



**TENAFLY BOARD OF
EDUCATION
TENAFLY, NJ 07670**



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

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

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
of the
Tenafly Board of Education
Tenafly, New Jersey
For The Fiscal Year Ended June 30, 2021**

**Prepared by
Business Office**

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INTRODUCTORY SECTION



Tenafly Board of Education/
www.tenafly.k12.nj.us

500 Tenafly Road, Tenafly, NJ 07670
Tel: 201-816-4502 - Fax: 201-816-4521

February 4, 2022

President Ms. Jocelyn Schwarz
Vice President Ms. Paula Newman

Members of the Board of Education:

Mr. Igor Frid
Ms. Inbal Israeli Miller
Ms. Michelle Merchant
Ms. Yelena Meytes
Ms. Michelle Harris
Mr. Edward J. Salaski
Dr. Michael Wilderman

Tenafly Board of Education
500 Tenafly Road
Tenafly, New Jersey 07670

Dear Board Members:

State Department of Education statutes require that all local governments publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of the Tenafly Board of Education for the fiscal year ended June 30, 2021.

Annual Financial Report
Tenaflly Board of Education
Fiscal Year Ended June 30, 2021

This report consists of management's representations concerning the finances of the Tenaflly Board of Education. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Tenaflly Board of Education has established a comprehensive internal control framework that is designed both to protect the school district's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Tenaflly Board of Education's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Tenaflly Board of Education's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Tenaflly Board of Education's financial statements have been audited by Lerch, Vinci & Higgins, LLP, a firm of licensed certified public accountants and public school accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Tenaflly Board of Education for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Tenaflly Board of Education's financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Tenaflly Board of Education was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards and state financial assistance. These reports are available in the Single Audit Section of the Tenaflly Board of Education's CAFR. GAAP requires that management provide a narrative introduction, overview, and

Annual Financial Report
 Tenaflly Board of Education
 Fiscal Year Ended June 30, 2021

analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Tenaflly Board of Education’s MD&A can be found immediately following the report of the independent auditor.

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

The District provides both regular and special education programs appropriate to grades K through 12. The District's average daily enrollment for the 2020-2021 school year decreased by 234 students from the previous year. The following details the changes in average daily enrollment for the District over the last ten years.

TABLE 1 - AVERAGE DAILY ENROLLMENT

Fiscal Year	Student Enrollment	Percent Change
2011-2012	3,619	0.70
2012-2013	3,612	(0.19)
2013-2014	3,592	(0.55)
2014-2015	3,610	0.50
2015-2016	3,607	(0.01)
2016-2017	3,633	0.72
2017-2018	3,685	1.43
2018-2019	3,687	0.05
2019-2020	3,759	0.03
2020-2021	3,525	(0.06)

2) **ECONOMIC CONDITION AND OUTLOOK:** District Factor Grouping is no longer used. The economy has stabilized over the past few years. Economic conditions have been trending upwards.

3) **MAJOR INITIATIVES:**

DISTRICT GOALS FOR 2021-2024

GOAL 1

Support every student in reaching their full potential by sustaining a rigorous curriculum that infused modern technology into out dynamic and innovative learning environment.

GOAL 2

Empower each student and staff member to balance their social and emotional well-being with academic and professional rigor to develop into their best self.

GOAL 3

Build community trust and understanding by improving communication.

GOAL 4

Identify and prioritize facilities improvements through strategic planning.

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

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.

4) INTERNAL ACCOUNTING CONTROLS (Continued):

As part of the District's single audit 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, special revenue and debt service funds. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

6) DEBT ADMINISTRATION: At June 30, 2021, the District's outstanding debt issues were \$25,465,000 of general obligation bonds and refunding school bonds to finance the referendum projects approved by the voters on January 25, 2000 and September 27, 2005. These bonds will mature in serial installments through April 2031.

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." The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA") GUDPA was enacted to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law required 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.

Annual Financial Report
Tenafly Board of Education
Fiscal Year Ended June 30, 2021

9) OTHER INFORMATION:

A) Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci, Higgins, LLP CPA's, was selected by the Board's Finance Committee. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act as Amended and the related U.S. Uniform Guidance and state Treasury Circular Letter 15-08 OMB. The auditor's report on the basic financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11) ACKNOWLEDGEMENTS:

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

Respectfully submitted,

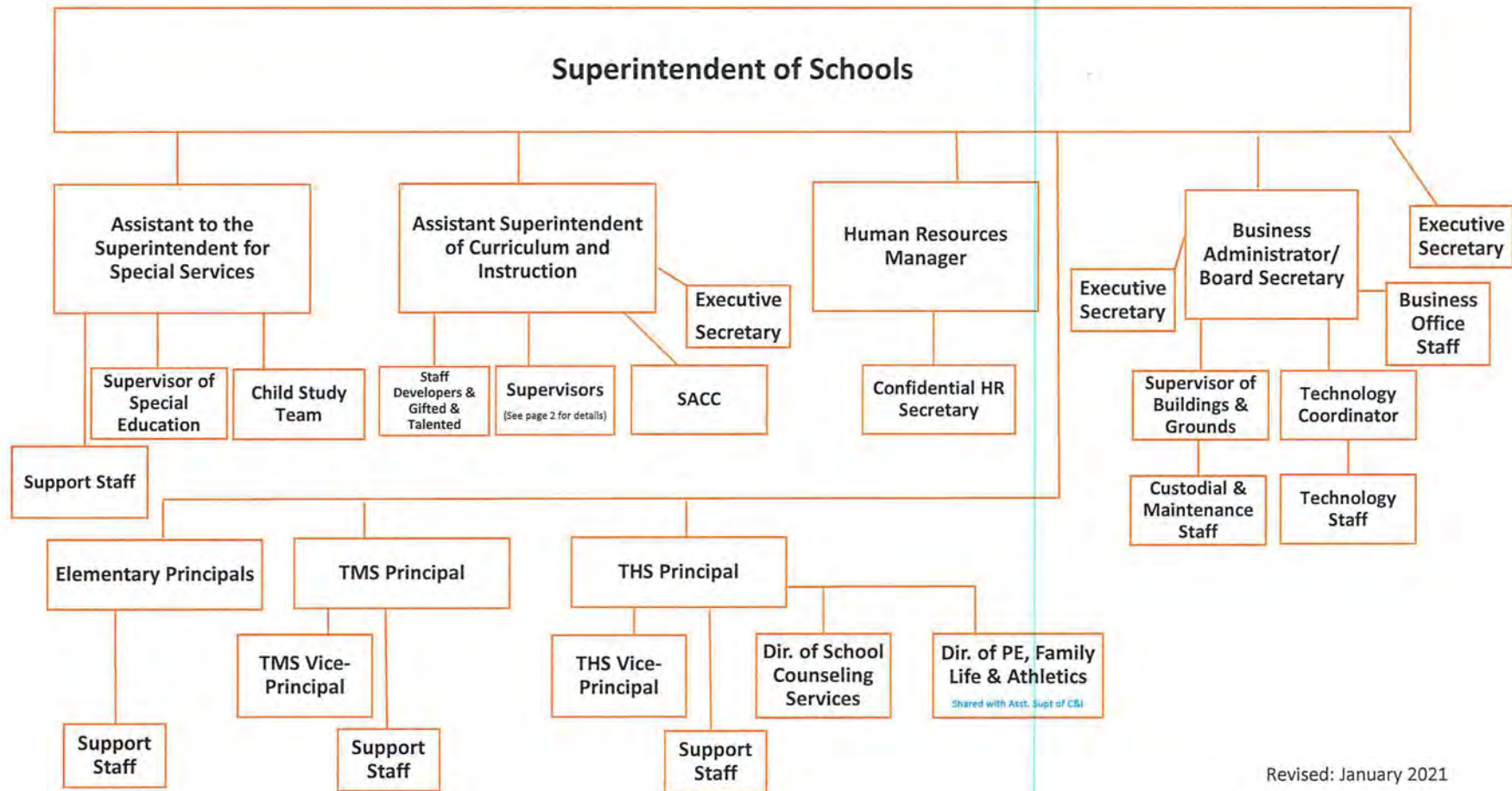


Shanna C. DeMarco
Superintendent of Schools

TENAFLY BOARD OF EDUCATION

ORGANIZATIONAL CHART

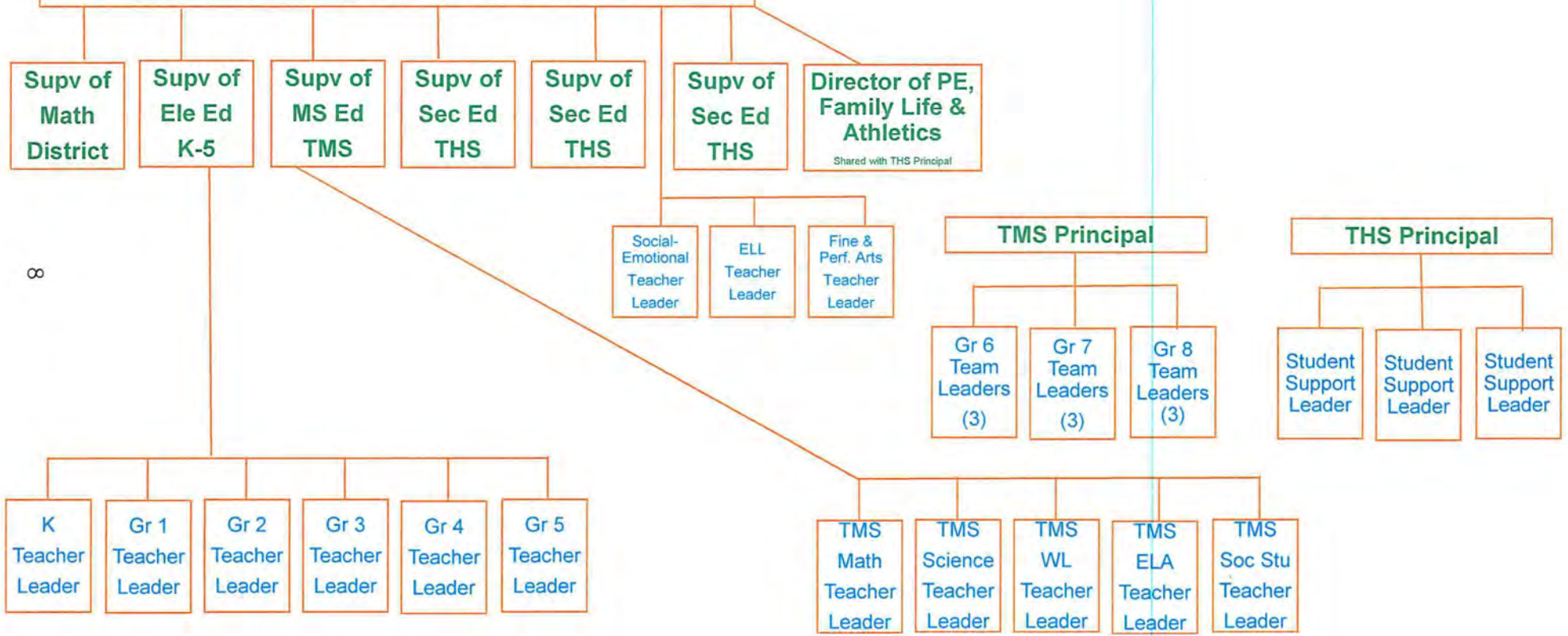
(Policy 1110)



Revised: January 2021

ORGANIZATIONAL CHART CONTINUED

Assistant Superintendent of C&I



**TENAFLY BOARD OF EDUCATION
TENAFLY, NEW JERSEY 07670**

**ROSTER OF OFFICIALS
JUNE 30, 2021**

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

Jocelyn Schwarz, President	2022
Jane Juhng, Vice President	2021
Mark Aronson	2022
Paula Newman	2022
Inbal Israeli Miller	2021
Edward J. Salaski	2023
Michael Wilderman	2021
Michelle Merchant	2023
Yelena Meytes	2023

OTHER OFFICIALS

Shauna DeMarco, Superintendent (Board Secretary-March 29, 2021-June 30, 2021)
Dr. Evelyn Mamman, Assistant Superintendent

Yas Usami, Business Administrator/Board Secretary (July 2020)
Cheryl Nardino, Business Administrator/Board Secretary (B.S.-Aug. 2020-June 30, 2021)

**TENAFLY BOARD OF EDUCATION
CONSULTANTS AND ADVISORS**

ARCHITECTS

E.I. Associates
8 Ridgedale Avenue
Cedar Knolls, NJ 07927

AUDIT FIRM

Lerch, Vinci & Higgins, LLP
17-17 Route 208 N
Fair Lawn, NJ 07410

ATTORNEY

Fogarty & Hara, Esqs.
21-00 Route 208 South
Fair Lawn, NJ 07410

OFFICIAL DEPOSITORY

Investors Bank
108 Engle Street
Englewood, NJ 07631

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR’S REPORT

Honorable President and Members
of the Board of Education
Tenafly Board of Education
500 Tenafly Road
Tenafly, New Jersey 07670

Report on the Financial Statements

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

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

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

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Opinions

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

Emphasis of Matter

Adoption of New Accounting Pronouncement

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

Other Matters

Required Supplementary Information

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

Other Information

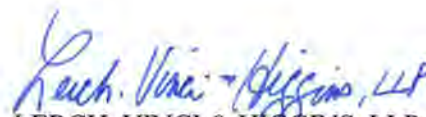
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tenaflly Board of Education's basic financial statements. The introductory section, individual nonmajor fund financial statements, financial schedules, statistical section, schedule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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated February 4, 2022 on our consideration of the Tenafly Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tenafly Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Tenafly Board of Education's internal control over financial reporting and compliance.



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



Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
February 4, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Tenaflly Board of Education

Management's Discussion and Analysis

This section of the Tenaflly Board of Education's Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2021. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Certain comparative information between the current year (2020-2021) and the prior year (2019-2020) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

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

- The assets and deferred outflows of resources of the Tenaflly Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$9,829,347 (net position).
- Overall revenues were \$97,758,305. General revenues accounted for \$69,140,565 or 71% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$28,617,740 or 29% of total revenues.
- The school district had \$96,004,595 in expenses for governmental activities; only \$28,609,066 of these expenses were offset by program specific charges, grants or contributions. General revenues, (predominantly property taxes) of \$69,140,527 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$10,204,229.
- The General Fund (GAAP Basis) fund balance at June 30, 2021 was \$8,949,643 a decrease of \$1,899,499 when compared with the beginning balance at July 1, 2020 restated balance of \$10,849,142.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the Tenaflly Board of Education.

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the Tenaflly Board of Education's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Tenaflly Board of Education, reporting the Board's operation in more detail than the district-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in short term as well as what remains for future spending.
- Proprietary funds statements offer short- and long-term financial information about the activities the Tenaflly Board of Education operates like businesses.

Tenafly Board of Education

Management's Discussion and Analysis (continued)

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The table below summarizes the major features of the Tenafly Board of Education's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance, administration and community education	Activities the district operates similar to private businesses: Enterprise Funds	Instances in which the District administers resources on behalf of someone else
Required financial Statements	Statements of Net Position Statement of Activities	Balance sheet Statement of revenues, expenditures and changes in fund balances	Statement of net position Statement of revenues, expenses, and changes in fund net position Statement of cash flows	Statements of Fiduciary net position Statement of changes in fiduciary net position
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset, deferred outflow/inflow of resources and liability information	All assets, deferred outflows/inflows of resources and liabilities, both financial and capital, short-term and long-term	Generally assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows/inflows of resources and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long term funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and dedications during the year, regardless of when cash is received or paid.

Tenaflly Board of Education

Management's Discussion and Analysis (continued)

District-wide Statements

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

The two district-wide statements report the Tenaflly Board of Education's net position and how they have changed. Net position – the difference between the district's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources – is one way to measure the District's financial health or position.

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

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

- *Governmental activities*- Most of the district's basic services are included here, such as regular and special education, transportation, administration and community education. Property taxes and state aids finance most of these activities.
- *Business-type activities*- The District charges fees to customers to help it cover the costs of certain services it provides. The District's Food Service Fund, the School Age Child Care Program Fund and Tiger Tots Program Fund are included here.

Fund Financial Statements

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

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

Tenaflly Board of Education

Management's Discussion and Analysis (continued)

The district has three kinds of funds:

- *Governmental funds*- Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.
- *Proprietary funds*- Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.

FINANCIAL ANALYSIS OF THE TENAFLY BOARD OF EDUCATION AS A WHOLE

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

The table on the next page provides a summary of the school district's net position for 2021 and 2020.

Net position. The District's combined net position was \$9,829,347 and \$8,062,627 on June 30, 2021 and June 30, 2020, respectively. The deficit in unrestricted net position in the Governmental activities is attributable to the unfunded long-term liabilities such as net pension liability, compensated absences and lease purchase agreements for supplies that are reported in the district-wide statements but not on the fund financial statements. This deficit is not an indication that the District is facing financial difficulties as there is currently no mechanism available to fund these liabilities in advance and they are being funded on a pay-as-you go basis.

Tenafly Board of Education

Management's Discussion and Analysis (continued)

Statement of Net Position As of June 30, 2021 and 2020

	Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2021	2020 (Restated)	2021	2020	2021	2020 (Restated)
Assets						
Current and Other Assets	\$ 14,788,471	\$ 11,426,939	\$ 169,893	\$ 252,620	\$ 14,958,364	\$ 11,679,559
Capital Assets	<u>45,235,271</u>	<u>45,429,776</u>	<u>85,485</u>	<u>97,025</u>	<u>45,320,756</u>	<u>45,526,801</u>
Total Assets	<u>60,023,742</u>	<u>56,856,715</u>	<u>255,378</u>	<u>349,645</u>	<u>60,279,120</u>	<u>57,206,360</u>
Deferred Outflows of Resources						
Deferred Amounts of Refunding of Debt	1,564,422	1,785,629			1,564,422	1,785,629
Deferred Amount of Net Pension Liability	<u>1,261,412</u>	<u>1,999,078</u>	<u>-</u>	<u>-</u>	<u>1,261,412</u>	<u>1,999,078</u>
Total Deferred Outflows of Resources	<u>2,825,834</u>	<u>3,784,707</u>	<u>-</u>	<u>-</u>	<u>2,825,834</u>	<u>3,784,707</u>
Total Assets and Deferred Outflows of Resources	<u>62,849,576</u>	<u>60,641,422</u>	<u>255,378</u>	<u>349,645</u>	<u>63,104,954</u>	<u>60,991,067</u>
Liabilities						
Long-Term Liabilities	42,316,892	46,760,180			42,316,892	46,760,180
Other Liabilities	<u>4,953,465</u>	<u>1,268,505</u>	<u>45,139</u>	<u>40,123</u>	<u>4,998,604</u>	<u>1,308,628</u>
Total Liabilities	<u>47,270,357</u>	<u>48,028,685</u>	<u>45,139</u>	<u>40,123</u>	<u>47,315,496</u>	<u>48,068,808</u>
Deferred Inflows of Resources						
Deferred Amount of Net Pension Liability	<u>5,960,111</u>	<u>5,842,489</u>	<u>-</u>	<u>-</u>	<u>5,960,111</u>	<u>5,842,489</u>
Total Deferred Inflows of Resources	<u>5,960,111</u>	<u>5,842,489</u>	<u>-</u>	<u>-</u>	<u>5,960,111</u>	<u>5,842,489</u>
Total Liabilities and Deferred Inflows of Resources	<u>53,230,468</u>	<u>53,871,174</u>	<u>45,139</u>	<u>40,123</u>	<u>53,275,607</u>	<u>53,911,297</u>
Net Position:						
Net Investment in Capital Assets	20,140,074	18,493,143	85,485	97,025	20,225,559	18,590,168
Restricted	6,761,871	7,500,633			6,761,871	7,500,633
Unrestricted	<u>(17,282,837)</u>	<u>(18,240,671)</u>	<u>124,754</u>	<u>212,497</u>	<u>(17,158,083)</u>	<u>(18,028,174)</u>
Total Net Position	<u>\$ 9,619,108</u>	<u>\$ 7,753,105</u>	<u>\$ 210,239</u>	<u>\$ 309,522</u>	<u>\$ 9,829,347</u>	<u>\$ 8,062,627</u>

The table on the on the following page shows changes in net position for fiscal years 2021 and 2020.

