

MIDLAND PARK
BOARD OF EDUCATION

**Annual Comprehensive Financial Report
For The Fiscal Year Ended June 30, 2022**

Midland Park, New Jersey

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**
of the
Midland Park Board of Education
Midland Park, New Jersey
For The Fiscal Year Ended June 30, 2022

Prepared by
Midland Park Board of Education
Business Office

Midland Park Board of Education

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Note: The schedules denoted with N/A are not applicable in the current year. However, the New Jersey Department of Education requires the District to reference all schedules included in its sample Annual Comprehensive Financial Report.

Introductory Section



USDOE Blue Ribbon School of Excellence
NJDOE Star School

MIDLAND PARK PUBLIC SCHOOLS

District Administration Offices
250 Prospect Street
Midland Park, New Jersey 07432

Godwin School
Highland School
Midland Park Junior/Senior High School



Stacy C. Garvey
Business Administrator/
Board Secretary
v. (201) 444-1400
f. (201) 444-3051
e. sgarvey@mpsnj.org

March 17, 2023

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

Dear Board Members:

The annual comprehensive financial report (the "ACFR") of the Midland Park School District for the fiscal year ended June 30, 2022 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Midland Park Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds 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 auditors' report thereon. The financial section also includes Management's Discussion and Analysis, which is an overview of the District's current financial status and future outlook. 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 of 1984, as amended and the U.S. Uniform Guidance "Audits of States, Local Governments and Non-Profit Organizations", and the state Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditors' report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** Midland Park School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by NCGA Statement No. 3. All funds of the District are included in this report. The Midland Park Board of Education and all its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational as well as special education for handicapped youngsters. During the 2021-22 fiscal year the district had an enrollment of 873 students.

2. **ECONOMIC CONDITION AND OUTLOOK:** The Midland Park area is almost completely developed and expansion is limited. There are, however, some businesses relocating to the area; resulting in moderate increases in the employment level, which results in an increase in this tax base, both residential and industrial. The Midland Park area will continue to prosper as its population cycle continues to evolve in a sequenced pattern.

3. **MAJOR INITIATIVES:**

Goal #1

Develop and implement an Action Plan for Improvement—Mathematics, Grades 7-8

Goal components include, but are not limited to:

- *Development and presentation of the Action Plan/Steps/Timeline.*
- *Development of a pre- and post-test for identified student cohorts to determine skills acquisition and identify areas in need of improvement.*

Action Plan implementation, modifications, ongoing administrative monitoring

Goal #2

Improving Communication Efforts—Sharing the Good News about our Schools

Goal components include, but are not limited to:

- *Monthly Presentations for Board & Community*
- *Coffee & Conversations with the Superintendent and Administrators*
- *Improved school website presence, supported by the Website Liaisons*

Goal #3

Oversight of the Field Improvement Referendum Initiative

Goal components include, but are not limited to:

- *Facilitating the efforts of the Key Stakeholder Committee*
- *Ensuring submissions are completed prior to mandated state deadlines*
- *Collaborating with BA, Bond Attorney, and Financial Advisors on referendum financing*

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

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District 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 current, capital outlay and special schools sections in the General Fund, the Special Revenue Fund and the Debt Service fund. The final budget amount as amended for the fiscal year is reflected in the financial section of this report.

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

6. **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect accounting principles generally accepted in the United States of America, as promulgated by the Governmental Accounting Standards Board (GASB). Detailed information regarding the District's accounting system and financial results is reflected in the financial section of this report.

7. **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 3. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

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 PKF O'Connor Davies, LLP. was selected by the Board Of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related U. S. Uniform Guidance and state Treasury Circular Letter 15-08 OMB. The auditors' report on the basic financial statements is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

10. ACKNOWLEDGMENTS: *We would like to express our appreciation to the members of the Midland Park 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,

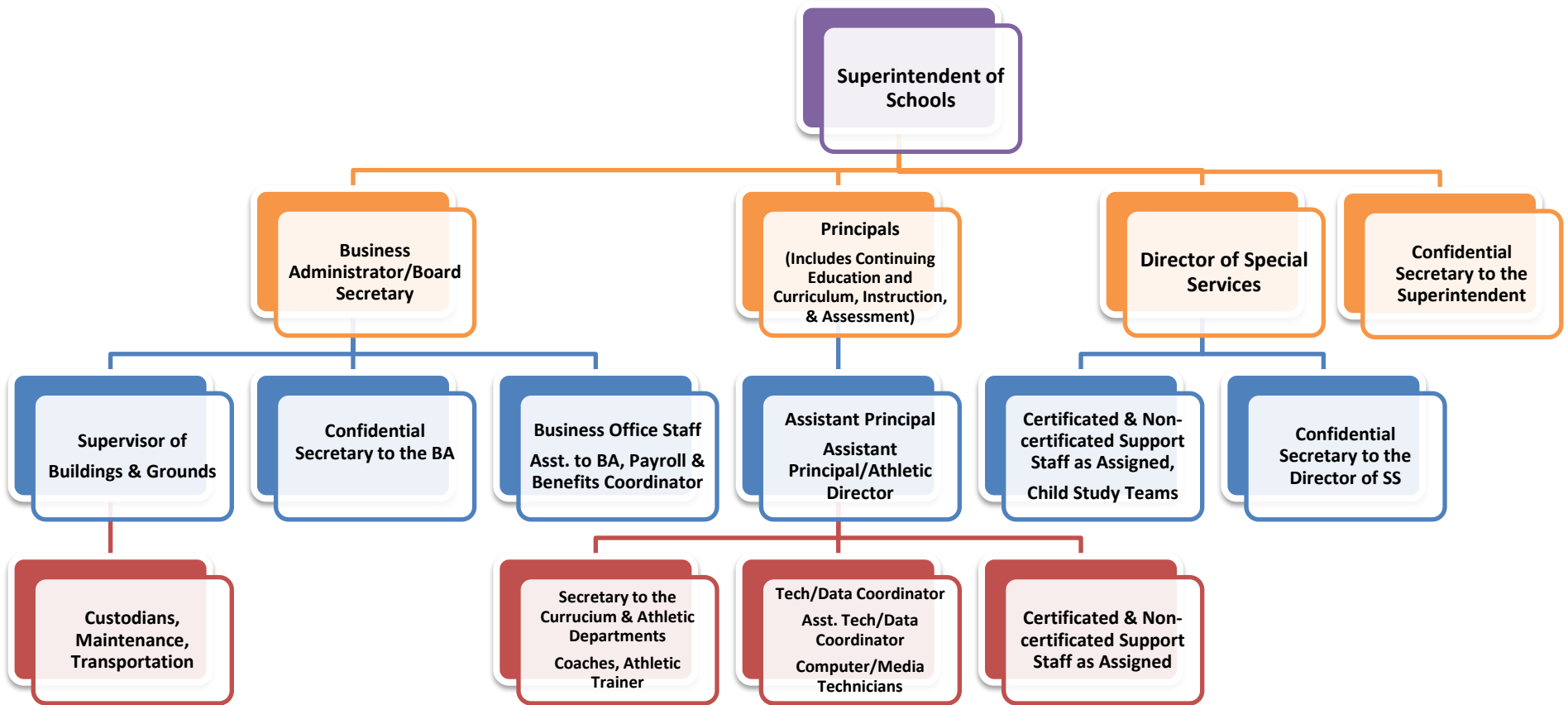


Marie Cirasella, Ed. D.,
Superintendent of Schools



Stacy Garvey,
Board Secretary/
Business Administrator

MIDLAND PARK PUBLIC SCHOOLS
2021-2022 DISTRICT ORGANIZATIONAL CHART
Updated: July 2021



MIDLAND PARK BOARD OF EDUCATION

**ROSTER OF OFFICIALS
JUNE 30, 2022**

Members of the Board of Education

Term Expires

Brian McCourt	President	2025
Patricia Fantulin	Vice President	2024
James Canellas	Member	2023
Sandra Criscenzo	Member	2025
Christine Dell'aglio	Member	2024
Nabil Eliya	Member	2024
Richard Formicola	Member	2025
Dr. Maryalice Thomas	Member	2023
Peter Triolo	Member	2023

Other Officials

Dr. Marie Cirasella, Ed.D., Superintendent of Schools

Stacy Garvey, Business Administrator/Board Secretary

MIDLAND PARK BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

Audit Firm

**PKF O'Connor Davies, LLP
300 Tice Boulevard
Woodcliff Lake, New Jersey 07677**

Attorney

**Fogarty and Hara
21-00 Route 208 South
Fair Lawn, NJ 07410**

Official Depository

**Columbia Bank
630 Godwin Avenue
Midland Park, New Jersey 07432**

Financial Section



Independent Auditors' Report

**Honorable President and Members
of the Board of Education
Midland Park Board of Education
County of Bergen
Midland Park, New Jersey**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Midland Park Board of Education (the "District"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards and requirements are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District 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.

PKF O'CONNOR DAVIES, LLP
300 Tice Blvd, Suite 315, Woodcliff Lake, NJ 07677 | Tel: 201.712.9800 | Fax: 201.712.0988 | www.pkfod.com

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**The Honorable President and Members
of the Board of Education
Midland Park Board of Education**

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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 misstatement, 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 District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 GAAS, audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if 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 GAAS, the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and *Government Auditing Standards*, we:

- Exercise professional judgment 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

**The Honorable President and Members
of the Board of Education
Midland Park Board of Education**

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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 management's discussion and analysis and the schedules included under Required Supplementary Information in the accompanying table of contents 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 GAAS, 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 District's basic financial statements. The combining and individual fund financial statements, long-term debt schedules, and the schedules of expenditures of federal awards and state financial assistance, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, are presented for 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 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 GAAS. In our opinion, the combining and individual fund financial statements, long-term debt schedules and 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 Comprehensive Financial Report for the year ended June 30, 2022. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' 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.

**The Honorable President and Members
of the Board of Education
Midland Park Board of Education**

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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 basic 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 March 17, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Woodcliff Lake, New Jersey
March 17, 2023



Gary W. Higgins, CPA
Licensed Public School Accountant, No. CS00814

Required Supplementary Information – Part I

Management's Discussion and Analysis

Midland Park Board of Education

Midland Park, New Jersey

Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

This section of the Midland Park Board of Education's annual comprehensive financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2022. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34- Basic Financial Statements- and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year (2021-2022) and the prior year (2020-2021) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2021-2022 fiscal year are as follows:

- Net position increased by \$2,693,179 from the June 30, 2021 balance.
- General revenues of \$23,993,000 accounted for 73.34 percent of all revenues. Program revenues of \$8,721,795 accounted for 26.66 percent of total revenues of \$32,714,795.
- Among major funds, the General Fund had \$30,236,962 in revenues and other sources and \$28,348,152 in expenditures and other uses. The General Fund's fund balance increased \$1,888,810 from the prior year.
- In total, fund balance of Governmental Funds increased \$2,098,440 which represents a 53.18 percent increase over the prior year's fund balance of \$3,945,863 to \$6,044,303 at June 30, 2022. This increase is mainly due to the General Fund revenues realized in excess of expenditures incurred.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the Midland Park Board of Education's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Midland Park Board of Education, reporting the District's operation in more detail than the district-wide statements.

