699	56,918
Purchased Professional/Educational Services	3,400		3,400		3,400
Other Purchased Services	669,366	206,798	876,164	829,389	46,775
General Supplies	801,715	(236,959)	564,756	353,091	211,665
Textbooks	17,000	15,410	32,410	32,410	-
Other Objects	13,650	166	13,816	8,405	5,411
Total Regular Programs	<u>11,441,316</u>	<u>(495,167)</u>	<u>10,946,149</u>	<u>10,263,199</u>	<u>682,950</u>
Learning and/or Language Disabilities:					
Specific Learning Disabled:					
Salaries of Teachers	173,547		173,547	145,872	27,675
Other Salaries for Instruction	60,000		60,000	6,139	53,861
General Supplies	3,000	(1,328)	1,672	792	880
Total Learning and/or Language Disabilities	<u>236,547</u>	<u>(1,328)</u>	<u>235,219</u>	<u>152,803</u>	<u>82,416</u>



**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 3 of 13

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2021**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Multiple Disabilities					
Salaries of Teachers	160,056	2,396	162,452	162,351	101
Other Salaries for Instruction	21,731	(2,396)	19,335	18,506	829
Other Objects	1,000	(1,000)	-	-	-
Total Multiple Disabilities	<u>182,787</u>	<u>(1,000)</u>	<u>181,787</u>	<u>180,857</u>	<u>930</u>
Resource Room:					
Salaries of Teachers	1,773,113	104,472	1,877,585	1,820,379	57,206
General Supplies	3,300	85,613	88,913	84,844	4,069
Total Resource Room	<u>1,776,413</u>	<u>190,085</u>	<u>1,966,498</u>	<u>1,905,223</u>	<u>61,275</u>
Autism					
Salaries-Teachers	259,515	24,432	283,947	283,947	-
Other Salaries for Instruction		470	470	470	-
General Supplies	5,000	586	5,586	4,749	837
Total-Autism	<u>264,515</u>	<u>25,488</u>	<u>290,003</u>	<u>289,166</u>	<u>837</u>
Preschool Disabilities Full-Time:					
Salaries of Teachers	79,698	500	80,198	79,735	463
Other Salaries for Instruction	11,890		11,890	6,639	5,251
General Supplies	1,500		1,500	289	1,211
Total Preschool Disabilities Full-Time	<u>93,088</u>	<u>500</u>	<u>93,588</u>	<u>86,663</u>	<u>6,925</u>

**ROSELLE PARK SCHOOL DISTRICT**

**Exhibit C-1  
Sheet 4 of 13**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2021**

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Total Special Programs	2,553,350	213,745	2,767,095	2,614,712	152,383
Basic Skills/Remedial:					
Salaries of Teachers	497,650	2,473	500,123	500,123	-
General Supplies	10,000	(3,300)	6,700	848	5,852
Total Basic Skills/Remedial	507,650	(827)	506,823	500,971	5,852
Bilingual Education:					
Salaries of Teachers	594,554		594,554	510,099	84,455
General Supplies	2,000		2,000	1,530	470
Total Bilingual Education	596,554	-	596,554	511,629	84,925
School Sponsored Co-Curricular & Extra-Curricular Activities:					
Salaries	179,500	(1,390)	178,110	138,237	39,873
Supplies	1,800	325	2,125		2,125
Total Co-Curricular & Extra-Curricular Activities	181,300	(1,065)	180,235	138,237	41,998
School Sponsored Athletics:					
Salaries	476,156		476,156	352,246	123,910
Repairs - Other Purchased Services	25,000	2,640	27,640	3,268	24,372
Rentals & Leases - Other Purchased Services	22,000		22,000	14,642	7,358
Other Purchased Services	18,100	806	18,906	15,146	3,760
Supplies and Materials	74,100	11,627	85,727	45,802	39,925
Other Objects	25,000	815	25,815	17,052	8,763
Transfers to Cover Deficit	69,000	(4,000)	65,000	25,000	40,000
Total School Sponsored Athletics	709,356	11,888	721,244	473,156	248,088
Before and After School Programs:					
Salaries of Teachers	28,000	(839)	27,161		27,161
Other Salaries for Instruction	16,250	2,229	18,479	7,229	11,250
Total Before and After School Programs	44,250	1,390	45,640	7,229	38,411

**ROSELLE PARK SCHOOL DISTRICT**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2021**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Academy Program					
Salaries	233,355	(233,355)	-		-
Salaries of Other Professional Staff	16,850	(16,850)	-		-
Supplies and Materials	1,500	(285)	1,215	773	442
Total Academy Program	<u>251,705</u>	<u>(250,490)</u>	<u>1,215</u>	<u>773</u>	<u>442</u>
Community Services:					
Salaries	70,000	(70,000)	-		-
Supplies	2,000	(2,000)	-	-	-
Total Community Services	<u>72,000</u>	<u>(72,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Instruction	<u>16,357,481</u>	<u>(592,526)</u>	<u>15,764,955</u>	<u>14,509,906</u>	<u>1,255,049</u>
Undistributed Expenditures:					
Instruction:					
Tuition to LEA Within the State		9,700	9,700	9,625	75
Tuition to County Vocational School	696,000	26,150	722,150	664,200	57,950
Tuition to County Vocational School - Special	36,000	2,000	38,000	23,600	14,400
Tuition To CSSD & Regular Day Schools	750,000	(32,117)	717,883	375,313	342,570
Tuition to Private Schools - Handicapped Within State	800,000	(9,700)	790,300	393,763	396,537
Total Undistributed Expenditures - Instruction	<u>2,282,000</u>	<u>(3,967)</u>	<u>2,278,033</u>	<u>1,466,501</u>	<u>811,532</u>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 6 of 13

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2021**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Attendance and Social Work Services:					
Other Purchased Services	15,000		15,000	4,630	10,370
Total Attendance and Social Work Services	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>4,630</u>	<u>10,370</u>
Health Services:					
Salaries	318,425	(25,000)	293,425	274,056	19,369
Purchased Professional and Technical Services	12,000		12,000	10,196	1,804
Supplies and Materials	8,000	33,919	41,919	16,280	25,639
Total Health Services	<u>338,425</u>	<u>8,919</u>	<u>347,344</u>	<u>300,532</u>	<u>46,812</u>
Other Support Services - Students - Related Services:					
Salaries of Teachers	416,308		416,308	416,308	-
Purchased Professional-Educational Services	45,000	10,644	55,644	37,747	17,897
Supplies and Materials	1,500		1,500	1,474	26
Total Other Support Services - Students - Related Services	<u>462,808</u>	<u>10,644</u>	<u>473,452</u>	<u>455,529</u>	<u>17,923</u>
Other Support Services - Students - Extraordinary Services:					
Salaries	680,302		680,302	551,750	128,552
Other Salaries for Instruction	20,000	3,806	23,806	21,830	1,976
Total Other Support Services - Students - Extraordinary Services	<u>700,302</u>	<u>3,806</u>	<u>704,108</u>	<u>573,580</u>	<u>130,528</u>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 7 of 13

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2021**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
<b>Guidance Services:</b>					
Salaries of Other Professional Staff	938,526	1,540	940,066	905,928	34,138
Salaries of Secretarial Assistants	133,318	5,000	138,318	137,523	795
Other Purchased Professional Services	10,800	4,044	14,844	4,294	10,550
Supplies and Materials	5,700	191	5,891	2,068	3,823
<b>Total Guidance Services</b>	<b>1,088,344</b>	<b>10,775</b>	<b>1,099,119</b>	<b>1,049,813</b>	<b>49,306</b>
<b>Child Study Team Services:</b>					
Salaries of Other Professional Staff	671,579	8,600	680,179	674,589	5,590
Salaries of Secretarial/Clerical Assistants	57,606		57,606	46,568	11,038
Other Purchased Professional Services	38,000	(1,975)	36,025	28,376	7,649
Miscellaneous Purchased Services	1,500		1,500	75	1,425
Supplies and Materials	3,700	16,055	19,755	3,609	16,146
Other Objects	250		250	95	155
<b>Total Child Study Team Services</b>	<b>772,635</b>	<b>22,680</b>	<b>795,315</b>	<b>753,312</b>	<b>42,003</b>
<b>Improvement of Instruction:</b>					
Salaries of Supervisors of Instruction	136,195		136,195	136,195	-
Salaries of Other Professional Staff		19,157	19,157	18,251	906
Salaries of Secretarial Assistants	59,906		59,906	59,906	-
Other Purchased Services	14,000	(754)	13,246	12,195	1,051
Supplies and Materials	11,000	11,362	22,362	21,419	943
<b>Total Improvement of Instruction</b>	<b>221,101</b>	<b>29,765</b>	<b>250,866</b>	<b>247,966</b>	<b>2,900</b>
<b>Library/Media Services:</b>					
Salaries	157,345	(4,987)	152,358	64,898	87,460
Salaries of Technology Coordinators	315,894	4,987	320,881	320,881	-
Other Purchased Services	63,000	20,838	83,838	69,323	14,515
Supplies and Materials	10,000	(2,859)	7,141	6,411	730
<b>Total Educational Media Services</b>	<b>546,239</b>	<b>17,979</b>	<b>564,218</b>	<b>461,513</b>	<b>102,705</b>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 8 of 13

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2021**

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Staff Development:					
Salaries - Supervisors of Instruction			-		-
Salaries of Other Professional Staff		246	246		246
Purchased Professional-Educational Services	12,500	(10,497)	2,003	1,947	56
Other Purchased Services	36,150	(13,168)	22,982	6,298	16,684
Supplies and Materials	1,000	35	1,035	1,035	-
Total Staff Development	<u>49,650</u>	<u>(23,384)</u>	<u>26,266</u>	<u>9,280</u>	<u>16,986</u>
General Administration:					
Salaries	263,536		263,536	262,306	1,230
Legal Services	118,000	52,213	170,213	154,079	16,134
Audit Fees	18,500		18,500	18,500	-
Other Purchased Professional Services	41,500	(28,920)	12,580	12,580	-
Communications/Telephone	67,675		67,675	57,751	9,924
BOE Other Purchased Services	1,000	375	1,375	574	801
Miscellaneous Purchased Services	118,000	328	118,328	112,723	5,605
General Supplies	2,000	6,700	8,700	8,153	547
Miscellaneous Expenditures	22,500	(5,169)	17,331	10,358	6,973
BOE Membership Dues and Fees	23,000	(8,000)	15,000	13,367	1,633
Total General Administration	<u>675,711</u>	<u>17,527</u>	<u>693,238</u>	<u>650,391</u>	<u>42,847</u>
School Administration:					
Salaries of Principals/Assistants	890,224	1,399	891,623	877,815	13,808
Salaries of Secretarial and Clerical Assistants	345,663		345,663	332,595	13,068
Other Purchased Services	25,000	(17,752)	7,248	7,248	-
Supplies and Materials	6,050	(1,906)	4,144	2,322	1,822
Other Objects	11,000		11,000	9,370	1,630
Total School Administration	<u>1,277,937</u>	<u>(18,259)</u>	<u>1,259,678</u>	<u>1,229,350</u>	<u>30,328</u>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 9 of 13

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2021**

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Business/Central Services:					
Salaries	334,846		334,846	331,708	3,138
Miscellaneous Purchased Services	6,450	(35)	6,415	3,050	3,365
Supplies and Materials	6,000	8,641	14,641	13,174	1,467
Other Objects	2,800	35	2,835	2,835	-
Total Business/Central Services	<u>350,096</u>	<u>8,641</u>	<u>358,737</u>	<u>350,767</u>	<u>7,970</u>
Technology Services:					
Salaries	282,207	(9,000)	273,207	210,551	62,656
Purchased Technical Services	85,000	46,842	131,842	119,290	12,552
Other Purchased Services	4,500		4,500	3,368	1,132
Supplies and Materials	5,000		5,000	2,897	2,103
Other Objects	6,000		6,000	2,700	3,300
Total Technology Services	<u>382,707</u>	<u>37,842</u>	<u>420,549</u>	<u>338,806</u>	<u>81,743</u>
Required Maintenance of School Facilities:					
Salaries	284,564	8,687	293,251	276,038	17,213
Cleaning, Repair & Maintenance Services	487,000	181,019	668,019	475,462	192,557
General Supplies	123,000	19,723	142,723	128,301	14,422
Other Objects	1,100		1,100	1,099	1
Total Required Maintenance of School Facilities	<u>895,664</u>	<u>209,429</u>	<u>1,105,093</u>	<u>880,900</u>	<u>224,193</u>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 10 of 13

