

*GLEN ROCK PUBLIC SCHOOLS*  
*Glen Rock, New Jersey*

*ANNUAL COMPREHENSIVE*  
*FINANCIAL REPORT*

*FOR THE FISCAL YEAR ENDED*  
*JUNE 30, 2022*



**ANNUAL COMPREHENSIVE**

**FINANCIAL REPORT**

**of the**

**Glen Rock Public Schools**

**Glen Rock, New Jersey**

**For The Fiscal Year Ended June 30, 2022**

**Prepared by**

**Business Office**

**GLEN ROCK PUBLIC SCHOOLS  
TABLE OF CONTENTS**

**Page**

**INTRODUCTORY SECTION**

Letter of Transmittal	i-iv
Organizational Chart	v
Roster of Officials	vi
Consultants and Advisors	vii

**FINANCIAL SECTION**

Independent Auditor's Report	1-3
------------------------------	-----

**REQUIRED SUPPLEMENTARY INFORMATION- PART I**

Management's Discussion and Analysis	4-17
--------------------------------------	------

**Basic Financial Statements**

**A. District-wide Financial Statements**

A-1	Statement of Net Position	18
A-2	Statement of Activities	19

**B. Fund Financial Statements**

*Governmental Funds*

B-1	Balance Sheet	20-21
B-2	Statement of Revenues, Expenditures, and Changes in Fund Balances	22
B-3	Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances With the District-Wide Statements	23

*Proprietary Funds*

B-4	Statement of Net Position	24
B-5	Statement of Revenues, Expenses, and Changes in Net Position	25
B-6	Statement of Cash Flows	26

*Fiduciary Funds – Not Applicable*

<b>Notes to the Financial Statements</b>	27-69
--	-------

**GLEN ROCK PUBLIC SCHOOLS  
TABLE OF CONTENTS**

Page

**REQUIRED SUPPLEMENTARY INFORMATION – PART II**

**C. Budgetary Comparison Schedules**

C-1	General Fund - Budgetary Comparison Schedule	70-75
C-2	Special Revenue Fund - Budgetary Comparison Schedule	76

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART II**

C-3	Budgetary Comparison Schedule – Note to Required Supplementary Information	77
-----	--	----

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**L. Schedules Related to Accounting and Reporting for Pensions and OPEB (GASB 68 and 75)**

L-1	Required Supplementary Information – Schedule of the District’s Proportionate	78
L-2	Required Supplementary Information – Schedule of District Contributions – Public Employees Retirement System	79
L-3	Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Teachers Pension and Annuity Fund	80
L-4	Notes to Required Supplementary Information – Net Pension Liability	81
L-5	Required Supplementary Information – Schedule of Changes in District’s Proportionate Share of Total OPEB Liability	82
L-6	Notes to Required Supplementary Information – OPEB Liability	83

**OTHER SUPPLEMENTARY INFORMATION**

**D. School Level Schedules (Not applicable)**

**E. Special Revenue Fund**

E-1	Combining Schedule of Program Revenues and Expenditures – Budgetary Basis	84-86
E-2	Schedule of Preschool Education Aid Expenditures – Budgetary Basis – N/A	87
E-3	Schedule of Receipts and Disbursements	88

**F. Capital Projects Fund**

F-1	Summary Schedule of Project Expenditures	89
F-2	Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis	90
F-2a-	Schedule of Project Revenues, Expenditures, Project Balance and Project Status –	
F-2b	Budgetary Basis	91-92

**G. Proprietary Funds**

*Enterprise Fund*

G-1	Combining Statement of Net Position – N/A	93
G-2	Combining Statement of Revenues, Expenses and Changes in Fund Net Position – N/A	93
G-3	Combining Statement of Cash Flows – N/A	93



**GLEN ROCK PUBLIC SCHOOLS  
TABLE OF CONTENTS**

**Page**

**H. Fiduciary Funds – Not Applicable**

**I. Long-Term Debt**

I-1	Schedule of Serial Bonds	94
I-2	Schedule of Capital & Other Financing Agreements – Not Applicable	95
I-3	Debt Service Fund – Budgetary Comparison Schedule – Budget and Actual	96

**J. STATISTICAL SECTION (Unaudited)**

**Financial Trends**

J-1	Net Position by Component	97
J-2	Changes in Net Position	98-99
J-3	Fund Balances – Governmental Funds	100
J-4	Changes in Fund Balances – Governmental Funds	101

**Revenue Capacity**

J-5	General Fund Other Local Revenue by Source	102
J-6	Assessed Value and Actual Value of Taxable Property	103
J-7	Direct and Overlapping Property Tax Rates	104
J-8	Principal Property Taxpayers	105
J-9	Property Tax Levies and Collections	106

**Debt Capacity**

J-10	Ratios of Outstanding Debt by Type	107
J-11	Ratios of Net General Bonded Debt Outstanding	108
J-12	Direct and Overlapping Government Activities Debt	109
J-13	Legal Debt Margin Information	110

**Demographic and Economic Information**

J-14	Demographic and Economic Statistics	111
J-15	Principal Employers	112

**Operating Information**

J-16	Full Time Equivalent District Employees by Function/Program	113
J-17	Operating Statistics	114
J-18	School Building Information	115
J-19	Schedule of Required Maintenance for School Facilities	116
J-20	Insurance Schedule	117

**GLEN ROCK PUBLIC SCHOOLS  
TABLE OF CONTENTS**

**Page**

**K. SINGLE AUDIT SECTION**

K-1	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards – Independent Auditor’s Report	118-119
K-2	Report on Compliance for each Major Federal and State Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance as Required by New Jersey OMB Circular 15-08	120-122
K-3	Schedule of Expenditures of Federal Awards	123
K-4	Schedule of Expenditures of State Financial Assistance	124
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	125-126
K-6	Schedule of Findings and Questioned Costs – Part 1 – Summary of Auditor’s Results	127-128
K-6	Schedule of Findings and Questioned Costs – Part 2 – Schedule of Financial Statement Findings	129
K-6	Schedule of Findings and Questioned Costs – Part 3 – Schedule of Federal and State Award Findings and Questioned Costs	130
K-7	Summary Schedule of Prior Year Findings	131

## **INTRODUCTORY SECTION**

# GLEN ROCK PUBLIC SCHOOLS

Michael Rinderknecht  
Business Administrator/  
Board Secretary



620 Harristown Road  
Glen Rock, NJ 07452-2398  
(201) 445-7700 Ext. 8942  
Fax (201) 389-5019

January 25, 2023

Honorable President and  
Members of the Board of Education  
Glen Rock Public Schools  
County of Bergen  
Glen Rock, New Jersey

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

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and required supplementary information, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and State Treasury Circular OMB 15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws, regulations, findings and recommendations, are included in the single audit section of this report.

**1. REPORTING ENTITY AND ITS SERVICES:** The Glen Rock Public Schools is an independent reporting entity within the criteria adopted by the GASB. All funds of the District are included in this report. The Glen Rock Board of Education and all its schools constitute the District's reporting entity.

The school district provides a full range of educational services to grade levels K through 12 for the students residing in the Borough of Glen Rock. These include regular as well as special education for special needs students. The District completed the 2021-2022 fiscal year with an enrollment of 2,551 resident students, which is 21 more 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>Student Enrollment</u>	<u>Percent Change</u>
2021-22	2,551	.83%
2020-21	2,530	(1.25%)
2019-20	2,562	1.00%
2018-19	2,539	(.16%)
2017-18	2,543	1.92%
2016-17	2,495	1.34%
2015-16	2,462	.90%
2014-15	2,440	.58%
2013-14	2,426	1.04%
2012-13	2,401	(1.72%)

**2. ECONOMIC CONDITION AND OUTLOOK:** The Glen Rock community consists of over 3,800 single family residences. There are approximately 55 businesses located within a small central business district that prosper despite the abundance of magnet shopping malls in the area.

**3. MAJOR INITIATIVES:** Throughout its history, the Glen Rock community has always placed a very high value on education; it is the foundation upon which the borough was built. In the late 1800s when the state of New Jersey mandated consolidation of school districts, local activists - concerned about the impact this would have on the education of their children - went door to door with a petition to create their own school district. The cosmopolitan town of Glen Rock, situated 23 miles west of New York City, and the only Bergen County town to have two NJ Transit train lines, was established September 14, 1894. Glen Rock's current population hovers at 12,000.

Currently, the public school system consists of six schools serving a population of over 2,600 students in grades K-12. The original Ridgewood-Grove School, which still stands as part of a private residence, has been replaced by four elementary schools - Richard E. Byrd, Central, Clara E. Coleman and Alexander Hamilton - plus Glen Rock Middle School and Glen Rock High School.

The Glen Rock School District founded on principles of education, in partnership with a supportive community, provides an exceptional education to all students to cultivate resilient, responsible and engaged global citizens based on the New Jersey Student Learning Standards. The board of education and staff join with parents to promote self-discipline, motivation, academic excellence to achieve its ultimate goal, which is to assist all children develop into independent, self-sufficient and productive adults who will succeed and contribute responsibly to the global community.

The school district employs a fully staffed Child Study Team whose members work cooperatively with families to determine the most effective combination of programs and services beginning as early as pre-kindergarten, to meet the unique needs of all students. Highly trained reading specialists and counselors are available in every elementary school to work with classroom teachers and parents to evaluate and provide support to students. A program of academic advancement and enrichment is available across the district for qualifying students and is designed to expose them to a variety of experiences and disciplines, while challenging them to reach their greatest potential.

The K-12 Guidance Department offers well-rounded advisement that includes a character education component, career panels, college fairs, and the traditional post-secondary advisement and counseling. Glen Rock High School is home to a premier sports facility. The district offers an array of athletic sports and extracurricular clubs and activities for students across grade levels.

Partnerships for dual enrollment exist with Bergen Community College, Fairleigh Dickinson University, Seton Hall University and Rutgers University. Initiatives include nationally recognized STEEM (Science, Technology, Engineering, Entrepreneurship & Mathematics) program, & Standards-Based Report Cards. The district also maintains a working relationship with the Glen Rock Arboretum where students engage in hands-on authentic science workshops.

Our Security Director serves as the School Safety Specialist in coordinating and maintaining a comprehensive security/school safety program as well as implementing programs and activities to reduce school violence. The district is implementing initiatives that enhance the safety, health and wellbeing of our staff and students, thus enabling every student to achieve their fullest potential as lifetime learners.

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

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

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

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

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

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

**7. CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Notes 1 and 2. The District has adopted a cash management plan which requires it to deposit funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where funds are secured in accordance with the Act.

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

**9. OTHER INFORMATION:**

**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Bliss, LLP was appointed by 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 related State Treasury Circular OMB 15-08. The auditor's report on the basic financial statements and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

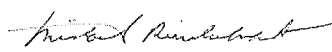
**10. AWARDS AND ACKNOWLEDGMENTS:** The Association of School Business Officials (ASBO) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Glen Rock Board of Education for its comprehensive annual financial report (CAFR) for the fiscal years ending June 30, 2008, June 30, 2009 and June 30, 2010. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

Respectfully submitted,

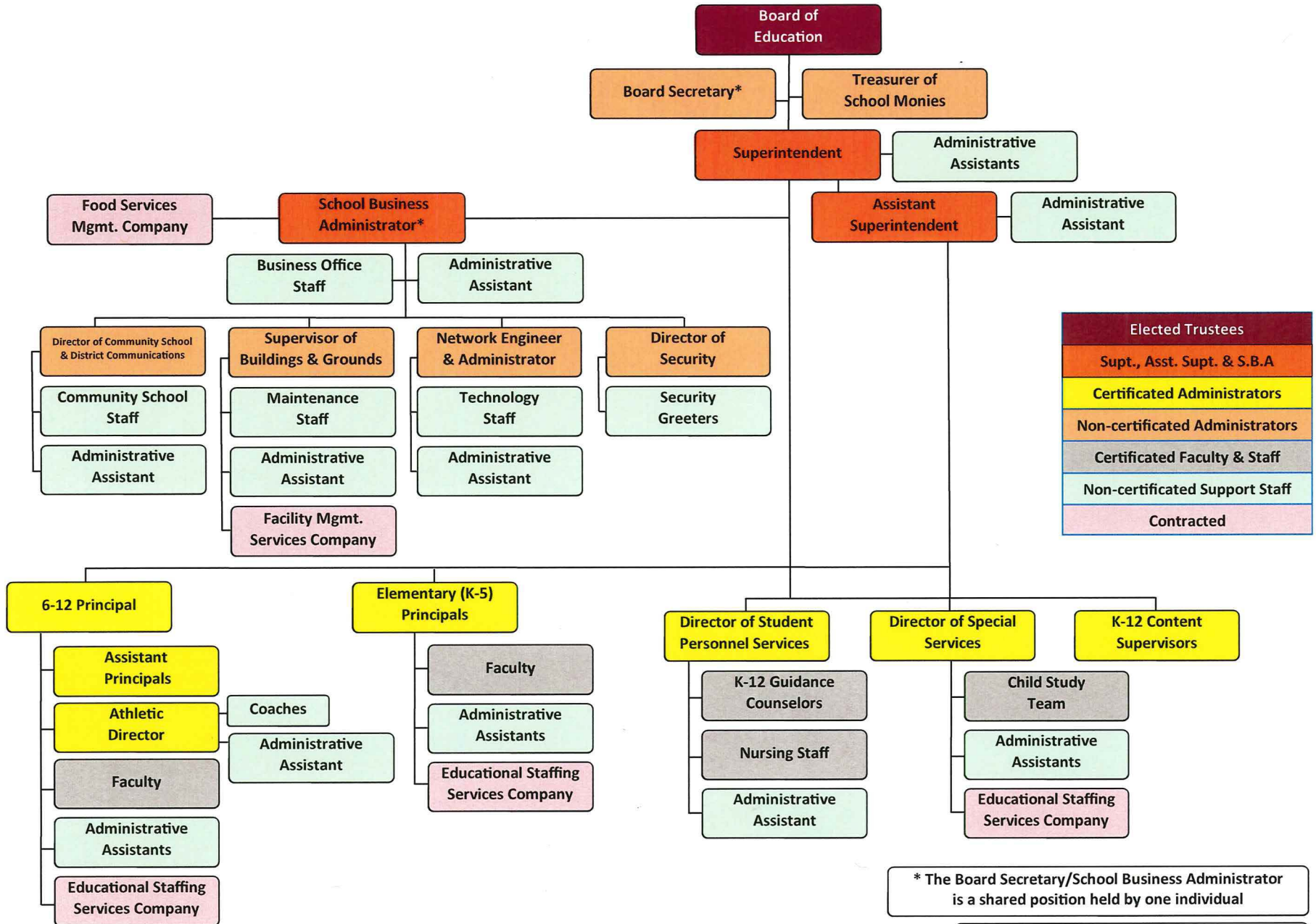
  
Brett Charleston

Superintendent of Schools

  
Michael Rinderknecht

School Business Administrator/Board Secretary

# Glen Rock Public Schools District Organizational Chart



Elected Trustees
Supt., Asst. Supt. & S.B.A
Certificated Administrators
Non-certificated Administrators
Certificated Faculty & Staff
Non-certificated Support Staff
Contracted

\* The Board Secretary/School Business Administrator is a shared position held by one individual

Approved by the Glen Rock Board of Education  
January 4, 2021



# GLEN ROCK PUBLIC SCHOOLS

Michael Rinderknecht  
Business Administrator/  
Board Secretary



620 Harristown Road  
Glen Rock, NJ 07452-2398  
(201) 445-7700 Ext. 8942  
Fax (201) 389-5019

## GLEN ROCK BOARD OF EDUCATION GLEN ROCK, NJ

### Roster of Officials 2022

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Ms. Sinead Rundell, President	2022
Ms. Sharon Scarpelli, Vice President	2024
Dr. Kevin Brennan	2022
Mr. Edmund Hayward	2023
Ms. Rona McNabola	2023
Dr. Angela Pucci-Bender	2022
Dr. Damali Robinson	2023
Mr. Daniel Corey	2024
Ms. Karyn Stephenson	2024

### Other Officials

Dr. Brett Charleston, Superintendent of Schools

Mr. Gregory Van Nest, Asst. Superintendent

Michael Rinderknecht, Business Administrator/Board Secretary

Antoinette Kelly, Treasurer of School Monies

**GLEN ROCK PUBLIC SCHOOLS**

**Consultants & Advisors**

**June 30, 2022**

**District Auditor**

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

**Attorney**

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

**Official Depositories**

Bank of America  
208 Harristown Road  
Glen Rock, NJ 07452

**FINANCIAL SECTION**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

## INDEPENDENT AUDITOR’S REPORT

Honorable President and Members  
of the Board of Trustees  
Glen Rock Public School District  
Glen Rock, New Jersey

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

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund of the Glen Rock Public Schools, as of and for the fiscal year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Board of Education’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund of the Glen Rock Public Schools as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

#### *Responsibilities of Management for the Financial Statements*

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

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

## ***Auditor's Responsibilities for the Audit of Financial Statements***

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Glen Rock Public Schools' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Glen Rock Public Schools' ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

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



### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Glen Rock Public Schools' basic financial statements. The accompanying schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Glen Rock Public Schools. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

### ***Other Information***

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


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

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

In accordance with Government Auditing Standards, we have also issued our report dated January 25, 2023 on our consideration of the Glen Rock Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Glen Rock Public Schools' 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 Glen Rock Public Schools' internal control over financial reporting and compliance.



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



Paul J. Lerch  
Public School Accountant  
PSA Number CS01118

Fair Lawn, New Jersey  
January 25, 2023

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**GLEN ROCK PUBLIC SCHOOLS  
GLEN ROCK, NEW JERSEY**

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

This discussion and analysis of the Glen Rock Public School's financial performance provides an overview of its financial activities for the fiscal year ended June 30, 2022. The intent of this is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and the notes to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for 2022 are as follows:

- District-Wide - Overall revenues were \$70,493,183. General revenues accounted for \$52,659,291 or 75 percent of all revenues. Program specific revenues in the form of charges for services, grants and contributions and capital grants accounted for \$17,833,892 or 25 percent of total revenues of \$70,493,183.
- District-Wide - The School District had \$64,946,302 in expenses; only \$17,833,892 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$52,659,291 were adequate to provide for these programs.
- Fund Financials - As of the close of the current fiscal year, the Glen Rock Public School's governmental funds reported combined ending fund balances of \$18,264,146 an increase of \$1,324,193 in comparison with the prior year.
- Fund Financials - At the end of June 30, 2022, unassigned fund balance for the General Fund was \$1,698,878 an increase of \$118,987 in comparison with the prior year.



**GLEN ROCK PUBLIC SCHOOLS  
GLEN ROCK, NEW JERSEY**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The financial section of the annual report consists of four parts – Independent Auditor’s Report, required supplementary information which includes the management’s discussion and analysis (this section), the district-wide financial statements, fund financial statements and notes to the financial statements.

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

Table A-1 summarizes the major features of the Glen Rock Public School’s financial statements, including the portion of the Glen Rock Public School’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights the structure and contents of each of the statements.

**GLEN ROCK PUBLIC SCHOOLS  
GLEN ROCK, NEW JERSEY**

**OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**

**Table A-1** Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Fund Net Position and Statement of Cash Flows
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset, deferred outflows/inflows of resources and liability information	All assets, deferred outflows/inflows of resources and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflow/inflows of resources and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.

**District-wide Statements**

**District-wide.** The *District-wide financial statements* are designed to provide readers with a broad overview of the Glen Rock Public School’s finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Glen Rock Public School’s assets, deferred outflows/inflows of resources and liabilities, with the difference 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 District is improving or deteriorating. However, when assessing the overall health of the District, you need to consider additional non-financial factors, such as changes in the District’s property tax base and the condition of the school buildings and other facilities.

**GLEN ROCK PUBLIC SCHOOLS  
GLEN ROCK, NEW JERSEY**

**OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**

**District-wide Statements (Continued)**

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*.

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

- *Governmental activities*- Most of the District's basic services are included here, such as regular and special education, transportation, maintenance and administration services. Property taxes and state aids finance most of these activities.
- *Business-type activities*- The District charges fees to customers to help it cover the costs of the District's Food Service and the Community School which includes Before and After School Care, Adult Education, Summer Camp, Tots Program and Transitional Kindergarten Programs.

**Fund Financial Statements**

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

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

The District has two kinds of funds:

**Governmental Funds.** The District's basic services are included in the governmental funds, which generally focus on near-term inflows and outflows of spendable resources and the balances of spendable resources at year-end. Consequently, the governmental fund statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide a reconciliation at the bottom of the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances to facilitate this comparison between governmental funds and governmental activities.

The District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and Debt Service Fund. A budgetary comparison statement has been provided for the General Fund, Special Revenue Fund and Debt Service Fund.

**GLEN ROCK PUBLIC SCHOOLS  
GLEN ROCK, NEW JERSEY**

**OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**

**Fund Financial Statements (Continued)**

**Proprietary Funds.** The District maintains one type of Proprietary Fund, an Enterprise Fund, which is used to report the activity of the Food Service and Community School. Proprietary Funds provide the same type of information as the district-wide financial statements and is presented as business-type activities in the district-wide financial statements.

**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.

**DISTRICT-WIDE FINANCIAL ANALYSIS OF THE GLEN ROCK PUBLIC SCHOOL DISTRICT AS A WHOLE**

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

Table A-2 provides a summary of the school district's net position for fiscal years 2022 and 2021. For 2022 and 2021, net position were \$17,759,845 and \$12,212,964, respectively.