Midland Park Board of Education
Midland Park, New Jersey

Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2022

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

- The governmental funds statements tell how basic services such as regular and special education instruction and support services 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 Midland Park Board of Education operates like a business. The food service operation is considered a proprietary fund.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. Figure A-1 summarizes the major features of the Midland Park Board of Education's financial statements, including the portion of the Midland Park Board of Education activities they cover and the types of information they contain. The remainder of this overview section of MD&A highlights the structure and contents of each of the statements.

**Midland Park Board of Education
Midland Park, New Jersey**

**Management’s Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2022**

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

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district	The activity of the district that are not proprietary or fiduciary, such as special education and building maintenance, administration and community education and building	Activities the district operates similar to private businesses: Food Service
Required financial Statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Fund Net Position Statement of Cash Flows
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/deferred inflows/outflows of resources/liability information	All assets, deferred inflows/outflows 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 inflows/outflows 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.

Midland Park Board of Education
Midland Park, New Jersey

Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2022

District-wide Statements

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

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

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

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

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

Fund Financial Statements

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

- Some funds are required by State law and/or 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).

Midland Park Board of Education
Midland Park, New Jersey

Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2022

The District has two kinds of funds:

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

This report also includes Notes to the Financial Statements. The notes provide additional information provided in the district-wide and fund financial statements. In addition to the basic financial statements and accompanying notes, this report also includes the required supplementary information.

FINANCIAL ANALYSIS OF THE MIDLAND PARK BOARD OF EDUCATION AS A WHOLE

The District's financial position is the product of many financial transactions including the net results of activities, the issuance and payment of long term liabilities, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following table provides a summary of the District's net position as of June 30, 2022 and 2021.

Net Position. The District's combined net position was \$12,275,816 as of June 30, 2022 and \$9,582,637 as of June 30, 2021.

**Midland Park Board of Education
Midland Park, New Jersey**

**Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2022**

Net Position. The District's combined net position was \$12,275,816 as of June 30, 2022 and \$9,582,637 as of June 30, 2021.

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

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 6,664,589	\$ 4,446,234	\$ 135,553	\$ 97,001	\$ 6,800,142	\$ 4,543,235
Capital Assets - Net	<u>19,661,527</u>	<u>20,648,075</u>	<u>53,887</u>	<u>60,256</u>	<u>19,715,414</u>	<u>20,708,331</u>
Total Assets	<u>26,326,116</u>	<u>25,094,309</u>	<u>189,440</u>	<u>157,257</u>	<u>26,515,556</u>	<u>25,251,566</u>
Deferred Outflows of Resources						
Deferred Amounts on Refunding	19,695	39,388	-	-	19,695	39,388
Deferred Amounts on Net Pension Liability	<u>861,995</u>	<u>1,117,877</u>	<u>-</u>	<u>-</u>	<u>861,995</u>	<u>1,117,877</u>
Total Deferred Outflows of Resources	<u>881,690</u>	<u>1,157,265</u>	<u>-</u>	<u>-</u>	<u>881,690</u>	<u>1,157,265</u>
Total Assets and Deferred Outflows of Resources	<u>27,207,806</u>	<u>26,251,574</u>	<u>189,440</u>	<u>157,257</u>	<u>27,397,246</u>	<u>26,408,831</u>
Long-Term Liabilities	11,077,848	13,640,258			11,077,848	13,640,258
Other Liabilities	<u>1,093,633</u>	<u>580,603</u>	<u>34,542</u>	<u>22,054</u>	<u>1,128,175</u>	<u>602,657</u>
Total Liabilities	<u>12,171,481</u>	<u>14,220,861</u>	<u>34,542</u>	<u>22,054</u>	<u>12,206,023</u>	<u>14,242,915</u>
Deferred Inflows of Resources						
Deferred Commodities Revenue			-	1,780	-	1,780
Deferred Amounts on Net Pension Liability	<u>2,915,407</u>	<u>2,581,499</u>	<u>-</u>	<u>-</u>	<u>2,915,407</u>	<u>2,581,499</u>
Total Deferred Inflows of Resources	<u>2,915,407</u>	<u>2,581,499</u>	<u>-</u>	<u>1,780</u>	<u>2,915,407</u>	<u>2,583,279</u>
Total Liabilities and Deferred Inflows of Resources	<u>15,086,888</u>	<u>16,802,360</u>	<u>34,542</u>	<u>23,834</u>	<u>15,121,430</u>	<u>16,826,194</u>
Net Position:						
Net Investment in Capital Assets	12,476,120	12,780,928	53,887	60,256	12,530,007	12,841,184
Restricted	4,091,749	2,864,280			4,091,749	2,864,280
Unrestricted	<u>(4,446,951)</u>	<u>(6,195,994)</u>	<u>101,011</u>	<u>73,167</u>	<u>(4,345,940)</u>	<u>(6,122,827)</u>
Total Net Position	<u>\$ 12,120,918</u>	<u>\$ 9,449,214</u>	<u>\$ 154,898</u>	<u>\$ 133,423</u>	<u>\$ 12,275,816</u>	<u>\$ 9,582,637</u>

The table on the following page shows changes in net position for fiscal years 2022 and 2021.

Changes in Net Position. The District's total revenues were \$32,714,795 for the fiscal year ended June 30, 2022. Property taxes accounted for 68.64% of the total revenues for the school year. Operating grants and contributions and unrestricted federal and state aids were 26.39%. The balance of 4.97% was obtained from charges for services, investment earnings and other miscellaneous revenue.

The total cost of all programs and services was \$30,021,616. The District's expenses are predominantly related to instruction and student and instruction related services accounting for 74.09% of total costs. The purely administrative activities of the District accounted for just 11.44% of total costs. Plant operations and maintenance accounted for 9.10% of total costs. The remaining 5.37% was comprised of costs relating to pupil transportation, food services and interest on long-term debt.

**Midland Park Board of Education
Midland Park, New Jersey**

**Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2022**

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

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues						
Program Revenues						
Charges for Services	\$ 65,663	\$ 268,127	\$ 57,557	\$ 3,418	\$ 123,220	\$ 271,545
Operating Grants and Contributions	8,092,488	9,476,587	506,087	240,614	8,598,575	9,717,201
Capital Grants and Contributions					-	-
General Revenues						
Property Taxes	22,455,969	21,920,951			22,455,969	21,920,951
Unrestricted Federal and State Aid	33,967	34,182			33,967	34,182
Investment Earnings	1,942	10,131	80	130	2,022	10,261
Other	<u>1,501,042</u>	<u>920,012</u>	<u>-</u>	<u>-</u>	<u>1,501,042</u>	<u>920,012</u>
Total Revenues	<u>32,151,071</u>	<u>32,629,990</u>	<u>563,724</u>	<u>244,162</u>	<u>32,714,795</u>	<u>32,874,152</u>
Expenses						
Instruction						
Regular	10,119,644	12,578,907			10,119,644	12,578,907
Special Education	6,245,391	6,483,701			6,245,391	6,483,701
School Sponsored Activities and Ath.	693,863	1,038,226			693,863	1,038,226
Other	847,032	522,084			847,032	522,084
Support Services						
Student and Instruction Related Serv.	4,335,763	3,905,058			4,335,763	3,905,058
General Administration Services	817,077	638,094			817,077	638,094
School Administration Services	1,859,455	1,904,444			1,859,455	1,904,444
Business / Central Services	757,238	787,532			757,238	787,532
Plant Operations and Maintenance	2,730,771	3,083,847			2,730,771	3,083,847
Pupil Transportation	872,183	526,841			872,183	526,841
Food Services	<u>-</u>	<u>-</u>	<u>542,249</u>	<u>227,624</u>	<u>542,249</u>	<u>227,624</u>
	<u>29,278,417</u>	<u>31,468,734</u>	<u>542,249</u>	<u>227,624</u>	<u>29,820,666</u>	<u>31,696,358</u>
Interest on Long-Term Debt	<u>200,950</u>	<u>221,858</u>	<u>-</u>	<u>-</u>	<u>200,950</u>	<u>221,858</u>
Total Expenses	<u>29,479,367</u>	<u>31,690,592</u>	<u>542,249</u>	<u>227,624</u>	<u>30,021,616</u>	<u>31,918,216</u>
Change in Net Position	2,671,704	939,398	21,475	16,538	2,693,179	955,936
Net Position, Beginning of Year	<u>9,449,214</u>	<u>8,509,816</u>	<u>133,423</u>	<u>116,885</u>	<u>9,582,637</u>	<u>8,626,701</u>
Net Position, End of Year	<u>\$ 12,120,918</u>	<u>\$ 9,449,214</u>	<u>\$ 154,898</u>	<u>\$ 133,423</u>	<u>\$ 12,275,816</u>	<u>\$ 9,582,637</u>

Total revenues exceeded expenses, which resulted in an increase in net position of \$2,693,179 from last year.

**Midland Park Board of Education
Midland Park, New Jersey**

**Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2022**

**Total Cost and Net Cost of Services of Governmental Activities
For the Fiscal Years Ended June 30, 2022 and 2021**

<u>Functions/Programs</u>	<u>Total 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	\$ 10,119,644	\$ 12,578,907	\$ 8,269,881	\$ 8,041,557
Special Education	6,245,391	6,483,701	3,080,894	3,644,601
School Sponsored Activities and Athletics	693,863	1,038,226	597,278	648,478
Other	847,032	522,084	702,827	231,005
Support Services				
Student and Instruction Related Svcs.	4,335,763	3,905,058	3,278,126	3,321,664
General Administration Services	817,077	638,094	585,928	557,890
School Administration Services	1,859,455	1,904,444	1,396,511	1,378,608
Business / Central Services	757,238	787,532	636,448	685,395
Plant Operations and Maintenance	2,730,771	3,083,847	1,945,750	2,822,566
Pupil Transportation	872,183	526,841	626,623	392,256
Interest on Long-Term Debt	200,950	221,858	200,950	221,858
	<u>200,950</u>	<u>221,858</u>	<u>200,950</u>	<u>221,858</u>
Total Governmental Activities	<u>\$ 29,479,367</u>	<u>\$ 31,690,592</u>	<u>\$ 21,321,216</u>	<u>\$ 21,945,878</u>

The following schedule presents a comparison of General Fund (GAAP basis) revenues for the fiscal years ended June 30, 2022 and 2021.