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2021**

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Operation of Plant:					
Salaries	987,654	(13,000)	974,654	908,375	66,279
Other Salaries	66,660	(15,000)	51,660	43,966	7,694
Purchased Professional Services	56,000	274,900	330,900	120,319	210,581
Cleaning, Repair, Maintenance Services	56,600	(2,478)	54,122	52,045	2,077
Other Purchased Property	58,800	(3,934)	54,866	41,032	13,834
Insurance	146,000	(16,000)	130,000	129,733	267
Miscellaneous Purchased Services	1,000	1,129	2,129	2,015	114
General Supplies	75,000	(49,788)	25,212	16,956	8,256
Energy (Electricity ,Natural Gas)	530,900	(40,500)	490,400	373,649	116,751
Other Objects	1,000	(360)	640	640	-
Total Operations and Maintenance of Plant	<u>1,979,614</u>	<u>134,969</u>	<u>2,114,583</u>	<u>1,688,730</u>	<u>425,853</u>
Security:					
Purchased Professional Services	20,000	(10,000)	10,000	2,860	7,140
Total Security	<u>20,000</u>	<u>(10,000)</u>	<u>10,000</u>	<u>2,860</u>	<u>7,140</u>
Total Operations and Maintenance of Plant Services	<u>2,895,278</u>	<u>334,398</u>	<u>3,229,676</u>	<u>2,572,490</u>	<u>657,186</u>
Student Transportation Services:					
Salaries of Non-Instructional Aides	40,725	343	41,068	39,564	1,504
Salaries Pupil Transportation-Special Education	27,000	(343)	26,657	15,947	10,710
Salaries Pupil Transportation-Other Bet. Home & School	157,670		157,670	78,598	79,072
Cleaning, Repair & Maint.	25,000	10,334	35,334	20,091	15,243
Contracted Services - Between Home & School - Vendor		3,800	3,800	3,661	139
Contracted Services - Other than Bet. Home & School - Vendor	43,000		43,000	1,639	41,361
Contracted Services - Regular-ESCs & CTSA's	10,000		10,000		10,000
Transportation - Special Ed- ESC & CTSA's	375,000	40,337	415,337	154,862	260,475
Miscellaneous Purchased Services	31,021		31,021	14,485	16,536
Supplies	1,000		1,000	309	691
Other Objects	6,000		6,000	4,988	1,012
Total Student Transportation Services	<u>716,416</u>	<u>54,471</u>	<u>770,887</u>	<u>334,144</u>	<u>436,743</u>



**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 11 of 13

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2021**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Employee Benefits:					
Social Security Contributions	439,000		439,000	311,905	127,095
Other Retirement Contributions-PERS	430,000	79,720	509,720	509,164	556
Other Retirement Contributions-Regular	30,000		30,000	29,166	834
Unemployment Compensation			-	24,962	(24,962)
Workmen's Compensation	225,000		225,000	191,110	33,890
Health Benefits	6,135,000	(668,318)	5,466,682	4,810,359	656,323
Tuition Reimbursement	56,500	(10,820)	45,680	30,031	15,649
Unused Sick Payment to Terminated/Retired Staff	80,000	19,286	99,286	94,286	5,000
Other Employee Benefits	219,000	36,458	255,458	251,251	4,207
Total Personal Services Employee Benefits	<u>7,614,500</u>	<u>(543,674)</u>	<u>7,070,826</u>	<u>6,252,234</u>	<u>818,592</u>
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)			-	1,424,655	(1,424,655)
On-Behalf T.P.A.F Pension Contributions - Normal Cost (Non-Budgeted)			-	4,461,151	(4,461,151)
On-Behalf T.P.A.F Non-Contributory Insurance			-	84,879	(84,879)
On-Behalf T.P.A.F Pension Contributions - Long-Term Disability			-	2,492	(2,492)
Reimbursed TPAF Social Security Contribution (Non-Budgeted)			-	1,201,829	(1,201,829)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,175,006</u>	<u>(7,175,006)</u>
Total Undistributed Expenditures	<u>20,389,149</u>	<u>(31,837)</u>	<u>20,357,312</u>	<u>24,225,844</u>	<u>(3,868,532)</u>
Total Expenditures - Current Expense	<u>36,746,630</u>	<u>(624,363)</u>	<u>36,122,267</u>	<u>38,735,750</u>	<u>(2,613,483)</u>
Capital Outlay:					
Equipment - Grades 6-8		29,231	29,231	7,460	21,771
Equipment - Grades 9-12	20,000	(20,000)	-		-
School Sponsored and Other Instructional Activities		4,000	4,000		4,000
Undistributed Expenditures - Admin. Info. Tech		4,332	4,332	4,332	-
Undistributed Expenditures - Required Maintenance School Facilities		185,984	185,984	127,403	58,581
School Buses - Regular		111,959	111,959	111,959	-
School Buses - Special		63,594	63,594	63,594	-
Total Capital Outlay	<u>20,000</u>	<u>379,100</u>	<u>399,100</u>	<u>314,748</u>	<u>84,352</u>

**ROSELLE PARK SCHOOL DISTRICT**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2021**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Facilities Improvements:					
Construction Services	880,000	(506,774)	373,226	266,917	106,309
Debt Service Assessment	32,536		32,536	32,536	-
Total Facilities Improvements	<u>912,536</u>	<u>(506,774)</u>	<u>405,762</u>	<u>299,453</u>	<u>106,309</u>
Total Capital Outlay	<u>932,536</u>	<u>(127,674)</u>	<u>804,862</u>	<u>614,201</u>	<u>190,661</u>
Transfer of Funds to Charter Schools		10,032	10,032	10,032	-
Total Expenditures	<u>37,679,166</u>	<u>(742,005)</u>	<u>36,937,161</u>	<u>39,359,983</u>	<u>(2,422,822)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,342,780)</u>	<u>742,005</u>	<u>(600,775)</u>	<u>3,748,796</u>	<u>4,349,571</u>
Other Financing Sources (Uses):					
Transfer to Preschool Program			-	(15,411)	(15,411)
Transfer to Capital Projects from Capital Outlay			-	(691,808)	(691,808)
Transfer to Capital Projects from Capital Reserve			-	(300,000)	(300,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,007,219)</u>	<u>(1,007,219)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>(1,342,780)</u>	<u>742,005</u>	<u>(600,775)</u>	<u>2,741,577</u>	<u>3,342,352</u>
Fund Balance, July 1	6,173,803		6,173,803	6,173,803	-
Prior Period Adjustment				63,948	63,948
Fund Balances, July 1, Restated	<u>6,173,803</u>	<u>-</u>	<u>6,173,803</u>	<u>6,237,751</u>	<u>63,948</u>
Fund Balance, June 30	<u>\$ 4,831,023</u>	<u>742,005</u>	<u>5,573,028</u>	<u>8,979,328</u>	<u>3,406,300</u>

ROSELLE PARK SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

JUNE 30, 2021

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus				\$ 1,911,257	
Maintenance Reserve				37,519	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,231,665	
Designated for Subsequent Year's Expenditures - by the BOE				270,527	
Designated for Subsequent Year's Expenditures - Capital Reserve				300,000	
Capital Reserve				2,514,874	
Unemployment Compensation				71,452	
Assigned Fund Balance:					
Year-End Encumbrances				954,613	
Unassigned Fund Balance				<u>1,687,421</u>	
				8,979,328	
Reconciliation to Governmental Fund Statement (GAAP):					
Final State Aid Payments Not Recognized on GAAP Basis				<u>(1,268,537)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 7,710,791</u>	

ROSELLE PARK SCHOOL DISTRICT

Exhibit C-2

Sheet 1 of 3

BUDGETARY COMPARISON SCHEDULE

SPECIAL REVENUE FUND

JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources	\$ 269,406		269,406	269,406	
State Sources	\$ 1,103,861		1,103,861	1,103,861	
Federal Sources:					
Title I, Part A	\$ 355,871		355,871	355,871	
Title IIA, Part A	54,204		54,204	54,204	
Title III	29,240		29,240	29,240	
IDEA Part B, Basic	503,190		503,190	503,190	
IDEA Part B, Preschool	16,150		16,150	16,150	
Coronavirus Relief Fund (CRF)	142,712		142,712	142,712	
Educational Stabilization Fund (CARES Act)	259,767		259,767	259,767	
Educational Stabilization Fund (ESSER II)	376,876		376,876	376,876	
Total Federal Sources	<u>1,738,010</u>		<u>1,738,010</u>	<u>1,738,010</u>	
Total Revenues	<u>3,111,277</u>		<u>3,111,277</u>	<u>3,111,277</u>	
Expenditures:					
Instruction:					
Salaries of Teachers	607,337		607,337	607,337	
Other Salaries for Instruction	273,403		273,403	273,403	
Other Purchased Services	35,065		35,065	35,065	
Tuition	215,023		215,023	215,023	
Instructional Supplies	913,587		913,587	913,587	
Other Objects	223		223	223	
Total Instruction	<u>2,044,638</u>	<u>-</u>	<u>2,044,638</u>	<u>2,044,638</u>	<u>-</u>

ROSELLE PARK SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE

SPECIAL REVENUE FUND

JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Support Services:					
Salaries of Teachers	112,777		112,777	112,777	
Salaries of Other Professional Staff	174,526		174,526	174,526	
Employee Benefits	492,418		492,418	492,418	
Purchased Technical Services	43,110		43,110	43,110	
Other Purchased Services	19,702		19,702	19,702	
Supplies and Materials	52,779		52,779	52,779	
Miscellaneous Expenses	20,846		20,846	20,846	
Scholarships Awarded	1,044		1,044	1,044	
Student Activities	133,291		133,291	133,291	
Total Support Services	<u>1,050,493</u>	<u>-</u>	<u>1,050,493</u>	<u>1,050,493</u>	<u>-</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment	18,045		18,045	18,045	
Total Facilities Acquisition and Construction Services	<u>18,045</u>	<u>-</u>	<u>18,045</u>	<u>18,045</u>	<u>-</u>
Total Expenditures	<u>3,113,176</u>	<u>-</u>	<u>3,113,176</u>	<u>3,113,176</u>	<u>-</u>
Other Financing Sources (Uses):					
Transfer from General Fund				<u>15,411</u>	<u>15,411</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,899)</u>	<u>-</u>	<u>(1,899)</u>	<u>13,512</u>	<u>15,411</u>

ROSELLE PARK SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE

Exhibit C-2  
 Sheet 3 of 3

SPECIAL REVENUE FUND

JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Fund Balance, July 1					
Prior Period Adjustment				197,182	
Fund Balance, July 1 (Restated)				<u>197,182</u>	
 Fund Balance, June 30				 <u>\$ 210,694</u>	
 Recapitulation:					
Restricted:					
Scholarships				\$ 6,461	
Student Activities				<u>204,233</u>	
 Total Fund Balance				 <u>\$ 210,694</u>	

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

ROSELLE PARK SCHOOL DISTRICTREQUIRED SUPPLEMENTARY INFORMATION

Exhibit C-3

BUDGET TO GAAP RECONCILIATIONNOTE TO RSIFOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<b><u>Sources/Inflows of Resources</u></b>		
Actual Amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 43,108,779	3,126,688
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized (net)		(141,036)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,230,867	94,026
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(1,268,537)</u>	<u>(113,934)</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 43,071,109</u>	<u>2,965,744</u>
<b><u>Uses/Outflows of Resources</u></b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 39,359,983	3,113,176
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 (net)		<u>(141,036)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 39,359,983</u>	<u>2,972,140</u>



**REQUIRED SUPPLEMENTARY INFORMATION – PART III**

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING  
FOR PENSIONS (GASB 68) – L**

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit L-1

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE**

**NET PENSION LIABILITY - PERS**

**LAST EIGHT FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability (Asset)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 6,495,230	6,838,501	7,438,616	9,100,404	11,770,332	9,480,161	7,511,141	7,830,293
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	-	-	-	-	-	-	-	-
Total	<u>\$ 6,495,230</u>	<u>6,838,501</u>	<u>7,438,616</u>	<u>9,100,404</u>	<u>11,770,332</u>	<u>9,480,161</u>	<u>7,511,141</u>	<u>7,830,293</u>
District's Covered-Employee Payroll	\$ 2,905,230	2,756,052	2,623,136	2,605,613	2,680,103	2,785,044	2,794,257	2,792,623
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	44.73%	40.30%	35.26%	28.63%	22.77%	29.38%	37.20%	35.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	42.90%	42.04%	40.45%	36.78%	31.20%	38.21%	42.74%	40.71%

**ROSELLE PARK SCHOOL DISTRICT**

**Exhibit L-2**

**SCHEDULE OF DISTRICT CONTRIBUTIONS - PERS**

**LAST EIGHT FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 400,107	402,485	396,982	362,869	363,606	331,725	317,033	305,256
Contributions in Relation to the Contractually Required Contribution	400,107	402,485	396,982	362,869	363,606	331,725	317,033	305,256
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's Covered-Employee Payroll	\$ 2,905,230	2,756,052	2,623,136	2,605,613	2,680,103	2,785,044	2,794,257	2,792,623
Contributions as a Percentage of Covered-Employee Payroll	13.77%	14.60%	15.13%	13.93%	13.57%	11.91%	11.35%	10.93%

**ROSELLE PARK SCHOOL DISTRICT**

**Exhibit L-3**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE**

**NET PENSION LIABILITY - TPAF**

**LAST EIGHT FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability (Asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	-	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>101,444,112</u>	<u>93,522,577</u>	<u>95,337,173</u>	<u>102,167,459</u>	<u>112,184,007</u>	<u>87,401,052</u>	<u>76,806,770</u>	<u>70,057,721</u>
<b>Total</b>	<u><u>\$101,444,112</u></u>	<u><u>93,522,577</u></u>	<u><u>95,337,173</u></u>	<u><u>102,167,459</u></u>	<u><u>112,184,007</u></u>	<u><u>87,401,052</u></u>	<u><u>76,806,770</u></u>	<u><u>70,057,721</u></u>
District's Covered-Employee Payroll	\$ 17,014,059	16,308,979	16,337,703	15,810,551	15,530,736	15,153,132	14,266,577	13,741,586
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	16.77%	17.44%	17.14%	15.48%	13.84%	17.34%	18.57%	19.61%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

**ROSELLE PARK SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS**  
**TEACHER'S PENSION AND ANNUITY FUND (TPAF)**  
**LAST TEN FISCAL YEARS**

L-4

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

**ROSELLE PARK SCHOOL DISTRICT**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PART III**

L-5

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

**Public Employee's Retirement System (PERS)**

*Changes in Benefit Terms* – None

*Changes in Assumptions* – The discount rate changed from 6.28% as of June 30, 2019, to 7.00% as of June 30, 2020, in accordance with Paragraph 44 of GASB Statement No. 67.

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

*Changes in Benefit Terms* – None

*Changes in Assumption* – The discount rate changed from 5.60% as of June 30, 2019, to 5.40% as of June 30, 2020, in accordance with Paragraph 44 of GASB Statement No. 67.