Tenafly Board of Education

Management's Discussion and Analysis (continued)

Changes in Net Position For the Fiscal Years Ended June 30, 2021 and 2020

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues						
Program Revenues						
Charges for Services	\$ 933,665	\$ 1,044,881	\$ 8,674	\$ 925,082	\$ 942,339	\$ 1,969,963
Operating Grants and Contributions	27,432,059	20,764,881			27,432,059	20,764,881
Capital Grants and Contributions	243,342	250,488			243,342	250,488
General Revenues						
Property Taxes	68,736,695	67,859,661			68,736,695	67,859,661
Investment Earnings	26,852	189,791	38	322	26,890	190,113
Other	376,980	188,480	-	-	376,980	188,480
Total Revenues	97,749,593	90,298,182	8,712	925,404	97,758,305	91,223,586
Expenses						
Instruction						
Regular	43,762,006	38,435,042			43,762,006	38,435,042
Special Education	15,385,373	13,929,669			15,385,373	13,929,669
Other Instruction	3,204,122	3,054,817			3,204,122	3,054,817
School Sponsored Activities and Athletics	2,093,869	1,890,832			2,093,869	1,890,832
Other Instructional Programs	346,493	250,422			346,493	250,422
Support Services						
Student and Instruction Related Services	12,383,616	11,550,106			12,383,616	11,550,106
General Administrative Services	1,231,107	1,099,881			1,231,107	1,099,881
School Administrative Services	5,153,904	4,894,104			5,153,904	4,894,104
Plant Operations and Maintenance	7,811,648	7,514,642			7,811,648	7,514,642
Pupil Transportation	1,452,829	1,518,070			1,452,829	1,518,070
Business and Other Support Services	2,194,609	3,236,651			2,194,609	3,236,651
Food Services Program			76,679	567,651	76,679	567,651
Child Care Program			56,316	453,317	56,316	453,317
Tiger Tots Program				172,266	-	172,266
Interest and Other Charges on Long-Term Debt	985,019	1,052,591	-	-	985,019	1,052,591
Total Expenses	96,004,595	88,426,827	132,995	1,193,234	96,137,590	89,620,061
Increase/(Decrease) in Net Position						
Before Transfers	1,744,998	1,871,355	(124,283)	(267,830)	1,620,715	1,603,525
Transfers	(25,000)	(140,783)	25,000	140,783	-	-
Change in Net Position	1,719,998	1,730,572	(99,283)	(127,047)	1,620,715	1,603,525
Net Position, Beginning of Year	7,753,105	5,039,676	309,522	436,569	8,062,627	5,476,245
Prior Period Adjustment	146,005	982,857	-	-	146,005	982,857
Net Position, End of Year	\$ 9,619,108	\$ 7,753,105	\$ 210,239	\$ 309,522	\$ 9,829,347	\$ 8,062,627

Tenafly Board of Education

Management's Discussion and Analysis (continued)

Governmental Activities. The district's total revenues were \$97,749,593. The local share of the revenues, that included property taxes, interest, and miscellaneous revenue, amounted to \$69,140,527 or 71% of total revenues. Funding from state, federal and local sources and capital contributions amounted to \$27,675,401 or 28%. The remaining revenues of \$933,665 (1%) were from charges for services (tuition and student activities).

The District's expenses are predominantly related to instruction and support services. Instruction totaled \$64,791,863 (67%) and student and other support services totaled \$30,227,713 (32%) of total expenditures. In addition, interest and other charges on long-term debt totaled \$985,019 (1%) of total expenditures.

Total and Net Cost of Governmental Activities For the Fiscal Year Ended June 30, 2021

<u>Functions/Programs</u>	<u>Cost of Services</u>	<u>Net Cost of Services</u>
Governmental Activities		
Instruction		
Regular	\$ 43,762,006	\$ 29,001,636
Special Education	15,385,373	8,084,558
Other Instruction	3,204,122	1,958,566
School Sponsored Activities and Athletics	2,093,869	1,328,600
Other Instructional Program	346,493	235,741
Support Services		
Student and Instruction Related Svcs.	12,383,616	10,798,894
General Administrative Services	1,231,107	1,087,913
School Administrative Services	5,153,904	4,137,213
Plant Operations and Maintenance	7,811,648	6,990,923
Pupil Transportation	1,452,829	1,065,844
Business and Other Support Services	2,194,609	1,956,669
Interest on Long-Term Debt	985,019	748,972
 Total Governmental Activities	 \$ 96,004,595	 \$ 67,395,529

Tenafly Board of Education

Management's Discussion and Analysis (continued)

Business-Type Activities

The cost of Business-Type Activities for the fiscal year ended June 30, 2021 was \$132,995. These costs were funded by charges for services, transfers from General Fund and investment earnings.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year ended June 30, 2021, its governmental funds reported a combined fund balance of \$10,204,229. At June 30, 2020, the fund balance as restated was \$11,533,653.

Revenues and other financing sources for the District's governmental funds were \$91,497,201, while total expenditures and other financing uses were \$92,826,625 for the fiscal year ended June 30, 2021, thereby resulting in a decrease in fund balance of \$1,329,424.

General Fund – The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students from kindergarten through grade 12 including pupil transportation activities and capital outlay projects.

The following schedule presents a summary of General Fund revenues.

	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020	Increase (Decrease)	Percent Change
Local Sources:				
Property Taxes	\$ 66,280,667	\$ 65,407,112	\$ 873,555	1.3%
Tuition	725,104	723,362	1,742	0.2%
Interest Earnings	26,852	189,791	(162,939)	-85.9%
Miscellaneous	376,980	509,999	(133,019)	-26.1%
Intergovernmental				
State Sources	17,151,509	14,424,103	2,727,406	18.9%
Federal Sources	6,847	11,707	(4,860)	-41.5%
Total Revenues	<u>\$ 84,567,959</u>	<u>\$ 81,266,074</u>	<u>\$ 3,301,885</u>	4.1%

Tenafly Board of Education

Management's Discussion and Analysis (continued)

Total General Fund Revenues increased by \$3,301,885 over the previous year. Local property taxes increased 1.3% over the previous year. Miscellaneous revenues decreased by 26.1%, as a result of the COVID-19 pandemic which caused a suspension of summer school programs and no facility rentals in 2020/21. Interest earnings decreased by \$162,939 due to lower interest rates. State aid revenues increased by \$2,727,406 due to an increase in State formula aid, an increase in extraordinary aid and the On-Behalf TPAF Pension costs contributed by the State for the district.

General Fund Expenditures

The following schedule presents a summary of General Fund expenditures.

	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020	Increase (Decrease)	Percent Change
Instruction	\$ 56,654,233	\$ 51,525,351	\$ 5,128,882	10.0%
Support Services	27,203,778	27,278,193	(74,415)	-0.3%
Capital Outlay	211,437	553,892	(342,455)	-61.8%
Debt Service	253,256	550,947	(297,691)	-54.0%
Total Expenditures	<u>\$ 84,322,704</u>	<u>\$ 79,908,383</u>	<u>\$ 4,414,321</u>	5.5%

Total General Fund expenditures increased by \$4,414,321 or 5.5% compared to the previous year. The District incurred significant increases with the cost of instruction.

General Fund Budgetary Highlights

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

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to prevent over-expenditures in specific line item accounts. In addition, budget amendments were made for the following:

- Implementing budgets for specially funded projects, which include both federal and state grants, reinstating prior year purchase orders being carried over and appropriating prior year extraordinary aid.
- Funding capital projects by capital reserve funds.

Tenafly Board of Education

Management's Discussion and Analysis (continued)

Capital Assets. At the end of the fiscal years 2021 and 2020, the school district had invested in land, buildings, land improvements, furniture, machinery and equipment as follows:

Capital Assets as of June 30, 2021 and 2020

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 222,500	\$ 222,500			\$ 222,500	\$ 222,500
Construction In Progress	524,475	294,750			524,475	294,750
Buildings	57,730,198	57,347,124			57,730,198	57,347,124
Improvements Other Than Buildings	4,278,538	3,191,030			4,278,538	3,191,030
Machinery and Equipment	<u>10,537,338</u>	<u>10,338,191</u>	\$ 328,845	\$ 328,845	<u>10,866,183</u>	<u>10,667,036</u>
 Total	 73,293,049	 71,393,595	 328,845	 328,845	 73,621,894	 71,722,440
 Less: Accumulated Depreciation	 <u>(28,057,778)</u>	 <u>(25,963,819)</u>	 <u>(243,360)</u>	 <u>(231,820)</u>	 <u>(28,301,138)</u>	 <u>(26,195,639)</u>
 Total Capital Assets, Net	 <u>\$ 45,235,271</u>	 <u>\$ 45,429,776</u>	 <u>\$ 85,485</u>	 <u>\$ 97,025</u>	 <u>\$ 45,320,756</u>	 <u>\$ 45,526,801</u>

Additional information about the district's capital assets can be found in Note 4 of this report.

Debt Administration. As of June 30, 2021 and 2020 the school district had long-term debt and outstanding long-term liabilities in the amount of \$42,316,892 and \$46,760,180, respectively.

Outstanding Long-Term Liabilities

	<u>2021</u>	<u>2020</u>
Serial Bonds Payable (Including Unamortized Premium)	\$ 26,659,619	\$ 28,722,262
Lease Purchase Agreements Payable	1,013,025	1,266,281
Compensated Absences Payable	1,134,254	1,755,899
Net Pension Liability	<u>13,509,994</u>	<u>15,015,738</u>
 Total	 <u>\$ 42,316,892</u>	 <u>\$ 46,760,180</u>

Additional information about the district's long-term liabilities can be found in Note 4 of this report.

Tenafly Board of Education

Management’s Discussion and Analysis (continued)

UNRESTRICTED – UNASSIGNED FUND BALANCE AS A PERCENTAGE OF EXPENDITURES

The District has continued to maintain a fund balance within the state recommended guidelines. The Table below comprises the District’s General Fund year end fund balance from June 30, 2016 through 2021. It should be noted that for the 2020/21 year, the allowable unreserved, undesignated surplus that a school district could maintain was increased to 4% from 2% by the Department of Education.

ANALYSIS OF FUND BALANCE – GENERAL FUND FROM 2016 – 2021

	BALANCE, JUNE 30,					
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
UNRESTRICTED						
UNASSIGNED YEAR END (GAAP)	\$ 1,144,340	\$ 1,181,815	\$ 1,221,046	\$ 1,239,877	\$ 1,189,817	\$ 1,244,998
USED TO OFFSET TAX SUBSEQUENT YEAR	2,450,000	2,392,774	2,292,774	2,098,506	1,905,329	1,979,157
UNRESTRICTED						
UNASSIGNED YEAR END(BUDGETARY)	2,327,813	2,208,492	2,363,224	2,588,368	2,454,971	2,938,789
MODIFIED BUDGET						
APPROPRIATIONS	65,298,508	68,037,794	70,113,229	73,903,188	74,892,717	76,155,644
PERCENT OF MODIFIED APPROPRIATIONS TO BUDGETARY UNRESERVED,						
UNRESTRICTED, UNASSIGNED FUND BALANCE	<u>3.56%</u>	<u>3.25%</u>	<u>3.37%</u>	<u>3.50%</u>	<u>3.28%</u>	<u>3.86%</u>

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

Currently, the District is in good financial condition. Everyone associated with Tenafly School District is grateful for the community support.

Many factors were considered by the District’s administration during the process of developing the fiscal year 2020-21 budget. The primary factors were the District’s projected student population, projected special education costs, anticipated state and federal aid as well as increasing salary and benefit costs. The District made an effort to address health, safety and wellness issues by continuation of all current services.

These indicators were considered when adopting the budget for fiscal year 2021-2022. Budgeted expenditures in the General Fund increased 1.9 percent to \$76,700,536 for fiscal year 2021-2022. The District will strive to increase student achievement by developing, implementing and evaluating a common practice of designing cognitively engaging, high-level, student-centered multi-discipline & interdisciplinary tasks. Increase student achievement with common practice of purposeful differentiated instruction to assess and advance all students through the learning process as well as personalize student learning through adoption and implementation of a whole-school approach to technology integration. The District will continue with curriculum revisions and enhancements – social studies, science, visual & performing arts, computer science and design thinking. Also, the enrichment of all curricula with opportunities for creativity and innovation, with a focus on interdisciplinary connections and authentic assessments that enhance instruction.

Tenafly Board of Education

Management's Discussion and Analysis (continued)

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School Business Administrator, Tenafly Board of Education, 500 Tenafly Road, Tenafly, New Jersey 07670.

Telephone: 201-816-4504

Fax: 201-569-3678

BASIC FINANCIAL STATEMENTS

**TENAFLY BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 14,342,926	\$ 159,681	\$ 14,502,607
Receivables, net	445,545		445,545
Inventory		10,212	10,212
Capital Assets			
Not Being Depreciated	746,975		746,975
Being Depreciated, Net	44,488,296	85,485	44,573,781
Total Assets	<u>60,023,742</u>	<u>255,378</u>	<u>60,279,120</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	1,564,422		1,564,422
Deferred Amount of Net Pension Liability	1,261,412		1,261,412
Total Deferred Outflows of Resources	<u>2,825,834</u>		<u>2,825,834</u>
Total Assets and Deferred Outflows of Resources	<u>62,849,576</u>	<u>255,378</u>	<u>63,104,954</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	622,749	1,739	624,488
Payable to State/Federal Government	3,683,791		3,683,791
Unearned Revenue	277,702	43,400	321,102
Accrued Interest Payable	369,223		369,223
Noncurrent Liabilities			
Due Within One Year	2,300,519		2,300,519
Due Beyond One Year	40,016,373		40,016,373
Total Liabilities	<u>47,270,357</u>	<u>45,139</u>	<u>47,315,496</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount of Net Pension Liability	5,960,111		5,960,111
Total Deferred Inflows of Resources	<u>5,960,111</u>	<u>-</u>	<u>5,960,111</u>
Total Liabilities and Deferred Inflows of Resources	<u>53,230,468</u>	<u>45,139</u>	<u>53,275,607</u>
NET POSITION			
Net Investment in Capital Assets	20,140,074	85,485	20,225,559
Restricted for:			
Debt Service	2		2
Capital Projects	4,974,653		4,974,653
Other Purposes	1,181,366		1,181,366
Maintenance	605,850		605,850
Unrestricted	(17,282,837)	124,754	(17,158,083)
Total Net Position	<u>\$ 9,619,108</u>	<u>\$ 210,239</u>	<u>\$ 9,829,347</u>

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

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

Functions/Programs:	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 43,762,006	\$ 725,104	\$ 14,035,266		\$ (29,001,636)		\$ (29,001,636)
Special Education	15,385,373		7,300,815		(8,084,558)		(8,084,558)
Other Instruction	3,204,122		1,245,556		(1,958,566)		(1,958,566)
School Sponsored Activities and Athletics	2,093,869	207,195	558,074		(1,328,600)		(1,328,600)
Other Instructional Programs	346,493		110,752		(235,741)		(235,741)
Support Services							
Student and Instruction Related Svcs.	12,383,616	1,366	1,583,356		(10,798,894)		(10,798,894)
General Administrative Services	1,231,107		143,194		(1,087,913)		(1,087,913)
School Administrative Services	5,153,904		1,016,691		(4,137,213)		(4,137,213)
Plant Operations and Maintenance	7,811,648		813,430	\$ 7,295	(6,990,923)		(6,990,923)
Pupil Transportation	1,452,829		386,985		(1,065,844)		(1,065,844)
Business/Admin Info Technology Services	2,194,609		237,940		(1,956,669)		(1,956,669)
Interest and Other Charges on Long-Term Debt	985,019			236,047	(748,972)	-	(748,972)
Total Governmental Activities	<u>96,004,595</u>	<u>933,665</u>	<u>27,432,059</u>	<u>243,342</u>	<u>(67,395,529)</u>	<u>-</u>	<u>(67,395,529)</u>
Business-Type Activities							
Food Service	76,679	6,465				\$ (70,214)	(70,214)
Child Care	56,316	2,209				(54,107)	(54,107)
Tiger Tots	-					-	-
Total Business-Type Activities	<u>132,995</u>	<u>8,674</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(124,321)</u>	<u>(124,321)</u>
Total Primary Government	<u>\$ 96,137,590</u>	<u>\$ 942,339</u>	<u>\$ 27,432,059</u>	<u>\$ 243,342</u>	<u>(67,395,529)</u>	<u>(124,321)</u>	<u>(67,519,850)</u>
General Revenues:							
Property Taxes, Levied for General Purposes					66,280,667		66,280,667
Property Taxes, Levied for Debt Service					2,456,028		2,456,028
Investment Earnings					26,852	38	26,890
Miscellaneous Income					376,980		376,980
Transfers					(25,000)	25,000	-
Total General Revenues and Transfers					<u>69,115,527</u>	<u>25,038</u>	<u>69,140,565</u>
Change in Net Position					1,719,998	(99,283)	1,620,715
Net Position, July 1, 2020 (Restated)					7,753,105	309,522	8,062,627
Prior Period Adjustment - Capital Assets					146,005		146,005
Net Position, June 30, 2021					<u>\$ 9,619,108</u>	<u>\$ 210,239</u>	<u>\$ 9,829,347</u>

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

FUND FINANCIAL STATEMENTS

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 9,933,825	\$ 3,640,550	\$ 768,548	\$ 2	\$ 14,342,925
Receivables, Net					
Receivables From Other Governments	<u>32,549</u>	<u>412,996</u>	<u>-</u>	<u>-</u>	<u>445,545</u>
Total Assets	<u>\$ 9,966,374</u>	<u>\$ 4,053,546</u>	<u>\$ 768,548</u>	<u>\$ 2</u>	<u>\$ 14,788,470</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 7,476	\$ 480			\$ 7,956
Payroll and Payroll Deductions Payable	614,793				614,793
Payable to State Government	219,964	3,412,619			3,632,583
Payable to Federal Government		51,207			51,207
Unearned Revenue	<u>174,498</u>	<u>103,204</u>	<u>-</u>	<u>-</u>	<u>277,702</u>
Total Liabilities	<u>1,016,731</u>	<u>3,567,510</u>	<u>-</u>	<u>-</u>	<u>4,584,241</u>
Fund Balances					
Restricted Fund Balance					
Excess Surplus - Designated for Subsequent Year's Budget (2021/22)	900,669				900,669
Capital Reserve	2,045,060				2,045,060
Capital Reserve- Designated for Subsequent Year's Budget (2021/22)	2,161,045				2,161,045
Maintenance Reserve	605,850				605,850
Emergency Reserve	302,900				302,900
Unemployment Compensation	392,430				392,430
Co-Curricular Student Activities and Athletics		386,845			386,845
Scholarships		99,191			99,191
Capital Projects			768,548		768,548
Debt Service				\$ 2	2
Assigned Fund Balance					
Designated for Subsequent Year's Budget (2021/22)	1,078,488				1,078,488
Encumbrances	218,203				218,203
Unassigned Fund Balance	<u>1,244,998</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,244,998</u>
Total Fund Balances	<u>8,949,643</u>	<u>486,036</u>	<u>768,548</u>	<u>2</u>	<u>10,204,229</u>
Total Liabilities and Fund Balances	<u>\$ 9,966,374</u>	<u>\$ 4,053,546</u>	<u>\$ 768,548</u>	<u>\$ 2</u>	<u>\$ 14,788,470</u>

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

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

Total Fund Balance (Exhibit B-1) \$ 10,204,229

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 \$73,293,049 and the accumulated depreciation is \$28,057,778 45,235,271

Long-term liabilities, including bonds payable, lease purchases, compensated absences and net pension liability are not due and payable in the current period and therefore are not reported as liabilities in the funds. (See Note 2A) (42,316,892)

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is: (369,223)

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 1,564,422

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and deferred over future years.

Deferred Outflows of Resources	\$ 1,261,412	
Deferred Inflows of Resources	<u>(5,960,111)</u>	
		<u>(4,698,699)</u>

Net Position of Governmental Activities \$ 9,619,108

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 66,280,667			\$ 2,456,028	\$ 68,736,695
Tuition Charges	725,104				725,104
Interest	26,852				26,852
Miscellaneous	376,980	\$ 233,112			610,092
Total - Local Sources	67,409,603	233,112	-	2,456,028	70,098,743
State Sources	17,151,509	311,494		393,412	17,856,415
Federal Sources	6,847	1,415,442	-		1,422,289
Total Revenues	84,567,959	1,960,048	-	2,849,440	89,377,447
EXPENDITURES					
Current					
Instruction					
Regular Instruction	38,547,890	217,120			38,765,010
Special Education Instruction	13,468,762	767,080			14,235,842
Other Instruction	2,641,874	227,263			2,869,137
School Sponsored Activities and Athletics	1,683,198	211,276			1,894,474
Other Instructional Programs	312,509				312,509
Support Services					
Student and Instruction Related Services	11,435,078	501,852			11,936,930
General Administrative Services	1,162,060				1,162,060
School Administrative Services	4,803,132				4,803,132
Plant Operations and Maintenance	6,267,929	42,970			6,310,899
Pupil Transportation	1,431,535				1,431,535
Business/Admin Info Technology Services	2,104,044				2,104,044
Debt Service					
Principal	253,256			1,910,000	2,163,256
Interest				939,594	939,594
Capital Outlay	211,437	7,295	\$ 1,534,717		1,753,449
Total Expenditures	84,322,704	1,974,856	1,534,717	2,849,594	90,681,871
Excess (Deficiency) of Revenues Over/(Under) Expenditures	245,255	(14,808)	(1,534,717)	(154)	(1,304,424)
OTHER FINANCING SOURCES (USES)					
Lease Purchase Proceeds					-
Transfers In		40,000	2,079,754		2,119,754
Transfers Out	(2,144,754)				(2,144,754)
Total Other Financing Sources and Uses	(2,144,754)	40,000	2,079,754	-	(25,000)
Net Change in Fund Balance	(1,899,499)	25,192	545,037	(154)	(1,329,424)
Fund Balance, July 1, 2020 (Restated)	10,849,142	460,844	223,511	156	11,533,653
Fund Balance, June 30, 2021	<u>\$ 8,949,643</u>	<u>\$ 486,036</u>	<u>\$ 768,548</u>	<u>\$ 2</u>	<u>\$ 10,204,229</u>

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

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

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ (1,329,424)

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which depreciation expense exceeds capital outlays in the current period.