General Fund Revenues

	<u>Fiscal Year Ended June 30,</u>		<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
	<u>2022</u>	<u>2021</u>		
Local Sources:				
Property Taxes	\$ 21,516,844	\$ 20,983,476	\$ 533,368	2.5%
Tuition	35,925	19,244	16,681	86.7%
Restricted Miscellaneous	1,446,522	1,037,267	409,255	39.5%
Interest Earnings	1,726	10,131	(8,405)	-83.0%
Miscellaneous	58,824	11,537	47,287	409.9%
Intergovernmental:				
State Sources	7,117,071	5,278,024	1,839,047	34.8%
Federal Sources	-	27,148	(27,148)	-100.0%
	<u>-</u>	<u>27,148</u>	<u>(27,148)</u>	
Total Revenues	<u>\$ 30,176,912</u>	<u>\$ 27,366,827</u>	<u>\$ 2,810,085</u>	10.3%

Midland Park Board of Education
Midland Park, New Jersey

Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2022

The following schedule presents a comparison of General Fund (GAAP Basis) expenditures for the fiscal years ended June 30, 2022 and 2021.

General Fund Expenditures

	Fiscal Year		Amount of	Percent
	Ended June 30,			
	<u>2022</u>	<u>2021</u>	<u>(Decrease)</u>	<u>(Decrease)</u>
Instruction	\$ 17,875,204	\$ 17,394,687	\$ 480,517	2.8%
Undistributed Expenditures	9,995,669	8,606,595	1,389,074	16.1%
Debt Service	88,431	88,430	1	0.0%
Capital Outlay	<u>125,554</u>	<u>13,638</u>	<u>111,916</u>	820.6%
 Total Expenditures	 <u>\$ 28,084,858</u>	 <u>\$ 26,103,350</u>	 <u>\$ 1,981,508</u>	 7.6%

Capital Assets. As of June 30, 2022 and 2021, the District had invested in land, site improvements, buildings and building improvements, machinery and equipment as follows:

	Governmental		Business-Type		Total	
	<u>Activities</u>		<u>Activities</u>			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$ 28,714	\$ 28,714			\$ 28,714	\$ 28,714
Site Improvements	2,779,523	2,779,523			2,779,523	2,779,523
Buildings and Building Improvements	29,771,418	29,752,154			29,771,418	29,752,154
Machinery and Equipment	<u>4,976,905</u>	<u>4,903,412</u>	<u>\$ 294,296</u>	<u>\$ 294,296</u>	<u>5,271,201</u>	<u>5,197,708</u>
 Total	 37,556,560	 37,463,803	 294,296	 294,296	 37,850,856	 37,758,099
Less: Accumulated Depreciation	<u>(17,895,033)</u>	<u>(16,815,728)</u>	<u>(240,409)</u>	<u>(234,040)</u>	<u>(18,135,442)</u>	<u>(17,049,768)</u>
 Total Capital Assets, Net	 <u>\$ 19,661,527</u>	 <u>\$ 20,648,075</u>	 <u>\$ 53,887</u>	 <u>\$ 60,256</u>	 <u>\$ 19,715,414</u>	 <u>\$ 20,708,331</u>

**Midland Park Board of Education
Midland Park, New Jersey**

**Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2022**

Debt Administration. As of June 30, 2022 and 2021 the District had long-term liabilities in the amount of \$11,077,848 and \$13,640,258 as follows:

**Long-Term Debt
Outstanding Long-Term Liabilities
As of June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Bonds Payable (Including Unamortized Premium)	\$ 7,135,245	\$ 7,890,494
Purchase Agreements Payable	69,857	153,734
Compensated Absences Payable	322,416	315,384
Net Pension Liability	<u>3,550,330</u>	<u>5,280,646</u>
Total	<u>\$ 11,077,848</u>	<u>\$ 13,640,258</u>

Economic Factors and Next Year's Budget

The fiscal outlook in the near term is a concern for most school districts, including the Midland Park Board of Education. Top-down changes in funding will require flexibility and very careful planning at the local level. With the continued uncertainty from the State of New Jersey's budget, the adoption of a budget that maintains educational services at a higher level becomes more and more difficult. The District will continue to employ prudent and responsible fiscal practices to maintain its sound financial condition. At the time these financial statements were prepared and audited, the District was aware of an existing circumstance that could significantly affect the financial health in the future. The collective bargaining agreements with the Midland Park Administrators Association and the Midland Park Education Association expire on June 30, 2023. Contract negotiations are still ongoing as of the date of this report.

All of the above factors were considered in preparing the District's 2022-23 fiscal year budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Midland Park Board of Education, District Administration Offices, 250 Prospect Street, Midland Park, New Jersey 07432. Telephone: 201-444-1400.

Basic Financial Statements

Government-wide Financial Statements

The government-wide financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all governmental activities and business-type activities as of and for the year ended June 30, 2022.

MIDLAND PARK BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 5,864,600	\$ 101,500	\$ 5,966,100
Receivables, net			
Receivables from Other Governments	776,105	29,329	805,434
Other	4,216	579	4,795
Internal Balances			-
Inventories		4,145	4,145
Prepaid Items	19,668		19,668
Capital Assets, Not Being Depreciated	28,714		28,714
Capital Assets, Being Depreciated, Ne	<u>19,632,813</u>	<u>53,887</u>	<u>19,686,700</u>
 Total Assets:	 <u>26,326,116</u>	 <u>189,440</u>	 <u>26,515,556</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	19,695		19,695
Deferred Amounts on Net Pension Liability	<u>861,995</u>	<u>-</u>	<u>861,995</u>
 Total Deferred Outflows of Resource:	 <u>881,690</u>	 <u>-</u>	 <u>881,690</u>
 Total Assets and Deferred Outflows of Resources:	 <u>27,207,806</u>	 <u>189,440</u>	 <u>27,397,246</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	704,146	25,312	729,458
Accrued Interest Payable	73,059		73,059
Payable to State Government	139,919		139,919
Unearned Revenue	176,509	9,230	185,739
Long-Term Liabilities			
Due Within One Year	877,348		877,348
Due Beyond One Year	<u>10,200,500</u>	<u>-</u>	<u>10,200,500</u>
 Total Liabilities:	 <u>12,171,481</u>	 <u>34,542</u>	 <u>12,206,023</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>2,915,407</u>	<u>-</u>	<u>2,915,407</u>
 Total Deferred Inflows of Resources:	 <u>2,915,407</u>	 <u>-</u>	 <u>2,915,407</u>
 Total Liabilities and Deferred Inflows of Resource:	 <u>15,086,888</u>	 <u>34,542</u>	 <u>15,121,430</u>
NET POSITION			
Net Investment in Capital Assets	12,476,120	53,887	12,530,007
Restricted for:			
Capital Projects	3,638,723		3,638,723
Unemployment Compensation	62,362		62,362
Scholarships	11,245		11,245
Student Activities	228,384		228,384
Other Purposes - Adult Education	151,035		151,035
Unrestricted	<u>(4,446,951)</u>	<u>101,011</u>	<u>(4,345,940)</u>
 Total Net Position	 <u>\$ 12,120,918</u>	 <u>\$ 154,898</u>	 <u>\$ 12,275,816</u>

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction:							
Regular	\$ 10,119,644		\$ 1,849,763		\$ (8,269,881)		\$ (8,269,881)
Special Education	6,245,391	\$ 35,925	3,128,572		(3,080,894)		(3,080,894)
School Sponsored Activities and Athletics	693,863		96,585		(597,278)		(597,278)
Other	847,032		144,205		(702,827)		(702,827)
Support Services							
Student and Instruction- Related Services	4,335,763	29,738	1,027,899		(3,278,126)		(3,278,126)
General Administration Services	817,077		231,149		(585,928)		(585,928)
School Administration Services	1,859,455		462,944		(1,396,511)		(1,396,511)
Business / Central Services	757,238		120,790		(636,448)		(636,448)
Plant Operations and Maintenance	2,730,771		785,021		(1,945,750)		(1,945,750)
Pupil Transportation	872,183		245,560		(626,623)		(626,623)
Interest on Long-Term Debt	200,950	-	-	-	(200,950)	-	(200,950)
Total Governmental Activities	<u>29,479,367</u>	<u>65,663</u>	<u>8,092,488</u>	<u>-</u>	<u>(21,321,216)</u>	<u>-</u>	<u>(21,321,216)</u>
Business-Type Activities							
Food Service	542,249	57,557	506,087	-	-	\$ 21,395	21,395
Total Business-Type Activities	<u>542,249</u>	<u>57,557</u>	<u>506,087</u>	<u>-</u>	<u>-</u>	<u>21,395</u>	<u>21,395</u>
Total Primary Government	<u>\$ 30,021,616</u>	<u>\$ 123,220</u>	<u>\$ 8,598,575</u>	<u>\$ -</u>	<u>(21,321,216)</u>	<u>21,395</u>	<u>(21,299,821)</u>
General Revenues:							
Property Taxes levied for General Purposes					21,516,844		21,516,844
Property Taxes levied for Debt Service					939,125		939,125
Federal and State Aid Not Restricted					33,967		33,967
Investment Earnings					1,942	80	2,022
Miscellaneous Income					1,501,042	-	1,501,042
Total General Revenues					<u>23,992,920</u>	<u>80</u>	<u>23,993,000</u>
Change in Net Position					2,671,704	21,475	2,693,179
Net Position, Beginning of Year					<u>9,449,214</u>	<u>133,423</u>	<u>9,582,637</u>
Net Position, End of Year					<u>\$ 12,120,918</u>	<u>\$ 154,898</u>	<u>\$ 12,275,816</u>

Fund Financial Statements

Governmental Funds

MIDLAND PARK BOARD OF EDUCATION
 GOVERNMENTAL FUNDS
 BALANCE SHEET
 JUNE 30, 2022

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 5,338,285	\$ 263,021	\$ 263,294		\$ 5,864,600
Receivables from Other Governments	720,669	55,436			776,105
Other Accounts Receivable	4,216				4,216
Prepaid Items	19,668	-	-	-	19,668
Total Assets	\$ 6,082,838	\$ 318,457	\$ 263,294	\$ -	\$ 6,664,589
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 105,090	\$ 13,410			118,500
Payroll Deductions and Withholdings Payable	128,953				128,953
Other Liabilities	56,405				56,405
Due to Other Funds					-
Payable to State Government	96,973	42,946			139,919
Unearned Revenue	154,037	22,472	-	-	176,509
Total Liabilities	541,458	78,828	-	-	620,286
Fund Balances					
Restricted Fund Balance					
Capital Reserve	3,065,429				3,065,429
Capital Reserve- Designated for Subsequent Year's Budget	310,000				310,000
Adult Education Programs	85,179				85,179
Adult Education Programs - Designated for Subsequent Year's Budget	65,856				65,856
Excess Surplus- Designated for Subsequent Year's Budget	275,000				275,000
Excess Surplus	275,000				275,000
Unemployment Compensation	62,362				62,362
Scholarships		11,245			11,245
Student Activities		228,384			228,384
Capital Projects			\$ 263,294		263,294
Assigned Fund Balance					
Year-End Encumbrances	374,016				374,016
Unassigned					
General Fund	1,028,538	-	-	-	1,028,538
Total Fund balances	5,541,380	239,629	263,294	-	6,044,303
Total Liabilities and Fund Balances	\$ 6,082,838	\$ 318,457	\$ 263,294	\$ -	\$ 6,664,589

