

BERGENFIELD BOARD OF EDUCATION
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Bergenfield, New Jersey

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

of the

Bergenfield Board of Education

Bergenfield, New Jersey

For The Fiscal Year Ended June 30, 2022

Prepared by

Business Office

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INTRODUCTORY SECTION

BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY

Christopher M. Tully, Ed.D.
Superintendent of Schools

100 South Prospect Avenue
Bergenfield, New Jersey 07621
201-385-8202

January 25, 2023

Honorable President and
Members of the Board of Education
Bergenfield Public Schools
Bergenfield, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Bergenfield Public Schools (District) for the fiscal year ended June 30, 2022 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview and 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 the MD&A and should be read in conjunction with it. Bergenfield Public School's MD&A can be found immediately following the "Independent Auditors' Report".

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the independent auditors' report, management's discussion and analysis (MD&A) and the basic financial statements including the district-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual fund financial statements, notes to the financial statements and required supplemental information (RSI). The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and the provisions of Title II U.S. Code of Federal Regulation (LFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award (Uniform Guidance)", and the State Treasury Circular 15-08. Information related to this single audit, including the auditors' report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

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

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular and vocational as well as special education for handicapped youngsters. The District completed the 2021-2022 fiscal year with an enrollment of 3,548 students, which is 134 students less than the previous year's enrollment.

2. ECONOMIC CONDITION AND OUTLOOK: Bergenfield has continued to experience a period of economic difficulty which reflects the national trend of recent years. The availability of "affordable" housing is the major cause of an upturn in real estate sales. This trend is expected to continue. This suggests that school enrollments will increase and that the Bergenfield area will experience an economic recovery. The September 2022 opening day K-12 enrollment was 3553. This represents an increase of 138 pupils as compared to the opening enrollment in September of 2021. By adopting programs and services to meet the needs of its newest residents and working those changes into the fabric of currently existing programs, all residents can be served in a manner which is fair, equitable and affordable.

3. MAJOR INITIATIVES: The Bergenfield School District continued to make noteworthy advances in the delivery of educational programs, facility upgrades, and academic achievement through sound fiscal management and innovative financial planning. Significant accomplishments for 2021-2022 School Year include Science Room renovation, STEM laboratory, BHS gym door upgrades, and the art room conversion at Franklin School; Tri Valley Academy for Autism continues to grow, thus reducing out of district tuition cost and increasing revenue.

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 accounting principles generally accepted in the United States of America (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's management.

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 and Special Revenue Funds. Project length budgets are approved for the capital improvements accounted for in the Capital Projects Fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis.

BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY

Christopher M. Tully, Ed.D.
Superintendent of Schools

100 South Prospect Avenue
Bergenfield, New Jersey 07621
201-385-8202

Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30.

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

7. FINANCIAL INFORMATION AT FISCAL YEAR -END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

8. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements". The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.


9. 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.

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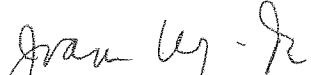
10. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Bliss, LLP was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related Uniform Guidance and State Treasury Circular OMB 15-08. The auditors' report on the basic financial statements are included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,



Christopher M. Tully, Ed.D.
Superintendent



JoAnn Khoury-Frias, Ed.M., QPA
Business Administrator/Board Secretary

BERGENFIELD BOARD OF EDUCATION

Organization Chart



BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY

Christopher M. Tully, Ed.D.
Superintendent of Schools

100 South Prospect Avenue
Bergenfield, New Jersey 07621
201-385-8202

ROSTER OF OFFICIALS
June 30, 2022

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Joseph Amara, President	2022
Guadalupe Ruiz-Catala, Vice President	2024
Nelson Reynoso, Trustee	2024
Deborah Podwin, Trustee	2022
Ovelis Munoz, Trustee	2023

Other Officials

Christopher M. Tully, Ed.D., Superintendent

JoAnn Khoury-Frias, School Business Administrator/Board Secretary

Sean Gately, Treasurer of School Monies

Board of Education
BERGENFIELD, NEW JERSEY

JoAnn Khoury-Frias
School Business Administrator/
Board Secretary

225 W. Clinton Avenue
Bergenfield, New Jersey 07621
201-385-8801

CONSULTANTS AND ADVISORS

June 30, 2022

Architect

Solutions Architecture
96 Pompton Avenue
2nd Floor, Suite 200
Verona, NJ 07044

Audit Firm

Lerch, Vinci & Bliss, LLP
17-17 Route 208 North
Fair Lawn, NJ 07410

Attorneys

Fogarty & Hara
16-00 Route 208 South
Fair Lawn, NJ 07410

Official Depository

TD Bank
126 North Washington Avenue
Bergenfield, NJ 07621

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Bergenfield Board of Education, as of and for the fiscal year ended June 30, 2022 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.

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 and each major fund of the Bergenfield Board of Education as of June 30, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Bergenfield Board of Education and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Bergenfield Board of Education's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Bergenfield Board of Education's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Bergenfield Board of Education's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 is the responsibility of management and 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bergenfield Board of Education's basic financial statements. The accompanying 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 Bergenfield Board of Education. Such information is the responsibility of management and was derived from and relate 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 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 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, financial schedules and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

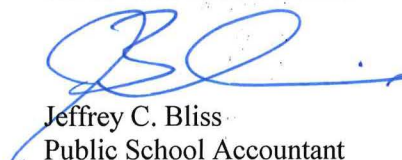
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 25, 2023 on our consideration of the Bergenfield 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 Bergenfield 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 Bergenfield Board of Education's internal control over financial reporting and compliance.

Lerch, Vinci & Bliss, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
January 25, 2023

REQUIRED SUPPLEMENTARY INFORMATION – PART I
MANAGEMENT’S DISCUSSION AND ANALYSIS

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

As management of the Bergenfield Board of Education (the Board or District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the Bergenfield Board of Education for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report, as well as, the District's financial statements and notes to the financial statements which immediately follows this discussion and analysis.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2021-2022 fiscal year include the following:

- The assets and deferred outflow of resources of the Bergenfield Board of Education exceeded its liabilities and deferred inflow of resources at the close of the fiscal year by \$25,046,179 (net position).
- The District's overall net position increased \$3,788,616 or 18%.
- Overall district revenues were \$89,449,001. General revenues accounted for \$64,281,850, or 72%, of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$25,167,151 or 28% of total revenues.
- The school district had \$83,194,935 in expenses for governmental activities; only \$22,722,751 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$64,281,850 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 \$12,712,860, an increase of \$1,364,423 from the previous year.
- The General Fund unassigned fund balance (GAAP Basis) at June 30, 2022 was \$1,259,610 compared to the ending unassigned fund balance at June 30, 2021 of \$1,338,212.
- The General Fund unassigned budgetary fund balance at June 30, 2022 was \$4,919,089, which represents an increase of \$580,564 when compared to the ending unassigned budgetary fund balance at June 30, 2021 of \$4,338,525.
- The District's capital assets increased \$263,558 during the current fiscal year.
- The District's long-term liabilities decreased \$2,934,319 during the current fiscal year.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

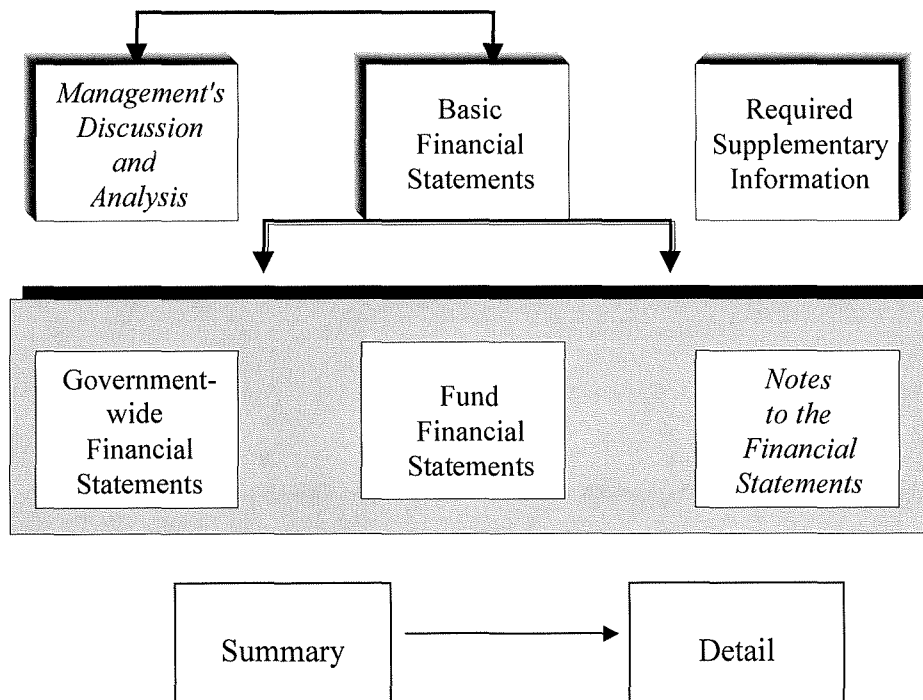
**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are *district wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual* parts of the District, reporting the District's operations in *more detail* than the district-wide statements.
 - *Governmental funds statements* tell how basic services were financed in the *short term* as well as what remains for future spending.
 - *Proprietary funds* statements offer *short-term* and *long-term* financial information about the activities the district operated like *businesses*.

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



**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

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

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as Regular and Special Education Instruction and Building maintenance	Activities the district operates similar to private businesses: Enterprise Fund
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 revenue, expenses, and changes in fund net position Statement of cash flows
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset, liability, and deferred resources information	All assets, liabilities, and deferred outflows/inflows of resources both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included	All assets, liabilities, and deferred outflows/inflows of resources both financial and capital, and short-term and long-term
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.

District-Wide Financial Statements

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

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

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

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

District-Wide Financial Statements (continued)

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 plant operations and maintenance. Property taxes, state and federal aid finance most of these activities.
- *Business type activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's food service and summer enrichment programs are included under this category.

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 bond covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

The District has two kinds of funds:

• *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps 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 explains the relationship (or differences) between them.

• *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.

Enterprise Funds – This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has two enterprise funds.

- Food Service (Cafeteria)
- Summer Enrichment Program

Notes to the Financial Statements

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

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

Other Information

In addition to the financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the District's budget process, pension plans and other postemployment benefits. The District adopts an annual expenditure budget for the general and special revenue funds. A budgetary comparison statement has been provided for these funds as required supplementary information. Information regarding the District's employee retirement systems and pension plans as well as retirees' postemployment health benefits has also been provided as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

Other financial schedules are presented immediately following the major budgetary comparisons, pension, and other postemployment benefits information.

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$25,046,179 and \$21,257,563, as of June 30, 2022 and 2021, respectively.

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Net Position
As of June 30, 2022 and 2021**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Assets						
Current Assets	\$ 14,720,325	\$ 12,743,751	\$ 1,057,926	\$ 1,030,742	\$ 15,778,251	\$ 13,774,493
Capital Assets	27,899,563	27,694,902	159,456	100,559	28,059,019	27,795,461
Total Assets	<u>42,619,888</u>	<u>40,438,653</u>	<u>1,217,382</u>	<u>1,131,301</u>	<u>43,837,270</u>	<u>41,569,954</u>
Deferred Outflows of Resources	<u>955,631</u>	<u>1,250,589</u>	<u>-</u>	<u>-</u>	<u>955,631</u>	<u>1,250,589</u>
Total Assets and Deferred Outflow of Resources	<u>43,575,519</u>	<u>41,689,242</u>	<u>1,217,382</u>	<u>1,131,301</u>	<u>44,792,901</u>	<u>42,820,543</u>
Liabilities						
Long-Term Liabilities	11,011,099	13,945,418			11,011,099	13,945,418
Other Liabilities	2,007,465	1,395,314	261,349	154,218	2,268,814	1,549,532
Total Liabilities	<u>13,018,564</u>	<u>15,340,732</u>	<u>261,349</u>	<u>154,218</u>	<u>13,279,913</u>	<u>15,494,950</u>
Deferred Inflow of Resources	<u>6,466,809</u>	<u>6,068,030</u>	<u>-</u>	<u>-</u>	<u>6,466,809</u>	<u>6,068,030</u>
Total Liabilities and Deferred Inflow of Resources	<u>19,485,373</u>	<u>21,408,762</u>	<u>261,349</u>	<u>154,218</u>	<u>19,746,722</u>	<u>21,562,980</u>
Net Position						
Investment in Capital Assets	27,445,983	27,044,852	159,456	100,559	27,605,439	27,145,411
Restricted	6,025,353	5,028,496			6,025,353	5,028,496
Unrestricted	<u>(9,381,190)</u>	<u>(11,792,868)</u>	<u>796,577</u>	<u>876,524</u>	<u>(8,584,613)</u>	<u>(10,916,344)</u>
Total Net Position	<u>\$ 24,090,146</u>	<u>\$ 20,280,480</u>	<u>\$ 956,033</u>	<u>\$ 977,083</u>	<u>\$ 25,046,179</u>	<u>\$ 21,257,563</u>

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

The District's total net position of \$25,046,179 at June 30, 2022 represents an increase of \$3,788,616, or 18%, from the prior year. The following presents the changes in net position for the fiscal years ended June 30, 2022 and 2021.

**Changes in Net Position
For the Fiscal Years Ended June 30, 2022 and 2021**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues						
Program Revenues						
Charges for Services	\$ 2,799,307	\$ 2,254,881	\$ 95,368	\$ 33,662	\$ 2,894,675	\$ 2,288,543
Operating Grants and Contributions	19,541,248	25,866,328	2,349,032	10,334,304	21,890,280	36,200,632
Capital Grants and Contributions	382,196	107,634			382,196	107,634
General Revenues						
Property Taxes	51,059,211	50,248,270			51,059,211	50,248,270
Unrestricted State Aid	13,013,430	10,381,141			13,013,430	10,381,141
Other	209,209	576,641	-	-	209,209	576,641
Total Revenues	<u>87,004,601</u>	<u>89,434,895</u>	<u>2,444,400</u>	<u>10,367,966</u>	<u>89,449,001</u>	<u>99,802,861</u>
Expenses						
Instruction						
Regular	35,413,979	40,153,160			35,413,979	40,153,160
Special Education	14,561,178	15,127,654			14,561,178	15,127,654
Other Instruction	1,761,844	2,438,790			1,761,844	2,438,790
School Sponsored Activities and Athletics	1,261,162	1,057,809			1,261,162	1,057,809
Support Services						
Student and Instruction Related Services	9,909,253	9,742,688			9,909,253	9,742,688
General Administrative Services	1,606,817	1,737,697			1,606,817	1,737,697
School Administrative Services	4,378,661	5,505,011			4,378,661	5,505,011
Central Administrative Services	1,305,742	1,096,293			1,305,742	1,096,293
Plant Operations and Maintenance	9,717,551	7,738,425			9,717,551	7,738,425
Student Transportation	3,256,322	2,435,381			3,256,322	2,435,381
Interest on Long Term Debt	22,426				22,426	
Food Services			2,391,983	9,795,767	2,391,983	9,795,767
Summer Enrichment Program	-	-	73,467	46,769	73,467	46,769
Total Expenses	<u>83,194,935</u>	<u>87,032,908</u>	<u>2,465,450</u>	<u>9,842,536</u>	<u>85,660,385</u>	<u>96,875,444</u>
Increase (Decrease) in Net Position	3,809,666	2,401,987	(21,050)	525,430	3,788,616	2,927,417
Net Position, Beginning of Year	20,280,480	17,718,489	977,083	451,653	21,257,563	18,170,142
Prior Period Adjustment	-	160,004	-	-	-	160,004
Net Position, End of Year	<u>\$ 24,090,146</u>	<u>\$ 20,280,480</u>	<u>\$ 956,033</u>	<u>\$ 977,083</u>	<u>\$ 25,046,179</u>	<u>\$ 21,257,563</u>

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

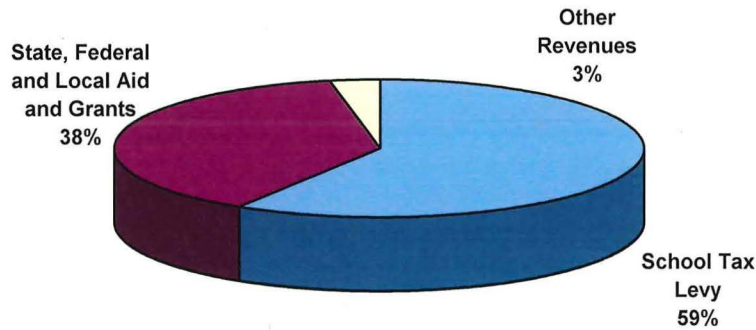
**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$87,004,601 and \$89,434,895 for the fiscal years ended June 30, 2022 and 2021. Property taxes of \$51,059,211 and \$50,248,270 represented 59% and 56% of revenues for the fiscal years ended June 30, 2022 and 2021. Another significant portion of revenues came from State and Federal aid; total State, Federal and Local aid and grants of \$32,936,874 and \$36,355,103 represented 38% and 41% of revenues for the fiscal years ended June 30, 2022 and 2021. In addition, tuition, transportation fees and other miscellaneous income is earned which includes items such as interest, prior year refunds and other miscellaneous items of revenues.

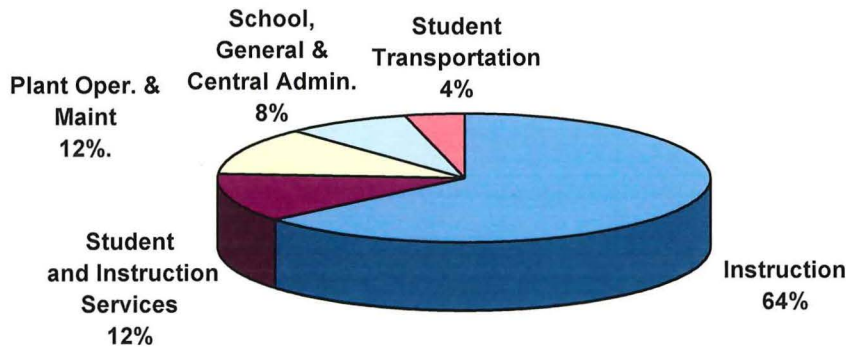
The total cost of all governmental activities programs and services were \$83,194,935 and \$87,032,908 for the fiscal years ended June 30, 2022 and 2021. The District's expenses are predominantly related to educating and caring for students. Instruction totaled \$52,998,163 (64%) and \$58,777,413 (68%) of total expenses for the fiscal years ended June 30, 2022 and 2021. Support services, totaled \$30,174,346 (36%) and \$28,255,495 (32%) of total expenses for the fiscal years ended June 30, 2022 and 2021.

Total governmental activities revenues exceeded expenses increasing net position by \$3,809,666 and \$2,401,987, as June 30, 2022 and 2021, respectively.

**Revenues by Source - Governmental Activities
For Fiscal Year 2022**



**Expenses by Type - Governmental Activities
For Fiscal Year 2022**



**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

Total and Net Cost of Governmental Activities. The District's total cost of services were \$83,194,935 and \$87,032,908 for fiscal years 2022 and 2021. After applying program revenues, derived from charges for services of \$2,799,307 and \$2,254,881, operating grants and contributions of \$19,541,248 and \$25,866,328 and capital grants and contributions of \$382,196 and \$107,634, the net cost of services of the District is \$60,472,184 and \$58,804,065 for fiscal years 2022 and 2021, respectively.

Total and Net Cost of Governmental Activities

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Instruction				
Regular	\$ 35,413,979	\$ 40,153,160	\$ 27,208,707	\$ 27,168,688
Special Education	14,561,178	15,127,654	5,906,144	7,101,377
Other Instruction	1,761,844	2,438,790	1,326,721	1,344,718
School Sponsored Activities and Athletics	1,261,162	1,057,809	1,056,361	957,912
Support Services				
Student and Instruction Related Services	9,909,253	9,742,688	7,483,204	7,282,872
General Administrative Services	1,606,817	1,737,697	1,444,957	1,649,728
School Administrative Services	4,378,661	5,505,011	3,738,298	3,970,810
Central Administrative Services	1,305,742	1,096,293	1,195,333	1,022,813
Plant Operations and Maintenance	9,717,551	7,738,425	8,603,489	6,641,086
Pupil Transportation	3,256,322	2,435,381	2,486,544	1,664,061
Interest on Long Term Debt	22,426	-	22,426	-
Total	<u>\$ 83,194,935</u>	<u>\$ 87,032,908</u>	<u>\$ 60,472,184</u>	<u>\$ 58,804,065</u>

Business-Type Activities – The District's total business-type activities revenues were \$2,444,400 and \$10,367,966 for the years ended June 30, 2022 and 2021. Charges for services accounted for \$95,368 (4%) and \$33,662 (less than 1%) of total revenues for fiscal years 2022 and 2021. Operating grants and contributions accounted for \$2,349,032 (96%) and \$10,334,304 (100%) of total revenue for fiscal years 2022 and 2021. As a result of the COVID-19 public health emergency revenues earned from operating grants and contributions decreased dramatically resulting from the USDA requirement to provide fully subsidized breakfast and lunch meals to all individuals to the age of eighteen years old and individuals over eighteen with disabilities during fiscal year 2021.