Capital Outlay	\$ 1,753,449	
Depreciation Expense	<u>(2,093,959)</u>	(340,510)

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

Repayment of Debt Principal		
Serial Bonds	1,910,000	
Lease Purchase Agreements	<u>253,256</u>	2,163,256

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Amortization of Bond Premium	152,643	
Amortization of Deferred Charge on Refunding	<u>(221,207)</u>	(68,564)

In the statement of activities, certain operating expenses are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Net Decrease in Compensated Absences	621,645	
Net Decrease in Pension Expense	<u>650,456</u>	1,272,101

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

Decrease in Accrued Interest		<u>23,139</u>
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Change in Net Position of Governmental Activities (Exhibit A-2) \$ 1,719,998

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

	Business-Type Activities - Enterprise Funds			Totals
	Food Service	School Age Child Care	Non-Major Tiger Tots	
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 4,590	\$ 151,117	\$ 3,974	\$ 159,681
Inventory	10,212			10,212
Total Current Assets	<u>14,802</u>	<u>151,117</u>	<u>3,974</u>	<u>169,893</u>
Noncurrent Assets				
Furniture, Machinery and Equipment	328,845			328,845
Less Accumulated Depreciation	<u>(243,360)</u>			<u>(243,360)</u>
Total Capital Assets, Net	<u>85,485</u>	<u>-</u>	<u>-</u>	<u>85,485</u>
Total Assets	<u>100,287</u>	<u>151,117</u>	<u>3,974</u>	<u>255,378</u>
LIABILITIES				
Accounts Payable	1,739			1,739
Unearned Revenue	<u>32,862</u>	<u>6,564</u>	<u>3,974</u>	<u>43,400</u>
Total Liabilities	<u>34,601</u>	<u>6,564</u>	<u>3,974</u>	<u>45,139</u>
NET POSITION				
Investment in Capital Assets	85,485			85,485
Unrestricted	<u>(19,799)</u>	<u>144,553</u>		<u>124,754</u>
Total Net Position	<u>\$ 65,686</u>	<u>\$ 144,553</u>	<u>\$ -</u>	<u>\$ 210,239</u>

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

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

	Business-Type Activities - Enterprise Fund			Totals
	Food Service	School Age Child Care	Non-Major Tiger Tots	
OPERATING REVENUES				
Charges for Services				
Daily Sales	\$ 6,465			\$ 6,465
Program Fees		\$ 2,209		2,209
Total Operating Revenues	<u>6,465</u>	<u>2,209</u>	<u>-</u>	<u>8,674</u>
OPERATING EXPENSES				
Cost of Sales	12,328			12,328
Salaries and Benefits	18,064	50,673		68,737
Management Fee	24,840			24,840
Other Purchased Services	4,680	4,849		9,529
Other Expenses	1,606	247		1,853
Repairs	3,276			3,276
Supplies and Materials	345	547		892
Depreciation	11,540			11,540
Total Operating Expenses	<u>76,679</u>	<u>56,316</u>	<u>-</u>	<u>132,995</u>
Operating Income/(Loss)	<u>(70,214)</u>	<u>(54,107)</u>	<u>-</u>	<u>(124,321)</u>
NONOPERATING REVENUES				
Interest Income	38			38
Total Nonoperating Revenues	<u>38</u>	<u>-</u>		<u>38</u>
Net Income/(Loss) Before Transfers	(70,176)	(54,107)	-	(124,283)
Transfers	25,000			25,000
Change in Net Position	(45,176)	(54,107)	-	(99,283)
Net Position, Beginning of Year	110,862	198,660		309,522
Net Position, End of Year	<u>\$ 65,686</u>	<u>\$ 144,553</u>	<u>\$ -</u>	<u>\$ 210,239</u>

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

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

	Business-Type Activities - Enterprise Funds			Total
	Food Service	School Age Child Care	Non-Major Tiger Tots	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	\$ 10,703	\$ 14,087	\$ 3,974	\$ 28,764
Payments for Employees Salaries and Benefits	(18,064)	(50,673)		(68,737)
Payments to Suppliers	(43,010)	(5,643)		(48,653)
Net Cash Provided/(Used) by Operating Activities	(50,371)	(42,229)	3,974	(88,626)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Payments from General Fund	25,000			25,000
Net Cash Provided (Used) by Noncapital Financing Activities	25,000		-	25,000
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest	38	-	-	38
Net Cash Provided By Investing Activities	38	-	-	38
Net Change in Cash and Cash Equivalents	(25,333)	(42,229)	3,974	(63,588)
Cash and Cash Equivalents, Beginning of Year	29,923	193,346		223,269
Cash and Cash Equivalents, End of Year	\$ 4,590	\$ 151,117	\$ 3,974	\$ 159,681
Reconciliation of Operating Income (Loss) to Net Cash Provided/ (Used) by Operating Activities:				
Operating Income/(Loss)	\$ (70,214)	\$ (54,107)	\$ -	\$ (124,321)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided/(Used) by Operating Activities				
Depreciation	11,540			11,540
Changes in Assets and Liabilities				
(Increase) Decrease in Accounts Receivable	9,760	5,314		15,074
(Increase) Decrease in Inventories	4,065			4,065
Increase (Decrease) in Accounts Payable				-
Increase (Decrease) in Unearned Revenue	(5,522)	6,564	3,974	5,016
Total Adjustments	19,843	11,878	3,974	35,695
Net Cash Provided/(Used) by Operating Activities	\$ (50,371)	\$ (42,229)	\$ 3,974	\$ (88,626)

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

NOTES TO THE FINANCIAL STATEMENTS

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Tenafly Board of Education this includes general operations, food service, before and after school child care and student related activities of the District.

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

B. New Accounting Standards

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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

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

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

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

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

The *school age child care (SACC) fund* accounts for the activities of the District's before and after school childcare program.

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

The *tiger tots fund* accounts for the activities of the District's preschool program which provides preschool services to residents and non-residents of the Borough.

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

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

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

3. Inventories

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

4. *Capital Assets*

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

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	20-50
Building Improvements	20
Heavy Equipment	10-20
Office Equipment and Furniture	7-10
Computer Equipment	5

5. *Deferred Outflows/Inflows of Resources*

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

5. *Deferred Outflows/Inflows of Resources (Continued)*

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

6. *Compensated Absences*

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

7. *Pensions*

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

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

8. *Long-Term Obligations*

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

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

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

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 3B).

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

Maintenance Reserve – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 3C).

Emergency Reserve – This restriction was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education. (See Note 3D).

Unemployment Compensation – This restriction was created in accordance with R.S. 43:21-7.3 to reserve funds for unemployment compensation claims reimbursable to the State under the District's election for payment in lieu of contributions (benefit reimbursement method). (See Note 5A).

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

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

Scholarships – This restriction was created to represent the accumulation of donor restricted funds specifically earmarked for student scholarship awards.

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

Debt Service – Represents fund balance restricted specifically for the repayment of long-term debt principal and interest in the Debt Service Fund.

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

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

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

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

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

10. *Fund Balance Policies*

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. *Fund Balance Policies (Continued)*

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

F. Revenues and Expenditures/Expenses

1. *Program Revenues*

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

2. *Property Taxes*

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

3. *Tuition Revenues and Expenditures*

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

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

4. *Proprietary Funds, Operating and Nonoperating Revenues and Expenses*

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

NOTE 2 RECONCILIATION OF DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the district-wide statement of net position

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position– governmental activities as reported in the district-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows:

Bonds Payable	\$ 25,465,000
Unamortized Premium	1,194,619
Lease Purchase Agreement Payable	1,013,025
Compensated Absences	1,134,254
Net Pension Liability	<u>13,509,994</u>
Net Adjustment to Reduce Fund Balance - Total Governmental Funds to Arrive at Net Position - Governmental Activities	<u>\$ 42,316,892</u>

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Districts that have their school board members elected in November do not have to submit their budgets that meet levy cap requirements for voter approval. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2020/2021. Also, during 2020/2021 the Board increased the original budget of the General Fund by \$1,214,889 and increased the original budget of the Special Revenue Fund by \$4,476,483. The increases were funded by the appropriation of capital reserve, prior year extraordinary aid, grant awards, the reappropriation of prior year general fund encumbrances and cocurricular student activities and athletics. In addition, the District reduced its General Fund budgeted revenues and appropriations by \$296,481 as a result of a reduction in state aid.

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

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

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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

B. Capital Reserve

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

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

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

Balance, July 1, 2020		\$ 4,785,359
Increased by:		
Interest Earnings	\$ 500	
Deposit Approved by Board Resolution	<u>1,500,000</u>	
		<u>1,500,500</u>
		6,285,859
Decreased by:		
Withdrawals Approved in District Budget	2,076,680	
Withdrawals Approved by Board Resolution	<u>3,074</u>	
		<u>2,079,754</u>
Balance, June 30, 2021		<u>\$ 4,206,105</u>
Designated for Subsequent Year's Budget (2021/22)		\$ 2,161,045
Available Capital Reserve		<u>2,045,060</u>
		<u>\$ 4,206,105</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan.

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

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Maintenance Reserve

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

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

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

Balance, July 1, 2020	\$ 1,205,850
Decreased by:	
Withdrawals Approved in District Budget	<u>600,000</u>
Balance, June 30, 2021	<u>\$ 605,850</u>

The comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$3,483,205. The withdrawals from the maintenance reserve were for use in required maintenance activities for school facilities.

D. Emergency Reserve

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

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

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

Balance, June 30, 2020	<u>\$ 302,900</u>
Balance, June 30, 2021	<u>\$ 302,900</u>

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

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

E. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 4% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2021 is \$900,669. This amount was designated and appropriated in the 2021/2022 original budget certified for taxes.

F. Excess Expenditures Over Appropriations

The following is a summary of expenditures in excess of available appropriations. The overexpended appropriations resulted in unfavorable variances.

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund			
Unallocated Benefits			
Health Insurance	\$8,554,187	\$8,680,087	\$(125,900)
Capital Outlay			
Undistributed Expenditures			
Admin. Info Technology	18,354	31,247	(12,893)

The above variances were offset with other available resources.

G. Deficit Fund Equity

The Food Service Enterprise Fund has a cumulative deficit in unrestricted net position of \$19,799 as of June 30, 2021. The District expects to eliminate this deficit through normal operations in the 2021/2022 fiscal year.

NOTE 4 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2021, the book value of the Board's deposits were \$14,502,607 and bank and brokerage firm balances of the Board's deposits amounted to \$16,173,812. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ <u>16,173,812</u>

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

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

Investments

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

As of June 30, 2021, the Board had no outstanding investments.

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

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

B. Receivables

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

	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
Receivables:			
Intergovernmental			
Federal		\$ 412,996	\$ 412,996
State	\$ 32,549	-	32,549
Gross Receivables	32,549	412,996	445,545
Less: Allowance for Uncollectibles	-	-	-
Net Total Receivables	<u>\$ 32,549</u>	<u>\$ 412,996</u>	<u>\$ 445,545</u>

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

C. Unearned Revenue

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

General Fund		
Summer School Program Fees	\$	174,498
Special Revenue Fund		
Grant Drawdowns Reserved for Encumbrances		34,755
Unencumbered Grant Draw Downs		<u>68,449</u>
 Total Unearned Revenue for Governmental Funds	 \$	 <u>277,702</u>

D. Capital Assets

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

	Balance, July 1, 2020	Prior Period Adjustment	Increases	Decreases	Transfers	Balance, June 30, 2021
Governmental Activities						
Capital Assets, Not Being Depreciated:						
Land	\$ 222,500					\$ 222,500
Construction in Progress	294,750	\$ 146,005	\$ 1,495,217	-	\$ (1,411,497)	524,475
Total Capital Assets, Not Being Depreciated	<u>517,250</u>	<u>146,005</u>	<u>1,495,217</u>	<u>-</u>	<u>(1,411,497)</u>	<u>746,975</u>
Capital Assets, Being Depreciated:						
Buildings	57,347,124		39,500		343,574	57,730,198
Improvements Other Than Buildings	3,191,030		19,585		1,067,923	4,278,538
Machinery and Equipment	10,338,191	-	199,147	-	-	10,537,338
Total Capital Assets Being Depreciated	<u>70,876,345</u>	<u>-</u>	<u>258,232</u>	<u>-</u>	<u>1,411,497</u>	<u>72,546,074</u>
Less Accumulated Depreciation For:						
Buildings	(16,221,001)		(1,316,990)			(17,537,991)
Improvements Other Than Buildings	(2,804,300)		(170,004)			(2,974,304)
Machinery and Equipment	(6,938,518)	-	(606,965)	-	-	(7,545,483)
Total Accumulated Depreciation	<u>(25,963,819)</u>	<u>-</u>	<u>(2,093,959)</u>	<u>-</u>	<u>-</u>	<u>(28,057,778)</u>
Total Capital Assets, Being Depreciated, net	<u>44,912,526</u>	<u>-</u>	<u>(1,835,727)</u>	<u>-</u>	<u>1,411,497</u>	<u>44,488,296</u>
Governmental Activities Capital Assets, net	<u>\$ 45,429,776</u>	<u>\$ 146,005</u>	<u>\$ (340,510)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,235,271</u>

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, <u>July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2021</u>
Business-Type Activities				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 328,845	-	-	\$ 328,845
Total Capital Assets Being Depreciated	<u>328,845</u>	<u>-</u>	<u>-</u>	<u>328,845</u>
Less Accumulated Depreciation For:				
Machinery and Equipment	<u>(231,820)</u>	\$ (11,540)	-	<u>(243,360)</u>
Total Accumulated Depreciation	<u>(231,820)</u>	<u>(11,540)</u>	<u>-</u>	<u>(243,360)</u>
Total Capital Assets, Being Depreciated, net	<u>97,025</u>	<u>(11,540)</u>	<u>-</u>	<u>85,485</u>
Business-Type Activities Capital Assets, net	<u>\$ 97,025</u>	<u>\$ (11,540)</u>	<u>\$ -</u>	<u>\$ 85,485</u>

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

Governmental Activities

Instruction

Regular	\$ 586,308
Special Education	62,819
School-Sponsored Activities and Athletics	<u>20,940</u>
Total Instruction	<u>670,067</u>

Support Services

Student and Instruction Related Services	20,940
General Administrative Services	20,940
Plant Operations and Maintenance	1,361,072
Pupil Transportation	<u>20,940</u>
Total Support Services	<u>1,423,892</u>

Total Depreciation Expense - Governmental Activities \$ 2,093,959

Business-Type Activities:

Food Service Fund	\$ 11,540
Total Depreciation Expense-Business-Type Activities	<u>\$ 11,540</u>

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers (Continued)

Interfund Transfers

	<u>Transfer In:</u>			
	<u>Special Revenue</u>	<u>Capital</u>	<u>Food Service</u>	
	<u>Fund</u>	<u>Projects Fund</u>	<u>Enterprise Fund</u>	<u>Total</u>
Transfer Out:				
General Fund	\$ 40,000	\$ 2,079,754	\$ 25,000	\$ 2,144,754
Total Transfers Out	<u>\$ 40,000</u>	<u>\$ 2,079,754</u>	<u>\$ 25,000</u>	<u>\$ 2,144,754</u>

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

F. Leases

Operating Leases

The District leases technology equipment under noncancelable operating leases. Lease payments for the fiscal year ended June 30, 2021 were \$260,507. The future minimum lease payments for these operating leases are as follows:

<u>Fiscal</u> <u>Year Ending June 30</u>	<u>Amount</u>
2022	\$ 260,507
2023	260,507
2024	<u>260,507</u>
Total	<u>\$ 781,521</u>

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases (Continued)

Lease Purchase Agreements

The District is leasing digital desktop licensed software and services totaling \$1,266,281 under a lease purchase agreement. The lease is for a term of 5 years.

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

Fiscal Year Ending <u>June 30,</u>	Governmental <u>Activities</u>
2022	\$ 253,256
2023	253,256
2024	253,256
2025	<u>253,257</u>
Present Value of Minimum Lease Payments	<u>\$ 1,013,025</u>

G. Long-Term Debt

General Obligation Bonds

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

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

\$21,690,000, 2012 Refunding Bonds, due in annual installments of \$570,000 to \$2,430,000 through July 15, 2030 interest at 3.0% to 5.0%	\$17,500,000
\$5,715,000, 2015 Refunding Bonds, due in annual installments of \$280,000 to \$690,000 through April 1, 2031, interest at 3.0% to 4.0%	4,700,000
\$7,090,000, 2016 Refunding Bonds, due in annual installments of \$610,000 to \$695,000 through April 1, 2026, interest at 1.790%	<u>3,265,000</u>
Total	<u>\$25,465,000</u>

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt (Continued)

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

Governmental Activities:

Fiscal Year Ending <u>June 30,</u>	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2022	\$ 1,990,000	\$ 872,531	\$ 2,862,531
2023	2,070,000	796,141	2,866,141
2024	2,165,000	717,683	2,882,683
2025	2,260,000	634,159	2,894,159
2026	2,355,000	549,094	2,904,094
2027-2031	<u>14,625,000</u>	<u>1,265,106</u>	<u>15,890,106</u>
Total	<u>\$ 25,465,000</u>	<u>\$ 4,834,714</u>	<u>\$ 30,299,714</u>

Statutory Borrowing Power

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

4% of Equalized Valuation Basis (Municipal)	\$ 186,308,716
Less: Net Debt	<u>25,465,000</u>
Remaining Borrowing Power	<u>\$ 160,843,716</u>

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	Balance <u>July 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2021</u>	Due Within <u>One Year</u>
Governmental Activities:					
Bonds Payable	\$ 27,375,000		\$ 1,910,000	\$ 25,465,000	\$ 1,990,000
Unamortized Premium	<u>1,347,262</u>	-	<u>152,643</u>	<u>1,194,619</u>	-
Total Bonds Payable	28,722,262	-	2,062,643	26,659,619	1,990,000
Compensated Absences	1,755,899		621,645	1,134,254	57,263
Lease Purchase Agreements	1,266,281		253,256	1,013,025	253,256
Net Pension Liability	<u>15,015,738</u>	-	<u>1,505,744</u>	<u>13,509,994</u>	-
Governmental Activities Long-Term Liabilities	<u>\$ 46,760,180</u>	<u>\$ -</u>	<u>\$ 4,443,288</u>	<u>\$ 42,316,892</u>	<u>\$ 2,300,519</u>

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

NOTE 5 OTHER INFORMATION

A. Risk Management

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

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

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

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

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

NOTE 5 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

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

Fiscal Year Ended <u>June 30,</u>	Employee <u>Contributions</u>	Amount <u>Reimbursed</u>	Ending <u>Balance</u>
2021	\$ 90,636	\$ 221,186	\$ 392,430
2020	78,643	88,704	519,409
2019	71,567	41,714	522,149

B. Contingent Liabilities

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

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

C. Federal Arbitrage Regulations

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

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

The following represents the membership tiers for PERS:

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

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

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

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

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

The following represent the membership tiers for TPAF:

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

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

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

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

Other Pension Funds

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

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

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

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

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

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

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

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

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

Actuarial Methods and Assumptions

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

Employer and Employee Pension Contributions

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

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

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

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-Behalf <u>TPAF</u>	<u>DCRP</u>
2021	\$ 906,293	\$ 8,363,482	\$ 78,431
2020	810,610	6,217,326	77,197
2019	827,250	5,762,696	69,366

**TENAFLY BOARD OF EDUCATION
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NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2021, 2020 and 2019 the District contributed \$-0-, \$2,778 and \$3,037, respectively for PERS and the State contributed \$3,767, \$4,007 and \$4,997, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$2,362,235 during the fiscal year ended June 30, 2021 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

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

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

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

At June 30, 2021, the District reported in the statement of net position (accrual basis) a liability of \$13,509,994 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2020. At June 30, 2020, the District's proportionate share was .08285 percent, which was a decrease of .00048 percent from its proportionate share measured as of June 30, 2019 of .08333 percent.

**TENAFLY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$255,837 for PERS. The pension contribution made by the District during the current 2020/2021 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2021 with a measurement date of the prior fiscal year end of June 30, 2020. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2021 for contributions made subsequent to the measurement date. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 245,995	\$ 47,777
Changes of Assumptions	438,280	5,656,763
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	461,782	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>115,355</u>	<u>255,571</u>
Total	<u>\$ 1,261,412</u>	<u>\$ 5,960,111</u>

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

Year Ending <u>June 30,</u>	<u>Total</u>
2022	\$ (1,757,381)
2023	(1,566,986)
2024	(921,056)
2025	(373,213)
2026	(80,063)
Thereafter	<u>-</u>
	<u>\$ (4,698,699)</u>

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

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

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

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

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

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

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

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

Discount Rate

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

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

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

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

Sensitivity of Net Pension Liability

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

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 17,006,829</u>	<u>\$ 13,509,994</u>	<u>\$ 10,542,834</u>

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

Pension Plan Fiduciary Net Position

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

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

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

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

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

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$11,402,555 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2021 the State's proportionate share of the net pension liability attributable to the District is \$183,367,234. The net pension liability was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2020. At June 30, 2020, the State's share of the net pension liability attributable to the District was .27847 percent, which was a decrease of .00853 percent from its proportionate share measured as of June 30, 2019 of .28700 percent.

**TENAFLY BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
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NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

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

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

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

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

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

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

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

TENAFLY BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
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NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

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

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

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

Period of Projected Benefit	
Payments for which the Following	
Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2062
Municipal Bond Rate *	From July 1, 2062 and Thereafter

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

Sensitivity of Net Pension Liability

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

	<u>1%</u> <u>Decrease</u> <u>(4.40%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(5.40%)</u>	<u>1%</u> <u>Increase</u> <u>(6.40%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 215,386,291</u>	<u>\$ 183,367,234</u>	<u>\$ 156,780,781</u>

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

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

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

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

Plan Description and Benefits Provided

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

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

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

**TENAFLY BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Plan Membership

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

Active Plan Members	216,804
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>149,304</u>
Total	<u>366,108</u>

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

Collective Net OPEB Liability

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

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

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

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

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

Post-Retirement Medical Benefits Contributions

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

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2021, 2020 and 2019 were \$2,620,985, \$2,306,514 and \$2,613,950, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

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

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

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$7,954,058. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2021 the State's proportionate share of the OPEB liability attributable to the District is \$149,179,921. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2020 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2020. At June 30, 2020, the state's share of the OPEB liability attributable to the District was .22000 percent, which was a decrease of .00042 percent from its proportionate share measured as of June 30, 2019 of .22042 percent.