**MIDLAND PARK BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2022**

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

Total Fund Balances - Governmental Funds (Exhibit B-1)	\$	6,044,303
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$37,556,560 and the accumulated depreciation is \$17,895,033		19,661,527
The District has financed capital assets through the issuance of bonds and long-term financed purchase payable obligations. The interest accrual at year end is:		(73,059)
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.		19,695
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
		Bonds Payable \$ (7,115,000)
		Unamortized Premium on Bond Issuances (20,245)
		Financed purchase payable agreements (69,857)
		Compensated Absences Payable (322,416)
		Net Pension Liability (3,550,330)
		<u>(11,077,848)</u>
Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and deferred over future years.		
		Deferred Outflows of Resources 861,995
		Deferred Inflows of Resources (2,915,407)
		<u>(2,053,412)</u>
Accrued pension contributions for the June 30, 2022 plan year end are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.		<u>(400,288)</u>
Net Position of Governmental Activities (Exhibit A-1)	\$	<u>12,120,918</u>

**MIDLAND PARK BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 21,516,844			\$ 939,125	\$ 22,455,969
Tuition	35,925				35,925
Other Restricted Miscellaneous Revenues	1,446,522				1,446,522
Unrestricted Miscellaneous Revenue	58,824				58,824
Miscellaneous	1,726	\$ 244,651	\$ -	-	246,377
Total - Local Sources	23,059,841	244,651	-	939,125	24,243,617
State Sources	7,117,071	183,915			7,300,986
Federal Sources	-	685,574	-	-	685,574
Total Revenues	30,176,912	1,114,140	-	939,125	32,230,177
EXPENDITURES					
Current					
Regular Instruction	10,611,247	428,861			11,040,108
Special Education Instruction	5,723,072	275,836			5,998,908
Other Instruction	782,601				782,601
School-Sponsored Activities and Athletics	758,284				758,284
Student and Instruction Related Services	4,002,071	352,077			4,354,148
General Administration Services	632,044				632,044
School Administration Services	1,706,536				1,706,536
Central Services & Adm. Info. Technology	802,441				802,441
Plant Operations and Maintenance	2,091,320				2,091,320
Pupil Transportation	761,257				761,257
Debt Service					
Principal	83,877			735,000	818,877
Interest	4,554			204,125	208,679
Capital Outlay	125,554	27,628	19,264	-	172,446
Total Expenditures	28,084,858	1,084,402	19,264	939,125	30,127,649
Excess (Deficiency) of Revenues Over/(Under) Expenditures	2,092,054	29,738	(19,264)	-	2,102,528
OTHER FINANCING SOURCES (USES)					
Transfer In	60,050		263,294		323,344
Transfer Out	(263,294)	-	(60,050)	-	(323,344)
Cancellation of Uncollectible Receivable	-	-	(4,088)	-	(4,088)
Total Other Financing Sources and Uses	(203,244)	-	199,156	-	(4,088)
Net Change in Fund Balances	1,888,810	29,738	179,892	-	2,098,440
Fund Balance, Beginning of Year	3,652,570	209,891	83,402	-	3,945,863
Fund Balance, End of Year	\$ 5,541,380	\$ 239,629	\$ 263,294	\$ -	\$ 6,044,303

**MIDLAND PARK BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ 2,098,440

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

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

Capital Outlay	\$ 92,757	
Depreciation Expense	<u>(1,079,305)</u>	(986,548)

In the statement of activities, certain operating expenses, e.g., 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 reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

Increase in Compensated Absences, Net	(7,032)	
Decrease in Pension Expense	<u>740,238</u>	733,206

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. An increase in accrued interest is a decrease in the reconciliation and a decrease in accrued interest is an increase.

7,173

Governmental Funds report the effect of issuance costs pertaining to bonds issued when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Original Issue Premium	20,249	
Deferred Charge on Refunding of Debt	<u>(19,693)</u>	556

The issuance of long-term debt provides current financial resources to governmental funds. Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities:

Financed Purchase Payable Agreements Principal Repayment	83,877	
Bonds Principal Repayment	<u>735,000</u>	<u>818,877</u>

Change in Net Position of Governmental Activities (Exhibit A-2) \$ 2,671,704

Proprietary Funds

**MIDLAND PARK BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2022**

	Business-Type Activities Enterprise Fund <u>Food Service</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 101,500
Accounts Receivable	
Federal	28,693
State	636
Other	579
Inventories	<u>4,145</u>
Total Current Assets	<u>135,553</u>
Capital Assets	
Equipment	294,296
Less: Accumulated Depreciation	<u>(240,409)</u>
Total Capital Assets, Net	<u>53,887</u>
Total Assets	<u>189,440</u>
LIABILITIES	
Current Liabilities	
Unearned Revenue	9,230
Accounts Payable	21,775
Other Liabilities	<u>3,537</u>
Total Current Liabilities	<u>34,542</u>
NET POSITION	
Investment in Capital Assets	53,887
Unrestricted	<u>101,011</u>
Total Net Position	<u><u>\$ 154,898</u></u>

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

	Business-Type Activities Enterprise Fund <u>Food Service</u>
OPERATING REVENUES	
Charges for Services	
Daily Sales- Reimbursable Programs	\$ 5,883
Daily Sales- Non-Reimbursable Programs	<u>51,674</u>
Total Operating Revenues	<u>57,557</u>
OPERATING EXPENSES	
Cost of Sales- Reimbursable Programs	245,955
Cost of Sales- Non-Reimbursable Programs	3,651
Salaries and Employee Benefits	156,026
Fringe Benefits	56,432
Purchased Services-Management Fee	22,662
Purchased Services	4,910
Repairs	5,487
Supplies and Materials	39,806
Miscellaneous Expenditures	951
Depreciation	<u>6,369</u>
Total Operating Expenses	<u>542,249</u>
Operating Loss	<u>(484,692)</u>
NONOPERATING REVENUES	
Local Sources	
Interest on Deposits	80
State Sources	
School Lunch Program	11,154
Federal Sources	
School Breakfast Program	7,266
National School Lunch Program	436,034
COVID-19 National School Lunch Program	11,434
P-EBT Administrative Cost Reimbursements	1,242
Food Distribution Program	<u>38,957</u>
Total Nonoperating Revenues	<u>506,167</u>
Change in Net Position	21,475
Total Net Position, Beginning of Year	<u>133,423</u>
Total Net Position, End of Year	<u><u>\$ 154,898</u></u>

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

	Business-Type Activities Enterprise Fund Food Service
Cash Flows from Operating Activities	
Cash Received from Customers	\$ 52,593
Cash Payments for Employees' Salaries and Benefits	(156,026)
Cash Payments to Suppliers for Goods and Services	<u>(325,287)</u>
Net Cash Used by Operating Activities	<u>(428,720)</u>
Cash Flows from Noncapital Financing Activities	
Cash Payments from General Fund	6,208
Cash Received from State and Federal Subsidy Reimbursements	<u>488,902</u>
Net Cash Provided by Noncapital Financing Activities	<u>495,110</u>
Cash Flows from Investing Activities	
Interest Received	<u>80</u>
Net Cash Provided by Investing Activities	<u>80</u>
Net Increase in Cash and Cash Equivalents	66,470
Cash and Cash Equivalents, Beginning of Year	<u>35,030</u>
Cash and Cash Equivalents, End of Year	<u>\$ 101,500</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities	
Operating Loss	\$ <u>(484,692)</u>
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities	
Depreciation	6,369
Non-Cash Federal Assistance - National School Lunch (Food Distribution)	38,957
Change in Assets, Liabilities and Deferred Inflows of Resources	
Increase in Accounts Payable	16,527
(Decrease) in Unearned Revenue	(5,818)
Decrease in Other Accounts Receivable	(579)
Decrease in Inventories	517
Decrease in Other Liabilities	<u>(1)</u>
Total Adjustments	<u>55,972</u>
Net Cash Used by Operating Activities	<u>\$ (428,720)</u>
Non-Cash Financing Activities	
National School Lunch (Food Distribution Program)	\$ 37,524

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Midland Park Board of Education (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A Superintendent is appointed by the Board and is responsible for the administrative control of the District. A 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 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 Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent to the Board.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Midland Park Board of Education this includes general operations, food service 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 statement:

- The GASB No. 87, *Leases*, in June 2017. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement are effective for periods beginning after June 15, 2021. Management has reviewed the requirements of the Statement and the impact on the financial statements was deemed not material.

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

- The GASB No. 96, *Subscription-Based Information Technology Arrangements* in May 2020. This Statement provides guidance on accounting and financial reporting for subscription-based technology arrangements. The requirements of this Statement are effective for periods beginning after June 15, 2022. Management has not determined the impact of the Statement on the financial statements.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- The GASB issued Statement No. 99, *Omnibus 2022* in April 2022.. 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. The requirements of this Statement are effective for periods beginning after June 15, 2022. Management has not determined the impact of the Statement on the financial statements.
- The GASB issues Statement No. 101, *Compensated Absences* in June 2022. 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. The requirements of this Statement are effective for periods beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has not yet determined the impact of the Statement on the financial statements.

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements

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

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

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

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

The District reports the following major proprietary fund which is 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.

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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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 operation are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

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

1. *Cash, Cash Equivalents and Investments*

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

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

2. *Receivables*

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

3. *Inventories*

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

4. *Prepaid Items*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both district-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

5. *Capital Assets*

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

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

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

<u>Assets</u>	<u>Years</u>
Site Improvements	20
Buildings and Building Improvements	40
Machinery and Equipment	8-10
Office Equipment and Furniture	10
Computer Equipment	5

6. *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 assets 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets 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 of item, which arises only under the accrual basis of accounting that qualify for reporting in this category. The item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years.

7. Compensated Absences

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

8. 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.

9. Long-Term Obligations

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

10. Net Position/Fund Balance

District-Wide Statements

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

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

Governmental Fund Statements

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

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

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

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

Adult Education Programs – This restriction was created in accordance with NJSA 18A:50-6 to represent the accumulated surplus from excess program fees and sources other than property taxes over the operating costs of the District's Adult Education Program.

Adult Education Programs - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of the adult education programs fund balance appropriated in the adopted 2022/2023 district 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, 2022 audited excess surplus that was appropriated in the 2022/2023 original budget certified for taxes.