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING  
FOR OPEB (GASB 75) - M**



**ROSELLE PARK SCHOOL DISTRICT**

**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS**

**Exhibit M-1**

**LAST FIVE FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b><u>State's OPEB Liability Attributable to the District</u></b>					
Service Cost	\$ 2,547,512	2,431,307	2,842,686	3,438,149	*
Interest	2,164,119	2,640,713	2,892,165	2,500,483	*
Benefit Payments	(1,705,872)	(1,845,027)	(1,783,290)	(1,825,113)	*
Member Contributions	51,705	54,692	61,633	67,205	*
Difference between Expected and Actual Experience	16,926,209	(10,764,267)	(8,466,542)		*
Change of Assumptions	17,898,849	896,162	(7,653,109)	(10,554,292)	*
Net Change in Total OPEB Liability	<u>37,882,522</u>	<u>(6,586,420)</u>	<u>(12,106,457)</u>	<u>(6,373,568)</u>	*
 Total Attributable OPEB Liability - Beginning	 <u>60,104,431</u>	 <u>66,690,851</u>	 <u>78,797,308</u>	 <u>85,170,876</u>	 *
 Total Attributable OPEB Liability - Ending	 <u>\$ 97,986,953</u>	 <u>60,104,431</u>	 <u>66,690,851</u>	 <u>78,797,308</u>	 <u>85,170,876</u>
 District's Covered Payroll	 \$ 19,919,289	 19,065,031	 18,960,839	 18,416,164	 18,210,839
 District's Contribution	 None	 None	 None	 None	 None
 State's Proportionate Share of OPEB Liability as a Percentage of the District's Covered-Employee Payroll	 491.92%	 315.26%	 351.73%	 427.87%	 467.69%

\* - Information not available

Source: GASB 75 report on State of New Jersey Health Benefits Program; District Records.

Note: This schedule is required by GASB 75 to show information for a 10 year period. However, information is only currently available for two years. Additional years will be presented as they become available.

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

Exhibit M-2

Change of Benefit Terms

None

Difference Between Expected and Actual Experience

The change in the liability from June 30, 2019 to June 30, 2020 is due to changes in the census, claims and premiums experience.

Changes of Assumptions

The Discount Rate changed from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020.

**OTHER SUPPLEMENTARY INFORMATION**

**SCHOOL LEVEL SCHEDULES – D**

**N/A**

**SPECIAL REVENUE FUND – E**

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit E-1  
Sheet 1 of 2

**SPECIAL REVENUE FUND**

**COMBINING SCHEDULE OF REVENUES EXPENDITURES - BUDGETARY BASIS**

JUNE 30, 2021

	<u>Title I</u>	<u>Title IIA</u>	<u>Title III</u>	<u>Title III Immigrant</u>	<u>IDEA Basic</u>	<u>IDEA Preschool</u>	<u>CARES</u>	<u>CARES County</u>	<u>ESSER</u>	<u>CRF</u>
Revenues:										
Federal Sources	\$ 355,871	54,204	25,544	3,696	503,190	16,150	259,767		376,876	142,712
State Sources										
Local Sources								102,650		
Total Revenue	<u>355,871</u>	<u>54,204</u>	<u>25,544</u>	<u>3,696</u>	<u>503,190</u>	<u>16,150</u>	<u>259,767</u>	<u>102,650</u>	<u>376,876</u>	<u>142,712</u>
Expenditures:										
Instruction:										
Salaries of Teachers	181,425			2,400			12,685			
Other Salaries for Instruction			10,820		157,757	16,150				
Purchased Professional Educational Services										
Other Purchased Services	35,065									
Tuition					215,023					
Instructional Supplies	30,676	5,636	13,962	682	9,618		204,550	102,650	376,876	120,937
Other Objects										
Total Instruction	<u>247,166</u>	<u>5,636</u>	<u>24,782</u>	<u>3,082</u>	<u>382,398</u>	<u>16,150</u>	<u>217,235</u>	<u>102,650</u>	<u>376,876</u>	<u>120,937</u>
Support Services:										
Salaries of Teachers		23,337	762	399			10,142			
Salaries of Other Professional Staff										
Personal Services - Employee Benefits	106,705	1,785		215	82,282		1,469			
Purchased Professional and Technical Services	2,000	2,600			38,510					
Other Purchased Services										
Supplies and Materials							30,921			21,775
Miscellaneous Expenses		20,846								
Scholarships Awarded										
Student Activities										
Total Support Services	<u>108,705</u>	<u>48,568</u>	<u>762</u>	<u>614</u>	<u>120,792</u>	<u>-</u>	<u>42,532</u>	<u>-</u>	<u>-</u>	<u>21,775</u>
Facilities Acquisition and Construction Services:										
Instructional Equipment										
Total Expenditures	<u>355,871</u>	<u>54,204</u>	<u>25,544</u>	<u>3,696</u>	<u>503,190</u>	<u>16,150</u>	<u>259,767</u>	<u>102,650</u>	<u>376,876</u>	<u>142,712</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):										
Transfer from General Fund										
Total Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1										
Prior Period Adjustment										
Fund Balance, July 1 (Restated)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

\*Represents scholarship fund net position as of June 30, 2020 per Exhibit H-2

\*\*Represents the student activity fund ending balance as of June 30, 2020 for payable to student groups

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit E-1  
Sheet 2 of 2

**SPECIAL REVENUE FUND**

**COMBINING SCHEDULE OF REVENUES EXPENDITURES - BUDGETARY BASIS**

**JUNE 30, 2021**

	<u>Preschool Expansion Aid</u>	<u>Girls Who Code</u>	<u>City Stem Grant</u>	<u>PSEG Grant</u>	<u>Safety Grant</u>	<u>Scholarship Fund</u>	<u>Student Activity</u>	<u>Totals 2021</u>
<b>Revenues:</b>								
Federal Sources								1,738,010
State Sources	1,103,861							1,103,861
Local Sources		295	500	69	18,045	5,505	142,342	269,406
<b>Total Revenue</b>	<u>1,103,861</u>	<u>295</u>	<u>500</u>	<u>69</u>	<u>18,045</u>	<u>5,505</u>	<u>142,342</u>	<u>3,111,277</u>
<b>Expenditures:</b>								
<b>Instruction:</b>								
Salaries of Teachers	410,827							607,337
Other Salaries for Instruction	88,676							273,403
Purchased Professional Educational Services								-
Other Purchased Services								35,065
Tuition								215,023
Instructional Supplies	47,136	295	500	69				913,587
Other Objects	223							223
<b>Total Instruction</b>	<u>546,862</u>	<u>295</u>	<u>500</u>	<u>69</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,044,638</u>
<b>Support Services:</b>								
Salaries of Teachers	78,137							112,777
Salaries of Other Professional Staff	174,526							174,526
Personal Services - Employee Benefits	299,962							492,418
Purchased Professional and Technical Services								43,110
Other Purchased Services	19,702							19,702
Supplies and Materials	83							52,779
Miscellaneous Expenses								20,846
Scholarships Awarded						1,044		1,044
Student Activities							133,291	133,291
<b>Total Support Services</b>	<u>572,410</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,044</u>	<u>133,291</u>	<u>1,050,493</u>
<b>Facilities Acquisition and Construction Services:</b>								
Instructional Equipment					18,045			18,045
<b>Total Expenditures</b>	<u>1,119,272</u>	<u>295</u>	<u>500</u>	<u>69</u>	<u>18,045</u>	<u>1,044</u>	<u>133,291</u>	<u>3,113,176</u>
<b>Expenditures</b>	<u>(15,411)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,461</u>	<u>9,051</u>	<u>(1,899)</u>
<b>Other Financing Sources (Uses):</b>								
Transfer from General Fund	15,411							15,411
<b>Total Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,461</u>	<u>9,051</u>	<u>13,512</u>
<b>Fund Balance, July 1</b>								-
Prior Period Adjustment						2,000	195,182	197,182
<b>Fund Balance, July 1 (Restated)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>195,182</u>	<u>197,182</u>
<b>Fund Balance, June 30</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,461</u>	<u>204,233</u>	<u>210,694</u>

\*Represents scholarship fund net position as of June 30, 2020 per Exhibit H-2

\*\*Represents the student activity fund ending balance as of June 30, 2020 for payable to student groups

ROSELLE PARK SCHOOL DISTRICT

Exhibit E-2

SPECIAL REVENUE FUNDPRESCHOOL EDUCATION AIDSCHEDULE OF EXPENDITURESBUDGETARY BASISFOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 411,748	410,827	921
Other Salaries for Instruction	117,726	88,676	29,050
Purchased Professional Educational Services	2,800		2,800
Instructional Supplies	65,883	47,136	18,747
Other Objects	1,000	223	777
Total Instruction	<u>599,157</u>	<u>546,862</u>	<u>52,295</u>
Support Services:			
Salaries of Principals	78,137	78,137	-
Salaries of Other Professional Staff	71,952	51,458	20,494
Salaries of Secretaries	13,248	13,248	-
Other Salaries	11,277	10,713	564
Salaries CPIS	29,798	29,798	-
Salaries of Facilitator Coach	69,309	69,309	-
Personal Services - Employee Benefits	299,962	299,962	-
Other Purchased Professional Services	4,500	3,670	830
Repair and Maintenance Services	30,850	16,032	14,818
Supplies and Materials	940	83	857
Total Support Services	<u>609,973</u>	<u>572,410</u>	<u>37,563</u>
Total Expenditures	<u>\$ 1,209,130</u>	<u>1,119,272</u>	<u>89,858</u>
<b><u>Calculation of Budget and Carryover</u></b>			
Total 2020-2021 Preschool Education Aid Allocation		\$ 1,148,952	
Actual ECPA Carryover (June 30, 2020)		44,767	
Add: Transfer from General Fund		15,411	
Total Funds available for 2020-2021 Budget		<u>1,209,130</u>	
Less: Budgeted 2020-2021 Preschool Education Aid		<u>1,209,130</u>	
Available and Unbudgeted at June 30, 2021 Preschool Education Aid		\$ -	
Add: 2020-2021 Unexpended Preschool Education Aid		<u>89,858</u>	
2020-2021 Actual Carryover Preschool Education Aid		<u>\$ 89,858</u>	
2020-2021 Carryover Budgeted in 2021-2022 Preschool Education Aid		<u>\$ 89,858</u>	



**CAPITAL PROJECTS FUND – F**

**ROSELLE PARK SCHOOL DISTRICT****CAPITAL PROJECTS FUND**

Exhibit F-1

**SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES****IN FUND BALANCE - BUDGETARY BASIS****FOR THE YEAR ENDED JUNE 30, 2021****Revenues and Other Financing Sources**

Transfer from Capital Reserve	\$ 300,000
Transfer from Capital Outlay	691,808
Total Revenues	<u>991,808</u>

**Expenditures and Other Financing Uses**

Construction Services	<u>                    </u>
Total Expenditures	<u>                    -</u>

Excess (Deficiency) of Revenues Over (Under) Expenditures	991,808
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Fund Balance - Beginning	<u>                    </u>
--------------------------	-----------------------------

Fund Balance - Ending	<u><u>\$ 991,808</u></u>
-----------------------	--------------------------

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit F-1a

**CAPITAL PROJECTS FUND**

**SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,**

**AND PROJECT STATUS - BUDGETARY BASIS**

**DOOR REPLACEMENT PROJECTS**

**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b><u>Revenues and Other Financing Sources</u></b>				
Transfer from Capital Reserves	\$ -	69,570	69,570	69,570
Transfer from Capital Outlay		160,430	160,430	160,430
Total Revenues	<u>-</u>	<u>230,000</u>	<u>230,000</u>	<u>230,000</u>
<b><u>Expenditures and Other Financing Uses</u></b>				
Construction Services			-	230,000
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>230,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>230,000</u>	<u>230,000</u>	<u>-</u>
<b><u>Additional Project Information</u></b>				
Project Number		2021-1		
Grant Date		N/A		
Original Authorized Cost		230,000		
Additional Authorized Cost				
Revised Authorized Cost		230,000		
Percentage Completion		0%		
Original Target Completion Date		09/01/21		
Revised Target Completion Date		09/01/21		

ROSELLE PARK SCHOOL DISTRICT

Exhibit F-1b

CAPITAL PROJECTS FUNDSCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,AND PROJECT STATUS - BUDGETARY BASISTRACK RENOVATIONSFROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b><u>Revenues and Other Financing Sources</u></b>				
Transfer from Capital Reserve	\$ -	230,430	230,430	230,430
Transfer from Capital Outlay		531,378	531,378	531,378
Total Revenues	<u>-</u>	<u>761,808</u>	<u>761,808</u>	<u>761,808</u>
<b><u>Expenditures and Other Financing Uses</u></b>				
Construction Services			-	761,808
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>761,808</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>761,808</u>	<u>761,808</u>	<u>-</u>
<b><u>Additional Project Information</u></b>				
Project Number				
Grant Date		N/A		
Original Authorized Cost		644,960		
Additional Authorized Cost				
Revised Authorized Cost		644,960		
Percentage Completion		0%		
Original Target Completion Date		09/01/21		
Revised Target Completion Date		09/01/21		