The total cost of all business-type activities programs and services were \$2,465,450 and \$9,842,536 for the fiscal years ended June 30, 2022 and 2021. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District of \$2,391,983 (97%) and \$9,795,767 (100%) and the Summer Enrichment Programs offered to students of \$73,467 (3%) and \$46,769 (less than 1%) for fiscal years 2022 and 2021, respectively. Due to the USDA requirement that the District provide free meals to all children to the age of eighteen and individuals eighteen years or older with disabilities during fiscal year 2021 the food service expenses decreased approximately 76% in fiscal year 2022 from the previous year.

For business-type activities expenses exceeded revenues, decreasing net position by \$21,050 at June 30, 2022 from the previous year.

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.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

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, unassigned 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, its governmental funds reported a *combined* fund balance of \$12,712,860 an increase of \$1,364,423 compared to the previous years combined fund balance of \$11,348,437.

Revenues for the District's governmental funds for fiscal years 2022 and 2021 were \$89,965,754 and \$81,561,666, while total expenditures were \$88,734,744 and \$79,574,675, respectively. Other financing sources were received for fiscal year 2022 from an insurance recovery for storm damage in the amount of \$133,413.

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 pre-kindergarten through grade 12 including pupil transportation, co-curricular and athletic activities and capital outlay projects.

The following schedule presents a summary of General Fund Revenues for the fiscal years ended June 30, 2022 and 2021.

	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021	Amount of Increase (Decrease)	Percent Change
Local Sources:				
Property Tax Levy	\$ 51,059,211	\$ 50,248,270	\$ 810,941	2%
Tuition and Fees	2,701,085	2,224,552	476,533	21%
Miscellaneous	209,209	304,740	(95,531)	-31%
State Sources	32,651,300	25,664,094	6,987,206	27%
Federal Sources	119,376	55,193	64,183	116%
Total General Fund Revenues	<u>\$ 86,740,181</u>	<u>\$ 78,496,849</u>	<u>\$ 8,243,332</u>	11%

Total General Fund Revenues increased by \$8,243,332 from the previous year. Property tax levy increased \$810,941, or 2%, from the previous year to fund a portion of budgeted operating costs. Tuition and fees increased \$476,533, or 21%, due to increases in special education tuition revenue earned in the current year. State aid revenues increased \$6,987,206, or 27%, as a result of increases in equalization formula aid and on-behalf teachers' pension contributions paid by the State for the District's teaching professionals. Federal revenues increased \$64,183 mainly due to FEMA reimbursements attributable to COVID-19 allowable costs.

The following schedule presents a summary of General Fund expenditures for the fiscal years ended June 30, 2022 and 2021.

	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021	Amount of Increase (Decrease)	Percent Change
Instruction	\$ 53,974,612	\$ 49,404,248	\$ 4,570,364	9%
Support Services	28,149,030	25,483,253	2,665,777	10%
Debt Service	218,896	-	218,896	100%
Capital Outlay	<u>2,968,020</u>	<u>1,399,420</u>	<u>1,568,600</u>	112%
Total Expenditures	<u>\$ 85,310,558</u>	<u>\$ 76,286,921</u>	<u>\$ 9,023,637</u>	12%

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

General Fund (Continued)

Total General Fund expenditures increased \$9,023,637, or 12%, from the previous year. Increased regular and special education instructional costs, student and instruction related services support costs and student transportation services support costs were the major areas where expenditures increased from the previous year. In addition, capital outlay costs increased significantly in fiscal year 2022 as a result of additional equipment acquisitions and building improvement projects activity from the previous year.

In addition, during the current fiscal year the General Fund transferred \$198,880 to the Special Revenue Fund to provide funding towards the Preschool Education Aid program.

For fiscal year 2022 General Fund revenues and other financing sources exceeded expenditures and other financing uses by \$1,364,156. As a result, total fund balance increased to \$12,585,426 at June 30, 2022 compared to \$11,221,270 at June 30, 2021. Unassigned fund balance decreased \$78,602 to \$1,259,610 at June 30, 2022.

Special Revenue Fund - The Special Revenue Fund includes all restricted Federal, State and Local sources utilized in the operations of the district in providing educational services to students.

Revenues of the Special Revenue Fund were \$3,225,573 for the year ended June 30, 2022. Federal sources accounted for the majority of Special Revenue Fund's revenue which represented \$2,120,737, or 66%, of the total revenue for the year. State sources accounted for \$965,648, or 30%, and local sources accounted for \$139,188, or 4%, of the total revenue for the year.

Total Special Revenue Fund revenues increased \$251,866, or 8% from the previous year. State sources increased \$407,712, or 73%, local sources increased \$73,488, or 112%, and Federal sources decreased \$229,334, or 10%.

Expenditures of the Special Revenue Fund were \$3,424,186. Instructional expenditures were \$2,354,133, or 69%, expenditures for the support services were \$940,148 or 27%, and Capital Outlay was \$129,905, or 4% of total expenditures for the fiscal year ended June 30, 2022.

Proprietary Funds

The District maintains an Enterprise Fund to account for activities which are supported in part through user fees.

Enterprise Fund - The District uses an Enterprise Fund to report activities related to the Food Services and Summer Enrichment Programs. The District's Enterprise Fund provides the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.

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 budgetary basis of accounting for revenues, expenditures and encumbrances. The most significant budgetary fund is the General Fund.

For the fiscal year ended June 30, 2022 General Fund budgetary basis revenues and other financing sources were more than expenditures and other financing uses by \$2,023,322. Therefore, total fund balance increased to \$16,244,905 at June 30, 2022 from \$14,221,583 at June 30, 2021. After deducting restricted, committed and assigned fund balances, the unassigned budgetary fund balance increased from \$4,338,525 at June 30, 2021 to \$4,919,089 at June 30, 2022. The District's reserved excess surplus resulting from the current year budgetary operations was \$910,833, a decrease of \$189,717 from the previous year. In addition, at June 30, 2022, the district had restricted fund balances for capital reserves of \$4,401,904, maintenance reserve of \$471,000, emergency reserve of \$488,000, tuition adjustment reserves of \$752,000, and unemployment compensation reserve of \$273,015.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2022 amounts to \$28,059,019 (net of accumulated depreciation). The capital assets consist of land, land improvements, buildings, building improvements, right-to-use leased buildings, construction in progress, computers, specialized machinery and various other types of equipment. Depreciation charges for fiscal year 2021-2022 amounted to \$2,551,870 for governmental activities and \$24,381 for business-type activities. During fiscal year 2021-2022 the District increased its governmental activities capital assets, net by \$204,661 and its business-type activities capital assets, net by \$58,897.

**Capital Assets at June 30, 2022 and 2021
(Net of Accumulated Depreciation)**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$ 1,780,323	\$ 1,780,323			\$ 1,780,323	\$ 1,780,323
Construction in Progress	668,823	181,195			668,823	181,195
Buildings and Improvements	20,986,997	21,757,354	\$ 28,411	\$ 30,186	21,015,408	21,787,540
Right-to-Use Leased Building	429,211	627,308			429,211	627,308
Land Improvements	1,498,787	1,604,121			1,498,787	1,604,121
Machinery and Equipment	<u>2,535,422</u>	<u>1,744,601</u>	<u>131,045</u>	<u>70,373</u>	<u>2,666,467</u>	<u>1,814,974</u>
Total Capital Assets, Net	<u>\$ 27,899,563</u>	<u>\$ 27,694,902</u>	<u>\$ 159,456</u>	<u>\$ 100,559</u>	<u>\$ 28,059,019</u>	<u>\$ 27,795,461</u>

Additional information on the District's capital assets are presented in the Notes to the Financial Statements.

LONG TERM LIABILITIES

At year end, the District's long-term liabilities amounted to \$11,011,099 which consisted of \$453,580 of leases payable compared to \$650,050 at the end of the previous year, \$1,502,381 of compensated absences payable compared to \$1,446,791 at the end of the previous year as well as net pension liability of \$9,055,138 compared to \$11,848,577 at the end of the previous year. Total long-term liabilities decreased \$2,934,319 from the previous year.

Additional information of the District's long-term liabilities is presented in the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2022-2023 budget. The primary factors were the District's projected student population, anticipated state and federal aid, special education costs, facility improvements, as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2022-2023. Total budgeted expenditures increased 7 percent to \$78,273,447 in fiscal year 2021-2022. A significant portion of the increase was funded by addition State aid allotted to the District for fiscal year 2022-2023.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the School Business Administrator, Bergenfield Board of Education, 225 West Clinton Avenue, Bergenfield, NJ 07621.

FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

**BERGENFIELD BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2022**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 12,628,410	\$ 902,707	\$ 13,531,117
Receivables, Net			
Receivables From Other Governments	2,041,770	121,226	2,162,996
Accounts Receivable	50,145	13	50,158
Inventory		33,980	33,980
Capital Assets, Not Being Depreciated	2,449,146		2,449,146
Capital Assets, Being Depreciated, Net	<u>25,450,417</u>	<u>159,456</u>	<u>25,609,873</u>
Total Assets	<u>42,619,888</u>	<u>1,217,382</u>	<u>43,837,270</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>955,631</u>	<u>-</u>	<u>955,631</u>
Total Assets and Deferred Outflow of Resources	<u>43,575,519</u>	<u>1,217,382</u>	<u>44,792,901</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	1,124,499	154,664	1,279,163
Unearned Revenue	882,966	106,685	989,651
Noncurrent Liabilities			
Due within one year	304,474		304,474
Due beyond one year	<u>10,706,625</u>	<u>-</u>	<u>10,706,625</u>
Total Liabilities	<u>13,018,564</u>	<u>261,349</u>	<u>13,279,913</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>6,466,809</u>	<u>-</u>	<u>6,466,809</u>
Total Liabilities and Deferred Inflows of Resources	<u>19,485,373</u>	<u>261,349</u>	<u>19,746,722</u>
NET POSITION			
Investment in Capital Assets	27,445,983	159,456	27,605,439
Restricted for:			
Capital Projects	4,401,904		4,401,904
Plant Maintenance	471,000		471,000
Tuition Adjustments	752,000		752,000
Unemployment Compensation	273,015		273,015
Other Purposes	127,434		127,434
Unrestricted	<u>(9,381,190)</u>	<u>796,577</u>	<u>(8,584,613)</u>
Total Net Position	<u>\$ 24,090,146</u>	<u>\$ 956,033</u>	<u>\$ 25,046,179</u>

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

**BERGENFIELD BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Governmental Activities:							
Instruction:							
Regular	\$ 35,413,979	\$ 14,480	\$ 8,060,887	\$ 129,905	\$ (27,208,707)		\$ (27,208,707)
Special Education	14,561,178	2,604,279	6,050,755		(5,906,144)		(5,906,144)
Other Instruction	1,761,844		435,123		(1,326,721)		(1,326,721)
School Sponsored Activities and Athletics	1,261,162	98,222	106,579		(1,056,361)		(1,056,361)
Support Services:							
Student & Instruction Related Services	9,909,253		2,426,049		(7,483,204)		(7,483,204)
General Administrative Services	1,606,817		161,860		(1,444,957)		(1,444,957)
School Administrative Services	4,378,661		640,363		(3,738,298)		(3,738,298)
Central Administrative Services	1,305,742		110,409		(1,195,333)		(1,195,333)
Plant Operations and Maintenance	9,717,551	82,326	779,445	252,291	(8,603,489)		(8,603,489)
Student Transportation	3,256,322		769,778		(2,486,544)		(2,486,544)
Interest on Long Term Debt	22,426	-	-	-	(22,426)		(22,426)
Total Governmental Activities	<u>83,194,935</u>	<u>2,799,307</u>	<u>19,541,248</u>	<u>382,196</u>	<u>(60,472,184)</u>	<u>-</u>	<u>(60,472,184)</u>
Business-Type Activities:							
Food Services	2,391,983	37,768	2,349,032			\$ (5,183)	(5,183)
Summer Enrichment Program	<u>73,467</u>	<u>57,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,867)</u>	<u>(15,867)</u>
Total Business-Type Activities	<u>2,465,450</u>	<u>95,368</u>	<u>2,349,032</u>	<u>-</u>	<u>-</u>	<u>(21,050)</u>	<u>(21,050)</u>
Total Primary Government	<u>\$ 85,660,385</u>	<u>\$ 2,894,675</u>	<u>\$ 21,890,280</u>	<u>\$ 382,196</u>	<u>(60,472,184)</u>	<u>(21,050)</u>	<u>(60,493,234)</u>

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

(Continued)

**BERGENFIELD BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
General Revenues:			
Taxes:			
Property Taxes, levied for general purposes	\$ 51,059,211		\$ 51,059,211
State Aid - Unrestricted	13,013,430		13,013,430
Miscellaneous Income	<u>209,209</u>	<u>-</u>	<u>209,209</u>
Total General Revenues	<u>64,281,850</u>	<u>-</u>	<u>64,281,850</u>
Change in Net Position	3,809,666	\$ (21,050)	3,788,616
Net Position, Beginning of Year, (Restated)	<u>20,280,480</u>	<u>977,083</u>	<u>21,257,563</u>
Net Position, End of Year	<u>\$ 24,090,146</u>	<u>\$ 956,033</u>	<u>\$ 25,046,179</u>

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

FUND FINANCIAL STATEMENTS

**BERGENFIELD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2022**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 12,500,976	\$ 127,434	\$ 12,628,410
Intergovernmental Receivables	567,929	1,473,841	2,041,770
Accounts Receivable	43,773	6,372	50,145
Due from Other Funds	<u>482,965</u>	<u>-</u>	<u>482,965</u>
Total Assets	<u>\$ 13,595,643</u>	<u>\$ 1,607,647</u>	<u>\$ 15,203,290</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 729,787	\$ 118,871	\$ 848,658
Accrued Salaries and Wages	50,993	7,891	58,884
Compensated Absences Payable	74,484		74,484
Payroll Deductions and Withholdings Payable	5,413		5,413
Other Liabilities	137,060		137,060
Due to Other Funds		482,965	482,965
Unearned Revenue	<u>12,480</u>	<u>870,486</u>	<u>882,966</u>
Total Liabilities	<u>1,010,217</u>	<u>1,480,213</u>	<u>2,490,430</u>
Fund Balances:			
Restricted			
Capital Reserve	1,786,230		1,786,230
Capital Reserve - Designated for Subsequent Year's Expenditures	2,615,674		2,615,674
Maintenance Reserve	471,000		471,000
Emergency Reserve	453,000		453,000
Emergency Reserve - Designated for Subsequent Year's Expenditures	35,000		35,000
Tuition Adjustments	395,000		395,000
Tuition Adjustments - Designated for Subsequent Year's Expenditures	357,000		357,000
Unemployment Compensation Reserve	273,015		273,015
Excess Surplus	910,833		910,833
Excess Surplus - Designated for Subsequent Year's Expenditures	1,100,486		1,100,486
Student Activities		78,982	78,982
Scholarships		48,452	48,452
Committed			
Year-End Encumbrances	999,309		999,309
Assigned			
Year-End Encumbrances	1,138,833		1,138,833
Insurance Recovery Expenditures	61,500		61,500
Designated for Subsequent Year's Expenditures	728,936		728,936
Unassigned	<u>1,259,610</u>	<u>-</u>	<u>1,259,610</u>
Total Fund Balances	<u>12,585,426</u>	<u>127,434</u>	<u>12,712,860</u>
Total Liabilities and Fund Balances	<u>\$ 13,595,643</u>	<u>\$ 1,607,647</u>	<u>\$ 15,203,290</u>

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

**BERGENFIELD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2022**

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:

Total Fund Balances - Governmental Funds (B-1)		\$ 12,712,860
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$57,556,121 and the accumulated depreciation is \$29,656,558.		27,899,563
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 amortized over future years.		
Deferred Outflows of Resources	\$ 955,631	
Deferred Inflows of Resources	<u>(6,466,809)</u>	(5,511,178)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
Net Pension Liability	(9,055,138)	
Compensated Absences	(1,502,381)	
Leases Payable	<u>(453,580)</u>	<u>(11,011,099)</u>
Net Position of Governmental Activities (Exhibit A-1)		<u>\$ 24,090,146</u>

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

**BERGENFIELD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
Local Sources:			
Property Tax Levy	\$ 51,059,211		\$ 51,059,211
Tuition	2,618,759		2,618,759
Transportation Fees	82,326		82,326
Miscellaneous	<u>209,209</u>	<u>\$ 139,188</u>	<u>348,397</u>
Total - Local Sources	53,969,505	139,188	54,108,693
State Sources	32,651,300	965,648	33,616,948
Federal Sources	<u>119,376</u>	<u>2,120,737</u>	<u>2,240,113</u>
Total Revenues	<u>86,740,181</u>	<u>3,225,573</u>	<u>89,965,754</u>
EXPENDITURES			
Current			
Instruction			
Regular	37,072,940	1,023,397	38,096,337
Special Education	13,843,493	1,158,524	15,002,017
Other Instruction	1,819,864	84,357	1,904,221
School Sponsored Activities and Athletics	1,238,315	87,855	1,326,170
Support Services			
Student and Instruction Related Services	9,484,723	940,148	10,424,871
General Administrative Services	1,680,954		1,680,954
School Administrative Services	4,573,984		4,573,984
Central Administrative Services	1,365,401		1,365,401
Plant Operations and Maintenance	7,767,609		7,767,609
Student Transportation	3,276,359		3,276,359
Debt Service			
Principal	196,470		196,470
Interest	22,426		22,426
Capital Outlay	<u>2,968,020</u>	<u>129,905</u>	<u>3,097,925</u>
Total Expenditures	<u>85,310,558</u>	<u>3,424,186</u>	<u>88,734,744</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,429,623</u>	<u>(198,613)</u>	<u>1,231,010</u>
OTHER FINANCING SOURCES (USES)			
Transfers In		198,880	198,880
Transfers Out	(198,880)		(198,880)
Insurance Recoveries	<u>133,413</u>	<u>-</u>	<u>133,413</u>
Total Other Financing Sources (Uses)	<u>(65,467)</u>	<u>198,880</u>	<u>133,413</u>
Net Change in Fund Balance	1,364,156	267	1,364,423
Fund Balance, Beginning of Year	<u>11,221,270</u>	<u>127,167</u>	<u>11,348,437</u>
Fund Balance, End of Year	<u>\$ 12,585,426</u>	<u>\$ 127,434</u>	<u>\$ 12,712,860</u>

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

**BERGENFIELD BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ 1,364,423

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

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

Capital outlays	\$	3,097,925
Depreciation expense		<u>(2,551,870)</u>

546,055

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, donations, disposals) is to decrease net position. These transactions are not reported in the governmental fund financial statements.

Loss on Disposal of Capital Assets	(341,394)
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In the statement of activities, certain operating expenses - compensated absences and pension expense are measured by the amounts earned or incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Decrease in Pension Expense		2,099,702
Increase in Compensated Absences		<u>(55,590)</u>

2,044,112

Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not effect the statement of activities.