A portion of the District's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide regular and special education, transportation, maintenance and administration services. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**GLEN ROCK PUBLIC SCHOOLS  
GLEN ROCK, NEW JERSEY**

**DISTRICT-WIDE FINANCIAL ANALYSIS OF THE GLEN ROCK PUBLIC SCHOOL  
DISTRICT AS A WHOLE (Continued)**

Table A-2  
Statement of Net Position  
As of June 30, 2022 and 2021

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Assets</b>						
Current and Other Assets	\$ 19,907,258	\$ 17,373,039	\$ 1,056,755	\$ 641,282	\$ 20,964,013	\$ 18,014,321
Capital Assets	51,770,241	52,139,681	23,109	19,109	51,793,350	52,158,790
<b>Total Assets</b>	<u>71,677,499</u>	<u>69,512,720</u>	<u>1,079,864</u>	<u>660,391</u>	<u>72,757,363</u>	<u>70,173,111</u>
<b>Deferred Outflows of Resources</b>						
Deferred Amounts on Refunding of Debt	1,844,394	2,126,891	-	-	1,844,394	2,126,891
Deferred Amounts on Net Pension Liability	309,213	541,318	-	-	309,213	541,318
<b>Total Deferred Outflows of Resources</b>	<u>2,153,607</u>	<u>2,668,209</u>	<u>-</u>	<u>-</u>	<u>2,153,607</u>	<u>2,668,209</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>73,831,106</u>	<u>72,180,929</u>	<u>1,079,864</u>	<u>660,391</u>	<u>74,910,970</u>	<u>72,841,320</u>
<b>Liabilities</b>						
Current Liabilities	2,221,389	1,025,995	518,733	401,162	2,740,122	1,427,157
Non-Current Liabilities	50,684,067	55,386,648	-	-	50,684,067	55,386,648
<b>Total Liabilities</b>	<u>52,905,456</u>	<u>56,412,643</u>	<u>518,733</u>	<u>401,162</u>	<u>53,424,189</u>	<u>56,813,805</u>
<b>Deferred Amounts on Net Pension Liability</b>	<u>3,726,936</u>	<u>3,814,551</u>	<u>-</u>	<u>-</u>	<u>3,726,936</u>	<u>3,814,551</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>56,632,392</u>	<u>60,227,194</u>	<u>518,733</u>	<u>401,162</u>	<u>57,151,125</u>	<u>60,628,356</u>
<b>Net Position:</b>						
Net Investment in Capital Assets	12,225,242	11,030,531	23,109	19,109	12,248,351	11,049,640
Restricted	9,173,666	7,189,612			9,173,666	7,189,612
Unrestricted	(4,200,194)	(6,266,408)	538,022	240,120	(3,662,172)	(6,026,288)
<b>Total Net Position</b>	<u>\$ 17,198,714</u>	<u>\$ 11,953,735</u>	<u>\$ 561,131</u>	<u>\$ 259,229</u>	<u>\$ 17,759,845</u>	<u>\$ 12,212,964</u>

**GLEN ROCK PUBLIC SCHOOLS  
GLEN ROCK, NEW JERSEY**

**DISTRICT-WIDE FINANCIAL ANALYSIS OF THE GLEN ROCK PUBLIC SCHOOL  
DISTRICT AS A WHOLE (Continued)**

**Governmental activities.** Governmental activities increased the District's net position by \$5,244,979. Key elements of this increase are as follows:

**Table A-3  
Changes in Net Position  
For the Fiscal Years Ended June 30, 2022 and 2021**

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 1,305,875	\$ 288,803	\$ 2,087,345	\$ 405,994	\$ 3,393,220	\$ 694,797
Operating Grants and Contributions	13,771,644	18,700,643			13,771,644	18,700,643
Capital Grants and Contributions	669,028	306,625			669,028	306,625
General Revenues						
Property Taxes	50,908,812	50,804,471			50,908,812	50,804,471
Other	1,750,479	1,413,687	-	-	1,750,479	1,413,687
<b>Total Revenues</b>	<u>68,405,838</u>	<u>71,514,229</u>	<u>2,087,345</u>	<u>405,994</u>	<u>70,493,183</u>	<u>71,920,223</u>
<b>Expenses</b>						
Instruction						
Regular	24,893,668	28,634,338			24,893,668	28,634,338
Special Education	9,275,230	9,174,829			9,275,230	9,174,829
Other Instruction	1,238,191	1,492,768			1,238,191	1,492,768
School Sponsored Activities and Ath.	2,310,718	2,173,443			2,310,718	2,173,443
Support Services						
Student and Instruction Related Serv.	8,980,232	9,305,545			8,980,232	9,305,545
Educational Media/School Library	868,046	1,099,704			868,046	1,099,704
General Administrative Services	1,906,867	1,791,092			1,906,867	1,791,092
School Administrative Services	3,838,835	4,526,247			3,838,835	4,526,247
Plant Operations and Maintenance	5,631,429	5,137,656			5,631,429	5,137,656
Pupil Transportation	1,093,906	808,990			1,093,906	808,990
Central Services	1,663,878	1,643,263			1,663,878	1,643,263
Scholarship Awards	3,900	6,400			3,900	6,400
Food Service			637,557	14,080	637,557	14,080
Community School			1,147,886	620,571	1,147,886	620,571
Interest on Long-Term Debt	1,455,959	1,511,780	-	-	1,455,959	1,511,780
<b>Total Expenses</b>	<u>63,160,859</u>	<u>67,306,055</u>	<u>1,785,443</u>	<u>634,651</u>	<u>64,946,302</u>	<u>67,940,706</u>
Change in Net Position Before Transfers	5,244,979	4,208,174	301,902	(228,657)	5,546,881	3,979,517
Transfers	-	100,000	-	(100,000)	-	-
Net Position, Beginning of Year	<u>11,953,735</u>	<u>7,645,561</u>	<u>259,229</u>	<u>587,886</u>	<u>12,212,964</u>	<u>8,233,447</u>
Net Position, End of Year	<u>\$ 17,198,714</u>	<u>\$ 11,953,735</u>	<u>\$ 561,131</u>	<u>\$ 259,229</u>	<u>\$ 17,759,845</u>	<u>\$ 12,212,964</u>

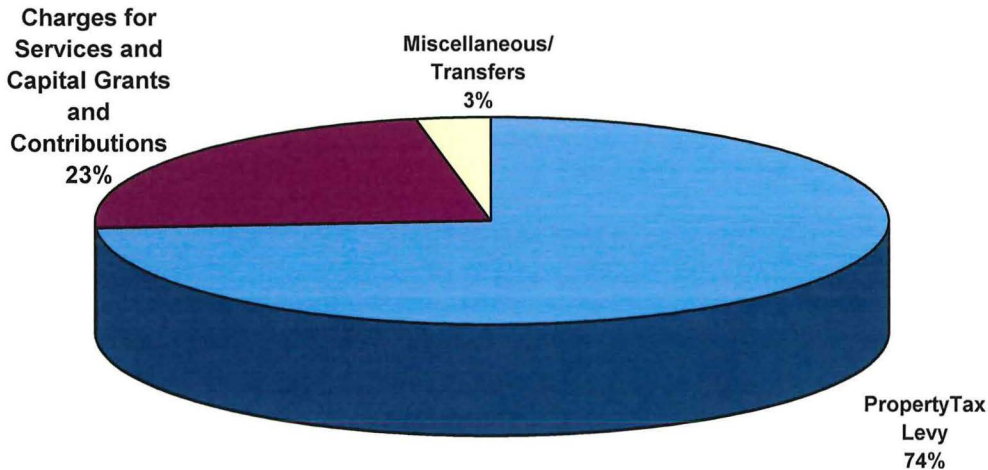
**GLEN ROCK PUBLIC SCHOOLS  
GLEN ROCK, NEW JERSEY**

**DISTRICT-WIDE FINANCIAL ANALYSIS OF THE GLEN ROCK PUBLIC SCHOOL DISTRICT AS A WHOLE (Continued)**

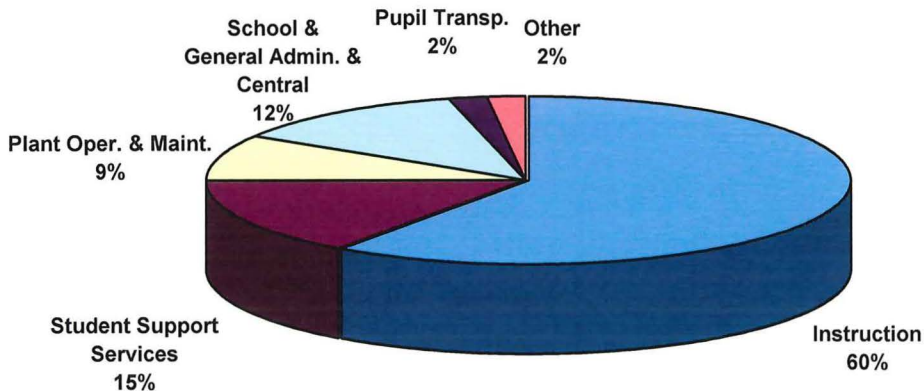
**Governmental activities.** The District's total governmental activities revenues were \$68,405,838. The local share of the revenues, that included property taxes, state aid, state aid restricted for debt service, miscellaneous revenue and transfers amounted to \$52,659,291 or 77% of total revenues. Funding from state, federal sources charges for services and capital grants and contributions amounted to \$15,746,547 or 23%. (See Table A-3)

The District's total governmental expenses were \$63,160,859 which are predominantly related to instruction and support services. Instruction totaled \$37,717,807 (60%), student support services totaled \$23,987,093 (38%) and interest on long-term debt totaled \$1,455,959 (2%) of total expenses. (See Table A-3.)

Revenues by Source- Governmental Activities  
For Fiscal Year 2022



Expenses by Type- Governmental Activities  
For Fiscal Year 2022



**GLEN ROCK PUBLIC SCHOOLS  
GLEN ROCK, NEW JERSEY  
DISTRICT-WIDE FINANCIAL ANALYSIS OF THE GLEN ROCK PUBLIC SCHOOL  
DISTRICT AS A WHOLE (Continued)**

**Table A-4  
Total and Net Cost of Governmental Activities  
For the Fiscal Years Ended June 30, 2022 and 2021**

<u>Functions/Programs</u>	<u>Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Governmental Activities				
Instruction				
Regular	\$ 24,893,668	\$ 28,634,338	\$ 19,286,841	\$ 20,448,136
Special Education	9,275,230	9,174,829	4,343,015	4,808,425
Other Instruction	1,238,191	1,492,768	931,564	981,100
School Sponsored Activities and Athletics	2,310,718	2,173,443	871,278	816,315
Support Services				
Student and Instruction Related Svcs.	8,980,232	9,305,545	7,314,829	7,137,470
Educational Media/School Library	868,046	1,099,704	702,891	803,344
General Administrative Services	1,906,867	1,791,092	1,654,126	1,389,850
School Administrative Services	3,838,835	4,526,247	3,054,616	3,216,000
Plant Operations and Maintenance	5,631,429	5,137,656	5,301,762	4,692,422
Pupil Transportation	1,093,906	808,990	953,686	671,375
Central Services	1,663,878	1,643,263	1,539,845	1,527,367
Scholarship Awards	3,900	6,400	3,900	6,400
Interest on Long-Term Debt	<u>1,455,959</u>	<u>1,511,780</u>	<u>1,455,959</u>	<u>1,511,780</u>
Total Governmental Activities	<u>\$ 63,160,859</u>	<u>\$ 67,306,055</u>	<u>\$ 47,414,312</u>	<u>\$ 48,009,984</u>

**Business-Type Activities**

The cost of Business-Type Activities for the fiscal year ended June 30, 2022 was \$1,785,443. These costs were funded by charges for services (Detailed on Table A-3). The operations resulted in an increase in net position of \$301,902. The District's Business-Type Activities were restored from the Pandemic which resulted in an increase in net position for June 30, 2022.



**GLEN ROCK PUBLIC SCHOOLS  
GLEN ROCK, NEW JERSEY**

**Business-Type Activities (Continued)**

Revenues for the District's business-type activities (food service and community school-after school child care programs) were comprised of charges for services.

Food Service Program

- Food service expenditures exceeded revenues by \$1,892.
- Charges for services represent 100% of operating revenue.
- Revenues include lunches and ala carte meals paid for by the students and District staff.

Community School – Before and After Child Care

- Community School revenues exceeded expenses by \$303,794.
- Charges for services represent 100% of operating revenue.
- Revenues include tuition for Community School classes and child care programs.

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

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

As the District completed the 2021-2022 year, its governmental funds reported a combined fund balance of \$18,264,146. June 30, 2021 fund balance was \$16,939,953.

**The District's Funds**

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$71,392,131 and expenditures were \$70,067,938.

**GLEN ROCK PUBLIC SCHOOLS  
GLEN ROCK, NEW JERSEY**

**The District's Funds (Continued)**

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound fiscal management. The following schedule presents a summary of the governmental fund revenues for the fiscal years ended June 30, 2022 and 2021.

	<b>Fiscal Year Ended <u>June 30, 2022</u></b>	<b>Fiscal Year Ended <u>June 30, 2021</u></b>	<b>Amount of Increase <u>(Decrease)</u></b>	<b>Percent Change</b>
Local Sources	\$ 52,830,384	\$ 52,398,258	\$ 432,126	0.82%
State Sources	16,829,608	12,922,222	3,907,386	30.24%
Federal Sources	<u>1,732,139</u>	<u>1,012,127</u>	<u>720,012</u>	71.14%
 Total Revenues	 <u>\$ 71,392,131</u>	 <u>\$ 66,332,607</u>	 <u>\$ 5,059,524</u>	 7.6%

The following schedule represents a summary of general fund, special revenue fund, capital projects fund, and debt service fund expenditures for the fiscal year ended June 30, 2022 and 2021.

	<b>Fiscal Year Ended <u>June 30, 2022</u></b>	<b>Fiscal Year Ended <u>June 30, 2021</u></b>	<b>Amount of Increase <u>(Decrease)</u></b>	<b>Percent Change</b>
Instruction	\$ 38,735,150	\$ 36,038,688	\$ 2,696,462	7.48%
Support Services and Undistributed	23,988,244	21,853,310	2,134,934	9.77%
Capital Outlay	3,080,784	6,492,909	(3,412,125)	-52.55%
Debt Service				
Principal	2,608,000	1,690,000	918,000	54.32%
Interest and Other Charges	<u>1,655,760</u>	<u>1,913,179</u>	<u>(257,419)</u>	-13.46%
 Total Expenditures	 <u>\$ 70,067,938</u>	 <u>\$ 67,988,086</u>	 <u>\$ 2,079,852</u>	 3.1%

**GLEN ROCK PUBLIC SCHOOLS  
GLEN ROCK, NEW JERSEY**

**General Fund Budgetary Highlights**

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

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to recognize additional special education costs related to out of District placements that were not anticipated and to prevent overexpenditures in specific line item accounts.

**Capital Assets.** The Glen Rock Public School’s investment in capital assets for its governmental and business type activities as of June 30, 2022 and June 30, 2021 amounts to \$51,793,350 and \$52,158,790, respectively, (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and building improvements, and machinery and equipment.

**Table A-5  
Capital Assets  
(net of accumulated depreciation) at June 30, 2022 and 2021**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 12,022	\$ 12,022			\$ 12,022	\$ 12,022
Construction In Progress	13,065,310	10,322,548			13,065,310	10,322,548
Land Improvements	4,020,328	4,020,328			4,020,328	4,020,328
Buildings and Building Improvements	70,200,148	70,121,476			70,200,148	70,121,476
Machinery and Equipment	5,305,241	5,045,891	\$ 187,225	\$ 177,154	5,492,466	5,223,045
<b>Total</b>	<b>92,603,049</b>	<b>89,522,265</b>	<b>187,225</b>	<b>177,154</b>	<b>92,790,274</b>	<b>89,699,419</b>
Less: Accumulated Depreciation	<u>40,832,808</u>	<u>37,382,584</u>	<u>164,116</u>	<u>158,045</u>	<u>40,996,924</u>	<u>37,540,629</u>
<b>Total</b>	<b><u>\$ 51,770,241</u></b>	<b><u>\$ 52,139,681</u></b>	<b><u>\$ 23,109</u></b>	<b><u>\$ 19,109</u></b>	<b><u>\$ 51,793,350</u></b>	<b><u>\$ 52,158,790</u></b>

Additional information on Glen Rock Public Schools’ capital assets can be found in the notes of this report.

**GLEN ROCK PUBLIC SCHOOLS  
GLEN ROCK, NEW JERSEY**

**Debt Administration.** As of June 30, 2022 the school district had long-term debt and outstanding long-term liabilities in the amount of \$50,684,067 as stated in Table A-6.

**Table A-6  
Long-Term Debt  
Outstanding Long-Term Liabilities**

	<u>2022</u>	<u>2021</u>
Serial Bonds Including Premium	\$ 44,753,349	\$ 47,829,015
Net Pension Liability	4,776,629	6,381,192
Compensated Absences Payable	<u>1,154,089</u>	<u>1,176,441</u>
 Total	 <u>\$ 50,684,067</u>	 <u>\$ 55,386,648</u>

Additional information on Glen Rock Public School’s long-term debt can be found in the notes of this report.

Standard & Poor’s Financial Service has assigned an AA+ enhanced rating to the Glen Rock Public School’s \$32,910,000 (2016) and \$14,718,000 (2019) General Obligation School Bonds. These bonds are secured by New Jersey’s Chapter 72 program. The AA+ rating on this issue reflects: Chapter 72’s highly liquid reserve that by statute is perpetually sized at 1.5% of New Jersey school district related indebtedness; significant ability to regenerate the fund in the case of a draw; and, Moody’s anticipation that program mechanics will govern timely bond repayment in the case of a defaulting issuer. Additional information on this program follows:

**CHAPTER 72 IS A CONSTITUTIONALLY CREATED FUND LOCATED IN THE STATE’S FUND FOR SUPPORT OF FREE PUBLIC SCHOOLS**

The Chapter 72 reserves, authorized in 1980 (NJ 18A:56-19), to make scheduled debt service payments for a defaulting issuer are carved from the State of New Jersey’s larger constitutionally created Fund for Support of Free Public Schools. Chapter 72 assets currently valued at \$62 million are recalculated annually, to comply with the statutory requirement that the reserve equal exactly 1.5% of the \$4.1 billion of outstanding school related debt. Currently, Chapter 72 assets comprise 41% of the Fund.

**GLEN ROCK PUBLIC SCHOOLS  
GLEN ROCK, NEW JERSEY**

**FOR THE FUTURE**

While many factors influence the District's future, the availability of funding for special education needs and our economy will have the most impact on educational and fiscal decisions in the future.

Currently, the District is in superior financial condition. Everyone associated with the Glen Rock Board of Education is grateful for the community support of the schools, as evidenced by the successful passage of the District's March 12, 2019 referendum initiative. Student enrollment growth at the elementary schools continues to be an area of concern. The District is confident that the referendum building program will address overcrowding issues at the High School/Middle School facility and address numerous maintenance related infrastructure improvements at all of the District's schools. In the future, an environment of minimal state aid support and continued increases in New Jersey State mandates will result in a difficult balance of utilizing current district resources without comprising educational programs.

In conclusion, the Glen Rock School District has committed itself to financial excellence for many years. Its system for financial planning, budgeting, and internal financial controls is audited annually and it plans to continue to manage its finances in order to meet the many financial challenges ahead.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

If you have questions about this report or need additional information, contact the School Business Administrator at the Glen Rock Public Schools, 620 Harristown Road, Glen Rock, NJ 07452.

## **BASIC FINANCIAL STATEMENTS**

**GLEN ROCK PUBLIC SCHOOLS**  
**STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2022**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 17,504,234	\$ 2,144,441	\$ 19,648,675
Receivables, net	1,308,611		1,308,611
Internal Balances	1,094,413	(1,094,413)	-
Inventory		6,727	6,727
Capital Assets, net			
Not Being Depreciated	13,077,332		13,077,332
Being Depreciated	<u>38,692,909</u>	<u>23,109</u>	<u>38,716,018</u>
Total Assets	<u>71,677,499</u>	<u>1,079,864</u>	<u>72,757,363</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amounts on Refunding of Debt	1,844,394		1,844,394
Deferred Amounts on Net Pension Liability	<u>309,213</u>	<u>-</u>	<u>309,213</u>
Total Deferred Outflows of Resources	<u>2,153,607</u>	<u>-</u>	<u>2,153,607</u>
Total Assets and Deferred Outflows of Resources	<u>73,831,106</u>	<u>1,079,864</u>	<u>74,910,970</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Liabilities	1,596,184	33,598	1,629,782
Unearned Revenue	3,221	485,135	488,356
Accrued Interest Payable	578,277		578,277
Payable to Other Governments	43,707		43,707
Noncurrent Liabilities			
Due Within One Year	2,790,000		2,790,000
Due Beyond One Year	<u>47,894,067</u>	<u>-</u>	<u>47,894,067</u>
Total Liabilities	<u>52,905,456</u>	<u>518,733</u>	<u>53,424,189</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Amounts on Net Pension Liability	<u>3,726,936</u>	<u>-</u>	<u>3,726,936</u>
Total Liabilities and Deferred Inflows of Resources	<u>56,632,392</u>	<u>518,733</u>	<u>57,151,125</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	12,225,242	23,109	12,248,351
Restricted for			
Capital Projects	7,837,981		7,837,981
Other Purposes	1,335,685		1,335,685
Unrestricted	<u>(4,200,194)</u>	<u>538,022</u>	<u>(3,662,172)</u>
Total Net Position	<u>\$ 17,198,714</u>	<u>\$ 561,131</u>	<u>\$ 17,759,845</u>

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

**GLEN ROCK PUBLIC SCHOOLS  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
<b>Governmental Activities</b>							
Instruction							
Regular	\$ 24,893,668	\$ 98,476	\$ 4,839,323	\$ 669,028	\$ (19,286,841)		\$ (19,286,841)
Special Education	9,275,230		4,932,215		(4,343,015)		(4,343,015)
Other Instruction	1,238,191		306,627		(931,564)		(931,564)
School Sponsored Activities and Athletics	2,310,718	1,207,399	232,041		(871,278)		(871,278)
Support Services							
Student and Instruction Related Services	8,980,232		1,665,403		(7,314,829)		(7,314,829)
Educational Media/School Library	868,046		165,155		(702,891)		(702,891)
General Administrative Services	1,906,867		252,741		(1,654,126)		(1,654,126)
School Administrative Services	3,838,835		784,219		(3,054,616)		(3,054,616)
Plant Operations and Maintenance	5,631,429		329,667		(5,301,762)		(5,301,762)
Pupil Transportation	1,093,906		140,220		(953,686)		(953,686)
Central Services	1,663,878		124,033		(1,539,845)		(1,539,845)
Scholarship Awards	3,900				(3,900)		(3,900)
Interest on Long-Term Debt	1,455,959	-	-	-	(1,455,959)	-	(1,455,959)
<b>Total Governmental Activities</b>	<b>63,160,859</b>	<b>1,305,875</b>	<b>13,771,644</b>	<b>669,028</b>	<b>(47,414,312)</b>	<b>-</b>	<b>(47,414,312)</b>
<b>Business-Type Activities</b>							
Food Service	637,557	635,665				\$ (1,892)	(1,892)
Community School	1,147,886	1,451,680	-	-	-	303,794	303,794
<b>Total Business-Type Activities</b>	<b>1,785,443</b>	<b>2,087,345</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>301,902</b>	<b>301,902</b>
<b>Total Primary Government</b>	<b>\$ 64,946,302</b>	<b>\$ 3,393,220</b>	<b>\$ 13,771,644</b>	<b>\$ 669,028</b>	<b>(47,414,312)</b>	<b>301,902</b>	<b>(47,112,410)</b>
<b>General Revenues and Transfers</b>							
Taxes:							
Property Taxes, Levied for General Purposes, Net					48,965,861		48,965,861
Property Taxes Levied for Debt Service					1,942,951		1,942,951
State Aid Restricted for Debt Service					1,136,782		1,136,782
Miscellaneous Income					613,697	-	613,697
<b>Total General Revenues and Transfers</b>					<b>52,659,291</b>	<b>-</b>	<b>52,659,291</b>
<b>Change in Net Position</b>					<b>5,244,979</b>	<b>301,902</b>	<b>5,546,881</b>
<b>Net Position, Beginning of Year</b>					<b>11,953,735</b>	<b>259,229</b>	<b>12,212,964</b>
<b>Net Position, End of Year</b>					<b>\$ 17,198,714</b>	<b>\$ 561,131</b>	<b>\$ 17,759,845</b>