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.

Unemployment Compensation – This restriction was created in accordance with R.S. 43:21-7.3 to reserve funds for unemployment compensation claims reimbursable to the State under the District's election for payment in lieu of contributions (benefit reimbursement method). (See Note 4A).

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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.

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

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

11. *Fund Balance Policies*

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government 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 government's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the government that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

2. *Property Taxes*

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

3. *Tuition Revenues and Expenditures*

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

Tuition Expenditures - Tuition charges for the fiscal years 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 are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district's annual school election from April to the general election in November. Under the new law, 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. On December 16, 2014, 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.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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 general fund budget by \$701,687 and the original special revenue fund budget by \$1,489,072. The increase in the general fund was funded by the additional appropriation of fund balance and the reappropriation of prior year general fund encumbrances. The increase in the special revenue fund was funded by additional grant awards and the inclusion of scholarship and student activity transactions.

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.

**MIDLAND PARK BOARD OF EDUCATION
 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		\$ 2,405,416
Increased by:		
Unexpended Capital Projects Funds Returned	\$ 60,050	
Deposits Approved by Board Resolution	<u>1,204,963</u>	
Total Increases		<u>1,265,013</u>
		3,670,429
Decreased by:		
Withdrawals Approved in District Budget	<u>295,000</u>	
Total Decreases		<u>295,000</u>
Balance, June 30, 2022		<u>\$ 3,375,429</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan. The District appropriated \$310,000 of the capital reserve account in the 2022/23 budget.

C. 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 2% 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 \$550,000. Of this amount, \$275,000 was designated and appropriated in the 2022/2023 original budget certified for taxes and the remaining amount of \$275,000 will be appropriated in the 2023/2024 original budget certified for taxes.

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

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 \$5,966,100 and bank and brokerage firm balances of the Board's deposits amounted to \$6,322,998. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 5,985,802
Uninsured or uncollateralized	<u>337,195</u>
	<u>\$ 6,322,998</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2022 the Board's bank balance of \$337,195 was exposed to custodial credit risk as follows:

<u>Depository Account</u>	<u>Bank Balance</u>
Uninsured and Collateralized	
Collateral held by pledging financial institution's trust department or agent not in the Board's name	<u>\$ 337,195</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.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

As of June 30, 2022, the Board had no outstanding investments.

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

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

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

B. Receivables

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

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Accounts	\$ 4,216			\$ 4,216
Intergovernmental				
Federal		\$ 55,436	\$ 28,693	84,129
State	720,669		636	721,305
Local	-	-	579	579
Gross Receivables	<u>724,885</u>	<u>55,436</u>	<u>29,908</u>	<u>810,229</u>
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 724,885</u>	<u>\$ 55,436</u>	<u>\$ 29,908</u>	<u>\$ 810,229</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:

	<u>Total</u>
General Fund	
Adult/Continuing Education Fees	\$ 142,662
Preschool Tuition	11,375
Special Revenue Fund	
Unencumbered Grant Draw Downs	20,552
Encumbrances	<u>1,920</u>
Total Unearned Revenue of Governmental Funds	<u>\$ 176,509</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Balance, <u>July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2022</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 28,714	-	-	\$ 28,714
Total Capital Assets, Not Being Depreciated	<u>28,714</u>	<u>-</u>	<u>-</u>	<u>28,714</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	29,752,154	\$ 19,264		29,771,418
Site Improvements	2,779,523			2,779,523
Machinery and Equipment	4,903,412	73,493	-	4,976,905
Total Capital Assets Being Depreciated	<u>37,435,089</u>	<u>92,757</u>	<u>-</u>	<u>37,527,846</u>
Less Accumulated Depreciation for:				
Site Improvements	(1,189,194)	(142,888)		(1,332,082)
Buildings and Building Improvements	(11,633,956)	(802,116)		(12,436,072)
Machinery and Equipment	(3,992,578)	(134,301)	-	(4,126,879)
Total Accumulated Depreciation	<u>(16,815,728)</u>	<u>(1,079,305)</u>	<u>-</u>	<u>(17,895,033)</u>
Total Capital Assets, Being Depreciated, Net	<u>20,619,361</u>	<u>(986,548)</u>	<u>-</u>	<u>19,632,813</u>
Governmental Activities Capital Assets, Net	<u>\$ 20,648,075</u>	<u>\$ (986,548)</u>	<u>\$ -</u>	<u>\$ 19,661,527</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, <u>July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2022</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 294,296	-	-	\$ 294,296
Total Capital Assets Being Depreciated	<u>294,296</u>	<u>-</u>	<u>-</u>	<u>294,296</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(234,040)	\$ (6,369)	-	(240,409)
Total Accumulated Depreciation	<u>(234,040)</u>	<u>(6,369)</u>	<u>-</u>	<u>(240,409)</u>
Total Capital Assets, Being Depreciated, Net	<u>60,256</u>	<u>(6,369)</u>	<u>-</u>	<u>53,887</u>
Business-Type Activities Capital Assets, Net	<u>\$ 60,256</u>	<u>\$ (6,369)</u>	<u>\$ -</u>	<u>\$ 53,887</u>

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

Governmental Activities:

Instruction		
Regular		\$ 462,087
Special Education		181,581
School-Sponsored Activities and Athletics		31,694
Other Instructional		<u>22,705</u>
Total Instruction		<u>698,067</u>
Support Services		
Student and Instruction Related Services		155,503
General Administration Services		23,864
School Administration Services		81,154
Plant Operations and Maintenance		72,194
Pupil Transportation		14,306
Business / Central Services		<u>34,217</u>
Total Support Services		<u>381,238</u>
Total Depreciation Expense - Governmental Activities		<u>\$ 1,079,305</u>
Business-Type Activities:		
Food Service Fund		<u>\$ 6,369</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

Interfund Transfers

	<u>Transfer In:</u>		
	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Transfer Out:			
General Fund	\$ -	\$ 263,294	\$ 263,294
Capital Projects Fund	60,050	-	60,050
	<hr/>	<hr/>	<hr/>
Total	\$ 60,050	\$ 263,294	\$ 323,344
	<hr/>	<hr/>	<hr/>

The transfer from the general fund to the capital projects fund represents budgeted capital reserve to be used for capital project expenditures. The transfer from the capital projects fund to the general fund represents the return of funds to their original funding source from the close out of completed capital projects.

F. Purchase Agreements Payable

The District entered into agreements for the following: a school bus totaling \$77,900, computer supplies (chromebooks) totaling \$209,412 and technology supplies and software upgrades totaling \$49,598. The agreements are for terms of 3 to 5 years.

The capital assets acquired through purchase agreements payable are as follows:

	<u>Governmental Activities</u>
Machinery and Equipment	\$ <u>77,900</u>

The future minimum lease obligations and the net present value of these minimum purchase agreement payments as of June 30, 2022 were as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Governmental Activities</u>
2023	<u>71,960</u>
Total Minimum Purchase Agreement Payments	71,960
Less: Amount Representing Interest	<u>(2,103)</u>
Present Value of Minimum Purchase Agreement Payments	\$ <u>69,857</u>

G. Long-Term Debt

General Obligation Bonds

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

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt (Continued)

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

\$3,695,000, 2012 Refunding Bonds, due in annual installments of \$395,000 through August 15, 2023, interest at 3.00%	\$790,000
\$8,500,000, 2015 School Bonds, due in annual installments of \$360,000 to \$540,000 through August 15, 2035, interest at 2.000% to 3.125%	<u>6,325,000</u>
Total	<u>\$7,115,000</u>

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

Governmental Activities:

Fiscal Year Ended June 30,	<u>Bonds Payable</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2023	\$ 755,000	\$ 188,900	\$ 943,900
2024	765,000	169,850	934,850
2025	385,000	156,525	541,525
2026	400,000	148,825	548,825
2027	415,000	140,825	555,825
2028-2032	2,290,000	530,175	2,820,175
2033-2036	<u>2,105,000</u>	<u>162,300</u>	<u>2,267,300</u>
Total	<u>\$ 7,115,000</u>	<u>\$ 1,497,400</u>	<u>\$ 8,612,400</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	<u>Balance,</u> <u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance,</u> <u>June 30, 2022</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
Governmental Activities:					
Bonds Payable	\$ 7,850,000		\$ 735,000	\$ 7,115,000	\$ 755,000
Add:					
Unamortized Premium	<u>40,494</u>	<u>-</u>	<u>20,249</u>	<u>20,245</u>	<u>20,245</u>
Bonds Payable, Gross	7,890,494	-	755,249	7,135,245	775,245
Purchase Agreements Payable	153,734		83,877	69,857	69,857
Compensated Absences Payable	315,384	46,421	39,389	322,416	32,246
Net Pension Liability	<u>5,280,646</u>	<u>-</u>	<u>1,730,316</u>	<u>3,550,330</u>	<u>-</u>
Governmental Activities Long-Term Liabilities	<u>\$ 13,640,258</u>	<u>\$ 46,421</u>	<u>\$ 2,608,831</u>	<u>\$ 11,077,848</u>	<u>\$ 877,348</u>

For the governmental activities, the liabilities for compensated absences payable, purchase agreements payable, and net pension liability are generally liquidated by the general fund. The liabilities for bonds payable are generally liquidated by the debt service fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

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

Fiscal Year ended <u>June 30,</u>	Opening <u>Balance</u>	Interest <u>Earnings</u>	Ending <u>Balance</u>
2022	\$ 62,146	\$ 216	\$ 62,362
2021	61,742	404	62,146

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.

D. Employee Retirement Systems and Pension Plans

Description of Systems

Substantially all of the District's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the State of New Jersey. The Teachers' Pension and Annuity Fund Retirement System is considered a cost-sharing multiple-employer plan, with a special funding situation, as under current statute, all employer contributions are made by the State

**MIDLAND PARK BOARD OF EDUCATION
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)

of New Jersey on behalf of the Board and the system's other related non-contributing employers. The Public Employees' Retirement System is considered a cost-sharing multiple-employer plan.

Teachers' Pension and Annuity Fund

The Teachers' Pension and Annuity Fund was established in January 1955 under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time public school employees in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for health care coverage. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60, and 62, respectively with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively, with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

Public Employees' Retirement System

The Public Employees' Retirement System was established in January 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school Board or public agency provided the employee is not a member of another State-administered retirement system. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60,60, and 62, respectively with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

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

Funding Policy

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing members. Plan member and employer contributions may be amended by State of New Jersey legislation. Employee contribution rates for TPAF and PERS are 7.5% of employees' annual compensation. Employers are required to contribute at an actuarially determined rate in both the TPAF and PERS. The actuarially determined contribution includes funding for noncontributory death benefits and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

**MIDLAND PARK BOARD OF EDUCATION
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)

During the year ended June 30, 2022, the State of New Jersey contributed \$4,298,786 to the TPAF for on-behalf medical, non-contributory insurance and pension and post-retirement medical benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$737,405 during the year ended June 30, 2022 for the employer’s share of social security contributions for TPAF members as calculated on their base salaries.