Repayment of Lease Principal	<u>196,470</u>
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Change in Net Position of Governmental Activities (Exhibit A-2) \$ 3,809,666

**BERGENFIELD BOARD OF EDUCATION
 PROPRIETARY FUND
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2022**

	Business-Type Activities Enterprise Funds		
	<u>Food Service</u>	<u>Summer Enrichment Program</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 706,787	\$ 195,920	\$ 902,707
Intergovernmental Receivable	121,226		121,226
Other Accounts Receivable	13		13
Inventories	<u>33,980</u>	<u>-</u>	<u>33,980</u>
Total Current Assets	<u>862,006</u>	<u>195,920</u>	<u>1,057,926</u>
Capital Assets			
Building Improvements	35,511		35,511
Equipment	297,124		297,124
Accumulated Depreciation	<u>(173,179)</u>	<u>-</u>	<u>(173,179)</u>
Total Capital Assets, Net	<u>159,456</u>	<u>-</u>	<u>159,456</u>
Total Assets	<u>1,021,462</u>	<u>195,920</u>	<u>1,217,382</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	153,885	779	154,664
Unearned Revenue	<u>16,535</u>	<u>90,150</u>	<u>106,685</u>
Total Current Liabilities	<u>170,420</u>	<u>90,929</u>	<u>261,349</u>
NET POSITION			
Investment in Capital Assets	159,456		159,456
Unrestricted	<u>691,586</u>	<u>104,991</u>	<u>796,577</u>
Total Net Position	<u>\$ 851,042</u>	<u>\$ 104,991</u>	<u>\$ 956,033</u>

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

**BERGENFIELD BOARD OF EDUCATION
 PROPRIETARY FUND
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Business-Type Activities		<u>Total</u>
	Enterprise Funds		
	<u>Food Service</u>	<u>Summer Enrichment Program</u>	
OPERATING REVENUES			
Local Sources			
Daily Sales - Non-Reimbursable Programs	\$ 37,768		\$ 37,768
Program Fees	-	\$ 57,600	57,600
Total Operating Revenues	<u>37,768</u>	<u>57,600</u>	<u>95,368</u>
OPERATING EXPENSES			
Salaries and Benefits	1,094,297	64,397	1,158,694
Cost of Sales - Reimbursable Programs	722,427		722,427
Cost of Sales - Non-Reimbursable Programs	10,406		10,406
Other Purchased Services	128,775	4,926	133,701
Management Fee	130,063		130,063
Supplies and Materials	241,484	3,994	245,478
Repairs	38,958		38,958
Miscellaneous Expense	1,192	150	1,342
Depreciation	24,381	-	24,381
Total Operating Expenses	<u>2,391,983</u>	<u>73,467</u>	<u>2,465,450</u>
Operating Loss	<u>(2,354,215)</u>	<u>(15,867)</u>	<u>(2,370,082)</u>
NON-OPERATING REVENUES			
State Sources			
State School Lunch Program	42,201		42,201
Federal Sources			
National School Breakfast Program	352,108		352,108
National School Lunch Program	1,791,675		1,791,675
Emergency Operational Cost Program	47,921		47,921
Administrative Cost Program for Pandemic EBT	6,198		6,198
Food Distribution Program	108,929	-	108,929
Total Nonoperating Revenues	<u>2,349,032</u>	<u>-</u>	<u>2,349,032</u>
Changes in Net Position	(5,183)	(15,867)	(21,050)
Total Net Position, Beginning of Year	<u>856,225</u>	<u>120,858</u>	<u>977,083</u>
Total Net Position, End of Year	<u>\$ 851,042</u>	<u>\$ 104,991</u>	<u>\$ 956,033</u>

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

**BERGENFIELD BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Business-Type Activities		
	Enterprise Funds		
	Food	Summer	
	Service	Enrichment	Total
		Program	
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 41,504	\$ 91,395	\$ 132,899
Cash Payments for Employees			
Salaries & Benefits	(1,094,297)	(64,397)	(1,158,694)
Cash Payments to Suppliers for Goods and Services	(1,109,035)	(9,266)	(1,118,301)
Net Cash Provided by (Used for) Operating Activities	(2,161,828)	17,732	(2,144,096)
Cash Flows from Noncapital Financing Activities			
Cash Received from State and Federal			
Subsidy Reimbursements	2,226,098	-	2,226,098
Cash Received from Other Funds	80	-	80
Net Cash Provided by Noncapital Financing Activities	2,226,178	-	2,226,178
Cash Flows from Capital Financing Activities			
Acquisition of Capital Assets	(83,278)	-	(83,278)
Net Cash (Used for) Capital Financing Activities	(83,278)	-	(83,278)
Net Increase (Decrease) in Cash and Cash Equivalents	(18,928)	17,732	(1,196)
Cash and Cash Equivalents, Beginning of Year	725,715	178,188	903,903
Cash and Cash Equivalents, End of Year	\$ 706,787	\$ 195,920	\$ 902,707
Reconciliation of Operating (Loss) to Net Cash (Used for) Operating Activities			
Operating (Loss)	\$ (2,354,215)	\$ (15,867)	\$ (2,370,082)
Adjustments to Reconcile Operating (Loss) to Net Cash Provided by (Used for) Operating Activities			
Depreciation	24,381		24,381
Non-Cash Federal Assistance-Food Distribution Program	108,929		108,929
Change in Assets, Liabilities and Deferred Inflows			
(Increase)/Decrease in Accounts Receivable	7,438		7,438
(Increase)/Decrease in Inventory	(21,893)		(21,893)
Increase/(Decrease) in Accounts Payable	77,234	(196)	77,038
Increase/(Decrease) in Unearned Revenue	(3,702)	33,795	30,093
Total Adjustments	192,387	33,599	225,986
Net Cash Provided by (Used for) Operating Activities	\$ (2,161,828)	\$ 17,732	\$ (2,144,096)
Non-Cash Investing, Capital and Financing Activities:			
Value Received - Food Distribution Program	\$ 108,929		\$ 108,929

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

NOTES TO THE FINANCIAL STATEMENTS

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Bergenfield Board of Education (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of five elected officials and is responsible for the fiscal control of the District. A Superintendent 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 Pre-Kindergarten through grade twelve (12) school district.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent 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 of Schools 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 Bergenfield Board of Education this includes general operations, food service, a summer enrichment program, 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 2022, the District adopted the following GASB statements:

- GASB Statement No. 87, *Leases*. 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 Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*. 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.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB Statement No. 92, *Omnibus 2020*. 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 Statement 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 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.
- GASB Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments.

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

- GASB Statement 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 Statement No. 99, *Omnibus 2022*, the section applicable to the District will be effective beginning with the fiscal year ending June 30, 2023. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.
- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.
- GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

Fund Financial Statements

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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 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 *summer enrichment program fund* accounts for the activities of the District's summer enrichment program which provides additional courses and activities for students during the summer recess.

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.

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.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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, acquisitions under financing agreements and leases payable for intangible right-to-use assets are reported as other financing sources.

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

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

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

1. *Cash, Cash Equivalents and Investments*

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

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

2. *Receivables*

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

3. *Inventories*

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

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

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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 except for intangible right-to-use leased assets the measurement which is discussed in Note 1.E.8. 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	15-30
Buildings	40
Building Improvements	5-40
Right-to-use Leased Buildings	5
Machinery and Equipment	5-10
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 future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has one item which arises only under the accrual basis of accounting that qualifies for reporting in this category. The 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.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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 future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has one item which arises only under the accrual basis of accounting that qualifies 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 sick leave benefits. A long-term liability of accumulated sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds accrue accumulated sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

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. Leases

Non-cancellable leases for the use of buildings and equipment are recognized as a lease liability and an intangible right-to-use lease asset in the district-wide and proprietary fund type financial statements. The District recognizes lease liabilities with an initial, individual value of \$2,000 or more. The lease liability is subsequently reduced by the principal portion of lease payments made each year. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the asset's useful life. Leases are monitored for changes in circumstances that would require a remeasurement of the lease and the lease assets and liabilities are remeasured if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities on the statement of net position.

In the fund financial statements leases payable are recognized as other financing sources at the initial amount of the lease liability. Intangible right-to-use leased assets are reported as capital outlay expenditures.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. *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.

In the fund financial statements, governmental fund types recognize the face amount of debt issued as other financings sources.

10. *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.

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

Capital Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2022/2023 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 2C).

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 2D).

Emergency Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of emergency reserve fund balance appropriated in the adopted 2022/2023 District budget certified for taxes.

Tuition Adjustments – This restriction was created in accordance with NJAC 6A:23A-17.1(F)8 to represent foreseeable future tuition adjustments for the 2021/2022 contract year and is required to be liquidated in the second year following the contract year with any remaining balance related to that contract year to be reserved and budgeted for property tax relief in the 2023/2024 original budget certified for taxes.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

Tuition Adjustments – Designated for Subsequent Year’s Expenditures – This restriction was created in accordance with NJAC 6A:23A-17.1(F)8 to represent foreseeable future tuition adjustments for the 2020/2021 contract year that is appropriated in the 2022/2023 original budget certified for taxes.

Unemployment Compensation Reserve – 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 4A).

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2022 audited excess surplus that is required to be appropriated in the 2023/2024 original budget certified for taxes.

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

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

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

Committed Fund Balance – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustee’s 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.

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

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

Insurance Recovery Expenditures - Represents fund balance assigned specifically for future expenditures to be funded from available insurance recovery proceeds in the General Fund.

Designated for Subsequent Year’s Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2022/2023 District budget certified for taxes.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

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

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

11. 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 District's highest level of decision-making authority. The Board of Education 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.

Amounts in the assigned fund balance classification are intended to be used by the Board of Education 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.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

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 2020-2021 and 2021-2022 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

The annual budget is adopted in the spring of the preceding year for the general and special revenue funds. 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 no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2021/2022. Also, during 2021/2022 the Board increased the original budget by \$9,386,304. The increase was funded by the additional grant awards, student activities revenues, scholarship donations and the reappropriation of prior year general fund encumbrances.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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

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

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, 2022 is as follows:

Balance, July 1, 2021		\$ 3,825,822
Increased by:		
Return of Unencumbered Budget Appropriations		
Funded from Reserve	\$ 284,820	
Interest Earned in Capital Reserve	1,412	
Deposit per Board Resolution	<u>1,500,000</u>	
		<u>1,786,232</u>
		5,612,054
Decreased by:		
Withdrawals Approved in District Budget		<u>1,210,150</u>
Balance, June 30, 2022		<u>\$ 4,401,904</u>

The June 30, 2022 LRFP costs of uncompleted capital projects is \$72,245,358. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district's Long Range Facilities Plan. \$2,615,674 of the capital reserve balance at June 30, 2022 was designated and appropriated for use in the 2022/2023 original budget certified for taxes.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 2 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, 2022 is as follows:

Balance, July 1, 2021	\$ 85,492
Increased by:	
Deposit per Board Resolution	<u>471,000</u>
	556,492
Decreased by:	
Withdrawals Approved in District Budget	<u>85,492</u>
Balance, June 30, 2022	<u>\$ 471,000</u>

The June 30, 2022 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,893,079.

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, 2022 is as follows:

Balance, July 1, 2021	\$ 488,000
Increased by:	
Deposit per Board Resolution	<u>375,000</u>
	863,000
Decreased by:	
Withdrawals Approved in District Budget	<u>375,000</u>
Balance, June 30, 2022	<u>\$ 488,000</u>

\$35,000 of the emergency reserve balance at June 30, 2022 was designated and appropriated for use in the 2022/2023 original budget certified for taxes.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 2 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, 2022 is \$2,011,319. Of this amount, \$1,100,486 was designated and appropriated in the 2021/2022 original budget certified for taxes and the remaining amount of \$910,833 will be appropriated in the 2022/2023 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2022, the book value of the Board's deposits were \$13,531,117 and bank and brokerage firm balances of the Board’s deposits amounted to \$15,857,170. The Board's deposits which are displayed on the various fund balance sheets as “cash and cash equivalents” are categorized as:

Depository Account

Insured	\$ 15,429,223
Uninsured and Collateralized	<u>427,947</u>
	<u>\$ 15,857,170</u>

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, 2022 the Board’s bank balance of \$427,947 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department but not in the Board's name	<u>\$ 427,947</u>
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**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

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, 2022, 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.

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Board’s investment in a single issuer. The Board places no limit in the amount the District may invest in any one issuer.

B. Receivables

Receivables as of June 30, 2022 for the district’s individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Intergovernmental				
Federal	\$ 15,865	\$ 1,470,161	\$ 119,079	\$ 1,605,105
State	156,538	3,680	2,147	162,365
Other	395,526			395,526
Accounts Receivable	<u>43,773</u>	<u>6,372</u>	<u>13</u>	<u>50,158</u>
Gross Receivables	611,702	1,480,213	121,239	2,213,154
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 611,702</u>	<u>\$ 1,480,213</u>	<u>\$ 121,239</u>	<u>\$ 2,213,154</u>

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 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:

	<u>Total</u>
General Fund	
Prepaid Tuition Charges	\$ 12,480
Special Revenue Fund	
Unencumbered Grant Draw Downs	232,415
Grant Draw Downs Reserved for Encumbrances	<u>638,071</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 882,966</u>

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2022 was as follows:

	<u>Balance, July 1, 2021 (Restated)</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2022</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,780,323			\$ 1,780,323
Construction in Progress	<u>181,195</u>	\$ 487,628	-	<u>668,823</u>
 Total Capital Assets, Not Being Depreciated	 <u>1,961,518</u>	 <u>487,628</u>	 <u>-</u>	 <u>2,449,146</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	39,832,227	1,116,747	\$ (507,713)	40,441,261
Right-to-Use Leased Building	990,486	-		990,486
Land Improvements	4,256,526	54,729		4,311,255
Machinery and Equipment	<u>8,654,855</u>	<u>1,438,821</u>	<u>(729,703)</u>	<u>9,363,973</u>
Total Capital Assets Being Depreciated	<u>53,734,094</u>	<u>2,610,297</u>	<u>(1,237,416)</u>	<u>55,106,975</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(18,074,873)	(1,549,243)	169,852	(19,454,264)
Right-to-Use Leased Building	(363,178)	(198,097)		(561,275)
Land Improvements	(2,652,405)	(160,063)		(2,812,468)
Machinery and Equipment	<u>(6,910,254)</u>	<u>(644,467)</u>	<u>726,170</u>	<u>(6,828,551)</u>
Total Accumulated Depreciation	<u>(28,000,710)</u>	<u>(2,551,870)</u>	<u>896,022</u>	<u>(29,656,558)</u>
 Total Capital Assets, Being Depreciated, Net	 <u>25,733,384</u>	 <u>58,427</u>	 <u>(341,394)</u>	 <u>25,450,417</u>
 Governmental Activities Capital Assets, Net	 <u>\$ 27,694,902</u>	 <u>\$ 546,055</u>	 <u>\$ (341,394)</u>	 <u>\$ 27,899,563</u>

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Building Improvements	\$ 35,511			\$ 35,511
Equipment	<u>239,086</u>	\$ 83,278	\$ (25,240)	<u>297,124</u>
Total Capital Assets Being Depreciated	<u>274,597</u>	<u>83,278</u>	<u>(25,240)</u>	<u>332,635</u>
Less Accumulated Depreciation for:				
Building Improvements	(5,325)	(1,775)		(7,100)
Equipment	<u>(168,713)</u>	<u>(22,606)</u>	<u>25,240</u>	<u>(166,079)</u>
Total Accumulated Depreciation	<u>(174,038)</u>	<u>(24,381)</u>	<u>25,240</u>	<u>(173,179)</u>
Total Capital Assets, Being Depreciated, Net	<u>100,559</u>	<u>58,897</u>	<u>-</u>	<u>159,456</u>
Business-Type Activities Capital Assets, Net	<u>\$ 100,559</u>	<u>\$ 58,897</u>	<u>\$ -</u>	<u>\$ 159,456</u>

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

Governmental Activities:

Instruction		
Regular		\$ 229,228
Special Education		<u>1,741</u>
Total Instruction		<u>230,969</u>
Support Services		
Student and Instruction Related Services		97,661
General Administrative Services		846
School Administrative Services		116,468
Central Administrative Services		1,145
Plant Operations and Maintenance		1,988,168
Student Transportation		<u>116,613</u>
Total Support Services		<u>2,320,901</u>
Total Depreciation Expense - Governmental Activities		<u>\$ 2,551,870</u>
Business-Type Activities:		
Food Service Fund		<u>\$ 24,381</u>
Total Depreciation Expense-Business Type Activities		<u>\$ 24,381</u>

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects and other significant commitments as of June 30, 2022:

<u>Project</u>	<u>Remaining Commitment</u>
Dell Chromebooks	\$ 763,755
Emergency Roof Replacement at Jefferson School	265,531
Emergency Notification Security System	64,271
Flooring Removal and Installation	123,338
Athletic Bleachers and Tennis Court Fencing	106,000
Acquisition of School Buses	412,514
	<u>\$ 1,735,409</u>

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2022, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	<u>\$ 482,965</u>

The above balances are to cover cash balances which were in an overdraft position.

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

Interfund Transfers

	<u>Transfer In:</u>
	Special
	<u>Revenue Fund</u>
Transfer Out:	
General Fund	<u>\$ 198,880</u>

The above transfers are the result of revenues earned in one fund to finance expenditures in another fund.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases Payable

On September 1, 2019, the District entered into a five year lease agreement as lessee for the use of a school building. The initial lease liability was recorded in the amount of \$990,486. The lease has an interest rate of 4.00%. The District is required to make monthly payments of \$18,241. While there is no renewal option granted under the agreement, the District must notify the lessor on or before August 31, 2023 as to whether or not it wished to negotiate for an extension of the lease beyond the expiration date of August 31, 2024. Upon expiration of the lease agreement if the District remains in the building such occupancy shall be deemed to be a month-to-month tenancy and holdover period at a rental rate of one and half times the rental payment during the last year of the lease term. As of June 30, 2022 the value of the lease liability was \$453,580. The building has a 5 year estimated useful life. The value of the right-to-use asset as of June 30, 2022 is \$990,486 and had accumulated depreciation of \$561,275.

The future principal and interest lease payments as of June 30, 2022 were as follows:

Governmental Activities:

<u>Ending June 30,</u>	<u>Leases Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 204,474	\$ 14,422	\$ 218,896
2024	212,805	6,091	218,896
2025	<u>36,301</u>	<u>182</u>	<u>36,483</u>
Total	<u>\$ 453,580</u>	<u>\$ 20,695</u>	<u>\$ 474,275</u>

G. Long-Term Debt

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2022 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 132,684,536
Less: Net Debt	<u>-</u>
Remaining Borrowing Power	<u>\$ 132,684,536</u>

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2022, was as follows:

	Balance, July 1, 2021 (Restated)	Additions	Reductions	Balance, June 30, 2022	Due Within One Year
Governmental activities:					
Leases Payable	\$ 650,050		\$ 196,470	\$ 453,580	\$ 204,474
Compensated Absences	1,446,791	\$ 132,729	77,139	1,502,381	100,000
Net Pension Liability	11,848,577	-	2,793,439	9,055,138	-
Governmental activity Long-term liabilities	<u>\$ 13,945,418</u>	<u>\$ 132,729</u>	<u>\$ 3,067,048</u>	<u>\$ 11,011,099</u>	<u>\$ 304,474</u>

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

NOTE 4 OTHER INFORMATION

A. Risk Management

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

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

The relationship between the Board and the insurance funds 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 funds, to report claims on a timely basis, cooperate with the management of the funds, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the funds 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 respective insurance funds are on file with the School's Business Administrator.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 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, 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>	District <u>Contributions</u>	Employee <u>Contributions</u>	Amount <u>Reimbursed</u>	Ending <u>Balance</u>
2022	None	\$ 68,658	\$ 1,152	\$ 273,015
2021	None	78,505	8,952	273,015
2020	None	80,388	98,308	273,015

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.

Pending Litigation – A complaint was filed against the District and the estate of a former employee on or about November 16, 2021 alleging sexual abuse by a former District teacher against the Plaintiff, a former student. The allegations date back to 1966 through 1970. Plaintiff has demanded a total of \$400 million. In the opinion of the District's special counsel to this matter, the odds of success will be determined by the evidence or lack thereof, and therefore cannot be evaluated at this time. The District is currently researching the insurance coverages in effect at the time the alleged abuse took place. However, liability coverage has not been confirmed as of the date of audit.

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, 2022, 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.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

C. 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) Annual Comprehensive Financial Report (ACFR) 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) Annual Comprehensive Financial Report (ACFR) 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.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

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

The following represent the membership tiers for TPAF:

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

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 for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollments 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.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

C. 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.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

C. 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, 2021 is \$12.0 billion and the plan fiduciary net position as a percentage of the total pension liability is 70.33%. The collective net pension liability of the State funded TPAF at June 30, 2021 is \$48.2 billion and the plan fiduciary net position as a percentage of total pension liability is 35.52%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2020 which were rolled forward to June 30, 2021.

Actuarial Methods and Assumptions

In the July 1, 2020 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 2022.

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2022 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 2022, 2021 and 2020 were equal to the required contributions.

During the fiscal years ended June 30, 2022, 2021 and 2020 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>
2022	\$ 895,169	\$ 10,137,019	\$ 93,759
2021	794,839	6,918,350	96,931
2020	753,995	5,307,520	75,760

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2022, 2021 and 2020 the District contributed \$0, \$0 and \$3,898, respectively for PERS and the State contributed \$2,808, \$2,981 and \$3,019, 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 \$2,102,271 during the fiscal year ended June 30, 2022 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, 2020 through June 30, 2021. 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, 2021 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2021.

At June 30, 2022, the District reported in the statement of net position (accrual basis) a liability of \$9,055,138 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. 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, 2021. At June 30, 2021, the District's proportionate share was .07644 percent, which was an increase of .00378 percent from its proportionate share measured as of June 30, 2020 of .07266 percent.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

C. 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, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$1,204,533 for PERS. The pension contribution made by the District during the current 2021/2022 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, 2022 with a measurement date of the prior fiscal year end of June 30, 2021. 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, 2022 for contributions made subsequent to the measurement date. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 142,811	\$ 64,824
Changes of Assumptions	47,159	3,223,688
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		2,385,361
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>765,661</u>	<u>792,936</u>
Total	<u>\$ 955,631</u>	<u>\$ 6,466,809</u>

At June 30, 2022, 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>
2023	\$ (2,208,271)
2024	(1,612,366)
2025	(1,056,016)
2026	(653,686)
2027	19,161
Thereafter	<u>-</u>
	<u>\$ (5,511,178)</u>

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

C. 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, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

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

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

C. 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, 2021) 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, 2021 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%	3.35%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Investment Grade Credit	8.00%	1.68%
US Equity	27.00%	8.09%
Non-US Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
High Yield	2.00%	3.75%
Real Assets	3.00%	7.40%
Private Credit	8.00%	7.60%
Real Estate	8.00%	9.15%
Private Equity	13.00%	11.30%

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

C. 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

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining 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	\$ 12,331,262	\$ 9,055,138	\$ 6,274,883

The sensitivity analysis was based on the proportionate share of the District's net pension liability as of the measurement date of June 30, 2021. A sensitivity analysis specific to the District's net pension liability at June 30, 2021 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.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

C. 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, 2020 through June 30, 2021. 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, 2021, 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, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$2,642,051 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, 2022 the State's proportionate share of the net pension liability attributable to the District is \$112,282,264. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. 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, 2021. At June 30, 2021, the State's share of the net pension liability attributable to the District was .23356 percent, which was a decrease of .00416 percent from its proportionate share measured as of June 30, 2020 of .23772 percent.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

C. 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, 2021 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

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

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

C. 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, 2021) 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, 2021 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%	3.35%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Investment Grade Credit	8.00%	1.68%
US Equity	27.00%	8.09%
Non-US Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
High Yield	2.00%	3.75%
Real Assets	3.00%	7.40%
Private Credit	8.00%	7.60%
Real Estate	8.00%	9.15%
Private Equity	13.00%	11.30%

Discount Rate

The discount rate used to measure the total pension liability for TPAF was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

C. 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)

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 7.00%, 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 (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>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	\$ 132,848,674	\$ 112,282,264	\$ 95,007,772

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, 2021. A sensitivity analysis specific to the State’s proportionate share of the net pension liability attributable to the District at June 30, 2021 was not provided by the pension system.

