

**SCHOOL DISTRICT OF THE
BOROUGH OF CLIFFSIDE PARK
COUNTY OF BERGEN, NEW JERSEY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2022**

**School District
of**

BOROUGH OF CLIFFSIDE PARK

**BOROUGH OF CLIFFSIDE PARK BOARD OF EDUCATION
Cliffside Park, New Jersey**

**Annual Comprehensive Financial Report
Year Ended June 30, 2022**

Annual Comprehensive Financial Report

of the

**BOROUGH OF CLIFFSIDE PARK
BOARD OF EDUCATION
Cliffside Park, New Jersey**

Year Ended June 30, 2022

Prepared by

**Louis Alfano
Business Administrator/Board Secretary**

OUTLINE OF ACFR

INTRODUCTORY SECTION

Letter of Transmittal.	1
Organizational Chart.	6
Roster of Officials.	7
Consultants and Advisors.	8

FINANCIAL SECTION

Independent Auditor's Report.	9
Required Supplementary Information - Part I Management's Discussion and Analysis.	14

BASIC FINANCIAL STATEMENTS

A. District-wide Financial Statements:	
A-1 Statement of Net Position.	25
A-2 Statement of Activities.	26
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet.	27
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances.	29
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.	30
Proprietary Funds:	
B-4 Statement of Net Position.	31
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position.	32
B-6 Statement of Cash Flows.	33
Fiduciary Funds:	
N/A	
Notes to the Financial Statements.	34
Required Supplemental Information - Part II	

OUTLINE OF ACFR, (continued)

C.	Budgetary Comparison Schedules:	
	C-1 Budgetary Comparison Schedule - General Fund.....	72
	C-2 Budgetary Comparison Schedule - Special Revenue Fund.....	77
	Note to the Required Supplementary Information	
	C-3 Budgetary Comparison Schedule.	78
	Required Supplementary Information - Part III	
L.	Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
	L-1 Schedule of the District's Share of the Net Pension Liability – PERS.	79
	L-2 Schedule of District’s Contributions – PERS.....	80
	L-3 Schedule of District's Share of the Net Pension Liability – TPAF.....	81
	L-4 Note to Required Schedules of Supplementary Information - Part III.	82
M.	Schedules Related to Accounting and Reporting for OPEB (GASB 75)	
	M-1 Schedule of Changes in the District's Proportionate Share of the State OPEB Liability.	83
	Other Supplementary Information	
D.	School Level Schedules:	
	N/A	
E.	Special Revenue Fund:	
	E-1 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis....	84
	E-1a Combining Schedule of Program Revenues and Expenditures - Budgetary Basis....	85
	E-1b Combining Schedule of Program Revenues and Expenditures - Budgetary Basis....	86
	E-1c Combining Schedule of Program Revenues and Expenditures - Budgetary Basis....	87
	E-1d Combining Schedule of Program Revenues and Expenditures - Budgetary Basis....	88
	E-1e Combining Schedule of Program Revenues and Expenditures - Budgetary Basis....	89
	E-2 Schedule of Preschool Education Aid - Budgetary Basis.	90
F.	Capital Projects Fund:	
	F-1 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis.....	91
	F-1a Schedule of Project Revenues, Expenditures, Project Balances and Project Status - Budgetary Basis.	92
	F-2 Summary Statement of Project Expenditures.	93

OUTLINE OF ACFR, (continued)

G. Proprietary Funds:
Enterprise Fund:
G-1 Combining Statement of Net Position. 94
G-2 Combining Statement of Revenues, Expenses and Changes
in Fund Net Position. 95
G-3 Combining Statement of Cash Flows. 96

Internal Service Fund:
N/A

H. Fiduciary Fund:
N/A

I. Long Term Debt:
I-1 N/A
I-2 Schedule of Capital Leases Payable. 97
I-3 N/A
I-4 N/A

J. Statistical Section (Unaudited)

Financial Trends

Introduction to the Statistical Section

J-1 Net Position by Component. 98
J-2 Changes in Net Position. 99
J-3 Fund Balances - Governmental Funds. 101
J-4 Changes in Fund Balances - Governmental Funds. 102
J-5 General Fund Other Local Revenue by Source. 104

Revenue Capacity

J-6 Assessed Value and Actual Value of Taxable Property. 105
J-7 Direct and Overlapping Property Tax Rates. 106
J-8 Principal Property Taxpayers. 107
J-9 Property Tax Levies and Collections. 108

Debt Capacity

J-10 Ratios of Outstanding Debt by Type. 109
J-11 Ratios of Net General Bonded Debt Outstanding. 110
J-12 Ratios of Overlapping Governmental Activities Debt. 111
J-13 Legal Debt Margin Information. 112

OUTLINE OF ACFR, (continued)

Demographic and Economic Information

J-14	Demographic and Economic Statistics.	113
J-15	Principal Employers.	114

Operating Information

J-16	Full-time Equivalent District Employees by Function/Program.	115
J-17	Operating Statistics.	116
J-18	School Building Information.	117
J-19	Schedule of Required Maintenance for School Facilities.	118
J-20	Insurance Schedule.	119

K. SINGLE AUDIT SECTION

K-1	Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.	120
K-2	Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with the Uniform Guidance and N.J. OMB Circular 15-08.	122
K-3	Schedule of Expenditure of Federal Awards.	126
K-4	Schedule of Expenditure of State Awards and Local Awards.	128
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance.	129
K-6	Schedule of Findings and Questioned Costs.	132
K-7	Summary Schedule of Prior Audit Findings.	137

INTRODUCTORY SECTION

CLIFFSIDE PARK PUBLIC SCHOOLS
THE MUNICIPAL COMPLEX
525 PALISADE AVENUE
CLIFFSIDE PARK, NEW JERSEY 07010

Louis Alfano
Business Administrator/Board Secretary

TEL: 201-313-2300
FAX: 201-943-7050
E-MAIL: lalfano@cliffsidepark.edu

February 2, 2023

Honorable President and Members of the
Cliffside Park Board of Education
525 Palisade Avenue
Cliffside Park, New Jersey 07010

Dear Board Members,

State Department of Education statutes require that all school districts prepare a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the Cliffside Park Board of Education for the fiscal year ended June 30, 2022.

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

The Cliffside Park Board of Education's financial statements have been audited by Wielkocz and Company, LLC, a firm of licensed certified public accountants and public school accountants. The goal of the independent audit was to provide reasonable assurance the financial statements Cliffside Park Board of Education for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Cliffside Park Board of Education was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards and state financial assistance. These reports are available in the Single Audit Section of the Cliffside Park Board of Education’s ACFR.

GAAP 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 compliment the MD&A and should be read in conjunction with it. The Cliffside Park Board of Education’s MD&A can be found immediately following the independent auditors’ report.

REPORTING ENTITY AND ITS SERVICES: The Cliffside Park School District is an independent reporting entity within the criteria adopted by Governmental Accounting Standards Board (GASB) as established by GASB No. 14. All funds of the District are included in this report. The Cliffside Park Board of Education and all its schools constitute the District’s reporting entity.

The District provides a full range of educational services appropriate to grade level PK through 12. These include regular, vocational as well as special education for disabled youngsters. The District completed the 2021/2022 fiscal year with 2,994 students, which is 113 students less than the previous year’s enrollment. The following details the changes in the student enrollment of the District over the last ten years.

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Percent Change</u>
2009-2010	2,760	4.2
2010-2011	2,740	(2.0)
2011-2012	2,779	1.4
2012-2013	2,839	2.1
2013-2014	2,901	2.1
2014-2015	2,968	2.2
2015-2016	3,000	1.1
2016-2017	3,074	2.5
2017-2018	3,164	2.9
2018-2019	3,154	(.03)
2019-2020	3,203	1.5
2020-2021	3,107	(3.0)
2021-2022	2,994	(3.7)

ECONOMIC CONDITION AND OUTLOOK: The local economy of the Cliffside Park area is relatively stable and is expected to continue at that level. The Borough’s economy is mainly comprised of retail stores and light industry. The present structure is expected to remain unchanged in the future.

MAJOR INITIATIVES: The Cliffside Park Board of Education recognizes its responsibility to provide a broad educational program consistent with the mental and physical potential of every child in our community. The Board believes that each individual should be accepted into our educational program as he/she is and be provided with a stimulating environment and opportunities for learning experiences designed to promote behavioral changes that will affect satisfactory adjustments to life. In addition to meeting the special needs of our students the high school offers preparation for entrance to college, technical and sub-professional schools. The high school also offers college courses that focus on the sciences, mathematics, foreign languages and social studies. Many accelerated and advanced placement courses are also available in all subject areas.

Cliffside Park is accredited by the New Jersey Department of Education. Our students consistently test above the state and national averages and have been accepted into colleges throughout the United States.

A full range of educational support services are available to all students i.e. guidance services, health services in each school, certified nurses, full Child Study Team, in addition to a PK through 12 ELL program.

The Superintendent has received and initiated, with the Board's approval, the following programs:

EARLY CHILDHOOD: Will continue with full-day Pre K handicap programs as well as half-day programs for regular education students.

MATH CURRICULUM: The Cliffside Park School District uses the Envision Math Mathematics 2.0 series which parallels the Nj Content Standards. This series emphasizes open-ended questions and critical thinking problems that are key components to state assessments.

READING CURRICULUM: The Cliffside Park School District uses the Pearson Reading series which parallels the NJ Content Standards with emphasis on writing and literacy. This series enables teachers to meet individual needs of all students at all levels. The District continues to utilize a balanced literacy curriculum.

GIFTED AND TALENTED: A Gifted and Talented program is available in the Cliffside Park Schools with an emphasis on computer technology. The program begins on a pull-out basis in grades three through eight and is completed at the high school level (grades 9-12) in our advanced placement and other accelerated offerings.

TESTING: NJSLA Testing (grades three through eleven) is required under NCLB. Other standardized tests given within the District include NJPass, Boehm Test, and the Otis Lennon Ability Test.

PROFESSIONAL DEVELOPMENT: The District's teaching staffs are currently undertaking professional development in reading and writing literacy, technology, teacher evaluations, substance abuse program, violence/vandalism prevention and affirmative action guidelines.

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.

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 budgets are adopted for the General, Special Revenue and Debt Service Funds. The final budget amounts as amended for the fiscal year are reflected in the financial section.

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

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

PROPRIETARY FUND: The Enterprise Food Service fund provides for the operation of food services in all schools within the school district, including full service breakfast and lunch programs.

FIDUCIARY FUNDS: Fiduciary Funds consist of assets held by the district as agent for student organizations, private organizations, other governments and other funds.

DEBT ADMINISTRATION: On July 15, 1999 the District issued \$5,400,000 of bonds to finance a capital improvement referendum approved by the District's voters on December 8, 1998 which were refunded on July 15, 2006. At June 30, 2022 \$0 of the school bonds were outstanding.


CASH MANAGEMENT: The investment policy of the District is guided in large part by the state statute as detailed in the "Notes to the Basic Financial Statements", the District has adopted has 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 required governmental units to deposit public funds only in public depositories located in New Jersey where the funds are secured in accordance with the Act.

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. The District provides its employee full medical insurance through traditional health insurance plan.

OTHER INFORMATION: A. Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Wielkocz and Company, LLC, 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 **Title 2 U.S. Code of Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey States Office of Management and Budget Circular 15-08.** The auditors’ report on the basic financial statements is included in the financial section of this report. The auditors’ report related specifically to the Single Audit is included in the Single Audit Section of this report.

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

Respectfully submitted,



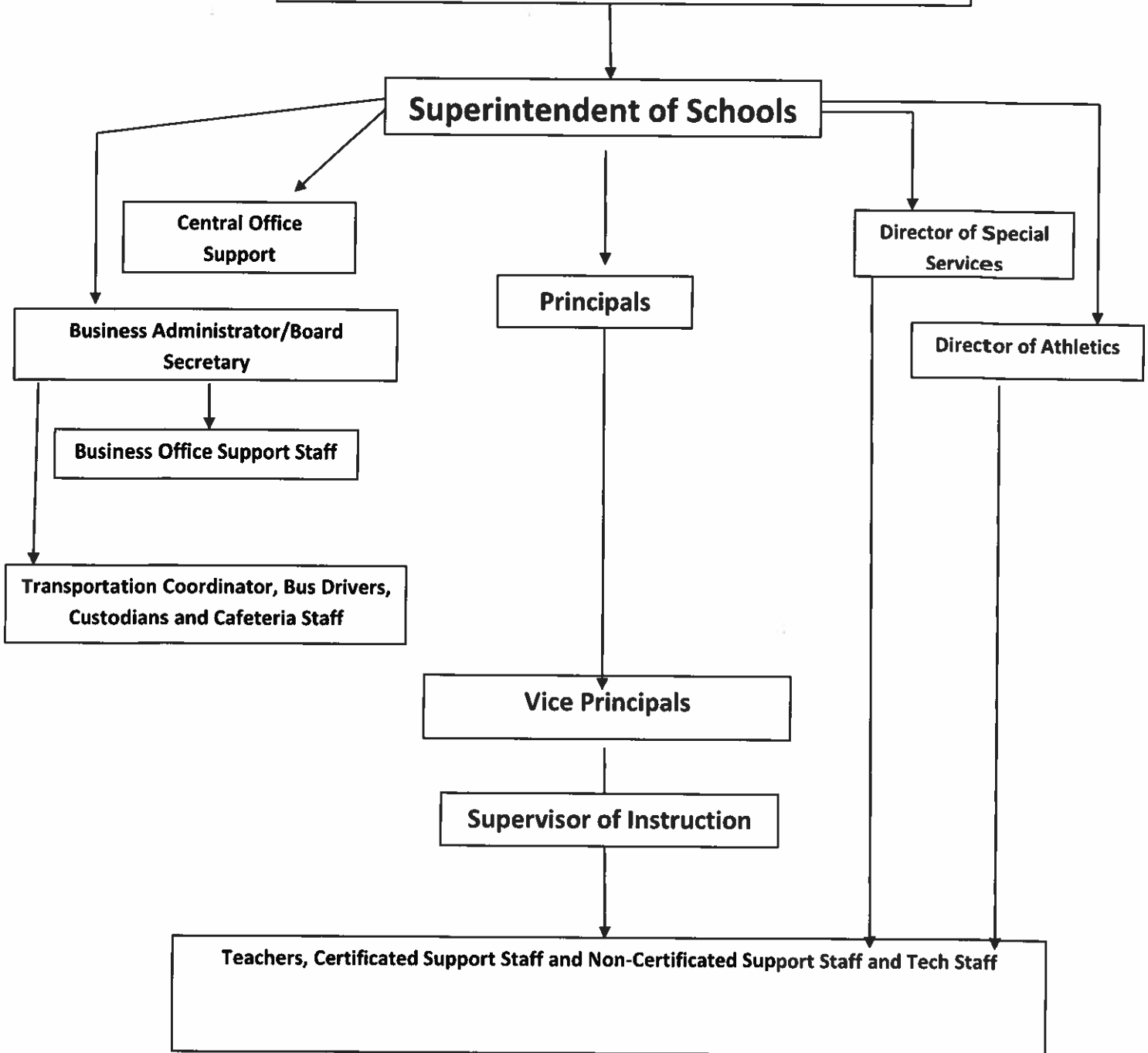
Michael J. Romagnino
Superintendent of Schools



Louis Alfano
Business Administrator
Board Secretary

ORGANIZATIONAL CHART

CLIFFSIDE PARK BOARD OF EDUCATION



CLIFFSIDE PARK BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2022

Members of the Board of Education

Term Expires

Joseph Capano - President	2024
Michael Russo - Vice President	2024
Marcos Garciga	2024
Lisa Frato	2022
Judith Abreu	2023
Neville C. Raincourt	2022
James Shelley	2023
Teddy F. Tarabokija	2023
Dr. Letizia Pantoliano	2022

Other Officials

Michael J. Romangnino, Superintendent of Schools

Louis Alfano, Business Administrator/Board Secretary

Frank Berardo, Treasurer of School Monies

Bryan Yannuzzi, Fairview Representative (August 2021-Present)

Fogarty & Hara, Board Attorney

CLIFFSIDE PARK BOARD OF EDUCATION

CONSULTANTS & ADVISORS

June 30, 2022

Attorney

BERN ROOT LLC
90 West Palisade Avenue
Englewood, NJ 07631

FOGARTY & HARA
21-00 Route 208 South
Fair Lawn, NJ 07410

District Auditor

STEVEN D. WIELKOTZ, C.P.A.
401 Wanaque Avenue
Pompton Lakes, New Jersey 07442

Official Depositories

TD BANK NORTH
354 Palisade Avenue
Cliffside Park, NJ 07010

FINANCIAL SECTION



WIELKOTZ & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
PAUL J. CUVA, CPA, RMA, PSA
JAMES J. CERULLO, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
ROBERT C. MCNINCH, CPA, CFE, PSA
KEVIN REEVES, CPA, PSA

401 WANAQUE AVENUE
POMPTON LAKES, NEW JERSEY 07442
PHONE: (973)-835-7900
FAX: (973)-835-7900
EMAIL: OFFICE@W-CPA.COM
WWW.W-CPA.COM

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Board of Education of the Borough of Cliffside Park School District, in the County of Bergen, State of New Jersey, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities and each major fund of the Borough of Cliffside Park Board of Education, in the County of Bergen, State of New Jersey, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinion on U.S. Generally Accepted Principles

Governmental Accounting Standards Board Statement (GASBS) 87 requires lessees and lessors to report all leases, which is, as defined in paragraph 4 of the Statement, a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. The District failed to provide the required disclosures.



The effects on the financial statements, although not reasonably determinable, are presumed to be material.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 Cliffside Park Board of Education and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 Cliffside Park Board of Education's ability to continue as a going concern for the next 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 the 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, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and Government Auditing Standards, 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with generally accepted auditing standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and Government Auditing Standards, 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 Cliffside Park 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cliffside Park 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedules Related to Accounting and Reporting for Pensions, and Other Post Employment Benefits identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have

applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Honorable President and
Members of the Board of Education
Page 5.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2023 on our consideration of the Borough of Cliffside Park 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Cliffside Park Board of Education's internal control over financial reporting and compliance.

Steven D. Wielkocz

Steven D. Wielkocz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkocz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

February 2, 2023

**REQUIRED SUPPLEMENTARY
INFORMATION - PART I**

Management Discussion and Analysis

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

As management of the Borough of Cliffside Park School District (the “School District”), we offer readers of the School District’s financial statements this narrative overview and analysis of the financial activities of the Borough of Cliffside Park School District for the fiscal year ended June 30, 2022.

The management’s discussion and analysis is provided at the beginning of the audit to provide an overall review of the past and current position of the School District’s financial condition. This summary should not be taken as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the School District’s revenues and expenditures by program for the General Fund, Special Revenue Fund, Capital Projects Fund, Debt Service Fund and Enterprise Fund.

FINANCIAL HIGHLIGHTS

- In total, net position increased \$6,395,127. Net position of governmental activities increased \$6,196,742 and net position of business-type activity increased by \$198,385.
- General revenues accounted for \$64,814,172 in revenue or 92 percent of all district revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$5,864,317 or 8 percent of total revenues of \$70,678,489.
- The School District had \$62,257,903 in expenses related to governmental activities; only \$3,646,606 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily grants, entitlements and property taxes) of \$64,808,039 were adequate to provide for these programs.

USING THIS ANNUAL REPORT

This discussion and analysis are intended to serve as an introduction to the Borough of Cliffside Park School District’s basic financial statements. The Borough of Cliffside Park School District’s basic financial statements are comprised of three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

USING THIS ANNUAL REPORT, (continued)

District-Wide Financial Statements

The *district-wide financial statements* are designed to provide readers with a broad overview of the Borough of Cliffside Park School District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Borough of Cliffside Park School District's assets and liabilities using the accrual basis of accounting, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Borough of Cliffside Park School District is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the district-wide financial statements distinguish functions of the Borough of Cliffside Park School District that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Borough of Cliffside Park School District include instruction, support services and special schools. The business-type activities of the Borough of Cliffside Park School District include the food service program and the after school program.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Borough of Cliffside Park School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of these funds of the Borough of Cliffside Park School District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

USING THIS ANNUAL REPORT, (continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflow of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Borough of Cliffside Park School District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund, capital projects fund, and debt service fund which are all considered to be major funds.

The Borough of Cliffside Park School District adopts annual appropriated budgets for its governmental funds except for the capital projects fund. A budgetary comparison statement has been provided for the general fund, special revenue fund and debt service fund to demonstrate compliance with their budgets.

Proprietary Funds

The Borough of Cliffside Park School District maintains two proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the district-wide financial statements. The Borough of Cliffside Park School District uses enterprise funds to account for its food service program and after school program.

Proprietary funds provide the same type of information as the district-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the local district services operations.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are *not* reflected in the district-wide financial statements because the resources of those funds are *not* available to support the Borough of Cliffside Park School District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

USING THIS ANNUAL REPORT, (continued)

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.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary information for the District's major funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

DISTRICT-WIDE FINANCIAL ANALYSIS

The Statement of Net Position provides the perspective of the District as a whole. Net position may, over time, serve as a useful indicator of a government's financial position.

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

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

The School District's net position was \$15,884,414 at June 30, 2022 and \$9,489,287 at June 30, 2021. Restricted items of net position are reported separately to show legal constraints that limit the School District's ability to use those items of net position for day-to-day operations. Our analysis below focuses on the net position for 2022 compared to 2021 (Table 1) and change in net position (Table 2) of the School District.