**PROPRIETARY FUNDS – G**

**ROSELLE PARK SCHOOL DISTRICT**  
**COMBINING SCHEDULE OF NET POSITION**

Exhibit G-1

**ENTERPRISE FUNDS**

**JUNE 30, 2021**

	<b>Business-Type Activities - Enterprise Funds</b>								
	<b>Food Service</b>	<b>Cable 34</b>	<b>Adult School</b>	<b>Staff Computers</b>	<b>Coke Fund</b>	<b>Extended Day Care</b>	<b>Preschool</b>	<b>Summer Camp</b>	<b>Totals</b>
<b>Assets</b>									
Current Assets:									
Cash and Cash Equivalents	\$ 338,897	2,469	(8,325)	1,500	8,581	26,235	1,950	730,820	1,102,127
Accounts Receivable:									
State	5,578								5,578
Federal	124,228								124,228
Other	4,298								4,298
Inventory	14,266								14,266
Total Current Assets	<u>487,267</u>	<u>2,469</u>	<u>(8,325)</u>	<u>1,500</u>	<u>8,581</u>	<u>26,235</u>	<u>1,950</u>	<u>730,820</u>	<u>1,250,497</u>
Noncurrent Assets									
Equipment	273,637								273,637
Accumulated Depreciation	(271,591)								(271,591)
Total Fixed Assets	<u>2,046</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,046</u>
Total Assets	<u>\$ 489,313</u>	<u>2,469</u>	<u>(8,325)</u>	<u>1,500</u>	<u>8,581</u>	<u>26,235</u>	<u>1,950</u>	<u>730,820</u>	<u>1,252,543</u>
<b>Liabilities</b>									
Current Liabilities:									
Accounts Payable	\$ 149,704	-	-	-	-	-	-	35	149,739
Total Current Liabilities	<u>\$ 149,704</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35</u>	<u>149,739</u>
<b>Net Position</b>									
Investment in Capital Assets	\$ 2,046								2,046
Unrestricted	337,563	2,469	(8,325)	1,500	8,581	26,235	1,950	730,785	1,100,758
Total Net Position	<u>\$ 339,609</u>	<u>2,469</u>	<u>(8,325)</u>	<u>1,500</u>	<u>8,581</u>	<u>26,235</u>	<u>1,950</u>	<u>730,785</u>	<u>1,102,804</u>

**ROSELLE PARK SCHOOL DISTRICT**

**COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**

Exhibit G-2

**ENTERPRISE FUNDS**

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

	Business-Type Activities - Enterprise Funds							Totals
	Food Service	Cable 34	Adult School	Staff Computers	Coke Fund	Extended Day Care	Preschool	
Operating Revenues:								
Daily Sales - Reimbursable	\$ 2,403							2,403
Fees Charged							215,516	215,516
Total Operating Revenues	2,403	-	-	-	-	-	215,516	217,919
Operating Expenses:								
Salaries	259,750						59,866	319,616
Other Employee Benefits	60,203							60,203
Cost of Goods Sold - Reimbursable	667,141							667,141
Contracted Services	6,763						3,758	10,521
Supplies and Materials	35,657						2,509	38,166
Depreciation	146							146
Management Fee	75,969							75,969
Miscellaneous	19,850						4,150	24,000
Operating Expenses	1,125,479	-	-	-	-	-	70,283	1,195,762
Operating Gain/(Loss)	(1,123,076)	-	-	-	-	-	145,233	(977,843)
Non-Operating Revenues:								
State Sources:								
State School Lunch Program - Extra Aid	2,386							2,386
State School Lunch Program	36,637							36,637
Federal Sources:								
National School Lunch Program	786,271							786,271
PB Lunch Program	15,681							15,681
Breakfast Program	495,558							495,558
Food Distribution Program	101,337							101,337
Total Non-Operating Revenues	1,437,870	-	-	-	-	-	-	1,437,870
Change in Net Position	314,794	-	-	-	-	-	145,233	460,027
Adjustment to Fixed Assets	2,192							2,192
Total Net Position - Beginning	22,623	2,469	(8,325)	1,500	8,581	26,235	1,950	640,585
Total Net Position - Ending	\$ 339,609	2,469	(8,325)	1,500	8,581	26,235	1,950	1,102,804

**ROSELLE PARK SCHOOL DISTRICT**  
**COMBINING SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

Exhibit G-3

	<b>Business-Type Activities - Enterprise Funds</b>							<b>Totals</b>
	<b>Food Service</b>	<b>Cable 34</b>	<b>Adult School</b>	<b>Staff Computers</b>	<b>Coke Fund</b>	<b>Extended Day Care</b>	<b>Preschool</b>	
<b>Cash Flows from Operating Activities:</b>								
Receipts from Customers	\$ 2,403						215,516	217,919
Payments for Salaries	(259,750)						(59,866)	(319,616)
Payments to Suppliers	(740,506)						(10,492)	(750,998)
<b>Net Provided (Used) by Operating Activities</b>	<b>(997,853)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>145,158</b>	<b>(852,695)</b>
<b>Cash Flows from Noncapital Financing Activities</b>								
Federal & State Sources	1,336,533							1,336,533
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>1,336,533</b>						<b>-</b>	<b>1,336,533</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>338,680</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>145,158</b>	<b>483,838</b>
<b>Balances - Beginning of Year</b>	<b>217</b>	<b>2,469</b>	<b>(8,325)</b>	<b>1,500</b>	<b>8,581</b>	<b>26,235</b>	<b>1,950</b>	<b>618,289</b>
<b>Balances - End of Year</b>	<b>\$ 338,897</b>	<b>2,469</b>	<b>(8,325)</b>	<b>1,500</b>	<b>8,581</b>	<b>26,235</b>	<b>1,950</b>	<b>1,102,127</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>								
Operating Income (Loss)	\$ (1,123,076)						145,233	(977,843)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided (Used) by Operating Activities								
Depreciation	146							146
Federal Commodities Consumed	101,337							101,337
Decrease/(Increase) in Inventory	(6,887)							(6,887)
(Decrease)/Increase in Accounts Payable	104,357						(75)	104,282
Decrease/(Increase) in Accounts Receivable	(73,730)							(73,730)
<b>Net Provided (Used) by Operating Activities</b>	<b>\$ (997,853)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>145,158</b>	<b>(852,695)</b>



**FIDUCIARY FUND – H**

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit H-1

**TRUST AND AGENCY FUND****COMBINING STATEMENT OF FIDUCIARY NET POSITION****AS OF JUNE 30, 2021**

	<u>Special Agency Account</u>	<u>Retirement Account</u>	<u>Total 2021</u>
Assets:			
Cash and Cash Equivalents	\$ 1,263	2,845	4,108
Total Assets	<u>\$ 1,263</u>	<u>2,845</u>	<u>4,108</u>
Liabilities and Fund Balances:			
Liabilities:			
Due to General Fund	\$ 1,263	2,845	4,108
Total Liabilities	<u>\$ 1,263</u>	<u>2,845</u>	<u>4,108</u>

ROSELLE PARK SCHOOL DISTRICTSPECIAL AGENCY FUND

Exhibit H-4

SCHEDULE OF RECEIPTS AND DISBURSEMENTSJUNE 30, 2021

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2021</u>
Assets:				
Cash and Cash Equivalents	\$ 1,097	1,173	1,007	1,263
Total Assets	<u>\$ 1,097</u>	<u>1,173</u>	<u>1,007</u>	<u>1,263</u>
Liabilities:				
Due to General Fund	\$ 1,097	1,173	1,007	1,263
Total Liabilities	<u>\$ 1,097</u>	<u>1,173</u>	<u>1,007</u>	<u>1,263</u>

RETIREMENT ACCOUNT

Exhibit H-4a

SCHEDULE OF RECEIPTS AND DISBURSEMENTSJUNE 30, 2021

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2021</u>
Assets:				
Cash and Cash Equivalents	\$ 2,845			2,845
Total Assets	<u>\$ 2,845</u>	<u>-</u>	<u>-</u>	<u>2,845</u>
Liabilities:				
Due to General Fund	\$ 2,845			2,845
Total Liabilities	<u>\$ 2,845</u>	<u>-</u>	<u>-</u>	<u>2,845</u>

**LONG-TERM DEBT – I**

**ROSELLE PARK SCHOOL DISTRICT**

**LONG-TERM DEBT**

**SCHEDULE OF SERIAL BONDS**

**JUNE 30, 2021**

**Exhibit I-1**

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Beginning Balance July 1, 2020</u>	<u>Retired</u>	<u>Ending Balance June 30, 2021</u>
			<u>Date</u>	<u>Amount</u>				
Refunding Issue	3/20/2012	\$ 5,955,000	2/15/2022	560,000	3.380%	\$ 2,800,000	555,000	2,245,000
			2/15/2023	560,000	4.000%			
			2/15/2024	560,000				
			2/15/2025	565,000				
						<u>\$ 2,800,000</u>	<u>555,000</u>	<u>2,245,000</u>

**ROSELLE PARK SCHOOL DISTRICT**

**LONG-TERM LIABILITIES**

**Exhibit I-2**

**SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES**

**JUNE 30, 2021**

<b><u>Purpose</u></b>	<b><u>Date of Issue</u></b>	<b><u>Amount Of Original Issue</u></b>	<b><u>Interest Rate</u></b>	<b><u>Balance July 1, 2020</u></b>	<b><u>Issued Current Year</u></b>	<b><u>Paid Current Year</u></b>	<b><u>Amount Outstanding June 30, 2021</u></b>
Equipment Lease	7/15/2018	700,000	3.04%	350,522		350,522	-
Equipment Lease	6/14/2019	800,000	2.46%	601,692		396,241	205,451
				<u>\$ 952,214</u>	<u>-</u>	<u>746,763</u>	<u>205,451</u>

**ROSELLE PARK SCHOOL DISTRICT**

**DEBT SERVICE FUND**

**Exhibit I-3**

**BUDGETARY COMPARISON SCHEDULE**

**JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 663,500		663,500	663,500	-
Total Revenues	<u>663,500</u>	<u>-</u>	<u>663,500</u>	<u>663,500</u>	<u>-</u>
Expenditures:					
Regular Debt Service:					
Redemption of Principal	555,000		555,000	555,000	-
Interest	<u>108,500</u>		<u>108,500</u>	<u>108,500</u>	<u>-</u>
Total Expenditures	<u>663,500</u>	<u>-</u>	<u>663,500</u>	<u>663,500</u>	<u>-</u>
Excess of Revenues over Expenditures	-	-	-	-	-
Fund Balance July 1					
Fund Balance June 30	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**STATISTICAL SECTION**

**(Unaudited)**



**Borough of Roselle Park School District  
Net Position by Component  
Last Ten Fiscal Years**

Exhibit J-1

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Governmental Activities</b>										
Invested in capital assets, net of related debt	\$ 34,310,044	\$ 35,477,757	\$ 36,242,402	\$ 36,744,847	\$ 38,156,767	\$ 37,302,177	\$ 37,599,274	\$ 37,927,609	\$ 38,442,027	\$ 41,392,233
Restricted	\$ 1,836,282	\$ 2,013,661	\$ 2,218,329	\$ 1,710,733	\$ 2,182,920	\$ 1,933,932	\$ 2,623,463	\$ 3,918,988	\$ 5,301,901	\$ 8,494,408
Unrestricted	\$ (1,193,657)	\$ (1,397,130)	\$ (1,520,374)	\$ (9,060,032)	\$ (10,827,838)	\$ (8,960,260)	\$ (10,402,180)	\$ (9,965,450)	\$ (10,108,084)	\$ (8,898,783)
<b>Total governmental activities net position</b>	\$ 34,952,669	\$ 36,094,288	\$ 36,940,357	\$ 29,395,548	\$ 29,511,849	\$ 30,275,849	\$ 29,820,557	\$ 31,881,147	\$ 33,635,844	\$ 40,987,858
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	\$ 4,678	\$ 2,875	\$ 1,783	\$ 1,427	\$ 1,070	\$ 714	\$ 357	\$ -	\$ -	\$ 2,046
Restricted										
Unrestricted	\$ 57,396	\$ 49,629	\$ 141,962	\$ 210,913	\$ 355,357	\$ 541,488	\$ 754,872	\$ 847,242	\$ 640,585	\$ 1,100,758
<b>Total business-type activities net position</b>	\$ 62,074	\$ 52,504	\$ 143,745	\$ 212,340	\$ 356,427	\$ 542,202	\$ 755,229	\$ 847,242	\$ 640,585	\$ 1,102,804
<b>District-wide</b>										
Invested in capital assets, net of related debt	\$ 34,314,722	\$ 35,480,632	\$ 36,244,185	\$ 36,746,274	\$ 38,157,837	\$ 37,302,891	\$ 37,599,631	\$ 37,927,609	\$ 38,442,027	\$ 41,394,279
Restricted	\$ 1,836,282	\$ 2,013,661	\$ 2,218,329	\$ 1,710,733	\$ 2,182,920	\$ 1,933,932	\$ 2,623,463	\$ 3,918,988	\$ 5,301,901	\$ 8,494,408
Unrestricted	\$ (1,136,261)	\$ (1,347,501)	\$ (1,378,412)	\$ (8,849,119)	\$ (10,472,481)	\$ (8,418,772)	\$ (9,647,308)	\$ (9,118,208)	\$ (9,467,499)	\$ (7,798,025)
<b>Total district net position</b>	\$ 35,014,743	\$ 36,146,792	\$ 37,084,102	\$ 29,607,888	\$ 29,868,276	\$ 30,818,051	\$ 30,575,786	\$ 32,728,389	\$ 34,276,429	\$ 42,090,662