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



**FUND FINANCIAL STATEMENTS**

**GLEN ROCK PUBLIC SCHOOLS**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**AS OF JUNE 30, 2022**

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 11,491,865	\$ 561,104	\$ 5,451,265		\$ 17,504,234
Receivables from Other Governments	152,875	1,155,736			1,308,611
Due from Other Funds	1,576,448	-	-	-	1,576,448
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	\$ 13,221,188	\$ 1,716,840	\$ 5,451,265	\$ -	\$ 20,389,293
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts Payable and Other Liabilities	\$ 127,428	\$ 629,994	\$ 541,971		\$ 1,299,393
Due to Other Funds		482,035			482,035
Payable to State Government		43,700			43,700
Payable to Federal Government		7			7
Payroll Deductions and Withholdings	296,791				296,791
Unearned Revenue	3,221	-	-	-	3,221
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	427,440	1,155,736	541,971	-	2,125,147
Fund Balances					
Restricted:					
Excess Surplus	1,521,184				1,521,184
Excess Surplus- Designated					
for Subsequent Year's Expenditures	1,798,759				1,798,759
Capital Reserve	1,638,130				1,638,130
Capital Reserve- Designated					
for Subsequent Year's Expenditures	4,654,513				4,654,513
Emergency Reserve	209,496				209,496
Capital Projects			4,909,294		4,909,294
Unemployment Compensation Reserve	774,581				774,581
Student Activities/Athletics		474,776			474,776
Scholarship Awards		86,328			86,328
Assigned:					
Year-End Encumbrances	498,204				498,204
Designated for Subsequent Years					
Expenditures	3				3
Unassigned:	1,698,878	-	-	-	1,698,878
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	12,793,748	561,104	4,909,294	-	18,264,146
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	\$ 13,221,188	\$ 1,716,840	\$ 5,451,265	\$ -	\$ 20,389,293

GLEN ROCK PUBLIC SCHOOLS  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF JUNE 30, 2022

**Total Government Fund Balances (B-1)** \$ 18,264,146

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 \$92,603,049 and the accumulated depreciation is \$40,832,808. 51,770,241

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 1,844,394

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

Deferred Outflows of Resources	\$ 309,213	
Deferred Inflows of Resources	<u>(3,726,936)</u>	(3,417,723)

The District has financed capital assets through the issuance of serial bonds. The interest accrual at year end is: (578,277)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:

Bonds Payable, net of Premium	\$ (44,753,349)	
Net Pension Liability	(4,776,629)	
Compensated Absences	<u>(1,154,089)</u>	(50,684,067)

**Net Position of Governmental Activities (Exhibit A-1)** \$ 17,198,714

**GLEN ROCK PUBLIC SCHOOLS**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<b>REVENUES</b>					
Local Sources					
Property Tax Levy	\$ 48,965,861			\$ 1,942,951	\$ 50,908,812
Miscellaneous	872,687	\$ 1,048,885	-	-	1,921,572
Total - Local Sources	<u>49,838,548</u>	<u>1,048,885</u>	<u>-</u>	<u>1,942,951</u>	<u>52,830,384</u>
State Sources	15,455,056	237,770		1,136,782	16,829,608
Federal Sources	-	1,732,139	-	-	1,732,139
Total Revenues	<u>65,293,604</u>	<u>3,018,794</u>	<u>-</u>	<u>3,079,733</u>	<u>71,392,131</u>
<b>EXPENDITURES</b>					
Current					
Regular Instruction	25,610,716	30,426			25,641,142
Special Education Instruction	8,579,658	889,512			9,469,170
Other Instruction	1,227,868	50,184			1,278,052
School Sponsored Activities and Athletics	1,395,510	951,276			2,346,786
Support Services					
Student and Instructional Related Services	8,854,613	332,759			9,187,372
Educational Media/School Library	893,717				893,717
General Administrative Services	1,946,152				1,946,152
School Administrative Services	3,960,731				3,960,731
Plant Operations and Maintenance	5,445,618				5,445,618
Pupil Transportation	1,083,669				1,083,669
Central Services	1,467,085				1,467,085
Scholarship Awards		3,900			3,900
Debt Service					
Principal				2,608,000	2,608,000
Interest and Other Charges				1,655,760	1,655,760
Capital Outlay	338,022	669,028	\$ 2,073,734	-	3,080,784
Total Expenditures	<u>60,803,359</u>	<u>2,927,085</u>	<u>2,073,734</u>	<u>4,263,760</u>	<u>70,067,938</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>4,490,245</u>	<u>91,709</u>	<u>(2,073,734)</u>	<u>(1,184,027)</u>	<u>1,324,193</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In			3,550,871	1,160,817	4,711,688
Transfers Out	(3,550,871)	-	(1,160,817)	-	(4,711,688)
Total Other Financing Sources and (Uses)	<u>(3,550,871)</u>	<u>-</u>	<u>2,390,054</u>	<u>1,160,817</u>	<u>-</u>
Net Change in Fund Balances	939,374	91,709	316,320	(23,210)	1,324,193
Fund Balance, Beginning of Year	11,854,374	469,395	4,592,974	23,210	16,939,953
Fund Balance, End of Year	<u>\$ 12,793,748</u>	<u>\$ 561,104</u>	<u>\$ 4,909,294</u>	<u>\$ -</u>	<u>\$ 18,264,146</u>

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

**GLEN ROCK PUBLIC SCHOOLS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
WITH THE DISTRICT-WIDE STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Total net change in fund balances - governmental funds (Exhibit B-2)** **\$ 1,324,193**

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

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

Capital Outlay	\$ 3,080,784	
Depreciation Expense	<u>(3,450,224)</u>	
		(369,440)

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

Decrease Compensated Absences, Net	22,352	
Decrease in Net Pension Expense	<u>1,460,073</u>	
		1,482,425

The issuance of long-term debt (e.g. bonds, loans, and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Payment of Bond Principal	2,608,000	
Amortization of Bond Premium	467,666	
Amortization of Deferred Amounts on Refunding	<u>(282,497)</u>	
		2,793,169

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

The details are as follows:

Decrease in Accrued Interest		<u>14,632</u>
------------------------------	--	---------------

**Change in net position of governmental activities (Exhibit A-2)** **\$ 5,244,979**

**GLEN ROCK PUBLIC SCHOOLS  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 AS OF JUNE 30, 2022**

<b>ASSETS</b>	<b>Food Service</b>	<b>Community School</b>	<b>Business-Type Activities Enterprise Fund Totals</b>
Current Assets:			
Cash and Cash Equivalents	\$ 72,141	\$ 2,072,300	\$ 2,144,441
Inventory	<u>6,727</u>	<u>-</u>	<u>6,727</u>
Total Current Assets	<u>78,868</u>	<u>2,072,300</u>	<u>2,151,168</u>
Capital Assets			
Equipment	187,225		187,225
Less: Accumulated Depreciation	<u>(164,116)</u>	<u>-</u>	<u>(164,116)</u>
Total Capital Assets, Net	<u>23,109</u>	<u>-</u>	<u>23,109</u>
Total Assets	<u>101,977</u>	<u>2,072,300</u>	<u>2,174,277</u>
<b>LIABILITIES</b>			
Current Liabilities			
Due to Other Funds		1,094,413	1,094,413
Accounts Payable	31,732	1,866	33,598
Unearned Revenue	<u>13,296</u>	<u>471,839</u>	<u>485,135</u>
Total Current Liabilities	<u>45,028</u>	<u>1,568,118</u>	<u>1,613,146</u>
<b>NET POSITION</b>			
Investment in Capital Assets	23,109		23,109
Unrestricted	<u>33,840</u>	<u>504,182</u>	<u>538,022</u>
Total Net Position	<u>\$ 56,949</u>	<u>\$ 504,182</u>	<u>\$ 561,131</u>

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

**GLEN ROCK PUBLIC SCHOOLS  
 PROPRIETARY FUND  
 STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Food Service</u>	<u>Community School</u>	<b>Business-Type Activities Enterprise Fund Totals</b>
<b>OPERATING REVENUES</b>			
Tuition/Fees		\$ 1,451,680	\$ 1,451,680
Daily Sales	\$ 635,665	-	635,665
Total Operating Revenues	<u>635,665</u>	<u>1,451,680</u>	<u>2,087,345</u>
<b>OPERATING EXPENSES</b>			
Salaries, Benefits and Payroll Taxes	224,223	784,544	1,008,767
Cost of Sales	287,144		287,144
Insurance	26,660		26,660
Purchased Services	63,473	259,928	323,401
Equipment Rental		3,560	3,560
Supplies and Materials	26,163	20,421	46,584
Miscellaneous Expenditures	3,823	71,449	75,272
Trips		7,984	7,984
Depreciation Expense	<u>6,071</u>	-	<u>6,071</u>
Total Operating Expenses	<u>637,557</u>	<u>1,147,886</u>	<u>1,785,443</u>
Operating Income/(Loss)	<u>(1,892)</u>	<u>303,794</u>	<u>301,902</u>
Net Position, Beginning of Year	<u>58,841</u>	<u>200,388</u>	<u>259,229</u>
Net Position, End of Year	<u>\$ 56,949</u>	<u>\$ 504,182</u>	<u>\$ 561,131</u>

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

**GLEN ROCK PUBLIC SCHOOLS  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Food Service</u>	<u>Community School</u>	<u>Business-Type Activities Enterprise Fund Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 636,298	\$ 1,535,020	\$ 2,171,318
Payments for Employees	(224,223)	(784,544)	(1,008,767)
Payments to Suppliers	<u>(382,258)</u>	<u>(361,476)</u>	<u>(743,734)</u>
Net Cash Provided By (Used For) Operating Activities	<u>29,817</u>	<u>389,000</u>	<u>418,817</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>			
Acquisition of Capital Assets	<u>(10,071)</u>	<u>-</u>	<u>(10,071)</u>
Net Cash (Used for) Capital Financing Activities	<u>(10,071)</u>	<u>-</u>	<u>(10,071)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Payments from Other Funds	<u>-</u>	<u>489,645</u>	<u>489,645</u>
Net Cash (Used for) Non-Capital Financing Activities	<u>-</u>	<u>489,645</u>	<u>489,645</u>
Net Increase in Cash and Cash Equivalents	19,746	878,645	898,391
Cash and Cash Equivalents, Beginning of Year	<u>52,395</u>	<u>1,193,655</u>	<u>1,246,050</u>
Cash and Cash Equivalents, End of Year	<u>\$ 72,141</u>	<u>\$ 2,072,300</u>	<u>\$ 2,144,441</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>			
Operating Income/(Loss)	<u>\$ (1,892)</u>	<u>\$ 303,794</u>	<u>\$ 301,902</u>
Adjustments to Reconcile Operating Income to Net Cash Provided By (Used For) Operating Activities			
Depreciation Expense	6,071		6,071
Changes in Assets and Liabilities (Increase) Decrease in Inventories	(6,727)		(6,727)
Increase (Decrease) in Unearned Revenue	633	83,340	83,973
Increase (Decrease) in Accounts Payable	<u>31,732</u>	<u>1,866</u>	<u>33,598</u>
Total Adjustments	<u>31,709</u>	<u>85,206</u>	<u>116,915</u>
Net Cash Provided By (Used For) Operating Activities	<u>\$ 29,817</u>	<u>\$ 389,000</u>	<u>\$ 418,817</u>

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



**NOTES TO THE FINANCIAL STATEMENTS**

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

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

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

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Glen Rock Public Schools this includes general operations, food service, community school program and student related activities of the District.

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

**B. New Accounting Standards**

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

- GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
- GASB Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*. The objectives of this Statement is to improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities.

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. New Accounting Standards (Continued)**

- GASB Statement No. 92, *Omnibus 2020*. The objective of this Statement is to enhance comparability in the application of accounting and financial reporting requirements and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics.
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No.84, and a Supersession of GASB Statement No. 32*. The objective of this Statement is to provide more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.
- GASB Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments.

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

- GASB Statement No. 96, *Subscription – Based Information Technology Arrangements*, will be effective beginning with the fiscal year ending June 30, 2023. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.
- GASB Statement No. 99, *Omnibus 2022*, the section applicable to the District will be effective beginning with the fiscal year ending June 30, 2023. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.
- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.
- GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation - Financial Statements**

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

**District-Wide Financial Statements**

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

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

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

**Fund Financial Statements**

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

The District reports the following major governmental funds:

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

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation - Financial Statements (Continued)**

**Fund Financial Statements (Continued)**

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

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

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

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

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

The *community school fund* accounts for the activities of the District's adult evening school, before and after care program, summer camp programs.

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

**Reclassifications**

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

**D. Measurement Focus and Basis of Accounting**

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

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

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting (Continued)**

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

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

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

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

***1. Cash, Cash Equivalents and Investments***

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

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

***2. Receivables***

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

***3. Capital Assets***

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

**GLEN ROCK PUBLIC SCHOOLS  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

***3. Capital Assets (Continued)***

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings and Building Improvements	20-50
Machinery and Heavy Equipment	5-20

***4. 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. The Board has two items which arise only under the accrual basis of accounting that qualify for reporting in this category. One item is the deferred amount on refunding of debt which results from a debt refunding reported in the district-wide statement of net position. Deferred amounts on debt refunding result from the difference on the transaction when the debt's reacquisition price is greater than the carrying value of the refunded debt. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

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 Board has one type which arises only under the accrual basis of accounting that qualifies for reporting in this category. The item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years.

***5. Compensated Absences***

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused sick leave benefits. A long-term liability of accumulated sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations.

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**6. Pensions**

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

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

**7. Long-Term Obligations**

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

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

**8. Net Position/Fund Balance**

**District-Wide Statements**

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

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



**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

**Governmental Fund Statements**

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

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

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

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

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

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

*Emergency Reserve* – This restriction was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education. (See Note 2).

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

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

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

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

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

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

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

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

**Governmental Fund Statements (Continued)**

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

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

***10. Fund Balance Policies***

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

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

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

**F. Revenues and Expenditures/Expenses**

***1. Program Revenues***

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

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Revenues and Expenditures/Expenses (Continued)**

**2. *Property Taxes***

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

**3. *Tuition Revenues and Expenditures***

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

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

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

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

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

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

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**A. Budgetary Information (Continued)**

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. The annual budget is voted upon at the annual school election on the third Tuesday in April. Districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2021/2022. Also, during 2021/2022 the Board increased the original budget by \$4,384,196. The increase was funded by the additional appropriation of grant awards, transfer from capital projects fund to debt service fund, student activity revenues, scholarship donations and the reappropriation of prior year general fund encumbrances.

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

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

**B. Capital Reserve**

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

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

**GLEN ROCK PUBLIC SCHOOLS  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**B. Capital Reserve (Continued)**

The activity of the capital reserve for the fiscal year ended June 30, 2022 is as follows:

Balance, July 1, 2021		\$ 5,922,426
Increased by		
Deposits Approved in District Budget	\$ 957,846	
Deposits Approved by Board Resolution	<u>2,963,242</u>	
Total Increases		<u>3,921,088</u>
Decreased by		
Approved in District Budget		<u>3,550,871</u>
Balance, June 30, 2022		<u>\$ 6,292,643</u>

The June 30, 2022 LRFPP balance of local support costs of uncompleted capital projects is \$27,099,080. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan. \$4,654,513 of the capital reserve balance at June 30, 2022 was designated and appropriated for use in the 2022/2023 original budget certified for taxes.

**C. Emergency Reserve**

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

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

**GLEN ROCK PUBLIC SCHOOLS  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**C. Emergency Reserve (Continued)**

The activity of the emergency reserve for the fiscal year ended June 30, 2022 is as follows:

Balance, July 1, 2021	\$ 209,496
Balance, June 30, 2022	<u>\$ 209,496</u>

**D. Calculation of Excess Surplus**

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 4% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2022 is \$3,319,943. Of this amount, \$1,798,759 was designated and appropriated in the 2022/2023 original budget certified for taxes and the remaining amount of \$1,521,184 will be appropriated in the 2023/2024 original budget certified for taxes.

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits and Investments**

**Cash Deposits**

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2022, the book value of the Board's deposits were \$19,238,525 and bank and brokerage firm balances of the Board's deposits amounted to \$20,964,704. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

**Depository Account**

Insured	\$ 20,310,959
Uninsured and Collateralized	<u>653,745</u>
	<u>\$ 20,964,704</u>

**GLEN ROCK PUBLIC SCHOOLS  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash Deposits and Investments (Continued)**

**Cash Deposits (Continued)**

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2022 the Board’s bank balance of \$653,745 was exposed to custodial credit risk as follows:

**Depository Account**

Uninsured and Collateralized

Collateral held by pledging financial institution's trust department not in the Board's name	\$ <u>653,745</u>
--	-------------------

**Investments**

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

As of June 30, 2022, the Board had the following investments:

<b><u>Investment Type:</u></b>	<b><u>Fair Value</u></b>
N.J. Cash Management Fund	\$ <u>410,150</u>

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial risk. As of June 30, 2022, \$410,150 of the Board’s investments was exposed to custodial credit risk as follows:

	<b><u>Fair Value</u></b>
Uninsured and Collateralized:	
Collateral held by pledging financial institutions' trust department or agent but not in the Board's name	\$ <u>410,150</u>

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

**GLEN ROCK PUBLIC SCHOOLS  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash Deposits and Investments (Continued)**

**Investments (Continued)**

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

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Board’s investment in a single issuer. The Board places no limit in the amount the District may invest in any one issuer. More than five (5) percent of the Board’s investments are in New Jersey Cash Management Fund. These investments are 100% of the District’s total investments.

Fair Value of Investments. The Glen Rock Public Schools measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than those in Level 1; and
- *Level 3:* Unobservable inputs.

Investments classified as Level 1 are valued using prices quoted in active markets for those securities. Investments classified in Level 2 are valued using the following approaches: debt securities are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors; equity securities are valued using fair value per share for each fund and certificates of deposit are valued using broker quotes that utilize observable market inputs. Investments classified as Level 3 have limited trade information, these securities are priced or using the last trade price or estimated using recent trade prices.

At June 30, 2022, the Board had the following recurring fair value measurement:

Investments by Fair Value Level	June 30, 2022	Level 1	Level 2	Level 3
New Jersey Cash Management Fund	\$ 410,150	\$ -	\$ 410,150	\$ -
Total Investment at Fair Value	<u>\$ 410,150</u>	<u>\$ -</u>	<u>\$ 410,150</u>	<u>\$ -</u>

Investment and interest earnings in the Capital Projects Fund are assigned to the Debt Service Fund in accordance with Board policy.



**GLEN ROCK PUBLIC SCHOOLS  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**B. Receivables**

Receivables as of June 30, 2022 for the district's individual major funds are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
Receivables:			
Intergovernmental			
Federal		\$ 1,155,736	\$ 1,155,736
State	<u>\$ 152,875</u>	<u>-</u>	<u>152,875</u>
Net Total Receivables	<u>\$ 152,875</u>	<u>\$ 1,155,736</u>	<u>\$ 1,308,611</u>

**C. Unearned Revenue**

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

General Fund	
Student Laptop Replacement	<u>\$ 3,221</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 3,221</u>

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets**

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

	<u>Balance</u> <u>July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2022</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 12,022			\$ 12,022
Construction in Progress	<u>10,322,548</u>	<u>\$ 2,742,762</u>	<u>-</u>	<u>13,065,310</u>
Total capital assets, not being depreciated	<u>10,334,570</u>	<u>2,742,762</u>	<u>-</u>	<u>13,077,332</u>
Capital assets, being depreciated:				
Land Improvements	4,020,328			4,020,328
Buildings and Building Improvements	70,121,476	78,672		70,200,148
Machinery and Equipment	<u>5,045,891</u>	<u>259,350</u>	<u>-</u>	<u>5,305,241</u>
Total capital assets being depreciated	<u>79,187,695</u>	<u>338,022</u>	<u>-</u>	<u>79,525,717</u>
Less accumulated depreciation for:				
Land Improvements	(2,085,508)	(182,070)		(2,267,578)
Buildings and Building Improvements	(31,452,843)	(3,053,417)		(34,506,260)
Machinery and Equipment	<u>(3,844,233)</u>	<u>(214,737)</u>	<u>-</u>	<u>(4,058,970)</u>
Total accumulated depreciation	<u>(37,382,584)</u>	<u>(3,450,224)</u>	<u>-</u>	<u>(40,832,808)</u>
Total capital assets, being depreciated, net	<u>41,805,111</u>	<u>(3,112,202)</u>	<u>-</u>	<u>38,692,909</u>
Governmental activities capital assets, net	<u>\$ 52,139,681</u>	<u>\$ (369,440)</u>	<u>\$ -</u>	<u>\$ 51,770,241</u>

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets (Continued)**

	Balance <u>July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>June 30, 2022</u>
<b>Business-Type activities:</b>				
Capital assets, being depreciated:				
Machinery and Equipment	\$ 177,154	\$ 10,071	-	\$ 187,225
Less accumulated depreciation for:				
Machinery and Equipment	(158,045)	(6,071)	-	(164,116)
Business-type activities capital assets, net	<u>\$ 19,109</u>	<u>\$ 4,000</u>	<u>-</u>	<u>\$ 23,109</u>

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

**Governmental activities:**

Instruction	
Regular	\$ 1,692,440
Special Education	439,121
Other Instruction	90,253
School-Sponsored Activities and Athletics	<u>81,664</u>
Total Instruction	<u>2,303,478</u>
Support Services	
Student and Instructional Related Services	469,010
Educational Media/School Library	58,125
General Administrative Services	88,949
School Administrative Services	275,997
Plant Operations and Maintenance	120,454
Pupil Transportation	6,636
Central Services	<u>127,575</u>
Total Support Services	<u>1,146,746</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 3,450,224</u>
<b>Business-Type Activities</b>	
Food Service Fund	<u>\$ 6,071</u>

**GLEN ROCK PUBLIC SCHOOLS  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets (Continued)**

**Construction and Other Significant Commitments**

The District has the following active construction projects as of June 30, 2022:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Referendum- Various School Facility Renovations, Alterations and Improvements	\$ 10,193,227	\$ 3,364,276
Window and Door Replacement at Clara Coleman E.S.	40,709	1,557,291
District Wellness Center Renovations	106,562	<u>106,562</u>
		<u>\$ 5,028,129</u>

**E. Interfund Receivables, Payables, and Transfers**

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

**Due To/From Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue	\$ 482,035
General Fund	Community School	<u>1,094,413</u>
Total		<u>\$ 1,576,448</u>

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund and/or to cover cash balances which were in an overdraft position.