Table 1

**Net Position
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Assets						
Current and Other Assets	\$14,048,645	\$11,115,772	\$630,896	\$425,340	\$14,679,541	\$11,541,112
Capital Assets	<u>12,032,375</u>	<u>10,933,573</u>	<u>152,054</u>	<u>142,237</u>	<u>12,184,429</u>	<u>11,075,810</u>
Total Assets	<u>\$26,081,020</u>	<u>\$22,049,345</u>	<u>\$782,950</u>	<u>\$567,577</u>	<u>\$26,863,970</u>	<u>\$22,616,922</u>
Deferred Outflows						
Deferred Outflows of Resources						
Related to PERS	<u>\$855,112</u>	<u>\$1,439,969</u>	_____	_____	<u>\$855,112</u>	<u>\$1,439,969</u>
Total Deferred Outflows	<u>\$855,112</u>	<u>\$1,439,969</u>	=====	=====	<u>\$855,112</u>	<u>\$1,439,969</u>
Liabilities						
Current Liabilities	\$1,288,570	\$1,837,307	\$122,949	\$105,961	\$1,411,519	\$1,943,268
Noncurrent Liabilities	<u>6,436,630</u>	<u>8,684,927</u>	_____	_____	<u>6,436,630</u>	<u>8,684,927</u>
Total Liabilities	<u>\$7,725,200</u>	<u>\$10,522,234</u>	<u>\$122,949</u>	<u>\$105,961</u>	<u>\$7,848,149</u>	<u>\$10,628,195</u>
Deferred Inflow of Resources						
Deferred Inflows of Resources						
Related to PERS	<u>3,986,519</u>	<u>3,939,409</u>	_____	_____	<u>3,986,519</u>	<u>3,939,409</u>
Total Deferred Inflows of Resources	<u>\$3,986,519</u>	<u>\$3,939,409</u>	=====	=====	<u>\$3,986,519</u>	<u>\$3,939,409</u>
Net Position						
Invested in Capital Assets	\$12,023,316	\$10,868,227	\$152,054	\$142,237	\$12,175,370	\$11,010,464
Restricted	11,423,811	7,869,371			11,423,811	7,869,371
Unrestricted	<u>(8,222,714)</u>	<u>(9,709,927)</u>	<u>507,947</u>	<u>319,379</u>	<u>(7,714,767)</u>	<u>(9,390,548)</u>
Total Net Position	<u>\$15,224,413</u>	<u>\$9,027,671</u>	<u>\$660,001</u>	<u>\$461,616</u>	<u>\$15,884,414</u>	<u>\$9,489,287</u>

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Table 2 below shows the changes in net position for fiscal year 2022 compared to 2021.

**Table 2
Changes in Net Position
Year Ended June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</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 and						
Sales	\$387,535	\$207,611	\$314,832	\$77,646	\$702,367	\$285,257
Operating Grants and						
Contributions	3,259,071	3,204,676	1,902,879	1,199,572	5,161,950	4,404,248
Capital Grants and						
Contributions	667,826	136,795			667,826	136,795
General Revenues:						
Taxes:						
Property Taxes	36,995,583	36,270,179			36,995,583	36,270,179
Federal and State Aid						
Not Restricted	17,215,569	22,359,394			17,215,569	22,359,394
Tuition Received	8,717,987	8,369,899			8,717,987	8,369,899
Miscellaneous Income	1,217,207	999,859			1,217,207	999,859
Transfers	<u>(6,133)</u>	<u> </u>	<u>6,133</u>	<u> </u>	<u>0</u>	<u>0</u>
Total Revenues and Transfers	<u>\$68,454,645</u>	<u>\$71,548,413</u>	<u>\$2,223,844</u>	<u>\$1,277,218</u>	<u>\$70,678,489</u>	<u>\$72,825,631</u>

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Functions/Program Expenses						
Instruction:						
Regular	\$17,583,323	\$21,334,938			\$17,583,323	\$21,334,938
Special Education	8,261,581	9,558,558			8,261,581	9,558,558
Other Special Education	1,208,847	1,516,620			1,208,847	1,516,620
Other Instruction	723,936	935,429			723,936	935,429
Support Services:						
Tuition	2,660,617	3,196,468			2,660,617	3,196,468
Student & Instruction Related Services	6,540,382	7,182,517			6,540,382	7,182,517
General Administrative Services	1,256,010	1,249,815			1,256,010	1,249,815
School Administrative Services	2,162,941	2,368,883			2,162,941	2,368,883
Central Services and Admin. Info. Tech.	1,198,158	1,287,000			1,198,158	1,287,000
Plant Operations and Maintenance	2,871,226	3,388,335			2,871,226	3,388,335
Pupil Transportation	2,081,975	2,057,436			2,081,975	2,057,436
Unallocated Benefits	14,354,825	12,464,560			14,354,825	12,464,560
Food Service			1,893,226	1,285,310	1,893,226	1,285,310
After School Program			132,233	69,431	132,233	69,431
Charter Schools	52,670	37,512			52,670	37,512
Interest on Long-Term Debt					0	0
Unallocated Depreciation	499,797	486,272			499,797	486,272
Capital Outlay - Nondepreciable	<u>801,615</u>	<u>698,995</u>			<u>801,615</u>	<u>698,995</u>
Total Expenses and Transfers	<u>62,257,903</u>	<u>67,763,338</u>	<u>2,025,459</u>	<u>1,354,741</u>	<u>64,283,362</u>	<u>69,118,079</u>
Increase or (Decrease) in Net Position	<u>\$6,196,742</u>	<u>\$3,785,075</u>	<u>\$198,385</u>	<u>(\$77,523)</u>	<u>\$6,395,127</u>	<u>\$3,707,552</u>

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental and Business-Type Activities

As reported in the Statement of Activities the cost of all of our governmental and business-type activities this year was \$64,283,362. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$36,995,583 because some of the cost was paid by those who benefitted from the programs \$702,367, by other governments and organizations who subsidized certain programs with grants and contributions \$5,161,950, unrestricted federal and state aid \$17,215,569, federal, state and local aid capital outlay \$667,826, tuition received \$8,717,981, and by miscellaneous sources \$1,217,207.

The following schedules present a summary of governmental fund revenues and expenditures for the fiscal year ended June 30, 2022, and the amount and percentage of increases/(decreases) relative to the prior year.

Schedule of Change in Governmental Fund Revenue and Expenditures

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Local Source	\$47,326,032	67.1%	\$1,454,038	3.17%	45,871,994
State Source	19,452,848	27.6%	3,435,218	21.45%	16,017,630
Federal Source	<u>3,760,362</u>	<u>5.3%</u>	<u>557,994</u>	17.42%	<u>3,202,368</u>
Total	<u>\$70,539,242</u>	<u>100%</u>	<u>\$5,447,250</u>	8.37%	<u>\$65,091,992</u>
<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Current Expenditures:					
Instruction	\$26,726,172	39.8%	\$987,824	3.84%	25,738,348
Undistributed	38,034,700	56.8%	2,912,675	8.29%	35,122,025
Capital Outlay	<u>2,247,198</u>	<u>3.4%</u>	<u>145,112</u>	6.90%	<u>2,012,086</u>
Total	<u>\$67,008,070</u>	<u>100.0%</u>	<u>\$4,045,611</u>	6.43%	<u>\$62,872,459</u>

Changes in expenditures were the result of varying factors. Current expense undistributed increased due to significant health insurance cost increases combined with increased student special education enrollment.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS

The School District's budgets are prepared according to New Jersey law. The most significant budgeted funds are the general fund, the special revenue fund and the debt service fund. The capital projects fund is funded by the bond proceeds and state aid. Therefore no budget is presented.

During the fiscal year ended June 30, 2022, the School District amended the special revenue fund by \$7,252,620 for increases in local and federal, and decreases in state grants.

General Fund

The general fund actual revenue was \$66,304,218. That amount is \$12,281,517 above the final amended budget of \$54,022,701. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$11,899,905 for TPAF pension and social security reimbursements, an excess in other state and federal aid of \$555,706 and \$(174,094) deficit in miscellaneous anticipated revenues.

The actual expenditures of the general fund were \$62,591,424 including transfers which is \$5,448,902 above the final amended budget of \$57,142,522. The variance between the actual expenditures and final budget was due to non-budget on-behalf payments of \$11,899,905 for TPAF pension and social security reimbursements, and \$6,451,003 of unexpended budgeted funds.

General fund had total revenues and other financing sources of \$66,304,218 and total expenditures of \$62,591,424 and an ending fund balance of \$13,733,995 on the budgetary basis of accounting.

Special Revenue Fund

The special revenue fund actual revenue was \$4,796,642. That amount is \$4,836,323 below the final amended budget of \$9,632,965. The variance between the actual revenues and the final budget was state and federal grant revenue that was anticipated to be spent by fiscal year end and the inclusion of student activity funds. The state and federal grant revenue will be received/realized in the next fiscal year.

The actual expenditures of the special revenue fund were \$4,765,208, which is \$4,867,757 below the final amended budget of \$9,632,965. The variance between the actual expenditures and the final budget was due to the anticipation of fully expending state and federal grant programs and the inclusion of student activity accounts. Expenditures will be incurred in the next fiscal year.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2022 the School District had \$25,879,686 invested in sites, buildings, equipment and construction in progress. Of this amount \$13,695,257 in depreciation has been taken over the years. We currently have a net book value of \$12,184,429. Total additions for the year were \$1,798,369, the majority of which was for various technology and office equipment, transportation equipment, food service equipment and improvements to the District's facilities. Table 3 shows fiscal year 2022 balances compared to 2021.

Table 3
Capital Assets at June 30,
(Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$188,668	\$188,668			\$188,668	\$188,668
Construction in Progress	1,171,399				1,171,399	
Buildings and Improvements	8,725,757	9,155,654			8,725,757	9,155,654
Furniture, Equipment and Vehicles	829,280	674,658	152,054	142,237	981,334	816,895
Land Improvements	<u>1,117,271</u>	<u>914,593</u>	<u> </u>	<u> </u>	<u>1,117,271</u>	<u>914,593</u>
	<u>\$12,032,375</u>	<u>\$10,933,573</u>	<u>\$152,054</u>	<u>\$142,237</u>	<u>\$12,184,429</u>	<u>\$11,075,810</u>

For more detailed information, please refer to the Notes to Basic Financial Statements.

Debt Administration

At June 30, 2022, the District had \$6,436,630 of outstanding debt. Of this amount, \$725,550 is for compensated absences; \$9,059 for obligations under capital lease; and \$5,702,021 for net pension liability.

**BOROUGH OF CLIFFSIDE SCHOOL DISTRICT
CLIFFSIDE PARK, NJ**

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The economy in the State of New Jersey is slowly improving. The current State of New Jersey revenue estimates have declined to the point that the legislature and governor have approved a State Aid funding bill for the 2022-2023 school year that is lower than the level of the 2021-2022 school year.

These factors were considered in preparing the Borough of Cliffside Park School District's budgets for the 2022-2023 fiscal year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Borough of Cliffside Park School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Louis Alfano
School Business Administrator
Borough of Cliffside Park School District
525 Palisade Avenue
Cliffside Park, NJ 07010

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Net Position
June 30, 2022

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	2,688,818	475,003	3,163,821
Receivables, net	3,325,766	192,641	3,518,407
Internal balances	56,129	(56,129)	-
Inventory		19,381	19,381
Restricted assets:			
Capital reserve account - cash	6,776,872		6,776,872
Unemployment compensation account - cash	420,071		420,071
Payroll deductions and withholdings account - cash	576,380		576,380
Net payroll account - cash	3,500		3,500
Student activity accounts - cash	201,109		201,109
Capital assets:			
Land and construction in progress	1,360,067		1,360,067
Other capital assets, net	10,672,308	152,054	10,824,362
Total Assets	<u>26,081,020</u>	<u>782,950</u>	<u>26,863,970</u>
Deferred Outflow of Resources:			
Deferred Outflows of Resources Related to PERS	855,112		855,112
Total Deferred Outflows	<u>855,112</u>	<u>-</u>	<u>855,112</u>
	<u>26,936,132</u>	<u>782,950</u>	<u>27,719,082</u>
LIABILITIES			
Accounts payable and accrued liabilities	618,802	81,436	700,238
Payable to federal government	16		16
Payable to state government	4,251		4,251
Unearned revenue	19	41,513	41,532
Payroll deductions and withholdings payable	579,880		579,880
Unemployment compensation claims payable	85,602		85,602
Noncurrent liabilities:			
Due within one year	9,059		9,059
Due beyond one year	6,427,571		6,427,571
Total liabilities	<u>7,725,200</u>	<u>122,949</u>	<u>7,848,149</u>
Deferred Inflow of Resources:			
Deferred Inflows of Resources Related to PERS	3,986,519		3,986,519
Total Deferred Inflows	<u>3,986,519</u>	<u>-</u>	<u>3,986,519</u>
	<u>11,711,719</u>	<u>122,949</u>	<u>11,834,668</u>
NET POSITION			
Invested in capital assets	12,023,316	152,054	12,175,370
Restricted for:			
Special Revenue	201,109		201,109
Other purposes	11,222,702		11,222,702
Unrestricted (Deficit)	(8,222,714)	507,947	(7,714,767)
Total net position	<u>15,224,413</u>	<u>660,001</u>	<u>15,884,414</u>

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

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Activities
Fiscal Year Ended June 30, 2022

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:							
Regular	16,841,971	741,352			(17,583,323)		(17,583,323)
Special education	8,012,128	249,453		2,852,055	(5,409,526)		(5,409,526)
Other special instruction	1,152,745	56,102			(1,208,847)		(1,208,847)
Other instruction	700,778	23,158			(723,936)		(723,936)
Support services:							
Tuition	2,660,617				(2,660,617)		(2,660,617)
Health Services	451,756	21,575			(473,331)		(473,331)
Student & instruction related services	5,915,229	151,822	387,535 *	407,016	(5,272,500)		(5,272,500)
General administrative services	1,239,596	16,414			(1,256,010)		(1,256,010)
School administrative services	2,064,348	98,593			(2,162,941)		(2,162,941)
Central services and administrative information technology	1,156,712	41,446			(1,198,158)		(1,198,158)
Plant operations and maintenance	2,799,246	71,980			(2,871,226)		(2,871,226)
Pupil transportation	2,012,868	69,107			(2,081,975)		(2,081,975)
Unallocated benefits	14,354,825				(14,354,825)		(14,354,825)
Charter Schools	52,670				(52,670)		(52,670)
Capital outlay - non-depreciable	801,615				(801,615)		(801,615)
Unallocated depreciation/amortization	499,797				(499,797)		(499,797)
Total governmental activities	60,716,901	1,541,002	387,535	3,259,071	(58,611,297)	-	(58,611,297)
Business-type activities:							
Food Service	1,893,226		155,164	1,902,879		164,817	164,817
After School Program	132,233		159,668			27,435	27,435
Total business-type activities	2,025,459		314,832	1,902,879		192,252	192,252
Total primary government	62,742,360		702,367	5,161,950	(58,611,297)	192,252	(58,419,045)
General revenues:							
Taxes:							
Levied for general purposes					36,995,583		36,995,583
Federal and State aid not restricted					17,215,569		17,215,569
Federal and State aid - Capital Outlay					660,106		660,106
Local aid - Capital Outlay					7,720		7,720
Tuition received					8,717,987		8,717,987
Transportation fees from other LEA's					1,012,918		1,012,918
Miscellaneous income					204,289		204,289
Other Financing Sources/(Uses)					(6,133)	6,133	-
Total general revenues, special items, extraordinary items and transfers					64,808,039	6,133	64,814,172
Change in Net Position					6,196,742	198,385	6,395,127
Net Position—beginning					9,027,671	461,616	9,489,287
Net Position—ending					15,224,413	660,001	15,884,414

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

* Student Activity revenue is reported as "charges for services", scholarship revenue is reported as "operating grants and contributions"

FUND FINANCIAL STATEMENTS

CLIFFSIDE PARK BOARD OF EDUCATION
Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents			
Checking	2,688,818		2,688,818
Accounts Receivable -			
Interfunds	488,805		488,805
Intergovernmental - State	1,122,162	21,266	1,143,428
Intergovernmental - Federal		427,381	427,381
Intergovernmental - Other	1,728,905		1,728,905
Other Accounts Receivable	26,052		26,052
Restricted cash and cash equivalents			
Capital reserve	6,776,872		6,776,872
Unemployment compensation	420,071 *		420,071
Payroll withholdings and deductions	576,380 *		576,380
Net payroll	3,500 *		3,500
Student Activities		201,109 *	201,109
Total assets	13,831,565	649,756	14,481,321
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable		11,685	11,685
Intergovernmental accounts payable - State		4,251	4,251
Intergovernmental accounts payable - Federal		16	16
Payroll deductions and withholdings payable	579,880 **		579,880
Unemployment compensation claims payable	85,602 ***		85,602
Interfund payables		432,676	432,676
Unearned revenue		19	19
Total liabilities	665,482	448,647	1,114,129
Fund Balances:			
Restricted for:			
Excess Surplus - current year	1,039,416		1,039,416
Excess Surplus - prior year - designated for subsequent year's expenditures	1,028,488		1,028,488
Capital reserve account	6,776,872		6,776,872
Unemployment Compensation	334,469		334,469
Student Activities		201,109	201,109
Assigned to:			
Year-end Encumbrances	1,841,005		1,841,005
Designated by the BOE for subsequent year's expenditures	202,452		202,452
Unassigned:			
General Fund	1,943,381		1,943,381
Total Fund balances	13,166,083	201,109	13,367,192
Total liabilities and fund balances	13,831,565	649,756	

CLIFFSIDE PARK BOARD OF EDUCATION
Balance Sheet
Governmental Funds
June 30, 2022

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$25,548,181 and the accumulated depreciation is \$13,515,806	12,032,375
Accounts payable for subsequent Pension payment is not a payable in the funds	(607,117)
Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred outflows of resources related to PERS Pension Liability	855,112
Deferred inflows of resources related to PERS Pension Liability	(3,986,519)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 6)	<u>(6,436,630)</u>
Net position of governmental activities	<u><u>15,224,413</u></u>

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

- * Include former fiduciary fund cash and cash equivalents
- ** Include payroll deductions payable and flexible benefits liabilities (flex spending has no net position, only liabilities)
- *** Include unspent employee payroll unemployment contributions

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2022

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local sources:				
Municipal tax levy	36,995,583			36,995,583
Tuition charges	8,717,987			8,717,987
Transportation fees from other LEAs	1,012,918			1,012,918
Miscellaneous	204,289	7,720		212,009
Student Group Receipts		387,535 *		387,535
Total - Local Sources	46,930,777	395,255	-	47,326,032
State sources	19,163,019	289,829	-	19,452,848
Federal sources	131,014	3,629,348	-	3,760,362
Total revenues	66,224,810	4,314,432	-	70,539,242
EXPENDITURES				
Current:				
Regular instruction	16,855,553			16,855,553
Special education instruction	5,160,073	2,852,055		8,012,128
Other special instruction	1,152,745			1,152,745
School sponsored/other instructional	705,746			705,746
Support services and undistributed costs:				
Tuition	2,660,617			2,660,617
Health services	451,756			451,756
Student & instruction related services	5,143,035	763,117 **		5,906,152
General administrative services	1,239,596			1,239,596
School administrative services	2,047,171			2,047,171
Central services & administrative information technology	1,178,214			1,178,214
Plant operations and maintenance	3,074,632			3,074,632
Pupil transportation	1,932,987			1,932,987
Unallocated benefits	7,591,000			7,591,000
On-behalf contributions	11,899,905			11,899,905
Transfer to Charter Schools	52,670			52,670
Capital outlay	1,439,591	667,826	139,781	2,247,198
Total expenditures	62,585,291	4,282,998	139,781	67,008,070
Excess (Deficiency) of revenues	3,639,519	31,434	(139,781)	3,531,172
OTHER FINANCING SOURCES (USES)				
Transfers out	(6,133)			(6,133)
Total other financing sources and uses	(6,133)	-	-	(6,133)
Net change in fund balances	3,633,386	31,434	(139,781)	3,525,039
Fund balance—July 1	9,532,697	169,675	139,781	9,842,153
Fund balance—June 30	13,166,083	201,109	-	13,367,192

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

* Special revenue fund now includes revenues from scholarships and student activities

** Special revenue fund now includes expenditures from scholarships and student activities

CLIFFSIDE PARK BOARD OF EDUCATION
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Fiscal Year Ended June 30, 2022

Total net change in fund balances - governmental funds (from B-2)		3,525,039
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>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.</p>		
Depreciation expense Non-depreciable capital outlay - Construction in Progress Depreciable Capital outlays	(664,695) 1,171,399 <u>592,098</u>	1,098,802
<p>Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. In the current year, these amounts consist of:</p>		
Capital Lease Obligations	<u>56,287</u>	56,287
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
Increase in compensated absences payable		(28,787)
<p>District pension contributions are reported as expenditures in the governmental funds when made. However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changed in deferred</p>		
District Pension Contributions Less: Pension Expense (Increase)/Decrease in Pension Expense	563,688 <u>981,713</u>	1,545,401
<p>Per GASB No. 68, Non-employer contributing entities are required to record any increases in revenue and expense for On-behalf TPAF pension payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements.</p>		
Decrease in On-behalf State Aid TPAF Pension Decrease in On-behalf TPAF Pension Expense		(6,049,998) 6,049,998
<p>Per GASB No. 75 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF post employment medical payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements</p>		
Increase in On-behalf State Aid TPAF Post Employment Medical Revenue Increase in On-behalf State Aid TPAF Post Employment Medical Expense		3,971,534 (3,971,534)
Change in net position of governmental activities		<u><u>6,196,742</u></u>