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.

D. 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 a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified 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.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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. 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.

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, 2020:

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 plan 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 plan. 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.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2021 is \$60.0 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, 2020 which were rolled forward to June 30, 2021.

Actuarial Methods and Assumptions

In the June 30, 2020 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 \$1.23 billion to the OPEB plan in fiscal year 2021.

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, 2022, 2021 and 2020 were \$2,368,418, \$2,168,102 and \$1,968,993, 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, 2020 through June 30, 2021. Nonemployer allocation percentages have been rounded for presentation purposes.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

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, 2022, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$6,902,233. 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, 2022 the State's proportionate share of the OPEB liability attributable to the District is \$131,409,486. 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, 2021 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2021. At June 30, 2021, the state's share of the OPEB liability attributable to the District was .21899 percent, which was a decrease of .00197 percent from its proportionate share measured as of June 30, 2020 of .22096 percent.

Actuarial Assumptions

The OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%	
Salary Increases*	<u>PERS</u>	<u>TPAF</u>
Initial Fiscal Year Applied Through	2026	2026
Rate	2.00% to 6.00%	1.55% to 4.45%
Rate Thereafter	3.00% to 7.00%	2.75% to 5.65%

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

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. 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)

Preretirement mortality rates were based on the Pub-2010 Health “Teachers” (TPAF) and “General” (PERS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2010 “General” (PERS) and “Teachers” (TPAF) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

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.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%

Discount Rate

The discount rate for June 30, 2021 was 2.16%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. 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, 2022 (measurement date June 30, 2021) is as follows:

	Total OPEB Liability <u>(State Share 100%)</u>
Balance, June 30, 2020 Measurement Date	\$ 149,834,242
Changes Recognized for the Fiscal Year:	
Service Cost	6,855,927
Interest on the Total OPEB Liability	3,408,901
Changes in Benefit Terms	(139,870)
Differences Between Expected and Actual Experience	(26,081,250)
Changes of Assumptions	129,646
Gross Benefit Payments	(2,685,259)
Contributions from the Member	87,149
Net Changes	<u>\$ (18,424,756)</u>
Balance, June 30, 2021 Measurement Date	<u>\$ 131,409,486</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.21% in 2020 to 2.16% in 2021.

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, 2021.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. 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 2.16%, 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 (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current rate:

	1% Decrease <u>(1.16%)</u>	Current Discount Rate <u>(2.16%)</u>	1% Increase <u>(3.16%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>157,407,935</u>	\$ <u>131,409,486</u>	\$ <u>110,937,268</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 <u>Decrease</u>	Healthcare Cost Trend Rates	1% Increase <u>Increase</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>106,376,406</u>	\$ <u>131,409,486</u>	\$ <u>165,027,063</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021 were not provided by the pension system.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. 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 the year ended December 31, 2021, the Borough provided property tax abatements through certain programs authorized under State statutes. These programs include the Long Term Tax Exemption Law (the "LTTE Law"), and Senior Citizens Nonprofit Rental Housing Tax Law.

Prior to the enactment of the Long Term Tax Exempt Law (NJSA 40A:20 et. seq.) and under the provisions of the Senior Citizens Nonprofit Rental Housing Tax Law (NJSA 55:141-1), which has since been repealed, allows for the clearance, re-planning, development or redevelopment of blighted areas by means of a non-profit rental housing project for the elderly, developed, erected and owed by a non-profit corporations under the Federal Senior Citizens Housing Loan Program, and pursuant to section 202 of the Federal Housing Act of 1959, as amended; authorizing and providing for the exemption in part of such non-profit rental housing projects from taxation under the law. A qualified municipality could abate for up to 50 years the property taxes on newly construction senior housing. The process beings when the municipality passes by ordinance or resolution, as appropriate, that such residential rental senior housing project shall be exempt from property tax provided that an agreement is entered into with the housing sponsor to make a PILOT payment to the municipality in an amount equal to a percentage of the annual gross revenue from each senior housing project. For the year ended December 31, 2021 the Borough abated property taxes totaling \$448,470 under this law of which \$252,450 represents the District's share. The Borough received \$94,595 in PILOT payments under this program for the year ended December 31, 2021.

NOTE 5 RESTATEMENT

On July 1, 2021, the Bergenfield Board of Education implemented GASB Statement No. 87 "Leases". In addition, a prior period adjustment was made for certain capital assets that were unrecorded at June 30, 2021. The Bergenfield Board of Education has determined that the effect of implementing this accounting change and adjustment for prior year unrecorded capital assets on the financial statements previously reported as of and for the fiscal year ended June 30, 2021 are as follows:

Governmental Activities

The financial statements of the governmental activities as of June 30, 2021 have been restated to reflect certain activities related to capital assets and lease payable for the intangible right-to-use capital assets. The effect of this restatement is to increase net position of governmental activities by \$160,004 from \$20,120,476 as previously reported to \$20,280,480 as of June 30, 2021.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 6 INFECTIOUS DISEASE OUTBREAK – COVID-19 RECENT DEVELOPMENTS

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. As governments monitor the outbreaks, they have taken various steps to control them through requiring social distancing, masks and business closures and limited openings. As the virus appears to be under control in many areas, many of these restrictions have been lifted although the situation is monitored, sometimes restrictions are reinstated. Several vaccines have been developed and have been administered. Mutant variants have emerged in various places around the world and now are prevalent in the United States. Certain workers are being required to be vaccinated. Companies have developed booster shots, and current vaccines have proven substantially effective against all currently know variants. New treatments are also being developed to avert the worst outcomes. The assessment of the impact of the virus and the ability to control it and its mutant strains is ongoing.

In the State, Governor Phil Murphy has issued multiple Executive Orders since March 16, 2020 including but not limited to aggressive social distancing measures, restrictions on local elections, restrictions on foreclosure and evictions, suspension of all elective surgeries, closing of schools and child care centers, the commandeering of property such as medical supplies, the cessation of all non-essential construction projects, extending insurance premium grace periods, the temporary reprieve to certain at-risk inmates and the extension of the permitted statutory grace period from May 11, 2020 to June 1, 2020 for quarterly property taxes due May 1, 2020. On June 4, 2021, the Governor signed legislation enabling the end of the public health emergency and keeping certain executive orders in place until January 1, 2022, though such executive orders may be modified or rescinded prior to that day by the Governor. The Board expects ongoing actions be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19. The Pandemic has negatively affected travel, commerce, and financial markets globally, and may continue to negatively affect economic growth and financial markets worldwide. These negative impacts could reduce or negatively affect property values within the School District.

Since the pandemic began, the federal government had enacted rescue legislation to address the pandemic and alleviate its economic and health effects, including significant support for education. The legislation includes various forms of financial relief including direct stimulus payments and various other forms of economic relief, including extended unemployment benefits, continued eviction and foreclosure moratoriums, an increase in the child tax credit, an increase in food and housing aid, assistance grants to restaurants and bars, and other small business grants and loans. 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. Federal aid for public education has been provided under three 5 separate laws: The Coronavirus Aid, Relief, and Economic Security Act in March 2020 (CARES Act), and the Coronavirus Response and Relief Supplemental Appropriations Act in December 2020 (CRRSA) and the American Rescue Plan Act in March 2021 (ARP). The Elementary and Secondary School Emergency Relief (ESSER) Fund is the main source of funding for public elementary and secondary education under each law. The School District has been awarded up to \$6,359,666 to address certain expenses incurred as a result of the pandemic. Because of the evolving nature of the outbreak and federal, state and local responses, the Board cannot predict how the outbreak will impact the financial condition or operations of the Board, 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 School District 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 its facilities either before or after an outbreak of an infectious disease. To date the School District has not been materially and adversely affected financially due to the virus.

REQUIRED SUPPLEMENTARY INFORMATION - PART II
BUDGETARY COMPARISON SCHEDULES

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
REVENUES					
Local Sources					
Local Property Tax Levy	\$ 51,059,211		\$ 51,059,211	\$ 51,059,211	
Tuition	1,900,000		1,900,000	2,618,759	\$ 718,759
Transportation Fees	106,619		106,619	82,326	(24,293)
Miscellaneous	256,624	-	256,624	209,209	(47,415)
Total Local Revenues	53,322,454	-	53,322,454	53,969,505	647,051
State Sources					
Equalization Aid	13,068,727		13,068,727	13,068,727	
School Choice Aid	235,277		235,277	235,277	
Special Education Aid	2,104,440		2,104,440	2,104,440	
Security Aid	374,729		374,729	374,729	
Transportation Aid	578,477		578,477	578,477	
Extraordinary Aid				2,086,009	2,086,009
Securing Our Children's Future Bond Act - Water Infrastructure Grant				53,132	53,132
School Security Grant				199,159	199,159
On Behalf TPAF Contributions (Non Budgeted)					
Pension Benefit Contribution				9,995,990	9,995,990
Pension - NCGI Premium				141,029	141,029
LTDI - Premium				2,808	2,808
Post Retirement Medical Benefit Contribution				2,368,418	2,368,418
Reimbursed TPAF Social Security Contribution (Non Budgeted)	-	-	-	2,102,271	2,102,271
Total State Revenues	16,361,650	-	16,361,650	33,310,466	16,948,816
Federal Sources					
Medicaid Reimbursement	23,646		23,646	60,319	36,673
FEMA Reimbursement	-	-	-	59,057	59,057
Total Federal Sources	23,646	-	23,646	119,376	95,730
Total Revenues	69,707,750	-	69,707,750	87,399,347	17,691,597
CURRENT EXPENDITURES					
Regular Programs - Instruction					
Salaries of Teachers					
Preschool		\$ 15,823	15,823	14,555	1,268
Kindergarten	950,655	82,185	1,032,840	1,031,986	854
Grades 1-5	7,027,278	(199,695)	6,827,583	6,790,349	37,234.00
Grades 6-8	4,447,825	(150,281)	4,297,544	4,286,625	10,919
Grades 9-12	7,417,234	(29,556)	7,387,678	7,387,662	16
Regular Programs - Home Instruction					
Salaries of Teachers	8,775	11,887	20,662	20,662	-
Purchased Professional/Educational Services		480	480	480	-
General Supplies	-	24	24	24	-
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	1,406,472	(386,363)	1,020,109	970,328	49,781
Purchased Professional/Educational Services	186,936	6,820	193,756	190,336	3,420
Purchased Technical Services	36,000	(3,879)	32,121	32,121	-
Other Purchased Services	55,270	2,529	57,799	57,681	118
General Supplies	1,138,380	19,964	1,158,344	976,502	181,842
Textbooks	344,820	60,751	405,571	388,548	17,023
Other Objects	48,513	(30,069)	18,444	17,444	1,000
Total Regular Programs	23,068,158	(599,380)	22,468,778	22,165,303	303,475

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Special Education					
Learning / Language Disabilities					
Salaries of Teachers	\$ 152,513	\$ 453,613	\$ 606,126	\$ 606,126	-
Other Salaries for Instruction	158,357	43,578	201,935	201,935	-
Purchased Professional/Educational Services	10,250	(4,181)	6,069	6,069	-
General Supplies	3,200	(894)	2,306	2,306	-
Textbooks	3,000	(3,000)	-	-	-
Other Objects	-	755	755	755	-
Total Learning / Language Disabilities	327,320	489,871	817,191	817,191	-
Behavioral Disabilities					
Salaries of Teachers	78,954	(78,954)	-	-	-
Other Salaries for Instruction	64,683	(64,683)	-	-	-
General Supplies	55	(55)	-	-	-
Total Behavioral Disabilities	143,692	(143,692)	-	-	-
Multiple Disabilities					
Salaries of Teachers	311,961	(110,733)	201,228	201,228	-
Other Salaries for Instruction	23,136	43,088	66,224	66,224	-
Purchased Professional/Educational Services	11,573	(10,526)	1,047	1,047	-
General Supplies	18,946	(11,954)	6,992	6,992	-
Textbooks	3,500	(3,500)	-	-	-
Other Objects	45,320	(11,262)	34,058	31,898	\$ 2,160
Total Multiple Disabilities	414,436	(104,887)	309,549	307,389	2,160
Resource Room / Resource Center					
Salaries of Teachers	1,854,198	(61,251)	1,792,947	1,792,947	-
Other Salaries for Instruction	124,365	(69,323)	55,042	48,260	6,782
Purchased Professional/Educational Services	12,000	(8,850)	3,150	3,150	-
General Supplies	18,133	(14,773)	3,360	3,360	-
Textbooks	7,116	(6,998)	118	118	-
Other Objects	553	(369)	184	184	-
Total Resource Room / Resource Center	2,016,365	(161,564)	1,854,801	1,848,019	6,782
Autism					
Other Salaries for Instruction	211,725	(175,288)	36,437	26,148	10,289
Purchased Professional-Educational Services	5,165,922	(216,993)	4,948,929	4,948,929	-
Other Purchased Services	6,696	(6,196)	500	256	244
General Supplies	23,829	(9,440)	14,389	14,389	-
Other Objects	144	622	766	766	-
Total Autism	5,408,316	(407,295)	5,001,021	4,990,488	10,533
Preschool Disabilities - Full-Time					
Salaries of Teachers	297,826	(6,650)	291,176	286,473	4,703
Other Salaries for Instruction	90,489	71,414	161,903	158,231	3,672
General Supplies	2,000	(2,000)	-	-	-
Other Objects	300	(300)	-	-	-
Total Preschool Disabilities - Full - Time	390,615	62,464	453,079	444,704	8,375
Total Special Education	8,700,744	(265,103)	8,435,641	8,407,791	27,850

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Home Instruction					
Purchased Professional-Educational Services	-	\$ 7,410	\$ 7,410	\$ 7,410	-
Total Home Instruction	-	7,410	7,410	7,410	-
Basic Skills/Remedial					
Salaries of Teachers	\$ 358,739	(22,000)	336,739	328,650	\$ 8,089
General Supplies	3,381	(2,499)	882	882	-
Textbooks	6,440	(5,999)	441	441	-
Total Basic Skills/Remedial	368,560	(30,498)	338,062	329,973	8,089
Bilingual Education					
Salaries of Teachers	627,116	21,302	648,418	644,504	3,914
Other Salaries for Instruction	47,662	(4,302)	43,360	42,887	473
Purchased Professional-Educational Services	4,000	(4,000)	-	-	-
General Supplies	50,542	(44,439)	6,103	6,103	-
Textbooks	12,755	(11,683)	1,072	1,072	-
Total Bilingual Education	742,075	(43,122)	698,953	694,566	4,387
School Sponsored Co-Curricular Activities					
Salaries of Teachers	302,853	(75,000)	227,853	220,568	7,285
Purchased Services	15,403	(1,032)	14,371	14,371	-
Supplies and Materials	67,723	(18,249)	49,474	49,474	-
Other Objects	13,058	(6,590)	6,468	6,468	-
Total School Sponsored Co-Curricular Activities	399,037	(100,871)	298,166	290,881	7,285
School Sponsored Athletics - Instruction					
Salaries	450,000	(5,000)	445,000	431,065	13,935
Purchased Services	71,200	16,297	87,497	85,776	1,721
Supplies and Materials	121,398	(11,593)	109,805	108,732	1,073
Other Objects	25,000	(3,184)	21,816	21,816	-
Total School Sponsored Athletics - Instruction	667,598	(3,480)	664,118	647,389	16,729
Summer School - Instruction					
Salaries of Teachers	127,000	(8,965)	118,035	98,035	20,000
Total Summer School - Instruction	127,000	(8,965)	118,035	98,035	20,000
Community Services Program					
Supplies and Materials	6,155	-	6,155	152	6,003
Total Community Services Program	6,155	-	6,155	152	6,003
Total - Instruction	34,079,327	(1,044,009)	33,035,318	32,641,500	393,818
Undistributed Expenditures					
Instruction (Tuition)					
Tuition to Other LEA's Within State - Special	125,000	23,687	148,687	148,687	-
Tuition to County Vocational School District-Reg.	575,000	71,619	646,619	639,839	6,780
Tuition to County Vocational School/Dist.-Spec.	70,000	31,547	101,547	101,547	-
Tuition to County Special Services - School Districts & Regional Day Schools	1,282,240	(260,055)	1,022,185	1,013,884	8,301
Tuition to APSSD Within the State	2,070,676	(185,746)	1,884,930	1,787,930	97,000
Tuition to APSSD and Other LEAs - Special - Out of State	120,000	131,600	251,600	247,460	4,140
Tuition - Other	-	17,795	17,795	17,795	-
Total Undistributed Expenditures - Instruction (Tuition)	4,242,916	(169,553)	4,073,363	3,957,142	116,221

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Attendance and Social Work					
Salaries	-	\$ 4,514	\$ 4,514	\$ 4,191	\$ 323
Total Attendance and Social Work	-	4,514	4,514	4,191	323
Health Services					
Salaries	\$ 682,560	25,384	707,944	693,757	14,187
Purchased Professional and Technical Services	137,703	77,752	215,455	185,620	29,835
Other Purchased Services	6,855	10,829	17,684	17,684	-
Supplies and Materials	19,616	119,922	139,538	139,538	-
Other Objects	-	180	180	180	-
Total Health Services	846,734	234,067	1,080,801	1,036,779	44,022
Speech, OT, PT and Related Services					
Salaries	391,350	(35,646)	355,704	352,793	2,911
Purchased Professional-Educational Services	177,000	(5)	176,995	164,316	12,679
Supplies and Materials	2,486	974	3,460	3,460	-
Total Speech, OT, PT and Related Services	570,836	(34,677)	536,159	520,569	15,590
Other Support Services-Students-Extra Services					
Salaries	351,106	94,450	445,556	436,097	9,459
Purchased Professional-Educational Services	784,672	154,372	939,044	884,498	54,546
Total Other Support Services-Extra	1,135,778	248,822	1,384,600	1,320,595	64,005
Guidance					
Salaries of Other Professional Staff	1,156,290	19,556	1,175,846	1,156,906	18,940
Salaries of Secretarial and Clerical Assistants	101,724	-	101,724	101,724	-
Purchased Professional-Educational Services	32,000	(29,060)	2,940	2,940	-
Other Purchased Services	-	430	430	430	-
Supplies and Materials	35,244	(25,665)	9,579	9,579	-
Other Objects	4,994	(1,104)	3,890	3,890	-
Total Guidance	1,330,252	(35,843)	1,294,409	1,275,469	18,940
Child Study Team					
Salaries of Other Professional Staff	1,386,198	(12,457)	1,373,741	1,351,047	22,694
Salaries of Secretarial and Clerical Assistants	160,951	4,807	165,758	165,758	-
Purchased Professional-Educational Services	-	2,100	2,100	2,100	-
Other Purchased Professional/Technical Services	9,000	(1,154)	7,846	7,846	-
Other Purchased Services	1,000	(728)	272	272	-
Supplies and Materials	8,885	12,921	21,806	20,629	1,177
Total Child Study Team	1,566,034	5,489	1,571,523	1,547,652	23,871
Improvement of Instruction Services					
Other Salaries	-	1,650	1,650	1,650	-
Purchased Professional-Educational Services	13,074	(1,074)	12,000	4,000	8,000
Other Purchased Services	4,054	(1,731)	2,323	323	2,000
Supplies and Materials	-	79	79	79	-
Other Objects	-	270	270	270	-
Total Improvement of Instruction Services	17,128	(806)	16,322	6,322	10,000
Educational Media Services/School Library					
Salaries	147,103	(188)	146,915	146,915	-
Salaries of Technology Coordinators	516,059	39,324	555,383	555,383	-
Unused Vacation Payment to Terminated/Retired Staff	-	4,422	4,422	4,422	-
Purchased Professional and Technical Services	91,692	(571)	91,121	91,121	-
Other Purchased Services	-	598	598	598	-
Supplies and Materials	34,570	(9,682)	24,888	24,888	-
Other Objects	-	397	397	397	-
Total Educational Media Services/School Library	789,424	34,300	823,724	823,724	-