**Borough of Roselle Park School District  
Changes in Activities, Last Ten Fiscal Years**

Exhibit J-2  
Sheet 1 of 2

	<u>Fiscal Year Ending June 30,</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>
<b>Expenses</b>										
<b>Governmental Activities</b>										
<b>Instruction</b>										
Regular	\$ 9,139,762	\$ 9,144,089	\$ 9,010,447	\$ 9,615,148	\$ 10,203,568	\$ 10,265,057	\$ 10,857,554	\$ 10,300,928	\$ 11,629,050	\$ 10,277,539
Special Education	\$ 3,215,878	\$ 3,456,920	\$ 3,068,534	\$ 2,212,047	\$ 3,146,352	\$ 2,407,622	\$ 3,103,179	\$ 3,438,364	\$ 3,463,107	\$ 4,566,266
Other special education	\$ 889,953	\$ 832,895	\$ 896,697	\$ 1,726,901	\$ 892,872	\$ 1,604,743	\$ 844,534	\$ 849,147	\$ 932,581	\$ 1,631,995
Other instruction	\$ 588,038	\$ 566,618	\$ 899,310	\$ 900,810	\$ 930,205	\$ 1,010,212	\$ 1,006,267	\$ 1,081,092	\$ 1,092,955	\$ -
<b>Support Services:</b>										
Tuition	\$ 1,220,452	\$ 1,139,384	\$ 1,466,080	\$ 1,494,344	\$ 1,496,054	\$ 1,688,356	\$ 1,688,553	\$ 1,865,979	\$ 1,781,888	\$ 1,466,501
Student & instruction related services	\$ 3,249,222	\$ 3,466,558	\$ 3,464,665	\$ 3,555,438	\$ 3,613,193	\$ 3,725,000	\$ 3,889,398	\$ 3,994,649	\$ 4,472,279	\$ 4,858,696
School administrative services	\$ 614,682	\$ 660,436	\$ 578,053	\$ 602,195	\$ 657,075	\$ 1,324,308	\$ 1,363,766	\$ 1,312,664	\$ 1,933,542	\$ 1,229,350
General & business administrative services	\$ 1,792,069	\$ 1,816,992	\$ 1,738,066	\$ 1,758,214	\$ 1,792,736	\$ 1,181,224	\$ 1,164,704	\$ 1,138,850	\$ 563,333	\$ 1,339,964
Plant operations and maintenance	\$ 2,367,844	\$ 2,485,960	\$ 2,535,398	\$ 2,650,796	\$ 2,846,302	\$ 2,866,329	\$ 2,952,007	\$ 2,784,577	\$ 3,057,253	\$ 1,825,727
Pupil transportation	\$ 293,762	\$ 333,364	\$ 378,044	\$ 480,418	\$ 465,699	\$ 467,281	\$ 502,134	\$ 439,710	\$ 433,867	\$ 334,144
Employee Benefits	\$ 8,110,462	\$ 8,902,413	\$ 8,411,378	\$ 9,812,810	\$ 10,095,232	\$ 10,421,694	\$ 11,531,414	\$ 11,220,581	\$ 11,735,358	\$ 12,999,969
Interest on long-term debt	\$ 221,476	\$ 237,366	\$ 222,769	\$ 215,354	\$ 200,807	\$ 200,988	\$ 156,379	\$ 151,011	\$ 122,283	\$ 70,070
Education Jobs \ capital outlay \ charter schools	\$ 353,652	\$ 11,989	\$ -	\$ -	\$ 304,285	\$ 9,273	\$ 683,091	\$ 854,372	\$ 75,085	\$ 10,032
Unallocated depreciation	\$ 290,431	\$ 231,012	\$ 222,822	\$ 213,294	\$ 211,732	\$ 189,047	\$ 225,588	\$ 227,910	\$ 284,334	\$ 409,923
<b>Total governmental activities expenses</b>	<b>\$ 32,347,683</b>	<b>\$ 33,285,996</b>	<b>\$ 32,892,263</b>	<b>\$ 35,237,769</b>	<b>\$ 36,856,112</b>	<b>\$ 37,361,134</b>	<b>\$ 39,968,568</b>	<b>\$ 39,659,834</b>	<b>\$ 41,556,915</b>	<b>\$ 41,020,176</b>
<b>Business-type activities</b>										
Food Service	\$ 665,172	\$ 663,885	\$ -	\$ -	\$ 805,393	\$ 895,587	\$ 890,229	\$ 882,028	\$ 727,290	\$ 2,403
Summer Camp	\$ 346,463	\$ 352,467	\$ 999,738	\$ 1,172,687	\$ 463,753	\$ 428,085	\$ 407,279	\$ 593,152	\$ 524,480	\$ 215,516
<b>Total business-type activities expense</b>	<b>\$ 1,011,635</b>	<b>\$ 1,016,352</b>	<b>\$ 999,738</b>	<b>\$ 1,172,687</b>	<b>\$ 1,269,146</b>	<b>\$ 1,323,672</b>	<b>\$ 1,297,508</b>	<b>\$ 1,475,180</b>	<b>\$ 1,251,770</b>	<b>\$ 217,919</b>
<b>Total district expenses</b>	<b>\$ 33,359,318</b>	<b>\$ 34,302,348</b>	<b>\$ 33,892,001</b>	<b>\$ 36,410,456</b>	<b>\$ 38,125,258</b>	<b>\$ 38,684,806</b>	<b>\$ 41,266,076</b>	<b>\$ 41,135,014</b>	<b>\$ 42,808,685</b>	<b>\$ 41,238,095</b>
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
Charges for services:	\$ 706,678	\$ 440,060	\$ 346,727	\$ 283,561	\$ 336,953	\$ 297,700	\$ 232,403	\$ 215,993	\$ 234,742	\$ -
Operating grants and contributions	\$ 1,345,133	\$ 962,388	\$ 926,877	\$ 941,842	\$ 966,595	\$ 935,166	\$ 845,044	\$ 1,320,983	\$ 1,852,764	\$ 2,932,287
Capital grants and contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total governmental activities program revenues</b>	<b>\$ 2,051,811</b>	<b>\$ 1,402,448</b>	<b>\$ 1,273,604</b>	<b>\$ 1,225,403</b>	<b>\$ 1,303,548</b>	<b>\$ 1,232,866</b>	<b>\$ 1,077,447</b>	<b>\$ 1,536,976</b>	<b>\$ 2,087,506</b>	<b>\$ 2,932,287</b>

**Borough of Roselle Park School District  
Changes in Activities, Last Ten Fiscal Years**

Exhibit J-2  
Sheet 2 of 2

	<b>Fiscal Year Ending June 30,</b>									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Program Revenues - Continued</b>										
Business-type activities										
Charges for services										
Food Service	\$ 341,124	\$ 322,801	\$ 769,817	\$ 851,034	\$ 408,989	\$ 446,757	\$ 490,966	\$ 493,581	\$ 321,434	\$ 2,403
Summer Camp	\$ 382,122	\$ 409,649	\$ -	\$ -	\$ -	\$ 601,638	\$ 577,350	\$ 628,819	\$ 312,288	\$ 215,516
Operating grants and contributions	\$ 318,580	\$ 324,512	\$ 321,162	\$ 390,248	\$ 568,356	\$ 481,052	\$ 442,219	\$ 444,793	\$ 411,391	\$ -
Total business type activities program revenues	\$ 1,041,826	\$ 1,056,962	\$ 1,090,979	\$ 1,241,282	\$ 977,345	\$ 1,509,447	\$ 1,510,535	\$ 1,567,193	\$ 1,045,113	\$ 217,919
Total district program revenues	\$ 3,093,637	\$ 2,459,410	\$ 2,364,583	\$ 2,466,685	\$ 2,280,893	\$ 2,742,313	\$ 2,587,982	\$ 3,104,169	\$ 3,132,619	\$ 3,150,206
<b>Net(Expense)/Revenue</b>										
Governmental activities	\$ (30,295,872)	\$ (31,883,548)	\$ (31,618,659)	\$ (34,012,366)	\$ (35,552,564)	\$ (36,128,268)	\$ (38,891,121)	\$ (38,122,858)	\$ (39,469,409)	\$ (38,087,889)
Business-type activities	\$ 30,191	\$ 40,430	\$ 91,241	\$ 68,595	\$ 144,087	\$ 185,775	\$ 213,027	\$ 92,013	\$ (206,657)	\$ 460,027
Total district-wide net expense	\$ (30,265,681)	\$ (31,843,118)	\$ (31,527,418)	\$ (33,943,771)	\$ (35,408,477)	\$ (35,942,493)	\$ (38,678,094)	\$ (38,030,845)	\$ (39,676,066)	\$ (37,627,862)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 17,505,170	\$ 17,505,170	\$ 17,885,273	\$ 19,183,851	\$ 20,454,668	\$ 21,055,914	\$ 21,537,847	\$ 21,754,978	\$ 21,754,978	\$ 22,190,078
Taxes levied for debt service	\$ 693,999	\$ 699,973	\$ 684,513	\$ 652,036	\$ 688,100	\$ 703,550	\$ 703,100	\$ 691,900	\$ 675,300	\$ 663,500
Unrestricted grants and contributions	\$ 11,718,748	\$ 13,799,615	\$ 13,385,247	\$ 13,882,321	\$ 14,425,901	\$ 15,199,326	\$ 16,230,573	\$ 17,534,978	\$ 18,646,934	\$ 20,358,310
Tuition	\$ 706,678	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous income	\$ 130,437	\$ 152,804	\$ 92,931	\$ 104,039	\$ 100,196	\$ 100,426	\$ 82,056	\$ 93,068	\$ 146,894	\$ 540,766
Transfers	\$ -	\$ -	\$ 2,147	\$ -	\$ -	\$ 68,150	\$ (117,747)	\$ 108,524	\$ -	\$ -
Total governmental activities	\$ 30,755,032	\$ 32,157,562	\$ 32,050,111	\$ 33,822,247	\$ 35,668,865	\$ 37,127,366	\$ 38,435,829	\$ 40,183,448	\$ 41,224,106	\$ 43,752,654
Business-type activities:										
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	\$ -	\$ (50,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total business-type activities	\$ -	\$ (50,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total district-wide	\$ 30,755,032	\$ 32,107,562	\$ 32,050,111	\$ 33,822,247	\$ 35,668,865	\$ 37,127,366	\$ 38,435,829	\$ 40,183,448	\$ 41,224,106	\$ 43,752,654
<b>Change in Net Position</b>										
Governmental activities	\$ 459,160	\$ 274,014	\$ 401,452	\$ (190,119)	\$ 116,301	\$ 862,798	\$ (455,292)	\$ 2,060,590	\$ 1,754,697	\$ 5,664,765
Business-type activities	\$ 31,883	\$ (9,570)	\$ 91,241	\$ 68,595	\$ 144,087	\$ 185,775	\$ 213,027	\$ 92,013	\$ (206,657)	\$ 460,027
Total district	\$ 491,043	\$ 264,444	\$ 492,693	\$ (121,524)	\$ 260,388	\$ 1,048,573	\$ (242,265)	\$ 2,152,603	\$ 1,548,040	\$ 6,124,792

Borough of Roselle Park School District  
Fund Balances, Governmental Funds,  
Last Ten Fiscal Years

Exhibit J-3

	For the Fiscal Year Ending June 30,									
	<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>
General Fund										
Reserved	\$ 1,836,278	\$ 1,978,496	\$ 2,183,165	\$ 1,710,733	\$ 2,182,920	\$ 3,047,952	\$ 2,623,463	\$ 3,966,620	\$ 5,301,901	\$ 7,291,907
Unreserved	\$ (231,447)	\$ (293,263)	\$ (408,196)	\$ (322,640)	\$ (359,147)	\$ (289,370)	\$ (399,824)	\$ (302,889)	\$ (358,965)	\$ 418,884
Total General Fund	\$ 1,604,831	\$ 1,685,233	\$ 1,774,969	\$ 1,388,093	\$ 1,823,773	\$ 2,758,582	\$ 2,223,639	\$ 3,663,731	\$ 4,942,936	\$ 7,710,791
All Other Governmental Funds										
Reserved										
Unreserved, reported in:										
Special Revenue Fund								\$ (47,632)	\$ (94,206)	\$ 96,759
Capital Projects Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 991,808
Debt Service Fund	\$ 4	\$ 35,165	\$ 35,164	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permanent Fund										
Designated for Subsequent										
Year Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total all other Governmental Funds	\$ 4	\$ 35,165	\$ 35,164	\$ -	\$ -	\$ -	\$ -	\$ (47,632)	\$ (94,206)	\$ 1,088,567

Borough of Roselle Park School District  
 Changes in Fund Balances, Governmental Funds,  
 Last Ten Fiscal Years