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

PROPRIETARY FUNDS

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-type Activities - Enterprise Fund		
	Food Service Program	After School Program	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	406,251	68,752	475,003
Accounts receivable:			
State	2,342		2,342
Federal	190,299		190,299
Inventories	19,381		19,381
Total current assets	618,273	68,752	687,025
Noncurrent assets:			
Capital assets:			
Equipment	315,045	16,460	331,505
Less accumulated depreciation	(172,867)	(6,584)	(179,451)
Total capital assets (net of accumulated depreciation)	142,178	9,876	152,054
Total assets	760,451	78,628	839,079
Current Liabilities:			
Deferred Revenue	41,513		41,513
Interfunds Payable	56,129		56,129
Accounts Payable	81,436		81,436
Total Liabilities	179,078		179,078
NET POSITION			
Invested in capital assets	142,178	9,876	152,054
Unrestricted	439,195	68,752	507,947
Total net position	581,373	78,628	660,001

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

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Fiscal Year Ended June 30, 2022

	Business-type Activities - Enterprise Fund		
	School Nutrition	After School Program	Totals
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	128,247		128,247
Daily sales - non-reimbursable programs	26,917		26,917
Program Fees		159,668	159,668
Total operating revenues	<u>155,164</u>	<u>159,668</u>	<u>314,832</u>
Operating expenses:			
Cost of food - reimbursable programs	684,168		684,168
Cost of food - non-reimbursable programs	49,558		49,558
Salaries	758,901	62,583	821,484
Employee benefits	179,705		179,705
Supplies and materials	49,778		49,778
Purchased services	103,350		103,350
Depreciation expense	21,763	3,292	25,055
Repairs and other expenses	46,003	66,358	112,361
Total Operating Expenses	<u>1,893,226</u>	<u>132,233</u>	<u>2,025,459</u>
Operating income (loss)	<u>(1,738,062)</u>	<u>27,435</u>	<u>(1,710,627)</u>
Nonoperating revenues (expenses):			
State sources:			
School lunch program	33,121		33,121
Federal sources:			
National school lunch program	1,408,476		1,408,476
Snack program	38,480		38,480
Breakfast program	283,656		283,656
Emergency Operational Cost Program - Schools	21,231		21,231
P-EBT Administrative Cost	3,135		3,135
U.S.D.A. Commodities	114,780		114,780
Total nonoperating revenues (expenses)	<u>1,902,879</u>		<u>1,902,879</u>
Income (loss) before contributions & transfers	<u>164,817</u>	<u>27,435</u>	<u>192,252</u>
Change in net assets	170,950	27,435	198,385
Total net position—beginning	<u>410,423</u>	<u>51,193</u>	<u>461,616</u>
Total net position—ending	<u><u>581,373</u></u>	<u><u>78,628</u></u>	<u><u>660,001</u></u>

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

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Cash Flows
Proprietary Funds
Fiscal Year Ended June 30, 2022

	Business-type Activities - Enterprise Fund		
	Food Service Program	After School Program	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	159,267	159,668	318,935
Payments to suppliers	<u>(1,719,917)</u>	<u>(128,941)</u>	<u>(1,848,858)</u>
Net cash provided by (used for) operating activities	<u>(1,560,650)</u>	<u>30,727</u>	<u>(1,529,923)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	35,683		35,683
Federal Sources	1,709,444		1,709,444
Board Contribution	<u>6,133</u>		<u>6,133</u>
Net cash provided by (used for) non-capital financing activities	<u>1,751,260</u>		<u>1,751,260</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	<u>(34,872)</u>		<u>(34,872)</u>
Net cash provided by (used for) capital and related financing activities	<u>(34,872)</u>		<u>(34,872)</u>
Net increase (decrease) in cash and cash equivalents	<u>155,738</u>	<u>30,727</u>	<u>186,465</u>
Balances—beginning of year	<u>250,513</u>	<u>38,025</u>	<u>288,538</u>
Balances—end of year	<u>406,251</u>	<u>68,752</u>	<u>475,003</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	(1,738,062)	27,435	(1,710,627)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation and net amortization	21,763	3,292	25,055
Food Distribution Program	114,780		114,780
(Increase) decrease in accounts receivable, net	3,704		3,704
Increase (decrease) in interfunds	64,387		64,387
(Increase) decrease in inventories	(2,697)		(2,697)
Increase (decrease) in accounts payable	<u>(24,525)</u>		<u>(24,525)</u>
Total adjustments	<u>(1,560,650)</u>	<u>30,727</u>	<u>(1,529,923)</u>
Net cash provided by (used for) operating activities	<u>(1,560,650)</u>	<u>30,727</u>	<u>(1,529,923)</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

A. Description of the School District and Reporting Entity:

The Board of Education ("Board") of the Borough of Cliffside Park School District ("District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Borough of Cliffside Park School District is a Type II district located in the County of Bergen, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members and a Borough of Fairview Representative, all elected to three-year terms. The purpose of the District is to educate students in grades Pre-K–12. A superintendent is appointed by the Board and is responsible for the administrative control 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 also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significance) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include elementary schools, a middle school and a high school, located in the Borough of Cliffside Park. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

B. Basis of Presentation:

The Board's basic financial statements consist of District-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

District-wide Financial Statements:

The statement of net position and the statement of activities display information about the Board as a whole. These statements include the financial activities of the overall District, except for the fiduciary funds. The statements distinguish between those activities of the Board that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the Board at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the governmental activities and for the business-type activities of the Board. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Board, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Board.

Fund Financial Statements:

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

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

B. Basis of Presentation: (continued)

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the Board are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Board's governmental funds:

General Fund - The General Fund is the general operating fund of the Board. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund.

As required by the New Jersey State Department of Education, the Board includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, District taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from sale of bonds, lease purchases and other revenues.

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

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

B. Basis of Presentation: (continued)

PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service; the Board has no internal service funds. The following is a description of the Proprietary Funds of the Board:

Enterprise Funds - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the Board is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Board's Enterprise Fund is comprised of the Food Service Fund and the After School Program.

FIDUCIARY FUNDS

Fiduciary Fund - Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. The District does not have any activities that are required to be included in the Fiduciary Fund.

C. Measurement Focus:

District-wide Financial Statements

The District-wide statements (i.e., the statement of net position and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net position, except for fiduciary funds.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

C. Measurement Focus: (continued)

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the District-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the District-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Board finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting:

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

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

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

D. Basis of Accounting: (continued)

requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

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

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

E. Budgets/Budgetary Control:

Annual appropriated budgets are adopted in the spring of the preceding year for the general, and special revenue funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year.

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

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

E. Budgets/Budgetary Control: (continued)

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.

F. Encumbrances:

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

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

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

G. Cash, Cash Equivalents and Investments:

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

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the Board has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

G. Cash, Cash Equivalents and Investments: (continued)

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

H. Tuition Revenues/Receivable:

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

I. Inventories:

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

J. Prepaid Items:

Payments made to vendors for services that will benefit periods beyond June 30, 2022, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

K. Short-Term Interfund Receivables/Payables:

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

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

L. Capital Assets:

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the district -wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the District-wide statement of net position and in the fund.

All capital assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The capital assets acquired or constructed prior to June 30, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date received. The Board maintains a capitalization threshold of \$2,000.00. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value to the asset or materially extend an asset’s life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activity Estimated Lives</u>
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

M. Compensated Absences:

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the Board and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Board and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

M. Compensated Absences, (continued):

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

N. Unearned Revenue:

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

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

O. Accrued Liabilities and Long-term Obligations:

All payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

P. Accounting and Financial Reporting for Pensions:

In fiscal year 2015, the District implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirement of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

P. Accounting and Financial Reporting for Pensions: (continued)

The District has also implemented GASB Statement 71, Pension Transition for Contributions made Subsequent to the Measurement Date-an amendment to GASB No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported. Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to pension.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify in this category, deferred amounts related to pension and unamortized bond premiums.

R. Fund Balances:

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

R. Fund Balances: (continued)

- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

S. Net Position:

Net position represent the difference between assets and deferred outflows and liabilities and deferred inflows. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

T. Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

U. Extraordinary and Special Items:

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

V. Allocation of Indirect Expenses:

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were not allocated. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities as unallocated depreciation. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

W. Use of Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

X. New Accounting Standards:

During fiscal year 2022, the District adopted the following GASB Statement:

GASB Statement No. 87, Leases, which improves accounting and financial reporting for leases by governments. This Statement requires 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. It establishes a single model for lease accounting based on the fundamental principle that leases are financings of the right to use an underlying asset. The district did not implement this statement and there could be a material impact on the financial statements if it had been.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS:

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2022, \$0- of the District's bank balance of \$12,863,388 was exposed to custodial credit risk.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS: (continued)

Investments

Investment Rate Risk

The District 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. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 18A:20-37 limits school district investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the school districts or bonds or other obligations of the local unit or units within which the school district is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer.

NOTE 3. RECEIVABLES:

Receivables at June 30, 2022, consisted of accounts receivable and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial <u>Statements</u>	Enterprise Fund	District Wide Financial <u>Statements</u>
Interfunds	\$488,805	\$	\$
State Aid	1,143,428	2,342	1,145,770
Federal Aid	427,381	190,299	617,680
Other Receivables	<u>1,754,857</u>	<u> </u>	<u>1,754,957</u>
Gross Receivables	3,814,471	192,641	3,518,407
Less: Allowance for Uncollectibles	<u> </u>	<u> </u>	<u> </u>
Total Receivables, Net	<u>\$3,814,471</u>	<u>\$192,641</u>	<u>\$3,518,407</u>

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 4. INTERFUND BALANCE AND ACTIVITY:

Balances due to/from other funds at June 30, 2022 consist of the following:

\$432,676	Due to the General Fund from the Special Revenue Fund for short term loans.
<u>56,129</u>	Due to the Food Service Fund from the General Fund for expense reimbursement.
<u>\$488,805</u>	

It is anticipated that all interfunds will be liquidated during the fiscal year.

Interfund transfers for the year ended June 30, 2022 consisted of the following:

<u>\$6,133</u>	Transfer from the General Fund to the Food Service Fund for expense reimbursement.
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NOTE 5. CAPITAL ASSETS:

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

	<u>Balance 6/30/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2022</u>
Governmental Activities				
Capital assets that are not being depreciated:				
Land	\$188,668	\$	\$	\$188,668
Construction in progress		<u>1,171,399</u>	<u> </u>	<u> </u>
Total capital assets not being depreciated	<u>188,668</u>	<u>1,171,399</u>	<u> </u>	<u>1,360,067</u>
Building and building improvements	18,493,352	37,040		18,530,392
Machinery and equipment	2,786,072	321,598		3,107,670
Land Improvements	<u>2,316,592</u>	<u>233,460</u>		<u>2,550,052</u>
Totals at historical cost	<u>23,596,016</u>	<u>592,098</u>	<u>0</u>	<u>24,188,114</u>
Less accumulated depreciation for:				
Buildings and improvements	(9,337,698)	(466,937)		(9,804,635)
Machinery and Equipment	(2,111,414)	(166,976)		(2,278,390)
Land Improvements	<u>(1,401,999)</u>	<u>(30,782)</u>		<u>(1,432,781)</u>
Total accumulated depreciation	<u>(12,851,111)</u>	<u>(664,695)</u>	<u>0</u>	<u>(13,515,806)</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>10,744,905</u>	<u>(72,597)</u>		<u>10,672,308</u>
Governmental activities capital assets, net	<u>\$10,933,573</u>	<u>\$1,098,802</u>	<u>\$0</u>	<u>\$12,032,375</u>

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 5. CAPITAL ASSETS: (continued)

	<u>Balance 6/30/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2022</u>
Business-type activities:				
Equipment - Food Service	\$287,673	\$34,872	(\$7,500)	\$315,045
Equipment - After School Program	16,460			16,460
Less accumulated depreciation for:				
Equipment - Food Service	(158,604)	(21,763)	7,500	(172,867)
Equipment - After School Program	(3,292)	(3,292)		(6,584)
Business-type activities capital assets, net	<u>\$142,237</u>	<u>\$9,817</u>	<u>\$0</u>	<u>\$152,054</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$44,989
Support Service:	
Student & Instruction Related Services	9,077
School Administration	17,177
Operations and Maintenance	13,774
Student Transportation	79,881
Unallocated Depreciation	469,015
Land Improvements	<u>30,782</u>
Total Depreciation Expense	<u>\$664,695</u>

NOTE 6. LONG-TERM OBLIGATION ACTIVITY:

Changes in long-term obligations for the fiscal year ended June 30, 2022 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount Due Within One Year</u>
Governmental Activities:					
Other Liabilities:					
Net Pension Liability PERS	\$7,922,818	\$	\$(2,220,797)	\$5,702,021	\$
Obligations Under Capital Lease	65,346		(56,287)	9,059	9,059
Compensated Absences Payable	<u>696,763</u>	<u>154,457</u>	<u>(125,670)</u>	<u>725,550</u>	
Total Other Liabilities	<u>\$8,684,927</u>	<u>\$154,457</u>	<u>(\$2,402,754)</u>	<u>\$6,436,630</u>	<u>\$9,059</u>

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 6. LONG-TERM OBLIGATION ACTIVITY: (continued)

A. Bonds Payable:

The Board issued General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets.

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

There were no outstanding bonds payable at June 30, 2022.

B. Bonds Authorized But Not Issued:

As of June 30, 2022, the Board has no authorized but not issued bonds.

C. Capital Leases:

The District has entered into a lease purchase agreement for Desktop Computers which will expire on February 29, 2023. The following is a schedule of future minimum lease payments for this Capital lease, and the present value of the net minimum lease payments at June 30, 2022:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	<u>\$9,059</u>	<u>\$409</u>	<u>\$9,468</u>
	<u>\$9,059</u>	<u>\$409</u>	<u>\$9,468</u>
	Total minimum lease payments		\$9,468
	Less: Amount representing interest		<u>(409)</u>
	Present value of lease payments		<u>\$9,059</u>

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 7. OPERATING LEASES:

The District has commitments to lease certain office equipment and structures for classroom use under operating leases that expire in 2025. Total operating lease payments made during the year ended June 30, 2022 were \$769,938. Future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$572,964
2024	471,396
2025	<u>78,456</u>
	<u>\$1,122,816</u>

NOTE 8. PENSION PLANS:

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or reports can be accessed on the internet at: http://www.state.nj.us/treasury/pensions/annrpts_archive.htm.

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

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are 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.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 8. PENSION PLANS: (continued)

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

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

Benefits Provided

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

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 8. PENSION PLANS: (continued)

The following represents the membership tiers for PERS:

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

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

Defined Contribution Retirement Program

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

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

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

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 8. PENSION PLANS: (continued)

Contributions Requirements Fund Based Statements

The Board’s contribution to PERS and DCRP, equal to the required contributions for each year as reported in the fund based statements, were as follows:

Year <u>Ending</u>	<u>PERS</u>	<u>DCRP</u>
6/30/22	\$563,688	\$-0-
6/30/21	531,487	-0-
6/30/20	492,468	-0-

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post retirement benefits have been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13, as follows:

Year <u>Ending</u>	Pension <u>Contributions</u>	Post-Retirement Medical <u>Contributions</u>	NCGI <u>Premium</u>	Long-Term Disability <u>Liability</u>
6/30/22	\$8,067,476	\$1,911,482	\$113,821	\$3,758
6/30/21	5,476,716	1,748,973	104,202	3,946
6/30/20	4,320,876	1,631,697	77,447	5,032

In addition, the post-retirement medical benefits are included in the district-wide financial statements.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,803,368 during the 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 included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 8. PENSION PLANS: (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68

Public Employees Retirement System (PERS)

At June 30, 2022, the District had a liability of \$5,702,021 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2021, the District's proportion was 0.0481325412 percent, which was a decrease of (0.00045169) percent from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized pension expense of \$(981,713). At June 30, 2022, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in actual and expected experience	\$89,928	\$40,820
Changes of assumptions	29,696	2,029,956
Net difference between projected and actual earnings on pension plan investments		1,502,062
Changes in proportion and differences between District contributions and proportionate share of contributions	128,371	413,681
District contributions subsequent to the measurement date	<u>607,117</u>	<u> </u>
Total	<u>\$855,112</u>	<u>\$3,986,519</u>

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 8. PENSION PLANS: (continued)

The \$607,117 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2022, the plan measurement date is June 30, 2021) will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2022	\$(1,345,429)
2023	(960,633)
2024	(654,988)
2025	(492,356)
2026	192

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.13, 5.16, 5.21, 5.63, 5.48 and 5.57 years for 2021, 2020, 2019, 2018, 2017 and 2016 amounts, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2021 and June 30, 2020 are as follows:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Collective deferred outflows of resources	\$1,164,738,169	\$2,347,583,337
Collective deferred inflows of resources	8,339,123,762	7,849,949,467
Collective net pension liability	11,846,499,172	16,435,616,426
District's Proportion	0.0481325412%	0.0485842326%

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 8. PENSION PLANS: (continued)

Actuarial Assumptions

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

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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 a generational basis. Mortality improvement based on Scale MP-2021.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 8. PENSION PLANS: (continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS'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>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 8. PENSION PLANS: (continued)

Discount Rate

The discount rate used to measure the total pension liability 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 to determine the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2021 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1- percentage-point higher than the current rate:

	<u>June 30, 2021</u>		
	<u>1%</u> Decrease <u>6.00%</u>	<u>At Current</u> Discount Rate <u>7.00%</u>	<u>1%</u> Increase <u>8.00%</u>
District's proportionate share of the pension liability	\$7,786,988	\$5,702,021	\$3,932,631

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 8. PENSION PLANS: (continued)

Teachers Pensions and Annuity Fund (TPAF)

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2022 was as follows:

Net Pension Liability:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>90,576,247</u>
	<u><u>\$90,576,247</u></u>

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2021, the proportion of the TPAF net pension liability associated with the District was 0.1884053909%.

For the year ended June 30, 2022, the District recognized on-behalf pension expense and revenue of \$2,131,299 for contributions provided by the State in the District-Wide Financial Statements.

Actuarial Assumptions

The 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:

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 8. PENSION PLANS: (continued)

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

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 Health 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 a 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.

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 are summarized in the following table:

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 8. PENSION PLANS: (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

Discount Rate

The discount rate used to measure the total pension liability 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 to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 9. POST-RETIREMENT BENEFITS:

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan

The State Health Benefit State Retired Employees Plan (State Retired OPEB Plan) is a single-employer defined benefit OPEB plan with a special funding situation. The State Retired OPEB Plan is administered on a “pay-as-you-go” basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The State Required OPEB Plan covers the State, State colleges and universities, the Palisades Interstate Park Commission, and the New Jersey Building Authority (referred to collectively as “the employers”) for which the State is legally obligated to pay for benefits. The State Required OPEB Plan is treated as a cost-sharing multiple employer plan with a special funding situation for allocating the total OPEB liability and related OPEB amounts since each employer mentioned above is required to issue stand-alone financial statements. The State Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of the employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

In accordance with N.J.S.A. 52:14-17.32, the State is required to pay the premium or periodic charges for health benefits of State employees who retire with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Judicial Retirement System (JRS), the State Police Retirement System (SPRS), the Teachers’ Pension and Annuity Fund (TPAF), the Public Employees’ Retirement System (PERS), the Police and Firemen’s Retirement System (PFRS), and the Alternate Benefit Program (ABP). In addition, N.J.S.A. 52:14-17.26 provides that for purposes of the State Retired OPEB Plan, an employee of Rutgers, the State University of New Jersey, and New Jersey Institute of Technology shall be deemed to be an employee of the State. Further, P.L. 1966, c.302, addresses the other State colleges and universities, whereas while these institutions were provided autonomy from the State, their employees retained any and all rights to health benefits within the State Retired OPEB Plan and are therefore classified as State employees.

The State Health Benefit Local Education Retired Employees Plan (Local Education Retired OPEB Plan) is a multiple-employer defined benefit OPEB plan with a special funding situation. The Local Education Retired OPEB Plan is administered on a “pay-as-you-go” basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No.75. The Local Education Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of local education employees. The State also offers dental care to retirees, however since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 9. POST-RETIREMENT BENEFITS: (continued)

The employer contributions for the participating local education employers are legally required to be funded by the State in accordance with N.J.S.A. 52:14-17.32f. According to this law, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: TPAF, PERS, PFRS, or ABP.

Pursuant to P.L. 2011, c.78, future retirees eligible for postemployment 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 is legally required to pay for the OPEB benefit coverage for the participating local education employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. The State, as a nonemployer contributing entity, reported a Fiscal Year 2021 total OPEB liability of \$60,007,650,970 for this special funding situation.

Total OPEB Liability

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level for the State Health Benefit Local Education Retired Employee's Plan and is not specific to the board of education/board of trustees, and could be found at <https://www.state.nj.us/treasury/pensions/GASB-notices-OPEB.shtml>.

The portion of the OPEB Liability that was associated with the District recognized at June 30, 2022 was as follows:

OPEB Liability:	
District's proportionate share	\$
State's proportionate share associated with the District	<u>90,593,538</u>
	<u>\$90,593,538</u>

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 9. POST-RETIREMENT BENEFITS: (continued)

Actual Assumptions and Other Inputs

The total OPEB liability in the June 30, 2021 actuarial valuation reported by the State in the State's Report of Total Nonemployer OPEB Liability for the State Health Benefit Local Education Retired Employee's Plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%	
	<u>TPAF/ABP</u>	<u>PERS</u>
Salary increases:		
Through 2026	1.55 - 4.45% based on service years	2.00 - 6.00% based on service years
Thereafter	2.75 - 5.65% based on service years	3.00 - 7.00% based on service years

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018 and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 9. POST-RETIREMENT BENEFITS: (continued)

(a) *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%.