The District’s actuarially determined contributions to PERS for each of the years ended June 30, 2022, 2021 and 2020 were \$350,977, \$354,242, and \$333,834, respectively.

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 PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For the 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.

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

Public Employees’ Retirement System (PERS)

At June 30, 2022, the District reported a liability of \$3,550,330 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation July 1, 2020, which was rolled forward to June 30, 2021. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2021, the District’s proportion was 0.0299694422 percent, which was a decrease of 0.0024124895 from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized full accrual pension (benefit) of (\$389,261) in the government-wide financial statements. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 55,993	\$ 25,416
Changes of assumptions	18,490	1,263,940
Net difference between projected and actual earnings on pension plan investments		935,250
Changes in proportion		690,801
Changes in proportion and differences between District contributions and proportionate share of contributions	387,224	
District contributions subsequent to the measurement date	400,288	
	<u>\$ 861,995</u>	<u>\$ 2,915,407</u>

**MIDLAND PARK BOARD OF EDUCATION
 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)

\$400,288 is reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2023	\$	(828,613)
2024		(663,770)
2025		(552,210)
2026		(399,247)
2027		(9,860)
	\$	<u>(2,453,700)</u>

Actuarial Assumptions

The total collective 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:

Actuarial Assumptions (Continued)

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%

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. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Mortality Rates

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

**MIDLAND PARK BOARD OF EDUCATION
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)

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.

Long-Term Rate of Return

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

Long-Term Rate of Return (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

Discount rate

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

**MIDLAND PARK BOARD OF EDUCATION
 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)

Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate

The following presents the District’s proportionate share of the net pension liability as of June 30, 2021 calculated using the discount rate as disclosed above as well as what the District’s proportionate share of the 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:

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the net pension liability	<u>\$ 4,834,830</u>	<u>\$ 3,550,330</u>	<u>\$ 2,460,250</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued financial report for the State of New Jersey Public Employees Retirement System.

Additional Information

Collective balances of the Local Group at June 30, 2021 are as follows:

Deferred outflows of resources	\$ 1,164,738,169
Deferred inflows of resources	\$ 8,339,123,762
Net pension liability	\$ 11,972,782,878
District's Proportion	0.0299694422%

Collective pension (benefit) for the Local Group for the measurement period ended June 30, 2021 is \$(1,599,674,464).

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at July 1, 2021, 2020, 2019, 2018, 2017 and 2016 is 5.13, 5.16, 5.21, 5.63, 5.48, and 5.57 years, respectively.

Teachers Pensions and Annuity Fund (TPAF) – Special Funding Situation

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

**MIDLAND PARK BOARD OF EDUCATION
 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 Pensions and Annuity Fund (TPAF) – Special Funding Situation (Continued)

The State’s proportionate share of the TPAF net pension liability associated with the District as of June 30, 2022 was \$41,181,055. The District’s proportionate share was \$0. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State’s proportionate share of the net pension liability associated with the District was based on a projection of the State’s long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State’s proportionate share of the TPAF net pension liability associated with the District was 0.0856596841 percent, which was a decrease of 0.0034219332 from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized on-behalf pension expense and revenue in the government-wide financial statements of \$1,784,125 for contributions incurred by the State.

Actuarial assumptions

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

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	
Through 2026	1.55 - 4.45%
	Based on years of service
Thereafter	2.75 - 5.65%
	Based on years of service
Investment Rate of Return	7.00%

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.

**MIDLAND PARK BOARD OF EDUCATION
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)

Long-Term Expected Rate of Return

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

Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	9.15%
Real Estate	8.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made 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.

Sensitivity of the State's proportionate share of the net pension liability associated with the District to changes in the discount rate

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2021 calculated using the discount rate as disclosed above as well as what the State's proportionate share of the net pension liability associated with the District 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:

**MIDLAND PARK BOARD OF EDUCATION
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)

Sensitivity of the State's proportionate share of the net pension liability associated with the District to changes in the discount rate (Continued)

	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
State's proportionate share of the net pension liability associated with the District	\$ 48,724,067	\$ 41,181,055	\$ 34,845,399

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TPAF financial report.

Additional Information

Collective balances of the Local Group at June 30, 2021 are as follows:

Deferred outflows of resources	\$ 6,373,530,834
Deferred inflows of resources	\$ 27,363,797,906
Net pension liability	\$ 48,165,991,182

State's proportionate share associated with the District	0.0856596841%
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Collective pension expense of the Local Group for the plan for the measurement period ended June 30, 2021 is \$1,159,039,411.

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at July 1, 2021, 2020, 2019, 2018, 2017, 2016, and 2015 is 7.93, 8.04, 8.29, 8.30, 8.30 and 8.30 years, respectively.

E. Post-Retirement Medical Benefits

State Health Benefit State Retired Employees Plan

Plan description and benefits provided

The State Health Benefit State Retired Employees Plan (State Retired OPEB Plan) is a single-employer defined benefit OPEB plan with a special funding situation. The State Retired OPEB Plan is administered on a "pay-as-you-go" basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The State Retired OPEB Plan covers the State, State colleges and universities, the Palisades Interstate Park Commission, and the New Jersey Building Authority (referred to collectively as "the employers") for which the State is

**MIDLAND PARK 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)

State Health Benefit State Retired Employees Plan (Continued)

legally obligated to pay for benefits. The State Retired OPEB Plan is treated as a cost-sharing multiple employer plan with a special funding situation for allocating the total OPEB liability and related OPEB amounts since each employer mentioned above is required to issue stand-alone financial statements. The State Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of the employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

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

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

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

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

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

The State's contributions to the SHBP Fund for TPAF retirees' post-retirement medical benefits on behalf of the District for the years ended June 30, 2022, 2021 and 2020 were \$813,926, \$795,181, and \$737,854, respectively, which equaled the required contributions for each year.

**MIDLAND PARK 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)

State Health Benefit State Retired Employees Plan (Continued)

In accordance with the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments.

Additional information on Pensions and OPEB can be accessed at state.nj.us/treasury/pensions/financial-reports.shtml.

Total OPEB Liability

Changes in Total OPEB Liability

Below represents the changes in the District’s total OPEB liability for the year ended June 30, 2021:

Balance at June 30, 2020		\$ 57,176,716
Increased by:		
Service cost	\$ 2,849,788	
Interest cost	1,312,093	
Changes of assumptions	49,901	
Member contributions	<u>33,544</u>	
		<u>4,245,326</u>
		61,422,042
Decreased by:		
Diff. between expected and actual exp.	9,754,854	
Changes of benefit terms	53,836	
Gross benefit payments	<u>1,033,562</u>	
		<u>(10,842,252)</u>
Balance at June 30, 2021		<u>\$ 50,579,790</u>

**MIDLAND PARK 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)

Employees covered by benefit terms

The following employees were covered by the benefit terms:

Local Education	June 30, 2022
Active Plan Members	98,858
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	48,851
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	-
Total Plan Members	147,709

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The District’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the District did not recognize any portion of the collective OPEB liability on the Statement of Net Position. The State’s proportionate share of the OPEB liability associated with the District as of June 30, 2021 was \$50,579,790. Additional information can be obtained from the State of New Jersey’s annual comprehensive financial report.

Actuarial assumptions and other inputs

The total nonemployer OPEB liability in the June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021 and included in the June 30, 2021 audited financial statements of the State Health Benefit Local Education Retired Employees Plan. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

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

**MIDLAND PARK 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)

Mortality Rates

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP) and "General" (PERS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.

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

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.

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 rate 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 4.50% 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%.

The following represents sensitivity of total non-employer OPEB liability to changes in the discount rate and health care cost rate

The following presents the total non-employer OPEB liability associated with the District as of June 30, 2021 calculated using a discount rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a discount rate that is 1-percentage-point lower (1.16 %) or 1-percentage-point higher (3.16%) than the current rate:

	1% Decrease (1.16%)	At Current Discount Rate (2.16%)	1% Increase (3.16%)
Net OPEB Liability (Allocable to the District and the responsibility of the State)	<u>\$ 60,586,648</u>	<u>\$ 50,579,790</u>	<u>\$ 42,699,990</u>

**MIDLAND PARK 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)

The following presents the total non-employer OPEB liability associated with the District as of June 30, 2020 calculated using a healthcare cost trend rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Net OPEB Liability (Allocable to the District and the responsibility of the State)	<u>\$ 40,944,504</u>	<u>\$ 50,579,790</u>	<u>\$ 63,519,267</u>

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

For the year ended June 30, 2022, the District recognized on-behalf OPEB expense and revenue in the government-wide financial statements of \$3,253,569 for OPEB expenses incurred by the State. Collective balances of the Local Education Group at June 30, 2021 are as follows:

Deferred outflows of resources	\$	21,546,947,255
Deferred inflows of resources	\$	26,769,148,209
Collective OPEB expense	\$	3,527,672,060

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State, therefore, the District records an expense and corresponding revenue for its respective share of total OPEB expense and revenue attributable to the State of New Jersey

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 Midland Park Board of Education, the District's share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

Required Supplementary Information – Part II

Pension and OPEB Schedules

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

Public Employees' Retirement System

Last Nine Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.02997%	0.03238%	0.03432%	0.03147%	0.03055%	0.02777%	0.02722%	0.02596%	0.02324%
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 3,550,330</u>	<u>\$ 5,280,646</u>	<u>\$ 6,183,934</u>	<u>\$ 6,196,171</u>	<u>\$ 7,110,920</u>	<u>\$ 8,223,354</u>	<u>\$ 6,109,692</u>	<u>\$ 4,861,274</u>	<u>\$ 4,442,294</u>
District's Covered Payroll	<u>\$ 2,275,015</u>	<u>\$ 2,262,518</u>	<u>\$ 2,283,079</u>	<u>\$ 2,328,180</u>	<u>\$ 2,146,732</u>	<u>\$ 2,021,935</u>	<u>\$ 1,860,340</u>	<u>\$ 1,791,926</u>	<u>\$ 1,695,648</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	156%	233%	271%	266%	331%	407%	328%	271%	262%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

MIDLAND PARK BOARD OF EDUCATION
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees' Retirement System

Last Nine Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 350,977	\$ 354,242	\$ 333,834	\$ 313,019	\$ 282,988	\$ 246,665	\$ 233,994	\$ 214,048	\$ 175,135
Contributions in Relation to the Contractually Required Contribution	<u>350,977</u>	<u>354,242</u>	<u>333,834</u>	<u>313,019</u>	<u>282,988</u>	<u>246,665</u>	<u>233,994</u>	<u>214,048</u>	<u>175,135</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	<u>\$ 2,417,210</u>	<u>\$ 2,275,015</u>	<u>\$ 2,262,518</u>	<u>\$ 2,283,079</u>	<u>\$ 2,328,180</u>	<u>\$ 2,146,732</u>	<u>\$ 2,021,935</u>	<u>\$ 1,860,340</u>	<u>\$ 1,791,926</u>
Contributions as a Percentage of Covered Payroll	14.52%	15.57%	14.75%	13.71%	12.15%	11.49%	11.57%	11.51%	9.77%

* 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.