Exhibit J-4

	<b>For the Fiscal Year Ending June 30,</b>									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Revenues</b>										
Local Sources	\$ 19,053,757	\$ 18,775,621	\$ 18,988,759	\$ 20,227,591	\$ 21,588,010	\$ 22,157,590	\$ 22,564,366	\$ 22,770,945	\$ 22,831,459	\$ 23,406,271
State Sources	\$ 12,426,426	\$ 13,732,602	\$ 13,328,689	\$ 13,798,706	\$ 14,352,725	\$ 15,148,303	\$ 16,153,428	\$ 17,851,876	\$ 19,532,131	\$ 21,602,047
Federal Sources	\$ 1,327,660	\$ 1,013,185	\$ 974,120	\$ 1,021,353	\$ 1,031,678	\$ 986,189	\$ 913,229	\$ 989,079	\$ 948,022	\$ 1,676,623
<b>Total Revenue</b>	<b>\$ 32,806,843</b>	<b>\$ 33,521,408</b>	<b>\$ 33,291,568</b>	<b>\$ 35,047,650</b>	<b>\$ 36,972,413</b>	<b>\$ 38,292,082</b>	<b>\$ 39,631,023</b>	<b>\$ 41,611,900</b>	<b>\$ 43,311,612</b>	<b>\$ 46,684,941</b>
<b>Expenditures</b>										
Instruction	\$ 13,838,287	\$ 13,899,075	\$ 13,856,645	\$ 14,454,906	\$ 15,068,839	\$ 15,287,634	\$ 15,768,751	\$ 15,918,126	\$ 16,953,539	\$ 16,461,460
Support Services	\$ 17,600,795	\$ 18,805,107	\$ 18,571,784	\$ 20,238,296	\$ 20,693,512	\$ 21,124,460	\$ 22,900,592	\$ 22,857,119	\$ 24,141,125	\$ 25,228,385
Capital Outlay	\$ 446,183	\$ 48,792	\$ 90,488	\$ 89,288	\$ 77,009	\$ 74,681	\$ 666,503	\$ 860,819	\$ 298,444	\$ 632,246
Education Jobs \ charter schools	\$ 353,652	\$ 11,989			\$ 9,273	\$ -	\$ 9,273		\$ 10,393	\$ 10,032
Debt service:										
Principal	\$ 402,345	\$ 482,345	\$ 452,245	\$ 470,000	\$ 485,000	\$ 515,000	\$ 530,000	\$ 540,000	\$ 545,000	\$ 555,000
Interest and other charges	\$ 292,325	\$ 197,139	\$ 232,818	\$ 217,200	\$ 203,100	\$ 188,550	\$ 173,100	\$ 151,900	\$ 130,300	\$ 108,500
<b>Total expenditures</b>	<b>\$ 32,933,587</b>	<b>\$ 33,444,447</b>	<b>\$ 33,203,980</b>	<b>\$ 35,469,690</b>	<b>\$ 36,536,733</b>	<b>\$ 37,190,325</b>	<b>\$ 40,048,219</b>	<b>\$ 40,327,964</b>	<b>\$ 42,078,801</b>	<b>\$ 42,995,623</b>
Excess (Deficiency) of revenues over (under) expenditures	\$ (126,744)	\$ 76,961	\$ 87,588	\$ (422,040)	\$ 435,680	\$ 1,101,757	\$ (417,196)	\$ 1,283,936	\$ 1,232,811	\$ 3,689,318
<b>Other Financing sources (uses)</b>										
Transfers in	\$ 400,000	\$ 50,000	\$ 2,147	\$ -	\$ -	\$ -	\$ -	\$ 163,281	\$ -	\$ -
Transfers out	\$ -	\$ (11,398)	\$ -	\$ -	\$ -	\$ (68,150)	\$ (117,747)	\$ (54,757)	\$ -	\$ -
<b>Total other financing sources (uses)</b>	<b>\$ 400,000</b>	<b>\$ 38,602</b>	<b>\$ 2,147</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (68,150)</b>	<b>\$ (117,747)</b>	<b>\$ 108,524</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net changes in fund balances</b>	<b>\$ 273,256</b>	<b>\$ 115,563</b>	<b>\$ 89,735</b>	<b>\$ (422,040)</b>	<b>\$ 435,680</b>	<b>\$ 1,033,607</b>	<b>\$ (534,943)</b>	<b>\$ 1,392,460</b>	<b>\$ 1,232,811</b>	<b>\$ 3,689,318</b>

**Borough of Roselle Park School District  
General Fund-Other Local Revenue by Source**

Exhibit J-5

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Rentals-Use</u> <u>Of Facilities</u>	<u>Prior Year</u> <u>Refunds</u>	<u>Transportation</u> <u>Fees</u>	<u>Other</u>	<u>Total</u>
2012	\$ 1,947	\$ 706,678	\$ 28,038			\$ 100,000	\$ 836,663
2013	\$ 6,331	\$ 440,060	\$ 21,859			\$ 72,000	\$ 540,250
2014	\$ 4,480	\$ 346,727				\$ 88,451	\$ 439,658
2015	\$ -	\$ 283,561				\$ 108,143	\$ 391,704
2016	\$ -	\$ 336,953				\$ 100,196	\$ 437,149
2017	\$ -	\$ 297,700				\$ 100,426	\$ 398,126
2018	\$ -	\$ 232,403				\$ 82,056	\$ 314,459
2019	\$ -	\$ 215,993	\$ 72,000			\$ 36,074	\$ 324,067
2020	\$ -	\$ 234,742	\$ 72,000			\$ 74,894	\$ 381,636
2021	\$ 3,894	\$ 11,927	\$ -		\$ 35,000	\$ 159,599	\$ 210,420

Borough of Roselle Park School District  
Assessed Value and Actual Value of Taxable Property

Exhibit J-6

<u>Year Ended December 31.</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>	<u>Public Utilities</u>	<u>Net Valuation Taxable</u>	<u>Estimated Actual</u>
2011	\$ 363,800	\$ 234,458,800	\$ 26,168,300	\$ 4,900,500	\$ 21,788,600	\$ 125,187	\$ 287,805,187	\$ 1,226,791,078
2012	\$ 343,800	\$ 233,733,160	\$ 25,607,200	\$ 4,870,500	\$ 21,759,000	\$ 210,488	\$ 286,524,148	\$ 1,063,564,024
2013	\$ 336,100	\$ 233,116,860	\$ 25,292,300	\$ 4,870,500	\$ 21,607,400	\$ 227,314	\$ 285,450,474	\$ 1,020,559,435
2014	\$ 291,700	\$ 232,264,660	\$ 25,143,400	\$ 4,870,500	\$ 21,077,700	\$ 181,168	\$ 283,829,128	\$ 1,032,105,920
2015	\$ 291,700	\$ 231,921,710	\$ 25,075,300	\$ 4,872,000	\$ 21,077,700	\$ 188,400	\$ 283,426,810	\$ 1,030,642,945
2016*	\$ 1,242,200	\$ 837,525,900	\$ 90,718,800	\$ 19,767,500	\$ 104,252,300	\$ 670,901	\$ 1,054,177,601	\$ 1,101,418,400
2017	\$ 1,242,200	\$ 836,003,400	\$ 88,880,700	\$ 19,772,500	\$ 104,252,300	\$ 652,679	\$ 1,050,803,779	\$ 1,097,910,193
2018	\$ 1,240,200	\$ 835,145,700	\$ 91,475,600	\$ 18,964,300	\$ 104,298,700	\$ 651,557	\$ 1,051,778,057	\$ 1,106,798,463
2019	\$ 1,242,200	\$ 835,075,700	\$ 92,213,500	\$ 17,951,300	\$ 104,075,300	\$ 622,050	\$ 1,051,180,050	\$ 1,184,127,592
2020	\$ 1,242,200	\$ 836,473,100	\$ 91,107,800	\$ 17,777,400	\$ 103,488,100	\$ 603,480	\$ 1,050,692,080	\$ 1,239,042,596
2021	\$ 9,411,200	\$ 838,471,000	\$ 89,359,400	\$ 17,622,400	\$ 103,720,900	\$ 605,607	\$ 1,059,190,507	\$ 1,249,067,729

\* Note: In 2016 the borough of Roselle Park did a reassessment of all properties

Borough of Roselle Park School District  
Direct and Overlapping Property Tax Rates

Exhibit J-7

<u>Year Ended December 31,</u>	<u>Roselle Park School District Direct Rate</u>		<u>Overlapping Rates</u>		<u>Total Direct and Overlapping Tax Rate</u>	
	<u>Basic Rate</u>	<u>General Obligation Debt Service</u>	<u>Total Direct</u>	<u>Borough of Roselle Park</u>		<u>Union County</u>
2011			6.324	3.836	1.823	11.983
2012			6.353	3.986	1.845	12.184
2013			6.436	4.119	1.851	12.406
2014			6.755	4.273	1.879	12.907
2015			7.210	4.427	1.950	13.587
2016			2.034	1.227	0.550	3.811
2017			2.093	1.276	0.565	3.934
2018			2.124	1.296	0.559	3.979
2019			2.135	1.312	0.587	4.034
2020			2.155	1.337	0.594	4.086
2021			2.165	1.366	0.583	4.114



Borough of Roselle Park School District  
Principal Property Tax Payers

Exhibit J-8

		<u>2021</u>		
<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>	
Woodside Gardens Assoc.	\$ 25,341,500.00	1	2.39	
Sunrise Village	\$ 20,262,100.00	2	1.91	
Roselle Grande, LLC	\$ 11,623,000.00	3	1.10	
450 West Westfield Realty LLC	\$ 4,261,400.00	4	0.40	
Chestnut RP, LLC	\$ 3,922,900.00	5	0.37	
Joseph Centanni	\$ 3,857,800.00	6	0.36	
Westfield Realty Holdings, LLC	\$ 3,488,600.00	7	0.33	
Paradise Management	\$ 3,105,800.00	8	0.29	
Parkway Ford Realty, LLC	\$ 3,100,000.00	9	0.29	
415 Westfield Associates, LLC	\$ 2,919,900.00	10	0.28	

Borough of Roselle Park School District  
Property Tax Levies and Collections

Exhibit J-9

Year Ended December 31,	Collected within the Fiscal Year of the Levy		Percentage of Levy
	Taxes Levied for the Fiscal Year	Amount	
2011	\$ 34,518,458	\$ 33,582,766	97.28%
2012	\$ 34,921,899	\$ 34,202,404	98.33%
2013	\$ 35,291,892	\$ 34,622,625	98.12%
2014	\$ 36,662,116	\$ 36,008,661	98.21%
2015	\$ 38,536,330	\$ 37,839,386	98.19%
2016	\$ 40,187,999	\$ 39,447,876	98.16%
2017	\$ 41,486,671	\$ 40,791,826	98.33%
2018	\$ 41,869,930	\$ 41,248,227	98.52%
2019	\$ 42,446,272	\$ 41,850,188	98.60%
2020	\$ 43,000,107	\$ 42,552,493	98.96%

Borough of Roselle Park School District  
 Ratios of Outstanding Debt by Type

Exhibit J-10

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Certificates</u> <u>of</u> <u>Participation</u>	<u>Capital</u> <u>Leases</u>	<u>Bond</u> <u>Anticipation</u> <u>Notes</u>	<u>Total</u> <u>Direct</u>	<u>Percentage of</u> <u>Personal</u> <u>Income</u>	<u>Per</u> <u>Capita</u>
2005	\$9,219,000		\$749,179				
2006	\$8,929,000		\$614,881				
2007	\$8,619,000		\$517,745	\$500,000			
2008	\$8,289,000		\$544,757				
2009	\$7,939,000		\$621,789				
2010	\$7,569,000		\$715,146				
2011	\$7,179,000		\$434,463				
2012	\$6,779,000		\$400,000				
2013	\$6,335,000		\$300,000				
2014	\$5,885,000		\$850,000				
2015	\$5,415,000		\$888,099				
2016	\$4,930,000		\$755,230				
2017	\$4,415,000		\$677,780				
2018	\$3,885,000		\$888,532				
2019	\$3,345,000		\$695,123				
2020	\$2,800,000		\$787,592				
2021	\$2,245,000		\$210,499				

Borough of Roselle Park School District  
 Ratios of Net General Bonded Debt Outstanding

Exhibit J-11

General Bonded Debt Outstanding

<u>Fiscal Year Ended June 30,</u>	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>	<u>Percentage Actual Taxable Value of Property</u>	<u>Per Capita</u>
2005	\$ 9,219,000.00		\$ 9,219,000.00		
2006	\$ 8,929,000.00		\$ 8,929,000.00		
2007	\$ 8,619,000.00		\$ 8,619,000.00		
2008	\$ 8,289,000.00		\$ 8,289,000.00		
2009	\$ 7,939,000.00		\$ 7,939,000.00		
2010	\$ 7,569,000.00		\$ 7,569,000.00		
2011	\$ 7,179,000.00		\$ 7,179,000.00		
2012	\$ 6,779,000.00		\$ 6,779,000.00		
2013	\$ 6,335,000.00		\$ 6,335,000.00		
2014	\$ 5,885,000.00		\$ 5,885,000.00		
2015	\$ 5,415,000.00		\$ 5,415,000.00		
2016	\$ 4,930,000.00		\$ 4,930,000.00		
2017	\$ 4,415,000.00		\$ 4,415,000.00		
2018	\$ 3,885,000.00		\$ 3,885,000.00		
2019	\$ 3,345,000.00		\$ 3,345,000.00		
2020	\$ 2,800,000.00		\$ 2,800,000.00		
2021	\$ 2,245,000.00		\$ 2,245,000.00		

Borough of Roselle Park School District      Exhibit J-12  
 Ratios of Overlapping Governmental Activities Debt

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Borough of Roselle Park	\$ 18,551,113	100%	\$ 18,551,113
Union County			
General Obligation Debt	\$ 551,314,136	1.65%	\$ 9,104,659
Rahway Valley Sewerage Authority	\$ 114,385,317	1.33%	\$ 1,521,325
Subtotal, overlapping debt			\$ 29,177,096
Roselle Park School District Direct Debt			\$ 2,800,000
Total direct and overlapping debt			\$ 31,977,096

Borough of Roselle Park School District  
 Legal Debt Margin Information

Exhibit J-13

Legal Debt Margin Calculated for Fiscal Year 2021

	Equalized valuation basis	
	2020	\$ 1,050,692,080
	2021	\$ 1,059,190,507
		\$ 2,109,882,587
Average equalized valuation of taxable property		\$ 1,054,941,294
Debt limit (4% of average equalization value)		\$ 42,197,652
Net bonded school debt		\$ 2,800,000
Legal debt margin		\$ 39,397,652

	<u>Fiscal Year</u>								
	<u>2020</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Debt Limit	\$ 42,197,652	\$ 42,037,443	\$ 42,059,162	\$ 42,051,637	\$ 42,099,628	\$ 42,167,104	\$ 11,345,119	\$ 11,385,592	\$ 11,439,492
Total net debt applicable to limit	\$ 2,245,000	\$ 2,800,000	\$ 3,345,000	\$ 3,885,000	\$ 4,415,000	\$ 4,930,000	\$ 5,415,000	\$ 5,885,000	\$ 6,335,000
Legal debt margin	\$ 39,952,652	\$ 39,237,443	\$ 38,714,162	\$ 38,166,637	\$ 37,684,628	\$ 37,237,104	\$ 5,930,119	\$ 5,500,592	\$ 5,104,492
Total net debt applicable to the limit as a percentage of debt limit									