(b) *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.

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

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Healthcare Cost Trend Rates:

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the healthcare cost trend rates is not applicable to the District.

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

For the year ended June 30, 2022, the board of education/board of trustees recognized on-behalf OPEB expense of \$5,883,016 in the district-wide financial statements as determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75 and in which there is a special funding situation.

In accordance with GASB No. 75, the Borough of Cliffside Park School District's proportionate share of school retirees OPEB is zero; therefore, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 10. DEFERRED COMPENSATION:

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

AXA Equitable	GALIC
Oppenheimer Funds	Security Benefit
First Investors	VALIC
MetLife	

NOTE 11. RISK MANAGEMENT:

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

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

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages.

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balances for the current and previous two years:

<u>Fiscal Year</u>	<u>Interest Earnings/ District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021-2022	\$ -0-	\$55,849	\$998	\$420,071
2020-2021	-0-	49,779	19,028	365,220
2019-2020	-0-	51,985	82,147	334,469

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 12. CAPITAL RESERVE ACCOUNT:

A capital reserve account was established by the Borough of Cliffside Park Board of Education by inclusion of \$200,000 on June 24, 2008 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget. There existed a balance of \$6,776,872 in the capital reserve account at June 30, 2022.

Funds placed in the capital reserve account are restricted to capital projects in the district’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes 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 amount 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. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

Beginning Balance, July 1, 2021	\$4,469,137
Increased by:	
Interest Earnings	598
Capital Outlay Unexpended Appropriations	107,137
Board Resolution - June 23, 2022	<u>3,600,000</u>
Decreased by:	
Budget Appropriations	<u>(1,400,000)</u>
Ending balance, June 30, 2022	<u>\$6,776,872</u>

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 13. FUND BALANCE APPROPRIATED:

General Fund [Exhibit B-1] - Of the \$13,166,083 General Fund fund balance at June 30, 2022, \$2,067,904 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7; (\$1,028,488 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2023); \$6,776,872 has been reserved in the Capital Reserve Account; \$1,841,005 is reserved for encumbrances; \$334,469 is reserved for Unemployment compensation; \$202,452 is designated by the BOE for subsequent year's expenditures; and \$1,943,381 is unreserved and undesignated.

Special Revenue Fund: Of the \$201,109 Special Revenue Fund fund balance at June 30, 2022, \$201,109 is reserved for Student Groups.

NOTE 14. CALCULATION OF EXCESS SURPLUS:

In accordance with N.J.S.A. 18A:7F-7, the designation for Reserved Fund Balance — Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 is \$2,067,904 of which \$1,039,416 is the result of current year operations.

NOTE 15. INVENTORY:

Inventory in the Food Service Fund at June 30, 2022 consisted of the following:

Food	\$13,404
Supplies	<u>5,977</u>
	<u>\$19,381</u>

The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by USDA. It is valued at estimated market prices by USDA. The amount of unused commodities at year end is reported on Schedule A as deferred revenue.

**Borough of Cliffside Park School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 16. CONTINGENT LIABILITIES:

Management is not aware of any other material items of noncompliance which would result in the disallowance of program expenditures.

Litigation - 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.

NOTE 17. SUBSEQUENT EVENTS:

The District has evaluated subsequent events through February 2, 2023, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

**REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

BUDGETARY COMPARISON SCHEDULES

CLIFFSIDE PARK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
General Fund:					
Revenues from Local Sources:					
Local Tax Levy	36,995,583		36,995,583	36,995,583	
Tuition from LEA's Within State	9,069,177		9,069,177	8,717,987	(351,190)
Transportation Fees from Other LEAs	793,470		793,470	1,012,918	219,448
Interest Earned on Capital Reserve Funds	8,000		8,000	598	(7,402)
Unrestricted Miscellaneous Revenues	238,641		238,641	203,691	(34,950)
Total - Local Sources	47,104,871		47,104,871	46,930,777	(174,094)
Revenues from State Sources:					
Categorical Special Education Aid	1,923,091		1,923,091	1,923,091	
Equalization Aid	3,221,238		3,221,238	3,221,238	
Categorical Security Aid	926,208		926,208	926,208	
Categorical Transportation Aid	323,598		323,598	323,598	
Extraordinary Aid	358,000		358,000	841,632	483,632
NTE Homeless Reimbursement				106,755	106,755
On-behalf TPAF Post Retirement Medical Contributions (non-budgeted)				1,911,482	1,911,482
On-behalf TPAF Pension (non-budgeted)				8,067,476	8,067,476
On-behalf TPAF NCGI Premium (non-budgeted)				113,821	113,821
On-behalf TPAF LTDI				3,758	3,758
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,803,368	1,803,368
Total - State Sources	6,752,135		6,752,135	19,242,427	12,490,292
Medicaid Administrative Claiming (MAC)				14,205	14,205
Special Education Medicaid Initiative	165,695		165,695	116,809	(48,886)
Total - Federal Sources	165,695		165,695	131,014	(34,681)
TOTAL REVENUES	54,022,701		54,022,701	66,304,218	12,281,517
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Preschool - Salaries of Teachers	72,704	(7,000)	65,704	55,408	10,296
Kindergarten - Salaries of Teachers	623,980	120,198	744,178	740,952	3,226
Grades 1-5 - Salaries of Teachers	5,237,599	(296,740)	4,940,859	4,722,328	218,531
Grades 6-8 - Salaries of Teachers	2,792,090		2,792,090	2,526,140	265,950
Grades 9-12 - Salaries of Teachers	7,145,240	(13,172)	7,132,068	6,942,465	189,603
Regular Programs - Home Instruction:					
Salaries of Teachers	75,000		75,000	28,710	46,290
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	203,383	13,472	216,855	216,855	
Other Purchased Services (400-500 series)	955,932	9,199	965,131	933,480	31,651
General Supplies	432,412	(95,109)	337,303	263,421	73,882
Textbooks	174,228	148,431	322,659	133,696	188,963
Other Objects	387,300	(76,372)	310,928	292,098	18,830
TOTAL REGULAR PROGRAMS - INSTRUCTION	18,099,868	(197,093)	17,902,775	16,855,553	1,047,222
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities					
Salaries of Teachers	802,470	106,970	909,440	900,190	9,250
Other Salaries for Instruction	386,596	47,647	434,243	426,659	7,584
General Supplies	34,470		34,470	34,470	
Total Learning and/or Language Disabilities	1,223,536	154,617	1,378,153	1,361,319	16,834
Behavioral Disabilities					
Salaries of Teachers	289,696	(135,116)	154,580	154,580	
Other Salaries for Instruction	56,060	14,884	70,944	70,944	
Total Behavioral Disabilities	345,756	(120,232)	225,524	225,524	
Multiple Disabilities					
Salaries of Teachers	214,920	161	215,081	215,081	
Other Salaries for Instruction	93,973	15,491	109,464	109,369	95
Total Multiple Disabilities	308,893	15,652	324,545	324,450	95
Resource Room/Resource Center:					
Salaries of Teachers	1,589,730	21,277	1,611,007	1,611,007	
Other Salaries for Instruction	455,169	48,943	504,112	498,940	5,172
Total Resource Room/Resource Center	2,044,899	70,220	2,115,119	2,109,947	5,172
Autism					
Salaries of Teachers	438,801	(74,644)	364,157	348,547	15,610
Other Salaries for Instruction	276,839	29,676	306,515	301,999	4,516
Total Autism	715,640	(44,968)	670,672	650,546	20,126

CLIFFSIDE PARK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Preschool Disabilities- Full-Time:					
Salaries of Teachers	336,300	(78,440)	257,860	252,076	5,784
Other Salaries for Instruction	191,249	61,745	252,994	236,211	16,783
Total Preschool Disabilities - Full-Time	<u>527,549</u>	<u>(16,695)</u>	<u>510,854</u>	<u>488,287</u>	<u>22,567</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>5,166,273</u>	<u>58,594</u>	<u>5,224,867</u>	<u>5,160,073</u>	<u>64,794</u>
Bilingual Education - Instruction					
Salaries of Teachers	1,198,170	(8,526)	1,189,644	1,152,745	36,899
General Supplies	2,500		2,500		2,500
Total Bilingual Education - Instruction	<u>1,200,670</u>	<u>(8,526)</u>	<u>1,192,144</u>	<u>1,152,745</u>	<u>39,399</u>
School-Sponsored Cocurricular Activities - Instructor					
Salaries	190,000	(123,638)	66,362	66,362	
Other Objects	6,000		6,000		6,000
Total School-Sponsored Cocurricular Activities - Instructor	<u>196,000</u>	<u>(123,638)</u>	<u>72,362</u>	<u>66,362</u>	<u>6,000</u>
School-Sponsored Athletics - Instruction					
Salaries	392,785	123,638	516,423	409,466	106,957
Purchased Services (300-500 series)	22,500		22,500		22,500
Supplies and Materials	211,482		211,482	159,918	51,564
Transfers to Cover Deficit (Custodial Funds)	155,589		155,589	70,000	85,589
Total School-Sponsored Athletics - Instructor	<u>782,356</u>	<u>123,638</u>	<u>905,994</u>	<u>639,384</u>	<u>266,610</u>
Instructional Alternative Ed Programs - Instruction					
Other Purchased Services (400-500 series)	65,000		65,000		65,000
Total Instructional Alternative Ed Programs - Instruction	<u>65,000</u>		<u>65,000</u>		<u>65,000</u>
TOTAL INSTRUCTION	<u>25,510,167</u>	<u>(147,025)</u>	<u>25,363,142</u>	<u>23,874,117</u>	<u>1,489,025</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Special	625,970	350,967	976,937	541,384	435,553
Tuition to County Voc. School Dist. - Regular	610,001		610,001	501,684	108,317
Tuition to County Voc. School Dist. - Special	224,840	44,422	269,262	229,422	39,840
Tuition to CSSD & Regional Day Schools	1,215,064	(206,947)	1,008,117	649,683	358,434
Tuition to Private Schools for the Handicapped - Within State	1,349,488	(196,110)	1,153,378	738,444	414,934
Total Undistributed Expenditures - Instruction:	<u>4,025,363</u>	<u>(7,668)</u>	<u>4,017,695</u>	<u>2,660,617</u>	<u>1,357,078</u>
Undist. Expend. - Health Services					
Salaries	430,620	12,697	443,317	443,317	
Other Purchased Services (400-500 series)	7,500	84	7,584	1,431	6,153
Supplies and Materials	16,164	(3,084)	13,080	7,008	6,072
Total Undistributed Expenditures - Health Services	<u>454,284</u>	<u>9,697</u>	<u>463,981</u>	<u>451,756</u>	<u>12,225</u>
Undist. Expend. - Speech, OT, PT & Related Svcs.					
Salaries	586,740	(9,697)	577,043	574,766	2,277
Purchased Prof. Services-Educational Services	1,445,016	(59,759)	1,385,257	969,034	416,223
Total Undist. Expend. - Speech, OT, PT, & Related Svcs	<u>2,031,756</u>	<u>(69,456)</u>	<u>1,962,300</u>	<u>1,543,800</u>	<u>418,500</u>
Undist. Expend. - Other Supp. Serv. Students-Extra Serv.					
Purchased Prof. Services-Educational Services	555,573		555,573	217,941	337,632
Total Undist. Expend. - Other Supp. Serv. Students-Extra Svcs.	<u>555,573</u>		<u>555,573</u>	<u>217,941</u>	<u>337,632</u>
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	1,038,790		1,038,790	1,038,790	
Salaries of Secretarial and Clerical Assistants	71,867		71,867	70,833	1,034
Total Undist. Expend. - Guidance	<u>1,110,657</u>		<u>1,110,657</u>	<u>1,109,623</u>	<u>1,034</u>
Undist. Expend. - Other Supp. Child Study Teams					
Salaries of Other Professional Staff	1,158,060	(2,201)	1,155,859	1,009,867	145,992
Salaries of Secretarial and Clerical Assistants	122,641	2,201	124,842	124,842	
Other Purchased Professional and Technical Services	926,710	27,269	953,979	764,521	189,458
Total Undist. Expend. - Other Supp. Serv. Child Study Teams	<u>2,207,411</u>	<u>27,269</u>	<u>2,234,680</u>	<u>1,899,230</u>	<u>335,450</u>
Undist. Expend. - Educational Media Serv./Sch. Library					
Salaries	303,250		303,250	300,450	2,800
Supplies and Materials	54,000	(1,850)	52,150	39,127	13,023
Total Undist. Expend. - Educational Media Serv./Sch. Library	<u>357,250</u>	<u>(1,850)</u>	<u>355,400</u>	<u>339,577</u>	<u>15,823</u>
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Services	12,800	2,405	15,205	15,205	
Other Purchased Services (400-500 series)	25,950	20,050	46,000	17,659	28,341
Total Undist. Expend. - Instructional Staff Training Serv.	<u>38,750</u>	<u>22,455</u>	<u>61,205</u>	<u>32,864</u>	<u>28,341</u>

CLIFFSIDE PARK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Supp. Serv. - General Administration					
Salaries	337,088	164	337,252	337,252	
Legal Services	99,000	(27,413)	71,587	42,662	28,925
Audit Fees	90,800		90,800	43,795	47,005
Other Purchased Professional Services	78,000	5,032	83,032	67,475	15,557
Purchased Technical Services	51,850	50,620	102,470	73,965	28,505
Communications/Telephone	84,524	14,303	98,827	88,043	10,784
Other Purch Services (400-500 Series)	535,442	(37,601)	497,841	486,203	11,638
General Supplies	11,200	8,079	19,279	16,844	2,435
Judgements against the School District	55,000	(55,000)			
Misc. Expenditures	67,990	30,262	98,252	82,367	15,885
BOE Membership Dues and Fees	1,000		1,000	990	10
Total Undist. Expend. - Supp. Serv. - General Administration	<u>1,411,894</u>	<u>(11,554)</u>	<u>1,400,340</u>	<u>1,239,596</u>	<u>160,744</u>
Undist. Expend. - Support Serv. - School Administration					
Salaries of Principals/Assistant Principals	1,363,271	139,326	1,502,597	1,501,183	1,414
Salaries of Secretarial and Clerical Assistants	509,112	18,717	527,829	524,653	3,176
Other Objects	18,050	3,285	21,335	21,335	
Total Undist. Expend. - Support Serv. - School Administration	<u>1,890,433</u>	<u>161,328</u>	<u>2,051,761</u>	<u>2,047,171</u>	<u>4,590</u>
Undist. Expend. - Support Serv. - Central Services					
Salaries	454,310	32,691	487,001	487,001	
Purchased Professional Services	56,500	775	57,275	57,275	
Supplies and Materials	15,000	(14,805)	195		195
Other Objects	4,500	(1,982)	2,518	2,518	
Total Undist. Expend. - Support Serv. - Central Services	<u>530,310</u>	<u>16,679</u>	<u>546,989</u>	<u>546,794</u>	<u>195</u>
Undist. Expend. - Admin Info. Technology					
Information Technology					
Salaries	360,369	4,248	364,617	364,617	
Supplies and Materials	193,252	(10,417)	182,835	130,660	52,175
Other Objects	126,936	35,612	162,548	136,143	26,405
Information Technology	<u>680,557</u>	<u>29,443</u>	<u>710,000</u>	<u>631,420</u>	<u>78,580</u>
Undist. Expend. - Required Maint. for School Facilities (261)					
Salaries	100,000	40,000	140,000	100,000	40,000
Cleaning, Repair and Maintenance Services	313,275	1,571	314,846	200,729	114,117
General Supplies	93,750		93,750	8,640	85,110
Undist. Expend. - Required Maint. for School Facilities	<u>507,025</u>	<u>41,571</u>	<u>548,596</u>	<u>309,369</u>	<u>239,227</u>
Undist. Expend. - Custodial Services (262)					
Salaries	1,414,826	54,429	1,469,255	1,379,001	90,254
Cleaning, Repair and Maintenance Services	167,670	(50,244)	117,426	72,912	44,514
Insurance	122,654	(23,000)	99,654	96,634	3,020
General Supplies	325,414	(25,836)	299,578	254,202	45,376
Energy (Energy and Electricity)	266,964	68,702	335,666	201,279	134,387
Energy (Natural Gas)	267,033	(58,433)	208,600	255,302	(46,702)
Total Undist. Expend. - Custodial Services	<u>2,564,561</u>	<u>(34,382)</u>	<u>2,530,179</u>	<u>2,259,330</u>	<u>270,849</u>
Undist. Expend. - Care & Upkeep of Grounds (263)					
Cleaning, Repair and Maintenance Services	95,731	(34,760)	60,971	38,095	22,876
Other Objects	201,700	31,760	233,460	233,460	
Total Undist. Expend. - Care & Upkeep of Grounds	<u>297,431</u>	<u>(3,000)</u>	<u>294,431</u>	<u>271,555</u>	<u>22,876</u>
Undist. Expend. - Security					
Purchased Professional and Technical Services	216,125	(2,500)	213,625	204,193	9,432
Cleaning, Repair and Maintenance Services	20,000	(165)	19,835	16,780	3,055
General Supplies	17,000	(1,429)	15,571	13,405	2,166
Total Undist. Expend. - Security	<u>253,125</u>	<u>(4,094)</u>	<u>249,031</u>	<u>234,378</u>	<u>14,653</u>
Undist. Expend. - Student Transportation Services (270)					
Salaries of Non-Instructional Aides	540,195	55,462	595,657	595,657	
Salaries for Pupil Trans (Bet. Home & Sch.) - Sp Ed	757,212	28,202	785,414	783,867	1,547
Salaries for Pupil Trans (Other than Bet. Home & Sch.)	30,000	10,440	40,440	40,440	
Cleaning, Repair and Maintenance Services	256,000	(61,041)	194,959	176,210	18,749
Rental Payments - School Buses	60,000	(60,000)			
Contract Services (Sp. Ed. Students)-Joint Agreements	169,704	95,419	265,123	212,010	53,113
Misc. Purchased Services - Transportation	57,844	(2,181)	55,663	51,093	4,570
General Supplies	87,450	6,846	94,296	73,710	20,586
Total Undist. Expend. - Student Transportation Services	<u>1,958,405</u>	<u>73,147</u>	<u>2,031,552</u>	<u>1,932,987</u>	<u>98,565</u>

CLIFFSIDE PARK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
UNALLOCATED BENEFITS					
Social Security Contributions	680,000	7,638	687,638	616,190	71,448
T.P.A.F. Contributions - ERIP	230,000	42,514	272,514	272,514	
Other Retirement Contributions-PERS	564,499	14,650	579,149	579,149	
Workmen's Compensation	412,171	4,295	416,466	377,295	39,171
Health Benefits	6,777,844	(176,586)	6,601,258	5,653,529	947,729
Tuition Reimbursements	50,000	2,425	52,425	52,425	
Other Employee Benefits	49,288		49,288	39,898	9,390
TOTAL UNALLOCATED BENEFITS	<u>8,763,802</u>	<u>(105,064)</u>	<u>8,658,738</u>	<u>7,591,000</u>	<u>1,067,738</u>
On-behalf TPAF Post Retirement Medical Contributions (non-budgeted)				1,911,482	(1,911,482)
On-behalf TPAF Pension (non-budgeted)				8,067,476	(8,067,476)
On-behalf TPAF NCGI Premium (non-budgeted)				113,821	(113,821)
On-behalf TPAD LTDI				3,758	(3,758)
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,803,368	(1,803,368)
TOTAL ON-BEHALF CONTRIBUTIONS				<u>11,899,905</u>	<u>(11,899,905)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	<u>8,763,802</u>	<u>(105,064)</u>	<u>8,658,738</u>	<u>19,490,905</u>	<u>(10,832,167)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>29,638,587</u>	<u>144,521</u>	<u>29,783,108</u>	<u>37,218,913</u>	<u>(7,435,805)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>55,148,754</u>	<u>(2,504)</u>	<u>55,146,250</u>	<u>61,093,030</u>	<u>(5,946,780)</u>
CAPITAL OUTLAY					
Undist. Expenditures:					
Instruction	134,339	205	134,544	119,868	14,676
Care and Upkeep of Grounds	48,000	(205)	47,795	42,935	4,860
School Buses-Special	142,000		142,000	141,554	446
Total Undist. Expend.	<u>324,339</u>		<u>324,339</u>	<u>304,357</u>	<u>19,982</u>
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	163,520	185,000	348,520	296,640	51,880
Other Purchased Prof. and Tech. Services	75,000		75,000	68,915	6,085
Construction Services	1,221,827	(185,000)	1,036,827	762,878	273,949
Assessment for Debt Service on SDA Funding	6,801		6,801	6,801	
Total Facilities Acquisition and Construction Services	<u>1,467,148</u>		<u>1,467,148</u>	<u>1,135,234</u>	<u>331,914</u>
TOTAL CAPITAL OUTLAY	<u>1,791,487</u>		<u>1,791,487</u>	<u>1,439,591</u>	<u>351,896</u>
Transfer of Funds to Charter Schools	<u>45,002</u>	<u>7,668</u>	<u>52,670</u>	<u>52,670</u>	
TOTAL EXPENDITURES	<u>56,985,243</u>	<u>5,164</u>	<u>56,990,407</u>	<u>62,585,291</u>	<u>(5,594,884)</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>(2,962,542)</u>	<u>(5,164)</u>	<u>(2,967,706)</u>	<u>3,718,927</u>	<u>6,686,633</u>
Other Financing Sources/(Uses):					
Operating Transfers Out:					
Transfers to Cover Deficit (Enterprise Fund)	(157,279)	5,164	(152,115)	(6,133)	145,982
Total Other Financing Sources/(Uses):	<u>(157,279)</u>	<u>5,164</u>	<u>(152,115)</u>	<u>(6,133)</u>	<u>145,982</u>
Excess (Deficiency) of Revenues and Other Financing Sources					
Over (Under) Expenditures and Other Financing Sources (Uses)	<u>(3,119,821)</u>		<u>(3,119,821)</u>	<u>3,712,794</u>	<u>6,832,615</u>
Fund Balance, July 1	<u>10,021,201</u>		<u>10,021,201</u>	<u>10,021,201</u>	
Fund Balance, June 30	<u>6,901,380</u>		<u>6,901,380</u>	<u>13,733,995</u>	<u>6,832,615</u>