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Instructional Staff Training Services					
Other Purchased Professional/Technical Services	\$ 9,595	\$ (1,095)	\$ 8,500	\$ 1,500	\$ 7,000
Other Purchased Services	189	24	213	213	-
Total Instructional Staff Training Services	<u>9,784</u>	<u>(1,071)</u>	<u>8,713</u>	<u>1,713</u>	<u>7,000</u>
Support Services General Administration					
Salaries	630,055	44,114	674,169	674,147	22
Unused Vacation Payment to Terminated/Retired Staff	-	6,338	6,338	6,338	-
Legal Services	125,032	102,454	227,486	116,918	110,568
Audit Fees	42,600	7,287	49,887	49,887	-
Architectural/Engineering Services	31,608	8,931	40,539	39,710	829
Other Purchased Professional Services	95,064	(34,741)	60,323	13,296	47,027
Purchased Technical Services	90,193	(45,014)	45,179	35,934	9,245
Communications/Telephone	220,690	47,939	268,629	260,224	8,405
BOE Other Purchased Services	2,006	(1,106)	900	900	-
Other Purchased Services	192,121	(104,307)	87,814	71,244	16,570
General Supplies	20,096	(11,663)	8,433	4,763	3,670
BOE in House Training/Meeting Supplies	215	1,608	1,823	1,823	-
Judgments Against the School District	20,000	430,000	450,000	-	450,000
Miscellaneous Expenditures	10,228	(1,440)	8,788	8,188	600
BOE Membership Dues & Fees	41,533	(11,120)	30,413	30,413	-
Total Support Services General Administration	<u>1,521,441</u>	<u>439,280</u>	<u>1,960,721</u>	<u>1,313,785</u>	<u>646,936</u>
Support Services School Administration					
Salaries of Principals/Asst. Principals/Prog. Dir.	1,310,868	-	1,310,868	1,305,185	5,683
Salaries of Other Professional Staff	1,034,916	(36,509)	998,407	987,123	11,284
Salaries of Secretarial and Clerical Assistants	540,450	17,291	557,741	551,587	6,154
Other Salaries	169,266	(47,614)	121,652	119,278	2,374
Purchased Professional and Technical Services	8,081	(6,731)	1,350	1,350	-
Other Purchased Services	87,210	(51,436)	35,774	32,334	3,440
Supplies and Materials	97,278	(15,816)	81,462	80,581	881
Other Objects	28,846	(6,548)	22,298	22,298	-
Total Support Services School Administration	<u>3,276,915</u>	<u>(147,363)</u>	<u>3,129,552</u>	<u>3,099,736</u>	<u>29,816</u>
Central Services					
Salaries	585,720	(58,101)	527,619	527,619	-
Unused Vacation Payment to Terminated/Retired Staff	-	2,958	2,958	2,958	-
Purchased Professional Services	-	2,500	2,500	2,500	-
Purchased Technical Services	49,981	107,944	157,925	157,925	-
Misc. Purchased Services	31,692	(13,087)	18,605	18,605	-
Supplies and Materials	19,421	3,521	22,942	22,942	-
Miscellaneous Expenditures	16,600	(13,731)	2,869	2,869	-
Total Central Services	<u>703,414</u>	<u>32,004</u>	<u>735,418</u>	<u>735,418</u>	<u>-</u>
Administrative Info Technology					
Salaries	120,698	375	121,073	121,073	-
Purchased Professional Services	-	23,760	23,760	23,760	-
Purchased Technical Services	45,435	111,712	157,147	143,897	13,250
Supplies and Materials	11,217	50,785	62,002	57,695	4,307
Total Administrative Info Technology	<u>177,350</u>	<u>186,632</u>	<u>363,982</u>	<u>346,425</u>	<u>17,557</u>

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Required Maintenance for School Facilities					
Salaries	\$ 592,827	\$ 24,219	\$ 617,046	\$ 612,663	\$ 4,383
Unused Vacation Payment to Terminated/Retired Staff		5,402	5,402	5,402	-
Cleaning, Repair & Maintenance Services	943,971	620,904	1,564,875	1,248,907	315,968
Cleaning, Repair & Maintenance Services - Ins. Proceeds (Non-Budgeted)				38,500	(38,500)
Travel	-	49	49	49	-
General Supplies	79,540	32,011	111,551	88,097	23,454
Other Objects	1,541	10,747	12,288	12,288	-
Total Required Maintenance for School Facilities	1,617,879	693,332	2,311,211	2,005,906	305,305
Custodial Services					
Salaries	1,933,060	(8,982)	1,924,078	1,896,404	27,674
Salaries of Non-Instructional Aides	420,311	(322,161)	98,150	38,318	59,832
Unused Vacation Payment to Terminated/Retired Staff		6,361	6,361	6,361	-
Purchased Professional & Technical Services	42,640	(41,907)	733	733	-
Cleaning, Repair and Maintenance Services	30,000	404	30,404	24,349	6,055
Rental of Land & Building	245,000	4,637	249,637	231,396	18,241
Other Purchased Property Services	60,000	(2,080)	57,920	57,920	-
Insurance	554,196	(128,577)	425,619	425,619	-
Miscellaneous Purchased Services	64,094	(64,094)	-	-	-
General Supplies	197,419	104,439	301,858	245,791	56,067
Energy (Natural Gas)	282,000	251,210	533,210	383,631	149,579
Energy (Electricity)	510,210	(59,291)	450,919	424,614	26,305
Total Custodial Services	4,338,930	(260,041)	4,078,889	3,735,136	343,753
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	10,174	364,896	375,070	295,857	79,213
General Supplies	117	28,983	29,100	29,100	-
Total Care and Upkeep of Grounds	10,291	393,879	404,170	324,957	79,213
Security					
Salaries	600,171	(19,848)	580,323	573,108	7,215
Purchased Professional & Technical Services	147,293	27,838	175,131	173,912	1,219
Cleaning, Repair and Maintenance Services	2,700	(603)	2,097	2,097	-
General Supplies	40,221	9,839	50,060	48,610	1,450
Other Objects	3,240	(1,211)	2,029	2,029	-
Total Security Services	793,625	16,015	809,640	799,756	9,884
Undistributed Expenditures					
Student Transportation Services					
Salaries of Non-Instructional Aides	-	393,784	393,784	393,784	-
Salaries for Pupil Transportation					
(Between Home and School) - Special Ed	1,637,826	(299,665)	1,338,161	1,338,161	-
Other Purchased Professional and Technical Svcs	8,500	(104)	8,396	8,396	-
Cleaning, Repair and Maintenance Services	165,000	(18,285)	146,715	144,208	2,507
Lease Purchase Payments-School Buses	35,000	(35,000)	-	-	-
Contracted Services (Other Than Between Home and School) - Vendors	14,181	(14,181)	-	-	-
Contracted Services (Spec Ed Students) - Vendors	-	12,852	12,852	3,441	9,411
Contracted Services (Spec Ed Students) - Joint Agreements	-	8,227	8,227	8,227	-
Contracted Services (Spec Ed) - ESC's & CTSA's	430,927	165,926	596,853	592,954	3,899
Miscellaneous Purchased Services - Transportation	10,187	(9,877)	310	310	-
General Supplies	57,279	(12,231)	45,048	42,530	2,518
Transportation Supplies	74,000	45,820	119,820	119,820	-
Other Objects	6,120	(3,620)	2,500	2,486	14
Total Student Transportation Services	2,439,020	233,646	2,672,666	2,654,317	18,349

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Unallocated Benefits					
Social Security Contributions	\$ 918,000	\$ 41,050	\$ 959,050	\$ 958,537	\$ 513
Other Retirement Contributions - PERS	900,000	23,169	923,169	895,169	28,000
Other Retirement Contributions - Regular		93,759	93,759	93,759	-
Unemployment Compensation	25,000	(15,000)	10,000	3,600	6,400
Workmen's Compensation	330,720	(106,134)	224,586	221,670	2,916
Health Benefits	8,552,000	(813,011)	7,738,989	6,979,220	759,769
Tuition Reimbursement	30,000	(14,000)	16,000	15,378	622
Other Employee Benefits	189,600	(4,399)	185,201	184,164	1,037
Unused Sick Pay to Terminated/Retired Staff	50,000	27,139	77,139	77,139	-
Total Unallocated Benefits	10,995,320	(767,427)	10,227,893	9,428,636	799,257
On Behalf TPAF Contributions (Non-Budgeted)					
Pension Benefit Contribution				9,995,990	(9,995,990)
Pension - NCGI Premium				141,029	(141,029)
LTDI Premium				2,808	(2,808)
Post Retirement Medical Benefit Contribution				2,368,418	(2,368,418)
Reimbursed TPAF Social Security Contribution (Non-Budgeted)	-	-	-	2,102,271	(2,102,271)
Total On-Behalf Contributions	-	-	-	14,610,516	(14,610,516)
Total Undistributed Expenditures	36,383,071	1,105,199	37,488,270	49,548,744	(12,060,474)
Total Expenditures - Current Expenditures	70,462,398	61,190	70,523,588	82,190,244	(11,666,656)
CAPITAL OUTLAY					
Equipment					
Instruction					
Grades 1-5	-	30,814	30,814	3,999	26,815
Grades 6-8	7,500	(7,500)	-	-	-
Grades 9-12	27,612	(10,951)	16,661	16,661	-
Autism	10,050	4,814	14,864	14,864	-
School-Sponsored & Other Instr. Programs	13,269	136,971	150,240	44,240	106,000
School-Sponsored & Other Instr. Programs - Insurance Proceeds (Non-Budgeted)		-		33,413	(33,413)
Support Services					
Instruction	143,924	197,646	341,570	341,570	-
Support Services - Students		14,132	14,132	14,132	-
Support Services - Related and Extraordinary		33,911	33,911	33,911	-
Support Services - Child Study Teams		14,132	14,132	14,132	-
Support Services - Instructional Staff		20,967	20,967	20,967	-
General Administration		266,280	266,280	266,280	-
School Administration	7,391	137,046	144,437	144,437	-
Central Services	1,221	32,087	33,308	33,308	-
Admin Info Tech	11,940	22,910	34,850	34,850	-
Required School Maintenance	45,000	140,116	185,116	157,818	27,298
Care and Upkeep of Grounds		56,777	56,777	56,777	-
Security	375,000	82,958	457,958	393,687	64,271
Non-Instructional Equipment	-	16,286	16,286	14,756	1,530
School Buses - Regular	-	129,898	129,898		129,898
School Buses - Special	128,000	282,395	410,395	127,779	282,616
Total Equipment	770,907	1,601,689	2,372,596	1,767,581	605,015
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	-	9,352	9,352	9,352	-
Other Purchased Professional/Technical Svcs.	335,790	(108,170)	227,620	177,492	50,128
Construction Services	874,360	757,170	1,631,530	1,013,595	617,935
SDA - Debt Service Assessment	10,486	-	10,486	10,486	-
Total Facilities Acquis. and Const. Services	1,220,636	658,352	1,878,988	1,210,925	668,063
Total Capital Outlay	1,991,543	2,260,041	4,251,584	2,978,506	1,273,078

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
SPECIAL SCHOOLS					
Summer School - Instruction					
Salaries of Teachers	\$ 10,200	\$ (646)	\$ 9,554	-	\$ 9,554
Other Purchased Services		383	383	\$ 383	-
General Supplies	-	263	263	263	-
	<u>10,200</u>	<u>-</u>	<u>10,200</u>	<u>646</u>	<u>9,554</u>
Total Summer School - Instruction					
	<u>10,200</u>	<u>-</u>	<u>10,200</u>	<u>646</u>	<u>9,554</u>
Total Summer School					
	<u>10,200</u>	<u>-</u>	<u>10,200</u>	<u>646</u>	<u>9,554</u>
Other Special Schools - Instruction					
Salaries of Teachers	27,183	-	27,183	-	27,183
General Supplies	900	(900)	-	-	-
	<u>28,083</u>	<u>(900)</u>	<u>27,183</u>	<u>-</u>	<u>27,183</u>
Total Other Special Schools - Instruction					
	<u>28,083</u>	<u>(900)</u>	<u>27,183</u>	<u>-</u>	<u>27,183</u>
Total Other Special Schools					
	<u>28,083</u>	<u>(900)</u>	<u>27,183</u>	<u>-</u>	<u>27,183</u>
Total Special Schools					
	<u>38,283</u>	<u>(900)</u>	<u>37,383</u>	<u>646</u>	<u>36,737</u>
Charter Schools					
Transfer To Charter Schools	147,772	(6,610)	141,162	141,162	-
	<u>147,772</u>	<u>(6,610)</u>	<u>141,162</u>	<u>141,162</u>	<u>-</u>
Total Transfer to Charter Schools					
	<u>147,772</u>	<u>(6,610)</u>	<u>141,162</u>	<u>141,162</u>	<u>-</u>
Total Expenditures					
	<u>72,639,996</u>	<u>2,313,721</u>	<u>74,953,717</u>	<u>85,310,558</u>	<u>(10,356,841)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,932,246)</u>	<u>(2,313,721)</u>	<u>(5,245,967)</u>	<u>2,088,789</u>	<u>7,334,756</u>
Other Financing Sources (Uses)					
Transfers Out - Local Contribution to Special Revenue Fund	(198,880)	-	(198,880)	(198,880)	-
Insurance Recoveries	-	-	-	133,413	133,413
	<u>(198,880)</u>	<u>-</u>	<u>(198,880)</u>	<u>(65,467)</u>	<u>133,413</u>
Total Other Financing Sources (Uses)					
	<u>(198,880)</u>	<u>-</u>	<u>(198,880)</u>	<u>(65,467)</u>	<u>133,413</u>
Net Changes in Fund Balance	(3,131,126)	(2,313,721)	(5,444,847)	2,023,322	7,468,169
Fund Balances, Beginning of Year	14,221,583	-	14,221,583	14,221,583	-
Fund Balances, End of Year	<u>\$ 11,090,457</u>	<u>\$ (2,313,721)</u>	<u>\$ 8,776,736</u>	<u>\$ 16,244,905</u>	<u>\$ 7,468,169</u>

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
Recapitulation of Fund Balance					
Restricted					
Capital Reserve				\$ 1,786,230	
Capital Reserve - Designated for Subsequent Year's Expenditures				2,615,674	
Maintenance Reserve				471,000	
Emergency Reserve				453,000	
Emergency Reserve - Designated for Subsequent Year's Expenditures				35,000	
Tuition Adjustments - 2021/2022				395,000	
Tuition Adjustments - 2020/2021 - Designated for Subsequent Year's Expenditures				357,000	
Unemployment Compensation Reserve				273,015	
Excess Surplus				910,833	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,100,486	
Committed					
Year-End Encumbrances				999,309	
Assigned					
Year-End Encumbrances				1,138,833	
Insurance Recovery Expenditures				61,500	
Designated for Subsequent Year's Expenditures				728,936	
Unassigned				<u>4,919,089</u>	
Fund Balance - Budgetary Basis				16,244,905	
Reconciliation to Governmental Funds Statements (GAAP)					
Less State Aid Revenue Not Recognized on GAAP Basis				<u>(3,659,479)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 12,585,426</u>	

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Intergovernmental					
Federal	\$ 1,264,714	\$ 6,393,882	\$ 7,658,596	\$ 2,742,957	\$ (4,915,639)
State	835,432	313,680	1,149,112	965,648	(183,464)
Local Sources					
Miscellaneous	-	239,724	239,724	139,188	(100,536)
Total Revenues	<u>2,100,146</u>	<u>6,947,286</u>	<u>9,047,432</u>	<u>3,847,793</u>	<u>(5,199,639)</u>
EXPENDITURES					
Instruction					
Salaries	\$ 426,614	\$ 372,539	\$ 799,153	\$ 688,456	\$ 110,697
Other Salaries for Instruction	63,554	45,641	109,195	105,833	3,362
Purchased Professional / Technical Services		307,094	307,094	305,594	1,500
Purchased Professional / Educational Services		5,054	5,054	-	5,054
Tuition	829,923	(27,105)	802,818	800,818	2,000
Other Purchased Services		1,760	1,760	1,760	-
General Supplies	85,795	927,636	1,013,431	785,304	228,127
Textbooks		3,577	3,577	2,412	1,165
Miscellaneous Expenditures		32,147	32,147	2,878	29,269
School-Sponsored/Cocurricular Activities	-	87,855	87,855	87,855	-
Total Instruction	<u>1,405,886</u>	<u>1,756,198</u>	<u>3,162,084</u>	<u>2,780,910</u>	<u>381,174</u>
Support Services - Instruction					
Salaries of Supervisors of Instruction	154,598	335,402	490,000	170,675	319,325
Salaries of Secretaries & Clerical Assistants	16,000	4,000	20,000	19,530	470
Salaries of Other Professional Staff	20,000	14,185	34,185	34,042	143
Salaries of Custodial Staff	46,000	-	46,000	46,000	-
Salaries of Family/Parent Liaison		39,477	39,477	39,477	-
Salaries of Master Teacher	20,000	(20,000)	-	-	-
Purchased Services - Employee Benefits	88,593	261,641	350,234	212,360	137,874
Purchased Professional / Educational Services - Head Start	246,450	-	246,450	220,231	26,219
Purchased Professional / Technical Services	74,051	628,265	702,316	308,390	393,926
Other Purchased Professional Services	60,000	(40,000)	20,000	20,000	-
Purchased Property Services		2,668,548	2,668,548	-	2,668,548
Other Purchased Services	20,000	20,369	40,369	20,353	20,016
Travel		1,800	1,800	-	1,800
General Supplies		103,120	103,120	8,133	94,987
Scholarship Awards	-	36,400	36,400	36,400	-
Total Support Services	<u>745,692</u>	<u>4,053,207</u>	<u>4,798,899</u>	<u>1,135,591</u>	<u>3,663,308</u>
Capital Outlay					
Instructional Equipment		1,263,178	1,263,178	129,905	1,133,273
Non-Instructional Equipment	147,448	-	147,448	-	147,448
Total Capital Outlay	<u>147,448</u>	<u>1,263,178</u>	<u>1,410,626</u>	<u>129,905</u>	<u>1,280,721</u>
Total Expenditures	<u>2,299,026</u>	<u>7,072,583</u>	<u>9,371,609</u>	<u>4,046,406</u>	<u>5,325,203</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>(198,880)</u>	<u>(125,297)</u>	<u>(324,177)</u>	<u>(198,613)</u>	<u>125,564</u>
Other Financing Sources (Uses)					
Transfers In - Local Contribution from General Fund	198,880	-	198,880	198,880	-
Total Other Financing Sources (Uses)	<u>198,880</u>	<u>-</u>	<u>198,880</u>	<u>198,880</u>	<u>-</u>
Net Changes in Fund Balance	-	(125,297)	(125,297)	267	125,564
Fund Balances, Beginning of Year	127,167	-	127,167	127,167	-
Fund Balance, End of Year	<u>\$ 127,167</u>	<u>\$ (125,297)</u>	<u>\$ 1,870</u>	<u>\$ 127,434</u>	<u>\$ 125,564</u>
Reconciliation of Fund Balance					
Restricted					
Student Activities				\$ 78,982	
Scholarships				48,452	
				<u>\$ 127,434</u>	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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 amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 87,399,347	\$ 3,847,793
Difference - Budget to GAAP:		
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements (2021-2022)	(3,659,479)	
State Aid payments recognized for GAAP statements, not recognized for budgetary purposes (2020-2021)	3,000,313	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2022		(638,071)
Encumbrances, June 30, 2021	-	15,851
	<hr/>	<hr/>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 86,740,181</u>	<u>\$ 3,225,573</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 85,310,558	\$ 4,046,406
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances, June 30, 2022		(638,071)
Encumbrances, June 30, 2021	-	15,851
	<hr/>	<hr/>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 85,310,558</u>	<u>\$ 3,424,186</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION
AND
OTHER POST-EMPLOYMENT BENEFITS INFORMATION

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

Public Employees Retirement System

Last Nine Fiscal Years*

	<u>2022</u>		<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)	0.07644	%	0.07266	%	0.07752	%	0.07877	%	0.07721	%	0.07735	%	0.07337	%	0.07169	%	0.07374	%
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 9,055,138</u>		<u>\$ 11,848,577</u>		<u>\$ 13,967,071</u>		<u>\$ 15,509,301</u>		<u>\$ 17,972,495</u>		<u>\$ 22,908,206</u>		<u>\$ 16,470,376</u>		<u>\$ 13,422,487</u>		<u>\$ 14,093,792</u>	
District's Covered Payroll	<u>\$ 5,668,068</u>		<u>\$ 5,427,999</u>		<u>\$ 5,373,514</u>		<u>\$ 5,451,417</u>		<u>\$ 5,215,348</u>		<u>\$ 5,264,179</u>		<u>\$ 4,816,801</u>		<u>\$ 4,706,180</u>		<u>\$ 4,569,773</u>	
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	159.76%	%	218.29%	%	259.92%	%	284.50%	%	344.61%	%	435.17%	%	341.94%	%	285.21%	%	308.41%	%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.33	%	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.