Borough of Roselle Park School District  
 Demographic and Economic Statistics  
 Last Fourteen Years

Exhibit J-14

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Union County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2007	12,753		\$ 50,697	4.2
2008	12,765		\$ 51,651	7.1
2009	12,861		\$ 49,213	9.8
2010	13,321		\$ 49,932	9.9
2011	13,372		\$ 52,281	9.9
2012	13,512		\$ 53,816	9.9
2013	13,525		\$ 54,382	10.3
2014	13,595		\$ 57,306	6.8
2015	13,670		\$ 60,089	5.8
2016	13,774		\$ 60,406	5.1
2017	13,821		\$ 61,808	4.7
2018	13,650		\$ 64,413	4.1
2019	13,588		\$ 68,262	3.8
2020	13,510		\$ 70,865	10.7

Borough of Roselle Park School District  
Principal Employers,  
2021

Exhibit J-15

<u>Employer</u>	<u>Employees</u>
Roselle Park School District	334
Borough of Roselle Park	181



Borough of Roselle Park School District Exhibit J-16  
 Full-time Equivalent District Employees by Function/Program  
 Last Ten Fiscal Years

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</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	140	146	138	146	141	143	145	145	145	145	142	150	141
Special Education	32	32	30	35	41	38	37	35	38	42	41	42	51
Other special education	52	54	40	49	54	57	49	48	50	52	49	41	42
Vocational													
Other instruction													
Nonpublic school programs													
Adult/continuing education													
Support Services:													
Student & instruction related services	54	52	44	37	33	34	30	31	30	30	30	30	38
School administrative services	12	14	11	11	11	11	11	13	13	13	13	13	13
General & Business Adm. services	1	1	1	1	1	1	1	1	1	1	1	2	2
Plant operations and maintenance	23	23	21	21	22	22	23	24	24	24	24	24	24
Pupil transportation	0	0	1	1	1	1	1	0	0	0	0	0	1
Business and other support services	20	20	15	14	17	17	20	21	23	23	23	22	22
Special Schools													
Food Service													
Child Care													
<b>Total</b>	<b>334</b>	<b>342</b>	<b>301</b>	<b>315</b>	<b>321</b>	<b>324</b>	<b>317</b>	<b>318</b>	<b>324</b>	<b>330</b>	<b>323</b>	<b>324</b>	<b>334</b>

Borough of Roselle Park School District  
 Operating Statistics  
 Last Ten Fiscal Years

Exhibit J-17

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Elementary</u>	<u>Middle School</u>	<u>High School</u>	<u>Avg. Daily Enrollment</u>	<u>Avg. Daily Attendance</u>	<u>% Change ADE</u>	<u>Student Attendance %</u>
2011	2,000	\$ 27,583,542.00	\$ 13,145.00		209	1:19	1:22	1:20	1981	1887		95.2%
2012	2,005	\$ 28,474,200.00	\$ 13,592.00		214	1:20	1:21	1:19	1981	1891		95.4%
2013	1,970	\$ 28,809,678.00	\$ 14,740.00		215	1:20	1:21	1:19	1852	1756		94.8%
2014	1,958	\$ 28,926,316.00	\$ 14,579.00		215	1:20	1:21	1:18	1851	1764		95.3%
2015	2,009	\$ 30,773,491.00	\$ 14,492.00		215	1:21	1:22	1:19	1982	1889		95.3%
2016	2,037	\$ 31,336,369.00	\$ 14,509.00		220	1:21	1:22	1:20	2019	1932		95.7%
2017	2,059	\$ 31,263,331.00	\$ 15,009.00		223	1:20	1:21	1:20	2032	1940		95.50%
2018	2,081	\$ 33,594,014.00	\$ 15,256.00		227	1:22	1:22	1:21	2054	1961		95.50%
2019	2,067	\$ 32,627,556.26	\$ 16,013.00		183	1:22	1:22	1:21	2032	1938		95.36%
2020	2,097	\$ 33,553,648.00	\$ 15,924.00		192	1:22	1:22	1:21	2068	1977		95.60%
2021	2,023	\$ 32,773,339.00	\$ 16,096.00		186	1:22	1:22	1:21	2018	1911		94.73%

Exhibit J-18

<u>District Building</u>	<u>2011</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>
Aldene											
Square Feet	32801	32801	32801	32801	32801	32801	32801	32801	32801	32801	32801
Capacity											
Enrollment	279	313	304	300	327	320	329	308	288	277	255
Robert Gordon											
Square Feet	34342	34342	34342	34342	34342	34342	34342	34342	34342	34342	34342
Capacity											
Enrollment	261	263	271	260	273	273	278	277	290	298	301
Sherman											
Square Feet	33560	33560	33560	33560	33560	33560	33560	33560	33560	33560	33560
Capacity											
Enrollment	338	323	310	312	331	348	357	386	357	374	347
Middle School											
Square Feet	64420	64420	64420	64420	64420	64420	64420	64420	64420	64420	64420
Capacity											
Enrollment	485	488	493	490	473	471	466	503	529	517	513
High School											
Square Feet	119968	119968	119968	119968	119968	119968	119968	119968	119968	119968	119968
Capacity											
Enrollment	637	618	592	596	605	625	629	607	603	631	598
Board Office											
Square Feet	3124	3124	3124	3124	3124	3124	3124	3124	3124	3124	3124

Number of Schools as of June 30, 2021

- Elementary = 3
- Middle School = 1
- High School = 1

Borough of Roselle Park School District  
Schedule of Required Maintenance

Exhibit J-19

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Aldene</u>	<u>Robert Gordon</u>	<u>Sherman</u>	<u>Middle School</u>	<u>High School</u>	<u>Cental Office</u>	<u>Total</u>
2005	\$ 11,781.00	\$ 15,823.00	\$ 25,228.00	\$ 103,387.00	\$ 305,457.00	\$ 12,188.00	\$ 473,864.00
2006	\$ 114,229.00	\$ 46,993.00	\$ 68,861.00	\$ 148,247.00	\$ 198,378.00	\$ 10,578.00	\$ 587,286.00
2007	\$ 60,511.00	\$ 51,780.00	\$ 78,658.00	\$ 115,793.00	\$ 165,169.00	\$ 9,081.00	\$ 480,992.00
2008	\$ 74,344.00	\$ 57,798.00	\$ 69,926.00	\$ 134,488.00	\$ 127,555.00	\$ 48,602.00	\$ 512,713.00
2009	\$ 96,730.00	\$ 60,003.00	\$ 83,405.00	\$ 112,812.00	\$ 318,613.00	\$ 68,433.00	\$ 739,996.00
2010	\$ 81,861.00	\$ 75,728.00	\$ 73,058.00	\$ 162,640.00	\$ 419,853.00	\$ 27,212.00	\$ 840,352.00
2011	\$ 65,056.00	\$ 60,041.00	\$ 44,119.00	\$ 130,477.00	\$ 190,895.00	\$ 8,149.00	\$ 498,737.00
2012	\$ 76,505.00	\$ 73,148.00	\$ 66,517.00	\$ 178,920.00	\$ 214,582.00	\$ 6,747.00	\$ 616,419.00
2013	\$ 76,795.00	\$ 105,073.00	\$ 89,992.00	\$ 159,959.00	\$ 334,145.00	\$ 6,014.00	\$ 771,978.00
2014	\$ 108,984.00	\$ 96,005.00	\$ 65,900.00	\$ 238,573.00	\$ 252,904.00	\$ 9,055.00	\$ 771,421.00
2015	\$ 97,294.00	\$ 67,797.00	\$ 75,967.00	\$ 154,339.00	\$ 213,492.00	\$ 8,821.00	\$ 617,710.00
2016	\$ 131,030.00	\$ 92,218.00	\$ 69,079.00	\$ 169,488.00	\$ 327,732.00	\$ 6,453.00	\$ 796,000.00
2017	\$ 111,849.00	\$ 102,482.00	\$ 59,569.00	\$ 188,107.00	\$ 298,795.00	\$ 7,554.00	\$ 768,356.00
2018	\$ 95,355.00	\$ 129,544.00	\$ 158,838.00	\$ 181,234.00	\$ 325,915.00	\$ 9,030.00	\$ 899,916.00
2019	\$ 114,961.00	\$ 95,298.00	\$ 197,742.00	\$ 325,509.00	\$ 537,141.00	\$ 21,069.00	\$ 1,291,720.00
2020	\$ 116,452.00	\$ 80,989.00	\$ 250,068.00	\$ 267,191.00	\$ 452,655.00	\$ 22,153.00	\$ 1,189,508.00
2021	\$ 122,021.00	\$ 124,718.00	\$ 118,689.00	\$ 266,733.00	\$ 441,846.00	\$ 26,491.00	\$ 1,100,498.00

## Borough of Roselle Park School District Insurance Schedule

Exhibit J-20

<u>School Package Policy</u>		<u>Coverage</u>	<u>Deductible</u>
Property		\$ 500,000,000.00	\$ 5,000.00
Comprehensive General Liability		\$ 16,000,000.00	n/a
Automobile Liability		\$ 16,000,000.00	n/a
Crime Coverage		\$ 5,000.00	\$ 500.00
Forgery & Alteration		\$ 25,000.00	\$ 500.00
Extra Expense		\$ 50,000,000.00	\$ 5,000.00
Valuable Papers		\$ 10,000,000.00	\$ 5,000.00
Demolition and Increased Cost of Construction		\$ 25,000,000.00	n/a
Equipment Breakdown		\$ 100,000,000.00	\$ 5,000.00
Electronic Data		\$ 900,000.00	\$ 1,000.00
Workers Compensation	Each Accident	\$ 2,000,000.00	
	Disease Policy Limit	\$ 2,000,000.00	
	Disease Each Employee	\$ 2,000,000.00	
School Leaders Errors & Omissions Liability		\$ 16,000,000.00	\$ 5,000.00
		\$100,000/\$300,000	
Administrator - Bond		\$ 25,000.00	\$ 500.00
Treasurer - Bond		\$ 300,000.00	\$ 1,000.00
Crisis Management	Expenses	\$ 1,000,000.00	
	Judgement/Defense	\$ 1,000,000.00	
	Death/Dismemberment	\$ 250,000.00	
	Disappearance	\$ 250,000.00	
	Threat	\$ 250,000.00	
Student Accident		\$ 1,000,000.00	
Pollutant Cleanup and Removal		\$ 250,000.00	\$ 5,000.00
Automobile Physical Damage	Actual Cash Basis		\$ 1,000.00
Flood Deductible	All Zones Except A&V		\$ 10,000.00
Robert Gordon Flood Deductible			\$ 1,000.00
Earthquake		\$ 50,000,000.00	\$ 5,000.00
Environmental Liability		\$ 1,000,000.00	\$ 50,000.00
First Party Microbial Clean Up		\$ 100,000.00	\$ 50,000.00
Tuition		\$ 268,825.00	\$ 5,000.00
Employee Benefits Liability		\$ 16,000,000.00	\$ 1,000.00
Sexual Abuse		\$ 16,000,000.00	n/a
Terrorism		\$ 1,000,000.00	n/a

**SINGLE AUDIT SECTION**

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)  
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.  
ROBERT A. HULSART, JR., C.P.A., P.S.A.  
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**INDEPENDENT AUDITOR'S 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**

K-1

Honorable President and Members  
of the Board of Education  
Roselle Park School District  
County of Union  
Roselle Park, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Roselle Park Board of Education, County of Union, State of New Jersey as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Roselle Park Board of Education, County of Union, State of New Jersey's basic financial statements, and have issued our report thereon dated February 11, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Roselle Park Board of Education, County of Union, State of New Jersey's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions of the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Roselle Park Board of Education, County of Union, State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of the Roselle Park Board of Education, County of Union, and State of New Jersey'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Roselle Park Board of Education, County of Union, State of New Jersey's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

**ROBERT A. HULSART AND COMPANY**

*Robert A. Hulsart*

**Licensed Public School Accountant  
No. 322  
Robert A. Hulsart and Company  
Wall Township, New Jersey**

February 11, 2022



ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)  
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RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

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

K-2

Honorable President and Members  
of the Board of Education  
Roselle Park School District  
County of Union  
Roselle Park, New Jersey

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

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

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

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

Our responsibility is to express an opinion on compliance for each of the Board of Education of the Roselle Park School District, County of Union, State of New Jersey's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and prescribed by the Office of School Finance, Department of Education, State of New Jersey; Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and the Uniform Guidance and New Jersey OMB's 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 federal and state program occurred. An audit includes examining, on a test basis, evidence about the Board of Education of the Roselle Park School District, County of Union, State of New Jersey'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 Board of Education of the Roselle Park School District, County of Union, State of New Jersey's compliance.

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

In our opinion, the Board of Education of the Roselle Park School District, County of Union, State of New Jersey's, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2021.