CLIFFSIDE PARK BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Adjustment for Prior Year Encumbrances	(688,897)		(688,897)	(688,897)	
Increase in Capital Reserve:					
Principal				3,600,000	3,600,000
Interest Deposit to Capital Reserve	8,000		8,000	598	(7,402)
Withdrawal from Capital Reserve	(1,400,000)		(1,400,000)	(1,292,863)	107,137
Unemployment Compensation Activity					
Budgeted Fund Balance	<u>(1,038,924)</u>		<u>(1,038,924)</u>	<u>2,093,956</u>	<u>3,132,880</u>
	<u>(3,119,821)</u>		<u>(3,119,821)</u>	<u>3,712,794</u>	<u>6,832,615</u>
Recapitulation:					
Restricted Fund Balance:					
Legally Restricted - Excess Surplus				1,039,416	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures				1,028,488	
Capital Reserve				6,776,872	
Unemployment Compensation				334,469	
Assigned Fund Balance:					
Year-end Encumbrances				1,841,005	
Designated for Subsequent Year's Expenditures				202,452	
Unassigned Fund Balance				<u>2,511,293</u>	
Total Fund Balance per Governmental Funds (Budgetary)				13,733,995	
Recapitulation to Governmental Fund Statement (GAAP):					
Less: Last State Aid Payment not Recognized GAAP Basis				<u>567,912</u>	
Total Fund Balance per Governmental Funds (GAAP)				<u>13,166,083</u>	

CLIFFSIDE PARK BOARD OF EDUCATION
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	24,447	164,631	189,078	406,938	217,860 note 1
State Sources	212,663	2,468	215,131	289,829	74,698
Federal Sources	2,143,235	7,085,521	9,228,756	4,099,875	(5,128,881)
Total Revenues	2,380,345	7,252,620	9,632,965	4,796,642	(4,836,323)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	1,180,500	890,451	2,070,951	1,344,830	726,121
Other Salaries for Instruction	34,296	1,026	35,322	35,322	-
Purchased Professional and Technical Services	51,250	865,879	917,129	349,136	567,993
Other Purchased Services (400-500 series)	762,234	664,104	1,426,338	1,065,248	361,090
General Supplies	51,797	393,599	445,396	441,588	3,808
Total instruction	2,080,077	2,815,059	4,895,136	3,236,124	1,659,012
Support services:					
Salaries of Supervisors of Instruction	92,484	12,897	105,381	86,430	18,951
Salaries of Program Directors	19,173	(3,996)	15,177	15,177	-
Salaries of Secretarial and Clerical Assistants	7,230	156	7,386	7,386	-
Other Salaries	13,848	(1,182)	12,666	12,666	-
Personal Services - Employee Benefits	27,816	150,931	178,747	37,076	141,671
Other Purchased Professional Services	84,900	257,651	342,551	152,969	189,582
Other Purchased Services (400-500 series)	22,034	81,744	103,778	23,850	79,928
Supplies & Materials	5,186	816,814	822,000	137,260	684,740
Other Objects	3,150	(3,150)	-	-	-
Student Activities		169,675	169,675	356,101	(186,426) note 1
Total support services	275,821	1,481,540	1,757,361	828,915	928,446
Facilities acquisition and const. serv.:					
Instructional Equipment	24,447	167,217	167,217	12,207	155,010
Noninstructional Equipment		2,788,804	2,813,251	687,962	2,125,289
Total facilities acquisition and const. serv.	24,447	2,956,021	2,980,468	700,169	2,280,299
Total Expenditures	2,380,345	7,252,620	9,632,965	4,765,208	4,867,757
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)					
Fund Balance, July 1	-	-	-	31,434	31,434
Fund Balance, July 1 (Restated)				169,675	169,675
Fund Balance, June 30				201,109	201,109
Recapitulation:					
Restricted:					
Student Activities				201,109	201,109
Total Fund Balance				201,109	201,109

note 1 Not required to budget for student activity or scholarship funds

CLIFFSIDE PARK BOARD OF EDUCATION
Required Supplementary Information
Budgetary Comparison Schedule
Note to Required Supplementary Information - Part II
Fiscal Year Ended June 30, 2022

Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

		General Fund	Special Revenue Fund
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]&[C-2]	66,304,218	4,796,642
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
Prior Year			45,985
Current Year			(528,195)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		488,504	
The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		(567,912)	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	66,224,810	4,314,432
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]	62,585,291	4,765,208
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 <i>financial reporting</i> purposes.			
Prior Year			45,985
Current Year			(528,195)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	62,585,291	4,282,998

**REQUIRED SUPPLEMENTARY
INFORMATION - PART III**

CLIFFSIDE PARK BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of District's Share of Net Pension Liability - PERS
*Last 10 Fiscal Years**

Fiscal Year Ending June 30,	District's	District's	District's	District's	District's	Plan Fiduciary
	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	District's Covered Payroll - PERS Employee's	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Net Position as a Percentage of the Total Pension Liability
2015	0.0543352543%	\$ 10,173,046	\$ 4,000,517	254.29%	52.08%	
2016	0.0545073473%	12,235,807	3,424,541	357.30%	94.63%	
2017	0.0515009406%	15,253,101	3,433,088	444.30%	100.77%	
2018	0.0487524088%	11,348,782	3,568,969	317.98%	90.77%	
2019	0.0504385900%	9,931,107	3,477,249	285.60%	83.06%	
2020	0.0506286880%	9,122,522	3,571,606	255.42%	78.30%	
2021	0.0485842326%	7,922,818	3,292,992	240.60%	73.38%	
2022	0.0481325412%	5,702,021	3,754,583	151.87%	54.77%	

* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

CLIFFSIDE PARK BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of District's Contributions - PERS
*Last 10 Fiscal Years**

Fiscal Year Ending June 30,	Contractually Required Contribution		Contributions in Relations to the Contractually Required Contributions		Contribution Deficiency (Excess)	District's PERS Covered-Employee Payroll	Contributions as a Percentage of PERS Covered-Employee Payroll
	\$		\$				
2015	\$ 447,932	\$	(447,932)	\$ -	\$ 4,000,517	11.20%	
2016	468,617		(468,617)	-	3,424,541	13.68%	
2017	457,527		(457,527)	-	3,433,088	13.33%	
2018	451,639		(451,639)	-	3,568,969	12.65%	
2019	501,701		(501,701)	-	3,477,249	14.43%	
2020	492,468		(492,468)	-	3,571,606	13.79%	
2021	531,487		(531,487)	-	3,292,992	16.14%	
2022	563,688		(563,688)	-	3,754,583	15.01%	

* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

CLIFFSIDE PARK BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of District's Share of Net Pension Liability - TPAF
*Last 10 Fiscal Years**

Fiscal Year Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	State's		District's Covered Payroll - TPAF Employee's	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
		District's Proportionate Share of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability Associated with the District (Asset)			
2015	0.1806634861%	\$ -	\$ 96,558,753	18,509,605	0.00%	33.64%
2016	0.1784512921%	-	112,788,837	18,203,062	0.00%	28.71%
2017	0.1843280061%	-	145,004,146	20,189,243	0.00%	22.33%
2018	0.1867755745%	-	125,930,827	20,466,136	0.00%	25.41%
2019	0.1839927387%	-	117,052,228	20,684,815	0.00%	26.49%
2020	0.1954902878%	-	119,974,235	21,808,695	0.00%	26.95%
2021	0.1969959656%	-	129,719,473	23,543,699	0.00%	24.60%
2022	0.1884053909%	-	90,576,247	23,997,553	0.00%	35.52%

* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

CLIFFSIDE PARK BOARD OF EDUCATION
Note to Required Schedules of Supplementary Information - Part III
Fiscal Year Ended June 30, 2022

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms

None

Change in assumptions

None

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms

None

Change in assumptions

None

CLIFFSIDE PARK BOARD OF EDUCATION
Schedule of Required Supplementary Information
Schedule of Changes in the District's Proportionate Share of the State OPEB Liability
*Last 10 Fiscal Years**

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Costs	\$ 5,560,217	\$ 3,134,996	\$ 2,846,638	\$ 3,138,459	\$ 3,786,116
Interest on Total OPEB Liability	2,350,092	2,254,540	2,685,551	2,966,247	2,551,818
Changes of Benefit Terms	(96,426)				
Differences between Expected and Actual Experiences	(19,316,486)	19,051,294	(9,922,855)	(9,737,707)	
Changes in Assumptions	89,377	18,960,309	926,647	(7,741,864)	(10,603,354)
Gross Benefit Payments	(1,851,214)	(1,807,036)	(1,907,790)	(1,803,971)	(1,866,422)
Contribution from the Member	60,080	54,771	56,552	62,348	68,726
Net Changes in total Share of OPEB Liability	<u>(13,204,360)</u>	<u>41,648,874</u>	<u>(5,315,257)</u>	<u>(13,116,488)</u>	<u>(6,063,116)</u>
Total OPEB Liability - Beginning	<u>103,797,898</u>	<u>62,149,024</u>	<u>67,464,281</u>	<u>80,580,769</u>	<u>86,643,885</u>
Total OPEB Liability - Ending	<u>\$ 90,593,538</u>	<u>\$ 103,797,898</u>	<u>\$ 62,149,024</u>	<u>\$ 67,464,281</u>	<u>\$ 80,580,769</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	90,593,538	103,797,898	62,149,024	67,464,281	80,580,769
Total OPEB Liability - Ending	<u>\$ 90,593,538</u>	<u>\$ 103,797,898</u>	<u>\$ 62,149,024</u>	<u>\$ 67,464,281</u>	<u>\$ 80,580,769</u>
District's Covered Employee Payroll	<u>\$ 27,752,136</u>	<u>\$ 26,836,691</u>	<u>\$ 25,380,301</u>	<u>\$ 24,162,064</u>	<u>\$ 24,035,105</u>
Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%

Notes to Schedule:

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

Change in benefit terms Decrease in liability due to employers adopting provisions of Chapter 44.

Change in assumptions Assumptions used in calculating the OPEB liability are presented in Note 9.

* GASB requires that ten years of information be presented. However, since fiscal year 2018 was the first year of GASB 75 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

Other Supplementary Information

SPECIAL REVENUE FUND

CLIFFSIDE PARK BOARD OF EDUCATION
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 Fiscal Year Ended June 30, 2022

	Total Brought Forward (Ex. E-1a)	IDEA Part - B Basic	IDEA Part - B Preschool	ESEA Title I	ESEA Title I SIA	ESEA Title II, Part A Training & Recruiting	Totals 2022
REVENUES							
Local Sources	406,938						406,938
State Sources	289,829						289,829
Federal Sources	2,649,485	708,228	17,642	614,675	18,900	90,945	4,099,875
Total Revenues	3,346,252	708,228	17,642	614,675	18,900	90,945	4,796,642
EXPENDITURES:							
Instruction:							
Salaries of Teachers	735,747			529,083		80,000	1,344,830
Other Salaries for Instruction	35,322						35,322
Purchased Professional and Technical Services	324,136			25,000			349,136
Other Purchased Services (400-500 series)	339,378	708,228	17,642				1,065,248
General Supplies	389,194			49,594	2,800		441,588
Total instruction	1,823,777	708,228	17,642	603,677	2,800	80,000	3,236,124
Support services:							
Salaries of Supervisors of Instruction	83,430			3,000			86,430
Salaries of Program Directors	15,177						15,177
Salaries of Secretarial and Clerical Assistants	7,386						7,386
Other Salaries	12,666						12,666
Personal Services - Employee Benefits	37,076						37,076
Other Purchased Professional Services	130,848				16,100	6,021	152,969
Other Purchased Services (400-500 series)	10,928			7,998		4,924	23,850
Supplies & Materials	137,260						137,260
Student Activities	356,101						356,101
Total support services	790,872	-	-	10,998	16,100	10,945	828,915
Facilities acquisition and const. serv.:							
Instructional Equipment	12,207						12,207
Noninstructional Equipment	687,962						687,962
Total facilities acquisition and const. serv.	700,169	-	-	-	-	-	700,169
Total Expenditures	3,314,818	708,228	17,642	614,675	18,900	90,945	4,765,208
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	31,434	-	-	-	-	-	31,434
Fund Balance, July 1	169,675						169,675
Prior Period Adjustment	-						-
Fund Balance, July 1 (Restated)	169,675						169,675
Fund Balance, June 30	201,109						201,109

CLIFFSIDE PARK BOARD OF EDUCATION
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 Fiscal Year Ended June 30, 2022

	Total Brought Forward (Ex. E-1b)	ESEA Title III	ESEA Title III Immigrant	21st Century Community Learning	CARES Act	CRRSA - ESSER II	Total Carried Forward
REVENUES							
Local Sources	406,938						406,938
State Sources	289,829						289,829
Federal Sources	545,673	101,162	6,934	618,814	214	1,376,688	2,649,485
Total Revenues	1,242,440	101,162	6,934	618,814	214	1,376,688	3,346,252
EXPENDITURES:							
Instruction:							
Salaries of Teachers	240,371	74,471		403,918		16,987	735,747
Other Salaries for Instruction	35,322						35,322
Purchased Professional and Technical Services	63,186			26,250		234,700	324,136
Other Purchased Services (400-500 series)	-			375		339,003	339,378
General Supplies	302,029	16,696	6,001	25,465	214	38,789	389,194
Total instruction	640,908	91,167	6,001	456,008	214	629,479	1,823,777
Support services:							
Salaries of Supervisors of Instruction	-			80,730		2,700	83,430
Salaries of Program Directors	15,177						15,177
Salaries of Secretarial and Clerical Assistants	7,386						7,386
Other Salaries	12,666						12,666
Personal Services - Employee Benefits	-			37,076			37,076
Other Purchased Professional Services	70,848			45,000		15,000	130,848
Other Purchased Services (400-500 series)	-	9,995	933				10,928
Supplies & Materials	13,230					124,030	137,260
Student Activities	356,101						356,101
Total support services	475,408	9,995	933	162,806	-	141,730	790,872
Facilities acquisition and const. serv.:							
Instructional Equipment	94,690					12,207	12,207
Noninstructional Equipment	-					593,272	687,962
Total facilities acquisition and const. serv.	94,690	-	-	-	-	605,479	700,169
Total Expenditures	1,211,006	101,162	6,934	618,814	214	1,376,688	3,314,818
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	31,434	-	-	-	-	-	31,434
Fund Balance, July 1	169,675						169,675
Fund Balance, June 30	201,109						201,109

CLIFFSIDE PARK BOARD OF EDUCATION
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 Fiscal Year Ended June 30, 2022

	Total Brought Forward (Ex. E-1c)	CR-Learning Acceleration	CR-Mental Health	ARP ESSER	ACSERS	SDA Emergent Needs and Capital Maintenance	Total Carried Forward
REVENUES							
Local Sources	406,938						406,938
State Sources	214,542	122,700	31,157	328,630	63,186	75,287	289,829
Federal Sources	-						545,673
Total Revenues	621,480	122,700	31,157	328,630	63,186	75,287	1,242,440
EXPENDITURES:							
Instruction:							
Salaries of Teachers	142,112	98,259					240,371
Other Salaries for Instruction	35,322						35,322
Purchased Professional and Technical Services	-				63,186		63,186
Other Purchased Services (400-500 series)	-			300,150			-
General Supplies	1,879						302,029
Total instruction	179,313	98,259	-	300,150	63,186	-	640,908
Support services:							
Salaries of Supervisors of Instruction	-						-
Salaries of Program Directors	15,177						15,177
Salaries of Secretarial and Clerical Assistants	7,386						7,386
Other Salaries	12,666						12,666
Personal Services - Employee Benefits	-	24,441	31,157	15,250			70,848
Other Purchased Professional Services	-						-
Other Purchased Services (400-500 series)	-			13,230			13,230
Supplies & Materials	-						-
Student Activities	356,101						356,101
Total support services	391,330	24,441	31,157	28,480	-	-	475,408
Facilities acquisition and const. serv.:							
Instructional Equipment	19,403					75,287	94,690
Noninstructional Equipment	19,403					75,287	94,690
Total facilities acquisition and const. serv.	590,046	122,700	31,157	328,630	63,186	75,287	1,211,006
Total Expenditures	1,242,440	122,700	31,157	328,630	63,186	75,287	1,242,440
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	31,434	-	-	-	-	-	31,434
Fund Balance, July 1	169,675						169,675
Fund Balance, June 30	201,109						201,109

CLIFFSIDE PARK BOARD OF EDUCATION

Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures - Budgetary Basis

Fiscal Year Ended June 30, 2022

	Total Brought Forward (Ex. E-1d)	Non Public Technology	Non Public Nursing	Non Public Security Aid	Non Public Textbooks	Preschool Education Aid	Total Carried Forward
REVENUES							
Local Sources	406,938						406,938
State Sources	-	169	555	875	280	212,663	214,542
Federal Sources	-						-
Total Revenues	406,938	169	555	875	280	212,663	621,480
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-					142,112	142,112
Other Salaries for Instruction	-					35,322	35,322
Purchased Professional and Technical Services	-					-	-
Other Purchased Services (400-500 series)	-	169	555	875	280	-	-
General Supplies	-					-	-
Total instruction	-	169	555	875	280	177,434	179,313
Support services:							
Salaries of Supervisors of Instruction	-					15,177	15,177
Salaries of Program Directors	-					7,386	7,386
Salaries of Secretarial and Clerical Assistants	-					12,666	12,666
Other Salaries	-					-	-
Personal Services - Employee Benefits	-					-	-
Other Purchased Professional Services	-					-	-
Other Purchased Services (400-500 series)	-					-	-
Supplies & Materials	-					-	-
Student Activities	356,101						356,101
Total support services	356,101	-	-	-	-	35,229	391,330
Facilities acquisition and const. serv.:							
Instructional Equipment	-					-	-
Noninstructional Equipment	19,403						19,403
Total facilities acquisition and const. serv.	19,403	-	-	-	-	-	19,403
Total Expenditures	375,504	169	555	875	280	212,663	590,046
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	31,434	-	-	-	-	-	31,434
Fund Balance, July 1	169,675						169,675
Fund Balance, June 30	201,109						201,109

CLIFFSIDE PARK BOARD OF EDUCATION
Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2022

	Total Brought Forward (Ex. E-1e)	Student Activity Accounts					Total Carried Forward
		NJSBAIG Safety Grant	School #3	School #4	School #5	School #6	
REVENUES							
Local Sources	340,290	19,403	3,081	21,644	9,089	13,431	406,938
State Sources	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-
Total Revenues	340,290	19,403	3,081	21,644	9,089	13,431	406,938
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-	-	-	-	-	-	-
Other Salaries for Instruction	-	-	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-	-	-
General Supplies	-	-	-	-	-	-	-
Total instruction	-	-	-	-	-	-	-
Support services:							
Salaries of Supervisors of Instruction	-	-	-	-	-	-	-
Salaries of Program Directors	-	-	-	-	-	-	-
Salaries of Secretarial and Clerical Assistants	-	-	-	-	-	-	-
Other Salaries	-	-	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-	-	-
Other Purchased Professional Services	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-	-	-
Supplies & Materials	-	-	-	-	-	-	-
Student Activities	300,321	-	6,648	23,144	12,368	13,620	356,101
Total support services	300,321	-	6,648	23,144	12,368	13,620	356,101
Facilities acquisition and const. serv.:							
Instructional Equipment	-	19,403	-	-	-	-	19,403
Noninstructional Equipment	-	19,403	-	-	-	-	19,403
Total facilities acquisition and const. serv.	-	19,403	-	-	-	-	19,403
Total Expenditures	300,321	19,403	6,648	23,144	12,368	13,620	375,504
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	39,969	-	(3,567)	(1,500)	(3,279)	(189)	31,434
Fund Balance, July 1	136,091	-	11,025	3,616	10,931	8,012	169,675
Fund Balance, June 30	176,060	-	7,458	2,116	7,652	7,823	201,109

CLIFFSIDE PARK BOARD OF EDUCATION
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 Fiscal Year Ended June 30, 2022

	Student Activity Accounts				Total Carried Forward
	School #6 Middle School	High School	Athletic Account	Project Graduation	
REVENUES					
Local Sources	12,901	220,633	74,682	32,074	340,290
State Sources					-
Federal Sources					-
Total Revenues	12,901	220,633	74,682	32,074	340,290
EXPENDITURES:					
Instruction:					
Salaries of Teachers					-
Other Salaries for Instruction					-
Purchased Professional and Technical Services					-
Other Purchased Services (400-500 series)					-
General Supplies					-
Total in instruction	-	-	-	-	-
Support services:					
Salaries of Supervisors of Instruction					-
Salaries of Program Directors					-
Salaries of Secretarial and Clerical Assistants					-
Other Salaries					-
Personal Services - Employee Benefits					-
Other Purchased Professional Services					-
Other Purchased Services (400-500 series)					-
Supplies & Materials					-
Student Activities	11,317	201,397	56,465	31,142	300,321
Total support services	11,317	201,397	56,465	31,142	300,321
Facilities acquisition and const. serv.:					
Instructional Equipment					-
Noninstructional Equipment					-
Total facilities acquisition and const. serv.	-	-	-	-	-
Total Expenditures	11,317	201,397	56,465	31,142	300,321
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	1,584	19,236	18,217	932	39,969
Fund Balance, July 1	1,305	102,828	15,219	16,739	136,091
Fund Balance, June 30	2,889	122,064	33,436	17,671	176,060