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

**GLEN ROCK PUBLIC SCHOOLS  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

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

**Interfund Transfers**

	Transfer In:		
	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total</u>
Transfer Out:			
Capital Projects Fund		\$ 1,160,817	\$ 1,160,817
General Fund- Capital Reserve	\$ 3,550,871	-	3,550,871
			-
Total Transfers Out	<u>\$ 3,550,871</u>	<u>\$ 1,160,817</u>	<u>\$ 4,711,688</u>

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

**F. Long-Term Debt**

**General Obligation Bonds**

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

Bonds payable at June 30, 2022 are comprised of the following issues:

\$14,718,000 2019 School Bonds, due in annual installments of \$885,000 to \$1,275,000 through July 2034, interest at 2.00% to 3.00%	\$ 13,865,000
\$32,910,000 2016 Refunding Bonds, due in annual installments of \$1,830,000 to \$2,925,000 through September 1, 2033, interest at 4.25% to 4.75%	<u>27,835,000</u>
	<u>\$ 41,700,000</u>

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**F. Long-Term Debt (Continued)**

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

**Governmental Activities:**

Year Ending June 30,	Serial Bonds		Total
	Principal	Interest	
2023	\$ 2,715,000	\$ 1,568,813	\$ 4,283,813
2024	2,805,000	1,476,263	4,281,263
2025	2,930,000	1,380,063	4,310,063
2026	3,030,000	1,280,113	4,310,113
2027	3,130,000	1,176,663	4,306,663
2028-2032	17,665,000	3,877,195	21,542,195
2033-2035	<u>9,425,000</u>	<u>458,225</u>	<u>9,883,225</u>
Total	<u>\$ 41,700,000</u>	<u>\$ 11,217,334</u>	<u>\$ 52,917,334</u>

**Statutory Borrowing Power**

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

4% of Equalized Valuation Basis (Municipal)	\$ 109,253,966
Less: Net Debt	<u>41,700,320</u>
Remaining Borrowing Power	<u>\$ 67,553,646</u>

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**G. Other Long-Term Liabilities**

**Changes in Long-Term Liabilities**

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

	Balance, <u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2022</u>	Due Within <u>One Year</u>
<b>Governmental activities:</b>					
Bonds Payable	\$ 44,308,000		\$ 2,608,000	\$ 41,700,000	\$ 2,715,000
Deferred Amounts					
Add: Premium	<u>3,521,015</u>	<u>-</u>	<u>467,666</u>	<u>3,053,349</u>	<u>-</u>
Total Bonds Payable	<u>47,829,015</u>	<u>-</u>	<u>3,075,666</u>	<u>44,753,349</u>	<u>2,715,000</u>
Net Pension Liability	6,381,192		1,604,563	4,776,629	
Compensated Absences	<u>1,176,441</u>	<u>\$ 42,352</u>	<u>64,704</u>	<u>1,154,089</u>	<u>75,000</u>
Governmental Activity Long-Term Liabilities	<u>\$ 55,386,648</u>	<u>\$ 42,352</u>	<u>\$ 4,744,933</u>	<u>\$ 50,684,067</u>	<u>\$ 2,790,000</u>

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

**NOTE 4 OTHER INFORMATION**

**A. Risk Management**

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

The District provided traditional health coverage with the State Employee Health Benefit Programs.

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

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

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**A. Risk Management (Continued)**

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

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

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

Year Ended <u>June 30,</u>	Employee <u>Contributions</u>	Amount <u>Reimbursed</u>	Ending <u>Balance</u>
2022	\$ 35,113	\$ -	\$ 774,581
2021	49,188	-	774,581
2020	56,624	76,260	725,393

**B. Contingent Liabilities**

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

**Federal and State Awards** – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2022, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**C. Federal Arbitrage Regulations**

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2022, the District has not estimated its arbitrage earnings due to the IRS, if any.



**GLEN ROCK PUBLIC SCHOOLS  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans**

**Plan Descriptions and Benefits Provided**

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

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

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

The following represents the membership tiers for PERS:

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

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

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

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

**GLEN ROCK PUBLIC SCHOOLS  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

The following represent the membership tiers for TPAF:

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

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

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

**Defined Contribution Retirement Program (DCRP)** – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS or TPAF on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PERS and new employees who would otherwise be eligible to participate in PERS or TPAF on or after November 2, 2008 and do not earn the minimum salary required for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollments but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**Other Pension Funds**

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

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

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

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

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Plan Amendments**

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

**Measurement Focus and Basis of Accounting**

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

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

**Investment Valuation**

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

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

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Collective Net Pension Liability**

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

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

**Actuarial Methods and Assumptions**

In the July 1, 2020 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary’s report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Employer and Employee Pension Contributions**

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee’s annual compensation for fiscal year 2022.

PERS employers’ and TPAF State’s nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2022 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State’s annual pension contribution was less than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2022, 2021 and 2020 were equal to the required contributions.

During the fiscal years ended June 30, 2022, 2021 and 2020 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and unfunded accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Year Ended June 30,	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2022	\$ 472,206	\$ 8,579,421	\$ -
2021	428,071	5,862,097	3,038
2020	419,258	4,324,776	1,013

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Employer and Employee Pension Contributions (Continued)**

In addition for fiscal years 2022, 2021 and 2020 the District contributed \$0, \$0 and \$1,532 respectively for PERS and the State contributed \$2,941, \$3,251 and \$3,533, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,726,886 during the fiscal year ended June 30, 2022 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

**Public Employees Retirement System (PERS)**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2020 through June 30, 2021. Employer allocation percentages have been rounded for presentation purposes.

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

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2021 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2021.

At June 30, 2022, the District reported in the statement of net position (accrual basis) a liability of \$4,776,629 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2021. At June 30, 2021, the District's proportionate share was .04032 percent, which was an increase of .00148 percent from its proportionate share measured as of June 30, 2020 of .03884 percent.

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$987,866 for PERS. The pension contribution made by the District during the current 2021/2022 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2022 with a measurement date of the prior fiscal year end of June 30, 2021. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2022 for contributions made subsequent to the measurement date. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 75,334	\$ 34,195
Changes of Assumptions	24,877	1,700,511
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		1,258,290
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>209,002</u>	<u>733,940</u>
Total	<u>\$ 309,213</u>	<u>\$ 3,726,936</u>

At June 30, 2022, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense/(benefit) as follows:

Year Ending <u>June 30,</u>	<u>Total</u>
2023	\$ (1,398,948)
2024	(967,810)
2025	(651,434)
2026	(403,624)
2027	4,093
Thereafter	<u>-</u>
	<u>\$ (3,417,723)</u>

**GLEN ROCK PUBLIC SCHOOLS  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

*Actuarial Assumptions*

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

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

*Mortality Rates*

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

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

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

*Long-Term Expected Rate of Return*

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the PERS's target asset allocation as of June 30, 2021 are summarized in the following table:

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



**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Discount Rate (Continued)***

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

***Sensitivity of Net Pension Liability***

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

	<b>1% Decrease <u>6.00%</u></b>	<b>Current Discount Rate <u>7.00%</u></b>	<b>1% Increase <u>8.00%</u></b>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 6,504,800</u>	<u>\$ 4,776,629</u>	<u>\$ 3,310,031</u>

The sensitivity analysis was based on the proportionate share of the District’s net pension liability as of the measurement date of June 30, 2021. A sensitivity analysis specific to the District’s net pension liability at June 30, 2021 was not provided by the pension system.

***Pension Plan Fiduciary Net Position***

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

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

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

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2020 through June 30, 2021. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2021, the State's pension contribution was less than the actuarial determined amount.

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

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$2,238,678 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2022 the State's proportionate share of the net pension liability attributable to the District is \$95,139,666. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2021. At June 30, 2021, the State's share of the net pension liability attributable to the District was .19790 percent, which was an/a increase/decrease of .00420 percent from its proportionate share measured as of June 30, 2020 of .19370 percent.

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

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

**Actuarial Assumptions**

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

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

***Mortality Rates***

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

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

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

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

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the TPAF's target asset allocation as of June 30, 2021 are summarized in the following table:

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

***Discount Rate***

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

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

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

***Sensitivity of Net Pension Liability***

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

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 112,566,117</u>	<u>\$ 95,139,666</u>	<u>\$ 80,502,542</u>

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

***Pension Plan Fiduciary Net Position***

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

**E. Post-Retirement Medical Benefits**

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

**Plan Description and Benefits Provided**

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

**GLEN ROCK PUBLIC SCHOOLS  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

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

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

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

**Plan Membership**

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2020:

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

**Measurement Focus and Basis of Accounting**

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

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

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**Investment Valuation**

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

**Collective Net OPEB Liability**

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2021 is \$60.0 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

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

**Actuarial Methods and Assumptions**

In the June 30, 2020 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Post-Retirement Medical Benefits Contributions**

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.23 billion to the OPEB plan in fiscal year 2021.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2022, 2021 and 2020 were \$2,004,499, \$1,837,090 and \$1,604,413, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

**GLEN ROCK PUBLIC SCHOOLS  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

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

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State’s contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2020 through June 30, 2021. Nonemployer allocation percentages have been rounded for presentation purposes.

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

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$5,358,949. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2022 the State’s proportionate share of the OPEB liability attributable to the District is \$84,755,309. The nonemployer allocation percentages are based on the ratio of the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2021 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2021. At June 30, 2021, the state’s share of the OPEB liability attributable to the District was .00141 percent, which was an increase of .00003 percent from its proportionate share measured as of June 30, 2020 of .00138 percent.

**Actuarial Assumptions**

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

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

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



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

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

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

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

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

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

**Health Care Trend Assumptions**

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

**Discount Rate**

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

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

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

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

**Changes in the Total OPEB Liability**

The change in the State’s proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

	Total OPEB Liability <u>(State Share 100%)</u>
Balance, June 30, 2020 Measurement Date	\$ <u>93,822,355</u>
Changes Recognized for the Fiscal Year:	
Service Cost	4,841,076
Interest on the Total OPEB Liability	2,198,642
Changes of Benefit Terms	(90,212)
Differences Between Expected and Actual Experience	(14,424,464)
Changes of Assumptions	83,618
Gross Benefit Payments	(1,731,914)
Contributions from the Member	56,208
<b>Net Changes</b>	<u>\$ (9,067,046)</u>
Balance, June 30, 2021 Measurement Date	<u>\$ 84,755,309</u>

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

The change in the total OPEB liability was based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2021.

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

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

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

**Sensitivity of OPEB Liability**

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the State’s proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 2.16%, as well as what the State’s proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current rate:

	<b>1% Decrease <u>(1.16%)</u></b>	<b>Current Discount Rate <u>(2.16%)</u></b>	<b>1% Increase <u>(3.16%)</u></b>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 101,523,555</u>	<u>\$ 84,755,309</u>	<u>\$ 71,551,322</u>

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

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 68,609,698</u>	<u>\$ 84,755,309</u>	<u>\$ 106,437,671</u>

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

**F. Tax Abatements**

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

For Glen Rock Public Schools, the District’s share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 5 INFECTIOUS DISEASE OUTBREAK – COVID-19 RECENT DEVELOPMENTS**

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the “Pandemic”) by the World Health Organization and has been affecting many parts of the world, including the United States and the State of New Jersey. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President’s Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States. As governments monitor the outbreaks, they have taken various steps to control them through requiring social distancing, masks and business closures and limited openings. As the virus appears to be under control in many areas, many of these restrictions have been lifted although the situation is monitored, sometimes restrictions are reinstated. Several vaccines have been developed and have been administered. Mutant variants have emerged in various places around the world and now are prevalent in the United States. Certain workers are being required to be vaccinated. Companies have developed booster shots, and current vaccines have proven substantially effective against all currently know variants. New treatments are also being developed to avert the worst outcomes. The assessment of the impact of the virus and the ability to control it and its mutant strains is ongoing.

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

Since the pandemic began, the federal government had enacted rescue legislation to address the pandemic and alleviate its economic and health effects, including significant support for education. The legislation includes various forms of financial relief including direct stimulus payments and various other forms of economic relief, including extended unemployment benefits, continued eviction and foreclosure moratoriums, an increase in the child tax credit, an increase in food and housing aid, assistance grants to restaurants and bars, and other small business grants and loans. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. Federal aid for public education has been provided under three 5 separate laws: The Coronavirus Aid, Relief, and Economic Security Act in March 2020 (CARES Act), and the Coronavirus Response and Relief Supplemental Appropriations Act in December 2020 (CRRSA) and the American Rescue Plan Act in March 2021 (ARP). The Elementary and Secondary School Emergency Relief (ESSER) Fund is the main source of funding for public elementary and secondary education under each law. The School District has been awarded up to \$1,867,048 to address certain expenses incurred as a result of the pandemic. Because of the evolving nature of the outbreak and federal, state and local responses, the Board cannot predict how the outbreak will impact the financial condition or operations of the Board, or if there will be any impact on the assessed values of property within the School District or deferral of tax payments to municipalities. The School District cannot predict costs associated with this or any other potential infectious disease outbreak including whether there will be any reduction in State funding or an increase in operational costs incurred to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease. To date the School District has not been materially and adversely affected financially due to the virus.

**BUDGETARY COMPARISON SCHEDULES**

**GLEN ROCK PUBLIC SCHOOLS  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>REVENUES</b>					
Local Sources					
Local Tax Levy	\$ 48,965,861		\$ 48,965,861	\$ 48,965,861	
Tuition from Individuals	25,000		25,000	58,416	\$ 33,416
Interest Earned on Current Expense Emergency Reserve	300		300		(300)
Interest Earned on Capital Reserve Funds	250		250		(250)
Miscellaneous	692,267	-	692,267	814,271	122,004
<b>Total Revenues - Local Sources</b>	<b>49,683,678</b>	<b>-</b>	<b>49,683,678</b>	<b>49,838,548</b>	<b>154,870</b>
State Sources					
Transportation Aid	131,824		131,824	131,824	
Special Education Aid	1,851,691		1,851,691	1,851,691	
Security Aid	201,595		201,595	201,595	
Extraordinary Aid	189,960		189,960	918,685	728,725
Lead Water Testing Aid				10,083	10,083
On Behalf TPAF Pension System Contributions-					
(Non-Budgeted)- Normal				8,460,061	8,460,061
(Non-Budgeted)- NCGI Premium				119,360	119,360
(Non-Budgeted)-Post Retirement Medical Contribution				2,004,499	2,004,499
(Non-Budgeted)-Long Term Disability				2,941	2,941
Reimbursed TPAF Social Security Contributions-					
(Non-Budgeted)	-	-	-	1,726,886	1,726,886
<b>Total State Sources</b>	<b>2,375,070</b>	<b>-</b>	<b>2,375,070</b>	<b>15,427,625</b>	<b>13,052,555</b>
<b>Total Revenues</b>	<b>52,058,748</b>	<b>-</b>	<b>52,058,748</b>	<b>65,266,173</b>	<b>13,207,425</b>
<b>CURRENT EXPENDITURES</b>					
Instruction - Regular Programs					
Salaries of Teachers:					
Kindergarten	588,247	\$ (3,165)	585,082	585,082	-
Grades 1 - 5	4,992,027	(76,868)	4,915,159	4,788,620	126,539
Grades 6 - 8	3,997,102	(230,220)	3,766,882	3,586,291	180,591
Grades 9 - 12	5,160,774	(269,860)	4,890,914	4,828,877	62,037
Regular Programs - Home Instruction					
Salaries of Teachers	12,500	-	12,500	12,267	233
Purchased Professional-Educational Services	5,000	7,500	12,500	10,202	2,298
Regular Programs - Undistributed Instruction:					
Purchased Professional-Educational Services	241,450	173,065	414,515	410,765	3,750
Purchased Technical Services		156	156	156	-
Other Purchased Services	890,926	(41,733)	849,193	813,656	35,537
General Supplies	597,568	157,430	754,998	596,453	158,545
Textbooks	138,500	(33,125)	105,375	85,960	19,415
Other Objects	189,702	(1,199)	188,503	186,689	1,814
<b>Total Instruction Regular Programs</b>	<b>16,813,796</b>	<b>(318,019)</b>	<b>16,495,777</b>	<b>15,905,018</b>	<b>590,759</b>
Special Education					
Learning/Language Disabilities					
Salaries of Teachers	387,675	82,304	469,979	402,044	67,935
General Supplies	3,000	-	3,000	1,725	1,275
<b>Total Learning/Language Disabilities</b>	<b>390,675</b>	<b>82,304</b>	<b>472,979</b>	<b>403,769</b>	<b>69,210</b>
Emotional Regulation Impairment					
Salaries of Teachers	69,698	22,951	92,649	92,649	-
<b>Total Emotional Regulation Impairment</b>	<b>69,698</b>	<b>22,951</b>	<b>92,649</b>	<b>92,649</b>	<b>-</b>
Resource Room/Resource Center					
Salaries of Teachers	2,580,418	296,558	2,876,976	2,840,183	36,793
General Supplies	17,675	(429)	17,246	12,904	4,342
Other Objects	750	-	750	-	750
<b>Total Resource Room/Resource Center</b>	<b>2,598,843</b>	<b>296,129</b>	<b>2,894,972</b>	<b>2,853,087</b>	<b>41,885</b>

**GLEN ROCK PUBLIC SCHOOLS  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>CURRENT EXPENDITURES (Continued)</b>					
Autism					
Salaries of Teachers	\$ 139,396	\$ 913	\$ 140,309	\$ 128,309	\$ 12,000
Purchased Professional-Educational Services		372,240	372,240	363,543	8,697
General Supplies	-	27,179	27,179	22,005	5,174
<b>Total Autism</b>	<b>139,396</b>	<b>400,332</b>	<b>539,728</b>	<b>513,857</b>	<b>25,871</b>
Preschool Disabilities - Part Time					
Salaries of Teachers	115,039	-	115,039	111,954	3,085
General Supplies	1,000	-	1,000	951	49
Other Objects	3,000	-	3,000	-	3,000
<b>Total Preschool Disabilities</b>	<b>119,039</b>	<b>-</b>	<b>119,039</b>	<b>112,905</b>	<b>6,134</b>
Home Instruction					
Salaries of Teachers	16,500	-	16,500	5,709	10,791
Purchased Professional-Educational Services	200,000	(67,740)	132,260	75,977	56,283
<b>Total Home Instruction</b>	<b>216,500</b>	<b>(67,740)</b>	<b>148,760</b>	<b>81,686</b>	<b>67,074</b>
<b>Total Special Education</b>	<b>3,534,151</b>	<b>733,976</b>	<b>4,268,127</b>	<b>4,057,953</b>	<b>210,174</b>
Basic Skills/Remedial					
Salaries of Teachers	511,524	-	511,524	504,995	6,529
General Supplies	2,800	-	2,800	2,447	353
<b>Total Basic Skills/Remedial</b>	<b>514,324</b>	<b>-</b>	<b>514,324</b>	<b>507,442</b>	<b>6,882</b>
Bilingual Education					
Salaries of Teachers	254,486	(23,508)	230,978	230,978	-
Other Purchased Services	1,000	-	1,000	57	943
General Supplies	6,000	-	6,000	56	5,944
<b>Total Bilingual Education</b>	<b>261,486</b>	<b>(23,508)</b>	<b>237,978</b>	<b>231,091</b>	<b>6,887</b>
School Sponsored Co/Extra Curricular Activities					
Salaries	146,686	23,226	169,912	164,536	5,376
Purchased Services	1,000	-	1,000	350	650
Supplies and Materials	50,100	4,100	54,200	30,038	24,162
Other Objects	9,250	(500)	8,750	6,175	2,575
<b>Total School-Sponsored Co/Extra Curricular Activities</b>	<b>207,036</b>	<b>26,826</b>	<b>233,862</b>	<b>201,099</b>	<b>32,763</b>
School Sponsored Athletics					
Salaries	537,499	33,714	571,213	501,402	69,811
Purchased Services	185,923	12,321	198,244	171,735	26,509
Supplies and Materials	44,000	(957)	43,043	36,760	6,283
Other Objects	50,900	-	50,900	42,750	8,150
<b>Total School Sponsored Athletics</b>	<b>818,322</b>	<b>45,078</b>	<b>863,400</b>	<b>752,647</b>	<b>110,753</b>
<b>Total Instruction</b>	<b>22,149,115</b>	<b>464,353</b>	<b>22,613,468</b>	<b>21,655,250</b>	<b>958,218</b>
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State-Special	334,292	(19,806)	314,486	204,699	109,787
Tuition to County Vocational School District - Regular	424,701	28,773	453,474	449,153	4,321
Tuition to County Vocational School District - Special	65,585	4,912	70,497	70,497	-
Tuition to CSSD & Reg. Day Schools		97,881	97,881	97,881	-
Tuition to APSSD Within State	1,617,568	(258,851)	1,358,717	1,062,305	296,412
Tuition to APSSD & Oth LEAs-Special-Out of State	201,896	72,022	273,918	263,197	10,721
Tuition - Other	568,076	-	568,076	442,287	125,789
<b>Total Instruction</b>	<b>3,212,118</b>	<b>(75,069)</b>	<b>3,137,049</b>	<b>2,590,019</b>	<b>547,030</b>

**GLEN ROCK PUBLIC SCHOOLS  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>CURRENT EXPENDITURES (Continued)</b>					
Attendance and Social Work					
Salaries	\$ 110,882	\$ (62,082)	\$ 48,800	\$ 48,247	\$ 553
Salaries of Secretarial and Clerical Assistants		61,875	61,875	61,846	29
Supplies and Materials	500	(400)	100	56	44
Total Attendance and Social Work	<u>111,382</u>	<u>(607)</u>	<u>110,775</u>	<u>110,149</u>	<u>626</u>
Health Services					
Salaries	467,694	13,889	481,583	467,657	13,926
Salaries of Other Professional Staff		11,016	11,016	6,050	4,966
Purchased Professional and Technical Services	156,150	56,036	212,186	102,162	110,024
Other Purchased Services	1,100	-	1,100		1,100
Supplies and Materials	140,050	(53,053)	86,997	17,483	69,514
Other Objects	2,500	(1,000)	1,500	673	827
Total Health Services	<u>767,494</u>	<u>26,888</u>	<u>794,382</u>	<u>594,025</u>	<u>200,357</u>
Speech, OT/PT and Related Services					
Salaries	505,778	1,828	507,606	507,606	-
Purchased Professional/Educational Services	205,000	2,000	207,000	193,847	13,153
Supplies and Materials	4,000	-	4,000	3,025	975
Total Speech OT/PT and Related Services	<u>714,778</u>	<u>3,828</u>	<u>718,606</u>	<u>704,478</u>	<u>14,128</u>
Other Supp. Svcs.-Extraord. Serv.					
Salaries		9,776	9,776	9,776	-
Purchased Professional-Educational Services	2,056,671	(2,269)	2,054,402	1,683,646	370,756
Supplies and Materials	25,000	(11,102)	13,898	11,919	1,979
Total Other Support/Extraordinary Services	<u>2,081,671</u>	<u>(3,595)</u>	<u>2,078,076</u>	<u>1,705,341</u>	<u>372,735</u>
Guidance					
Salaries of Other Professional Staff	1,002,409	27,892	1,030,301	1,017,904	12,397
Salaries of Secretarial and Clerical Assistants	45,600	3,317	48,917	48,917	-
Other Salaries	4,301	-	4,301	1,565	2,736
Purchased Professional-Educational Services	2,500	-	2,500	125	2,375
Other Purchased Professional/Technical Services	8,000	1,000	9,000	3,868	5,132
Other Purchased Services	16,500	(1,500)	15,000	9,855	5,145
Supplies and Materials	16,490	(5,800)	10,690	3,131	7,559
Other Objects	4,550	-	4,550	2,195	2,355
Total Guidance	<u>1,100,350</u>	<u>24,909</u>	<u>1,125,259</u>	<u>1,087,560</u>	<u>37,699</u>
Child Study Team					
Salaries of Other Professional Staff	1,081,756	64,002	1,145,758	1,039,453	106,305
Salaries of Secretarial and Clerical Assistants	99,671	(160)	99,511	99,460	51
Other Salaries	40,000	361	40,361	33,611	6,750
Other Purchased Professional and Technical Services	82,657	(4,361)	78,296	72,691	5,605
Other Purchased Services	8,950	-	8,950	6,507	2,443
Supplies and Materials	23,000	-	23,000	11,978	11,022
Other Objects	1,200	-	1,200	400	800
Total Child Study Team	<u>1,337,234</u>	<u>59,842</u>	<u>1,397,076</u>	<u>1,264,100</u>	<u>132,976</u>
Improvement of Instruction Services					
Salaries of Supervisor of Instruction	468,930	(3,129)	465,801	461,268	4,533
Other Salaries	37,000	-	37,000	31,421	5,579
Other Purchased Services	6,250	-	6,250	3,363	2,887
Supplies and Materials	7,000	-	7,000	2,465	4,535
Other Objects	103,400	-	103,400	92,783	10,617
Total Improvement of Instruction Services	<u>622,580</u>	<u>(3,129)</u>	<u>619,451</u>	<u>591,300</u>	<u>28,151</u>
Educational Media Services/ School Library					
Salaries	523,168	(41,318)	481,850	473,982	7,868
Other Purchased Services	3,656	-	3,656	3,500	156
Supplies and Materials	106,784	(10,246)	96,538	78,323	18,215
Total Educational Media Services/ School Library	<u>633,608</u>	<u>(51,564)</u>	<u>582,044</u>	<u>555,805</u>	<u>26,239</u>