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

Management of the Board of Education of the Roselle Park School District, County of Union, State of New Jersey's 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 Board of Education of the Roselle Park School District, County of Union, State of New Jersey's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board of Education of the Roselle Park School District, County of Union, and State of New Jersey'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 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 a material noncompliance with a type of compliance requirement of a 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 and 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 was for the limited purposes 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 that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Respectfully submitted,

**ROBERT A. HULSART AND COMPANY**

*Robert A. Hulsart*

**Licensed Public School Accountant  
No. 322  
Robert A. Hulsart and Company  
Wall Township, New Jersey**

February 11, 2022

**ROSELLE PARK SCHOOL DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

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

Schedule A  
K-3

Department of Education Project/Title	CFDA Number	Federal Fain Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2020	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year Balances	Balance at June 30, 2021		
					From	To							(Accounts Receivable)	Deferred Revenue	Due to Grantor
U.S. Department of Agriculture															
Passed Through State Department of Education:															
National School Lunch Program	10.555	201NJ304N1099		\$ 267,696	07/01/2019	06/30/2020	\$ (32,791)		32,791						
National School Lunch Program	10.555	211NJ304N1099		786,272	07/01/2020	06/30/2021			709,498	(786,272)			(76,774)		
HHFKA Program	10.555	211NJ304N1099		15,681	07/01/2020	06/30/2021			14,150	(15,681)			(1,531)		
HHFKA Program	10.555	201NJ304N1099		9,660	07/01/2019	06/30/2020	(673)		673						
School Breakfast Program	10.553	201NJ304N1099		57,378	07/01/2019	06/30/2020	(21,155)		21,155						
School Breakfast Program	10.553	211NJ304N1099		495,558	07/01/2020	06/30/2021			449,635	(495,558)			(45,923)		
Food Distribution	10.550	211NJ304N1099		101,337	07/01/2020	06/30/2021			101,337	(101,337)					
Total Department of Agriculture							<u>(54,619)</u>	<u>-</u>	<u>1,329,239</u>	<u>(1,398,848)</u>	<u>-</u>	<u>-</u>	<u>(124,228)</u>	<u>-</u>	
General Fund:															
Medicaid	93.778	2105NJ5MAP		65,565	07/01/2020	06/30/2021			65,565	(65,565)					
U.S. Department of Education															
Passed Through State Department of Education:															
Special Revenue Fund:															
Title I	84.010	S010A200030		393,903	07/01/2020	06/30/2021			173,235	(355,871)			(182,636)		
Title I	84.010	S010A190030		345,381	07/01/2019	06/30/2020	(120,269)		120,269						
Title IIA	84.367A	S367A190029		57,748	07/01/2019	06/30/2020	(36,457)		36,457						
Title IIA	84.367A	S367A200029		57,196	07/01/2020	06/30/2021			22,355	(54,204)			(31,849)		
Title III	84.365A	S365A190030		41,000	07/01/2019	06/30/2020	(15,942)		15,942				(8,625)		
Title III	84.365A	S365A200030		34,713	07/01/2020	06/30/2021			16,919	(25,544)			(8,625)		
Title III Immigrant				4,380	07/01/2020	06/30/2021			2,799	(3,696)			(897)		
L.D.E.A.:															
Part B	84.027	H027A190100		465,163	07/01/2019	06/30/2020	(53,324)		53,324						
Part B	84.027	H027A200100		508,041	07/01/2020	06/30/2021			458,579	(503,190)			(44,611)		
Preschool	84.173	H173A190114		15,968	07/01/2019	06/30/2020	(3,846)		3,846						
Preschool	84.173	H173A200114		16,204	07/01/2020	06/30/2021			13,458	(16,150)			(2,692)		
CARES Act	84.425D	S425D200027		292,779	03/13/2020	09/30/2022	(4,771)		256,939	(259,767)	1,021		(6,578)		
ESSER	84.425D	S425D200027		742,009	03/13/2020	09/30/2022			(376,876)				(376,876)		
CRF	21.019	NA		142,712	03/01/2020	06/30/2021			142,712	(142,712)					
Total U.S. Department of Education							<u>(234,609)</u>	<u>-</u>	<u>1,316,834</u>	<u>(1,738,010)</u>	<u>1,021</u>	<u>-</u>	<u>(654,764)</u>	<u>-</u>	
Total Federal Financial Assistance							<u>\$ (289,228)</u>	<u>-</u>	<u>2,711,638</u>	<u>(3,202,423)</u>	<u>1,021</u>	<u>-</u>	<u>(778,992)</u>	<u>-</u>	

See Accompanying Notes to Schedules of Financial Assistance.

**ROSELLE PARK SCHOOL DISTRICT**

**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**

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

Schedule B  
K-4

Department of Education Project/Title	State Grant Number	Program or Award Amount	Grant Period		Balance at June 30, 2020		Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year Balances	Balance at June 30, 2021			MEMO	
			From	To	Deferred Revenue (Accounts Receivable)	Due To Grantor						(Accounts Receivable)	Deferred Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Total Cumulative Expenditures
State Department of Education:																
General Fund:																
Special Education Aid	21-495-034-5120-089	\$ 1,320,686	07/01/2020	06/30/2021	\$ -	-	-	1,189,609	(1,320,686)	-	-	-	-	-	(131,077)	1,320,686
Equalization Aid	21-495-034-5120-078	10,895,834	07/01/2020	06/30/2021	-	-	-	9,815,098	(10,895,834)	-	-	-	-	-	(1,080,736)	10,895,834
Security Aid	21-495-034-5120-084	443,400	07/01/2020	06/30/2021	-	-	-	399,399	(443,400)	-	-	-	-	-	(44,001)	443,400
Extraordinary Aid	21-495-034-5120-044	559,881	07/01/2020	06/30/2021	-	-	-	-	(559,881)	-	-	-	(559,881)	-	-	559,881
Extraordinary Aid	20-495-034-5120-044	400,752	07/01/2019	06/30/2020	(400,752)	-	-	400,752	-	-	-	-	-	-	-	-
Transportation Aid	21-495-034-5120-014	128,375	07/01/2020	06/30/2021	-	-	-	115,652	(128,375)	-	-	-	-	-	(12,723)	128,375
On-Behalf T.P.A.F. Pension Contributions - Post Retirement Medical (non-budgeted)	21-495-034-5094-001	1,424,655	07/01/2020	06/30/2021	-	-	-	1,424,655	(1,424,655)	-	-	-	-	-	-	1,424,655
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)	21-495-034-5094-002	4,461,151	07/01/2020	06/30/2021	-	-	-	4,461,151	(4,461,151)	-	-	-	-	-	-	4,461,151
On-Behalf T.P.A.F. Non-Contributory Insurance	21-495-034-5094-004	84,879	07/01/2020	06/30/2021	-	-	-	84,879	(84,879)	-	-	-	-	-	-	84,879
On-Behalf T.P.A.F. Pension Contributions - Long Term Disability	21-495-034-5094-004	2,492	07/01/2020	06/30/2021	-	-	-	2,492	(2,492)	-	-	-	-	-	-	2,492
Reimbursed TPAF Social Security Contribution (Non-Budgeted)	21-100-034-5095-002	1,201,829	07/01/2020	06/30/2021	-	-	-	1,201,829	(1,201,829)	-	-	-	-	-	-	1,201,829
<b>Total General Fund</b>					<u>(400,752)</u>	<u>-</u>	<u>-</u>	<u>19,095,516</u>	<u>(20,523,182)</u>	<u>-</u>	<u>-</u>	<u>(559,881)</u>	<u>-</u>	<u>-</u>	<u>(1,268,537)</u>	<u>20,523,182</u>
Special Revenue Fund:																
Preschool Education Aid	21-495-034-5120-086	1,148,952	07/01/2020	06/30/2021	-	-	44,767	1,035,018	(1,103,861)	-	-	-	89,858	-	(113,934)	1,103,861
State Department of Agriculture:																
Enterprise Fund:																
State School Lunch Program (State Share)	20-100-010-3350-023	7,271	07/01/2019	06/30/2020	(529)	-	-	529	-	-	-	-	-	-	-	36,637
State School Lunch Program (State Share)	21-100-010-3350-023	36,637	07/01/2020	06/30/2021	-	-	-	31,059	(36,637)	-	-	-	(5,578)	-	-	36,637
<b>Total Enterprise Fund</b>					<u>(529)</u>	<u>-</u>	<u>-</u>	<u>31,588</u>	<u>(36,637)</u>	<u>-</u>	<u>-</u>	<u>(5,578)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,637</u>
<b>Total State Financial Assistance</b>					<u>\$ (401,281)</u>	<u>-</u>	<u>44,767</u>	<u>20,162,122</u>	<u>(21,663,680)</u>	<u>-</u>	<u>-</u>	<u>(565,459)</u>	<u>89,858</u>	<u>-</u>	<u>(1,382,471)</u>	<u>21,663,680</u>
Less On Behalf TPAF Pension Fund Contributions																
									<u>(5,973,177)</u>							
Total for State Financial Assistance-Major Program Determination																
									<u>\$ (15,690,503)</u>							

See Accompanying Notes to Schedules of Financial Assistance.

**BOARD OF EDUCATION**

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**ROSELLE PARK SCHOOL DISTRICT****NOTES TO SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE****JUNE 30, 2021****NOTE 1: General**

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

**NOTE 2: Basis of Accounting**

The accompanying schedules of financial assistance are presented using the modified accrual basis of accounting. This basis of accounting is described in Note 1(C) to the Board's general-purpose financial statements.

**NOTE 3: Relationship to General Purpose Financial Statements**

The general-purpose 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 state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A.* 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A.* 18A:22-4.2.

Awards and financial assistance revenues are reported in the Board's general purpose financial statements on a GAAP basis as presented below:

**NOTE 3: Relationship to General Purpose Financial Statements**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Food Service</u>	<u>Total</u>
<b><u>State Assistance</u></b>					
Actual Amounts (Budgetary) “Revenues” from the Schedule of Expenditures of State Financial Assistance	\$ 20,523,182	1,103,861		36,637	21,663,680
Difference – Budget to “GAAP” Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures and the Related Revenue is Recognized		(7,559)			(7,559)
The Last State Aid Payment Is Recognized as Revenue for Budgetary Purposes, and Differs from GAAP Which does not Recognize This Revenue Until the Subsequent Year When the State Recognizes the Related Expense (GASB 33)	(37,670)	(19,908)			(57,578)
Total State Revenue as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances	<u>\$ 20,485,512</u>	<u>1,076,394</u>		<u>36,637</u>	<u>21,598,543</u>

**NOTE 3: Relationship to General Purpose Financial Statements (Continued)**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Food Service</u>	<u>Total</u>
<b><u>Federal Assistance</u></b>					
Actual Amounts (Budgetary) “Revenues” from the Schedule of Expenditures of Federal Awards	\$ 65,565	1,738,010		1,398,848	3,202,423
Difference – Budget to “GAAP” Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures and the Related Revenue is Recognized	_____	(126,952)	_____	_____	(126,952)
Total Federal Revenue as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances	<u>\$ 65,565</u>	<u>1,611,058</u>	_____	<u>1,398,848</u>	<u>3,075,471</u>

**NOTE 4: 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 5: Other**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state of behalf of the District for the year ended June 30, 2021. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer’s share of social security contributions for TPAF members for the year ended June 30, 2021.



**ROSELLE PARK SCHOOL DISTRICT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

K-6

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

*Part 1 - Summary of Auditor's Results*

**Financial Statement Section**

Unmodified

Type of auditor's report issued:

Internal control over financial reporting:

- 1) Material weakness(es) identified?            Yes   x   No
- 2) Reportable conditions(s) identified that are not considered to be material weaknesses?            Yes   x   None Reported

Noncompliance material to general purpose financial statements noted?            Yes   x   No

**Federal Awards**

Internal control over compliance:

- 1) Material weakness(es) identified?            Yes   x   No
- 2) Reportable condition(s) identified that are not considered to be material weaknesses?            Yes   x   None Reported

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

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133?            Yes   x   No

Identification of major programs:

**CFDA Number(s)**

84.010  
84.027  
84.173  
            
            
          

**Name of Federal Program or Cluster**

Title I  
IDEA Part B (Special Education Cluster)  
IDEA-Preschool (Special Education Cluster)  
            
            
          

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

Auditee qualified as low-risk auditee?   x   Yes            No

**ROSELLE PARK SCHOOL DISTRICT****SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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**FOR THE FISCAL YEAR ENDED JUNE 30, 2021*****Part 1 - Summary of Auditor's Results (Continued)*****State Awards**Dollar threshold used to distinguish between type A and type B programs: \$750,000Auditee qualified as low-risk auditee?  x  Yes   NoType of auditor's report issued on compliance for major programs: Unmodified

Internal Control over major programs:

(1) Material Weakness(es) identified?   Yes  x  No(2) Reportable condition(s) identified that are not considered to material weaknesses?   Yes  x  None ReportedAny audit findings disclosed that are required to be reported in accordance with N.J. OMB's Circular 04-04?   Yes  x  No

Identification of major programs:

**GMIS Number(s)**21-495-034-5120-08921-495-034-5120-07821-495-034-5120-08421-495-034-5120-08521-495-034-5095-002**Name of State Program**Special Education Aid (State Aid Public Cluster)Equalization Aid (State Aid Public Cluster)Security Aid (State Aid Public Cluster)Additional Adjustment Aid (Public Cluster)TPAF Social Security (Reimbursed)

ROSELLE PARK SCHOOL DISTRICTSCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2021*Part 2 - Financial Statement Findings*

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

Finding: None

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's Response: N/A

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

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*Part 3 - Federal Awards and State Financial Assistance Findings and Questioned Costs*

This section identifies audit findings required to be reported by Title U.S. Code of Federal Regulations Part 200 and New Jersey OMB's Circular 15-08, as amended.

**Federal Awards**

Finding: NONE

Information on the Federal Program: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's response: N/A

**State Awards**

Finding: NONE

Information on the State Program: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

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

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*Part 3 - Federal Awards and State Financial Assistance Findings and Questioned Costs (Continued)*

**State Awards (Continued)**

Recommendation: N/A

Management's response: N/A

**ROSELLE PARK SCHOOL DISTRICT****SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

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

This section identifies the status of prior year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, Title 2 U.S. Code of Federal Regulations Part 200 and New Jersey OMB's Circular 15-08.

**Prior Audit Findings:**

There were no prior year audit findings.