CLIFFSIDE PARK BOARD OF EDUCATION
Special Revenue Fund
Schedule of Preschool Education Aid
Budgetary Basis
Fiscal Year Ended June 30, 2022

	District Wide Total		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Expenditures:			
Instruction:			
Salaries of teachers	142,112	142,112	
Other salaries for instruction	35,322	35,322	
Total instruction	177,434	177,434	
Support services:			
Salaries of Program Directors	15,177	15,177	
Salaries of Secr. and Clerical Assistants	7,386	7,386	
Other Salaries	12,666	12,666	
Total support services	35,229	35,229	
Total expenditures	212,663	212,663	

Summary of Location Totals

Total revised 2021-22 Preschool Education Aid	212,663
Add: Actual Preschool Education Aid Carryover (June 30, 2021)	
Add: Budgeted Transfer from the General Fund 2021-22	
Total Preschool Education Aid Funds Available for 2021-22 Budget	212,663
Less: 2021-22 Budgeted Preschool Education Aid (prior year budgeted carryover)	212,663
Available & Unbudgeted Preschool Educaiton Aid Funds as of June 30, 2022	
Add: June 30, 2022 Unexpended Preschool Education Aid 2021-22 Carryover - Preschool Education Aid/Preschool	

CAPITAL PROJECTS FUND

CLIFFSIDE PARK BOARD OF EDUCATION
Capital Projects Fund
Summary Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budgetary Basis
Fiscal Year Ended June 30, 2022

Revenues and Other Financing Sources

State Sources - School Security Grant	-
Bond proceeds and transfers	-
Transfers from Capital Reserve	-
Transfers from Capital Outlay	-
Interest on Investments	-
	-

Expenditures and Other Financing Uses

Purchased professional and technical services	-
Land and improvements	-
Construction services	139,781
General supplies	-
Equipment purchases	-
Transfer to General Fund	-
	139,781

Excess (deficiency) of revenues over (under) expenditures	(139,781)
Fund balance - beginning	139,781
Fund balance - ending	-

CLIFFSIDE PARK BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Panic Buttons, Intercom Systems
Fiscal Year Ended June 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - School Security Grant	173,129		173,129	173,129
Bond proceeds and transfers			-	
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>173,129</u>	<u>-</u>	<u>173,129</u>	<u>173,129</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services			-	
Land and improvements			-	-
Construction services	33,348	139,781	173,129	173,129
General supplies			-	
Equipment purchases			-	-
	<u>33,348</u>	<u>139,781</u>	<u>173,129</u>	<u>173,129</u>
Excess (deficiency) of revenues over (under) expenditures	<u>139,781</u>	<u>(139,781)</u>	<u>-</u>	<u>-</u>
Additional project information:				
Project number				
Grant date	FY 20-22			
Bond authorization date				
Bonds authorized				
Bonds issued				
Original authorization cost	173,129			
Additional authorized cost				
Revised authorized cost	173,129			
Percentage increase over original authorized cost	-			
Percentage completion	100%			
Original target completion date	October 2021			
Revised target completion date				

CLIFFSIDE PARK BOARD OF EDUCATION
Capital Projects Fund
Summary Statement of Project Expenditures
Fiscal Year Ended June 30, 2022

Project Title/Issue	Date	Appropriations	Expenditures to Date		Unexpended Balance June 30, 2022
			Prior Years	Current Year	
Panic Buttons, Intercom System	FY 20-22	173,129	33,348	139,781	-
		<u>173,129</u>	<u>33,348</u>	<u>139,781</u>	<u>-</u>

PROPRIETARY FUNDS

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-type Activities - Enterprise Fund		
	Food Service Program	After School Program	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	406,251	68,752	475,003
Accounts receivable:			
State	2,342		2,342
Federal	190,299		190,299
Inventories	19,381		19,381
Total current assets	<u>618,273</u>	<u>68,752</u>	<u>687,025</u>
Noncurrent assets:			
Capital assets:			
Equipment	315,045	16,460	331,505
Less accumulated depreciation	<u>(172,867)</u>	<u>(6,584)</u>	<u>(179,451)</u>
Total capital assets (net of accumulated depreciation)	<u>142,178</u>	<u>9,876</u>	<u>152,054</u>
Total assets	<u>760,451</u>	<u>78,628</u>	<u>839,079</u>
Current Liabilities:			
Deferred Revenue	41,513		41,513
Interfunds Payable	56,129		56,129
Accounts Payable	81,436		81,436
Total Liabilities	<u>179,078</u>	<u>-</u>	<u>179,078</u>
NET POSITION			
Invested in capital assets	142,178	9,876	152,054
Unrestricted	439,195	68,752	507,947
Total net position	<u>581,373</u>	<u>78,628</u>	<u>660,001</u>

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Fiscal Year Ended June 30, 2022

	Business-type Activities - Enterprise Fund		
	Food Service Program	After School Program	Totals
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	128,247		128,247
Daily sales - non-reimbursable programs	26,917		26,917
Program fees		159,668	159,668
Total operating revenues	<u>155,164</u>	<u>159,668</u>	<u>314,832</u>
Operating expenses:			
Cost of food - reimbursable programs	684,168		684,168
Cost of food - non-reimbursable programs	49,558		49,558
Salaries	758,901	62,583	821,484
Employee benefits	179,705		179,705
Supplies and materials	49,778		49,778
Purchased services	103,350		103,350
Depreciation expense	21,763	3,292	25,055
Repairs and other expenses	46,003	66,358	112,361
Total Operating Expenses	<u>1,893,226</u>	<u>132,233</u>	<u>2,025,459</u>
Operating income (loss)	<u>(1,738,062)</u>	<u>27,435</u>	<u>(1,710,627)</u>
Nonoperating revenues (expenses):			
State sources:			
School lunch program	33,121		33,121
Federal sources:			
National school lunch program	1,408,476		1,408,476
Snack program	38,480		38,480
Breakfast program	283,656		283,656
Supply Chain Assistance Funding	21,231		21,231
P-EBT Administrative Cost	3,135		3,135
U.S.D.A. Commodities	114,780		114,780
Total nonoperating revenues (expenses)	<u>1,902,879</u>	<u>-</u>	<u>1,902,879</u>
Income (loss) before contributions & transfers	<u>164,817</u>	<u>27,435</u>	<u>192,252</u>
Other financing sources/(uses):			
Transfer In	6,133		6,133
Change in net assets	<u>170,950</u>	<u>27,435</u>	<u>198,385</u>
Total net position—beginning	<u>410,423</u>	<u>51,193</u>	<u>461,616</u>
Total net position—ending	<u><u>581,373</u></u>	<u><u>78,628</u></u>	<u><u>660,001</u></u>

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

CLIFFSIDE PARK BOARD OF EDUCATION
Statement of Cash Flows
Proprietary Funds
Fiscal Year Ended June 30, 2022

	Business-type Activities - Enterprise Fund		
	Food Service Program	After School Program	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	159,267	159,668	318,935
Payments to suppliers	<u>(1,719,917)</u>	<u>(128,941)</u>	<u>(1,848,858)</u>
Net cash provided by (used for) operating activities	<u>(1,560,650)</u>	<u>30,727</u>	<u>(1,529,923)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	35,683		35,683
Federal Sources	1,709,444		1,709,444
Board Contribution	<u>6,133</u>		<u>6,133</u>
Net cash provided by (used for) non-capital financing activities	<u>1,751,260</u>	<u>-</u>	<u>1,751,260</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	<u>(34,872)</u>		<u>(34,872)</u>
Net cash provided by (used for) capital and related financing activities	<u>(34,872)</u>	<u>-</u>	<u>(34,872)</u>
Net increase (decrease) in cash and cash equivalents	<u>155,738</u>	<u>30,727</u>	<u>186,465</u>
Balances—beginning of year	<u>250,513</u>	<u>38,025</u>	<u>288,538</u>
Balances—end of year	<u>406,251</u>	<u>68,752</u>	<u>475,003</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	(1,738,062)	27,435	(1,710,627)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation and net amortization	21,763	3,292	25,055
Food Distribution Program	114,780		114,780
(Increase) decrease in accounts receivable, net	3,704		3,704
Increase (decrease) in interfunds	64,387		64,387
(Increase) decrease in inventories	(2,697)		(2,697)
Increase (decrease) in accounts payable	<u>(24,525)</u>		<u>(24,525)</u>
Total adjustments	<u>(1,560,650)</u>	<u>30,727</u>	<u>(1,529,923)</u>
Net cash provided by (used for) operating activities	<u>(1,560,650)</u>	<u>30,727</u>	<u>(1,529,923)</u>

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

LONG-TERM DEBT

CLIFFSIDE PARK BOARD OF EDUCATION
General Long-Term Debt Account Group
Schedule of Capital Leases Payable
Fiscal Year Ended June 30, 2022

<u>Issue</u>	<u>Amount of Loan</u>	<u>Principal Payment Date</u>	<u>Interest Rate</u>	<u>Balance, June 30, 2021</u>	<u>Retired</u>	<u>Balance, June 30, 2022</u>
Chromebooks	95,344		\$	31,759	31,759	
Desktop Computers	47,600			15,856	15,856	
Desktop Computers	27,200	2/29/23	4.50%	17,731	8,672	9,059
				<u>65,346</u>	<u>56,287</u>	<u>9,059</u>
				\$		

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

Introduction to the Statistical Section

Financial Trends

- J-1 Net Assets/Position by Component
- J-2 Changes in Net Assets/Position
- J-3 Fund Balances - Governmental Funds
- J-4 Changes in Fund Balances - Governmental Funds
- J-5 General Fund Other Local Revenue by Source

Revenue Capacity

- J-6 Assessed Value and Estimated Actual Value of Taxable Property
- J-7 Direct and Overlapping Property Tax Rates
- J-8 Principal Property Taxpayers
- J-9 Property Tax Levies and Collections

Debt Capacity

- J-10 Ratios of Outstanding Debt by Type
- J-11 Ratios of General Bonded Debt Outstanding
- J-12 Direct and Overlapping Governmental Activities Debt
- J-13 Legal Debt Margin Information

Demographic and Economic Information

- J-14 Demographic and Economic Statistics
- J-15 Principal Employers

Operating Information

- J-16 Full-time Equivalent District Employees by Function/Program
- J-17 Operating Statistics
- J-18 School Building Information*
- J-19 Schedule of Allowable Maintenance Expenditures by School Facility
- J-20 Insurance Schedule

STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

J SERIES

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes 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 sources, 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 to 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 comprehensive annual financial reports (CAFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ending June 30, 2004; schedules presenting district-wide information include information beginning in that year.	

CLIFFSIDE PARK BOARD OF EDUCATION
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Invested in capital assets, net of related debt	\$ 4,275,454	\$ 4,723,841	\$ 5,979,075	\$ 6,199,408	\$ 6,838,827	\$ 8,009,191	\$ 9,723,576	\$ 9,777,608	\$ 10,868,227	\$ 12,023,316
Restricted	8,491,062	7,909,736	7,204,960	8,571,130	8,678,103	7,670,657	6,915,160	6,645,780	7,869,371	11,423,811
Unrestricted	(636,513)	(722,861)	(10,050,627)	(11,286,040)	(12,025,401)	(11,877,092)	(11,884,642)	(11,709,939)	(9,709,927)	(8,222,714)
Total governmental activities net position	\$ 12,130,003	\$ 11,910,716	\$ 3,133,408	\$ 3,484,498	\$ 3,491,529	\$ 3,802,756	\$ 4,754,094	\$ 4,713,449	\$ 9,027,671	\$ 15,224,413
Business-type activities										
Invested in capital assets, net of related debt	\$ 20,128	\$ 13,566	\$ 3,257	\$ 30,958	\$ 36,569	\$ 36,946	\$ 107,659	\$ 114,879	\$ 142,237	\$ 152,054
Restricted	367,657	296,366	161,956	(92,460)	128,584	178,239	185,901	424,260	319,379	507,947
Total business-type activities net position	\$ 387,785	\$ 309,932	\$ 165,213	\$ (61,502)	\$ 165,153	\$ 215,185	\$ 293,560	\$ 539,139	\$ 461,616	\$ 660,001
District-wide										
Invested in capital assets, net of related debt	\$ 4,295,582	\$ 4,737,407	\$ 5,982,332	\$ 6,230,366	\$ 6,875,396	\$ 8,046,137	\$ 9,831,235	\$ 9,892,487	\$ 11,010,464	\$ 12,175,370
Restricted	8,491,062	7,909,736	7,204,960	8,571,130	8,678,103	7,670,657	6,915,160	6,645,780	7,869,371	11,423,811
Unrestricted	(268,856)	(426,495)	(9,888,671)	(11,378,500)	(11,896,817)	(11,698,853)	(11,698,741)	(11,285,679)	(9,390,548)	(7,714,767)
Total district net position	\$ 12,517,788	\$ 12,220,648	\$ 3,298,621	\$ 3,422,996	\$ 3,656,682	\$ 4,017,941	\$ 5,047,654	\$ 5,252,588	\$ 9,489,287	\$ 15,884,414

Source: CAFR Schedule A-1

CLIFFSIDE PARK BOARD OF EDUCATION
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business-type activities:										
Charges for services										
Food service	836,286	868,831	548,487	554,327	555,377	562,793	604,414	424,307	19,927	155,164
After School Program	181,957	200,381	240,211	240,296	226,355	345,616	285,877	135,825	57,719	159,668
Operating grants and contributions	902,280	935,822	977,965	947,306	1,016,998	1,030,771	1,053,861	1,142,808	1,199,572	1,902,879
Total business-type activities program revenues	1,920,523	2,005,034	1,766,663	1,741,929	1,798,730	1,939,180	1,944,152	1,702,940	1,277,218	2,217,711
Total district program revenues	\$ 3,810,776	\$ 4,047,330	\$ 4,029,729	\$ 4,018,388	\$ 4,124,746	\$ 4,011,510	\$ 4,230,054	\$ 4,098,567	\$ 4,689,505	\$ 5,864,317
Net (Expense)/Revenue										
Governmental activities	\$ (40,078,932)	\$ (43,085,298)	\$ (47,184,349)	\$ (52,528,234)	\$ (58,728,368)	\$ (61,838,282)	\$ (60,045,946)	\$ (61,040,009)	\$ (64,351,051)	\$ (58,611,297)
Business-type activities	(76,714)	(77,853)	(144,719)	(226,715)	(249,440)	(201,903)	(123,805)	(82,366)	(77,523)	192,252
Total district-wide net expense	\$ (40,155,646)	\$ (43,163,151)	\$ (47,329,068)	\$ (52,754,949)	\$ (58,977,808)	\$ (62,040,185)	\$ (60,169,751)	\$ (61,122,375)	\$ (64,428,574)	\$ (58,419,045)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 28,419,932	\$ 28,988,330	\$ 29,753,765	\$ 30,907,252	\$ 31,827,901	\$ 32,879,872	\$ 34,180,255	\$ 35,225,237	\$ 36,270,179	\$ 36,995,583
Taxes levied for debt service	420,186	423,870	421,929	414,688	378,762	402,120	393,958	385,303	8,369,899	8,717,987
Tuition	6,714,158	5,626,526	5,969,338	6,727,108	7,744,083	7,980,012	8,482,342	8,386,082		
Federal and State Aid - Restricted										
Federal and State Aid - Not Restricted	7,466,294	7,355,462	12,149,173	14,041,339	18,332,258	19,950,875	17,092,170	16,354,589	22,359,394	17,215,569
Federal and State Aid - Capital Outlay			24,102	-	-	-	-	-	112,349	660,106
Local Aid - Capital Outlay	42,233	-	569,869	16,526	21,931	13,478	20,584	24,865	24,446	7,720
Miscellaneous income	682,752	471,823		772,411	906,559	1,175,087	1,030,155	951,233	999,859	1,217,207
Transfers					(476,095)	(251,935)	(202,180)	(327,945)		(6,133)
Total governmental activities	43,745,555	42,866,011	48,888,176	52,879,324	58,735,399	62,149,509	60,997,284	60,999,364	68,136,126	64,808,039
Business-type activities:										
Transfers					476,095	251,935	202,180	327,945		6,133
Total business-type activities					476,095	251,935	202,180	327,945		6,133
Total district-wide	\$ 43,745,555	\$ 42,866,011	\$ 48,888,176	\$ 52,879,324	\$ 59,211,494	\$ 62,401,444	\$ 61,199,464	\$ 61,327,309	\$ 68,136,126	\$ 64,814,172
Change in Net Position										
Governmental activities	\$ 3,666,623	\$ (219,287)	\$ 1,703,827	\$ 351,090	\$ 7,031	\$ 311,227	\$ 951,338	\$ (40,645)	\$ 3,785,075	\$ 6,196,742
Business-type activities	(76,714)	(77,853)	(144,719)	(226,715)	226,655	50,032	78,375	245,579	(77,523)	198,385
Total district	\$ 3,589,909	\$ (297,140)	\$ 1,559,108	\$ 124,375	\$ 233,686	\$ 361,259	\$ 1,029,713	\$ 204,934	\$ 3,707,552	\$ 6,395,127

Source: CAFR Schedule A-2

CLIFFSIDE PARK BOARD OF EDUCATION
 Fund Balances, Governmental Funds,
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Restricted	5,820,621	7,173,451	7,173,935	7,482,218	7,028,251	7,131,731	6,281,600	5,234,616	6,871,018	9,179,245
Committed										
Assigned	2,568,077	633,921	1,186,625	1,057,887	1,649,851	538,925	633,559	1,411,164	688,897	2,043,457
Unassigned	742,339	616,387	577,134	610,508	761,080	779,165	725,636	537,693	1,972,782	1,943,381
Total general fund	\$ 9,131,037	\$ 8,423,759	\$ 8,937,694	\$ 9,150,613	\$ 9,439,182	\$ 8,449,821	\$ 7,640,795	\$ 7,183,473	\$ 9,532,697	\$ 13,166,083
All Other Governmental Funds										
Restricted, reported in:										
Special revenue fund									169,675	201,109
Assigned, reported in:										
Capital projects fund	102,363	111,698							139,781	
Debt service fund	1	1	31,025	31,025	1	1	1			
Total all other governmental funds	\$ 102,364	\$ 111,699	\$ 31,025	\$ 31,025	\$ 1	\$ 1	\$ 1	\$ -	\$ 309,456	\$ 201,109

CLIFFSIDE PARK BOARD OF EDUCATION
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Tax levy	\$ 28,840,118	\$ 29,412,200	\$ 30,175,694	\$ 31,321,940	\$ 32,206,663	\$ 33,281,992	\$ 34,574,213	\$ 35,610,540	\$ 36,270,179	\$ 36,995,583
Tuition	6,714,158	5,626,326	5,969,338	6,727,108	7,744,083	7,980,012	8,482,342	8,386,082	8,369,899	8,717,987
Miscellaneous	682,752	471,823	569,869	788,937	928,490	1,188,565	1,050,739	976,098	1,024,305	1,224,927
Student Group Receipts									207,611	387,535
State sources	7,697,950	7,630,004	8,096,934	8,871,888	9,804,000	10,808,487	13,136,750	13,766,221	16,017,630	19,452,848
Federal sources	1,700,830	1,767,754	2,108,413	2,034,938	2,060,087	1,813,839	1,998,131	2,214,608	3,202,368	3,760,362
Total revenue	45,635,808	44,908,307	46,920,248	49,744,811	52,743,323	55,072,895	59,242,175	60,953,549	65,091,992	70,539,242
Expenditures										
Instruction										
Regular Instruction	14,750,608	13,827,871	14,409,852	14,397,046	17,082,571	16,865,668	15,512,644	15,838,363	16,086,175	16,855,553
Special education instruction	3,594,285	5,145,616	5,597,551	5,783,504	3,814,943	4,235,149	6,761,879	7,254,848	7,794,204	8,012,128
Other special instruction	630,857	770,854	680,349	755,752	878,170	1,125,992	1,189,686	1,186,460	1,116,739	1,152,745
Other instruction	590,264	662,276	681,014	646,617	754,966	738,544	772,946	794,032	741,230	705,746
Support Services:										
Tuition	1,660,412	2,412,564	2,342,048	2,632,974	2,762,927	2,885,875	3,278,780	3,007,701	3,196,468	2,660,617
Health services					606,540	703,739	398,726	407,680	436,502	451,756
Student & instruction related services	3,669,891	4,276,931	4,406,946	4,391,655	4,350,264	5,275,273	4,927,574	4,777,763	5,461,047	5,906,152
School Administrative services	1,411,946	1,379,738	1,328,365	1,385,951	1,343,804	1,418,238	1,595,082	1,132,781	1,129,147	1,239,596
General administrative services	1,126,401	1,120,682	912,089	1,166,019	1,186,700	1,135,894	1,191,972	1,693,242	1,734,999	2,047,171
Central services and administrative information technology	636,821	760,258	683,263	1,033,321	920,022	984,759	1,011,384	1,018,315	1,013,279	1,178,214
Plant operations and maintenance	2,382,366	2,141,377	2,225,314	2,297,145	2,484,992	2,543,742	2,713,087	2,703,350	3,089,556	3,074,632
Pupil transportation	928,143	1,012,812	1,044,891	1,181,913	1,399,418	1,560,090	1,718,499	1,739,360	1,547,394	1,932,987
Unallocated benefits	6,001,160	6,356,332	6,528,231	7,098,894	7,462,448	8,148,391	8,604,151	8,726,971	8,417,468	7,591,000
On-behalf contributions	3,889,672	3,412,401	3,894,499	4,653,441	5,319,425	6,107,374	7,296,800	7,691,476	9,058,653	11,899,905
Charter Schools	51,535	48,351	76,578	81,329	41,985	18,992	23,013	21,757	37,512	52,670
Capital outlay	174,708	1,849,700	1,249,473	1,607,126	1,313,308	1,759,101	2,597,492	2,726,528	2,102,086	2,247,198
Debt service:										
Principal	310,000	325,000	335,000	340,000	350,000	360,000	370,000	380,000		
Interest and other charges	114,763	103,487	91,524	79,205	64,250	46,500	28,250	9,500		
Total expenditures	41,923,832	45,606,250	46,486,987	49,531,892	52,136,733	55,913,321	59,591,965	61,110,127	62,962,459	67,008,070
Excess (Deficiency) of revenues over (under) expenditures	3,711,976	(697,943)	433,261	212,919	606,590	(840,426)	(749,790)	(156,578)	2,129,533	3,531,172