**GLEN ROCK PUBLIC SCHOOLS  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>CURRENT EXPENDITURES (Continued)</b>					
Instructional Staff Training Services					
Other Salaries	\$ 2,400	\$ 21,580	\$ 23,980	\$ 23,408	\$ 572
Purchased Professional Educational Services	18,914	(5,619)	13,295	13,209	86
Other Purchased Professional and Technical Services	40,000	(1,400)	38,600	3,648	34,952
Other Purchased Services	92,861	(15,501)	77,360	30,680	46,680
Supplies and Materials	3,000	-	3,000	91	2,909
Total Instructional Staff Training Services	<u>157,175</u>	<u>(940)</u>	<u>156,235</u>	<u>71,036</u>	<u>85,199</u>
Support Services General Administration					
Salaries	766,215	(40,871)	725,344	725,344	-
Legal Services	97,500	(1,539)	95,961	92,534	3,427
Audit Fees	47,500	34,640	82,140	47,052	35,088
Architectural/Engineering Services	15,000	318,205	333,205	261,307	71,898
Other Purchased Professional Services	19,000	(3,850)	15,150	15,150	-
Communications/Telephone	91,220	(15,347)	75,873	75,873	-
BOE Other Purchased Services	6,500	(5,263)	1,237	540	697
Miscellaneous Purchased Services	122,731	15,090	137,821	135,592	2,229
Supplies and Materials	5,000	1,607	6,607	3,162	3,445
Judgements Against the School Entity		10,000	10,000	10,000	-
Miscellaneous Expenditures	31,045	686	31,731	28,376	3,355
BOE Membership Dues and Fees	19,693	-	19,693	19,308	385
Total Support Services General Administration	<u>1,221,404</u>	<u>313,358</u>	<u>1,534,762</u>	<u>1,414,238</u>	<u>120,524</u>
Undistributed Expenditures					
Support Services School Administration					
Salaries of Principals/Asst. Principals/Prog. Dir.	1,233,140	3,068	1,236,208	1,236,208	-
Salaries of Other Professional Staff	523,532	24,841	548,373	548,373	-
Salaries of Secretarial and Clerical Assistants	467,774	(1,828)	465,946	463,803	2,143
Other Salaries	2,940	-	2,940	2,259	681
Purchased Professional and Technical Services	11,400	(9,409)	1,991	1,310	681
Other Purchased Services	60,600	(9,443)	51,157	34,111	17,046
Supplies and Materials	56,050	15,623	71,673	43,727	27,946
Other Objects	36,900	(3,796)	33,104	26,408	6,696
Total Support Services School Administration	<u>2,392,336</u>	<u>19,056</u>	<u>2,411,392</u>	<u>2,356,199</u>	<u>55,193</u>
Central Services					
Salaries	611,687	(45)	611,642	598,382	13,260
Purchased Technical Services	33,528	6,212	39,740	39,600	140
Miscellaneous Purchased Services	22,000	(6,212)	15,788	11,436	4,352
Supplies and Materials	7,500	-	7,500	4,356	3,144
Miscellaneous Expenditures	5,750	1,500	7,250	4,286	2,964
Total Undistributed Expenditures - Central Services	<u>680,465</u>	<u>1,455</u>	<u>681,920</u>	<u>658,060</u>	<u>23,860</u>
Admin. Info. Tech.					
Salaries	502,034	-	502,034	441,936	60,098
Purchased Professional Services	40,931	27,867	68,798	68,798	-
Other Purchased Services	32,396	(41)	32,355	20,064	12,291
Supplies and Materials	80,247	(32,225)	48,022	26,885	21,137
Other Objects	1,640	1,203	2,843	2,843	-
Total Undistributed Expenditures - Admin. Info. Technology	<u>657,248</u>	<u>(3,196)</u>	<u>654,052</u>	<u>560,526</u>	<u>93,526</u>
Required Maintenance for School Facilities					
Salaries	535,434	(13,946)	521,488	519,181	2,307
Cleaning, Repair and Maintenance Services	362,450	151,724	514,174	334,977	179,197
Lead Testing of Drinking Water		10,153	10,153	10,083	70
General Supplies	87,900	(15,255)	72,645	43,057	29,588
Total Required Maint for School Facilities	<u>985,784</u>	<u>132,676</u>	<u>1,118,460</u>	<u>907,298</u>	<u>211,162</u>

**GLEN ROCK PUBLIC SCHOOLS  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>CURRENT EXPENDITURES (Continued)</b>					
Custodial Services					
Salaries	\$ 26,997	\$ 760	\$ 27,757	\$ 19,011	\$ 8,746
Salaries of Non-Instructional Aides	154,282	(760)	153,522	109,061	44,461
Purchased Professional and Technical Services	78,821	22,130	100,951	94,830	6,121
Cleaning, Repair and Maintenance Services	2,178,714	49,036	2,227,750	2,175,295	52,455
Other Purchased Property Services	44,500	7,576	52,076	52,076	-
Insurance	334,958	1,101	336,059	336,059	-
Miscellaneous Purchased Services	35,900	-	35,900	20,557	15,343
General Supplies	196,800	20,853	217,653	163,425	54,228
Energy (Electricity)	803,749	(3,207)	800,542	580,118	220,424
Energy (Natural Gas)	221,785	3,167	224,952	203,203	21,749
Other Objects	17,800	(600)	17,200	11,394	5,806
	<u>4,094,306</u>	<u>100,056</u>	<u>4,194,362</u>	<u>3,765,029</u>	<u>429,333</u>
Undistributed Expenditures					
Care and Upkeep of Grounds					
Salaries	145,176	1,160	146,336	146,336	-
Cleaning, Repair and Maintenance Services	253,350	(31,401)	221,949	152,018	69,931
General Supplies	13,000	20,455	33,455	21,468	11,987
	<u>411,526</u>	<u>(9,786)</u>	<u>401,740</u>	<u>319,822</u>	<u>81,918</u>
Security					
Salaries	202,885	(970)	201,915	188,667	13,248
Cleaning, Repair and Maintenance Services	39,333	(1,500)	37,833	21,462	16,371
General Supplies	34,000	(12,565)	21,435	7,498	13,937
Other Objects	1,875	1,475	3,350	1,213	2,137
	<u>278,093</u>	<u>(13,560)</u>	<u>264,533</u>	<u>218,840</u>	<u>45,693</u>
Student Transportation Services					
Salaries of Non-Instructional Aides	10,500	-	10,500	-	10,500
Salaries for Pupil Trans (Bet Home & Sch)-Sp. Ed.	54,320	-	54,320	54,115	205
Cleaning, Repair and Maintenance Services	10,000	-	10,000	5,105	4,895
Contr Serv(Bet Home &Sch)-Vend	2,000	-	2,000	-	2,000
Contr Serv(Bet Home &Sch)-Joint Agrmnts	82,500	-	82,500	80,155	2,345
Contr Serv(Oth. Than Bet Home &Sch)-Vend	269,800	-	269,800	188,353	81,447
Contr Serv(Sp. Ed. Stdts)-Joint Agrmnts	799,370	-	799,370	732,915	66,455
Transportation Supplies	8,800	-	8,800	7,227	1,573
Other Objects	8,000	-	8,000	2,873	5,127
	<u>1,245,290</u>	<u>-</u>	<u>1,245,290</u>	<u>1,070,743</u>	<u>174,547</u>
Unallocated Employee Benefits					
Social Security Contributions	575,000	-	575,000	339,584	235,416
Other Retirement Contributions - PERS	462,376	11,130	473,506	449,234	24,272
Workmen's Compensation	167,925	(42,534)	125,391	117,967	7,424
Health Benefits	6,083,447	(548,838)	5,534,609	4,706,664	827,945
Tuition Reimbursements	72,500	-	72,500	37,267	35,233
Other Employee Benefits	188,550	32,144	220,694	204,736	15,958
	<u>7,549,798</u>	<u>(548,098)</u>	<u>7,001,700</u>	<u>5,855,452</u>	<u>1,146,248</u>
On Behalf TPAF Pension System Contributions-					
(Non-Budgeted)- Normal				8,460,061	(8,460,061)
(Non-Budgeted)- NCGI Premium				119,360	(119,360)
(Non-Budgeted) Post Retirement and Medical Contribution				2,004,499	(2,004,499)
(Non-Budgeted) Long Term Disability				2,941	(2,941)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,726,886	(1,726,886)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,313,747</u>	<u>(12,313,747)</u>
Total Undistributed Expenditures	<u>30,254,640</u>	<u>(27,476)</u>	<u>30,227,164</u>	<u>38,713,767</u>	<u>(8,486,603)</u>
Interest Earned on Current Expense Emergency	300	-	300	-	300
Total Current Expenditures	<u>52,404,055</u>	<u>436,877</u>	<u>52,840,932</u>	<u>60,369,017</u>	<u>(7,528,085)</u>

**GLEN ROCK PUBLIC SCHOOLS  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>CAPITAL OUTLAY</b>					
Equipment					
Instruction					
Undistributed expenditures - Instruction		\$ 307,979	\$ 307,979	\$ 170,892	\$ 137,087
Non-Instruction					
Extraordinary Services		7,855	7,855	7,855	-
Admin- Info Technology		102,341	102,341	74,499	27,842
Required Maintenance		57,532	57,532	57,380	152
Operations and Plant Maintenance		39,638	39,638	31,013	8,625
General Administration		20,936	20,936	20,781	155
School Administration		9,336	9,336	9,336	-
Security	\$ 40,000	(5,069)	34,931	34,931	-
Care and Upkeep of Grounds	-	11,759	11,759	-	-
Total Equipment	40,000	552,307	592,307	418,446	173,861
Facilities Acquisition and Construction Services					
Assessment for Debt Service on SDA funding	15,896	-	15,896	15,896	-
Total Facilities Acquisition and Construction Services	15,896	-	15,896	15,896	-
Increase in Capital Reserve	957,846	-	957,846	-	957,846
Interest Deposit to Capital Reserve	250	-	250	-	250
Total Expenditures - Capital Outlay	1,013,992	552,307	1,566,299	434,342	1,131,957
Total Expenditures - General Fund	53,418,047	989,184	54,407,231	60,803,359	(6,396,128)
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(1,359,299)	(989,184)	(2,348,483)	4,462,814	6,811,297
Other Financing Sources/Uses					
Transfer to Capital Projects Fund- Capital Reserve	(3,550,871)	-	(3,550,871)	(3,550,871)	-
Total Other Financing Sources/Uses	(3,550,871)	-	(3,550,871)	(3,550,871)	-
Net Change in Fund Balance	(4,910,170)	(989,184)	(5,899,354)	911,943	6,811,297
Fund Balance, Beginning of Year	12,993,271	-	12,993,271	12,993,271	-
Fund Balance, End of Year	\$ 8,083,101	\$ (989,184)	\$ 7,093,917	\$ 13,905,214	\$ 6,811,297
<b>Recapitulation of Fund Balance</b>					
<b>Restricted:</b>					
Excess Surplus				\$ 1,521,184	
Excess Surplus- Designated					
for Subsequent Year's Expenditures				1,798,759	
Capital Reserve				1,638,130	
Capital Reserve- Designated					
for Subsequent Year's Expenditures				4,654,513	
Emergency Reserve				209,496	
Unemployment Reserve				774,581	
<b>Assigned:</b>					
Year-End Encumbrances				498,204	
Designated for Subsequent Year's Expenditures				3	
Unassigned:				2,810,344	
Fund Balance (Budgetary Basis)				13,905,214	
<b>Reconciliation to Governmental Fund Statements (GAAP)</b>					
State Aid Payments Not Recognized on a GAAP Basis				1,111,466	
Fund Balance per Governmental Funds (GAAP Basis)				\$ 12,793,748	

**GLEN ROCK PUBLIC SCHOOLS  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES</b>					
Intergovernmental					
State Sources	\$ 157,856	\$ 123,614	\$ 281,470	\$ 237,770	\$ (43,700)
Federal Sources	563,494	1,563,398	2,126,892	1,732,139	(394,753)
Local Sources					
Miscellaneous (Non-Budget)	-	2,000	2,000	1,048,885	1,046,885
Total Revenues	<u>721,350</u>	<u>1,689,012</u>	<u>2,410,362</u>	<u>3,018,794</u>	<u>608,432</u>
<b>EXPENDITURES</b>					
Instruction					
Salaries		65,750	65,750	18,750	47,000
Purchased Professional/Educational Services	19,749	53,747	73,496	63,259	10,237
Purchased Professional/Technical Services	18,205	9,695	27,900	15,624	12,276
Tuition	476,085	367,610	843,695	843,695	-
General Supplies	7,239	7,723	14,962	14,929	33
Textbooks	11,735	2,130	13,865	13,865	-
Student Activities/Athletics (Non-Budget)	-	-	-	951,276	(951,276)
Total Instruction	<u>533,013</u>	<u>506,655</u>	<u>1,039,668</u>	<u>1,921,398</u>	<u>(881,730)</u>
Support Services					
Salaries		147,000	147,000		147,000
Purchased Professional & Technical Services	24,204	133,481	157,685	76,427	81,258
Purchased Professional - Educational Services	106,027	60,530	166,557	115,193	51,364
Other Purchased Professional Services	16,809	2,127	18,936	18,936	-
Miscellaneous Purchased Services	5,029	71,399	76,428	47,469	28,959
General Supplies	36,268	39,692	75,960	74,734	1,226
Scholarship Awards (Non-Budget)	-	-	-	3,900	(3,900)
Total Support Services	<u>188,337</u>	<u>454,229</u>	<u>642,566</u>	<u>336,659</u>	<u>305,907</u>
Facilities Acquisition and Construction					
Construction Services		713,028	713,028	669,028	44,000
Instructional Equipment		15,100	15,100	-	15,100
Non-Instructional Equipment	-	-	-	-	-
Total Facilities Acquisition and Construction	<u>-</u>	<u>728,128</u>	<u>728,128</u>	<u>669,028</u>	<u>59,100</u>
Total Expenditures	<u>721,350</u>	<u>1,689,012</u>	<u>2,410,362</u>	<u>2,927,085</u>	<u>(516,723)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,709</u>	<u>91,709</u>
Fund Balances, Beginning of Year	<u>469,395</u>	<u>-</u>	<u>469,395</u>	<u>469,395</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 469,395</u>	<u>\$ -</u>	<u>\$ 469,395</u>	<u>\$ 561,104</u>	<u>\$ 91,709</u>
Restricted Fund Balances:					
Student Activities and Athletics				\$ 474,776	
Scholarships				<u>86,328</u>	
				<u>\$ 561,104</u>	

**GLEN ROCK PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

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

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	C-1 \$ 65,266,173	C-2 \$ 3,018,794
Difference - Budget to GAAP:		
State Aid and Extraordinary payment recognized for GAAP purposes, not recognized for Budgetary statements (2020/2021 State Aids).	1,138,897	
State Aid and Extraordinary payment not recognized for GAAP purposes, recognized for Budgetary statements (2021/2022 State Aids).	<u>(1,111,466)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	B-2 \$ <u>65,293,604</u>	B-2 \$ <u>3,018,794</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	C-1 \$ <u>60,803,359</u>	C-2 \$ <u>2,927,085</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	B-2 \$ <u>60,803,359</u>	B-2 \$ <u>2,927,085</u>

**SCHOOL LEVEL SCHEDULES**

**(General Fund)**

**NOT APPLICABLE**

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**  
**PENSION INFORMATION**  
**AND**  
**OTHER POST-EMPLOYMENT BENEFITS INFORMATION**

**GLEN ROCK PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Public Employees Retirement System**

**Last Nine Fiscal Years\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.04032 %	0.03884 %	0.05133 %	0.04440 %	0.04457 %	0.04756 %	0.04907 %	0.04762 %	0.04834 %
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 4,776,629	\$ 6,381,192	\$ 7,737,957	\$ 8,741,950	\$ 10,375,147	\$ 14,087,333	\$ 11,014,621	\$ 8,915,916	\$ 9,238,480
District's Covered Payroll	\$ 2,749,763	\$ 2,933,348	\$ 2,867,020	\$ 3,138,309	\$ 3,048,612	\$ 2,983,879	\$ 3,322,003	\$ 3,245,483	\$ 3,314,276
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	173.71%	217.54%	269.90%	278.56%	340.32%	472.11%	331.57%	274.72%	278.75%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.33%	58.32%	56.27%	53.60%	48.11%	40.14%	47.93%	52.08%	48.72%

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

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



**GLEN ROCK PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT CONTRIBUTIONS**

**Public Employees Retirement System**

**Last Nine Fiscal Years**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 472,206	\$ 428,071	\$ 419,258	\$ 446,486	\$ 412,892	\$ 422,559	\$ 421,847	\$ 392,579	\$ 369,910
Contributions in Relation to the Contractually Required Contribution	<u>472,206</u>	<u>428,071</u>	<u>419,258</u>	<u>446,486</u>	<u>412,892</u>	<u>422,559</u>	<u>421,847</u>	<u>392,579</u>	<u>369,910</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 2,840,821	\$ 2,749,763	\$ 2,933,348	\$ 2,867,020	\$ 3,138,309	\$ 3,048,612	\$ 2,983,879	\$ 3,322,003	\$ 3,245,483
Contributions as a Percentage of Covered Payroll	16.62%	15.57%	14.29%	15.57%	13.16%	13.86%	14.14%	11.82%	11.40%

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

**GLEN ROCK PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Teachers Pension and Annuity Fund**

Last Nine Fiscal Years\*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
District's Proportionate Share of the Net Pension Liability (Asset)	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 95,139,666</u>	<u>\$ 127,550,371</u>	<u>\$ 116,420,475</u>	<u>\$ 120,813,268</u>	<u>\$ 124,192,382</u>	<u>\$ 143,289,276</u>	<u>\$ 117,213,772</u>	<u>\$ 97,818,837</u>	<u>\$ 94,792,233</u>
<b>Total</b>	<u>\$ 95,139,666</u>	<u>\$ 127,550,371</u>	<u>\$ 116,420,475</u>	<u>\$ 120,813,268</u>	<u>\$ 124,192,382</u>	<u>\$ 143,289,276</u>	<u>\$ 117,213,772</u>	<u>\$ 97,818,837</u>	<u>\$ 94,792,233</u>
District's Covered Payroll	\$ 22,282,965	\$ 22,409,975	\$ 21,102,359	\$ 20,571,812	\$ 19,759,557	\$ 19,129,191	\$ 18,765,085	\$ 17,883,876	\$ 18,064,542
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	35.52%	24.60%	26.95%	26.49%	36.44%	22.33%	28.71%	33.64%	33.76%

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

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

**GLEN ROCK PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY  
AND SCHEDULE OF DISTRICT CONTRIBUTIONS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Change of Benefit Terms:**                   None.

**Change of Assumptions:**               Assumptions use in calculating the net pension liability and statutorily required employer contribution presented in Note 4D.

**GLEN ROCK PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF  
TOTAL OPEB LIABILITY**

**POSTEMPLOYMENT HEALTH BENEFIT PLAN**

Last Five Fiscal Years\*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>					
Service Cost	\$ 4,841,076	\$ 2,697,688	\$ 2,444,271	\$ 2,744,834	\$ 3,327,294
Interest on OPEB Liability	2,198,642	2,158,451	2,585,179	2,703,393	2,328,946
Changes of Benefit Terms	(90,212)				-
Differences Between Expected and Actual Experience	(14,424,464)	13,654,511	(9,620,765)	(4,643,546)	-
Changes of Assumptions	83,618	17,138,120	890,988	(7,486,361)	(9,724,100)
Gross Benefit Payments	(1,731,914)	(1,633,370)	(1,834,375)	(1,744,435)	(1,642,767)
Contribution from the Member	<u>56,208</u>	<u>49,507</u>	<u>54,376</u>	<u>60,290</u>	<u>60,491</u>
<b>Net Change in Total OPEB Liability</b>	(9,067,046)	34,064,907	(5,480,326)	(8,365,825)	(5,650,136)
<b>Total OPEB Liability - Beginning</b>	<u>93,822,355</u>	<u>59,757,448</u>	<u>65,237,774</u>	<u>73,603,599</u>	<u>79,253,735</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 84,755,309</u>	<u>\$ 93,822,355</u>	<u>\$ 59,757,448</u>	<u>\$ 65,237,774</u>	<u>\$ 73,603,599</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>84,755,309</u>	<u>93,822,355</u>	<u>59,757,448</u>	<u>65,237,774</u>	<u>73,603,599</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 84,755,309</u>	<u>\$ 93,822,355</u>	<u>\$ 59,757,448</u>	<u>\$ 65,237,774</u>	<u>\$ 73,603,599</u>
District's Covered Payroll	<u>\$ 25,032,728</u>	<u>\$ 25,343,323</u>	<u>\$ 23,969,379</u>	<u>\$ 23,710,121</u>	<u>\$ 22,808,169</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%

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

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

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

**GLEN ROCK PUBLIC SCHOOLS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY  
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<b>Changes in Benefit Terms:</b>	None.
<b>Changes of Assumptions</b>	Assumptions used in calculating the OPEB liability are presented in Note 4E.