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

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions

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

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

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

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

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

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions (Continued)

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

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

Discount Rate

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

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

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

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

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Changes in the Total OPEB Liability

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

	Total OPEB Liability <u>(State Share 100%)</u>
Balance, June 30, 2019 Measurement Date	\$ <u>91,980,306</u>
Changes Recognized for the Fiscal Year:	
Service Cost	4,196,206
Interest on the Total OPEB Liability	3,322,485
Differences Between Expected and Actual Experience	24,949,261
Changes of Assumptions	27,250,045
Gross Benefit Payments	(2,597,100)
Contributions from the Member	<u>78,718</u>
Net Changes	\$ <u>57,199,615</u>
Balance, June 30, 2020 Measurement Date	\$ <u>149,179,921</u>

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

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

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

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

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

	1% Decrease <u>(1.21 %)</u>	Current Discount Rate <u>(2.21 %)</u>	1% Increase <u>(3.21 %)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>179,844,095</u>	\$ <u>149,179,921</u>	\$ <u>125,203,490</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	\$ <u>120,423,063</u>	\$ <u>149,179,921</u>	\$ <u>183,422,947</u>

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

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

NOTE 5 OTHER INFORMATION (Continued)

F. Tax Abatements

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

G. Subsequent Events

On January 26, 2022, the Board approved the cancelation of unexpended balances of \$761,697 of various capital projects. These funds will be returned to the General Fund Capital Reserve Account.

NOTE 6 RESTATEMENT

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

Governmental Activities

The financial statements of the governmental activities as of June 30, 2020 have been restated to reflect the reclassification of certain activities related to unemployment compensation, student activities, scholarships and payroll related activities which were previously reported as fiduciary activities to governmental activities. The effect of this restatement is to increase net position of governmental activities by \$982,857 from \$6,770,248 as previously reported to \$7,753,105 as of June 30, 2020.

Governmental Funds

The financial statements of the governmental funds as of June 30, 2020 have been restated to reflect the reclassification of certain activities related to unemployment compensation, student activities, scholarships and payroll activities previously reported as fiduciary funds to governmental funds. The effect of this restatement is to increase fund balances of governmental funds by \$982,857 from \$10,550,796 as previously reported to \$11,533,653 as of June 30, 2020. General Fund fund balance increased \$522,013 from \$10,327,129 as previously reported to \$10,849,142 as of June 30, 2020. Special Revenue Fund fund balance increased \$460,844 from \$-0- as previously reported to \$460,844 as of June 30, 2020.

Fiduciary Funds

The financial statements of the fiduciary funds as of June 30, 2020 have been restated to reflect the reclassification of certain activities to governmental funds as noted above. The effect of this restatement is to decrease total fiduciary net position by \$631,931 from \$631,931 as previously reported to \$-0- as of June 30, 2020.

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

NOTE 7 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC

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

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

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

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

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

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

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

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Property Taxes	\$ 66,280,667		\$ 66,280,667	\$ 66,280,667	
Other Local Sources					
Tuition - Other LEA's	803,600		803,600	725,104	\$ (78,496)
Interest Earned on Emergency Reserve	2,000		2,000		(2,000)
Interest Earned on Capital Reserve Funds	10,000		10,000	500	(9,500)
Interest Earned on Maintenance Reserve	3,000		3,000		(3,000)
Interest on Unemployment				967	967
Interest				25,385	25,385
Miscellaneous	626,657	-	626,657	376,980	(249,677)
Total Local Sources	<u>67,725,924</u>	<u>-</u>	<u>67,725,924</u>	<u>67,409,603</u>	<u>(316,321)</u>
State Sources					
Special Education Aid	2,256,105	(296,481)	1,959,624	1,959,624	-
Security Aid	285,644		285,644	285,644	-
Transportation Aid	353,878		353,878	353,878	-
Non Public Transportation Reimbursement				31,320	31,320
Extraordinary Aid				1,492,270	1,492,270
Extraordinary Aid (FY20)				106,941	106,941
TPAF Pension Contribution - (Non-Budget)					
Normal Costs				8,207,327	8,207,327
NCGI				156,155	156,155
Long Term Disability Insurance				3,767	3,767
Post Retirement				2,620,985	2,620,985
TPAF Social Security Reimbursements (Non-Budget)	-	-	-	2,362,235	2,362,235
Total State Sources	<u>2,895,627</u>	<u>(296,481)</u>	<u>2,599,146</u>	<u>17,580,146</u>	<u>14,981,000</u>
Federal Sources					
Medicaid Reimbursement	33,676	-	33,676	6,847	(26,829)
Total Federal Sources	<u>33,676</u>	<u>-</u>	<u>33,676</u>	<u>6,847</u>	<u>(26,829)</u>
Total Revenues	<u>70,655,227</u>	<u>(296,481)</u>	<u>70,358,746</u>	<u>84,996,596</u>	<u>14,637,850</u>
EXPENDITURES					
CURRENT					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	977,048	\$ 97,458	1,074,506	1,074,506	-
Grades 1-5	6,695,944	595,869	7,291,813	7,289,558	2,255
Grades 6-8	5,523,185	(75,693)	5,447,492	5,447,342	150
Grades 9-12	8,173,808	119,633	8,293,441	8,286,521	6,920
Regular Programs - Home Instruction					
Salaries of Teachers	10,000	(10,000)			-
Purchased Professional/Educational Services	25,000	(19,158)	5,842	4,565	1,277
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	45,000	100,530	145,530	145,498	32
Purchased Professional/Educational Services	115,450	(12,670)	102,780	88,780	14,000
Other Purchased Services	841,261	335,937	1,177,198	1,165,209	11,989
General Supplies	1,416,992	(604,260)	812,732	630,780	181,952
Textbooks	198,998	2,348	201,346	153,446	47,900
Other Objects	31,500	-	31,500	23,241	8,259
Total Regular Programs	<u>24,054,186</u>	<u>529,994</u>	<u>24,584,180</u>	<u>24,309,446</u>	<u>274,734</u>

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

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Learning and / or Language Disabled					
Salaries of Teachers	\$ 138,158	-	\$ 138,158	\$ 138,158	-
Other Salaries for Instruction	117,620	\$ (42,378)	75,242	75,242	-
General Supplies	4,200	-	4,200	3,514	\$ 686
Textbooks	4,408	-	4,408	389	4,019
Total Learning and/or Language Disabled	<u>264,386</u>	<u>(42,378)</u>	<u>222,008</u>	<u>217,303</u>	<u>4,705</u>
Multiple Disabled					
Salaries of Teachers	149,958	65,770	215,728	215,728	-
Other Salaries for Instruction	345,852	65,645	411,497	395,735	15,762
General Supplies	3,500	-	3,500	699	2,801
Total Multiple Disabled	<u>499,310</u>	<u>131,415</u>	<u>630,725</u>	<u>612,162</u>	<u>18,563</u>
Resource Room/Resource Center					
Salaries of Teachers	3,139,122	(28,737)	3,110,385	3,106,928	3,457
Other Salaries for Instruction	1,124,602	56,537	1,181,139	1,162,305	18,834
General Supplies	20,276	2,629	22,905	13,403	9,502
Textbooks	8,453	(3,490)	4,963	3,137	1,826
Total Resource Room/Resource Center	<u>4,292,453</u>	<u>26,939</u>	<u>4,319,392</u>	<u>4,285,773</u>	<u>33,619</u>
Preschool Disabilities - Part-Time					
Salaries of Teachers	118,455	22,488	140,943	140,943	-
Other Salaries for Instruction	64,060	(6,476)	57,584	48,502	9,082
General Supplies	1,000	-	1,000	854	146
Total Preschool Disabilities - Part-Time	<u>183,515</u>	<u>16,012</u>	<u>199,527</u>	<u>190,299</u>	<u>9,228</u>
Preschool Disabilities - Full-Time					
Salaries of Teachers	93,129	1,376	94,505	94,200	305
Other Salaries for Instruction	148,730	(55,933)	92,797	89,166	3,631
Supplies and Materials	2,000	-	2,000	1,036	964
Total Preschool Disabilities - Part-Time	<u>243,859</u>	<u>(54,557)</u>	<u>189,302</u>	<u>184,402</u>	<u>4,900</u>
Home Instruction					
Salaries of Teachers	35,000	-	35,000	23,070	11,930
Purchased Professional-Educational Services	15,000	-	15,000	2,630	12,370
Total Home Instruction	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>25,700</u>	<u>24,300</u>
Total Special Education	<u>5,533,523</u>	<u>77,431</u>	<u>5,610,954</u>	<u>5,515,639</u>	<u>95,315</u>
Basic Skills/Remedial					
Salaries of Teachers	562,496	-	562,496	562,494	2
General Supplies	2,170	-	2,170	1,085	1,085
Total Basic Skills/Remedial	<u>564,666</u>	<u>-</u>	<u>564,666</u>	<u>563,579</u>	<u>1,087</u>

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

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Bilingual Education					
Salaries of Teachers	\$ 1,069,127	\$ 9,423	\$ 1,078,550	\$ 1,059,245	\$ 19,305
Purchased Professional-Educational Services	1,279	-	1,279		1,279
Other Purchased Services	100	-	100		100
General Supplies	8,351	(231)	8,120	4,050	4,070
Textbooks	5,025	31	5,056	1,132	3,924
	<u>1,083,882</u>	<u>9,223</u>	<u>1,093,105</u>	<u>1,064,427</u>	<u>28,678</u>
Total Bilingual Education					
School Sponsored Co/Extra Curricular Activities					
Salaries	334,746	-	334,746	295,951	38,795
Purchased Services	34,798	680	35,478	31,120	4,358
Supplies and Materials	1,000	(425)	575		575
Other Objects	7,982	-	7,982	1,197	6,785
	<u>378,526</u>	<u>255</u>	<u>378,781</u>	<u>328,268</u>	<u>50,513</u>
Total School Sponsored Co/Extra Curricular Activities					
School Sponsored Athletics					
Salaries	586,286	22,584	608,870	605,588	3,282
Purchased Services	213,445	(20,233)	193,212	115,088	78,124
Supplies and Materials	64,000	-	64,000	58,199	5,801
Other Objects	33,300	-	33,300	13,027	20,273
	<u>897,031</u>	<u>2,351</u>	<u>899,382</u>	<u>791,902</u>	<u>107,480</u>
Total School Sponsored Athletics					
Other Instructional Programs - Instruction					
Salaries	203,568	-	203,568	183,330	20,238
Purchased Services	15,400	-	15,400	10,899	4,501
Supplies and Materials	4,850	-	4,850	4,849	1
	<u>223,818</u>	<u>-</u>	<u>223,818</u>	<u>199,078</u>	<u>24,740</u>
Total Other Instructional Programs					
Before/After School Programs					
Supplies and Materials	1,133	-	1,133	-	1,133
	<u>1,133</u>	<u>-</u>	<u>1,133</u>	<u>-</u>	<u>1,133</u>
Total Before/After School Programs					
Total Instruction					
	<u>32,736,765</u>	<u>619,254</u>	<u>33,356,019</u>	<u>32,772,339</u>	<u>583,680</u>
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs w/i State - Special	1,340,479	(229,554)	1,110,925	577,292	533,633
Tuition to County Voc. School District-Regular	397,062	3,096	400,158	400,157	1
Tuition to CSSD and Regional Day Schools	499,560	226,458	726,018	594,374	131,644
Tuition to APSSD - w/i state	1,806,456	1,046,970	2,853,426	2,469,964	383,462
Tuition to APSSD & Other LEAs-Special- Out of State	229,978	(165,944)	64,034	55,380	8,654
Tuition - Other	1,220,214	(381,026)	839,188	827,521	11,667
	<u>5,493,749</u>	<u>500,000</u>	<u>5,993,749</u>	<u>4,924,688</u>	<u>1,069,061</u>
Total Undistributed Expenditures - Instruction					
Attendance and Social Work					
Salaries	133,730	275	134,005	133,890	115
	<u>133,730</u>	<u>275</u>	<u>134,005</u>	<u>133,890</u>	<u>115</u>
Total Attendance and Social Work					

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

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Health Services					
Salaries	\$ 654,538	\$ (3,724)	\$ 650,814	\$ 630,344	\$ 20,470
Purchased Professional and Technical Services	6,000	(5,850)	150	150	-
Other Purchased Services	525	-	525	-	525
Supplies and Materials	17,862	(3,029)	14,833	11,571	3,262
Total Health Services	<u>678,925</u>	<u>(12,603)</u>	<u>666,322</u>	<u>642,065</u>	<u>24,257</u>
Speech, OT, PT & Related Services					
Salaries	653,434	(36,399)	617,035	615,110	1,925
Purchased Professional-Educational Services	805,000	8,366	813,366	645,964	167,402
Supplies and Materials	350	(252)	98	-	98
Total Speech, OT, PT & Related Services	<u>1,458,784</u>	<u>(28,285)</u>	<u>1,430,499</u>	<u>1,261,074</u>	<u>169,425</u>
Other Support Services - Students - Extra Services					
Salaries	694,750	20,903	715,653	698,231	17,422
Purchased Professional- Educational Services	1,555,927	37,287	1,593,214	1,401,662	191,552
Supplies and Materials	5,000	(2,509)	2,491	2,491	-
Other Objects	1,250	(1,250)	-	-	-
Total Other Supp.Serv. Student - Extra Services	<u>2,256,927</u>	<u>54,431</u>	<u>2,311,358</u>	<u>2,102,384</u>	<u>208,974</u>
Guidance					
Salaries of Other Professional Staff	1,187,855	(5,394)	1,182,461	1,182,461	-
Salaries of Secretarial & Clerical Assistants	205,445	102	205,547	205,547	-
Other Salaries	212,500	-	212,500	212,500	-
Unused Vacation Payment to Terminated/Retired Staff		11,886	11,886	7,694	4,192
Other Purchased Professional and Technical Svc	24,553	-	24,553	24,553	-
Other Purchased Services	22,948	(6,041)	16,907	6,915	9,992
Supplies and Materials	13,635	(5,358)	8,277	7,921	356
Total Guidance	<u>1,666,936</u>	<u>(4,805)</u>	<u>1,662,131</u>	<u>1,647,591</u>	<u>14,540</u>
Child Study Teams					
Salaries of Other Professional Staff	1,225,740	52,283	1,278,023	1,277,933	90
Salaries of Secretarial & Clerical Assistants	160,926	2,374	163,300	163,300	-
Purchased Professional- Educational Services	65,500	(1,602)	63,898	63,898	-
Other Purchased Services	1,900	(374)	1,526	-	1,526
Supplies and Materials	76,900	335	77,235	77,079	156
Other Objects	2,500	-	2,500	2,495	5
Total Child Study Teams	<u>1,533,466</u>	<u>53,016</u>	<u>1,586,482</u>	<u>1,584,705</u>	<u>1,777</u>
Other Support Services - Improvement of Instructional Services					
Salaries of Supervisor of Instruction	417,203	3,119	420,322	420,318	4
Salaries of Secretarial & Clerical Assistants	42,229	36,229	78,458	78,076	382
Salaries of Facilitators, Math & Literacy Coaches	206,718	-	206,718	206,718	-
Unused Vacation Payment to Terminated/Retired Staff	4,378	8,780	13,158	13,158	-
Purchased Professional- Educational Services		12,250	12,250	12,250	-
Supplies and Materials	21,628	(5,392)	16,236	16,236	-
Other Objects	2,469	1,955	4,424	2,292	2,132
Total Other Support Services - Improvement of Inst. Svcs.	<u>694,625</u>	<u>56,941</u>	<u>751,566</u>	<u>749,048</u>	<u>2,518</u>
Educational Media/School Library					
Salaries	697,138	345	697,483	678,439	19,044
Other Purchased Services	6,000	-	6,000	1,475	4,525
Supplies and Materials	81,955	(8,117)	73,838	49,460	24,378
Total Educational Media/School Library	<u>785,093</u>	<u>(7,772)</u>	<u>777,321</u>	<u>729,374</u>	<u>47,947</u>

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

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Instructional Staff Training Services					
Other Salaries	\$ 46,800	\$ (1,475)	\$ 45,325	\$ 45,325	-
Purchased Professional/Educational Services	42,480	1,975	44,455	19,156	\$ 25,299
Other Purchased Services	37,825	(4,374)	33,451	478	32,973
Supplies and Materials	1,775	-	1,775	366	1,409
Total Instructional Staff Training Services	<u>128,880</u>	<u>(3,874)</u>	<u>125,006</u>	<u>65,325</u>	<u>59,681</u>
Support Services General Administration					
Salaries	389,504	11,668	401,172	377,081	24,091
Unused Vacation Payment to Terminated/Retired Staff		3,412	3,412	3,412	-
Legal Services	140,000	4,917	144,917	132,284	12,633
Audit Fees	49,500	1,381	50,881	50,881	-
Other Purchased Professional Service	3,000	47,688	50,688	50,687	1
Architectural/Engineering Services	6,000	48,354	54,354	52,054	2,300
Communications/Telephone	130,000	(4,957)	125,043	125,043	-
Miscellaneous Purchased Services	121,330	(16,897)	104,433	97,926	6,507
BOE Other Purchased Services	3,000	-	3,000	199	2,801
General Supplies	3,850	687	4,537	4,431	106
Miscellaneous Expenditures	16,300	312	16,612	12,557	4,055
BOE Membership Dues and Fees	28,000	-	28,000	27,783	217
Total Support Services General Administration	<u>890,484</u>	<u>96,565</u>	<u>987,049</u>	<u>934,338</u>	<u>52,711</u>
Support Services School Administration					
Salaries of Principals/Asst. Principals/Program Directors	1,272,087	(14,280)	1,257,807	1,257,807	-
Salaries of Other Professional Staff	1,187,398	(10,689)	1,176,709	1,176,708	1
Salaries of Secretarial and Clerical Assistants	870,059	(46,407)	823,652	821,603	2,049
Unused Vacation Payment to Terminated/Retired Staff	24,385	4,697	29,082	29,082	-
Supplies and Materials	3,351	(381)	2,970	-	2,970
Other Objects	18,000	-	18,000	14,228	3,772
Total Support Services School Administration	<u>3,375,280</u>	<u>(67,060)</u>	<u>3,308,220</u>	<u>3,299,428</u>	<u>8,792</u>
Central Services					
Salaries	769,221	(52,200)	717,021	712,854	4,167
Unused Vacation Payment to Terminated/Retired Staff		36,408	36,408	36,408	-
Purchased Professional Services-Public Relations Cost		20,058	20,058	20,058	-
Purchased Technical Services	58,000	(3,337)	54,663	48,634	6,029
Misc. Purchased Services	7,850	(2,543)	5,307	2,749	2,558
Supplies and Materials	7,645	5,945	13,590	13,016	574
Miscellaneous Expenditures	8,775	551	9,326	8,900	426
Total Central Services	<u>851,491</u>	<u>4,882</u>	<u>856,373</u>	<u>842,619</u>	<u>13,754</u>
Admin. Info. Technology					
Salaries	644,485	(25,058)	619,427	581,975	37,452
Purchased Technical Services	171,200	(1,168)	170,032	166,018	4,014
Other Purchased Services	2,000	-	2,000	-	2,000
Supplies and Materials	2,664	(990)	1,674	626	1,048
Other Objects	1,500	-	1,500	1,440	60
Total Admin. Info. Technology	<u>821,849</u>	<u>(27,216)</u>	<u>794,633</u>	<u>750,059</u>	<u>44,574</u>
Required Maintenance for School Facilities					
Salaries	475,532	(17,372)	458,160	421,630	36,530
Unused Vacation Payment to Terminated/Retired Staff	5,207	-	5,207	-	5,207
Cleaning, Repair and Maintenance	277,000	149,943	426,943	390,483	36,460
General Supplies	371,000	257,730	628,730	505,664	123,066
Other Objects	1,800	405	2,205	1,970	235
Total Required Maintenance for School Facilities	<u>1,130,539</u>	<u>390,706</u>	<u>1,521,245</u>	<u>1,319,747</u>	<u>201,498</u>

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

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Custodial Services					
Salaries	\$ 1,842,875	\$ 26,018	\$ 1,868,893	\$ 1,844,223	\$ 24,670
Salaries of Non-Instructional Aides	236,160	(34,017)	202,143	202,142	1
Unused Vacation Payment to Terminated/Retired Staff		9,289	9,289	9,289	-
Purchased Professional and Technical Services		135	135	135	-
Cleaning, Repair and Maintenance	11,500	52,202	63,702	22,286	41,416
Rental of Land & Bldg. Oth. Than Lease Pur Agrmt	17,338	-	17,338	17,338	-
Other Purchased Property Services	357,880	(63,669)	294,211	275,557	18,654
Insurance	355,000	11,460	366,460	366,460	-
Miscellaneous Purchased Services	1,300	(1,300)			-
General Supplies	139,500	59,628	199,128	185,262	13,866
Energy (Natural Gas)	520,000	(170,000)	350,000	237,487	112,513
Energy (Electricity)	591,000	(40,883)	550,117	406,842	143,275
Total Custodial Services	<u>4,072,553</u>	<u>(151,137)</u>	<u>3,921,416</u>	<u>3,567,021</u>	<u>354,395</u>
Care and Upkeep of Grounds					
Salaries	289,473	(1,555)	287,918	273,965	13,953
Cleaning, Repair and Maintenance	41,000	44,875	85,875	67,268	18,607
General Supplies	40,000	(9,846)	30,154	25,757	4,397
Total Care and Upkeep of Grounds	<u>370,473</u>	<u>33,474</u>	<u>403,947</u>	<u>366,990</u>	<u>36,957</u>
Security					
Purchased Professional and Technical Services	25,453	(105)	25,348	21,415	3,933
Cleaning, Repair and Maintenance	5,000	-	5,000		5,000
General Supplies	10,288	(2,804)	7,484	7,313	171
Total Security	<u>40,741</u>	<u>(2,909)</u>	<u>37,832</u>	<u>28,728</u>	<u>9,104</u>
Student Transportation Services					
Sal. For Pupil Trans (Other than Bet. Home & School)	11,000	(10,857)	143		143
Sal. For Pupil Trans (Bet. Home & School)- NonPub Sch	7,000	-	7,000	6,942	58
Cleaning, Repair and Maintenance Services	1,000	(900)	100	100	-
Contracted Services (Between Home and School) - Vendors	146,000	1,584	147,584	114,323	33,261
Contracted Services (Other Than Between Home and School) - Vendors	147,320	(40,984)	106,336	62,104	44,232
Contracted Services (Special Ed. Students) - Joint Agreements	1,155,000	730	1,155,730	1,133,739	21,991
Contracted Services-Aid In Lieu of Payments- Non-Public Schools	125,000	(2,314)	122,686	111,000	11,686
Transportation Supplies	1,000	-	1,000	832	168
Total Student Transportation Services	<u>1,593,320</u>	<u>(52,741)</u>	<u>1,540,579</u>	<u>1,429,040</u>	<u>111,539</u>
Unallocated Benefits- Employee Benefits					
Social Security Contributions	955,000	-	955,000	924,859	30,141
Other Retirement Contributions - PERS	880,000	26,293	906,293	906,293	-
Other Retirement Contributions - Regular	87,000	(8,569)	78,431	78,431	-
Workmen's Compensation	306,734	(11,460)	295,274	139,600	155,674
Unemployment (Non-Budget)				130,550	(130,550)
Health Insurance	9,402,306	(848,119)	8,554,187	8,680,087	(125,900)
Tuition Reimbursement	41,082	-	41,082	40,682	400
Unused Sick Payment to Terminated/Retired Staff	287,742	33,083	320,825	320,825	-
Other Employee Benefits	266,000	24,702	290,702	249,015	41,687
Total Unallocated Benefits	<u>12,225,864</u>	<u>(784,070)</u>	<u>11,441,794</u>	<u>11,470,342</u>	<u>(28,548)</u>