CLIFFSIDE PARK BOARD OF EDUCATION
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Financing sources (uses)										
Capital leases (non-budgeted)	-	-	-	-	127,050	103,000	142,944	27,200		
Transfers in			111,698	-	-	-	-	1		
Transfers out			(111,698)		(476,095)	(251,935)	(202,180)	(327,946)		(6,133)
Total other financing sources (uses)	-	-	-	-	(349,045)	(148,935)	(59,236)	(300,745)	-	(6,133)
Net change in fund balances	\$ 3,711,976	\$ (697,943)	\$ 433,261	\$ 212,919	\$ 257,545	\$ (989,361)	\$ (809,026)	\$ (457,323)	\$ 2,129,533	\$ 3,525,039
Debt service as a percentage of noncapital expenditures	1.0%	1.0%	0.9%	0.9%	0.8%	0.8%	0.7%	0.7%	0.0%	0.0%

Source: CAFR Schedule B-2

CLIFFSIDE PARK BOARD OF EDUCATION
General Fund Other Local Revenue by Source
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Interest on Investments	Tuition		Transportation		Refunds	Rent	Misc.	Total
		Revenue	Fees	Fees					
2013	6,815	6,714,158	275,639	3,946				136,305	7,136,863
2014	4,921	5,626,526	290,586	4,049		9,787		162,480	6,098,349
2015	2,088	5,969,338	388,833	28,223				150,725	6,539,207
2016	18,780	6,727,108	482,184	62,294				209,153	7,499,519
2017	8,872	7,744,083	695,390	39,495				162,802	8,650,642
2018	15,962	7,980,012	861,737	23,932				273,456	9,155,099
2019	22,291	8,482,342	770,363	33,862				203,639	9,512,497
2020	21,833	8,386,082	771,548	21,918				135,934	9,337,315
2021	7,868	8,369,899	893,470	3,948				94,573	9,369,758
2022	5,877	8,717,987	1,012,918					198,412	9,935,194

Source: District Records

CLIFFSIDE PARK BOARD OF EDUCATION
Assessed Value and Actual Value of Taxable Property
 Last Ten Fiscal Years

Year Ended Dec. 31,	Total Assessed Value				Less: Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)	% of Net Assessed to Estimated Full Cash Valuations
	Vacant Land	Residential	Commercial	Industrial						
2013	\$ 5,230,800	\$ 2,286,922,400	\$ 177,462,000	\$ 6,158,500	\$ -	\$ 6,810,121	\$ 2,739,206,721	1.064	\$ 3,069,279,243	89.45%
2014	\$ 4,926,700	\$ 2,290,400,200	\$ 175,128,600	\$ 6,158,500	\$ -	\$ 5,714,465	\$ 2,736,419,565	1.085	\$ 2,909,085,995	94.10%
2015	\$ 4,896,700	\$ 2,297,734,100	\$ 185,198,500	\$ 4,562,900	\$ 250,242,800	\$ 5,457,917	\$ 2,748,092,917	1.120	\$ 2,901,874,485	94.70%
2016	\$ 10,614,200	\$ 2,307,857,200	\$ 177,888,800	\$ 3,952,700	\$ 255,676,000	\$ 5,828,349	\$ 2,761,817,249	1.151	\$ 2,987,769,028	92.44%
2017	\$ 27,852,700	\$ 2,316,723,800	\$ 177,598,700	\$ 3,927,500	\$ 257,177,300	\$ 5,817,465	\$ 2,789,097,465	1.174	\$ 3,096,731,675	90.07%
2018	\$ 36,739,700	\$ 2,333,225,200	\$ 176,711,900	\$ 3,927,500	\$ 263,945,400	\$ 5,796,670	\$ 2,820,346,370	1.203	\$ 3,279,821,874	85.99%
2019	\$ 14,217,700	\$ 2,449,134,600	\$ 174,673,300	\$ 3,927,500	\$ 264,370,400	\$ 5,894,422	\$ 2,912,217,922	1.206	\$ 3,425,459,628	85.02%
2020	\$ 16,694,500	\$ 2,466,986,100	\$ 174,949,100	\$ 3,927,500	\$ 264,370,400	\$ 5,748,618	\$ 2,932,676,218	1.226	\$ 3,573,230,623	82.07%
2021	\$ 15,143,300	\$ 2,490,404,600	\$ 179,549,300	\$ 3,927,500	\$ 260,636,100	\$ 6,001,858	\$ 2,955,662,658	1.240	\$ 3,634,341,170	81.33%
2022	\$ 18,473,900	\$ 2,510,874,600	\$ 179,066,400	\$ 3,927,500	\$ 264,175,100	\$ 5,759,805	\$ 2,982,277,305	1.253	\$ 3,829,622,650	77.87%

Source: Municipal Tax Assessor

NOTE: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

^a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

^b Tax rates are per \$100

CLIFFSIDE PARK BOARD OF EDUCATION
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Fiscal Year Ended June 30,	Cliffside Park Board of Education			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation		Borough of Cliffside Park	Bergen County	
		Debt Service ^b	Total Direct			
2013	1.040	0.020	1.060	0.868	0.249	2.177
2014	1.065	0.020	1.085	0.880	0.247	2.212
2015	1.100	0.020	1.120	0.867	0.253	2.240
2016	1.131	0.020	1.151	0.929	0.265	2.345
2017	1.150	0.024	1.174	0.940	0.278	2.392
2018	1.188	0.015	1.203	0.950	0.285	2.438
2019	1.192	0.014	1.206	0.950	0.286	2.442
2020	1.213	0.013	1.226	0.960	0.302	2.488
2021	1.240	0.000	1.240	0.968	0.309	2.517
2022	1.250	0.000	1.250	1.001	0.311	2.562

Source: District Records and Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, which ever is greater, plus any pending growth adjustments.

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net val

b Rates for debt service are based on each year's requirements.

CLIFFSIDE PARK BOARD OF EDUCATION
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Briarcliff Corp.	\$ 71,500,000		2.40%	\$ 72,500,000		2.65%
Palisadium Mgmt. Corp.	\$ 12,550,500		0.42%	\$ 12,550,500		0.46%
Verizon - New Jersey	\$ 6,001,858		0.20%	\$ 2,852,000		0.10%
T&F Realty	\$ 5,000,000		0.17%	\$ 6,250,000		0.23%
Savoy Plaza	\$ 5,664,800		0.19%	\$ 5,664,800		0.21%
Carlton Corp.	\$ 4,700,500		0.16%	\$ 4,700,500		0.17%
Cliff Lane/Palisade Ave, LLC	\$ 14,238,200		0.48%			
Walker Properties	\$ 5,794,200		0.19%			
Timmes Realty Assoc.	\$ 3,690,500		0.12%	\$ 3,690,500		0.13%
TD Banknorth				\$ 2,369,100		0.09%
G&N Realty				\$ 3,300,000		0.12%
A.K. Macagna Development Corp.				\$ 2,540,200		0.09%
Total	\$ 129,140,558		4.33%	\$ 116,417,600		4.25%

Net Assessed Valuation: \$ 2,982,277,305 \$ 2,736,419,565

Source: Municipal Tax Assessor.

**CLIFFSIDE PARK BOARD OF EDUCATION
Property Tax Levies and Collections
Last Ten Fiscal Years**

<u>Fiscal Year Ended</u>	<u>District Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of Amount</u>	<u>Percentage of Levy</u>	<u>Collections in Subsequent Years</u>
2013	\$28,840,118	\$28,840,118	100.00%	\$ -
2014	\$29,412,200	\$29,412,200	100.00%	\$ -
2015	\$30,175,694	\$30,175,694	100.00%	\$ -
2016	\$31,321,940	\$31,321,940	100.00%	\$ -
2017	\$32,206,663	\$32,206,663	100.00%	\$ -
2018	\$33,281,992	\$33,281,992	100.00%	\$ -
2019	\$34,574,213	\$34,574,213	100.00%	\$ -
2020	\$35,610,540	\$35,610,540	100.00%	\$ -
2021	\$36,270,179	\$36,270,179	100.00%	\$ -
2022	\$36,995,583	\$36,995,583	100.00%	\$ -

Source: Municipal Tax Collector

**CLIFFSIDE PARK BOARD OF EDUCATION
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds/Loans ^b	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2013	2,460,000	37,734	-	-	2,497,734	2.87%	\$ 71,699	
2014	2,135,000	10,076	-	-	2,145,076	3.47%	\$ 74,480	
2015	1,800,000	-	-	-	1,800,000	4.32%	\$ 77,767	
2016	1,460,000	-	-	-	1,460,000	5.44%	\$ 79,407	
2017	1,110,000	83,900	-	-	1,193,900	6.84%	\$ 81,676	
2018	750,000	145,722	-	-	895,722	9.65%	\$ 86,404	
2019	380,000	177,253	-	-	557,253	16.05%	\$ 89,456	
2020	-	120,327	-	-	120,327	76.44%	\$ 91,972	
2021	-	65,346	-	-	65,346	Not Available	Not Available	
2022	-	9,060	-	-	9,060	Not Available	Not Available	

Source: District CAFR Schedules I-1, I-2

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

- a** See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- b** Includes Early Retirement Incentive Plan (ERIP) refunding

Exhibit J-11

CLIFFSIDE PARK BOARD OF EDUCATION
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds/Loans	Deductions	Net General Bonded Debt Outstanding		
2013	\$ 2,460,000	-	2,460,000	0.09%	\$ 34
2014	\$ 2,135,000	-	2,135,000	0.08%	\$ 29
2015	\$ 1,800,000	-	1,800,000	0.07%	\$ 23
2016	\$ 1,460,000	-	1,460,000	0.05%	\$ 18
2017	\$ 1,110,000	-	1,110,000	0.04%	\$ 14
2018	\$ 750,000	-	750,000	0.03%	\$ 9
2019	\$ 380,000	-	380,000	0.01%	\$ 4
2020	\$ -	-	-	0.00%	\$ -
2021	\$ -	-	-	0.00%	Not Available
2022	\$ -	-	-	0.00%	Not Available

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

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-14.

CLIFFSIDE PARK BOARD OF EDUCATION
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2022

<u>Governmental Unit</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Debt Outstanding</u>	<u>Estimated Share of Overlapping Debt</u>
Direct Debt of School District as of June 30, 2022			
Net overlapping debt of School District:			
Borough of Cliffside Park	100.000%	\$ 26,873,374	
County of Bergen - City's Share	1.773%	\$ 15,975,170	
Bergen County Utility Authority-City's Share	3.183%	\$ 3,134,654	
Subtotal, overlapping debt			\$ 45,983,198
Total direct and overlapping debt			\$ 45,983,198

Direct Debt of School District as of June 30, 2022

Net overlapping debt of School District:
 Borough of Cliffside Park
 County of Bergen - City's Share
 Bergen County Utility Authority-City's Share

Subtotal, overlapping debt

Total direct and overlapping debt

Sources: Borough of Cliffside Park Finance Office / Bergen County Treasurer's Office

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

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

CLIFFSIDE PARK BOARD OF EDUCATION
 Legal Debt Margin Information
 Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2022

		Equalized valuation basis																						
		2021	2020	2019	[A]	[A/3]	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	
Average equalized valuation of taxable property		\$ 3,829,622,650	\$ 3,634,341,170	\$ 3,573,230,623	\$ 11,037,194,443	\$ 3,679,064,814																		
Debt limit (4% of average equalization value)		[B] 147,162,593 ^a	[C] -	[B-C] \$ 147,162,593																				
Net bonded school debt																								
Legal debt margin																								
Total net debt applicable to limit		\$ 129,402,916	\$ 124,625,084	\$ 116,825,618	\$ 116,825,618	\$ 116,165,585	\$ 119,818,336	\$ 119,818,336	\$ 116,165,585	\$ 116,825,618	\$ 124,625,084	\$ 129,402,916	\$ 129,402,916	\$ 129,402,916	\$ 129,402,916	\$ 129,402,916	\$ 129,402,916	\$ 129,402,916	\$ 129,402,916	\$ 129,402,916	\$ 129,402,916	\$ 129,402,916	\$ 129,402,916	\$ 129,402,916
Legal debt margin		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Abstract of Rates and District Records CAFR Schedule J-6

^a Limit set by NISA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

CLIFFSIDE PARK BOARD OF EDUCATION
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2013	24,378	\$ 1,747,878,222	71,699	8.30%
2014	24,403	\$ 1,817,535,440	74,480	5.10%
2015	24,490	\$ 1,904,513,830	77,767	4.00%
2016	24,537	\$ 1,948,409,559	79,407	4.00%
2017	24,653	\$ 2,013,558,428	81,676	3.70%
2018	25,759	\$ 2,225,680,636	86,404	3.30%
2019	26,120	\$ 2,336,590,720	89,456	2.60%
2020	26,001	\$ 2,391,363,972	91,972	8.80%
2021	25,594	Not Available	Not Available	5.50%
2022	Not Available	Not Available	Not Available	Not Available

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Personal income - Bergen County - provided by NJ Dept of Labor and Workforce Development

^c Per Capita Personal Income - Bergen County - provided by NJ Dept of Labor and Workforce Development

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

**CLIFFSIDE PARK BOARD OF EDUCATION
Principal Employers
Current Year and Ten Years Ago**

<u>Employer</u>	<u>2022</u>			<u>2012</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>

THE NEW JERSEY DEPARTMENT OF LABOR AND AREA EMPLOYERS REFUSED TO RELEASE INFORMATION NEEDED TO COMPLETE THIS SCHEDULE DUE TO PRIVACY CONCERNS

Source: Borough of Cliffside Park

This schedule should include the ten largest employers, unless fewer are required to reach 50 percent of total employment.

**CLIFFSIDE PARK BOARD OF EDUCATION
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years**

<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										
Regular	204	207	212	210	189	219	224	223	221	231
Special education	33	27	26	47	44	37	41	44	47	46
Support Services:										
Student & instruction related services	71	82	87	91	72	76	80	146	127	134
General administrative services	1	1	1	1	1	1	1	1	1	1
School administrative services	7	7	7	12	7	8	8	8	8	9
Central services	6	6	6	6	11	11	12	12	12	13
Plant operations and maintenance	5	5	5	5	5	5	5	5	5	5
Pupil transportation	52	52	62	67	63	54	57	68	79	75
Food Service	23	23	24	32	41	53	46	53	56	42
Total	402	410	430	471	433	464	474	560	556	556

Source: District Personnel Records

CLIFFSIDE PARK BOARD OF EDUCATION
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Pupil/Teacher Ratio										Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Elementary	Middle School	High School	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c				
2013	2,839	41,324,361	14,556	0.75%	225	1:24	1:25	1:24	2,850	2,674	3.28%	93.80%		
2014	2,901	43,328,063	14,936	2.61%	234	1:23	1:24	1:23	2,910	2,771	2.09%	95.22%		
2015	2,968	44,810,990	15,098	1.09%	238	1:23	1:24	1:23	2,957	2,815	1.62%	95.20%		
2016	3,000	47,505,561	15,835	4.88%	257	1:23	1:24	1:23	2,938	2,793	-0.64%	95.06%		
2017	3,074	50,409,175	16,399	3.56%	233	1:23	1:24	1:23	3,054	2,888	3.95%	94.56%		
2018	3,164	53,747,720	16,987	3.59%	256	1:23	1:24	1:23	3,113	2,974	1.93%	95.53%		
2019	3,154	56,996,223	18,071	6.38%	265	1:23	1:24	1:23	3,096	2,953	-0.55%	95.38%		
2020	3,203	57,994,099	18,106	0.19%	267	1:23	1:24	1:23	3,140	3,017	1.42%	96.08%		
2021	3,107	60,860,373	19,588	1.98%	268	1:23	1:24	1:23	3,076	2,941	-2.04%	95.61%		
2022	2,994	64,760,872	21,630	9.98%	268	1:23	1:24	1:23	2,964	2,834	-3.64%	95.61%		

Sources: District records, ASSA and Schedules J-4

Note: Enrollment based on annual October district count for all students attending school facilities

- a Operating expenditures equal total general fund and special revenue fund expenditures less debt service and capital outlay; Schedule J-4, DOE Budget Report (Disb/Paid Column)
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

CLIFFSIDE PARK BOARD OF EDUCATION
School Building Information
 Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>District Buildings</u>										
<u>Elementary</u>										
School #3										
Square Feet	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	319	333	346	308	285	291	294	389	395	561
School #4										
Square Feet	57,574	57,574	57,574	57,574	57,574	57,574	57,574	57,574	57,574	57,574
Capacity (students)	600	600	600	600	600	600	600	600	600	600
Enrollment	478	493	502	569	598	575	568	560	532	481
School #5										
Square Feet	22,080	22,080	22,080	22,080	22,080	22,080	22,080	22,080	22,080	22,080
Capacity (students)	180	180	180	180	180	180	180	180	180	180
Enrollment	211	229	246	281	316	327	341	332	287	269
School #6										
Square Feet	44,250	44,250	44,250	44,250	44,250	44,250	44,250	44,250	44,250	44,250
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	381	364	380	355	326	346	327	311	274	255
<u>Middle School</u>										
Middle School										
Square Feet	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Capacity (students)	375	375	375	375	375	375	375	375	375	375
Enrollment	359	378	376	361	393	408	426	410	423	437
<u>High School</u>										
High School										
Square Feet	112,563	112,563	112,563	112,563	112,563	112,563	112,563	112,563	112,563	112,563
Capacity (students)	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Enrollment	1,091	1,104	1,118	1,126	1,156	1,217	1,198	1,233	1,196	1,191
<u>Other</u>										
ELC										
Square Feet	36,000	36,000								
Capacity (students)	375	375								
Enrollment	298	323								
Number of Schools at June 30, 2022										
Elementary = 4										
Middle School = 1										
High School = 1										
Other School = 0										

Number of Schools at June 30, 2022

- Elementary = 4
- Middle School = 1
- High School = 1
- Other School = 0

Source: District records, ASSA

Note: Enrollment is based on students' enrolled within the District -- out of district students have not been included

CLIFFSIDE PARK BOARD OF EDUCATION
General Fund
Schedule of Required Maintenance for School Facilities
Last Ten Fiscal Years
Unaudited

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

School Facilities	Project # (s)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
School #3	N/A	29,895	41,217	63,045	44,380	51,967	34,207	24,081	31,214	29,732	46,126
School #4	N/A	35,929	37,615	47,463	45,689	44,357	26,462	32,341	31,641	44,372	51,477
School #5	N/A	53,704	38,822	26,834	34,038	37,151	22,445	34,796	21,405	46,753	44,558
School #6	N/A	47,292	42,563	97,501	88,473	97,488	58,480	118,539	64,417	94,626	85,567
High School	N/A	54,095	56,236	57,364	57,286	76,356	60,604	69,005	64,668	98,390	81,641
Grand Total		\$ 220,915	\$ 216,453	\$ 292,207	\$ 269,866	\$ 307,319	\$ 202,198	\$ 278,762	\$ 213,345	\$ 313,873	\$ 309,369

*-Note: 2013 - Child Study Team in School #5 start of fiscal year, moved to school #3 during fiscal year (all expenditures allocated to #5)

CLIFFSIDE PARK BOARD OF EDUCATION
Insurance Schedule
For the Fiscal Year Ended June 30, 2022
Unaudited

Company	Type of Coverage	Coverage	Deductible
	School package policy:		
	New Jersey School Boards Association Insurance Group		
	Property - Blanket Building and Contents	\$ 500,000,000	\$ 5,000
	Comprehensive General Liability	11,000,000	
	Comprehensive Automobile Liability	11,000,000	
	Computers and schedule equipment -		
	Data Processing Equipment	2,000,000	1,000
	School Board legal liability -		
	Professional Errors and Omissions	11,000,000	10,000
	Public Employees' Faithful Performance Blanket		
	Position Bond - Treasurer	350,000	1,000
	Position Bond - Board Secretary	50,000	500
	Public Employee Dishonesty with Faithful Performance	100,000	1,000
	Earthquake	50,000,000	500,000
	Flood	75,000,000	750,000
	Terrorism	1,000,000	

Source: District Records

SINGLE AUDIT SECTION



WIELKOTZ & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
PAUL J. CUVA, CPA, RMA, PSA
JAMES J. CERULLO, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
ROBERT C. MCNINCH, CPA, CFE, PSA
KEVIN REEVES, CPA, PSA

401 WANAQUE AVENUE
POMPTON LAKES, NEW JERSEY 07442
PHONE: (973)-835-7900
FAX: (973)-835-7900
EMAIL: OFFICE@W-CPA.COM
WWW.W-CPA.COM

K-1
Page 1 of 2

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Cliffside Park School District, in the County of Bergen, New Jersey, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 2, 2023, which was qualified for not complying with GASB statement No. 87.