**SPECIAL REVENUE FUND**

GLEN ROCK PUBLIC SCHOOLS  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ESEA		IDEA				Totals Page 2	Totals Page 3	Grand Totals
	Title IIA	Title III Immigrant	Part B Basic	Part B Pre-School	ARP Part B Basic	ARP Pre-School			
<b>REVENUES</b>									
Intergovernmental									
State Sources								\$ 237,770	\$ 237,770
Federal Sources	\$ 27,549	\$ 3,253	\$ 553,772	\$ 24,242	\$ 110,971	\$ 10,279	\$ 1,002,073		1,732,139
Local Sources									
Miscellaneous	-	-	-	-	-	-	1,048,885	-	1,048,885
Total Revenues	\$ 27,549	\$ 3,253	\$ 553,772	\$ 24,242	\$ 110,971	\$ 10,279	\$ 2,050,958	\$ 237,770	\$ 3,018,794
<b>EXPENDITURES</b>									
Instruction:									
Salaries							\$ 18,750		\$ 18,750
Tuition			\$ 518,882	\$ 24,242	\$ 110,971	\$ 10,279	179,321		843,695
Purchased Prof. Educational Services							45,817	\$ 17,442	63,259
Purchased Prof. Tech Service							-	15,624	15,624
General Supplies		\$ 3,253					2,000	9,676	14,929
Textbooks							-	13,865	13,865
Student Activities/Athletics							951,276	-	951,276
Total Instruction	-	3,253	518,882	24,242	110,971	10,279	1,197,164	56,607	1,921,398
Support Services									
Purchased Professional Educational Services			34,890				-	80,303	115,193
Purchased Professional and Technical Services	\$ 25,227						51,200		76,427
Other Purchased Professional Services							-	18,936	18,936
Miscellaneous Purchased Services	2,322						45,147	-	47,469
General Supplies							53,946	20,788	74,734
Scholarship Awards							3,900	-	3,900
Total Support Services	27,549	-	34,890	-	-	-	154,193	120,027	336,659
Facilities Acquisition and Construction Services									
Construction Services							607,892	61,136	669,028
Instructional Equipment							-	-	-
Non-Instructional Equipment							-	-	-
Total Facilities Acq. & Construction	-	-	-	-	-	-	607,892	61,136	669,028
Total Expenditures	27,549	3,253	553,772	24,242	110,971	10,279	1,959,249	237,770	2,927,085
Net Change in Fund Balance	-	-	-	-	-	-	91,709	-	91,709
Fund Balance, Beginning of Year	-	-	-	-	-	-	469,395	-	469,395
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 561,104	\$ -	\$ 561,104

GLEN ROCK PUBLIC SCHOOLS  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ARP-ESSER III Non-Title I	CRRSA - ESSER II			ACSERS Aid	Local	Student Activities/ Athletics	Scholarship	Totals Pg 2
		Learning Acceleration	Mental Health	ESSER II Non-Title I					
<b>REVENUES</b>									
Intergovernmental									
Federal Sources	\$ 607,892	\$ 24,975	\$ 44,975	\$ 53,946	\$ 270,285				\$ 1,002,073
Local Sources									
Miscellaneous	-	-	-	-	-	\$ 2,000	\$ 1,046,885	\$ -	1,048,885
Total Revenues	\$ 607,892	\$ 24,975	\$ 44,975	\$ 53,946	\$ 270,285	\$ 2,000	\$ 1,046,885	\$ -	\$ 2,050,958
<b>EXPENDITURES</b>									
Instruction:									
Salaries		\$ 18,750							\$ 18,750
Tuition					\$ 179,321				179,321
Purchased Prof. Educational Services					45,817				45,817
Purchased Prof. Tech Service									-
Miscellaneous Purchased Services									-
General Supplies						\$ 2,000			2,000
Textbooks									-
Student Activities/Athletics							\$ 951,276		951,276
Total Instruction		18,750			225,138	2,000	951,276		1,197,164
Support Services									
Purchased Professional Educational Services									-
Purchased Professional and Technical Services		6,225	\$ 44,975						51,200
Other Purchased Professional Services									-
Miscellaneous Purchased Services					45,147				45,147
General Supplies				\$ 53,946					53,946
Scholarships Awarded								\$ 3,900	3,900
Total Support Services		6,225	44,975	53,946	45,147			3,900	154,193
Facilities Acquisition and Construction Services									
Construction Services	\$ 607,892								607,892
Instructional Equipment									-
Non-Instructional Equipment									-
Total Facilities Acq. & Construction	607,892								607,892
Total Expenditures	607,892	24,975	44,975	53,946	270,285	2,000	951,276	3,900	1,959,249
Net Change in Fund Balance							95,609	(3,900)	91,709
Fund Balance, Beginning of Year							379,167	90,228	469,395
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 474,776	\$ 86,328	\$ 561,104





**GLEN ROCK PUBLIC SCHOOLS  
SPECIAL REVENUE FUND  
SCHEDULE OF PRESCHOOL EDUCATION AID EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOT APPLICABLE**

**GLEN ROCK PUBLIC SCHOOLS  
SPECIAL REVENUE FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<b>Balance, July 1, <u>2021</u></b>	<b>Cash <u>Receipts</u></b>	<b>Cash <u>Disbursements</u></b>	<b>Balance, June 30, <u>2022</u></b>
Elementary Schools	\$ 25,674	\$ 8,901	\$ 8,311	\$ 26,264
Middle/High School	353,493	924,708	829,689	448,512
Athletics	-	113,276	113,276	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
 Total All Schools	 \$ 379,167	 \$ 1,046,885	 \$ 951,276	 \$ 474,776
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**CAPITAL PROJECTS FUND**

**GLEN ROCK PUBLIC SCHOOLS  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Issue/Project Title</u>	<u>Appropriation</u>	<u>Expenditures to Date</u>		<u>Transfer Out</u>	<u>Balance, June 30, 2022</u>
		<u>Prior Years</u>	<u>Current Year</u>		
2018/19 Renovations, Alterations and Improvements at Central, Coleman and Byrd Elementary Schools, and the Glen Rock Middle/High School	\$ 14,718,320	\$ 9,946,654	\$ 246,573	\$ 1,160,817	\$ 3,364,276
2021/22- Window/Door Replacement at Coleman School Faculty Bathroom Project at Hamilton School, Gym Floor Replacement at Byrd School, Parking Lot Re- Paving/Excavate at Central School, Roof Replacement at Coleman School, Repointing/Waterproofing at Middle School and Bipolar Ionization Installations District Wide	<u>3,550,871</u>	<u>178,372</u>	<u>1,827,161</u>	<u>-</u>	<u>1,545,338</u>
	<u>\$ 18,269,191</u>	<u>\$ 10,125,026</u>	<u>\$ 2,073,734</u>	<u>\$ 1,160,817</u>	<u>\$ 4,909,614</u>
		<b><u>Reconciliation to Fund Balance - GAAP</u></b>			
					\$ 4,909,614
					Less-
					2018/19 Referendum Authorized but Not Issued
					<u>(320)</u>
					Fund Balance, GAAP Basis
					<u>\$ 4,909,294</u>
		<b><u>Recapitulation of Fund Balance - GAAP</u></b>			
					\$ 645,382
					Year End Encumbrances
					Available for Capital Projects
					<u>4,263,912</u>
					Total Fund Balance Restricted for
					Capital Projects
					<u>\$ 4,909,294</u>

**GLEN ROCK PUBLIC SCHOOLS**  
**SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGETARY BASIS**  
**CAPITAL PROJECTS FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**EXHIBIT F-2**

**Revenues and Other Financing Sources**

Transfer from Capital Reserve	\$ <u>3,550,871</u>
Total Revenues and Other Financing Sources	<u>3,550,871</u>

**Expenditures and Other Financing Uses**

Purchased Prof/Tech Services	56,269
Construction Services	1,996,179
Supplies and Equipment	10,124
Miscellaneous	11,162
Transfer Out- Debt Service Fund	<u>1,160,817</u>
Total Expenditures and Other Financing Uses	<u>3,234,551</u>

Net Change in Fund Balance	316,320
----------------------------	---------

Fund Balance, Beginning of Year	<u>4,592,974</u>
---------------------------------	------------------

Fund Balance, End of Year - Budgetary Basis	<u>\$ 4,909,294</u>
---	---------------------

Fund Balance, End of Year - GAAP Basis	<u>\$ 4,909,294</u>
--	---------------------

**GLEN ROCK PUBLIC SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
RENOVATIONS, ALTERNATIONS AND IMPROVEMENTS AT CENTRAL,  
COLEMAN AND BYRD ELEMENTARY SCHOOLS AND THE GLEN ROCK  
MIDDLE/HIGH SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
<b>Revenues and Other Financing Sources</b>				
Bond Proceeds	\$ 14,718,000	-	\$ 14,718,000	\$ 14,718,320
Total Revenues and Other Financing Sources	<u>14,718,000</u>	<u>-</u>	<u>14,718,000</u>	<u>14,718,320</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical services	1,383,964	\$ 6,372	1,390,336	1,467,823
Bond Sale Costs	57,895		57,895	60,000
Construction Services	7,933,486	230,077	8,163,563	12,477,441
Supplies and Equipment	513,587	10,124	523,711	525,000
Miscellaneous Expenditures	57,722	-	57,722	188,056
Transfer Out - Debt Service Fund	-	1,160,817	1,160,817	-
Total Expenditures and Other Financing Uses	<u>9,946,654</u>	<u>1,407,390</u>	<u>11,354,044</u>	<u>14,718,320</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>\$ 4,771,346</u>	<u>\$ (1,407,390)</u>	3,363,956	<u>\$ -</u>
		Add: Authorized But Not Issued	<u>320</u>	
<b>Additional Project Information:</b>			<u>\$ 3,364,276</u>	
Project Number	N/A			
Grant Date	N/A			
Bonds Authorization Date	3/12/2019			
Bonds Authorized	\$ 14,718,320			
Bonds Issued	\$ 14,718,000			
Original Authorized Cost	\$ 14,718,320			
Change Orders	-			
Revised Authorized Cost	\$ 14,718,320			
Change Order Percentage	N/A			
Percentage Completion	77.14%			
Original Target Completion Date	12/31/2021			
Revised Target Completion Date	6/30/2023			

**GLEN ROCK PUBLIC SCHOOLS  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
WINDOW/DOOR REPLACEMENT AT COLEMAN SCHOOL, FACULTY BATHROOM  
PROJECT AT HAMILTON SCHOOL, GYM FLOOR REPLACEMENT AT BYRD SCHOOL,  
PARKING LOT REPAVING/EXCAVATION AT CENTRAL SCHOOL, ROOF REPLACEMENT  
AT COLEMEN SCHOOL, REPOINTING/WATERPROOFING AT MIDDLE SCHOOL AND  
DISTRICT WID BIPOLAR IONIZATION INSTALLATIONS  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
<b>Revenues and Other Financing Sources</b>				
Transfer From Capital Reserve	-	\$ 3,550,871	\$ 3,550,871	\$ 3,550,871
Total Revenues and Other Financing Sources	-	3,550,871	3,550,871	3,550,871
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical services	\$ 177,347	49,897	227,244	200,000
Construction Services		1,766,102	1,766,102	3,348,871
Miscellaneous Expenditures	1,025	11,162	12,187	2,000
Total Expenditures and Other Financing Uses	178,372	1,827,161	2,005,533	3,550,871
Excess (Deficiency) of Revenues over (under) Expenditures	\$ (178,372)	\$ 1,723,710	\$ 1,545,338	\$ -

**Additional Project Information:**

Project Number	N/A
Grant Date	N/A
Bonds Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 3,550,871
Change Orders	-
Revised Authorized Cost	\$ 3,550,871
Change Order Percentage	N/A
Percentage Completion	56.48%
Original Target Completion Date	6/30/2022
Revised Target Completion Date	6/30/2023



**PROPRIETARY FUND**

**GLEN ROCK PUBLIC SCHOOLS  
PROPRIETARY FUND  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2022**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

**FIDUCIARY FUNDS**

**NOT APPLICABLE**

**LONG-TERM DEBT**

**GLEN ROCK PUBLIC SCHOOLS  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Annual Date</u>	<u>Maturities Amount</u>	<u>Interest Rate</u>	<u>Balance July 1, 2021</u>	<u>Matured</u>	<u>Balance June 30, 2022</u>					
2019 School Bonds	7/15/2019	\$ 14,718,000	7/15/2022	\$ 885,000	2.00%								
			7/15/2023	900,000	2.00%								
			7/15/2024	950,000	2.00%								
			7/15/2025	975,000	2.00%								
			7/15/2026	1,000,000	2.00%								
			7/15/2027	1,025,000	2.00%								
			7/15/2028	1,050,000	2.00%								
			7/15/2029	1,090,000	2.00%								
			7/15/2030	1,125,000	2.250%								
			7/15/2031	1,160,000	2.375%								
			7/15/2032	1,200,000	3.00%								
			7/15/2033	1,230,000	3.00%								
			7/15/2034	1,275,000	3.00%								
											\$ 14,718,000	\$ 853,000	\$ 13,865,000
2016 Refunding Bonds	1/26/2016	32,910,000	9/1/2022	1,830,000	4.250%								
			9/1/2023	1,905,000	4.300%								
			9/1/2024	1,980,000	4.500%								
			9/1/2025	2,055,000	4.500%								
			9/1/2026	2,130,000	4.500%								
			9/1/2027	2,225,000	4.500%								
			9/1/2028	2,330,000	4.600%								
			9/1/2029	2,440,000	4.625%								
			9/1/2030	2,545,000	4.700%								
			9/1/2031	2,675,000	4.750%								
			9/1/2032	2,795,000	4.750%								
			9/1/2033	2,925,000	4.750%								
											<u>29,590,000</u>	<u>1,755,000</u>	<u>27,835,000</u>
											<u>\$ 44,308,000</u>	<u>\$ 2,608,000</u>	<u>\$ 41,700,000</u>
					Budget Appropriation	<u>\$ 2,608,000</u>							

**GLEN ROCK PUBLIC SCHOOLS  
LONG-TERM DEBT  
SCHEDULE OF CAPITAL & OTHER FINANCING AGREEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOT APPLICABLE**

**DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES</b>					
Local Sources					
Local Tax Levy	\$ 1,942,951		\$ 1,942,951	\$ 1,942,951	
State Sources					
State Aid	<u>1,136,782</u>	<u>-</u>	<u>1,136,782</u>	<u>1,136,782</u>	<u>-</u>
Total Revenues	<u>3,079,733</u>	<u>-</u>	<u>3,079,733</u>	<u>3,079,733</u>	<u>-</u>
<b>EXPENDITURES</b>					
Regular Debt Service					
Redemption of Principal	1,755,000	\$ 853,000	2,608,000	2,608,000	
Interest	<u>1,655,760</u>	<u>-</u>	<u>1,655,760</u>	<u>1,655,760</u>	<u>-</u>
Total Expenditures	<u>3,410,760</u>	<u>853,000</u>	<u>4,263,760</u>	<u>4,263,760</u>	<u>-</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>(331,027)</u>	<u>(853,000)</u>	<u>(1,184,027)</u>	<u>(1,184,027)</u>	<u>-</u>
Other Financing Sources/(Uses)					
Transfer In	<u>307,817</u>	<u>853,000</u>	<u>1,160,817</u>	<u>1,160,817</u>	<u>-</u>
Net Changes in Fund Balance	<u>(23,210)</u>	<u>-</u>	<u>(23,210)</u>	<u>(23,210)</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>23,210</u>	<u>-</u>	<u>23,210</u>	<u>23,210</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## STATISTICAL SECTION

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

### Contents

### Exhibits

#### **Financial Trends**

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

J-1 to J-5

#### **Revenue Capacity**

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

J-6 to J-9

#### **Debt Capacity**

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

J-10 to J-13

#### **Demographic and Economic Information**

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

J-14 and J-15

#### **Operating Information**

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

J-16 to J-20

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



**GLEN ROCK PUBLIC SCHOOLS**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 11,246,322	\$ 11,869,829	\$ 12,097,377	\$ 12,891,322	\$ 11,511,891	\$ 11,279,232	\$ 11,172,441	\$ 10,809,961	\$ 11,030,531	\$ 12,225,242
Restricted	2,860,798	2,327,742	2,110,708	1,527,503	1,995,365	1,143,855	2,207,557	5,302,533	7,189,612	9,173,666
Unrestricted	2,120,590	(7,361,144)	(7,519,250)	(7,714,876)	(8,479,726)	(8,483,475)	(8,375,596)	(8,466,933)	(6,266,408)	(4,200,194)
<b>Total Governmental Activities Net Position</b>	<u>\$ 16,227,710</u>	<u>\$ 6,836,427</u>	<u>\$ 6,688,835</u>	<u>\$ 6,703,949</u>	<u>\$ 5,027,530</u>	<u>\$ 3,939,612</u>	<u>\$ 5,004,402</u>	<u>\$ 7,645,561</u>	<u>\$ 11,953,735</u>	<u>\$ 17,198,714</u>
<b>Business-type activities</b>										
Net Investment in Capital Assets	\$ 15,116	\$ 12,780	\$ 21,777	\$ 17,425	\$ 22,784	\$ 20,384	\$ 13,112	\$ 11,154	\$ 19,109	\$ 23,109
Unrestricted	677,809	778,714	530,601	375,699	484,089	638,686	605,299	576,732	240,120	538,022
<b>Total Business-Type Activities Net Position</b>	<u>\$ 692,925</u>	<u>\$ 791,494</u>	<u>\$ 552,378</u>	<u>\$ 393,124</u>	<u>\$ 506,873</u>	<u>\$ 659,070</u>	<u>\$ 618,411</u>	<u>\$ 587,886</u>	<u>\$ 259,229</u>	<u>\$ 561,131</u>
<b>District-wide</b>										
Net Investment in Capital Assets	\$ 11,261,438	\$ 11,882,609	\$ 12,119,154	\$ 12,908,747	\$ 11,534,675	\$ 11,299,616	\$ 11,185,553	\$ 10,821,115	\$ 11,049,640	\$ 12,248,351
Restricted	2,860,798	2,327,742	2,110,708	1,527,503	1,995,365	1,143,855	2,207,557	5,302,533	7,189,612	9,173,666
Unrestricted	2,798,399	(6,582,430)	(6,988,649)	(7,339,177)	(7,995,637)	(7,844,789)	(7,770,297)	(7,890,201)	(6,026,288)	(3,662,172)
<b>Total District Net Position</b>	<u>\$ 16,920,635</u>	<u>\$ 7,627,921</u>	<u>\$ 7,241,213</u>	<u>\$ 7,097,073</u>	<u>\$ 5,534,403</u>	<u>\$ 4,598,682</u>	<u>\$ 5,622,813</u>	<u>\$ 8,233,447</u>	<u>\$ 12,212,964</u>	<u>\$ 17,759,845</u>

Source: District Financial Records

Note 1 - Net Position at June 30, 2014 has been restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" and for corrections of the capital assets.

Note 2 - Net Position at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities".

**GLEN ROCK PUBLIC SCHOOLS**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses</b>										
<b>Governmental activities</b>										
<b>Instruction</b>										
Regular	\$ 19,498,092	\$ 19,560,882	\$ 22,802,265	\$ 24,119,067	\$ 27,243,362	\$ 27,821,163	\$ 27,143,778	\$ 26,092,013	\$ 28,634,338	\$ 24,893,668
Special Education	6,004,684	6,359,075	7,081,367	7,773,836	8,134,028	8,895,937	9,103,622	9,050,204	9,174,829	9,275,230
Other Instruction	660,268	603,338	711,206	688,326	1,322,079	1,349,779	1,437,758	1,350,370	1,492,768	1,238,191
School Sponsored Activities and Athletics	1,016,734	1,092,729	1,223,345	1,210,348	1,516,347	1,544,499	1,617,568	1,560,607	2,173,443	2,310,718
<b>Support Services:</b>										
Student & Instruction Related Services	6,788,480	7,124,795	7,770,425	8,390,007	9,176,149	9,365,201	8,557,365	9,066,502	9,305,545	8,980,232
Educational Media/School Library	1,004,372	945,838	1,130,931	1,197,343	1,147,445	1,118,832	994,909	980,794	1,099,704	868,046
General Administration	978,317	1,034,115	1,156,223	1,299,253	1,397,259	1,292,970	1,299,593	1,280,390	1,791,092	1,906,867
School Administrative Services	3,463,742	3,485,098	4,003,034	4,268,557	4,772,544	4,852,112	4,757,709	4,677,942	4,526,247	3,838,835
Plant Operations and Maintenance	4,536,130	4,907,607	4,813,339	4,828,108	4,976,158	4,867,880	4,579,072	4,889,406	5,137,656	5,631,429
Pupil Transportation	899,076	905,266	894,179	856,873	793,786	957,459	1,063,883	981,622	808,990	1,093,906
Central Services	1,437,140	1,479,608	1,451,301	1,522,395	1,633,449	1,725,118	1,441,998	1,510,826	1,643,263	1,663,878
Scholarship Awards									6,400	3,900
Interest on Long-Term Debt	2,025,853	1,942,558	1,903,597	1,396,278	1,444,427	1,375,360	1,307,032	1,571,410	1,511,780	1,455,959
<b>Total Governmental Activities Expenses</b>	<b>48,312,888</b>	<b>49,440,909</b>	<b>54,941,212</b>	<b>57,550,391</b>	<b>63,557,033</b>	<b>65,166,310</b>	<b>63,304,287</b>	<b>63,012,086</b>	<b>67,306,055</b>	<b>63,160,859</b>
<b>Business-Type Activities:</b>										
Food Service	488,022	512,705	486,218	506,962	523,671	537,142	549,969	415,968	14,080	637,557
Community School	1,253,303	1,346,609	1,557,780	1,469,523	1,471,994	1,589,835	1,748,106	1,375,814	620,571	1,147,886
<b>Total Business-Type Activities Expense</b>	<b>1,741,325</b>	<b>1,859,314</b>	<b>2,043,998</b>	<b>1,976,485</b>	<b>1,995,665</b>	<b>2,126,977</b>	<b>2,298,075</b>	<b>1,791,782</b>	<b>634,651</b>	<b>1,785,443</b>
<b>Total District Expenses</b>	<b>\$ 50,054,213</b>	<b>\$ 51,300,223</b>	<b>\$ 56,985,210</b>	<b>\$ 59,526,876</b>	<b>\$ 65,552,698</b>	<b>\$ 67,293,287</b>	<b>\$ 65,602,362</b>	<b>\$ 64,803,868</b>	<b>\$ 67,940,706</b>	<b>\$ 64,946,302</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
<b>Charges for Services:</b>										
Regular- Tuition	\$ 39,907	\$ 35,688	\$ 32,088	\$ 28,724	\$ 28,595	\$ 58,380	\$ 128,413	\$ 112,642	\$ 84,852	\$ 98,476
School Spons. Activities/Athletics Fees					105,928	177,132	169,214	100,861	203,951	1,207,399
Plant Operations and Maint. Facility Rental					24,379	40,939	43,597	22,337		
Capital Grants and Contributions	36,500	25,000	3,712	41,383	44,296	49,426	28,533	38,210	306,625	669,028
Operating Grants and Contributions	6,879,467	6,169,032	10,351,346	12,407,077	16,072,363	16,913,015	14,346,541	13,172,044	18,700,643	13,771,644
<b>Total Governmental Activities Program Revenues</b>	<b>6,955,874</b>	<b>6,229,720</b>	<b>10,387,146</b>	<b>12,477,184</b>	<b>16,275,561</b>	<b>17,238,892</b>	<b>14,716,298</b>	<b>13,446,094</b>	<b>19,296,071</b>	<b>15,746,547</b>
<b>Business-Type Activities:</b>										
<b>Charges for Services</b>										
Food Service	501,688	497,938	454,868	545,932	520,619	551,506	555,043	403,626		635,665
Community School	1,246,947	1,459,900	1,662,706	1,571,254	1,588,766	1,727,668	1,801,929	1,452,421	405,994	1,451,680
<b>Total Business Type Activities Program Revenues</b>	<b>1,748,635</b>	<b>1,957,838</b>	<b>2,117,574</b>	<b>2,117,186</b>	<b>2,109,385</b>	<b>2,279,174</b>	<b>2,356,972</b>	<b>1,856,047</b>	<b>405,994</b>	<b>2,087,345</b>
<b>Total District Program Revenues</b>	<b>\$ 8,704,509</b>	<b>\$ 8,187,558</b>	<b>\$ 12,504,720</b>	<b>\$ 14,594,370</b>	<b>\$ 18,384,946</b>	<b>\$ 19,518,066</b>	<b>\$ 17,073,270</b>	<b>\$ 15,302,141</b>	<b>\$ 19,702,065</b>	<b>\$ 17,833,892</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (41,357,014)	\$ (43,211,189)	\$ (44,554,066)	\$ (45,073,207)	\$ (47,281,472)	\$ (47,927,418)	\$ (48,587,989)	\$ (49,565,992)	\$ (48,009,984)	\$ (47,414,312)
Business-Type Activities	7,310	98,524	73,576	140,701	113,720	152,197	58,897	64,265	(228,657)	301,902
<b>Total District-Wide Net Expense</b>	<b>\$ (41,349,704)</b>	<b>\$ (43,112,665)</b>	<b>\$ (44,480,490)</b>	<b>\$ (44,932,506)</b>	<b>\$ (47,167,752)</b>	<b>\$ (47,775,221)</b>	<b>\$ (48,529,092)</b>	<b>\$ (49,501,727)</b>	<b>\$ (48,238,641)</b>	<b>\$ (47,112,410)</b>