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

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
TPAF Pension Contribution - Non-Budgeted					
Normal Costs and Accrued Liability (Non-Budget)				\$ 8,207,327	\$ (8,207,327)
NCGI				156,155	(156,155)
Long Term Disability Insurance				3,767	(3,767)
Post Retirement				2,620,985	(2,620,985)
TPAF Social Security Reimbursements (Non-Budgeted)	-	-	-	2,362,235	(2,362,235)
Total On-Behalf TPAF Contributions and Reimbursements	-	-	-	13,350,469	(13,350,469)
Total Undistributed Expenditures	\$ 40,203,709	\$ 47,818	\$ 40,251,527	51,198,925	(10,947,398)
Interest Earned on Maintenance Reserve	3,000	-	3,000	-	3,000
Interest Earned on Current Expense Emergency Reserve	2,000	-	2,000	-	2,000
Total Current Expenditures	72,945,474	667,072	73,612,546	83,971,264	(10,358,718)
CAPITAL OUTLAY					
Equipment					
Instruction					
Grades 1-5		50,064	50,064	50,064	-
Grades 6-8		11,516	11,516		11,516
Grades 9-12		74,466	74,466	71,459	3,007
Undistributed Expenditures					
Admin. Info. Technology		18,354	18,354	31,247	(12,893)
Custodial Services	-	68,862	68,862	59,547	9,315
Total Equipment	-	223,262	223,262	212,317	10,945
Facilities Acquisition and Construction Services					
Assessment for Debt Service on SDA Funding	40,082	-	40,082	40,082	-
Total Facilities Acquisition and Construction Services	40,082	-	40,082	40,082	-
Interest Deposit on Capital Reserve	10,000	-	10,000	-	10,000
Total Capital Outlay	50,082	223,262	273,344	252,399	20,945
SPECIAL SCHOOLS					
Summer School - Instruction					
Salaries of Teachers	112,000	-	112,000	97,907	14,093
Purchased Professional and Technical Services	1,000	-	1,000		1,000
Other Purchased Services	1,000	-	1,000		1,000
General Supplies	8,000	-	8,000	879	7,121
Other Objects	3,000	-	3,000	255	2,745
Total Summer School	125,000	-	125,000	99,041	25,959
Total Special Schools	125,000	-	125,000	99,041	25,959
Total General Fund Expenditures	73,120,556	890,334	74,010,890	84,322,704	(10,311,814)

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

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Excess (Deficiency) of Revenues Over/(Under) Expenditures	\$ (2,465,329)	\$ (1,186,815)	\$ (3,652,144)	\$ 673,892	\$ 4,326,036
Other Financing Sources (Uses)					
Transfers Out - Capital Projects Fund	(2,076,680)	(3,074)	(2,079,754)	(2,079,754)	-
Transfers Out- Special Revenue Fund	(40,000)		(40,000)	(40,000)	-
Transfers Out- Enterprise Funds	-	(25,000)	(25,000)	(25,000)	-
Total Other Financing Sources (Uses)	(2,116,680)	(28,074)	(2,144,754)	(2,144,754)	-
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(4,582,009)	(1,214,889)	(5,796,898)	(1,470,862)	4,326,036
Fund Balance, Beginning of Year	12,114,296	-	12,114,296	12,114,296	-
Fund Balance, End of Year	\$ 7,532,287	\$ (1,214,889)	\$ 6,317,398	\$ 10,643,434	\$ 4,326,036
Recapitulation of Fund Balance					
Restricted Fund Balance					
Capital Reserve				\$ 2,045,060	
Capital Reserve Designated for Subsequent Year's Budget				2,161,045	
Maintenance Reserve				605,850	
Emergency Reserve				302,900	
Excess Surplus Designated for Subsequent Year's Budget				900,669	
Unemployment Compensation				392,430	
Assigned Fund Balance					
Encumbrances				218,203	
Designated for Subsequent Year's Budget				1,078,488	
Unassigned Fund Balance				2,938,789	
Fund Balance - Budgetary Basis				10,643,434	
Reconciliation to Governmental Fund Statements (GAAP)					
2020/21 State Aid Payments Not Recognized on a GAAP Basis				(1,693,791)	
Fund Balance per Governmental Funds (GAAP)				\$ 8,949,643	

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

EXHIBIT C-2

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
State Sources	\$ 354,233	\$ 3,396,055	\$ 3,750,288	\$ 337,668	\$ (3,412,620)
Federal Sources	912,459	796,401	1,708,860	1,424,025	(284,835)
Local Sources	<u>83,898</u>	<u>284,027</u>	<u>367,925</u>	<u>241,693</u>	<u>(126,232)</u>
Total Revenues	<u>1,350,590</u>	<u>4,476,483</u>	<u>5,827,073</u>	<u>2,003,386</u>	<u>(3,823,687)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	151,426	(86,426)	65,000	20,052	44,948
Purchased Prof. and Tech. Svcs.		84,634	84,634	71,406	13,228
Tuition	645,681	121,399	767,080	767,080	-
Purchased Prof & Educ. Svcs		40,000	40,000	40,000	-
Purchased Property Services	74,242	(38,192)	36,050	34,702	1,348
Other Purchased Services		59,702	59,702	15,000	44,702
Supplies and Materials	78,252	357,512	435,764	283,656	152,108
Textbooks	23,522	7,268	30,790	29,042	1,748
Cocurricular Student Activities and Athletics	<u>-</u>	<u>211,276</u>	<u>211,276</u>	<u>211,276</u>	<u>-</u>
Total Instruction	<u>973,123</u>	<u>757,173</u>	<u>1,730,296</u>	<u>1,472,214</u>	<u>258,082</u>
Support Services					
Salaries		31,444	31,444	29,444	2,000
Personnel Services - Employee Benefits		153	153	-	153
Purchased Professional and Tech. Svc.		16,328	16,328	4,226	12,102
Purchased Prof./Educ. Svcs.	240,404	3,451,368	3,691,772	244,447	3,447,325
Purchased Technical Services		27,825	27,825	27,825	-
Cleaning, Repairs and Maintenance		42,970	42,970	42,970	-
Miscellaneous Purchased Services		3,250	3,250		3,250
Other Purchased Services	53,165	89,673	142,838	82,674	60,164
Supplies and Materials		122,053	122,053	102,301	19,752
Other Objects	<u>-</u>	<u>12,093</u>	<u>12,093</u>	<u>12,093</u>	<u>-</u>
Total Support Services	<u>293,569</u>	<u>3,797,157</u>	<u>4,090,726</u>	<u>545,980</u>	<u>3,544,746</u>
Facilities Acquisition and Construction					
Non-Instructional Equipment		6,051	6,051		6,051
Buildings	<u>83,898</u>	<u>(83,898)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Facilities Acquisition and Construction	<u>83,898</u>	<u>(77,847)</u>	<u>6,051</u>	<u>-</u>	<u>6,051</u>
Total Expenditures	<u>1,350,590</u>	<u>4,476,483</u>	<u>5,827,073</u>	<u>2,018,194</u>	<u>3,808,879</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	(14,808)	(14,808)
Transfers In				40,000	40,000
Fund Balances, Beginning of Year (Restated)	<u>460,844</u>	<u>-</u>	<u>460,844</u>	<u>460,844</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 460,844</u>	<u>\$ -</u>	<u>\$ 460,844</u>	<u>\$ 486,036</u>	<u>\$ 25,192</u>

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**TENAFLY BOARD OF EDUCATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

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

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

		General Fund		Special Revenue Fund
Sources/Inflows of Resources				
Actual Revenues - Budgetary Basis	(C-1)	\$ 84,996,596	(C-2)	\$ 2,003,386
Difference - Budget to GAAP				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized				
Encumbrances, June 30, 2021				(43,338)
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements. (2019/2020)		1,265,154		
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements. (2020/2021)		<u>(1,693,791)</u>		<u>-</u>
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	(B-2)	<u>\$ 84,567,959</u>		<u>\$ 1,960,048</u>
Uses/Outflows of Resources				
Actual Expenditures - Budgetary Basis	(C-1)	\$ 84,322,704	(C-2)	\$ 2,018,194
Difference - Budget to GAAP				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.				
Encumbrances, June 30, 2021		<u>-</u>		<u>(43,338)</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	(B-2)	<u>\$ 84,322,704</u>	(B-2)	<u>\$ 1,974,856</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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

Public Employees Retirement System

Last Eight Fiscal Years*

	<u>2021</u>		<u>2020</u>		<u>2019</u>		<u>2018</u>		<u>2017</u>		<u>2016</u>		<u>2015</u>		<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.08285	%	0.08333	%	0.08317	%	0.08413	%	0.08256	%	0.08580	%	0.08392	%	0.08443
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 13,509,994		\$ 15,015,738		\$ 16,375,307		\$ 19,583,200		\$ 24,453,063		\$ 19,260,384		\$ 15,713,292		\$16,137,574
District's Covered Payroll	\$ 5,884,162		\$ 5,868,180		\$ 6,024,699		\$ 5,778,509		\$ 5,690,672		\$ 5,797,000		\$ 5,739,226		\$ 5,752,976
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	230%		256%		272%		339%		430%		332%		274%		281%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%		56.27%		53.60%		48.10%		40.14%		47.93%		52.08%		48.72%

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

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

TENAFLY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees Retirement System

Last Eight Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 906,293	\$ 810,610	\$ 827,250	\$ 779,338	\$ 733,486	\$ 737,650	\$ 691,876	\$ 651,311
Contributions in Relation to the Contractually Required Contribution	<u>906,293</u>	<u>810,610</u>	<u>827,250</u>	<u>779,338</u>	<u>733,486</u>	<u>737,650</u>	<u>691,876</u>	<u>651,311</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 5,953,916	\$ 5,884,162	\$ 5,868,180	\$ 6,024,699	\$ 5,778,509	\$ 5,690,672	\$ 5,797,000	\$ 5,739,226
Contributions as a Percentage of Covered Payroll	15%	14%	14%	13%	13%	13%	12%	11%

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

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

Teachers Pension and Annuity Fund

Last Eight Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%
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>\$ 183,367,234</u>	<u>\$ 176,132,894</u>	<u>\$ 178,760,784</u>	<u>\$ 186,163,953</u>	<u>\$ 220,171,116</u>	<u>\$ 176,706,054</u>	<u>\$ 147,562,376</u>	<u>\$ 141,851,208</u>
Total	<u>\$ 183,367,234</u>	<u>\$ 176,132,894</u>	<u>\$ 178,760,784</u>	<u>\$ 186,163,953</u>	<u>\$ 220,171,116</u>	<u>\$ 176,706,054</u>	<u>\$ 147,562,376</u>	<u>\$ 141,851,208</u>
District's Covered Payroll	\$ 32,765,667	\$ 32,035,603	\$ 30,427,030	\$ 30,259,373	\$ 28,550,820	\$ 28,386,187	\$ 28,042,968	\$ 27,157,331
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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

Change of Benefit Terms: None.

Change of Assumptions: Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 5.

**TENAFLY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY**

Postemployment Health Benefit Plan

Last Four Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service Cost	\$ 4,196,206	\$ 4,040,713	\$ 4,503,077	\$ 5,464,446
Interest on Total OPEB Liability	3,322,485	3,981,243	4,243,760	3,643,389
Differences Between Expected and Actual Experiences	24,949,261	(14,863,961)	(9,791,839)	
Changes of Assumptions	27,250,045	1,371,434	(11,497,384)	(15,235,382)
Gross Benefit Payments	(2,597,100)	(2,823,521)	(2,679,064)	(2,633,940)
Contribution from the Member	<u>78,718</u>	<u>83,697</u>	<u>92,593</u>	<u>96,988</u>
Net Change in Total OPEB Liability	57,199,615	(8,210,395)	(15,128,857)	(8,664,499)
Total OPEB Liability - Beginning	<u>91,980,306</u>	<u>100,190,701</u>	<u>115,319,558</u>	<u>123,984,057</u>
Total OPEB Liability - Ending	<u>\$ 149,179,921</u>	<u>\$ 91,980,306</u>	<u>\$ 100,190,701</u>	<u>\$ 115,319,558</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>149,179,921</u>	<u>91,980,306</u>	<u>100,190,701</u>	<u>115,319,558</u>
Total OPEB Liability - Ending	<u>\$ 149,179,921</u>	<u>\$ 91,980,306</u>	<u>\$ 100,190,701</u>	<u>\$ 115,319,558</u>
District's Covered Payroll	<u>\$ 38,649,829</u>	<u>\$ 37,903,783</u>	<u>\$ 36,451,729</u>	<u>\$ 36,037,882</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%

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

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

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

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

Changes in Benefit Terms:

None.

Changes of Assumptions

Assumptions used in calculating the OPEB liability are presented in Note 5.

SCHOOL LEVEL SCHEDULES

NOT APPLICABLE

SPECIAL REVENUE FUND

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

REVENUES	Scholarships	Student Activities	Carl D. Perkins	IDEA Part B-Basic	Title IV	Title II	Title III	Title III Immigrant	Title I	Other Local Projects	Subtotal Page 2	Total
Intergovernmental												
State											\$ 337,668	\$ 337,668
Federal			\$ 10,870	\$ 813,084	\$ 14,217	\$ 10,136	\$ 115,282	\$ 11,378	\$ 134,172		314,886	1,424,025
Local	\$ 1,366	\$ 207,195	-	-	-	-	-	-	-	\$ 33,132	-	241,693
Total Revenues	1,366	207,195	10,870	813,084	14,217	10,136	115,282	11,378	134,172	33,132	652,554	2,003,386
EXPENDITURES												
Instruction												
Salaries of Teachers									20,052			20,052
Purchased Prof. & Tech. Svcs.			750		7,573		30,583	7,500			25,000	71,406
Purchased Prof. & Educ. Svcs.									40,000			40,000
Tuition				767,080								767,080
Other Purchased Services											15,000	15,000
Purchased Property Services											34,702	34,702
Supplies and Materials			8,259		1,025		49,529	3,878	74,120	33,132	113,713	283,656
Textbooks											29,042	29,042
Cocurricular Student Activities and Athletics	-	211,276	-	-	-	-	-	-	-	-	-	211,276
Total Instruction	-	211,276	9,009	767,080	8,598	-	80,112	11,378	134,172	33,132	217,457	1,472,214
Support Services												
Salaries							29,444					29,444
Purchased Prof. & Tech. Svcs.							4,226					4,226
Purchased Prof.- Educ. Svcs.					1,425	2,160					240,862	244,447
Purchased Technical Services											27,825	27,825
Cleaning Repairs and Maintenance											42,970	42,970
Other Purchased Services				46,004	4,194	7,976	500				24,000	82,674
Supplies and Materials			1,861	-	-	-	1,000				99,440	102,301
Other Miscellaneous - Scholarships	12,093	-	-	-	-	-	-	-	-	-	-	12,093
Total Support Services	12,093	-	1,861	46,004	5,619	10,136	35,170	-	-	-	435,097	545,980
Total Expenditures	12,093	211,276	10,870	813,084	14,217	10,136	115,282	11,378	134,172	33,132	652,554	2,018,194
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,727)	(4,081)	-	-	-	-	-	-	-	-	-	(14,808)
Transfers In		40,000										40,000
Fund Balances, Beginning of Year (Restated)	109,918	350,926	-	-	-	-	-	-	-	-	-	460,844
Fund Balances, End of Year	\$ 99,191	\$ 386,845	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 486,036

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

NOT APPLICABLE

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

<u>School</u>	<u>Balance July 1, 2020</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance, June 30, 2021</u>
ELEMENTARY SCHOOLS	\$ 59,919	\$ 3,307		\$ 63,226
MIDDLE SCHOOL	53,317	41,710	\$ 37,163	57,864
HIGH SCHOOL				
Class Accounts	31,053	71,017	51,532	50,538
Student Organization Accounts	181,168	90,991	67,305	204,854
Athletic Account	25,469	40,170	55,276	10,363
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 350,926</u>	<u>\$ 247,195</u>	<u>\$ 211,276</u>	<u>\$ 386,845</u>

CAPITAL PROJECTS FUND

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>Project Description</u>	<u>Appropriation</u>	<u>Expenditures to Date</u>		<u>Balance June 30, 2021</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Parking Lot Renovations at Central Office	\$ 105,281	\$ 7,533	\$ 96,748	\$ 1,000
Toilet Renovations at Maugham Elementary School	343,574	321,222	22,352	-
Air Conditioning Project- Window Units Installation and Electrical Upgrades	104,800	81,000		23,800
Geissinger Field- Bleachers and Coaches Box	811,800	31,000	777,439	3,361
Mackay Elem. Circle Repaving and Parking Expansion	239,375		194,703	44,672
Mackay Elem. Air Conditioning and Electrical	142,830		88,695	54,135
Maugham Elem. Air Conditioning and Electrical	181,990		88,695	93,295
Smith Elem. Air Conditioning and Electrical	180,670		88,695	91,975
Stillman Elem. Air Conditioning and Electrical	206,080		88,695	117,385
Tenafly Middle School Air Conditioning and Electrical	<u>427,620</u>	<u>-</u>	<u>88,695</u>	<u>338,925</u>
	<u>\$ 2,744,020</u>	<u>\$ 440,755</u>	<u>\$ 1,534,717</u>	<u>\$ 768,548</u>

Recapitulation of Fund Balance:

Restricted for Capital Projects:	
Designated for Capital Projects	\$ 753,313
Year End Encumbrances	<u>15,235</u>
Total Restricted for Capital Projects	<u>\$ 768,548</u>

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Revenues and Other Financing Sources	
Transfer from Capital Reserve	\$ <u>2,079,754</u>
 Total Revenues and Other Financing sources	 <u>2,079,754</u>
 Expenditures and Other Financing Uses	
Architectural / Engineering Services	97,900
Construction Services	<u>1,436,817</u>
 Total Expenditures and Other Financing Uses	 <u>1,534,717</u>
 Excess (Deficiency) of Revenues and Other Financing Sources	
Over (Under) Expenditures and Other Financing Uses	545,037
 Fund Balance, Beginning of Year	 <u>223,511</u>
 Fund Balance, End of Year	 <u><u>\$ 768,548</u></u>

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
PARKING LOT RENOVATIONS AT CENTRAL OFFICE
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 105,281	-	\$ 105,281	\$ 105,281
Total Revenues and Other Financing Sources	<u>105,281</u>	<u>-</u>	<u>105,281</u>	<u>105,281</u>
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	7,533	\$ 10,000	17,533	18,533
Construction Services	-	86,748	86,748	86,748
Total Expenditures and Other Financing Uses	<u>7,533</u>	<u>96,748</u>	<u>104,281</u>	<u>105,281</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ 97,748</u>	<u>\$ (96,748)</u>	<u>\$ 1,000</u>	<u>\$ -</u>

Additional Project Information:

Project Number	5160-X01-19-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ -
Revised Authorized Cost	\$ 105,281
Percentage Completion	99%
Original Target Completion Date	2019/20
Revised Target Completion Date	2020/21

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
TOILET RENOVATIONS AT MAUGHAM ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 340,500	\$ 3,074	\$ 343,574	\$ 343,574
Total Revenues and Other Financing Sources	<u>340,500</u>	<u>3,074</u>	<u>343,574</u>	<u>343,574</u>
EXPENDITURES AND OTHER FINANCING USES				
Purchased Professional and Technical Services	62		62	62
Architectural/Engineering Services	26,410	14,400	40,810	40,810
Construction Services	<u>294,750</u>	<u>7,952</u>	<u>302,702</u>	<u>302,702</u>
Total Expenditures and Other Financing Uses	<u>321,222</u>	<u>22,352</u>	<u>343,574</u>	<u>343,574</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ 19,278</u>	<u>\$ (19,278)</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	5160-090-19-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 37,000
Revised Authorized Cost	\$ 343,574
Percentage Completion	100%
Original Target Completion Date	2019/20
Revised Target Completion Date	2020/21

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
AC PROJECT- WINDOW UNITS INSTALLATION & ELECTRICAL UPGRADES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 104,800	\$ -	\$ 104,800	\$ 104,800
Total Revenues and Other Financing Sources	<u>104,800</u>	<u>-</u>	<u>104,800</u>	<u>104,800</u>
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	<u>81,000</u>	<u>-</u>	<u>81,000</u>	<u>104,800</u>
Total Expenditures and Other Financing Uses	<u>81,000</u>	<u>-</u>	<u>81,000</u>	<u>104,800</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ 23,800</u>	<u>\$ -</u>	<u>\$ 23,800</u>	<u>\$ -</u>