Internal Control Over Financial Reporting

In planning and performing our audit on the financial statements, we considered the Borough of Cliffside Park Board of Education's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough of Cliffside Park Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Cliffside Park 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a significant deficiency.

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

Compliance and Other Matters

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

We noted certain matters that were required to be reported to the Board of Education of the Cliffside Park Borough School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated February 2, 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

February 2, 2023





WIELKOTZ & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
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401 WANAQUE AVENUE
POMPTON LAKES, NEW JERSEY 07442
PHONE: (973)-835-7900
FAX: (973)-835-7900
EMAIL: OFFICE@W-CPA.COM
WWW.W-CPA.COM

K-2
Page 1 of 4

INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE AND N.J. OMB CIRCULAR 15-08

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Board of Education of the Borough of Cliffside Park School District in the County of Bergen, New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Borough of Cliffside Park Board of Education’s major federal and state programs for the year ended June 30, 2022. The Borough of Cliffside Park 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 Borough of Cliffside Park Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the 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; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and N.J. OMB Circular 15-08. Our



responsibilities under those standards and the Uniform Guidance and N.J. OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Borough of Cliffside Park 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 Borough of Cliffside Park 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, regulations, rules, and provisions of contracts or grant agreements applicable to Borough of Cliffside Park 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 Borough of Cliffside Park 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, the Uniform Guidance and N.J. 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 omissions, misrepresentations, 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 Borough of Cliffside Park 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, the Uniform Guidance and N.J. OMB Circular 15-08, we:

- Exercise professional judgment 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 Borough of Cliffside Park 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 Borough of Cliffside Park 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 Uniform Guidance and N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Borough of Cliffside Park 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and N.J. OMB Circular 15-08 and which are described in the accompanying schedule of findings and questioned costs as item 2022-002. Our opinion on each major federal and state program is not modified with respect to these matters.

The Borough of Cliffside Park Board of Education’s responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Borough of Cliffside Park Board of Education’s responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on these responses.

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 and 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 and state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance as described in the accompanying schedule of findings and questioned costs as item 2022-002 that we consider to be a significant deficiency.



Honorable President and
Members of the Board of Education

K-2
Page 4 of 4

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 the Uniform Guidance and N.J. OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

February 2, 2023



CLIFFSIDE PARK
BOARD OF EDUCATION

Schedule of Expenditures of Federal Awards

Year ended June 30, 2022

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2021	Carryover/ (Walkover) Amount	Cash Received	Total Budgetary Expenditures	Adjustments	Balance at June 30, 2022	
											(Accounts Receivable)	Deferred Revenue/ Interfund Payable
Due to Grantor												
U.S. Department of Education												
Passed-through State Department of Education:												
General Fund:												
Medicaid Administrative Claiming (MAC)	93.778	2005NJ5MAP	N/A	7/1/21-6/30/22	\$ 116,809			116,809	116,809			
Medical Assistance Program (SEM)	93.778	2005NJ5MAP	N/A	7/1/21-6/30/22	14,205			14,205	14,205			
Total General Fund					131,014			131,014	131,014			
U.S. Department of Education												
Passed-through State Department of Education:												
Special Revenue Fund:												
Title I Part A, Improving Basic Programs	84.010	S010A210030	ESEA-0890-22	7/1/21-9/30/22	611,040	(130,680)	(130,680)	692,064	614,675	3,599	(49,692)	
Title I Part A, Improving Basic Programs	84.010	S010A210030	ESEA-0890-21	7/1/20-9/30/21	678,443							
Title I S/A	84.010	S010A210030	ESEA-0890-22	7/1/21-9/30/22	16,100	(22,100)	(22,100)	22,100	18,900		(18,900)	
Title I S/A	84.010	S010A210030	ESEA-0890-21	7/1/20-9/30/21	24,900							
					714,164	(152,780)	(152,780)	714,164	633,575	3,599	(68,592)	
I.D.E.A. Part B	84.027A	H027A210100	IDEA-0890-22	7/1/21-9/30/22	708,228			658,572	708,228		(49,656)	
I.D.E.A. Part B Preschool	84.173A	H173A210014	IDEA-0890-22	7/1/21-9/30/22	17,735			17,227	17,642	710	(16,748)	
I.D.E.A. Part B Preschool	84.173A	H173A200114	IDEA-0890-21	7/1/20-9/30/21	17,360	(17,043)	(17,043)					
I.D.E.A. Part B Preschool	84.173A	H173A180114	IDEA-0890-19	7/1/18-6/30/19	16,908	16	16					16
ARP - I.D.E.A. Part B	84.027X	H027X210100	IDEA-0890-22	7/1/21-9/30/22	165,840							
ARP - I.D.E.A. Part B Preschool	84.173X	H173X210114	IDEA-0890-22	7/1/21-9/30/22	14,079	(17,027)	(17,027)	675,799	725,870	710	(66,404)	
					84,948	(13,905)	(13,905)	98,180	90,945		(6,670)	
Title II Part A	84.367A	S367A210029	ESEA-0890-22	7/1/21-9/30/22	103,420							
Title II Part A	84.367A	S367A200029	ESEA-0890-21	7/1/20-9/30/21		(13,905)	(13,905)	98,180	90,945		(6,670)	
Title III	84.365A	S365A210030	ESEA-0890-22	7/1/21-9/30/22	73,727	(19,475)	(19,475)	106,777	101,162		(13,860)	
Title III	84.365A	S365A200030	ESEA-0890-21	7/1/20-9/30/21	70,327							
Title III, Immigrant	84.365A	S365A210030	ESEA-0890-22	7/1/21-9/30/22	30,933	(31,660)	(31,660)	33,503	6,934		(5,091)	
Title III, Immigrant	84.365A	S365A200030	ESEA-0890-21	7/1/20-9/30/21	31,661	(31,660)	(31,660)					
						(51,135)	(51,135)	140,280	108,096		(18,951)	
21st Century Community Learning Centers	84.287C	S287C210030	CCLC-0890-22	9/1/21-8/31/22	500,000			337,402	424,249		(86,847)	
21st Century Community Learning Centers	84.287C	S287C200030	CCLC-0890-21	9/1/20-8/31/21	500,000	(132,754)	(132,754)	319,995	194,565	7,324	(86,847)	
						(132,754)	(132,754)	657,397	618,814	7,324	(86,847)	
Coronavirus Response and Relief Supplemental Act												
CARES - ESSER I	84.425D	S425D200027		3/13/20-10/15/22	508,473	19	19		214		(214)	19
CRRSA - ESSER II	84.425D	S425D210027		3/13/20-9/30/23	2,017,146			1,073,080	1,376,688		(303,608)	
CR Learning Accelerator	84.425D	S425D210027		3/13/20-9/30/23	129,451			117,196	122,700		(5,504)	
CR Mental Health	84.425D	S425D210027		3/13/20-9/30/23	45,000			5,000	31,157		(26,157)	
American Rescue Plan:												
ARP - ESSER	84.425U	S425U210027		3/13/20-9/30/23	4,533,405				328,630		(328,630)	
Accelerated Learning Coach and Educator Support	84.425U	S425U210027		3/13/20-9/30/23	280,270							
Evidence Based Summer Learning and Enrichment	84.425U	S425U210027		3/13/20-9/30/23	40,000							
Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027		3/13/20-9/30/23	40,000							
NJSS Mental Health Support Staffing	84.425U	S425U210027		3/13/20-9/30/23	45,000							
ARP - Homeless II	84.425W	215064233E		4/23/21-9/30/23	19,157			1,195,276	1,859,389		(664,113)	19

CLIFFSIDE PARK
BOARD OF EDUCATION

Schedule of Expenditures of Federal Awards

Year ended June 30, 2022

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2021	Carryover/ (Walkover) Amount	Cash Received	Total Budgetary Expenditures	Adjustments	Balance at June 30, 2022	
											(Accounts Receivable)	Deferred Revenue/ Interfund Payable
Additional or Compensatory Special Education and Related Services (ACSERS)	21.027	C8220COV(D)19		3/13/20-9/30/23	63,186			30,870	63,186		(32,316)	
						(367,582)		30,870	63,186		(32,316)	
Total Special Revenue Fund								3,511,966	4,099,875	11,633	(943,893)	19
U.S. Department of Agriculture Passed-through State Department of Education: Enterprise Fund:												
USDA Commodities	10.555	221N1304N1096	N/A	7/1/21-6/30/22	\$ 114,780			114,780	114,780		(22,848)	
National Breakfast Program SSO	10.553	221N1304N1099	N/A	7/1/21-6/30/22	283,656			260,808	283,656			
National Breakfast Program SSO	10.553	211N1304N1099	N/A	7/1/20-6/30/21	411,785	(18,048)		18,048	283,656			
National School Lunch Program SSO	10.555	221N1304N1099	N/A	7/1/21-6/30/22	1,408,476			1,306,705	1,408,476		(101,771)	
National School Lunch Program SSO	10.555	211N1304N1099	N/A	7/1/20-6/30/21	655,942	(73,895)		73,895	1,408,476			
National School Snack Program	10.555	221N1304N1099	N/A	7/1/21-6/30/22	38,480			35,544	38,480		(2,936)	
National School Snack Program	10.555	211N1304N1099	N/A	7/1/20-6/30/21	3,502	(389)		389	38,480			
Emergency Operational Cost Program - School	10.555	211N1304N1099	N/A	7/1/20-6/30/21	7,857	(7,857)		7,857	21,231		(62,744)	41,513
Supply Chain Assistance Funding	10.555	221N1344N8903	N/A	3/1/22-9/30/23	62,744			3,135	21,231			
P-EBT Administrative Cost	10.649	202225900941	N/A	7/1/21-6/30/22	3,135			3,135	3,135			
P-EBT Administrative Cost	10.649	2021225900941	N/A	7/1/20-6/30/21	3,063	(3,063)		3,063	3,135			
Total Enterprise Fund						(103,232)		1,824,224	1,869,758		(190,299)	41,513
Total Federal Financial Assistance						(470,834)		5,467,204	6,100,647	11,633	(1,134,192)	41,532

See accompanying notes to schedules of expenditures of federal and state awards

**CLIFFSIDE PARK
BOARD OF EDUCATION**

Schedule of Expenditures of State and Local Awards
Year ended June 30, 2022

State/Local Grantor/Program Title	Grantor State Project Number	Grant Period	Award Amount	Deferred Revenue (Accts Receivable)	Due to Grantor	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures Pass through Funds	Budgetary Expenditures Direct	Repayment of Prior Years' Balances	Intergovernmental (Accounts Receivable)	Deferred Revenue/ Interfund Payable	Due to Grantor at	MEMO	
														Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:															
General Fund:															
Equalization Aid	495-034-5120-078	7/1/21-6/30/22	3,221,238			2,955,135	3,221,238							286,103	3,221,238
Special Education Aid	495-034-5120-089	7/1/21-6/30/22	1,923,091			1,752,287	1,923,091							170,804	1,923,091
Security Aid	495-034-5120-084	7/1/21-6/30/22	926,208			843,944	926,208							82,264	926,208
Transportation Aid	495-034-5120-014	7/1/21-6/30/22	323,598			294,857	323,598							28,741	323,598
NTE Homeless Reimbursement	100-029-6060-034	7/1/21-6/30/22	106,755				106,755				(106,755)				106,755
Extraordinary Aid	495-034-5120-044	7/1/21-6/30/22	841,632				841,632				(841,632)				841,632
Extraordinary Aid	495-034-5120-044	7/1/20-6/30/21	1,007,431			1,007,431									1,007,431
Reimbursed TPAF Social Security	495-034-5094-003	7/1/21-6/30/22	1,803,368			1,629,593	1,803,368				(173,775)				1,803,368
On Behalf TPAF - Post Retirement Medication	495-034-5094-003	7/1/20-6/30/21	1,724,816			1,680,300									1,724,816
On Behalf TPAF - Post Retirement Medication	495-034-5094-001	7/1/21-6/30/22	1,911,482			1,911,482	1,911,482								1,911,482
On Behalf TPAF - NCGI Premium	495-034-5094-004	7/1/21-6/30/22	8,067,476			8,067,476	8,067,476								8,067,476
On Behalf TPAF - NCGI Premium	495-034-5094-004	7/1/21-6/30/22	113,821			113,821	113,821								113,821
On Behalf TPAF - LTDI	495-034-5094-004	7/1/21-6/30/22	3,758			3,758	3,758								3,758
Total General Fund			11,175,461			18,722,814	19,242,427				(1,122,162)			567,912	21,974,674
Special Revenue Fund:															
Preschool Education Aid	495-034-5120-086	7/1/21-6/30/22	212,663			191,397	212,663				(21,266)			21,266	212,663
Preschool Education Aid	495-034-5120-086	7/1/20-6/30/21	239,190			23,919									239,190
N.J. Nonpublic Textbook Aid	100-034-5120-064	7/1/21-6/30/22	305			300	280			59			20		246
N.J. Nonpublic Technology Initiative	100-034-5120-373	7/1/21-6/30/22	210			210	169						41		169
N.J. Nonpublic Nursing Services	100-034-5120-070	7/1/21-6/30/22	560			560	555			59			5		555
N.J. Nonpublic Nursing Services	100-034-5120-070	7/1/20-6/30/21	510			875									510
N.J. Nonpublic Security Grant	100-034-5120-509	7/1/21-6/30/22	875			875	875			75					875
N.J. Nonpublic Security Grant	100-034-5120-509	7/1/20-6/30/21	875												875
N.J. Nonpublic Handicapped Services: Corrective Speech	100-034-5120-066	7/1/21-6/30/22	4,185			4,185							4,185		4,185
SDA Emergent Needs and Capital Maintenance in School Districts		7/1/21-6/30/22	75,287			75,287	75,287			195					75,287
Total Special Revenue Fund			2,126,633			296,733	289,829			195	(21,266)			21,266	530,016
Capital Projects Fund:															
Alyssa's Law/School Security Grant		7/1/20-6/30/22	173,129			173,129									173,129
Total Capital Projects Fund			173,129			173,129									173,129
Enterprise Fund:															
National School Lunch Program SSO (State Share)	100-010-3350-023	7/1/21-6/30/22	33,121			30,779	33,121				(2,342)				33,121
National School Lunch Program SSO (State Share)	100-010-3350-023	7/1/20-6/30/21	25,387			4,904									25,387
Total Enterprise Fund			58,508			35,683	33,121				(2,342)				58,508
Total State Financial Assistance															
Less: On-Behalf TPAF Pension System Contribution															
On Behalf TPAF - Post Retirement Medication	495-034-5094-001						1,911,482								
On Behalf TPAF Pension Contributions	495-034-5094-002						8,067,476								
On Behalf TPAF - NCGI Premium	495-034-5094-004						113,821								
On Behalf TPAF - LTDI	495-034-5094-004						3,758								
Total State Financial Assistance							19,565,377			195	(11,445,770)		4,251	589,178	22,736,327
Total State Financial Assistance															
Local Awards:															
Special Revenue Fund															
NJSBAIG Safety Grant Program 2021		7/1/20-6/30/21	19,403			19,403	19,403								19,403
Total Local Awards			19,403			19,403	19,403								19,403
Total State/Local Financial Assistance			\$ 1,137,220			19,252,762	19,847,780			195	(11,445,770)		4,251	589,178	22,755,530

See accompanying notes to schedules of expenditures of federal and state award

NOTE 1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance present the activity of all federal and state award programs of the Board of Education, Borough of Cliffside Park School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies is included on the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented on 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 bases of accounting are described in Notes 2(D) and 2(E) to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of *2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ in amounts presented in or used in the preparation of the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS, (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(79,408) for the general fund and \$(482,210) 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 basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
General Fund	\$131,014	\$19,163,019	\$	\$19,294,033
Special Revenue Fund	3,629,348	289,829	7,720	3,926,897
Food Service Fund	<u>1,869,758</u>	<u>33,121</u>	<u> </u>	<u>1,902,879</u>
Total Awards and Financial Assistance	<u>\$5,630,120</u>	<u>\$19,485,969</u>	<u>\$7,720</u>	<u>\$25,123,809</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2022. The amount reported as TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2022.

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

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, the amount of \$10,096,537 of on-behalf payments is excluded from major program determination.

NOTE 7. INDIRECT COST RATE

The Borough of Cliffside Park School District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 8. SCHOOLWIDE PROGRAM FUNDS

Schoolwide programs are not separate federal programs as defined in *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Grant Guidance); amounts used in schoolwide programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditures of Federal Awards. The following funds by program are included in schoolwide programs in the school district:

<u>Program</u>	<u>Total</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	\$614,675
Title I, SIA: <i>Grants to Local Educational Agencies</i>	18,900
Title II, Part A: <i>Improving Teacher Quality State Grants</i>	90,945
Title III: <i>English Language Acquisition State Grants</i>	<u>101,162</u>
Total	<u>\$825,682</u>

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: qualified

Internal control over financial reporting:

1. Significant deficiencies identified that are not considered to be material weaknesses? X yes none reported
2. Material weakness(es) identified? yes X no

Noncompliance material to basic financial statements noted? yes X no

Federal Awards

Internal Control over major programs:

1. Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported
2. Material weakness(es) identified? yes X no

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

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

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.287C</u> (B)	<u>S287C210030</u>	<u>21st Century Community Learning Centers CARES-ESSER I/ CRRSA-ESSER II/ CR Learning Acceleration/ CR Mental Health/ APR- ESSER</u>
<u>84.425D/84.425U</u> (A)	<u>S425D210027/ S425U210027</u>	<u>APR- ESSER</u>

Note: (A) - Tested as Major Type A Program.
Note: (B) - Tested as Major Type B Program.

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

Auditee qualified as low-risk auditee? X yes no

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

Section I - Summary of Auditor's Results, (continued)

State Awards

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

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

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

Internal Control over major programs:

1. Significant deficiencies identified that are not considered to be material weaknesses? X yes _____ none reported

2. Material weakness(es) identified? _____ yes X no

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

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
495-034-5120-089/ 495-034-5120-084/ <u>495-034-5120-078</u> (A) <u>495-034-5120-044</u> (A)	State Aid Public Cluster: Special Education Categorical Aid/Security <u>Aid/Equalization Aid</u> <u>Extraordinary Aid</u>

Note: (A) - Tested as Major Type A Program.

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COST
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Section II – Financial Statement Findings

Finding 2022-001

The District did not comply with the requirements of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*.

Criteria or specific requirement:

GASB Statement No. 87 requires the recognition of certain intangible assets and liabilities for leases that were previously classified as operating leases be recognized as inflows and/or outflows of resources based on the payment provisions of the contract.

Condition:

The District did not recognize lease-related assets and liabilities in accordance with current account standards for the fiscal year ended June 30, 2022.

Context:

GASB Statement No. 87 is required to be implemented for fiscal year ending June 30, 2022. The statement requires various disclosures to be made in the Notes to the Financial Statements. The District has not prepared the necessary calculations and disclosures.

Effect:

The District's financial statements do not include lease related right-to use assets or liabilities and do not include the required note disclosures and required supplementary information as defined by GASB No. 87. The effects on the financial statements, although not reasonably determinable, are presumed to be material.

Cause:

GASB No. 87 went into effect at the beginning of the fiscal year. Due to the complexities of implementation, the District was unable to perform the necessary calculations and disclosures as of the date of this report.

Recommendation:

Management, or a third-party financial consultant hired by management, should assess leases maintained by the District, calculate the appropriate right-to use assets and liabilities and prepare the required disclosures in accordance with GASB Statement No. 87.

Views of responsible official and planned corrective actions:

Management is aware of the compliance requirements of GASB No. 87 and is actively working on resolving this issue.

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

Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs

FEDERAL AWARDS

None

STATE AWARDS

Finding 2022-002

Information on the state program:

Extraordinary Special Education Aid, NJCFS Number 495-034-5120-044, Grant Period 7/1/21-6/30/22.

Criteria or specific requirement:

The Extraordinary Aid (EXAID) application process requires that districts complete one on-line form for each child eligible for aid. EXAID is available for partial reimbursement of expenditures incurred for individual classified pupils attending a school district who are placed in one of three categories and whose Individualized Education Plan (IEP) requires the provision of at least one intensive service.

Condition:

There were instances in which the individual student applications contained errors and/or omissions of information that should have been included in the district prepared EXAID work papers. Incorrect amounts were used for related services, additional support costs and deductions on work papers.

Questioned Costs:

Unknown

Context:

There were instances in which information entered into the individual student applications did not agree to the supporting documentation used to prepare the EXAID work papers.

Effect:

The district is not in compliance with the requirements of the Extraordinary Special Education Aid.

Cause:

The information entered into the on-line form for some of the children eligible for aid did not agree to the supporting documentation used to prepare the EXAID work papers.

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs (Cont.)

STATE AWARDS (continued)

Finding 2022-002, continued

Recommendation:

The district should review the individual student on-line forms prior to final submission of the EXAID application to ensure the forms are complete and the information agrees to the supporting documentation for the work papers prepared.

Management's response:

Prior to final submission of the EXAID application, the on-line forms will be reviewed for completeness and accuracy to ensure the information entered agrees to the district workpapers and supporting documentation.

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Status of Prior Year Findings

None