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

Last Nine Fiscal Years

	<u>2022</u>	<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	\$ 895,169	\$ 794,839	\$ 753,995	\$ 783,501	\$ 715,238	\$ 687,147	\$ 630,796	\$ 591,009	\$ 555,640
Contributions in Relation to the Contractually Required Contribution	<u>895,169</u>	<u>794,839</u>	<u>753,995</u>	<u>783,501</u>	<u>715,238</u>	<u>687,147</u>	<u>630,796</u>	<u>591,009</u>	<u>555,640</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	<u>\$ 5,781,464</u>	<u>\$ 5,668,068</u>	<u>\$ 5,427,999</u>	<u>\$ 5,373,514</u>	<u>\$ 5,451,417</u>	<u>\$ 5,215,348</u>	<u>\$ 5,264,179</u>	<u>\$ 4,816,801</u>	<u>\$ 4,760,180</u>
Contributions as a Percentage of Covered Payroll	15.48%	14.02%	13.89%	14.58%	13.12%	13.18%	11.98%	12.27%	11.67%

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.

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

Teachers Pension and Annuity Fund

Last Nine Fiscal Years*

	<u>2022</u>	<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%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 112,282,264</u>	<u>\$ 156,534,378</u>	<u>\$ 147,492,469</u>	<u>\$ 152,251,485</u>	<u>\$ 162,651,204</u>	<u>\$ 178,227,969</u>	<u>\$ 148,367,767</u>	<u>\$ 133,555,508</u>	<u>\$ 125,618,626</u>
Total	<u>\$ 112,282,264</u>	<u>\$ 156,534,378</u>	<u>\$ 147,492,469</u>	<u>\$ 152,251,485</u>	<u>\$ 162,651,204</u>	<u>\$ 178,227,969</u>	<u>\$ 148,367,767</u>	<u>\$ 133,555,508</u>	<u>\$ 125,618,626</u>
District's Covered Payroll	<u>\$ 27,704,616</u>	<u>\$ 27,248,732</u>	<u>\$ 25,327,067</u>	<u>\$ 25,501,771</u>	<u>\$ 24,402,413</u>	<u>\$ 24,464,937</u>	<u>\$ 23,020,150</u>	<u>\$ 23,147,876</u>	<u>\$ 22,221,961</u>
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%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	35.52%	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.

**BERGENFIELD 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, 2022**

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 4C.

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

Postemployment Health Benefit Plan

Last Five Fiscal Years*

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Cost	\$ 6,855,927	\$ 3,763,984	\$ 3,596,009	\$ 3,965,490	\$ 4,739,911
Interest on Total OPEB Liability	3,408,901	3,339,243	4,087,235	4,396,609	3,815,755
Changes in Benefit Terms	(139,870)				
Differences Between Expected and Actual Experiences	(26,081,250)	24,994,086	(16,792,160)	(10,608,683)	-
Changes of Assumptions	129,646	27,369,567	1,385,098	(11,864,259)	(15,875,875)
Gross Benefit Payments	(2,685,259)	(2,608,490)	(2,851,654)	(2,764,551)	(2,452,174)
Contribution from the Member	87,149	79,064	84,531	95,547	90,295
Net Change in Total OPEB Liability	(18,424,756)	56,937,454	(10,490,941)	(16,779,847)	(9,682,088)
Total OPEB Liability - Beginning	<u>149,834,242</u>	<u>92,896,788</u>	<u>103,387,729</u>	<u>120,167,576</u>	<u>129,849,664</u>
Total OPEB Liability - Ending	<u>\$ 131,409,486</u>	<u>\$ 149,834,242</u>	<u>\$ 92,896,788</u>	<u>\$ 103,387,729</u>	<u>\$ 120,167,576</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>131,409,486</u>	<u>149,834,242</u>	<u>92,896,788</u>	<u>103,387,729</u>	<u>120,167,576</u>
Total OPEB Liability - Ending	<u>\$ 131,409,486</u>	<u>\$ 149,834,242</u>	<u>\$ 92,896,788</u>	<u>\$ 103,387,729</u>	<u>\$ 120,167,576</u>
District's Covered Payroll	<u>\$ 33,372,684</u>	<u>\$ 32,676,731</u>	<u>\$ 30,700,581</u>	<u>\$ 30,953,188</u>	<u>\$ 29,617,761</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	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.

**BERGENFIELD 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, 2022**

Changes in Benefit Terms:

None.

Changes of Assumptions

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

SCHOOL LEVELS SCHEDULES

GENERAL FUND

NOT APPLICABLE

SPECIAL REVENUE FUND

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Preschool Education Aid	ESSER II		American Rescue Plan - ESSER III		Other Local Programs	Scholarships	Student Activities	Total to Exhibit E-1A
		Learning Acceleration	Mental Health	ESSER III	Evidence-Based Summer Learning and Enrichment				
REVENUES									
Intergovernmental									
Federal		\$ 68,019	\$ 42,840	\$ 593,564	\$ 1,140				\$ 705,563
State	\$ 958,428								958,428
Other Sources						\$ 14,666	\$ 26,300	\$ 98,222	139,188
Total Revenues	\$ 958,428	\$ 68,019	\$ 42,840	\$ 593,564	\$ 1,140	\$ 14,666	\$ 26,300	\$ 98,222	\$ 1,803,179
EXPENDITURES									
Instruction									
Salaries	\$ 301,675	\$ 46,920							\$ 348,595
Other Salaries for Instruction	100,237								100,237
Purchased Professional / Technical Services	-					\$ 79			79
General Supplies	74,528	15,332	\$ 15,417	\$ 593,564	\$ 1,140	12,175			712,156
Textbooks	-					2,412			2,412
Co-Curricular/Extra Curricular Activities	-	-	-	-	-	-	-	\$ 87,855	87,855
Total Instruction	476,440	62,252	15,417	593,564	1,140	14,666	-	87,855	1,251,334
Support Services									
Salaries of Supervisors of Instruction	68,515	5,357	21,944						95,816
Salaries of Secretaries & Clerical Assistants	19,530								19,530
Salaries of Other Professional Staff	34,042								34,042
Salaries of Custodial Staff	46,000								46,000
Salaries of Family/Parent Liaison	39,477								39,477
Purchased Services - Employee Benefits	101,428	410	1,679						103,517
Purchased Professional / Educational Services - Head Start	220,231								220,231
Purchased Professional / Technical Services	-		3,800						3,800
Other Purchased Professional Services	20,000								20,000
Other Purchased Services	1,155								1,155
General Supplies	585								585
Scholarship Awards	-	-	-	-	-	-	\$ 36,400	-	36,400
Total Support Services	550,963	5,767	27,423	-	-	-	36,400	-	620,553
Capital Outlay									
Instructional Equipment	129,905								129,905
Total Capital Outlay	129,905	-	-	-	-	-	-	-	129,905
Total Expenditures	\$ 1,157,308	\$ 68,019	\$ 42,840	\$ 593,564	\$ 1,140	\$ 14,666	\$ 36,400	\$ 87,855	\$ 2,001,792
Excess (Deficiency) of Revenues over (under) Expenditures	(198,880)						(10,100)	10,367	(198,613)
Other Financing Sources (Uses)									
Transfer In - General Fund Contribution	198,880								198,880
Total Other Financing Sources (Uses)	198,880	-	-	-	-	-	-	-	198,880
Net Change in Fund Balance	-	-	-	-	-	-	(10,100)	10,367	267
Fund Balance, Beginning of Year	-	-	-	-	-	-	58,552	68,615	127,167
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,452	\$ 78,982	\$ 127,434

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Exhibit E-1 Total	ACSERS	Nonpublic Teacher STEM Grant	I.D.E.A. Part B	I.D.E.A. Part B Preschool	American Rescue Plan - I.D.E.A. Part B		ESEA Title I	ESEA Title II A	ESEA Title III	ESEA Title III Immigrant	ESEA Title IV	Perkins Secondary Education	Grand Total
						Basic	Preschool							
REVENUES														
Intergovernmental														
Federal	\$ 705,563	\$ 249,595		\$ 908,057	\$ 35,584	\$ 176,696	\$ 15,167	\$ 466,269	\$ 91,848	\$ 38,710	\$ 2,623	\$ 34,161	\$ 18,684	\$ 2,742,957
State	958,428		\$ 7,220											965,648
Other Sources	139,188													139,188
Total Revenues	\$ 1,803,179	\$ 249,595	\$ 7,220	\$ 908,057	\$ 35,584	\$ 176,696	\$ 15,167	\$ 466,269	\$ 91,848	\$ 38,710	\$ 2,623	\$ 34,161	\$ 18,684	\$ 3,847,793
EXPENDITURES														
Instruction														
Salaries	\$ 348,595	\$ 17,003	\$ 6,707			\$ 2,280	\$ 10,460	\$ 284,136		\$ 14,700		\$ 4,275	\$ 300	\$ 688,456
Other Salaries for Instruction	100,237	5,596												105,833
Purchased Professional / Technical Services	79	167,032				129,983		6,000					2,500	305,594
Tuition	-			\$ 765,234	\$ 35,584									800,818
Other Purchased Services	-	1,760												1,760
General Supplies	712,156	591				15,241		20,368		3,697		29,581	3,670	785,304
Textbooks	2,412													2,412
Miscellaneous Expenditures	-	2,878												2,878
Co-Curricular/Extra Curricular Activities	87,855													87,855
Total Instruction	1,251,334	194,860	6,707	765,234	35,584	147,504	10,460	310,504	-	18,397	-	33,856	6,470	2,780,910
Support Services														
Salaries of Supervisors of Instruction	95,816							49,432	\$ 20,864	1,443	\$ 1,920		1,200	170,675
Salaries of Secretaries & Clerical Assistants	19,530													19,530
Salaries of Other Professional Staff	34,042													34,042
Salaries of Custodial Staff	46,000													46,000
Salaries of Family/Parent Liaison	39,477													39,477
Purchased Services - Employee Benefits	103,517		513			175	4,707	103,333					115	212,360
Purchased Professional / Educational Services - Head Start	220,231													220,231
Purchased Professional / Technical Services	3,800	54,735		142,823		29,017		3,000	63,665	10,350			1,000	308,390
Other Purchased Professional Services	20,000													20,000
Other Purchased Services	1,155								7,226	1,768		305	9,899	20,353
General Supplies	585								93	6,752	703			8,133
Scholarship Awards	36,400													36,400
Total Support Services	620,553	54,735	513	142,823	-	29,192	4,707	155,765	91,848	20,313	2,623	305	12,214	1,135,591
Capital Outlay														
Instructional Equipment	129,905													129,905
Total Capital Outlay	129,905	-	-	-	-	-	-	-	-	-	-	-	-	129,905
Total Expenditures	\$ 2,001,792	\$ 249,595	\$ 7,220	\$ 908,057	\$ 35,584	\$ 176,696	\$ 15,167	\$ 466,269	\$ 91,848	\$ 38,710	\$ 2,623	\$ 34,161	\$ 18,684	\$ 4,046,406
Excess (Deficiency) of Revenues over (under) Expenditures	(198,613)													(198,613)
Other Financing Sources (Uses)														
Transfer In - General Fund Contribution	198,880													198,880
Total Other Financing Sources (Uses)	198,880	-	-	-	-	-	-	-	-	-	-	-	-	198,880
Net Change in Fund Balance	267													267
Fund Balance, Beginning of Year	127,167													127,167
Fund Balance, End of Year	\$ 127,434	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 127,434

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES			
Instruction:			
Salaries	\$ 302,943	\$ 301,675	\$ 1,268
Other Salaries for Instruction	103,600	100,237	3,363
General Supplies	<u>95,000</u>	<u>74,528</u>	<u>20,472</u>
Total Instruction	<u>501,543</u>	<u>476,440</u>	<u>25,103</u>
Support Services:			
Salaries of Supervisors of Instruction	68,515	68,515	-
Salaries of Secretaries & Clerical Assistants	20,000	19,530	470
Salaries of Other Professional Staff	34,185	34,042	143
Salaries of Custodial Staff	46,000	46,000	-
Salaries of Family/Parent Liaison	39,477	39,477	-
Purchased Services - Employee Benefits	120,396	101,428	18,968
Purchased Professional / Educational Services - Head Start	246,450	220,231	26,219
Other Purchased Professional Services	20,000	20,000	-
Cleaning, Repair and Maintenance	2,000		2,000
Other Purchased Services	7,741	1,155	6,586
General Supplies	<u>2,259</u>	<u>585</u>	<u>1,674</u>
Total Support Services	<u>607,023</u>	<u>550,963</u>	<u>56,060</u>
Capital Outlay			
Instructional Equipment	<u>147,448</u>	<u>129,905</u>	<u>17,543</u>
Total Capital Outlay	<u>147,448</u>	<u>129,905</u>	<u>17,543</u>
Total Expenditures	<u>\$ 1,256,014</u>	<u>\$ 1,157,308</u>	<u>\$ 98,706</u>
Total 2021-2022 Preschool Education Aid Allocation			\$ 896,527
Add: Actual Preschool Aid Carryover (June 30, 2021)			196,810
Add: Budgeted Transfer from the General Fund 2021-2022			<u>198,880</u>
Total Preschool Education Aid Funds Available for 2021-2022 Budget			1,292,217
Less: Budgeted Preschool Education Aid			<u>1,256,014</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2022			36,203
Add: June 30, 2022 Unexpended Preschool Education Aid			<u>98,706</u>
2021-2022 Carryover - Preschool Education Aid			<u>\$ 134,909</u>
2021-2022 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2021-2022			<u>\$ 36,203</u>

CAPITAL PROJECTS FUND

NOT APPLICABLE

PROPRIETARY FUNDS

EXHIBIT G-1

**BERGENFIELD BOARD OF EDUCATION
PROPRIETARY FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2022**

THIS STATEMENT IS NOT APPLICABLE
FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

EXHIBIT G-2

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

THIS STATEMENT IS NOT APPLICABLE
FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

EXHIBIT G-3

**STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

THIS STATEMENT IS NOT APPLICABLE
FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF OBLIGATIONS UNDER LEASES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Purpose</u>	Amount of Original Issue	Interest Rate	Balance, July 1, 2021 (Restated)	Issued Current Year	Retired Current Year	Balance, June 30, 2022
<u>Leases Payable:</u>						
School Building (Temple Emeth School)	\$ 990,486	4.00%	\$ 650,050	\$ -	\$ 196,470	\$ 453,580
Grand Total			<u>\$ 650,050</u>	<u>\$ -</u>	<u>\$ 196,470</u>	<u>\$ 453,580</u>
				Paid by Budget Appropriation	<u>\$ 196,470</u>	

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

These schedules contain information to help the reader assess the district'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 district's current levels of outstanding debt and the district'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 district'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 district's financial report relates to the services the district provides and the activities it performs.

J-16 to J-20

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

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

	Fiscal Year Ended June 30,									
	2013	2014 (1)	2015	2016	2017	2018	2019	2020 (2)	2021 (3)	2022
Governmental activities										
Net investment in capital assets	\$ 14,809,943	\$ 18,048,809	\$ 22,641,054	\$ 25,012,976	\$ 28,022,515	\$ 28,611,872	\$ 28,727,102	\$ 27,622,682	\$ 27,044,852	\$ 27,445,983
Restricted	6,702,305	8,450,750	7,730,315	7,726,994	6,450,116	5,800,668	4,389,690	4,964,888	5,028,496	6,025,353
Unrestricted	5,437,142	(10,478,093)	(11,055,416)	(11,073,173)	(13,029,569)	(13,245,330)	(14,749,167)	(14,869,081)	(11,792,868)	(9,381,190)
Total governmental activities net position	\$ 26,949,390	\$ 16,021,466	\$ 19,315,953	\$ 21,666,797	\$ 21,443,062	\$ 21,167,210	\$ 18,367,625	\$ 17,718,489	\$ 20,280,480	\$ 24,090,146
Business-type activities										
Net investment in capital assets	\$ 4,823	\$ 13,200	\$ 11,550	\$ 9,900	\$ 8,250	\$ 46,715	\$ 110,717	\$ 102,285	\$ 100,559	\$ 159,456
Restricted										
Unrestricted	191,348	305,951	208,678	456,322	597,234	567,890	482,846	349,368	876,524	796,577
Total business-type activities net position	\$ 196,171	\$ 319,151	\$ 220,228	\$ 466,222	\$ 605,484	\$ 614,605	\$ 593,563	\$ 451,653	\$ 977,083	\$ 956,033
District-wide										
Net investment in capital assets	\$ 14,814,766	\$ 18,062,009	\$ 22,652,604	\$ 25,022,876	\$ 28,030,765	\$ 28,658,587	\$ 28,837,819	\$ 27,724,967	\$ 27,145,411	\$ 27,605,439
Restricted	6,702,305	8,450,750	7,730,315	7,726,994	6,450,116	5,800,668	4,389,690	4,964,888	5,028,496	6,025,353
Unrestricted	5,628,490	(10,172,142)	(10,846,738)	(10,616,851)	(12,432,335)	(12,677,440)	(14,266,321)	(14,519,713)	(10,916,344)	(8,584,613)
Total district net position	\$ 27,145,561	\$ 16,340,617	\$ 19,536,181	\$ 22,133,019	\$ 22,048,546	\$ 21,781,815	\$ 18,961,188	\$ 18,170,142	\$ 21,257,563	\$ 25,046,179

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"

Note 3 - Net Position at June 30, 2021 is restated to reflect the implementation of GASB Statement No. 87, "Leases"

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

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities										
Instruction										
Regular	\$ 25,822,685	\$ 26,071,825	\$ 31,677,273	\$ 32,261,746	\$ 35,767,134	\$ 39,014,007	\$ 36,929,584	\$ 36,531,780	\$ 40,153,160	\$ 35,413,979
Special Education	10,937,704	10,638,090	12,474,570	12,964,052	14,058,665	14,915,389	15,661,228	14,934,306	15,127,654	14,561,178
Other Instruction	1,929,241	1,833,891	1,811,716	1,856,760	2,459,193	2,394,147	2,344,901	2,308,534	2,438,790	1,761,844
School Sponsored Activities and Athletics	856,417	1,043,178	1,099,250	1,147,973	1,343,105	1,322,493	1,462,542	1,245,627	1,057,809	1,261,162
Other Services	32,215	28,980								
Support Services:										
Student & instruction Related Services	7,856,535	7,362,058	8,864,355	9,607,497	10,043,184	9,510,697	9,106,779	8,765,472	9,742,688	9,909,253
General Administration	1,565,370	1,394,165	1,412,876	1,364,735	1,430,291	1,509,412	1,724,881	1,659,985	1,737,697	1,606,817
School Administrative Services	3,807,670	3,741,186	4,549,105	4,955,690	5,692,952	5,602,769	5,140,698	5,115,814	5,505,011	4,378,661
Central Administrative Services	660,550	731,002	787,507	869,321	986,636	909,104	913,184	1,167,210	1,096,293	1,305,742
Plant Operations and Maintenance	5,697,345	6,421,972	6,854,874	6,772,981	7,684,744	7,628,841	8,308,017	7,054,618	7,738,425	9,717,551
Student Transportation	2,062,756	2,013,627	2,106,932	2,331,057	2,602,644	2,781,290	2,833,294	2,776,268	2,435,381	3,256,322
Interest on long-term debt										22,426
Total governmental activities expenses	<u>61,228,488</u>	<u>61,279,974</u>	<u>71,638,458</u>	<u>74,131,812</u>	<u>82,068,548</u>	<u>85,588,149</u>	<u>84,425,108</u>	<u>81,559,614</u>	<u>87,032,908</u>	<u>83,194,935</u>
Business-type activities:										
Food service	1,085,100	1,095,065	1,273,741	1,103,811	1,184,300	1,346,318	1,360,546	1,347,031	9,795,767	2,391,983
Summer Enrichment Program	69,759	40,709	46,792	6,465	50,408	66,553	80,695	80,220	46,769	73,467
Total business-type activities expense	<u>1,154,859</u>	<u>1,135,774</u>	<u>1,320,533</u>	<u>1,110,276</u>	<u>1,234,708</u>	<u>1,412,871</u>	<u>1,441,241</u>	<u>1,427,251</u>	<u>9,842,536</u>	<u>2,465,450</u>
Total district expenses	<u>\$ 62,383,347</u>	<u>\$ 62,415,748</u>	<u>\$ 72,958,991</u>	<u>\$ 75,242,088</u>	<u>\$ 83,303,256</u>	<u>\$ 87,001,020</u>	<u>\$ 85,866,349</u>	<u>\$ 82,986,865</u>	<u>\$ 96,875,444</u>	<u>\$ 85,660,385</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction	\$ 1,526,439	\$ 1,597,066	\$ 1,468,802	\$ 1,426,329	\$ 1,255,713	\$ 1,570,992	\$ 1,567,473	\$ 1,818,510	\$ 2,209,273	\$ 2,716,981
Support Services	113,956	147,527	74,377	96,691	85,678	71,521	48,236	54,810	45,608	82,326
Operating grants and contributions	10,580,633	9,555,009	16,368,958	17,818,879	22,433,036	25,085,249	21,146,614	18,470,860	25,866,328	19,541,248
Capital grants and contributions	27,860		430,227	1,322,518	1,333,717	652,889	46,732	396,784	107,634	382,196
Total governmental activities program revenues	<u>12,248,888</u>	<u>11,299,602</u>	<u>18,342,364</u>	<u>20,664,417</u>	<u>25,108,144</u>	<u>27,380,651</u>	<u>22,809,055</u>	<u>20,740,964</u>	<u>28,228,843</u>	<u>22,722,751</u>
Business-type activities:										
Charges for services										
Food service	\$ 577,217	\$ 591,610	\$ 544,341	\$ 566,895	\$ 606,659	\$ 609,273	\$ 633,555	\$ 463,974	\$ 6,622	\$ 37,768
Summer Enrichment Program	59,545	54,475	51,351	80,380	49,258	63,978	66,577	77,070	27,040	57,600
Operating grants and contributions	628,775	612,669	625,918	708,995	718,053	748,741	720,067	744,297	10,334,304	2,349,032
Total business type activities program revenues	<u>1,265,537</u>	<u>1,258,754</u>	<u>1,221,610</u>	<u>1,356,270</u>	<u>1,373,970</u>	<u>1,421,992</u>	<u>1,420,199</u>	<u>1,285,341</u>	<u>10,367,966</u>	<u>2,444,400</u>
Total district program revenues	<u>\$ 13,514,425</u>	<u>\$ 12,558,356</u>	<u>\$ 19,563,974</u>	<u>\$ 22,020,687</u>	<u>\$ 26,482,114</u>	<u>\$ 28,802,643</u>	<u>\$ 24,229,254</u>	<u>\$ 22,026,305</u>	<u>\$ 38,596,809</u>	<u>\$ 25,167,151</u>
Net (Expense)/Revenue										
Governmental activities	\$ (48,979,600)	\$ (49,980,372)	\$ (53,296,094)	\$ (53,467,395)	\$ (56,960,404)	\$ (58,207,498)	\$ (61,616,053)	\$ (60,818,650)	\$ (58,804,065)	\$ (60,472,184)
Business-type activities	110,678	122,980	(98,923)	245,994	139,262	9,121	(21,042)	(141,910)	525,430	(21,050)
Total district-wide net expense	<u>\$ (48,868,922)</u>	<u>\$ (49,857,392)</u>	<u>\$ (53,395,017)</u>	<u>\$ (53,221,401)</u>	<u>\$ (56,821,142)</u>	<u>\$ (58,198,377)</u>	<u>\$ (61,637,095)</u>	<u>\$ (60,960,560)</u>	<u>\$ (58,278,635)</u>	<u>\$ (60,493,234)</u>