**GLEN ROCK PUBLIC SCHOOLS**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental activities:</b>										
Property Taxes Levied for General Purposes, net	\$ 40,033,500	\$ 40,033,500	\$ 40,521,909	\$ 41,319,529	\$ 42,275,920	\$ 43,540,070	\$ 46,150,041	\$ 47,296,016	\$ 48,123,696	\$ 48,965,861
Taxes Levied for Debt Service	2,537,079	2,641,786	2,511,792	2,510,082	2,371,652	2,436,622	2,410,694	2,349,214	2,680,775	1,942,951
State Aid Restricted for Debt Service			682,918	685,570	689,999	626,313	759,622	735,786	906,383	1,136,782
Unrestricted Grants and Contributions			43,210	46,068	68,421	70,471	6,090			
Miscellaneous Income	331,983	383,120	346,645	227,072	199,061	166,906	226,332	519,985	507,304	613,697
Loss on Disposal of Assets						(882)				
Transfers			300,000	300,000	-	-	100,000	100,000	100,000	-
<b>Total Governmental Activities</b>	<b>42,902,562</b>	<b>43,058,406</b>	<b>44,406,474</b>	<b>45,088,321</b>	<b>45,605,053</b>	<b>46,839,500</b>	<b>49,652,779</b>	<b>51,001,001</b>	<b>52,318,158</b>	<b>52,659,291</b>
<b>Business-Type Activities:</b>										
Loss on Disposal of Assets			(12,784)							
Miscellaneous Income	213	45	92	45	29		444	5,210		-
Transfers			(300,000)	(300,000)	-	-	(100,000)	(100,000)	(100,000)	-
<b>Total Business-Type Activities</b>	<b>213</b>	<b>45</b>	<b>(312,692)</b>	<b>(299,955)</b>	<b>29</b>	<b>-</b>	<b>(99,556)</b>	<b>(94,790)</b>	<b>(100,000)</b>	<b>-</b>
<b>Total District-Wide</b>	<b>\$ 42,902,775</b>	<b>\$ 43,058,451</b>	<b>\$ 44,093,782</b>	<b>\$ 44,788,366</b>	<b>\$ 45,605,082</b>	<b>\$ 46,839,500</b>	<b>\$ 49,553,223</b>	<b>\$ 50,906,211</b>	<b>\$ 52,218,158</b>	<b>\$ 52,659,291</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 1,545,548	\$ (152,783)	\$ (147,592)	\$ 15,114	\$ (1,676,419)	\$ (1,087,918)	\$ 1,064,790	\$ 1,435,009	\$ 4,308,174	\$ 5,244,979
Business-Type Activities	7,523	98,569	(239,116)	(159,254)	113,749	152,197	(40,659)	(30,525)	(328,657)	301,902
<b>Total District</b>	<b>\$ 1,553,071</b>	<b>\$ (54,214)</b>	<b>\$ (386,708)</b>	<b>\$ (144,140)</b>	<b>\$ (1,562,670)</b>	<b>\$ (935,721)</b>	<b>\$ 1,024,131</b>	<b>\$ 1,404,484</b>	<b>\$ 3,979,517</b>	<b>\$ 5,546,881</b>

Source: District Financial Records

**GLEN ROCK PUBLIC SCHOOLS**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(modified accrual basis of accounting)*

	2013		2014		2015		2016		Fiscal Year Ended June 30,		2017		2018		2019		2020		2021		2022		
General Fund																							
Restricted	\$	4,737,021	\$	4,859,140	\$	4,059,921	\$	3,380,219	\$	5,020,419	\$	4,229,142	\$	4,627,893	\$	7,335,640	\$	10,064,564	\$	10,596,663			
Assigned		577,242		440,959		362,962		349,721		159,263		168,856		757,225		440,692		209,922		498,207			
Unassigned		581,619		588,648		604,866		609,852		584,943		635,511		628,304		624,115		1,579,888		1,698,878			
<b>Total General Fund</b>	<b>\$</b>	<b>5,895,882</b>	<b>\$</b>	<b>5,888,747</b>	<b>\$</b>	<b>5,027,749</b>	<b>\$</b>	<b>4,339,792</b>	<b>\$</b>	<b>5,764,625</b>	<b>\$</b>	<b>5,033,509</b>	<b>\$</b>	<b>6,013,422</b>	<b>\$</b>	<b>8,400,447</b>	<b>\$</b>	<b>11,854,374</b>	<b>\$</b>	<b>12,793,748</b>			
All Other Governmental Funds																							
Restricted	\$	991,500	\$	240,272	\$	625,325	\$	729,443	\$	(14,107)	\$	8,362	\$	116,004	\$	10,094,985	\$	5,085,579	\$	5,470,398			
<b>Total All Other Governmental Funds</b>	<b>\$</b>	<b>991,500</b>	<b>\$</b>	<b>240,272</b>	<b>\$</b>	<b>625,325</b>	<b>\$</b>	<b>729,443</b>	<b>\$</b>	<b>(14,107)</b>	<b>\$</b>	<b>8,362</b>	<b>\$</b>	<b>116,004</b>	<b>\$</b>	<b>10,094,985</b>	<b>\$</b>	<b>5,085,579</b>	<b>\$</b>	<b>5,470,398</b>			

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

Source: District Financial Records

**GLEN ROCK PUBLIC SCHOOLS**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(modified accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Tax Levy	\$ 42,570,579	\$ 42,675,286	\$ 43,033,701	\$ 43,829,611	\$ 44,647,572	\$ 45,976,692	\$ 48,560,735	\$ 49,645,230	\$ 50,804,471	\$ 50,908,812
Miscellaneous	372,513	421,669	387,183	262,241	382,390	459,109	573,058	781,785	1,593,787	1,921,572
State Sources	6,292,964	5,619,280	6,244,849	6,861,254	7,572,727	8,529,250	9,826,232	10,595,639	12,922,222	16,829,608
Federal Sources	585,070	546,871	566,938	578,622	557,785	565,543	571,386	565,564	1,012,127	1,732,139
<b>Total Revenue</b>	<b>49,821,126</b>	<b>49,263,106</b>	<b>50,232,671</b>	<b>51,531,728</b>	<b>53,160,474</b>	<b>55,530,594</b>	<b>59,531,411</b>	<b>61,588,218</b>	<b>66,332,607</b>	<b>71,392,131</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	18,313,945	18,212,373	19,042,630	19,501,867	20,244,803	21,465,914	22,866,024	23,058,785	24,530,283	25,641,142
Special Education Instruction	5,805,814	6,105,429	6,358,458	6,726,187	6,716,222	7,590,579	8,171,658	8,383,289	8,257,006	9,469,170
Other Instruction	611,099	564,264	600,723	624,058	981,102	1,041,380	1,195,140	1,190,410	1,265,617	1,278,052
School Sponsored Activities and Athletics	961,281	1,025,616	1,039,520	1,041,748	1,174,494	1,236,834	1,281,404	1,292,904	1,985,782	2,346,786
<b>Support Services:</b>										
Student & Inst. Related Services	6,532,007	6,816,480	6,902,786	7,317,688	7,602,196	7,943,800	8,017,828	8,439,928	8,318,706	9,187,372
Educational Media/School Library	931,080	878,847	941,358	964,494	822,769	840,913	847,879	870,595	943,699	893,717
General Administration	948,430	992,209	1,027,762	1,138,160	1,148,308	1,093,384	1,145,711	1,181,595	1,579,877	1,946,152
School Administrative Services	3,242,716	3,238,353	3,301,966	3,413,608	3,493,296	3,700,239	4,001,168	4,120,093	3,836,530	3,960,731
Plant Operations and Maintenance	4,432,883	4,768,457	4,700,478	4,740,001	4,835,728	4,660,307	4,503,823	4,791,939	4,947,805	5,445,618
Pupil Transportation	895,023	900,275	889,166	850,949	785,353	943,441	1,053,158	975,107	796,767	1,083,669
Central Services	1,354,106	1,380,704	1,353,706	1,417,785	1,474,672	1,498,576	1,283,945	1,393,048	1,423,526	1,467,085
Scholarship Awards									6,400	3,900
<b>Debt Service:</b>										
Principal	1,312,259	1,371,812	1,295,000	1,350,000	1,415,000	1,484,000	1,670,000	1,630,000	1,690,000	2,608,000
Interest and Other Charges	2,028,247	1,973,287	1,918,586	1,457,978	1,664,187	1,603,181	1,530,833	1,470,896	1,913,179	1,655,760
Payments to Escrow Agent				660,000	-					
<b>Capital Outlay</b>	<b>5,579,501</b>	<b>1,793,363</b>	<b>1,636,477</b>	<b>1,472,778</b>	<b>121,061</b>	<b>1,136,693</b>	<b>975,285</b>	<b>6,447,773</b>	<b>6,492,909</b>	<b>3,080,784</b>
<b>Total Expenditures</b>	<b>52,948,391</b>	<b>50,021,469</b>	<b>51,008,616</b>	<b>52,677,301</b>	<b>52,479,191</b>	<b>56,239,241</b>	<b>58,543,856</b>	<b>65,246,362</b>	<b>67,988,086</b>	<b>70,067,938</b>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<b>(3,127,265)</b>	<b>(758,363)</b>	<b>(775,945)</b>	<b>(1,145,573)</b>	<b>681,283</b>	<b>(708,647)</b>	<b>987,555</b>	<b>(3,658,144)</b>	<b>(1,655,479)</b>	<b>1,324,193</b>
<b>Other Financing sources (uses)</b>										
Proceeds from Refunding Bonds				39,845,469	-	-	-	14,718,000		
Payments to Escrow Agent				(39,583,735)	-	-	-	-		
Transfers in	3,413,709	2,289,384	2,263,228	1,713,200	724,603	986,900	860,684	683,210	1,472,535	4,711,688
Transfers out	(3,413,709)	(2,289,384)	(1,963,228)	(1,413,200)	(724,603)	(986,900)	(760,684)	(583,210)	(1,372,535)	(4,711,688)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>300,000</b>	<b>561,734</b>	<b>-</b>	<b>-</b>	<b>100,000</b>	<b>14,818,000</b>	<b>100,000</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (3,127,265)</b>	<b>\$ (758,363)</b>	<b>\$ (475,945)</b>	<b>\$ (583,839)</b>	<b>\$ 681,283</b>	<b>\$ (708,647)</b>	<b>\$ 1,087,555</b>	<b>\$ 11,159,856</b>	<b>\$ (1,555,479)</b>	<b>\$ 1,324,193</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>2.77%</b>	<b>2.84%</b>	<b>2.62%</b>	<b>2.64%</b>	<b>2.70%</b>	<b>2.69%</b>	<b>2.90%</b>	<b>2.77%</b>	<b>2.75%</b>	<b>3.89%</b>

\* Noncapital expenditures are total expenditures less capital outlay.

Source: District Financial Records

**GLEN ROCK PUBLIC SCHOOLS**  
**GENERAL FUND OTHER LOCAL REVENUE BY SOURCE**  
**LAST TEN YEARS**  
**(Unaudited)**

<b>Fiscal Year Ended June 30,</b>	<b>Interest Earned</b>	<b>Tuition</b>	<b>Insurance Refund</b>	<b>Prior Year Refunds</b>	<b>Solar SREC</b>	<b>Activity Fees</b>	<b>E-Rate</b>	<b>Facility Rental</b>	<b>Laptop Initiative User Fees</b>	<b>Shared Service Fees</b>	<b>Miscellaneous</b>	<b>Total</b>
2013	\$ 9,429	\$ 39,097	\$ 65,866	\$ 47,366	\$ 4,820	\$ 151,800	\$ 24,370				\$ 25,352	\$ 368,100
2014	1,881	35,668	49,628	66,036	14,695	151,355	87,412				9,469	416,144
2015	3,342	32,088	26,963	46,133	11,389	136,190	86,854				34,135	377,094
2016	2,344	28,724	4,559	747	34,720	113,592	34,346				36,364	255,396
2017	2,475	28,595	25,360	77,280	20,714	105,928	14,093	\$ 24,379			65,744	364,568
2018	735	58,380	32,951		25,902	177,122		40,939	\$ 46,020		61,308	397,337
2019	9,853	85,986	50,130	17,033	9,928	169,215	19,308	43,597	42,427		119,955	525,005
2020	4,524	70,142	23,566		25,325	100,861	15,083	22,337	42,500	\$ 335,819	158,168	755,825
2021		44,552		17,460	38,673	203,951	45,209		40,300	350,980	95,282	796,107
2022		209,455			6,201	160,514		8,511	40,060	360,998	86,948	872,687

Source: District Financial Records

**GLEN ROCK PUBLIC SCHOOLS**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN YEARS**  
**(Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>a</sup>
2013	\$ 11,321,200	\$ 2,110,565,600	\$ 153,657,500	\$ 25,970,400		\$ 2,301,514,700	\$ 1,691,075	\$ 2,303,205,775	\$ 2,476,715,916	\$ 1.849
2014	9,891,200	2,120,538,000	151,245,000	24,655,400		2,306,329,600	1,762,273	2,308,091,873	2,442,816,653	1.860
2015	8,273,500	2,133,332,200	148,802,100	26,470,400		2,316,878,200	958	2,316,879,158	2,477,507,512	1.875
2016	11,232,800	2,142,483,700	145,085,700	26,076,500		2,324,878,700	938	2,324,879,638	2,532,591,324	1.906
2017	8,560,100	2,159,424,700	148,141,700	26,076,500		2,342,203,000	938	2,342,203,938	2,550,031,422	1.936
2018	7,516,800	2,181,719,500	155,313,500	26,076,500		2,370,626,300	938	2,370,627,238	2,588,612,003	1.994
2019	7,289,000	2,192,629,900	153,221,055	26,076,500		2,379,216,455	-	2,379,216,455	2,658,993,412	2.063
2020	6,194,900	2,207,767,000	153,132,155	26,076,500		2,393,170,555	-	2,393,170,555	2,710,189,354	2.129
2021	6,604,800	2,222,573,300	153,132,155	26,076,500		2,408,386,755	-	2,408,386,755	2,774,020,697	2.096
2022	7,945,300	2,231,641,900	144,816,800	26,076,500	7,855,800	2,418,336,300	-	2,418,336,300	2,766,157,787	2.135

Source: County Abstract of Ratables

**GLEN ROCK PUBLIC SCHOOLS**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN YEARS**  
**(Unaudited)**  
*(rate per \$100 of assessed value)*

Calendar Year	Total Direct School Tax Rate	Overlapping Rates		Total Direct and Overlapping Tax Rate
		Municipality	County	
2013	\$ 1.849	\$ 0.584	\$ 0.247	\$ 2.680
2014	1.860	0.604	0.246	2.710
2015	1.875	0.613	0.258	2.746
2016	1.906	0.616	0.268	2.790
2017	1.936	0.622	0.273	2.831
2018	1.994	0.627	0.266	2.887
2019	2.063	0.634	0.272	2.969
2020	2.129	0.639	0.281	3.049
2021	2.096	0.656	0.291	3.043
2022	2.135	0.670	0.276	3.081

Source: County Abstract of Ratables



**GLEN ROCK PUBLIC SCHOOLS  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)**

Taxpayer	2022		Taxpayer	2013	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Opeachy Ltd, L.P.	\$ 12,500,000	0.52%	Opeachy Ltd, L.P.	\$ 15,315,000	0.66%
208 Glen Rock Associates	11,000,000	0.45%	Bank of America	11,000,000	0.48%
266 Harristown Property LLC	8,750,000	0.36%	333 Realty LLC	8,583,500	0.37%
HMOB of Glen Rock	8,315,000	0.34%	Glen Rock Property, LLC	7,634,800	0.33%
Glen Rock Senior Housing Corp.	8,285,000	0.34%	Financial Services, Inc.	6,375,000	0.28%
333 Realty LLC	7,333,000	0.30%	SAC Family, LLC	5,369,100	0.23%
PSI Atlantic Glen Rock LLC	6,060,000	0.25%	Jahhar Medical Office LLC	5,000,000	0.22%
201 Rock Road LLC	5,369,100	0.22%	Rock Glen Assoc LLC	4,800,000	0.21%
Glen Rock Mall	4,861,800	0.20%	Heritage Plaza I	4,625,000	0.20%
29 Glen Rock Associates LLC	4,800,000	0.20%	Joan Ree Realty LLC	4,432,500	0.19%
	<u>\$ 77,273,900</u>	<u>3.20%</u>		<u>\$ 73,134,900</u>	<u>3.18%</u>

Source: Municipal Tax Assessor

**GLEN ROCK PUBLIC SCHOOLS**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	\$ 42,570,579	\$ 42,570,579	100.00%	N/A
2014	42,675,286	42,675,286	100.00%	N/A
2015	43,033,701	43,033,701	100.00%	N/A
2016	43,829,611	43,829,611	100.00%	N/A
2017	44,657,572	44,657,572	100.00%	N/A
2018	45,976,692	45,976,692	100.00%	N/A
2019	48,560,735	48,560,735	100.00%	N/A
2020	49,645,230	49,645,230	100.00%	N/A
2021	50,804,471	50,804,471	100.00%	N/A
2022	50,908,812	50,908,812	100.00%	N/A

**GLEN ROCK PUBLIC SCHOOLS  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(Unaudited)**

Fiscal Year Ended June 30,	Governmental Activities			Total District	Population	Per Capita
	General Obligation Bonds	Intergovernmental Loans	Capital Financing Agreements			
2013	\$ 44,247,000	\$ 131,812		\$ 44,378,812	11,693	\$ 3,795
2014	43,007,000			43,007,000	11,739	3,664
2015	41,712,000			41,712,000	11,802	3,534
2016	37,479,000			37,479,000	11,823	3,170
2017	36,064,000			36,064,000	11,795	3,058
2018	34,580,000			34,580,000	11,829	2,923
2019	32,910,000			32,910,000	11,778	2,794
2020	45,998,000			45,998,000	11,708	3,929
2021	44,308,000			44,308,000	11,655	3,802
2022	41,700,000			41,700,000	12,064	3,457

Source: District financial records

\*Estimated

**GLEN ROCK PUBLIC SCHOOLS**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2013	\$ 44,247,000	\$ 10,692	\$ 44,236,308	1.92%	\$ 3,795
2014	43,007,000	5,628	43,001,372	1.86%	3,664
2015	41,712,000	4,287	41,707,713	1.80%	3,534
2016	37,749,000	9,991	37,739,009	1.62%	3,170
2017	36,064,000	22,972	36,041,028	1.54%	3,058
2018	34,580,000	14,622	34,565,378	1.46%	2,923
2019	32,910,000	125	32,909,875	1.38%	2,794
2020	45,998,000	23,335	45,974,665	1.92%	3,929
2021	44,308,000	23,210	44,284,790	1.84%	3,802
2022	41,700,000		41,700,000	1.72%	3,457

Source: District Financial Records, NJ Dept. of Education and Tax Assessor

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.