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

Teachers Pension and Annuity Fund

Last Nine Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.085660%	0.08908%	0.084018%	0.082275%	0.080158%	0.079142%	0.083672%	0.081192%	0.081403%
District's Proportionate Share of the Net Pension Liability (Asset)							-	-	-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 41,181,055</u>	<u>\$ 58,659,173</u>	<u>\$ 51,562,728</u>	<u>\$ 52,341,484</u>	<u>\$ 54,045,652</u>	<u>\$ 62,258,043</u>	<u>\$ 52,884,457</u>	<u>\$ 43,394,304</u>	<u>\$ 41,140,249</u>
Total	<u>\$ 41,181,055</u>	<u>\$ 58,659,173</u>	<u>\$ 51,562,728</u>	<u>\$ 52,341,484</u>	<u>\$ 54,045,652</u>	<u>\$ 62,258,043</u>	<u>\$ 52,884,457</u>	<u>\$ 43,394,304</u>	<u>\$ 41,140,249</u>
District's Covered Payroll	<u>\$ 10,064,769</u>	<u>\$ 9,511,614</u>	<u>\$ 9,420,188</u>	<u>\$ 9,517,146</u>	<u>\$ 8,898,145</u>	<u>\$ 8,402,337</u>	<u>\$ 8,106,217</u>	<u>\$ 8,146,793</u>	<u>\$ 8,201,607</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

**MIDLAND PARK BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Change of Benefit Terms: None.

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

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

Postemployment Health Benefit Plan

Last Five Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability					
Service Cost	\$ 2,849,788	\$ 1,595,156	\$ 1,398,380	\$ 1,615,963	\$ 1,957,283
Interest on Total OPEB Liability	1,312,093	1,247,948	1,478,534	1,585,359	1,365,742
Differences between Expected and Actual Experiences	(9,754,854)	10,315,642	(5,140,259)	(3,784,849)	
Changes of Assumptions	49,901	10,444,221	514,979	(4,282,216)	(5,700,110)
Changes of Benefit Terms	(53,836)				
Gross Benefit Payments	(1,033,562)	(995,400)	(1,060,244)	(997,821)	(990,155)
Contribution from the Member	<u>33,544</u>	<u>30,171</u>	<u>31,429</u>	<u>34,486</u>	<u>36,460</u>
Net Change in Total OPEB Liability	(6,596,926)	22,637,738	(2,777,181)	(5,829,078)	(3,330,780)
Total OPEB Liability - Beginning of Year	<u>57,176,716</u>	<u>34,538,978</u>	<u>37,316,159</u>	<u>43,145,237</u>	<u>46,476,017</u>
Total OPEB Liability - End of Year	<u>\$ 50,579,790</u>	<u>\$ 57,176,716</u>	<u>\$ 34,538,978</u>	<u>\$ 37,316,159</u>	<u>\$ 43,145,237</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>50,579,790</u>	<u>57,176,716</u>	<u>34,538,978</u>	<u>37,316,159</u>	<u>43,145,237</u>
Total OPEB Liability - Ending	<u>\$ 50,579,790</u>	<u>\$ 57,176,716</u>	<u>\$ 34,538,978</u>	<u>\$ 37,316,159</u>	<u>\$ 43,145,237</u>
District's Covered-Employee Payroll	<u>\$ 12,339,784</u>	<u>\$ 11,774,132</u>	<u>\$ 11,703,267</u>	<u>\$ 11,845,326</u>	<u>\$ 11,044,877</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered- Employee Payroll	409.89%	485.61%	295.12%	315.03%	390.64%

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.

**MIDLAND PARK BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Changes in Benefit Terms:

None.

Changes of Assumptions

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

Required Supplementary Information – Part III

Budgetary Comparison Schedules

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

	<u>Original Budget</u>	<u>Adjustments/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Final to Actual</u>
REVENUES					
Local Sources					
Property Taxes	\$ 21,516,844		\$ 21,516,844	\$ 21,516,844	
Tuition from Individuals (Integrated Preschool)	45,500		45,500	35,925	\$ (9,575)
Other Restricted Miscellaneous Revenues	1,530,131		1,530,131	1,446,306	(83,825)
Interest on Investments				216	216
Unrestricted Miscellaneous Revenues	22,500		22,500	58,824	36,324
Interest Earned on Capital Reserve Funds	500	-	500	1,726	1,226
	<u>23,115,475</u>	<u>-</u>	<u>23,115,475</u>	<u>23,059,841</u>	<u>(55,634)</u>
Total Local Sources					
State Sources					
Special Education Aid	689,524		689,524	689,524	-
Equalization Aid	33,981		33,981	33,981	-
Security Aid	58,146		58,146	58,146	-
Transportation Aid	107,033		107,033	107,033	-
Extraordinary Aid				606,293	606,293
On-behalf TPAF Normal Cost & Accrued Liab. (Non-Budgeted)				3,435,203	3,435,203
On-behalf TPAF NCGI Premium Contribution (Non-budgeted)				48,466	48,466
On-behalf TPAF Long Term Disability Insurance (Non-budgeted)				1,191	1,191
On-behalf TPAF Post-Retirement Medical Contributions (Non-budgeted)				813,926	813,926
Reimbursed TPAF Social Security Contributions (Non-budgeted)	-	-	-	737,405	737,405
	<u>888,684</u>	<u>-</u>	<u>888,684</u>	<u>6,531,168</u>	<u>5,642,484</u>
Total State Sources					
Total Revenues	<u>24,004,159</u>	<u>-</u>	<u>24,004,159</u>	<u>29,591,009</u>	<u>5,586,850</u>
EXPENDITURES					
CURRENT					
Regular Programs- Instruction					
Salaries of Teachers					
Kindergarten	296,900		296,900	293,225	3,675
Grades 1-5	2,270,837	17,193	2,288,030	2,256,632	31,398
Grades 6-8	1,198,418	(85)	1,198,333	1,131,706	66,627
Grades 9-12	2,353,385	69,209	2,422,594	2,386,914	35,680
Regular Programs - Home Instruction					
Salaries of Teachers	18,000	(1,921)	16,079	2,583	13,496
Purchased Professional/Educational Services	4,000	1,922	5,922	5,922	-
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	31,398	72	31,470	25,305	6,165
Purchased Professional/Educational Services	53,610	741	54,351	49,631	4,720
Other Purchased Services	151,716		151,716	150,338	1,378
General Supplies	204,823	94,086	298,909	223,356	75,553
Textbooks	41,140	(38)	41,102	25,858	15,244
Other Objects	5,122	(830)	4,292	2,287	2,005
	<u>6,629,349</u>	<u>180,349</u>	<u>6,809,698</u>	<u>6,553,757</u>	<u>255,941</u>
Total Regular Programs					
Special Education					
Learning and/or Language Disabilities					
Salaries of Teachers	119,250	2,372	121,622	121,239	383
Other Salaries for Instruction	229,200	6,872	236,072	219,829	16,243
General Supplies	2,000	(1,135)	865	705	160
	<u>350,450</u>	<u>8,109</u>	<u>358,559</u>	<u>341,773</u>	<u>16,786</u>
Total Learning and/or Language Disabilities					

(Continued)

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

	<u>Original Budget</u>	<u>Adjustments/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Final to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Special Education (Continued)					
Resource Room/Resource Center					
Salaries of Teachers	\$ 1,400,224	\$ (49,345)	\$ 1,350,879	\$ 1,335,323	\$ 15,556
Other Salaries for Instruction	425,150	27,990	453,140	412,683	40,457
General Supplies	4,500	875	5,375	4,407	968
	<u>1,829,874</u>	<u>(20,480)</u>	<u>1,809,394</u>	<u>1,752,413</u>	<u>56,981</u>
Total Resource Room Resource Center					
Preschool Disabilities - Part-Time					
Salaries of Teachers	117,950	5	117,955	51,755	66,200
Other Salaries for Instruction	86,100	(29,413)	56,687	55,400	1,287
General Supplies	1,000	-	1,000	-	1,000
	<u>205,050</u>	<u>(29,408)</u>	<u>175,642</u>	<u>107,155</u>	<u>68,487</u>
Total Preschool Disabilities-Part Time					
Preschool Disabilities -Full-Time					
Salaries of Teachers	55,350	2,344	57,694	57,444	250
Other Salaries for Instruction	60,400	82,328	142,728	141,949	779
General Supplies	1,000	-	1,000	-	1,000
	<u>116,750</u>	<u>84,672</u>	<u>201,422</u>	<u>199,393</u>	<u>2,029</u>
Total Preschool Disabilities-Full Time					
Home Instruction					
Purchased Professional-Educational Services	5,000	-	5,000	2,957	2,043
	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>2,957</u>	<u>2,043</u>
Total Home Instruction					
Total Special Education					
	<u>2,507,124</u>	<u>42,893</u>	<u>2,550,017</u>	<u>2,403,691</u>	<u>146,326</u>
Bilingual Education					
Salaries of Teachers	54,750	-	54,750	51,000	3,750
General Supplies	500	-	500	277	223
	<u>55,250</u>	<u>-</u>	<u>55,250</u>	<u>51,277</u>	<u>3,973</u>
Total Bilingual Education					
School Spons. Co-Curricular Activities-Instruction					
Salaries	98,000	220	98,220	98,220	-
Purchased Services	4,400	(1,300)	3,100	3,100	-
Supplies and Materials	14,500	92	14,592	13,717	875
Other Objects	1,630	-	1,630	1,130	500
	<u>118,530</u>	<u>(988)</u>	<u>117,542</u>	<u>116,167</u>	<u>1,375</u>
Total School Spons. Co-Curricular Activities-Instr.					
School Sponsored Athletics - Instruction					
Salaries	323,835	17,345	341,180	319,921	21,259
Purchased Services	130,498	(10,741)	119,757	111,087	8,670
Supplies and Materials	47,500	(14,489)	33,011	31,778	1,233
Other Objects	17,215	(2,000)	15,215	10,670	4,545
	<u>519,048</u>	<u>(9,885)</u>	<u>509,163</u>	<u>473,456</u>	<u>35,707</u>
Total School Sponsored Athletics - Instruction					
Total Instruction					
	<u>9,829,301</u>	<u>212,369</u>	<u>10,041,670</u>	<u>9,598,348</u>	<u>443,322</u>