Additional Project Information:

Project Number	1000 /5160-070- 20-1000 /5160- 090-20-1000 /5160-100-20- 1000 /5160-095-
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 104,800
Revised Authorized Cost	\$ 104,800
Percentage Completion	77%
Original Target Completion Date	2019/20
Revised Target Completion Date	2020/21

TENAFLY BOARD OF EDUCATION
 CAPITAL PROJECTS FUND
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
 GEISSINGER FIELD- BLEACHERS & COACHES BOX
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 56,800	\$ 755,000	\$ 811,800	\$ 811,800
Total Revenues and Other Financing Sources	<u>56,800</u>	<u>755,000</u>	<u>811,800</u>	<u>811,800</u>
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	31,000	22,100	53,100	56,461
Construction Services	<u>-</u>	<u>755,339</u>	<u>755,339</u>	<u>755,339</u>
Total Expenditures and Other Financing Uses	<u>31,000</u>	<u>777,439</u>	<u>808,439</u>	<u>811,800</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ 25,800</u>	<u>\$ (22,439)</u>	<u>\$ 3,361</u>	<u>\$ -</u>

Additional Project Information:

Project Number	5160-000-20-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 56,800
Revised Authorized Cost	\$ 811,800
Percentage Completion	100%
Original Target Completion Date	2019/20
Revised Target Completion Date	2020/21

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
MACKAY ELEMENTARY CIRCLE REPAVING AND PARKING EXPANSION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 56,885	\$ 182,490	\$ 239,375	\$ 239,375
Total Revenues and Other Financing Sources	<u>56,885</u>	<u>182,490</u>	<u>239,375</u>	<u>239,375</u>
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	-	28,600	28,600	56,885
Construction Services	-	166,103	166,103	182,490
Total Expenditures and Other Financing Uses	<u>-</u>	<u>194,703</u>	<u>194,703</u>	<u>239,375</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ 56,885</u>	<u>\$ (12,213)</u>	<u>\$ 44,672</u>	<u>\$ -</u>

Additional Project Information:

Project Number	5160-080-20-1001
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 56,885
Revised Authorized Cost	\$ 239,375
Percentage Completion	81%
Original Target Completion Date	2019/20
Revised Target Completion Date	2021/22

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
MACKAY ELEMENTARY AIR CONDITIONING AND ELECTRICAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ -	\$ 142,830	\$ 142,830	\$ 142,830
Total Revenues and Other Financing Sources	-	142,830	142,830	142,830
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	-	4,560	4,560	10,000
Construction Services	-	84,135	84,135	132,830
Total Expenditures and Other Financing Uses	-	88,695	88,695	142,830
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	\$ -	\$ 54,135	\$ 54,135	\$ -

Additional Project Information:

Project Number	5160-080-20-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 142,830
Revised Authorized Cost	\$ 142,830
Percentage Completion	62%
Original Target Completion Date	2020/21
Revised Target Completion Date	2021/22

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
MAUGHAM ELEMENTARY AIR CONDITIONING AND ELECTRICAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from General Fund- Capital Reserve	\$ -	\$ 181,990	\$ 181,990	\$ 181,990
Total Revenues and Other Financing Sources	<u>-</u>	<u>181,990</u>	<u>181,990</u>	<u>181,990</u>
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	-	4,560	4,560	10,000
Construction Services	<u>-</u>	<u>84,135</u>	<u>84,135</u>	<u>171,990</u>
Total Expenditures and Other Financing Uses	<u>-</u>	<u>88,695</u>	<u>88,695</u>	<u>181,990</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ -</u>	<u>\$ 93,295</u>	<u>\$ 93,295</u>	<u>\$ -</u>

Additional Project Information:

Project Number	5160-090-20-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 181,990
Revised Authorized Cost	\$ 181,990
Percentage Completion	49%
Original Target Completion Date	2020/21
Revised Target Completion Date	2021/22

TENAFLY BOARD OF EDUCATION
 CAPITAL PROJECTS FUND
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
 SMITH ELEMENTARY AIR CONDITIONING AND ELECTRICAL
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ -	\$ 180,670	\$ 180,670	\$ 180,670
Total Revenues and Other Financing Sources	-	180,670	180,670	180,670
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	-	4,560	4,560	10,000
Construction Services	-	84,135	84,135	170,670
Total Expenditures and Other Financing Uses	-	88,695	88,695	180,670
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	\$ -	\$ 91,975	\$ 91,975	\$ -

Additional Project Information:

Project Number	5160-070-20-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 180,670
Revised Authorized Cost	\$ 180,670
Percentage Completion	49%
Original Target Completion Date	2020/21
Revised Target Completion Date	2021/22

**TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
STILLMAN ELEMENTARY AIR CONDITIONING AND ELECTRICAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from General Fund- Capital Reserve	\$ -	\$ 206,080	\$ 206,080	\$ 206,080
Total Revenues and Other Financing Sources	-	206,080	206,080	206,080
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	-	4,560	4,560	10,000
Construction Services	-	84,135	84,135	196,080
Total Expenditures and Other Financing Uses	-	88,695	88,695	206,080
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	\$ -	\$ 117,385	\$ 117,385	\$ -

Additional Project Information:

Project Number	5160-100-20-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 206,080
Revised Authorized Cost	\$ 206,080
Percentage Completion	43%
Original Target Completion Date	2020/21
Revised Target Completion Date	2021/22

TENAFLY BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
TENAFLY MIDDLE SCHOOL AIR CONDITIONING AND ELECTRICAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ -	\$ 427,620	\$ 427,620	\$ 427,620
Total Revenues and Other Financing Sources	<u>-</u>	<u>427,620</u>	<u>427,620</u>	<u>427,620</u>
EXPENDITURES AND OTHER FINANCING USES				
Architectural/Engineering Services	-	4,560	4,560	15,000
Construction Services	-	84,135	84,135	412,620
Total Expenditures and Other Financing Uses	<u>-</u>	<u>88,695</u>	<u>88,695</u>	<u>427,620</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures	<u>\$ -</u>	<u>\$ 338,925</u>	<u>\$ 338,925</u>	<u>\$ -</u>

Additional Project Information:

Project Number	5160-095-20-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 427,620
Revised Authorized Cost	\$ 427,620
Percentage Completion	21%
Original Target Completion Date	2020/21
Revised Target Completion Date	2021/22

ENTERPRISE FUNDS

EXHIBIT G-1

**TENAFLY BOARD OF EDUCATION
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

EXHIBIT G-2

**COMBINING STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

EXHIBIT G-3

**COMBINING STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

TENAFLY BOARD OF EDUCATION
 SCHEDULE OF BONDS PAYABLE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2020</u>	<u>Retired</u>	<u>Balance, June 30, 2021</u>
			<u>Date</u>	<u>Amount</u>				
Refunding School Bonds	9/20/2012	\$ 21,690,000	7/15/2021	\$ 1,015,000	5.000			
			7/15/2022	1,095,000	5.000			
			7/15/2023	1,200,000	5.000			
			7/15/2024	1,300,000	5.000			
			7/15/2025	1,395,000	4.500			
			7/15/2026	2,165,000	4.000			
			7/15/2027	2,235,000	4.000			
			7/15/2028	2,290,000	3.000			
			7/15/2029	570,000	3.000			
			7/15/2029	1,805,000	3.750			
			7/15/2030	2,430,000	4.000			
						\$ 18,440,000	\$ 940,000	\$ 17,500,000
Refunding School Bonds	6/11/2015	5,715,000	4/1/2022	280,000	4.000			
			4/1/2023	300,000	3.000			
			4/1/2024	310,000	3.000			
			4/1/2025	330,000	3.000			
			4/1/2026	350,000	3.000			
			4/1/2027	560,000	3.000			
			4/1/2028	595,000	3.000			
			4/1/2029	635,000	3.000			
			4/1/2030	650,000	3.000			
			4/1/2031	690,000	3.000			
Refunding School Bonds	1/29/2016	\$ 7,090,000	4/1/2022	695,000	1.790			
			4/1/2023	675,000	1.790			
			4/1/2024	655,000	1.790			
			4/1/2025	630,000	1.790			
			4/1/2026	610,000	1.790			
						<u>3,985,000</u>	<u>720,000</u>	<u>3,265,000</u>
						<u>\$ 27,375,000</u>	<u>\$ 1,910,000</u>	<u>\$ 25,465,000</u>

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TENAFLY BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER LEASE PURCHASE AGREEMENTS
FOR THE FISCAL YEAR JUNE 30, 2021

<u>Series</u>	<u>Amount of Original Issue</u>	<u>Balance, July 1, 2020</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2021</u>
Digital Desktop - Licensed Software and Services	<u>\$ 1,266,281</u>	<u>\$ 1,266,281</u>	<u>\$ -</u>	<u>\$ 253,256</u>	<u>\$ 1,013,025</u>

TENAFLY BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 2,456,028		\$ 2,456,028	\$ 2,456,028	
State Source					
State Aid	393,412		393,412	393,412	
Total Revenues	<u>2,849,440</u>	<u>-</u>	<u>2,849,440</u>	<u>2,849,440</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Redemption of Principal	1,910,000	-	1,910,000	1,910,000	
Interest	<u>939,594</u>	<u>-</u>	<u>939,594</u>	<u>939,594</u>	<u>-</u>
Total Expenditures	<u>2,849,594</u>	<u>-</u>	<u>2,849,594</u>	<u>2,849,594</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(154)	-	(154)	(154)	-
Fund Balance, Beginning of Year	<u>156</u>	<u>-</u>	<u>156</u>	<u>156</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ -</u>

Recapitulation of Fund Balance:

Restricted for Debt Service:
Designated for Subsequent Year's Budget (2021/2022) \$ 2

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

J-16 to J-20

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

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

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Investment in Capital Assets	\$ 4,505,354	\$ 4,152,656	\$ 7,441,887	\$ 8,346,793	\$ 10,584,155	\$ 15,807,868	\$ 15,349,943	\$ 17,214,953	\$ 18,493,143	\$ 20,140,074
Restricted	999,117	1,670,618	3,824,241	5,536,492	4,675,373	4,102,698	4,771,369	5,036,700	7,500,633	6,761,871
Unrestricted	<u>2,761,743</u>	<u>3,481,958</u>	<u>(13,505,241)</u>	<u>(16,178,727)</u>	<u>(15,618,732)</u>	<u>(16,836,620)</u>	<u>(17,311,720)</u>	<u>(17,211,977)</u>	<u>(18,240,671)</u>	<u>(17,282,837)</u>
Total Governmental Activities Net Position	\$ 8,266,214	\$ 9,305,232	\$ (2,239,113)	\$ (2,295,442)	\$ (359,204)	\$ 3,073,946	\$ 2,809,592	\$ 5,039,676	\$ 7,753,105	\$ 9,619,108
Business-Type Activities										
Investment in Capital Assets	\$ 37,093	\$ 40,668	\$ 43,996	\$ 42,195	\$ 38,602	\$ 55,670	\$ 93,190	\$ 87,670	\$ 97,025	\$ 85,485
Unrestricted	<u>467,329</u>	<u>493,608</u>	<u>426,293</u>	<u>421,955</u>	<u>400,476</u>	<u>351,472</u>	<u>285,182</u>	<u>348,899</u>	<u>212,497</u>	<u>124,754</u>
Total Business-Type Activities Net Position	\$ 504,422	\$ 534,276	\$ 470,289	\$ 464,150	\$ 439,078	\$ 407,142	\$ 378,372	\$ 436,569	\$ 309,522	\$ 210,239
District-Wide										
Investment in Capital Assets	\$ 4,542,447	\$ 4,193,324	\$ 7,485,883	\$ 8,388,988	\$ 10,622,757	\$ 15,863,538	\$ 15,443,133	\$ 17,302,623	\$ 18,590,168	\$ 20,225,559
Restricted	999,117	1,670,618	3,824,241	5,536,492	4,675,373	4,102,698	4,771,369	5,036,700	7,500,633	6,761,871
Unrestricted	<u>3,229,072</u>	<u>3,975,566</u>	<u>(13,078,948)</u>	<u>(15,756,772)</u>	<u>(15,218,256)</u>	<u>(16,485,148)</u>	<u>(17,026,538)</u>	<u>(16,863,078)</u>	<u>(18,028,174)</u>	<u>(17,158,083)</u>
Total District Net Position	\$ 8,770,636	\$ 9,839,508	\$ (1,768,824)	\$ (1,831,292)	\$ 79,874	\$ 3,481,088	\$ 3,187,964	\$ 5,476,245	\$ 8,062,627	\$ 9,829,347

Note 1 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions".
 Note 2 - Net position at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities".

Source: District's financial statements

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

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 28,034,634	\$ 29,612,216	\$ 29,657,538	\$ 35,358,704	\$ 37,467,586	\$ 41,889,707	\$ 42,091,248	\$ 38,834,411	\$ 38,435,042	\$ 43,762,006
Special Education	8,822,053	8,958,381	9,341,120	10,259,084	11,145,085	12,141,526	12,590,425	14,133,496	13,929,669	15,385,373
Other Instruction	1,942,642	2,135,580	2,083,253	2,382,084	2,666,858	3,083,645	3,321,720	3,048,403	3,054,817	3,204,122
School Sponsored Activities And Athletics	1,232,990	1,263,021	1,305,116	1,605,092	1,800,560	2,015,311	2,087,955	1,936,665	1,890,832	2,093,869
Other Instructional Programs	8,694	7,741	7,091	30,770	37,539	48,487	43,806	199,623	250,422	346,493
Support Services:										
Student & Instruction Related Services	7,594,498	8,722,193	9,466,929	11,412,708	12,814,119	12,910,400	14,088,044	11,773,011	11,550,106	12,383,616
General Administration	1,082,148	1,190,942	1,366,283	1,006,071	977,527	979,519	1,097,035	1,066,259	1,099,881	1,231,107
School Administrative Services	4,631,725	4,969,181	4,408,156	5,101,918	5,228,684	5,792,404	6,069,970	5,440,821	4,894,104	5,153,904
Plant Operations And Maintenance	5,507,613	7,513,429	6,713,229	6,668,670	6,833,786	7,035,256	7,723,842	7,523,497	7,514,642	7,811,648
Pupil Transportation	1,112,729	1,049,857	995,730	1,204,927	1,282,758	1,304,784	1,379,792	1,486,506	1,518,070	1,452,829
Other Support Services	1,326,849	1,132,397	1,611,780	1,815,707	1,963,307	2,341,269	2,182,543	2,204,265	3,236,651	2,194,609
Interest and Other Charges On Long-Term Debt	1,768,513	1,433,612	1,538,470	1,525,790	1,289,116	1,231,175	1,174,565	1,116,301	1,052,591	985,019
Total Governmental Activities Expenses	63,065,088	67,988,550	68,494,695	78,371,525	83,506,925	90,773,483	93,850,945	88,763,258	88,426,827	96,004,595
Business-Type Activities:										
Food Service	680,768	705,738	722,465	687,143	692,228	700,170	630,638	793,266	567,651	76,679
Child Care	309,747	282,243	396,282	329,221	357,217	438,450	433,708	390,287	453,317	56,316
Tiger Tots	-	-	-	-	-	134,258	140,376	142,355	172,266	-
Total Business-Type Activities Expense	990,515	987,981	1,118,747	1,016,364	1,049,445	1,272,878	1,204,722	1,325,908	1,193,234	132,995
Total District Expenses	\$ 64,055,603	\$ 68,976,531	\$ 69,613,442	\$ 79,387,889	\$ 84,556,370	\$ 92,046,361	\$ 95,055,667	\$ 90,089,166	\$ 89,620,061	\$ 96,137,590
Program Revenues										
Governmental Activities:										
Charges For Services:										
Instruction	\$ 1,043,013	\$ 1,116,602	\$ 1,161,307	\$ 1,202,117	\$ 1,458,902	\$ 1,154,999	\$ 1,202,529	\$ 976,934	\$ 833,072	\$ 725,104
School Sponsored Activities and Athletics	123,831	96,356	82,583	-	-	-	-	148,290	126,264	207,195
Student & Instruction Related Services	-	-	-	-	-	-	-	-	-	1,366
Plant Operations and Maintenance	-	-	-	-	-	-	-	157,170	85,545	-
Operating Grants And Contributions	8,247,539	9,443,278	8,588,388	16,083,705	19,418,155	25,455,999	26,847,935	22,353,568	20,764,881	27,432,059
Capital Grants And Contributions	456,799	380,735	913,675	497,375	584,147	1,155,461	246,762	290,675	250,488	243,342
Total Governmental Activities Program Revenues	9,871,202	11,036,971	10,745,953	17,783,197	21,461,204	27,766,459	28,297,226	23,926,637	22,060,250	28,609,066
Business-Type Activities:										
Charges For Services:										
Food Service	605,928	594,204	627,312	648,766	669,219	677,739	584,056	773,680	505,489	6,465
Child Care	319,359	341,454	325,690	360,960	354,835	372,286	416,002	460,997	301,186	2,209
Tiger Tots	-	-	-	-	-	137,900	143,775	148,390	118,407	-
Operating Grants And Contributions	77,381	71,871	89,319	-	-	-	-	-	-	-
Total Business Type Activities Program Revenues	1,002,668	1,007,529	1,042,321	1,009,726	1,024,054	1,187,925	1,143,833	1,383,067	925,082	8,674
Total District Program Revenues	\$ 10,873,870	\$ 12,044,500	\$ 11,788,274	\$ 18,792,923	\$ 22,485,258	\$ 28,954,384	\$ 29,441,059	\$ 25,309,704	\$ 22,985,332	\$ 28,617,740
Net (Expense)/Revenue										
Governmental Activities	\$ (53,193,886)	\$ (56,951,579)	\$ (57,748,742)	\$ (60,588,328)	\$ (62,045,721)	\$ (63,007,024)	\$ (63,533,719)	\$ (64,836,621)	\$ (66,366,577)	\$ (67,395,529)
Business-Type Activities	12,153	19,548	(76,426)	(6,638)	(25,391)	(84,953)	(60,889)	57,159	(268,152)	(124,321)
Total District-Wide Net Expense	\$ (53,181,733)	\$ (56,932,031)	\$ (57,825,168)	\$ (60,594,966)	\$ (62,071,112)	\$ (63,091,977)	\$ (63,600,608)	\$ (64,779,462)	\$ (66,634,729)	\$ (67,519,850)

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

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	\$ 56,805,637	\$ 57,887,796	\$ 58,953,614	\$ 59,990,128	\$ 61,707,367	\$ 63,737,435	\$ 64,871,921	\$ 66,570,472	\$ 67,859,661	\$ 68,736,695
Investment Earnings	39,467	44,604	43,477	32,565	33,236	33,079	165,454	225,549	189,791	26,852
Miscellaneous Income	331,972	309,110	596,176	509,306	638,766	332,224	283,428	270,684	188,480	376,980
Transfers	-	-	-	-	-	(40,092)	(31,438)	-	(140,783)	(25,000)
Total Governmental Activities	57,177,076	58,241,510	59,593,267	60,531,999	62,379,369	64,062,646	65,289,365	67,066,705	68,097,149	69,115,527
Business-Type Activities:										
Investment Earnings	493	606	657	499	319	285	681	1,038	322	38
Transfers	-	-	-	-	-	40,092	31,438	-	140,783	25,000
Total Business-Type Activities	493	606	657	499	319	40,377	32,119	1,038	141,105	25,038
Total District-Wide	\$ 57,177,569	\$ 58,242,116	\$ 59,593,924	\$ 60,532,498	\$ 62,379,688	\$ 64,103,023	\$ 65,321,484	\$ 67,067,743	\$ 68,238,254	\$ 69,140,565
Change in Net Position										
Governmental Activities	\$ 3,983,190	\$ 1,289,931	\$ 1,844,525	\$ (56,329)	\$ 333,648	\$ 1,055,622	\$ (264,354)	\$ 2,230,084	\$ 1,730,572	\$ 1,719,998
Business-Type Activities	12,646	20,154	(75,769)	(6,139)	(25,072)	(44,576)	(28,770)	58,197	(127,047)	(99,283)
Total District Wide	\$ 3,995,836	\$ 1,310,085	\$ 1,768,756	\$ (62,468)	\$ 308,576	\$ 1,011,046	\$ (293,124)	\$ 2,288,281	\$ 1,603,525	\$ 1,620,715

Sources: District's financial statements

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

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Restricted	\$ 4,775,177	\$ 4,732,304	\$ 5,215,987	\$ 5,183,117	\$ 4,255,257	\$ 6,376,707	\$ 6,736,790	\$ 6,833,410	\$ 8,687,184	\$ 6,407,954
Committed	558,440	489,500								
Assigned	322,225	749,275	1,641,275	1,571,610	1,556,814	1,245,526	1,167,435	1,305,715	972,141	1,296,691
Unassigned	577,090	1,087,841	1,126,026	1,144,340	1,208,586	1,181,815	1,221,046	1,239,877	1,189,817	1,244,998
Total General Fund	<u>\$ 6,232,932</u>	<u>\$ 7,058,920</u>	<u>\$ 7,983,288</u>	<u>\$ 7,899,067</u>	<u>\$ 7,020,657</u>	<u>\$ 8,804,048</u>	<u>\$ 9,125,271</u>	<u>\$ 9,379,002</u>	<u>\$ 10,849,142</u>	<u>\$ 8,949,643</u>
All Other Governmental Funds										
Restricted	\$ 17,321	\$ 77,473	\$ 537,435	\$ 2,269,051	\$ 2,598,479	\$ 246,861	\$ 222,699	\$ 72,529	\$ 684,511	\$ 1,254,586
Committed										
Assigned										
Unassigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 17,321</u>	<u>\$ 77,473</u>	<u>\$ 537,435</u>	<u>\$ 2,269,051</u>	<u>\$ 2,598,479</u>	<u>\$ 246,861</u>	<u>\$ 222,699</u>	<u>\$ 72,529</u>	<u>\$ 684,511</u>	<u>\$ 1,254,586</u>

Note 1 -Fund Balances in the General and Special Revenue Funds at June 30, 2020 are restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities".