**GLEN ROCK PUBLIC SCHOOLS**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**DECEMBER 31, 2021**  
**(Unaudited)**

	<u>Total</u>
Municipal Debt: (1)	
Glen Rock Board of Education	\$ 42,553,320
Borough of Glen Rock	<u>20,409,970</u>
	<u>62,963,290</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	22,008,706
Passaic Valley Sewerage Authority	<u>1,680,890</u>
	<u>23,689,596</u>
Total Direct and Overlapping Debt	<u>\$ 86,652,886</u>

## Source:

(1) Glen Rock's 2021 Annual Debt Statement

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

(B) The debt was computed based upon flow

**GLEN ROCK BOARD OF EDUCATION  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN CALENDAR YEARS  
(Unaudited)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 99,235,108	\$ 98,270,729	\$ 97,989,183	\$ 98,702,448	\$ 99,815,349	\$ 101,035,603	\$ 102,760,071	\$ 103,527,004	\$ 107,848,939	\$ 109,253,966
Total net debt applicable to limit	44,669,167	43,297,355	42,002,355	40,652,355	36,354,355	34,864,000	47,628,320	45,998,320	44,308,320	41,700,320
Legal debt margin	<u>\$ 54,565,941</u>	<u>\$ 54,973,374</u>	<u>\$ 55,986,828</u>	<u>\$ 58,050,093</u>	<u>\$ 63,460,994</u>	<u>\$ 66,171,603</u>	<u>\$ 55,131,751</u>	<u>\$ 57,528,684</u>	<u>\$ 63,540,619</u>	<u>\$ 67,553,646</u>
Total net debt applicable to the limit as a percentage of debt limit	45.01%	44.06%	42.86%	41.19%	36.42%	34.51%	46.35%	44.43%	41.08%	38.17%

**Legal Debt Margin Calculation for Calendar Year 2022**

Equalized valuation basis	
2019	\$ 2,690,508,261
2020	2,752,669,145
2021	2,750,870,080
	<u>\$ 8,194,047,486</u>
Average equalized valuation of taxable property	\$ 2,731,349,162
Debt limit (4% of average equalization value)	109,253,966
Total Net Debt Applicable to Limit	<u>41,700,320</u>
Legal debt margin	<u>\$ 67,553,646</u>

Source: Annual Debt Statements

**GLEN ROCK PUBLIC SCHOOLS**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

Year	Population	County Per Capita Personal Income	Unemployment Rate
2013	11,693	\$ 71,286	7.40%
2014	11,739	73,883	4.10%
2015	11,802	77,323	3.50%
2016	11,823	78,836	3.50%
2017	11,795	81,024	2.90%
2018	11,829	85,191	2.80%
2019	11,778	88,241	2.70%
2020	11,708	91,972	6.40%
2021	11,655	N/A	3.80%
2022	12,064	N/A	N/A

Source: New Jersey State Department of Education

GLEN ROCK PUBLIC SCHOOLS  
PRINCIPAL EMPLOYERS,  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)

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

NOT AVAILABLE



**GLEN ROCK PUBLIC SCHOOLS  
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS  
 (Unaudited)**

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Instruction										
Regular	179	181	185	189	185	186	183	183	182	207
Special education	30	32	32	32	37	39	42	42	42	57
Support Services:										
General administration	2	2	2	2	2	2	2	2	3	7
School administrative services	8	8	8	8	8	8	8	8	7	32
Central services	1	1	1	1	1	1	1	1	1	13
Plant operations and maintenance	12	12	8	8	8	8	8	8	8	9
Food Service	-	-	-	-	-	-	-	-	-	-
Total	<u>232</u>	<u>236</u>	<u>236</u>	<u>240</u>	<u>241</u>	<u>244</u>	<u>244</u>	<u>244</u>	<u>243</u>	<u>325</u>

Source: District Personnel Records

**GLEN ROCK PUBLIC SCHOOLS  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
(Unaudited)**

Pupil/Teacher Ratio

<b>Fiscal Year</b>	<b>Enrollment<sup>a</sup></b>	<b>Operating Expenditures<sup>b</sup></b>	<b>Cost Per Pupil<sup>c</sup></b>	<b>Percentage Change</b>	<b>Teaching Staff</b>	<b>Elementary</b>	<b>Middle School</b>	<b>Senior High School</b>	<b>Average Daily Enrollment (ADE)</b>	<b>Average Daily Attendance (ADA)</b>	<b>% Change in Average Daily Enrollment</b>	<b>Student Attendance Percentage</b>
2013	2,401	\$ 44,028,384	\$ 18,338	1.30%	209	86	56	67	2375	2281	-1.46%	96.05%
2014	2,426	44,883,007	18,501	0.89%	213	89	56	68	2394	2301	0.81%	96.12%
2015	2,440	46,158,553	18,917	2.25%	217	91	56	68	2408	2338	0.59%	97.09%
2016	2,462	47,736,545	19,389	2.49%	219	94	56	69	2434	2340	1.08%	96.14%
2017	2,495	49,278,943	19,751	1.87%	222	94	55	73	2440	2433	0.25%	99.71%
2018	2,539	52,015,367	20,487	3.72%	255	95	57	73	2491	2444	2.09%	98.11%
2019	2,539	54,367,738	21,413	4.52%	225	93	58	74	2529	2456	1.53%	97.11%
2020	2,562	55,697,693	21,740	1.53%	225	93	58	74	2528	2472	-0.04%	97.78%
2021	2,530	57,891,998	22,882	5.25%	224	93	57	74	2539	2490	0.44%	98.07%
2022	2,551	62,723,394	24,588	7.45%	234	103	57	74	2551	2460	0.47%	96.43%

Sources: District records

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

**GLEN ROCK PUBLIC SCHOOLS  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
(Unaudited)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b><u>District Building</u></b>										
<b><u>Elementary</u></b>										
<b><u>Hamilton</u></b>										
Square Feet	31,080	31,080	31,080	31,080	31,080	31,080	31,080	31,080	31,080	31,080
Capacity (students)	240	240	240	240	240	240	240	240	240	240
Enrollment	247	256	264	271	266	272	274	270	276	274
<b><u>Central</u></b>										
Square Feet	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200
Capacity (students)	344	344	344	344	344	344	344	344	344	344
Enrollment	328	314	307	317	333	340	345	351	347	353
<b><u>Coleman</u></b>										
Square Feet	36,360	36,360	36,360	36,360	36,360	36,360	36,360	36,360	36,360	36,360
Capacity (students)	308	308	308	308	308	308	308	308	308	308
Enrollment	273	288	273	293	291	312	308	311	334	334
<b><u>Byrd</u></b>										
Square Feet	31,200	31,200	31,200	31,200	31,200	31,200	31,200	31,200	31,200	31,200
Capacity (students)	245	245	245	245	245	245	245	245	245	245
Enrollment	238	244	256	265	269	272	274	268	259	278
<b><u>Middle School/High School</u></b>										
Square Feet	262,098	262,098	262,098	262,098	262,098	262,098	262,098	262,098	262,098	262,098
Capacity (students)	1,451	1,451	1,451	1,451	1,451	1,451	1,451	1,451	1,451	1,451
Enrollment	1,307	1,284	1,320	1,341	1,334	1,321	1,311	1,341	1,314	1,312

Number of Schools at June 30, 2022  
 Elementary = 4  
 Middle School/High School = 1

Source: District Records

**GLEN ROCK PUBLIC SCHOOLS  
GENERAL FUND  
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
LAST TEN YEARS  
(Unaudited)**

UNDISTRIBUTED EXPENDITURES - REQUIRED  
MAINTENANCE FOR SCHOOL FACILITIES

<u>Project # (s)</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>
<b>School Facilities</b>										
Glen Rock Senior High School	\$ 184,184	\$ 185,309	\$ 193,058	\$ 199,407	\$ 527,564	\$ 195,741	\$ 193,872	\$ 182,183	\$ 183,720	\$ 270,634
Glen Rock Middle School	165,766	164,278	173,752	179,467	178,572	176,166	174,485	163,964	161,534	237,952
Richard E. Byrd Elem.School	61,395	63,436	64,353	66,469	59,524	65,247	64,624	60,728	64,573	95,121
Central Elementary School	73,674	74,124	77,223	79,763	72,751	78,296	77,549	72,873	74,488	109,727
Clara E. Coleman Elem. School	67,534	68,780	70,788	73,116	92,593	71,771	71,087	66,800	67,031	98,742
Hamilton Elementary School	61,395	61,402	64,351	66,470	66,138	65,248	64,624	60,727	64,574	95,122
Total School Facilities	<u>\$ 613,948</u>	<u>\$ 617,329</u>	<u>\$ 643,525</u>	<u>\$ 664,692</u>	<u>\$ 997,142</u>	<u>\$ 652,469</u>	<u>\$ 646,241</u>	<u>\$ 607,275</u>	<u>\$ 615,920</u>	<u>\$ 907,298</u>

Source: District Records

**GLEN ROCK PUBLIC SCHOOLS**  
**INSURANCE SCHEDULE**  
**JUNE 30, 2022**  
**(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
<b>Commercial Property</b>		
Property - Blanket Buildings & Grounds		
School Limit per Statement of Values	126,027,899	\$ 5,000
Flood:		
Outside Zones A, V, or B	5,000,000	50,000
Zone B	2,000,000	100,000
Zones A or V	1,000,000	500,000
Earthquake	5,000,000	50,000
Business Income & Extra Expense	250,000	5,000
Contractors Equipment	250,000	1,000
Athletic Equipment	250,000	1,000
Musical Instruments	100,000	5,000
Valuable Papers	5,000,000	1,000
Electronic Data Processing Equipment	2,500,000	5,000
Accounts Receivable	100,000	1,000
<b>Boiler and Machinery</b>		
Property Damage (Blanket)	126,027,899	5,000
<b>General Liability</b>		
General Aggregate	2,000,000	2,500
Each Occurrence	1,000,000	
<b>Commercial Automobile</b>		
Combined Single Limit	1,000,000	\$ 2,500
Comprehensive		1,000
Collision		1,000
<b>Commercial Umbrella</b>	9,000,000	10,000
<b>Commercial Umbrella - Fireman's Fund</b>		
Per Occurrence	25,000,000	
General Aggregate (shared 1/2 fund)	25,000,000	
<b>Workers Compensation</b>		
Per Occurrence	1,000,000	
Policy Limit	1,000,000	
Aggregate	1,000,000	
<b>Environmental Legal Liability</b>		
Per Occurrence	2,000,000	15,000
General Aggregate	4,000,000	
Group Aggregate	20,000,000	
<b>Crime</b>		
Primary (Per Employee)	100,000	5,000
Blanket Employee Dishonesty - Excess	400,000	
Forgery and Alterations	50,000	
<b>Educators Legal Liability</b>	1,000,000	
Educators Legal Deductible		25,000
Employment Practices Deductible		25,000
Cyber Liability 1st party	1,000,000	25,000
Cyber Liability 3rd party	2,000,000	15,000
Group Aggregate	6,000,000	
(Subject to Sublimits)		
Starstone Nat/Market	\$30,000,000	
Excess umbrella (unshared)		
Source: District records		

**SINGLE AUDIT SECTION**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

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

### INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Trustees  
Glen Rock Public School District  
Glen Rock, New Jersey

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

#### **Report on Internal Control Over Financial Reporting**

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

17-17 ROUTE 208 • FAIR LAWN, NJ 07410 • TELEPHONE (201) 791-7100 • FACSIMILE (201) 791-3035  
WWW.LVBPCA.COM

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


### **Report on Compliance and Other Matters**

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

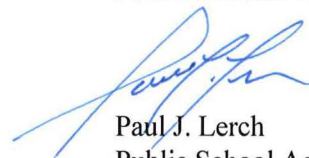
However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Glen Rock Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance"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

### **Purpose of this Report**

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



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



Paul J. Lerch  
Public School Accountant  
PSA Number CS01118

Fair Lawn, New Jersey  
January 25, 2023





# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

**EXHIBIT K-2**

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

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

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

**INDEPENDENT AUDITOR’S REPORT**

Honorable President and Members  
of the Board of Trustees  
Glen Rock Public Schools  
Glen Rock, New Jersey

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

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

We have audited the Glen Rock Public Schools’ compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Glen Rock Public Schools’ major federal and state programs for the fiscal year ended June 30, 2022. The Glen Rock Public Schools’ 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 Glen Rock Public Schools complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2022.

***Basis for Opinion on Each Major Federal and State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and audit requirements of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards, U.S. Uniform Guidance and New Jersey OMB Circular are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

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

## ***Responsibilities of Management for Compliance***

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

## ***Auditor's Responsibilities for the Audit of Compliance***

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Glen Rock Public Schools' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Glen Rock Public Schools' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Glen Rock Public Schools' internal control over compliance. Accordingly, no such opinion is expressed.

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

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

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

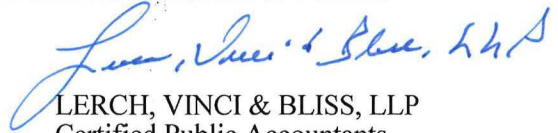
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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

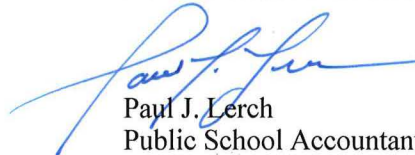
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund of the Glen Rock Public Schools, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Board of Education’s basic financial statements. We have issued our report thereon dated January 25, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



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



Paul J. Lerch  
Public School Accountant  
PSA Number CS01118

Fair Lawn, New Jersey  
January 25, 2023

GLEN ROCK PUBLIC SCHOOLS  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	FAIN Number	Grant Period	Award Amount	Balance June 30, 2021			Carryover Amount		Cash Received	Budgetary Expenditures	(Accounts Receivable) Adjustments	Unearned Revenue Adjustments	Balance June 30, 2022			Memo GAAP Receivable
					(Accounts Receivable)	Unearned Revenue	Due to Grantor	(Accounts Receivable)	Unearned Revenue					(Accounts Receivable)	Unearned Revenue	Due to Grantor	
<b>U.S. Department of Education</b>																	
<b>Passed Through State Department of Education</b>																	
<b>E.S.E.A Consolidated Grant</b>																	
Title IIA	84.367A	S367A210029	7/1/21-9/30/22	\$ 22,127				\$ (27,847)	\$ 2,585	\$ 40,066	\$ 27,549	\$ 7,586	\$ 2,837	\$ (2,322)		\$ (2,322)	
Title IIA, Carryover	84.367A	S367A200029	7/1/20-9/30/21	26,194	\$ (17,424)	\$ 2,585		17,424	(2,585)								
Title IIA, Carryover	84.367A	S367A200029	7/1/19-9/30/20	24,281	(10,423)			10,423									
Title III Immigrant, Carryover	84.365	S365A200030	7/1/19-9/30/20	4,975	(2,823)	418					3,253	(430)	2,842	(3,253)	\$ 7	(3,253)	
I.D.E.A. Part B, Basic	84.027	H027A210100	7/1/21-9/30/22	562,669				(79,102)	19,480	490,010	553,772			(151,761)	\$ 28,377	(123,384)	
I.D.E.A. Part B, Basic, Carryover	84.027	H027A200100	7/1/20-9/30/21	563,840	(78,531)	19,480		78,531	(19,480)								
I.D.E.A. Part B, Basic, Carryover	84.027	H027A200100	7/1/19-9/30/20	524,799	(571)			571									
ARP - IDEA Basic	84.027X	H027X210100	7/1/21-9/30/22	120,336							110,971			(120,336)	9,365	(110,971)	
ARP - IDEA Preschool	84.173X	H173X210114	7/1/21-9/30/22	10,279							10,279			(10,279)	-	(10,279)	
I.D.E.A. Part B, Preschool	84.173	H173A210114	7/1/21-9/30/22	24,242				(2,499)		24,242	24,242	2,499		-	-	-	
I.D.E.A. Part B, Preschool, Carryover	84.173	H173A200114	7/1/20-9/30/21	23,755	(2,499)	-	-	2,499	-	-	-	-	-	-	-	-	
<b>IDEA Cluster</b>											<u>699,264</u>						
ACSERS Aid	21.027	SLFRFDOE1SES	7/1/21-6/30/22	270,285							270,285			(270,285)	-	(270,285)	
<b>American Rescue Plan</b>																	
Non Title I	84.425U	S425U210027	1/1/22-12/31/22	607,892							607,892			(607,892)	-	(607,892)	
Accelerated Learning Coach and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	211,959										(211,959)	211,959	-	
Evidence Based Summer Learning Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000										(40,000)	40,000	-	
Evidence Based Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000										(40,000)	40,000	-	
NJTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000										(45,000)	45,000	-	
<b>Elementary and Second School Emergency Relief (ESSER II)</b>																	
Non Title I	84.425D	S425D210027	3/19/20-9/30/23	303,946	(303,946)	54,046				303,846	53,946			(100)	100	-	
Learning Acceleration	84.425D	S425D210027	3/19/20-9/30/23	25,000	(25,000)	25,000				6,225	24,975			(18,775)	25	(18,750)	
Mental Health	84.425D	S425D210027	3/19/20-9/30/23	45,000	(45,000)	45,000	-	-	-	36,375	44,975	-	-	(8,625)	25	(8,600)	
<b>ESF Cluster</b>											<u>731,788</u>						
<b>Total Special Revenue Fund</b>					<u>(486,217)</u>	<u>146,529</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>900,764</u>	<u>1,732,139</u>	<u>9,655</u>	<u>5,679</u>	<u>(1,530,587)</u>	<u>374,851</u>	<u>7</u>	<u>(1,155,736)</u>
<b>Total Federal Financial Assistance</b>					<u>\$ (486,217)</u>	<u>\$ 146,529</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 900,764</u>	<u>\$ 1,732,139</u>	<u>\$ 9,655</u>	<u>\$ 5,679</u>	<u>\$ (1,530,587)</u>	<u>\$ 374,851</u>	<u>\$ 7</u>	<u>\$ (1,155,736)</u>

123



GLEN ROCK PUBLIC SCHOOLS  
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Department of Education	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2021			Carryover Amount		Cash Received	Budgetary Expenditures	Repayment of Prior Year's Balance	Balance June 30, 2022			Memorandum	
				(Accounts Receivable)	Uncarned Revenue	Due to Grantor	(Accounts Receivable)	Uncarned Revenue				(Accts. Receivable)	Uncarned Revenue	Due to Grantor	GAAP Receivable	Budgetary Expenditures
<b>General Fund</b>																
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	\$ 1,851,691						\$ 1,688,326	\$ 1,851,691		\$ (163,365)			\$ 1,851,691	
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	1,410,735	\$ (137,437)					137,437							
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	201,595						183,809	201,595		(17,786)		201,595		
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	201,595	(18,664)					18,664	-						
<i>State Aid Public Cluster</i>									2,053,286							
Transportation	22-495-034-5120-014	7/1/21-6/30/22	131,824						120,194	131,824		(11,630)		131,824		
Transportation	21-495-034-5120-014	7/1/20-6/30/21	131,824	(13,574)					13,574							
Extraordinary Aid	22-100-034-5120-044	7/1/21-6/30/22	918,685							918,685		(918,685)		918,685		
Extraordinary Aid	21-100-034-5120-044	7/1/20-6/30/21	969,222	(969,222)					969,222							
Lead Testing for Schools Aid	22-495-034-5120	7/1/21-6/30/22	10,083							10,083		(10,083)	\$ (10,083)	10,083		
School Security Grant	N/A	7/1/20-6/30/21	142,792	(142,792)								(142,792)	(142,792)			
On -Behalf TPAF Pension System Contr. (Non-Budgeted)																
Normal	22-495-034-5094-002	7/1/21-6/30/22	8,460,061						8,460,061	8,460,061				8,460,061		
NCGI Premium	22-495-034-5094-004	7/1/21-6/30/22	119,360						119,360	119,360				119,360		
Post Retirement Medical Contribution	22-495-034-5094-001	7/1/21-6/30/22	2,004,499						2,004,499	2,004,499				2,004,499		
Long Term Disability	22-495-034-5094-004	7/1/21-6/30/22	2,941						2,941	2,941				2,941		
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	7/1/21-6/30/22	1,726,886	-	-	-	-	-	1,726,886	1,726,886	-	-	-	1,726,886		
<b>Total General Fund</b>				(1,281,689)	-	-	-	-	15,444,973	15,427,625	-	(1,264,341)	-	-	(152,875) 15,427,625	
<b>Special Revenue Fund</b>																
New Jersey Non-Public Aid:																
Textbook	22-100-034-5120-064	7/1/21-6/30/22	13,865						13,865	13,865				13,865		
Nursing	22-100-034-5120-070	7/1/21-6/30/22	26,208						26,208	26,208				26,208		
Technology	22-100-034-5120-373	7/1/21-6/30/22	9,702						9,702	9,676			\$ 26	9,676		
Security	22-100-034-5120-509	7/1/21-6/30/22	40,950						40,950	39,724			1,226	39,724		
SDA Emergent and Capital Maintenance Needs	N/A	7/1/21-6/30/22	61,136						61,136	61,136				61,136		
Auxiliary Services:																
Compensatory Education	22-100-034-5120-067	7/1/21-6/30/22	49,269						49,269	39,326			9,943	39,326		
Compensatory Education	21-100-034-5120-067	7/1/20-6/30/21	44,416			\$ 4,180					\$ 4,180					
ESL	22-100-034-5120-067	7/1/21-6/30/22	4,111						4,111	1,553			2,558	1,553		
<i>Auxiliary Services: Cluster</i>									40,879							
Handicapped Services:																
Examination	22-100-034-5120-066	7/1/21-6/30/22	27,679						27,679	17,442			10,237	17,442		
Examination	21-100-034-5120-066	7/1/20-6/30/21	40,501			21,545					21,545					
Supplemental Instruction	22-100-034-5120-066	7/1/21-6/30/22	20,650						20,650	13,216			7,434	13,216		
Supplemental Instruction	21-100-034-5120-066	7/1/20-6/30/21	20,237			3,157					3,157					
Corrective Speech	22-100-034-5120-066	7/1/21-6/30/22	27,900						27,900	15,624			12,276	15,624		
Corrective Speech	21-100-034-5120-066	7/1/20-6/30/21	21,418	-	-	4,284	-	-	-	-	4,284	-	-	-		
<i>Handicapped Services: Cluster</i>									46,282							
<b>Total Special Revenue Fund</b>				-	-	33,166	-	-	281,470	237,770	33,166	-	-	43,700	- 237,770	
<b>Debt Service Fund</b>																
Debt Service Aid	22-495-034-5120-075	7/1/21-6/30/22	1,136,782	-	-	-	-	-	1,136,782	1,136,782	-	-	-	- 1,136,782		
<b>Total Debt Service Fund</b>				-	-	-	-	-	1,136,782	1,136,782	-	-	-	- 1,136,782		
<b>Total State Financial Assistance- Determination for Single Audit</b>				\$ (1,281,689)	\$ -	\$ 33,166	\$ -	\$ -	\$ 16,863,225	\$ 16,802,177	\$ 33,166	\$ (1,264,341)	\$ -	\$ 43,700	\$ (152,875) \$ 16,802,177	
Less: On -Behalf TPAF Pension System Contributions (Non-Budgeted)																
Normal									\$ 8,460,061							
NCGI Premium									119,360							
Post Retirement Medical Contribution									2,004,499							
Long Term Disability									2,941							
<b>Amount Utilized to Determine Major Programs</b>									<b>\$ 6,215,316</b>							

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 GENERAL**

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

**NOTE 2 BASIS OF ACCOUNTING**

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

**NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$27,431 for the general fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 15,455,056	\$ 15,455,056
Special Revenue Fund	\$ 1,732,139	237,770	1,969,909
Debt Service Fund	-	1,136,782	1,136,782
Total Financial Assistance	<u>\$ 1,732,139</u>	<u>\$ 16,829,608</u>	<u>\$ 18,561,747</u>

**GLEN ROCK PUBLIC SCHOOLS  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5 OTHER INFORMATION**

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,726,886 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2022. The amount reported as TPAF Pension System Contributions in the amount of \$8,579,421, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,004,499 and TPAF Long-Term Disability Insurance in the amount of \$2,941 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2022.

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

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

**NOTE 7 DE MINIMIS INDIRECT COST RATE**

The District has elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**GLEN ROCK PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

*Part I – Summary of Auditor’s Results*

**Financial Statement Section**

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

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

2) Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes    X no

Noncompliance material to basic financial statements noted? \_\_\_\_\_ yes    X no

**Federal Awards Section**

Internal Control over major programs:

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

(2) Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes    X none reported

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

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

Identification of major federal programs:

<u>AL Number(s)</u>	<u>FAIN #</u>	<u>Name of Federal Program or Cluster</u>
84.027/84.173	H027A210100/H173A210114	IDEA Basic & Preschool
84.027X/84.173X	H027X210100/H173X210114	ARP IDEA Basic & Preschool

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

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes    X no





**GLEN ROCK PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

*Part 2 – Schedule of Financial Statement Findings*

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

There are none.

**GLEN ROCK PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

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

**CURRENT YEAR FEDERAL AWARDS**

There are none.

**CURRENT YEAR STATE AWARDS**

There are none.

**GLEN ROCK PUBLIC SCHOOLS  
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

**STATUS OF PRIOR YEAR FINDINGS**

There were none.