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

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 45,332,687	\$ 46,194,008	\$ 46,194,008	\$ 47,016,865	\$ 47,959,500	\$ 48,791,976	\$ 49,523,856	\$ 49,523,856	\$ 50,248,270	\$ 51,059,211
Unrestricted Aid and contributions	8,184,570	8,302,723	8,396,653	8,537,481	8,516,937	8,933,450	8,951,490	9,754,938	10,381,141	13,013,430
Miscellaneous income	88,761	304,709	1,344,956	263,893	260,232	206,220	341,122	473,078	576,641	209,209
Total governmental activities	<u>53,606,018</u>	<u>54,801,440</u>	<u>55,935,617</u>	<u>55,818,239</u>	<u>56,736,669</u>	<u>57,931,646</u>	<u>58,816,468</u>	<u>59,751,872</u>	<u>61,206,052</u>	<u>64,281,850</u>
Business-type activities:										
Investment earnings	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total district-wide	<u>\$ 53,606,018</u>	<u>\$ 54,801,440</u>	<u>\$ 55,935,617</u>	<u>\$ 55,818,239</u>	<u>\$ 56,736,669</u>	<u>\$ 57,931,646</u>	<u>\$ 58,816,468</u>	<u>\$ 59,751,872</u>	<u>\$ 61,206,052</u>	<u>\$ 64,281,850</u>
Change in Net Position										
Governmental activities	\$ 4,626,418	\$ 4,821,068	\$ 2,639,523	\$ 2,350,844	\$ (223,735)	\$ (275,852)	\$ (2,799,585)	\$ (1,066,778)	\$ 2,401,987	\$ 3,809,666
Business-type activities	110,678	122,980	(98,923)	245,994	139,262	9,121	(21,042)	(141,910)	525,430	(21,050)
Total district	<u>\$ 4,737,096</u>	<u>\$ 4,944,048</u>	<u>\$ 2,540,600</u>	<u>\$ 2,596,838</u>	<u>\$ (84,473)</u>	<u>\$ (266,731)</u>	<u>\$ (2,820,627)</u>	<u>\$ (1,208,688)</u>	<u>\$ 2,927,417</u>	<u>\$ 3,788,616</u>

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

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020 (1)	2021	2022
General Fund										
Restricted	\$ 9,237,329	\$ 9,673,844	\$ 7,375,064	\$ 6,624,425	\$ 6,368,211	\$ 5,996,513	\$ 6,361,168	\$ 7,037,115	\$ 7,590,301	\$ 8,397,238
Committed	3,661,427	1,226,800	689,234	813,202	545,225	979,060				999,309
Assigned	602,282	963,478	845,783	1,240,499	1,173,305	1,272,029	906,968	1,264,224	2,292,757	1,929,269
Unassigned	168,473	227,376	312,471	246,438	253,802	224,297	331,975	107,195	1,338,212	1,259,610
Total general fund:	<u>\$ 13,669,511</u>	<u>\$ 12,091,498</u>	<u>\$ 9,222,552</u>	<u>\$ 8,924,564</u>	<u>\$ 8,340,543</u>	<u>\$ 8,471,899</u>	<u>\$ 7,600,111</u>	<u>\$ 8,408,534</u>	<u>\$ 11,221,270</u>	<u>\$ 12,585,426</u>
All Other Governmental Funds										
Restricted	\$ 59,707	\$ 1,601,081	\$ 3,179,431	\$ 3,958,186	\$ 2,967,001	\$ 2,687,313	\$ 867,587	\$ 616,745	\$ 127,167	\$ 127,434
Unassigned										
Total all other governmental funds	<u>\$ 59,707</u>	<u>\$ 1,601,081</u>	<u>\$ 3,179,431</u>	<u>\$ 3,958,186</u>	<u>\$ 2,967,001</u>	<u>\$ 2,687,313</u>	<u>\$ 867,587</u>	<u>\$ 616,745</u>	<u>\$ 127,167</u>	<u>\$ 127,434</u>

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

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

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Property Tax levy	\$ 45,332,687	\$ 46,194,008	\$ 46,194,008	\$ 47,016,865	\$ 47,959,500	\$ 48,791,976	\$ 49,523,856	\$ 49,523,856	\$ 50,248,270	\$ 51,059,211
Tuition and Fees	1,640,395	1,744,593	1,543,179	1,426,329	1,255,713	1,642,513	1,567,473	1,873,320	2,224,552	2,701,085
Interest Earnings				96,691	85,678	56,806	48,236			
Miscellaneous	158,961	368,549	1,465,414	291,781	287,765	176,601	366,722	484,176	370,440	348,397
State Sources	17,115,383	16,264,591	17,538,833	18,803,343	19,829,611	20,557,081	21,860,920	23,572,177	26,313,140	33,616,948
Federal Sources	1,607,480	1,529,301	1,619,115	1,602,401	1,748,644	1,869,589	2,121,495	1,740,090	2,405,264	2,240,113
Total revenue	65,854,906	66,101,042	68,360,549	69,237,410	71,166,911	73,094,566	75,488,702	77,193,619	81,561,666	89,965,754
Expenditures										
Instruction										
Regular Instruction	25,105,398	25,805,127	27,172,483	26,794,699	27,944,524	30,447,802	32,100,965	33,112,921	-	38,096,337
Special Education Instruction	10,647,397	10,506,238	11,511,294	11,733,937	12,448,080	13,009,642	14,358,262	13,738,847	34,873,484	15,002,017
Other Instruction	1,910,763	1,832,881	1,623,457	1,626,776	2,049,821	2,012,214	2,135,910	2,183,622	13,647,635	1,904,221
School Sponsored Activities and Athletics	848,357	1,042,604	1,097,656	1,117,500	1,231,523	1,187,873	1,398,216	1,244,010	2,211,143	1,326,170
Other Services	32,215	28,980							1,020,675	
Support Services:										
Student & Inst. Related Services	7,746,701	7,335,700	8,270,139	8,630,973	8,610,516	8,028,518	8,386,935	8,396,688	8,933,317	10,424,871
General Administrative Services	1,543,786	1,388,322	1,400,528	1,331,947	1,345,970	1,395,929	1,675,401	1,655,175	1,689,893	1,680,954
School Administrative Services	3,706,542	3,712,382	3,957,485	4,202,650	4,529,850	4,472,887	4,601,304	4,791,846	4,923,674	4,573,984
Central Administrative Services	647,316	730,460	786,066	844,392	901,882	815,269	873,516	1,164,429	1,055,926	1,365,401
Plant Operations and Maintenance	5,618,638	6,397,830	6,810,941	6,579,448	7,122,118	6,938,470	8,003,591	6,992,160	7,463,211	7,767,609
Student Transportation	1,951,812	1,945,113	2,039,773	2,211,757	2,339,377	2,476,943	2,641,008	2,693,741	2,253,822	3,276,359
Capital Outlay	4,088,789	5,412,044	4,981,323	3,682,564	4,218,456	2,457,351	2,005,108	1,080,241	1,501,895	3,097,925
Debt Service:										
Principal										196,470
Interest and Other Charges										22,426
Total expenditures	63,847,714	66,137,681	69,651,145	68,756,643	72,742,117	73,242,898	78,180,216	77,053,680	79,574,675	88,734,744
Excess (Deficiency) of revenues over (under) expenditures	2,007,192	(36,639)	(1,290,596)	480,767	(1,575,206)	(148,332)	(2,691,514)	139,939	1,986,991	1,231,010
Other Financing sources (uses)										
Insurance Recovery									336,167	133,413
Transfers in		2,525,000	3,747,496	2,655,934	1,003,303	760,955	1,367,796	1,033,769	666,451	198,880
Transfers out		(2,525,000)	(3,747,496)	(2,655,934)	(1,003,303)	(760,955)	(1,367,796)	(1,033,769)	(666,451)	(198,880)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	336,167	133,413
Net change in fund balances	\$ 2,007,192	\$ (36,639)	\$ (1,290,596)	\$ 480,767	\$ (1,575,206)	\$ (148,332)	\$ (2,691,514)	\$ 139,939	\$ 2,323,158	\$ 1,364,423
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.26%

* Noncapital expenditures are total expenditures less capital outlay.

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

<u>Fiscal Year Ended June 30,</u>	<u>Tuition</u>	<u>Transportation Fees</u>	<u>Athletic Gate Receipts</u>	<u>Interest on Investments</u>	<u>Rents</u>	<u>Cancelled Prior Year Orders</u>	<u>Clean Energy/E-Rate</u>	<u>Prior Year Refunds</u>	<u>Miscellaneous</u>	<u>Total</u>
2013	\$ 1,526,439	\$ 113,956		\$ 24,651	\$ 9,970				\$ 54,140	\$ 1,729,156
2014	1,597,066	147,527		23,499	13,398			\$ 234,666	33,146	2,049,302
2015	1,468,802	74,377		18,256	9,625	\$ 1,070,232		103,992	142,851	2,888,135
2016	1,426,329	96,691		15,333	4,440	17,923		88,212	137,985	1,786,913
2017	1,255,713	85,678		19,835	4,830	17,746		101,939	115,882	1,601,623
2018	1,570,992	71,521		56,806	4,620			1,218	143,576	1,848,733
2019	1,567,473	48,236		101,866	5,220	84,679			149,357	1,956,831
2020	1,818,510	54,810	\$ 5,062	77,782	5,430	107,490	\$ 85,286	22,775	169,253	2,346,398
2021	2,178,944	45,608		28,158		4,974		25,076	246,532	2,529,292
2022	2,618,759	82,326	5,230	16,559		6,983	79,920	31,610	68,907	2,910,294

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2014	\$ 7,228,800	\$ 2,195,867,700	\$ 270,292,300	\$ 44,003,400	\$ 116,438,800	\$ 2,633,831,000	\$ 900,000	\$ 2,634,731,000	\$ 2,563,061,673	\$ 1.753
2015	7,187,600	2,196,822,200	269,567,700	42,589,900	116,438,800	2,632,606,200	98,340	2,632,704,540	2,684,336,177	1.773
2016	7,673,200	2,205,008,400	268,446,900	42,589,900	115,784,000	2,639,502,400	98,340	2,639,600,740	2,714,961,138	1.798
2017	7,257,700	2,218,874,700	267,250,300	42,302,100	114,531,300	2,650,216,100	96,840	2,650,312,940	2,766,941,136	1.826
2018	6,917,400	2,240,220,200	264,923,200	42,302,100	115,243,800	2,669,606,700	96,840	2,669,703,540	2,857,758,807	1.842
2019	7,244,000	2,250,590,900	264,397,200	42,302,100	115,243,800	2,679,778,000	87,730	2,679,865,730	3,062,156,607	1.848
2020	7,748,600	2,256,922,500	262,579,000	42,302,100	114,593,300	2,684,145,500	87,730	2,684,233,230	3,204,563,002	1.859
2021	5,413,300	2,276,685,400	261,932,600	42,302,100	123,096,300	2,709,429,700	87,730	2,709,517,430	3,312,069,816	1.870
2022	4,559,300	2,288,016,800	257,050,200	42,017,100	125,561,200	2,717,204,600	87,730	2,717,292,330	3,505,476,387	1.894

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Source: County Abstract of Ratables

a Tax rates are per \$100

N/A- Not Available

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

Calendar Year	Total Direct School Tax Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Bergenfield Local School District	Municipality of Bergenfield	County of Bergen		
2013	\$ 1.734	\$ 1.068	\$ 0.229	\$	3.031
2014	1.753	1.087	0.225		3.065
2015	1.773	1.104	0.245		3.122
2016	1.798	1.120	0.253		3.171
2017	1.826	1.135	0.261		3.222
2018	1.842	1.135	0.261		3.238
2019	1.848	1.136	0.278		3.262
2020	1.859	1.145	0.296		3.300
2021	1.870	1.145	0.307		3.322
2022	1.894	1.152	0.311		3.357

Source: County Abstract of Ratables

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

Taxpayer	2022		2013	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Glanticpoint Properties, LLC	\$ 19,000,000	0.70%		
Glance, Rabinowitz & Point Properties			\$ 19,277,200	0.73%
Tower Ivy Lane, LLC	18,850,000	0.69%	18,850,000	0.71%
Knickerbocker Country Club	17,000,000	0.63%	17,000,000	0.64%
Oster Bergenfield Properties	16,500,000	0.61%	16,500,000	0.62%
Tower Management Financing Partnership			13,500,000	0.51%
Tower Omni 2015 LLC	13,350,000	0.49%		
St. James Apts, VAP International	10,900,000	0.40%	11,526,700	0.43%
Lidl U.S. Operations, LLC	10,215,400	0.38%		
Pathmark Stores, LLC			10,215,400	0.39%
Legion Manor Assoc., LLC	10,000,000	0.37%		
Bergenfield Senior Housing LLC			10,000,000	0.38%
New Woodbine, LLC			7,100,000	0.27%
New Bridge Shopping Center LLC	7,100,000	0.26%		
Keepers Bergenfield, LLC			5,496,700	0.21%
Hickory Manor % Ridgetop Corp.	6,148,800	0.23%		
	<u>\$ 129,064,200</u>	<u>4.75%</u>	<u>\$ 129,466,000</u>	<u>4.88%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	\$ 45,332,687	\$ 45,332,687	100.00%	
2014	46,194,008	41,773,143	90.43%	\$ 4,420,865
2015	46,194,008	46,194,008	100.00%	
2016	47,016,865	47,016,865	100.00%	
2017	47,959,500	47,959,500	100.00%	
2018	48,791,976	48,791,976	100.00%	
2019	49,523,856	49,523,856	100.00%	
2020	49,523,856	49,523,856	100.00%	
2021	50,248,270	50,248,270	100.00%	
2022	51,059,211	51,059,211	100.00%	

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

Fiscal Year Ended June 30,	Governmental Activities			Total District	Population	Per Capita
	General Obligation Bonds	Capital Financing Agreements	Leases Payable			
2013				\$ -	27,270	\$ -
2014				-	27,301	-
2015				-	27,340	-
2016				-	27,329	-
2017				-	27,456	-
2018				-	27,387	-
2019				-	27,329	-
2020				-	27,371	-
2021			650,050	650,050	28,206 (E)	23
2022			453,580	453,580	28,206 (E)	16

100

(E) - Estimate

Source: District records

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2013	-	-	-	0.00%	0
2014	-	-	-	0.00%	0
2015	-	-	-	0.00%	0
2016	-	-	-	0.00%	0
2017	-	-	-	0.00%	0
2018	-	-	-	0.00%	0
2019	-	-	-	0.00%	0
2020	-	-	-	0.00%	0
2021	-	-	-	0.00%	0
2022	-	-	-	0.00%	0

Source: District records

**BERGENFIELD BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2021
(Unaudited)**

	<u>Total Debt</u>
Municipal Debt: (1)	
Borough of Bergenfield	\$ <u>35,066,446</u>
Total Direct Debt	<u>35,066,446</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	26,277,515
Bergen County Utilities Authority - Water Pollution (B)	<u>8,192,085</u>
Total Overlapping Debt	<u>34,469,600</u>
Total Direct and Overlapping Debt	<u>\$ <u>69,536,046</u></u>

Source:

(1) Borough's 2021 Annual Debt Statement

(A) The debt for this entity was apportioned to the municipality by dividing the municipality's 2021 equalized value by the total 2021 equalized value for Bergen County.

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

**BERGENFIELD BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Equalized valuation basis

2021	\$	3,487,039,511
2020		3,272,949,031
2019		<u>3,191,351,673</u>
	\$	<u>9,951,340,215</u>
Average equalized valuation of taxable property	\$	<u>3,317,113,405</u>
Debt limit (4% of average equalization value)	\$	132,684,536
Total net debt applicable to limit		-
Legal debt margin	\$	<u>132,684,536</u>

Fiscal Year Ending June 30,

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit (4% of average equalization value)	\$ 110,708,495	\$ 106,320,018	\$ 105,325,851	\$ 105,847,667	\$ 108,360,174	\$ 110,377,814	\$ 114,945,740	\$ 120,852,609	\$ 126,763,748	\$ 132,684,536
Total net debt applicable to limit										
Legal debt margin	<u>\$ 110,708,495</u>	<u>\$ 106,320,018</u>	<u>\$ 105,325,851</u>	<u>\$ 105,847,667</u>	<u>\$ 108,360,174</u>	<u>\$ 110,377,814</u>	<u>\$ 114,945,740</u>	<u>\$ 120,852,609</u>	<u>\$ 126,763,748</u>	<u>\$ 132,684,536</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Annual Debt Statements

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

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2013	27,270	\$ 71,286	7.0%
2014	27,301	73,883	4.9%
2015	27,340	77,323	4.2%
2016	27,329	78,836	3.9%
2017	27,456	81,024	3.7%
2018	27,387	85,191	3.1%
2019	27,329	88,241	2.7%
2020	27,371	91,972	9.0%
2021	28,206 (E)	91,972 (E)	5.5%
2022	28,206 (E)	91,972 (E)	N/A

Source: New Jersey State Department of Education

(E) - Estimate

N/A - Not Available

**BERGENFIELD BOARD OF EDUCATION
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

	<u>2022</u>		<u>2013</u>	
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION IS NOT AVAILABLE

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

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Instruction	329	329	330	332	346	347	349	350	352	353
Support Services:										
Student & instruction related services	66	65	66	66	73	82	81	82	80	85
General administration	5	4	5	6	7	7	3	3	5	5
School administrative services	24	23	24	24	32	32	21	22	27	29
Central services	7	7	6	6	6	6	9	9	8	9
Plant operations and maintenance	41	41	41	40	63	63	41	41	46	48
Pupil transportation	16	17	16	16	17	17	21	21	21	24
Other support services										
Total	<u>488</u>	<u>486</u>	<u>488</u>	<u>490</u>	<u>544</u>	<u>554</u>	<u>525</u>	<u>528</u>	<u>539</u>	<u>553</u>

Source: District Personnel Records

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

Teacher/Pupil Ratio

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Teacher/Pupil Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2013	3,643	\$ 59,758,925	\$ 16,404	3.69%	347	1:15	1:13	1:14	3,575	3,460	1.27%	96.78%
2014	3,633	60,725,637	16,715	1.90%	351	1:15	1:13	1:14	3,532	3,358	-1.20%	95.07%
2015	3,518	64,669,822	18,383	9.98%	345	1:15	1:13	1:14	3,475	3,338	-1.61%	96.06%
2016	3,567	65,074,079	18,243	-0.76%	346	1:13	1:14	1:15	3,532	3,411	1.64%	96.57%
2017	3,590	68,523,661	19,087	4.63%	346	1:13	1:12	1:12	3,559	3,403	0.76%	95.62%
2018	3,692	70,785,547	19,173	0.45%	346	1:13	1:12	1:12	3,561	3,408	0.06%	95.70%
2019	3,560	76,175,108	21,398	11.60%	350	1:13	1:12	1:12	3,562	3,404	0.03%	95.56%
2020	3,682	75,973,439	20,634	-3.57%	350	1:13	1:12	1:12	3,761	3,642	5.59%	96.84%
2021	3,647	78,072,780	21,407	3.75%	350	1:11	1:14	1:12	3,647	3,596	-3.03%	98.60%
2022	3,616	85,417,923	23,622	10.35%	341	1:11	1:11	1:11	3,622	3,433	-0.69%	94.78%

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.