Source: District's financial statements

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

	Fiscal Year Ended June 30,										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
Revenues											
Property Tax Levy	\$ 56,805,637	\$ 57,887,796	\$ 58,953,614	\$ 59,990,128	\$ 61,707,367	\$ 63,737,435	\$ 64,871,921	\$ 66,570,472	\$ 67,859,661	\$ 68,736,695	
Tuition Charges	869,043	936,982	1,011,177	1,030,447	1,050,511	994,660	979,918	779,296	723,362	725,104	
Interest Earnings	39,467	44,604	43,477	32,565	33,236	33,079	165,454	225,549	189,791	26,852	
Miscellaneous	693,940	695,047	1,435,641	962,870	695,865	522,820	515,354	808,768	545,116	610,092	
State Sources	7,633,612	8,880,214	7,981,206	8,941,717	10,530,252	11,983,296	12,387,774	14,474,751	15,131,207	17,856,415	
Federal Sources	930,373	833,838	836,196	900,736	1,027,981	1,157,601	1,236,773	1,035,289	1,035,393	1,422,289	
Total Revenue	66,972,072	69,278,481	70,261,311	71,858,463	75,045,212	78,428,891	80,157,194	83,894,125	85,484,530	89,377,447	
Expenditures											
Instruction											
Regular Instruction	27,374,992	29,109,156	28,969,431	30,191,190	30,908,379	32,285,717	33,432,534	33,748,213	34,669,799	38,765,010	
Special Education Instruction	8,725,095	8,938,253	9,264,156	9,344,858	9,892,994	10,221,343	10,855,643	12,932,230	13,079,900	14,235,842	
Other Instruction	1,946,674	2,151,728	2,079,479	2,062,903	2,231,195	2,409,362	2,639,951	2,699,486	2,784,085	2,869,137	
School Sponsored Activities and Athletics	1,232,990	1,238,272	1,280,354	1,396,868	1,522,592	1,599,890	1,704,161	1,721,361	1,730,618	1,894,474	
Other Instructional Programs	8,694	7,741	7,091	8,780	7,832	7,195	5,094	176,349	233,132	312,509	
Community Services											
Support Services											
Student and Inst. Related Services	7,540,515	8,669,666	9,429,992	11,601,075	12,354,942	11,387,820	12,260,783	11,240,210	11,424,242	11,936,930	
General Administration	1,078,885	1,038,465	1,342,109	981,112	941,810	916,355	1,020,947	988,558	1,048,740	1,162,060	
School Administrative Services	4,877,185	5,084,880	4,399,746	4,794,942	4,749,411	4,911,583	5,182,515	5,025,532	4,699,168	4,803,132	
Plant Operations And Maintenance	5,478,121	6,050,483	5,227,826	5,176,949	5,539,325	5,510,818	5,695,282	5,758,169	6,173,484	6,310,899	
Pupil Transportation	1,099,061	1,035,544	972,930	1,182,039	1,263,571	1,284,271	1,352,454	1,460,833	1,497,429	1,431,535	
Other Support Services	1,294,966	1,187,742	1,608,650	1,780,810	1,859,646	1,955,867	1,959,463	2,095,761	3,214,780	2,104,044	
Capital Outlay	404,705	978,814	1,388,169	1,879,879	957,268	3,109,171	351,777	2,565,405	1,565,890	1,753,449	
Debt Service											
Payments to Refunding Escrow Agent		2,653,896	-	387,734							
Cost of Issuance of Refunding of Bonds		187,386	-	99,457	33,000						
Principal	2,304,055	1,430,000	1,385,000	1,435,000	2,150,268	2,193,004	2,256,180	2,319,396	2,387,652	2,163,256	
Interest and Other Charges	1,766,497	1,471,597	1,522,048	1,466,163	1,214,961	1,164,630	1,112,624	1,059,061	1,001,844	939,594	
Total Expenditures	65,132,435	71,233,623	68,876,981	73,789,759	75,627,194	78,957,026	79,829,408	83,790,564	85,510,763	90,681,871	
Excess (Deficiency) of Revenues											
Over (Under) Expenditures	1,839,637	(1,955,142)	1,384,330	(1,931,296)	(581,982)	(528,135)	327,786	103,561	(26,233)	(1,304,424)	
Other Financing Sources (Uses)											
Proceeds From Borrowing											
Capital Leases / Lease Purchase Proceeds (Non-Budgeted)				3,091,500						1,266,281	
Proceeds From Refunding		21,690,000		5,715,000	7,090,000						
Payments To Escrow Agent		(21,264,000)		(5,366,000)	(7,057,000)						
Premium on Refunding Bonds		2,415,282		138,191							
Transfers In			124,937	2,451,361		1,388,348	629,641	3,186,660	1,535,062	2,119,754	
Transfers Out	-	-	(124,937)	(2,451,361)	-	(1,428,440)	(660,366)	(3,186,660)	(1,675,845)	(2,144,754)	
Total Other Financing Sources (Uses)	-	2,841,282	-	3,578,691	33,000	(40,092)	(30,725)	-	1,125,498	(25,000)	
Net Change in Fund Balances	\$ 1,839,637	\$ 886,140	\$ 1,384,330	\$ 1,647,395	\$ (548,982)	\$ (568,227)	\$ 297,061	\$ 103,561	\$ 1,099,265	\$ (1,329,424)	
Debt Service as a Percentage of											
Noncapital Expenditures	6.29%	4.13%	4.31%	4.03%	4.51%	4.43%	4.24%	4.16%	4.04%	3.49%	

* Noncapital expenditures are total expenditures less capital outlay.

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

Fiscal Year Ended June 30	<u>Tuition</u>	<u>Summer School Fees</u>	<u>Interest on Deposits</u>	<u>Extracurricular Activities Fees</u>	<u>Solar Panel Project Escrow</u>	<u>Miscellaneous</u>	<u>Total</u>
2012	\$ 869,043	\$ 173,970	\$ 39,467	\$ 123,831		\$ 331,972	\$ 1,538,283
2013	936,982	179,620	44,503	96,356		309,110	1,566,571
2014	1,011,177	150,130	43,477	82,583	\$ 152,000	444,176	1,883,543
2015	1,030,447	143,670	32,565	35,500		473,806	1,715,988
2016	1,050,511	161,701	33,236	43,437		446,517	1,735,402
2017	994,660	157,125	33,079	7,172		325,052	1,517,088
2018	979,918	175,830	165,454	7,615		318,443	1,647,260
2019	779,296	197,638	225,549	148,290		427,854	1,778,627
2020	723,362	109,710	189,791	126,264		274,025	1,423,152
2021	725,104		26,852			376,980	1,128,936

TENAFLY BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUATION OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Valuation	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Valuation	Total Direct School Tax Rate ^a
2012	\$ 35,379,100	\$ 3,521,404,100	\$ 231,623,200	\$ 11,905,100	\$ 36,741,000	\$ 3,837,052,500	\$ 1,340,485	\$ 3,838,392,985	\$ 4,090,505,003	\$ 1.495
2013	32,146,300	3,537,322,000	232,377,500	11,905,100	36,741,000	3,850,491,900	1,272,258	3,851,764,158	4,103,014,129	1.517
2014	34,048,000	3,549,449,900	231,976,200	10,462,000	36,741,000	3,862,677,100	920,920	3,863,598,020	4,348,838,200	1.539
2015	41,311,500	3,563,099,200	229,885,000	10,462,000	36,741,000	3,881,498,700	920,647	3,882,419,347	4,253,872,872	1.567
2016	43,105,700	3,588,686,800	241,749,500	10,462,000	36,741,000	3,920,745,000		3,920,745,000	4,435,733,680	1.600
2017	44,750,300	3,617,030,300	240,984,300	10,462,000	36,741,000	3,949,967,900		3,949,967,900	4,516,313,629	1.628
2018	45,288,300	3,658,491,300	240,386,300	10,462,000	36,741,000	3,991,368,900		3,991,368,900	4,570,330,078	1.647
2019	48,584,100	3,675,015,500	237,100,200	10,462,000	36,660,500	4,007,822,300		4,007,822,300	4,694,527,300	1.678
2020	49,306,000	3,676,744,800	236,376,700	10,462,000	36,660,500	4,009,550,000		4,009,550,000	4,748,365,079	1.704
2021	35,761,800	3,713,630,100	234,031,600	10,462,000	36,660,500	4,030,546,000		4,030,546,000	4,688,125,246	1.728

Source: County Abstract of Ratables

^a Tax rates are per \$100

Note- Beginning in calendar year 2016, public utilities are no longer taxed in accordance with NJ state legislation

**TENAFLY BOARD OF EDUCATION
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
PER \$100 OF ASSESSED VALUATION
LAST TEN YEARS
(Unaudited)**

Calendar Year	<u>Total</u>	<u>Local School District</u>	<u>Municipality</u> (1)	<u>County</u>	<u>County Open Space</u>
2012	\$ 2.297	\$ 1.495	\$ 0.569	\$ 0.230	\$ 0.003
2013	2.332	1.517	0.571	0.241	0.003
2014	2.373	1.539	0.580	0.251	0.003
2015	2.418	1.567	0.588	0.260	0.003
2016	2.473	1.600	0.595	0.275	0.003
2017	2.523	1.628	0.605	0.279	0.011
2018	2.532	1.647	0.605	0.269	0.011
2019	2.572	1.678	0.609	0.274	0.011
2020	2.618	1.704	0.621	0.281	0.012
2021	2.657	1.728	0.638	0.279	0.012

(1) Includes Municipal Open Space Tax and Library Tax

Source: Tax Duplicate, Borough of Tenafly

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

Taxpayer	2021		2012	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Marlborough Co-Op Corporation	\$ 19,250,000	0.48%	\$ 22,510,300	0.59%
Clinton Lodging, LLC			9,747,700	0.25%
Knickerbocker Country Club	8,227,200	0.20%	8,000,000	0.21%
Tenaflly Shopping Center LP	7,209,400	0.18%	7,209,400	0.19%
Quirk Properties Tenaflly, LLC	6,696,400	0.17%	6,696,400	0.17%
Stonegarth Equities, LLC			6,524,200	0.17%
Knickerbocker Country Club Individual Taxpayer			4,552,500	0.12%
TRC Property LLC	4,485,600	0.11%	4,506,800	0.12%
County Manor Realty			4,485,600	0.12%
A.S.D.D.J LLC	11,830,100	0.29%	4,215,500	0.11%
145 Dean Drive LLC	9,747,700	0.24%		
30 Engle Street-Tenaflly Realty	6,524,200	0.16%		
Individual Taxpayer	4,653,100	0.12%		
Individual Taxpayer	3,997,800	0.10%		
	<u>\$ 82,621,500</u>	<u>2.05%</u>	<u>\$ 78,448,400</u>	<u>2.04%</u>

Source: Municipal Tax Assessor

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

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2012	\$ 56,805,637	\$ 56,805,637	100.00%	N/A
2013	57,887,796	57,887,796	100.00%	N/A
2014	58,953,614	58,953,614	100.00%	N/A
2015	59,990,128	59,990,128	100.00%	N/A
2016	61,707,367	61,707,367	100.00%	N/A
2017	63,737,435	63,737,435	100.00%	N/A
2018	64,871,921	64,871,921	100.00%	N/A
2019	66,570,472	66,570,472	100.00%	N/A
2020	67,859,661	67,859,661	100.00%	N/A
2021	68,736,695	68,736,695	100.00%	N/A

N/A = Not Applicable

Source: District records.

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

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income	Population	Per Capita
	General Obligation Bonds	Capital Lease/Lease Purchase Agreements				
2012	\$ 39,260,000	-	\$ 39,260,000	0.17%	14,639	\$ 2,682
2013	38,256,000	-	38,256,000	0.18%	14,703	2,602
2014	36,871,000		36,871,000	0.19%	14,728	2,503
2015	35,785,000	\$ 2,721,500	38,506,500	0.18%	14,733	2,614
2016	34,360,000	2,171,232	36,531,232	0.20%	14,714	2,483
2017	32,705,000	1,633,228	34,338,228	0.21%	14,688	2,338
2018	30,990,000	1,092,048	32,082,048	0.23%	14,662	2,188
2019	29,215,000	547,652	29,762,652	0.25%	14,585	2,041
2020	27,375,000	1,266,281	28,641,281	0.26%	14,454	1,982
2021	25,465,000	1,013,025	26,478,025	0.28%	14,304	1,851

Source: District records

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

Fiscal Year Ended June 30,	<u>General Bonded Debt Outstanding</u>		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Valuation of Property	Per Capita
	General Obligation Bonds	Deductions			
2012	\$ 39,260,000		\$ 39,260,000	1.02	\$ 2,682
2013	38,256,000		38,256,000	0.99	2,602
2014	36,871,000		36,871,000	0.95	2,503
2015	35,785,000		35,785,000	0.92	2,429
2016	34,360,000		34,360,000	0.88	2,335
2017	32,705,000		32,705,000	0.83	2,227
2018	30,990,000		30,990,000	0.78	2,114
2019	29,215,000		29,215,000	0.73	2,003
2020	27,375,000		27,375,000	0.68	1,894
2021	25,465,000		25,465,000	0.63	1,780

Source: District records

**TENAFLY BOARD OF EDUCATION
COMPUTATION OF DIRECT AND OVERLAPPING OUTSTANDING BONDED DEBT
FOR THE YEAR ENDED DECEMBER 31, 2020
(Unaudited)**

	<u>Net Debt</u>
Tenafly Board of Education (June 30, 2021)	\$ 25,465,000
Municipal Debt: (1)	
Borough of Tenafly	24,475,583
	49,940,583
Overlapping Debt Apportioned to the Municipality:	
Bergen County: (2) and (3)	
County of Bergen (A)	38,761,484
Bergen County Utilities Authority - Water Pollution (B)	2,823,692
	41,585,176
 Total Direct and Overlapping Debt	 \$ 91,525,759

(A) The debt for this entity was apportioned to the Borough of Tenafly by dividing the Municipality's 2020 equalized value by the total 2020 equalized value for Bergen County.

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

Sources:

- (1) Borough of Tenafly Annual Debt Statement
- (2) BCUA 2020 audit
- (3) Bergen County Debt Statement December 31, 2020

TENAFLY BOARD OF EDUCATION
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30.									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 166,051,265	\$ 164,148,939	\$ 164,565,255	\$ 166,512,867	\$ 170,655,054	\$ 175,071,218	\$ 178,946,581	\$ 181,432,587	\$ 184,442,075	\$ 186,308,716
Total Net Debt Applicable to Limit	<u>39,260,000</u>	<u>38,256,000</u>	<u>36,871,000</u>	<u>35,785,000</u>	<u>34,360,000</u>	<u>32,705,000</u>	<u>30,990,000</u>	<u>29,215,000</u>	<u>27,375,000</u>	<u>25,465,000</u>
Legal Debt Margin	<u>\$ 126,791,265</u>	<u>\$ 125,892,939</u>	<u>\$ 127,694,255</u>	<u>\$ 130,727,867</u>	<u>\$ 136,295,054</u>	<u>\$ 142,366,218</u>	<u>\$ 147,956,581</u>	<u>\$ 152,217,587</u>	<u>\$ 157,067,075</u>	<u>\$ 160,843,716</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	23.64%	23.31%	22.41%	21.49%	20.13%	18.68%	17.32%	16.10%	14.84%	13.67%

Legal Debt Margin Calculation for Fiscal Year 2021

	Equalized Valuation Basis
	2018 \$ 4,577,782,888
	2019 4,739,059,123
	2020 <u>4,656,311,694</u>
	<u>\$ 13,973,153,705</u>
Average Equalized Valuation of Taxable Property	<u>\$ 4,657,717,902</u>
Debt Limit (4 % of Average Equalization Value)	\$ 186,308,716
Total Net Debt Applicable to Limit	<u>25,465,000</u>
Legal Debt Margin	<u>\$ 160,843,716</u>

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

**TENAFLY BOARD OF EDUCATION
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
(Unaudited)**

<u>Year Ended December 31,</u>	<u>Unemployment Rate</u>	<u>Per Capita Income(1)</u>	<u>Population(2)</u>
2011	7.8	\$ 69,056	14,639
2012	8.0	72,164	14,703
2013	7.3	71,699	14,728
2014	4.0	74,480	14,733
2015	3.4	77,767	14,714
2016	3.1	79,407	14,688
2017	2.9	81,676	14,662
2018	2.5	86,404	14,585
2019	2.4	89,456	14,454
2020	6.8	89,456 (E)	14,304

Source: New Jersey Department of Labor
United States Bureau of Census
School District Records

- (E) Estimated
- (1) County of Bergen
- (2) Estimated

TENAFLY BOARD OF EDUCATION
 PRINCIPAL EMPLOYERS,
 CURRENT YEAR AND TEN YEARS AGO
 (Unaudited)

<u>Employer</u>	<u>2021</u>		<u>2012</u>	
	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION NOT AVAILABLE

TENAFLY BOARD OF EDUCATION
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (Unaudited)

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Instruction										
Regular	174.70	177.30	177.90	179.50	179.30	186.20	212.70	260.20	264.00	266.00
Special Education	34.80	37.00	39.30	40.30	43.70	47.20	43.40	42.00	48.00	57.00
Other Special Education	18.20	19.20	19.60	19.80	20.30	25.40				
Other Instruction	103.40	101.60	101.00	100.70	105.00	91.70	3.00	3.00	3.00	3.00
Support Services:										
Student and Instruction Related Services	76.10	73.78	86.00	103.30	106.40	103.80	206.60	183.00	183.00	181.00
General Administration	37.50	38.50	39.00	41.00	41.00	34.00	25.00	22.00	20.00	23.00
School Administrative Services	24.20	25.20	25.40	25.40	25.40	29.00	23.00	22.50	19.00	19.00
Other Administrative Services							15.50	15.00	15.00	15.50
Plant Operations And Maintenance	<u>36.00</u>	<u>36.00</u>	<u>36.00</u>	<u>36.00</u>	<u>36.00</u>	<u>36.00</u>	<u>38.00</u>	<u>39.00</u>	<u>39.00</u>	<u>37.50</u>
Total	<u><u>504.90</u></u>	<u><u>508.58</u></u>	<u><u>524.20</u></u>	<u><u>546.00</u></u>	<u><u>557.10</u></u>	<u><u>553.30</u></u>	<u><u>567.20</u></u>	<u><u>586.70</u></u>	<u><u>591.00</u></u>	<u><u>602.00</u></u>

Source: District Personnel Records

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

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2012	3,584	\$ 60,657,178	\$ 16,924	0.89%	276.60	21.20	21.9	19.6	3,619	3,491.80	0.71%	96.49%
2013	3,604	64,511,930	17,900	5.76%	278.90	21.50	20.4	18.7	3,612	3,479.00	-0.19%	96.32%
2014	3,587	64,581,764	18,004	0.58%	278.90	21.60	20.6	18.0	3,592	3,508.91	-0.55%	97.69%
2015	3,535	68,151,529	19,279	7.08%	280.20	21.80	20	17.6	3,610	3,484.93	0.50%	96.54%
2016	3,598	71,271,697	19,809	2.75%	284.30	22.00	17	17.8	3,607	3,479.94	-0.08%	96.48%
2017	3,567	72,490,221	20,322	2.59%	277.90	21.75	17.8	19.5	3,633	3,491.38	0.72%	96.10%
2018	3,677	76,113,960	20,700	1.86%	288.00	14.80	10.1	13.3	3,685	3,548.74	1.43%	96.30%
2019	3,648	77,846,702	21,340	3.09%	302.00	11.00	10	10.6	3,687	3,550.00	0.05%	96.28%
2020	3,652	80,555,377	22,058	3.37%	312.00	11.21	10.86	11.4	3,759	3,667.00	1.95%	97.55%
2021	3,673	85,825,572	23,367	5.93%	323.00	4.90	6.21	16.9	3,525	3,459.00	-6.23%	98.13%

Sources: District records

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

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>District Building</u>										
<u>Elementary</u>										
Mackay										
Square Feet	36,344	36,344	36,344	36,344	36,344	36,344	36,344	36,344	36,344	36,344
Capacity (students)	351	351	351	351	351	351	351	351	351	351
Enrollment	390	385	393	409	400	394	392	396	378	348
Maugham										
Square Feet	41,450	41,450	41,450	41,450	41,450	41,450	41,450	41,450	41,450	41,450
Capacity (students)	319	319	319	319	319	319	319	319	319	319
Enrollment	390	405	409	402	403	397	412	410	376	363
Smith										
Square Feet	38,125	38,125	38,125	38,125	38,125	38,125	38,125	38,125	38,125	38,125
Capacity (students)	312	312	312	312	312	312	312	312	312	312
Enrollment	365	371	376	391	380	375	374	376	384	349
Stillman										
Square Feet	40,780	40,780	40,780	40,780	40,780	40,780	40,780	40,780	40,780	40,780
Capacity (students)	338	338	338	338	338	338	338	338	338	338
Enrollment	395	408	409	414	392	356	372	376	373	341
<u>Middle School</u>										
Square Feet	182,258	182,258	182,258	182,258	182,258	182,258	182,258	182,258	182,258	182,258
Capacity (students)	950	950	950	950	950	950	950	950	950	950
Enrollment	847	831	852	842	891	917	904	907	899	889
<u>High School</u>										
Square Feet	260,715	260,715	260,715	260,715	260,715	260,715	260,715	260,715	260,715	260,715
Capacity (students)	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170
Enrollment	1,232	1,212	1,152	1,151	1,142	1,164	1,223	1,222	1,242	1,236
<u>Administration Building</u>										
Square Feet	9,280	9,280	9,280	9,280	9,280	9,280	9,280	9,280	9,280	9,280

Number of Schools at June 30, 2021
 Elementary = 4
 Middle School = 1
 Senior High School = 1
 Administration = 1

Source: District Records

TENAFLY BOARD OF EDUCATION
 GENERAL FUND
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
 LAST TEN FISCAL YEARS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
School Facilities										
Mackay Elementary School	\$ 83,475	\$ 86,162	\$ 43,752	\$ 52,353	\$ 48,508	\$ 51,969	\$ 51,609	\$ 49,068	\$ 51,460	\$ 76,913
Maugham Elementary School	105,940	109,351	50,050	59,719	54,976	56,745	58,860	55,972	58,702	88,339
Smith Elementary School	141,348	145,899	46,036	54,896	50,933	52,243	54,138	51,451	53,960	80,898
Stillman Elementary School	47,603	49,136	49,241	58,754	54,167	55,645	57,909	55,068	57,753	86,840
Middle School	145,121	149,793	220,074	262,465	241,731	244,990	258,811	245,996	257,990	398,417
High School	209,362	216,102	314,810	375,413	346,022	350,432	370,221	351,858	369,013	570,198
Total School Facilities	<u>732,849</u>	<u>756,443</u>	<u>723,963</u>	<u>863,600</u>	<u>796,337</u>	<u>812,024</u>	<u>851,548</u>	<u>809,413</u>	<u>848,878</u>	<u>1,301,605</u>
Other Facilities										
Administration Building	<u>10,990</u>	<u>11,343</u>	<u>11,206</u>	<u>13,329</u>	<u>2,702</u>	<u>12,442</u>	<u>13,178</u>	<u>12,493</u>	<u>13,101</u>	<u>18,142</u>
Grand Total	<u>\$ 743,839</u>	<u>\$ 767,786</u>	<u>\$ 735,169</u>	<u>\$ 876,929</u>	<u>\$ 799,039</u>	<u>\$ 824,466</u>	<u>\$ 864,726</u>	<u>\$ 821,906</u>	<u>\$ 861,979</u>	<u>\$ 1,319,747</u>

Source: School District's records

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

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy		
Property-Blanket Building/Contents	\$ 112,078,984	\$ 5,000
Comprehensive General Liability	1,000,000	
Public Employee Dishonesty	\$100,000 / employee	5,000
Public Employee Dishonesty (per loss)	500,000	100,000
Forgery Alteration	100,000	1,000
Boiler and Machinery/Equipment	Blanket Limit	5,000
Umbrella Liability - Great American Insurance Co.	9,000,000	
Excess Umbrella Liability - Starstone/Markel	30,000,000	
Excess Liability - Fireman's Fund	50,000,000	N/A
Educator's Professional Liability - XL Catlin	1,000,000	20,000
Pollution Coverage - Markel	2,000,000	25,000
Aggregate Sublimit per Named Insured Mold	4,000,000	50,000
Public Officials Bonds		
Treasurer of School Monies	350,000	
School Business Administrator/Board Secretary	50,000	

Source: School Insurance Records

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Tenafly Board of Education
500 Tenafly Road
Tenafly, New Jersey 07670

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Tenafly Board of Education as of and for the fiscal year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Tenafly Board of Education's basic financial statements and have issued our report thereon dated February 4, 2022.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 Tenafly Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and which is described in the accompanying schedule of findings and questioned costs as item 2021-001.


We also noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Tenafly Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated February 4, 2022.

Tenafly Board of Education's Responses to Findings

The Tenafly Board of Education's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Tenafly Board of Education's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Tenafly Board of Education's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Tenafly Board of Education's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
February 4, 2022



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
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CHRISTINA CUIFFO, CPA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Tenafly Board of Education
500 Tenafly Road
Tenafly, New Jersey 07670

Report on Compliance for Each Major Federal and State Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal and State Program

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08 which is described in the accompanying schedule of findings and questioned costs as item 2021-002. Our opinion on each major federal and state program is not modified with respect to these matters.

The Tenafly Board of Education's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Tenafly Board of Education's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

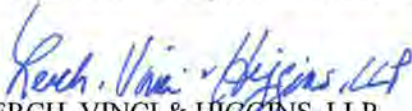
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Tenafly Board of Education, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated February 4, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
February 4, 2022

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

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at	Unearned	Accounts	Balance at June 30, 2021			Memo				
						July 1, 2020 Unearned Revenue/ (Account Receivable)	Revenue Carryover Amount	Receivable Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	(Account Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditure
U.S. Department of Education Passed-through State Department of Education																
General Fund:																
Medical Assistance Program	93.778	2105NJSMAP	N/A	7/1/20-6/30/21	\$ 6,847	-	-	-	\$ 6,847	\$ 6,847	-	-	-	-	-	\$ 6,847
Total General Fund						-	-	-	6,847	6,847	-	-	-	-	-	6,847
Special Revenue Fund:																
I.D.E.A. Part B, Basic	84.027	H027A190100	IDEA5160-20	7/1/19-9/30/20	721,152	\$ (4,879)	\$ (7,828)	\$ 7,828	4,879							
I.D.E.A. Part B, Basic	84.027	H027A200100	IDEA5160-21	7/1/20-9/30/21	821,100		7,828	(7,828)	742,346	813,084		\$ (86,582)	\$ 15,844		\$ (70,738)	813,084
I.D.E.A. Part B, Preschool	84.173	H173A190114	IDEA5160-20	7/1/19-9/30/20	38,473	(31,437)			31,437							
I.D.E.A. Part B, Preschool	84.173	H173A200114	IDEA5160-21	7/1/20-9/30/21	39,295							(39,295)	39,295			
Total Special Education Cluster (IDEA)						(36,316)	-	-	778,662	813,084	-	(125,877)	55,139	-	(70,738)	813,084
Title I, Part A	84.010A	S010A200030	ESEA516021	7/1/20-9/30/21	179,131					134,172		(179,131)	44,959		(134,172)	134,172
Title II, Part A	84.367	S367A190029	ESEA516020	7/1/19-9/30/20	50,699	(96)	(38,871)	38,871	96						-	-
Title II, Part A	84.367	S367A200029	ESEA516021	7/1/20-9/30/21	56,676		38,871	(38,871)		10,136		(95,547)	85,411		(10,136)	10,136
Title III-Immigrant	84.365	S365A190030	ESEA516020	7/1/19-9/30/20	24,357		(32,896)	32,896							-	-
Title III-Immigrant	84.365	S365A200030	ESEA516021	7/1/20-9/30/21	23,527		32,896	(32,896)		11,378		(56,423)	45,045		(8,159)	11,378
Title III	84.365	S365A190030	ESEA516020	7/1/19-9/30/20	62,059	(26,874)	(89,031)	89,031	29,186		\$ (2,312)				-	-
Title III	84.365	S365A200030	ESEA516021	7/1/20-9/30/21	48,479		89,031	(89,031)		115,282		(137,510)	22,228		(115,282)	115,282
Total Title III Cluster						(26,874)	-	-	29,186	126,660	(2,312)	(193,933)	67,273	-	(123,441)	126,660
Title IV	84.424	S424A190031	ESEA516020	7/1/19-9/30/20	11,102	(3,634)	(14,421)	14,421	3,635		(1)					
Title IV	84.424	S424A200031	ESEA516021	7/1/20-9/30/21	13,155		14,421	(14,421)		14,217		(27,576)	13,359		(14,217)	14,217
Perkins Secondary Grant	84.048A	V048A200030		7/1/20-6/30/21	16,582					10,870		(10,870)			(5,506)	10,870
Total U.S. Department of Education						(66,920)	-	-	811,579	1,109,139	(2,313)	(632,934)	266,141	-	(358,210)	1,109,139
The TEACH Coalition (SAMSHA)	93.276	SP021565	1H79SP021565-01	9/30/17-9/30/18	125,000	44,858								\$ 44,858		
Total U.S. Department of Health and Human Services						44,858	-	-						44,858		
CARES Emergency Relief Grant																
ESSER I	84.425D	S425D200027		3/13/20-9/30/20	165,180				128,326	162,846		(36,854)	2,334		(34,520)	162,846
CRRSA - ESSER II	84.425D	S425D210027		3/13/20-9/30/23	587,155							(587,155)	587,155			
Learning Acceleration	84.425D	S425D210027		3/13/20-9/30/23	37,681							(37,681)	37,681			
Mental Health	84.425D	S425D210027		3/13/20-9/30/23	45,000							(45,000)	45,000			
Total CARES Emergency Relief Grant									128,326	162,846		(706,690)	672,170		(34,520)	162,846
Coronavirus Relief Fund Grant	21.019			3/1/20-12/31/20	95,155				95,155	88,804				6,349		88,804
NonPublic Digital Divide Grant	21.019			7/16/20-10/31/20	21,925					20,266		(20,266)			(20,266)	20,266
CARES Emergency Relief Grant (Passed Through Bergen County)	21..019			3/1/20-12/31/20	42,970				42,970	42,970						42,970
Total Coronavirus Relief Cluster									138,123	152,040		(20,266)		6,349	(20,266)	152,040
Total Special Revenue Fund						(22,062)	-	-	1,078,028	1,424,025	(2,313)	(1,359,890)	938,311	51,207	(412,996)	1,424,025
Total Federal Financial Awards						\$ (22,062)	\$ -	\$ -	\$ 1,084,875	\$ 1,430,872	\$ (2,313)	\$ (1,359,890)	\$ 938,311	\$ 51,207	\$ (412,996)	\$ 1,430,872

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2020		Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Balance June 30, 2021			MEMO		
				Unearned Revenue/ (Accts Rec)	Due to Grantor				(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
State Department of Education														
General Fund:														
Special Education Aid	20-495-034-5120-089	7/1/19-6/30/20	\$ 1,821,518	\$ (146,167)		\$ 146,167								
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	1,959,624			1,807,687	\$ 1,959,624		\$ (151,937)			*	\$ 1,959,624	
Security Aid	20-495-034-5120-084	7/1/19-6/30/20	285,644	(22,921)		22,921						*	-	
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	285,644	-	\$ -	263,497	285,644	-	(22,147)	-	-	*	-	285,644
Total State Aid- Public Cluster				(169,088)	-	2,240,272	2,245,268	-	(174,084)	-	-	*	-	2,245,268
Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	353,878	(28,397)		28,397						*	-	
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	353,878			326,441	353,878		(27,437)			*	-	353,878
Other State Aid - Non Public Transportation	21-495-034-5120-014	7/1/20-6/30/21	31,320	-	-	-	31,320	-	(31,320)	-	-	*	\$ (31,320)	31,320
Total Transportation Aid				(28,397)	-	354,838	385,198	-	(58,757)	-	-	*	(31,320)	385,198
Other State Aid - Extraordinary Aid	20-100-034-5120-044	7/1/19-6/30/20	1,067,669	(1,067,669)		1,067,669						*	-	
Other State Aid - Extraordinary Aid	20-100-034-5120-044	7/1/19-6/30/20	106,941			106,941						*	-	106,941
Other State Aid - Extraordinary Aid	21-100-034-5120-044	7/1/20-6/30/21	1,492,270				1,492,270		(1,492,270)			*	-	1,492,270
TPAF On-Behalf Contributions												*	-	
Pension Contribution-Normal Costs	21-495-034-5094-002	7/1/20-6/30/21	8,207,327			8,207,327	8,207,327					*	-	8,207,327
Pension Contribution-NCGI	21-495-034-5094-004	7/1/20-6/30/21	156,155			156,155	156,155					*	-	156,155
Pension Contribution- Long Term Disability Insurance	21-495-034-5094-004	7/1/20-6/30/21	3,767			3,767	3,767					*	-	3,767
Pension Contribution - Post Retirement Cost	21-495-034-5094-001	7/1/20-6/30/21	2,620,985	-	-	2,620,985	2,620,985	-	-	-	-	*	-	2,620,985
Total On-Behalf TPAF Contribution Cluster				-	-	10,988,234	10,988,234	-	-	-	-	*	-	10,988,234
Social Security Reimbursements	21-495-034-5094-003	7/1/20-6/30/21	2,362,235	-	-	2,362,235	2,362,235	-	-	-	-	*	-	2,362,235
Total General Fund				(1,265,154)	-	17,120,189	17,580,146	-	(1,725,111)	-	-	*	(31,320)	17,580,146
Special Revenue Fund:														
New Jersey Nonpublic Aid												*	-	
Textbook Aid	20-100-034-5120-064	7/1/19-6/30/20	27,673		\$ 900			\$ 900				*	-	
Textbook Aid	21-100-034-5120-064	7/1/20-6/30/21	30,790			30,790	29,042				\$ 1,748	*	-	29,042
Auxiliary Services												*	-	
Compensatory Education	20-100-034-5120-067	7/1/19-6/30/20	77,063	(7,763)	7,381	7,763		7,381				*	-	
Compensatory Education	21-100-034-5120-067	7/1/20-6/30/21	703,521			703,521	57,809				645,712	*	-	57,809
English as a Second Language	20-100-034-5120-067	7/1/19-6/30/20	8,272	(862)	1,985	862		1,985				*	-	
English as a Second Language	21-100-034-5120-067	7/1/20-6/30/21	332,694	-	-	332,694	12,167	-	-	-	320,527	*	-	12,167
Total Nonpublic Auxiliary Services Aid (Chap. 192) Cluster				(8,625)	9,366	1,044,840	69,976	9,366	-	-	966,239	*	-	69,976
Handicapped Services												*	-	
Examination and Classification	20-100-034-5120-066	7/1/19-6/30/20	69,481	-7056	34,908	7,056		34,908				*	-	
Examination and Classification	21-100-034-5120-066	7/1/20-6/30/21	1,883,635			1,883,635	59,053				1,824,582	*	-	59,053
Corrective Speech	20-100-034-5120-066	7/1/19-6/30/20	41,377	(4,202)	4,830	4,202		4,830				*	-	
Corrective Speech	21-100-034-5120-066	7/1/20-6/30/21	371,669			371,669	38,097				333,572	*	-	38,097
Supplemental Instruction	20-100-034-5120-066	7/1/19-6/30/20	36,427	(3,700)	4,674	3,700		4,674				*	-	
Supplemental Instruction	21-100-034-5120-066	7/1/20-6/30/21	300,156	-	-	300,156	32,785	-	-	-	267,371	*	-	32,785
Total Nonpublic Handicapped Services Aid (Chap. 193) Cluster				(14,958)	44,412	2,570,418	129,935	44,412	-	-	2,425,525	*	-	129,935
Technology	20-100-034-5120-373	7/1/19-6/30/20	18,900			4,448		4,448				*	-	
Nursing	20-100-034-5120-070	7/1/19-6/30/20	51,119			2,161		2,161				*	-	
Nursing	21-100-034-5120-070	7/1/20-6/30/21	54,672			54,672	40,951				13,721	*	-	40,951
Security Aid	20-100-034-5120-509	7/1/19-6/30/20	60,900		35,186			35,186				*	-	
Security Aid	21-100-034-5120-509	7/1/20-6/30/21	73,150	-	-	73,150	67,764	-	-	-	5,386	*	-	67,764
Total Special Revenue Fund				(23,583)	96,473	3,773,870	337,668	96,473	-	-	3,412,619	*	-	337,668

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2020		Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Balance June 30, 2021			MEMO	
				Unearned Revenue/ (Accts Rec)	Due to Grantor				(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
Debt Service Fund:													
Debt Service State Aid	21-495-034-5120-075	7/1/20-6/30/21	\$ 393,412	-	-	\$ 393,412	\$ 393,412	-	-	-	-	-	\$ 393,412
Total State Department of Education				\$ (1,288,737)	\$ 96,473	21,287,471	18,311,226	\$ 96,473	\$ (1,725,111)	-	\$ 3,412,619	\$ (31,320)	18,311,226
Total State Financial Assistance Subject to Single Audit Determination				<u>(1,288,737)</u>	<u>96,473</u>	<u>21,287,471</u>	<u>18,311,226</u>	<u>96,473</u>	<u>(1,725,111)</u>	<u>-</u>	<u>3,412,619</u>	<u>(31,320)</u>	<u>18,311,226</u>
State Financial Assistance Not Subject to Major Program Determination													
General Fund													
TPAF On-Behalf Pension Contributions													
Normal Costs and NCGI	21-495-034-5094-002/004	7/1/20-6/30/21	8,363,482			(8,363,482)	(8,363,482)						(8,363,482)
Long Term Disability Insurance	21-495-034-5094-004	7/1/20-6/30/21	3,767			(3,767)	(3,767)						(3,767)
Post Retirement Cost	21-495-034-5094-001	7/1/20-6/30/21	2,562,235	-	-	(2,620,985)	(2,620,985)	-	-	-	-	-	(2,620,985)
Total State Financial Assistance for Major Program Determination				<u>\$ (1,288,737)</u>	<u>\$ 96,473</u>	<u>\$ 10,299,237</u>	<u>\$ 7,322,992</u>	<u>\$ 96,473</u>	<u>\$ (1,725,111)</u>	<u>\$ -</u>	<u>\$ 3,412,619</u>	<u>\$ (31,320)</u>	<u>\$ 7,322,992</u>

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

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

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

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$428,637 for the general fund and a decrease of \$43,338 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 6,847	\$ 17,151,509	\$ 17,158,356
Special Revenue Fund	1,415,442	311,494	1,726,936
Debt Service Fund	-	393,412	393,412
	<hr/>	<hr/>	<hr/>
Total Financial Assistance	<u>\$ 1,422,289</u>	<u>\$ 17,856,415</u>	<u>\$ 19,278,704</u>

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

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 OTHER INFORMATION

TPAF Social Security contributions in the amount of \$2,362,235 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2021. The amount reported as TPAF Pension System Contributions in the amount of \$8,363,482, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,620,985 and TPAF Long-Term Disability Insurance in the amount of \$3,767 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2021.

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

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

NOTE 7 DE MINIMIS INDIRECT COST RATE

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

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

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor’s report issued on financial statements Unmodified

Internal control over financial reporting:

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

2) Significant deficiency(ies) identified? yes X none reported

Noncompliance material to basic financial statements noted? X yes no

Federal Awards Section

Internal control over compliance:

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

2) Significant deficiency(ies) identified? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CRF 200 section .516(a) of Uniform Guidance yes X no

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>FAIN Number (s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027</u>	<u>H027A190100</u>	<u>IDEA Part B, Basic</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

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

Auditee qualified as low-risk auditee? X yes no

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

Part I – Summary of Auditor’s Results

State Awards Section

Internal Control over major programs:

- 1) Material weakness(es) identified? _____ yes X no
- 2) Significant deficiency(ies) identified? _____ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with N.J. Circular Letter 15-08? X yes _____ no

Identification of major state programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>21-495-034-5120-044</u>	<u>Extraordinary Aid</u>
<u>21-495-034-5094-003</u>	<u>TPAF Social Security Reimbursements</u>
<u>21-495-034-5120-089</u>	<u>State Aid Public-Special Education Aid</u>
<u>21-495-034-5120-084</u>	<u>State Aid Public-Security Aid</u>
_____	_____
_____	_____
_____	_____

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

Auditee qualified as low-risk auditee? _____ yes X no

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

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

Finding 2021-001:

Our audit of the general ledger account balances revealed certain adjusting journal entries were required to reconcile the Boards accounting records to agree with subsidiary ledgers, records and supporting documentation.

Criteria or specific requirement:

The State Department of Education's GAAP Technical Systems Manual

Condition:

Certain adjusting journal entries were required to reclassify receipts, accrue revenues, reclassify expenditures and correct general ledger entries made by District personnel.

Questioned Costs:

None.

Context:

Certain journal entries were required to reclassify mis-postings and record certain transactions in the District's Funds.

Effect:

The Board Secretary's records were not in agreement with subsidiary records and supporting documentation.

Recommendation:

Internal controls over financial accounting and reporting procedures be reviewed and enhanced to ensure financial transactions are properly recorded and reported in the District's internal accounting records.

Views of Responsible Officials and Planned Corrective Action Plan:

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

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

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

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

CURRENT YEAR FEDERAL AWARDS

There are none.

CURRENT YEAR STATE AWARDS

Finding 2021-002:

Our audit of the District’s Application for State School Aid (ASSA) noted the following:

- The On-Roll workpapers reported fifty-six (56) more students than the ASSA. In addition, we verified ten (10) fewer students to the class registers.
- The Private School for the Disabled workpapers reported five (5) fewer student than the ASSA. In addition we could not verify two (2) students.
- The Low Income workpapers reported six (6) fewer students than the ASSA. In addition, twelve (12) applications were not provided for audit.
- Certain special education students did not have an IEP on file or a valid IEP of October 15, 2020.
- The LEP-Low Income workpapers noted one (1) more student than the ASSA.

Information on the State Program

State Aid Public

Special Education Aid	495-034-5120-089
Security Aid	495-034-5120-084

Criteria or Specific Requirement

Verification of enrollments reported on the District’s ASSA with the pupil counts on the District’s workpapers.

Condition

The District’s ASSA report was not in agreement with District workpapers.

Questioned Costs

Undetermined.

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

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

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

CURRENT YEAR STATE AWARDS (Continued)

Context

Numerous exceptions were noted when comparing the amounts reported on the ASSA to the District's workpapers. (See Finding above).

Effect

Enrollment numbers for state aid calculations may be over(under) stated.

Cause

Unknown.

Recommendation

Internal procedures regarding the preparation of the ASSA be reviewed and enhanced to ensure all student counts are accurately reported.

Management's Response

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

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

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

STATUS OF PRIOR YEAR FINDINGS

Finding 2020-001:

Our audit of the general ledger account balances revealed certain adjusting journal entries were required to reconcile the Board records to agree with subsidiary records and supporting documentation.

Current Status

See finding 2021-001.