**BERGENFIELD BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
(Unaudited)**

INFORMATION IS NOT AVAILABLE

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
School Facilities										
Bergenfield High School	\$ 1,278,931	\$ 1,348,560	\$ 1,400,192	\$ 613,716	\$ 738,005	\$ 686,461	\$ 1,030,096	\$ 672,623	\$ 816,955	\$ 984,044
Roy W. Brown Middle School	614,252	647,693	672,492	294,758	354,453	329,697	494,740	323,051	318,296	392,220
Franklin Elementary School	307,124	323,845	336,244	147,378	177,226	164,847	247,368	161,525	237,717	152,477
Hoover Elementary School	120,495	127,056	131,920	57,821	69,532	64,675	97,051	63,372	62,417	93,222
Jefferson Elementary School	168,814	178,004	184,820	81,008	97,414	90,610	135,969	88,783	70,728	77,345
Lincoln Elementary School	337,313	355,677	369,295	161,865	194,646	181,051	271,684	177,401	194,032	206,772
Washington Elementary Sch.	192,983	203,489	211,281	92,606	111,361	103,583	155,435	101,494	229,486	99,826
Grand Total	<u>\$ 3,019,912</u>	<u>\$ 3,184,324</u>	<u>\$ 3,306,244</u>	<u>\$ 1,449,152</u>	<u>\$ 1,742,637</u>	<u>\$ 1,620,924</u>	<u>\$ 2,432,343</u>	<u>\$ 1,588,249</u>	<u>\$ 1,929,631</u>	<u>\$ 2,005,906</u>

Source: District Records

**BERGENFIELD BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2022
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - NESBIG		
Property - Blanket Building & Contents	\$ 131,956,582	\$ 5,000
Comprehensive General Liability	1,000,000	
Commercial Umbrella	9,000,000	
Accident Coverage	500,000	
Environmental Impairment	4,000,000	25,000
Commercial Umbrella - Excess	55,000,000	
School Board Legal Liability	1,000,000	
Excess Workers Compensation Employers Liability	1,000,000	
Commercial Auto Liability	1,000,000	10,000
Cyber Liability		
Third Party Liability Coverage	2,000,000	100,000
First Party Coverage	1,000,000	25,000
Data Breach Response and Crisis Management Coverage	1,000,000	25,000
Crime Coverage		
Public Employee Dishonesty		
Per Employee (Primary)	100,000	5,000
Per Loss (Excess)	500,000	100,000
Forgery or Alteration Coverage	100,000	1,000
Computer Fraud	100,000	1,000
Funds Transfer Fraud	100,000	1,000
Treasurer of School Monies - Surety Bond	375,000	
Business Administrator/Board Secretary - Surety Bond	350,000	

Source: School District's records

SINGLE AUDIT

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
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ROBERT LERCH, CPA
CHRISTOPHER VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA

**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
Bergenfield Board of Education
Bergenfield, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities and each major fund of the Bergenfield Board of Education as of and for the fiscal year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Bergenfield Board of Education's basic financial statements and have issued our report thereon dated January 25, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Bergenfield 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 Bergenfield Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bergenfield 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.

Report on Compliance and Other Matters

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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Bergenfield Board of Education in a separate report entitled, “Auditor’s Management Report on Administrative Findings – Financial, Compliance and Performance” dated January 25, 2023.

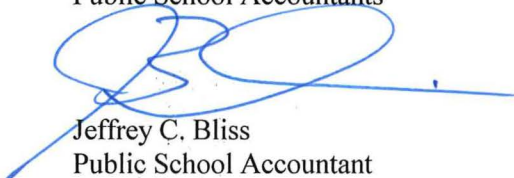
Purpose of this Report

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 Bergenfield 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 Bergenfield Board of Education’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fair Lawn, New Jersey
January 25, 2023

LERCH, VINCI & BLISS, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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**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
Bergenfield Board of Education
Bergenfield, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Bergenfield Board of Education’s compliance with the types of compliance requirements identified as subject to audit 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 Bergenfield Board of Education’s major federal and state programs for the fiscal year ended June 30, 2022. The Bergenfield 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.

In our opinion, the Bergenfield Board of Education complied, in all material respects, with the 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, 2022.

Basis for Opinion on Each Major Federal and State Program

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 prescribed by the Office of School Finance, Department of Education, State of New Jersey; audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and audit requirements of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards, U.S. Uniform Guidance and New Jersey OMB Circular are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Bergenfield Board of Education and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the Bergenfield Board of Education’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulation, rules, and provisions of contracts or grant agreements applicable to the Bergenfield Board of Education's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Bergenfield Board of Education's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance and New Jersey OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Bergenfield Board of Education's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance, and New Jersey OMB Circular 15-08, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Bergenfield Board of Education's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Bergenfield Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Bergenfield Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.


Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 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 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 and each major fund of the Bergenfield Board of Education as of and for the fiscal year ended June 30, 2022, 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 January 25, 2023, 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 & BLISS, LLP
LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants


Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
January 25, 2023

BERGENFIELD BOARD OF EDUCATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance, July 1, 2021		Carryover/ (Walkover)/ Amount Def. Rev.	Carryover/ (Walkover)/ Amount A/R	Cash Received	Budgetary Expenditures	Balance, June 30, 2022		Memo GAAP Receivable
					(Account Receivable)	Unearned Revenue					(Account Receivable)	Unearned Revenue	
U.S. Department of Education													
Passed-through State Department of Education													
Enterprise Fund													
School Breakfast Program	10.553	201NJ304N1099	7/1/21-6/30/22	\$ 352,108					\$ 326,300	\$ 352,108	\$ (25,808)		\$ (25,808)
School Breakfast Program	10.553	211NJ304N1099	7/1/20-6/30/21	3,885,209	(24,406)			24,406					-
National School Lunch Program	10.555												-
Cash Assistance		201NJ304N1099	7/1/21-6/30/22	1,791,675				1,698,404	1,791,675		(93,271)		(93,271)
Cash Assistance		211NJ304N1099	7/1/20-6/30/21	6,174,448	(43,528)			43,528					-
Emergency Operational Cost Program		202121H170341	7/1/21-6/30/22	47,921				47,921	47,921		-		-
Non-Cash Assistance (Food Distribution)		201NJ304N1099	7/1/21-6/30/22	108,929	-	-	-	108,929	108,929		-		-
P-EBT Administrative Cost Program	10.649	212125900941	7/1/21-6/30/22	3,135				3,135	3,135		-		-
P-EBT Administrative Cost Program	10.649	202125900941	7/1/20-6/30/21	3,063	-	-	-	3,063	3,063		-		-
Total Child Nutrition Program/Enterprise Fund					(67,934)	-	-	-	2,255,686	2,306,831	(119,079)	-	(119,079)
U.S. Department of Health and Human Services													
General Fund													
Medicaid Assistance Program	93.778	2005NJ5MAP	7/1/21-6/30/22	60,319	-	-	-	44,454	60,319		(15,865)	-	(15,865)
Total Medicaid					-	-	-	44,454	60,319		(15,865)	-	(15,865)
U.S. Department of Homeland Security													
Passed-through State Department of Education													
FEMA - Direct Emergency Response to COVID-19	97.036	N/A	7/1/21-6/30/22	59,057	-	-	-	59,057	59,057		-	-	-
Total FEMA					-	-	-	59,057	59,057		-	-	-
Total General Fund					-	-	-	103,511	119,376		(15,865)	-	(15,865)
Special Revenue Fund													
I.D.E.A. Part B, Basic Regular	84.027A	H027A210100	7/1/21-9/30/22	904,711			\$ 30,914	\$ (30,914)	659,815	908,057	(275,810)	\$ 27,568	(248,242)
I.D.E.A. Part B, Basic Regular	84.027A	H027A200100	7/1/20-9/30/21	933,432	(238,204)	\$ 30,914	(30,914)	30,914	207,290		-	-	-
ARP IDEA - Basic	84.027X	H027X210100	7/1/21-9/30/22	178,278					28,915	176,696	(149,363)	1,582	(147,781)
I.D.E.A. Part B, Preschool	84.173A	H173A210114	7/1/21-9/30/22	35,584					25,303	35,584	(10,281)	-	(10,281)
ARP IDEA - Preschool	84.173X	H173X210114	7/1/21-9/30/22	15,167					9,153	15,167	(6,014)	-	(6,014)
Total I.D.E.A.					(238,204)	30,914	-	-	930,476	1,135,504	(441,468)	29,150	(412,318)
Title I	84.010	S010A210030	7/1/21-9/30/22	425,260			69,681	(69,681)	313,928	466,269	(181,013)	28,672	(152,341)
Title I	84.010	S010A200030	7/1/20-9/30/21	471,783	(258,753)	69,680	(69,681)	69,681	189,072		-	-	-
Title II, Part A	84.367A	S367A210029	7/1/21-9/30/22	77,703			31,033	(31,033)	68,005	91,848	(40,731)	16,888	(23,843)
Title II, Part A	84.367A	S367A200029	7/1/20-9/30/21	103,445	(61,562)	31,033	(31,033)	31,033	30,529		-	-	-
Title III	84.365	S365A210030	7/1/21-9/30/22	42,150			8,063	(8,063)	32,535	38,710	(17,678)	11,503	(6,175)
Title III	84.365	S365A200030	7/1/20-9/30/21	44,895	(19,151)	8,063	(8,063)	8,063	11,088		-	-	-
Title III - Immigrant	84.365	S365A210030	7/1/21-9/30/22				2,709	(2,709)	253	2,623	(2,456)	86	(2,370)
Title III - Immigrant	84.365	S365A200030	7/1/20-9/30/21		(11,346)	2,710	(2,709)	2,709	8,637		-	-	-
Title IV	84.424	S424A210031	7/1/21-9/30/22	34,436			6,366	(6,366)	13,891	34,161	(26,911)	6,641	(20,270)
Title IV	84.424	S424A200031	7/1/20-9/30/21	34,750	(38,167)	6,366	(6,366)	6,366	31,801		-	-	-
Total E.S.E.A. Programs					(388,979)	117,852	-	-	699,739	633,611	(268,789)	63,790	(204,999)
Perkins Secondary Education Grant	84.048	V048A210030	7/1/21-6/30/22	20,762					12,713	18,684	(8,049)	2,078	(5,971)
Perkins Secondary Education Grant	84.048	V048A200030	7/1/20-6/30/21	29,308	(8,002)	122	-	-	7,880		(122)	122	-
Total Perkins Secondary Education Grant					(8,002)	122	-	-	20,593	18,684	(8,171)	2,200	(5,971)

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance, July 1, 2021		Carryover/ (Walkover)/ Amount Def. Rev.	Carryover/ (Walkover)/ Amount A/R	Cash Received	Budgetary Expenditures	Balance, June 30, 2022		Memo GAAP Receivable
					(Account Receivable)	Unearned Revenue					(Account Receivable)	Unearned Revenue	
Coronavirus Relief Fund (CRF) Passed through County of Bergen	21.019	N/A	3/31/20-12/31/21	113,503	\$ (113,503)	-	-	-	\$ 113,503	-	-	-	-
Total Coronavirus Relief Fund					(113,503)	-	-	-	113,503	-	-	-	-
Additional or Compensatory Special Education and Related Services	21.027	SLFRFDOEISES	7/1/21-6/30/22	249,595	-	-	-	-	-	\$ 249,595	\$ (249,595)	-	\$ (249,595)
Total ACSERS					-	-	-	-	-	249,595	(249,595)	-	(249,595)
CARES Emergency Relief Grant - ESSER I	84.425D	S425D200027	3/13/20-9/30/22	\$ 399,011	(211,154)				211,154				
Coronavirus Response and Relief Supplem. Appropriations - ESSER II	84.425D	S425D210027	3/13/20-9/30/23	1,546,349	(1,546,349)	\$ 1,546,349					(1,546,349)	\$ 1,546,349	-
Coronavirus Response and Relief Supplem. Approp. - Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	99,237	(99,237)	96,237			69,245	68,019	(29,992)	28,218	(1,774)
Coronavirus Response and Relief Supplem. Approp. - Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(45,000)	45,000			42,040	42,840	(2,960)	2,160	(800)
American Rescue Plan (ARP) - ESSER III	84.425U	S425U210027	3/13/20-9/30/24	3,475,320						593,564	(3,475,320)	2,881,756	(593,564)
American Rescue Plan (ARP) - Accelerated Learning Coach and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	346,638							(346,638)	346,638	-
American Rescue Plan (ARP) - Evidence Based Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000						1,140	(40,000)	38,860	(1,140)
American Rescue Plan (ARP) - Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000							(40,000)	40,000	-
American Rescue Plan (ARP) - NJTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000							(45,000)	45,000	-
American Rescue Plan (ARP) - Homeless Children and Youth (HCY)	84.425W	S425W210031	4/13/21-9/30/23	16,163							(16,163)	16,163	-
Total Elementary and Secondary School Emergency Relief Fund Cluster (ESSER)					(1,901,740)	1,687,586	-	-	322,439	705,563	(5,542,422)	4,945,144	(597,278)
Total Special Revenue Fund					(2,650,428)	1,836,474	-	-	2,086,750	2,742,957	(6,510,445)	5,040,284	(1,470,161)
Total Federal Awards					\$ (2,718,362)	\$ 1,836,474	\$ -	\$ -	\$ 4,445,947	\$ 5,169,164	\$ (6,645,389)	\$ 5,040,284	\$ (1,605,105)

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2021	Carrvoer	Cash Received	Budgetary Expenditures	Transfers/ Adjustments	Balance, June 30, 2022		Memo		
									(Accounts Receivable)	Unearned Revenue	GAAP Receivable	Cumulative Total Expenditures	
State Department of Education													
General Fund													
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	\$ 13,068,727			\$ 11,811,931	\$ 13,068,727		\$ (1,256,796)		\$	13,068,727	
Equalization Aid	21-495-034-5120-078	7/1/20-6/30/21	10,196,379	(965,471)		965,471						-	
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	2,104,440			1,902,060	2,104,440		(202,380)			2,104,440	
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	2,104,440	(199,265)		199,265						-	
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	374,729			338,692	374,729		(36,037)			374,729	
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	374,729	(35,482)		35,482						-	
School Choice Aid	22-495-034-5120-068	7/1/21-6/30/22	235,277			212,651	235,277		(22,626)			235,277	
School Choice Aid	21-495-034-5120-068	7/1/20-6/30/21	246,886	(23,377)		23,377						-	
Total State Aid Public Cluster				(1,223,595)	-	15,488,929	15,783,173	-	(1,517,839)	-	-	15,783,173	
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	578,477			522,846	578,477		(55,631)			578,477	
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	578,477	(54,775)		54,775						-	
Extraordinary Aid	22-495-034-5120-473	7/1/21-6/30/22	2,086,009				2,086,009		(2,086,009)			2,086,009	
Extraordinary Aid	21-495-034-5120-473	7/1/20-6/30/21	1,721,943	(1,721,943)		1,721,943						-	
On Behalf Payments													
TPAF Social Security	22-495-034-5095-003	7/1/21-6/30/22	2,102,271			1,998,865	2,102,271		(103,406)		\$	(103,406)	
TPAF Social Security	21-495-034-5095-003	7/1/20-6/30/21	1,982,833	(97,934)		97,934						-	
TPAF On-Behalf Contributions													
Pension Benefit Contribution	22-495-034-5094-002	7/1/21-6/30/22	9,995,990			9,995,990	9,995,990					9,995,990	
Pension-NCGI Premium	22-495-034-5094-004	7/1/21-6/30/22	141,029			141,029	141,029					141,029	
LTDI Premium	22-495-034-5094-004	7/1/21-6/30/22	2,808			2,808	2,808					2,808	
Post Retirement Medical Benefit Contribution	22-495-034-5094-001	7/1/21-6/30/22	2,368,418			2,368,418	2,368,418					2,368,418	
Total Transportation Aid, Extraordinary Aid, and On-Behalf				(1,874,652)	-	16,904,608	17,275,002	-	(2,245,046)	-	(103,406)	17,275,002	
School Security Grant	20E00274	7/1/20-6/30/22	199,159			199,159	199,159					199,159	
Total School Security Grant				-	-	199,159	199,159	-	-	-	-	199,159	
Securing Our Children's Future Bond Act - Water Infrastructure Grant													
Water Infrastructure Grant	21E00215	3/16/21-3/31/23	53,132				53,132		(53,132)			53,132	
Total Water Infrastructure Grant				-	-	-	53,132	-	(53,132)	-	(53,132)	53,132	
Total General Fund				(3,098,247)	-	32,592,696	33,310,466	-	(3,816,017)	-	(156,538)	33,310,466	
Special Revenue Fund													
Preschool Education Aid	22-495-034-5120-086	7/1/21-6/30/22	896,527		\$ 196,810	806,874	1,157,308	\$ 198,880	(89,653)	\$ 134,909		1,157,308	
Preschool Education Aid	21-495-034-5120-086	7/1/20-6/30/21	405,090	156,301	(196,810)	40,509						-	
Total Preschool Education Aid				156,301	-	847,383	1,157,308	198,880	(89,653)	134,909	-	-	1,157,308
Schools Development Authority													
Emergent and Capital Maintenance Needs	N/A	N/A	85,270			85,270				85,270		-	
Total SDA				-	-	85,270	-	-	-	85,270	-	-	
New Jersey Nonpublic Aid													
Teacher STEM Grant	22-100-034-5068-051	7/1/21-6/30/22	7,220			3,540	7,220		(3,680)			7,220	
Total Nonpublic Teacher STEM Grant				-	-	3,540	7,220	-	(3,680)	-	(3,680)	7,220	
NJ Achievement Coaches													
IMPACT Grant	N/A	2/1/15-12/31/15	70,000	2						2		-	
IMPACT Grant	N/A	7/1/11-6/30/12	35,404	1,548						1,548		-	
Total Special Revenue Fund				157,851	-	936,193	1,164,528	198,880	(93,333)	221,729	(3,680)	1,164,528	

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2021	Carryover Adjustments	Cash Received	Budgetary Expenditures	Transfers/ Adjustments	Balance, June 30, 2022		Memo	
									(Accounts Receivable)	Unearned Revenue	GAAP Receivable	Cumulative Total Expenditures
State Department of Agriculture												
Food Service Fund												
National School Lunch Program (State Share)	22-100-010-3350-023	7/1/21-6/30/22	\$ 42,201			\$ 40,054	\$ 42,201		\$ (2,147)		\$ (2,147)	\$ 42,201
	21-100-010-3350-023	7/1/20-6/30/21	203,530	\$ (39,287)	-	39,287	-	-	-	-	-	-
Total Food Service Fund				(39,287)	-	79,341	42,201	-	(2,147)	-	(2,147)	42,201
Total State Financial Assistance Subject to Single Audit Determination				(2,979,683)	-	33,608,230	34,517,195	\$ 198,880	(3,911,497)	\$ 221,729	(162,365)	35,139,664
State Financial Assistance Not Subject to Single Audit Determination												
General Fund												
On-Behalf TPAF Pension Benefit Contributions	22-495-034-5094-002	7/1/21-6/30/22	9,995,990			(9,995,990)	(9,995,990)					(9,995,990)
On-Behalf TPAF Pension Contributions-NCGL Premium	22-495-034-5094-004	7/1/21-6/30/22	141,029			(141,029)	(141,029)					(141,029)
On-Behalf TPAF Contributions-LTDI Premium	22-495-034-5094-004	7/1/21-6/30/22	2,808			(2,808)	(2,808)					(2,808)
On-Behalf TPAF Post-Retirement Medical Contribution	22-495-034-5094-001	7/1/21-6/30/22	2,368,418	-	-	(2,368,418)	(2,368,418)	-	-	-	-	(2,368,418)
Total State Financial Assistance Subject to Single Audit				\$ (2,979,683)	\$ -	\$ 21,099,985	\$ 22,008,950	\$ 198,880	\$ (3,911,497)	\$ 221,729	\$ (162,365)	\$ 22,631,419

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Bergenfield 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 \$659,166 for the general fund and a decrease of \$622,220 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	\$ 119,376	\$ 32,651,300	\$ 32,770,676
Special Revenue Fund	2,120,737	965,648	3,086,385
Food Service Fund	<u>2,306,831</u>	<u>42,201</u>	<u>2,349,032</u>
Total Financial Assistance	<u>\$ 4,546,944</u>	<u>\$ 33,659,149</u>	<u>\$ 38,206,093</u>

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$2,102,271 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, 2022. The amount reported as TPAF Pension System Contributions in the amount of \$10,137,019, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,368,418 and TPAF Long-Term Disability Insurance in the amount of \$2,808 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2022.

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.

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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.

There are none.

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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.

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

There are none.

**BERGENFIELD BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

This section identifies the status of prior-year findings related to the 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. OMB Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

There were none.