(Continued)

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

	<u>Original Budget</u>	<u>Adjustments/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Final to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures					
Instruction					
Tuition to Other LEA's Within the State - Regular	\$ 88,371	\$ (29,457)	\$ 58,914	\$ 58,914	\$ -
Tuition to Other LEA's Within the State - Special	282,376	(48,092)	234,284	234,284	-
Tuition to Vocational School Districts- Regular	78,552	(10,215)	68,337	68,337	-
Tuition to Vocational School Districts- Special	108,000	(27,000)	81,000	81,000	-
Tuition to County Special Services School Districts and Regional Day Schools	331,150	16,434	347,584	347,584	-
Tuition to Private Schools for the Disabled Within the State	1,209,933	(53,211)	1,156,722	1,119,715	37,007
Total Undistributed Expenditures - Instruction	2,098,382	(151,541)	1,946,841	1,909,834	37,007
Health Services					
Salaries	256,950	7,469	264,419	264,419	-
Purchased Professional Technical Services	10,000	(621)	9,379	9,201	178
Supplies and Materials	6,250	7,380	13,630	13,622	8
Total Health Services	273,200	14,228	287,428	287,242	186
Other Support Services - Speech, OT, PT & Related Svcs					
Salaries	407,800	71,283	479,083	476,156	2,927
Purchased Professional/Educational Services	80,000	(65,486)	14,514	10,075	4,439
Supplies and Materials	750	20,550	21,300	21,254	46
Total Other Support Services - Speech, OT, PT & Related Svcs	488,550	26,347	514,897	507,485	7,412
Other Support Services - Extra. Serv.					
Purchased Professional/Education Services	625,000	(34,109)	590,891	504,674	86,217
Total Other Support Services - Extra. Serv.	625,000	(34,109)	590,891	504,674	86,217
Other Support Services - Guidance					
Salaries of Other Professional Staff	294,250	5,264	299,514	299,514	-
Salaries of Secretarial and Clerical Assistants	43,900	870	44,770	44,770	-
Purchased Professional- Educational Services	3,730	820	4,550	4,250	300
Supplies and Materials	4,475	48	4,523	3,987	536
Other Objects	11,485	(3,330)	8,155	7,775	380
Total Other Support Services - Guidance	357,840	3,672	361,512	360,296	1,216
Other Support Services - Child Study Teams					
Salaries of Other Professional Staff	392,080	10,228	402,308	402,308	-
Salaries of Secretarial and Clerical Assistants	47,243	1,642	48,885	48,885	-
Purchased Professional/Educational Services	23,000	(3,685)	19,315	12,918	6,397
Other Purchased Professional and Tech. Services	1,000	(800)	200	200	200
Supplies and Materials	4,500	5,036	9,536	9,238	298
Other Objects	1,500	68	1,568	1,568	-
Total Other Support Services - Child Study Teams	469,323	12,489	481,812	474,917	6,895

(Continued)

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

	<u>Original Budget</u>	<u>Adjustments/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Final to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Improvement of Instruction Services					
Salaries of Supervisors of Instruction	\$ 25,000		\$ 25,000	\$ 25,000	\$ -
Salaries of Other Professional Staff	37,161		37,161	37,161	-
Salaries of Secretarial and Clerical Assistants	9,844	\$ (9,844)			-
Other Salaries	30,136	25,908	56,044	36,644	19,400
Other Purchased Services	38,189	(16,056)	22,133	22,133	-
Supplies and Materials	500	4	504	504	-
Other Objects	-	-	-	-	-
	<u>140,830</u>	<u>12</u>	<u>140,842</u>	<u>121,442</u>	<u>19,400</u>
Total Improvement of Instruction Services/ Other Support Services-Instructional Staff					
Educational Media Services/School Library					
Salaries	144,890	3,292	148,182	120,677	27,505
Salaries of Technology Coordinators	227,788	(4,465)	223,323	223,322	1
Purchased Professional and Technical Services	4,820		4,820	4,658	162
Supplies and Materials	19,750	515	20,265	19,208	1,057
Other Objects	375	-	375	326	49
	<u>397,623</u>	<u>(658)</u>	<u>396,965</u>	<u>368,191</u>	<u>28,774</u>
Total Educational Media Services/School Library					
Instructional Staff Training Services					
Salaries of Supervisors of Instruction	25,000		25,000	25,000	-
Salaries of Other Professional Staff	37,161		37,161	37,161	-
Salaries of Secretarial and Clerical Assistants	9,844	698	10,542	10,542	-
Other Purchased Professional and Technical Serv.	2,000		2,000	550	1,450
Supplies and Materials	500		500	373	127
Other Objects	12,000	4,988	16,988	14,227	2,761
	<u>86,505</u>	<u>5,686</u>	<u>92,191</u>	<u>87,853</u>	<u>4,338</u>
Total Instructional Staff Training Services					
Support Services General Administration					
Salaries	246,667	71,200	317,867	314,841	3,026
Legal Services	20,000	14,943	34,943	28,779	6,164
Audit Fees	20,000	9,663	29,663	29,663	-
Architectural/Engineering Services	-	17,449	17,449	17,449	-
Other Purchased Professional Services	5,350	47,735	53,085	43,930	9,155
Purchased Technical Services	1,000		1,000	204	796
Communications/Telephone	23,100	238	23,338	21,074	2,264
BOE Other Purchased Services	1,500		1,500	198	1,302
Misc. Purchased Services	9,000	(103)	8,897	6,756	2,141
General Supplies	5,700	(165)	5,535	2,716	2,819
BOE In-House Training/Meeting Supplies	100	30	130	70	60
Miscellaneous Expenditures	4,020	8	4,028	4,028	-
Board of Education Membership Dues and Fees	9,436	-	9,436	9,435	1
	<u>345,873</u>	<u>160,998</u>	<u>506,871</u>	<u>479,143</u>	<u>27,728</u>
Total Support Services General Administration					
Support Services School Administration					
Salaries of Principals/Asst. Principals	532,289	109,854	642,143	642,142	1
Salaries of Other Professional Staff	159,505	50,000	209,505	209,505	-
Salaries of Secretarial and Clerical Assistants	170,737	49,119	219,856	219,028	828
Purchased Professional and Technical Services	2,500	(2,000)	500	249	251
Other Purchased Services	10,500	(2,024)	8,476	6,485	1,991
Supplies and Materials	8,000	1,318	9,318	8,393	925
Other Objects	6,500	719	7,219	6,206	1,013
	<u>890,031</u>	<u>206,986</u>	<u>1,097,017</u>	<u>1,092,008</u>	<u>5,009</u>
Total Support Services School Administration					

(Continued)

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

	<u>Original Budget</u>	<u>Adjustments/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Final to Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Central Services					
Salaries	\$ 346,643	\$ 72,008	\$ 418,651	\$ 418,609	\$ 42
Purchased Professional Services	1,400	9,205	10,605	1,305	9,300
Purchased Technical Services	5,579		5,579	5,560	19
Miscellaneous Purchased Services	1,200	222	1,422	1,410	12
Supplies and Materials	1,000	7,066	8,066	6,945	1,121
Interest on Current Loans	6,920	(2,383)	4,537	4,537	-
Miscellaneous Expenditures	1,340	-	1,340	1,240	100
Total Central Services	364,082	86,118	450,200	439,606	10,594
Admin. Information Technology					
Salaries	32,823		32,823	32,823	-
Purchased Professional Services	8,000	484	8,484		8,484
Purchased Technical Services	21,225	(29)	21,196	14,423	6,773
Other Purchased Services	8,600	17,500	26,100	16,267	9,833
Supplies and Materials	250	9,508	9,758		9,758
Other Objects	1,000	-	1,000	609	391
Total Admin. Information Technology	71,898	27,463	99,361	64,122	35,239
Required Maintenance for School Facilities					
Salaries	320,177	(400)	319,777	299,931	19,846
Cleaning, Repair and Maintenance Services	100,000	115,818	215,818	86,079	129,739
General Supplies	30,000	11,394	41,394	41,318	76
Total Required Maintenance for School Facilities	450,177	126,812	576,989	427,328	149,661
Custodial Services					
Salaries	534,800	(29,922)	504,878	501,688	3,190
Salaries of Non-Instructional Aides	130,000	23,863	153,863	148,838	5,025
Purchased Professional and Technical Services	46,000	(1,252)	44,748	40,408	4,340
Cleaning, Repair and Maintenance Services	84,470	250	84,720	82,802	1,918
Other Purchased Property Services	21,000	1,553	22,553	22,553	-
Insurance	148,000	15,873	163,873	163,873	-
General Supplies	36,000	4,407	40,407	40,407	-
Energy (Natural Gas)	65,000	24,487	89,487	85,906	3,581
Energy (Electricity)	130,000	(4,097)	125,903	119,298	6,605
Other Objects	625	(500)	125	125	-
Total Custodial Services	1,195,895	34,662	1,230,557	1,205,898	24,659
Security					
Salaries	2,000		2,000	2,000	
Purchased Professional and Technical Services	64,650	(796)	63,854	62,437	1,417
Total Security	66,650	(796)	65,854	64,437	1,417

(Continued)

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

	<u>Original Budget</u>	<u>Adjustments/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Final to Actual</u>
Student Transportation Services					
Salaries of Non-Instructional Aides	\$ 60,000	\$ 2,385	\$ 62,385	\$ 62,385	\$ -
Salaries for Pupil Transportation (Between Home and School)-Special Education	165,500	(39,254)	126,246	102,879	23,367
Salaries for Pupil Transportation		25,433	25,433	23,482	1,951
Cleaning, Repair and Maintenance Services	13,000	(5,443)	7,557	7,557	-
Lease Purchase Payments - School Buses	16,041		16,041	16,041	-
Contracted Services (Other than Between Home and School) - Vendors	15,000	4,519	19,519	16,453	3,066
Contracted Services (Between Home and School) - Joint Agreements	45,000	30,712	75,712	75,712	-
Contracted Services (Special Education Students) - Joint Agreements	325,000	29,461	354,461	353,897	564
Transportation Supplies	3,500	1,491	4,991	4,973	18
Other Objects	20,500	1,576	22,076	19,868	2,208
Total Student Transportation Services	663,541	50,880	714,421	683,247	31,174
Unallocated Benefits					
Group Insurance	6,000	273	6,273	6,273	-
Social Security Contributions	295,000	4,000	299,000	282,141	16,859
Other Retirement Contributions - PERS	345,000	13,377	358,377	358,222	155
Other Retirement Contributions - Regular	3,000	(400)	2,600	2,536	64
Workmen's Compensation	115,000	(114)	114,886	82,074	32,812
Health Benefits	3,787,552	(338,808)	3,448,744	2,927,741	521,003
Tuition Reimbursement	29,500	-	29,500	1,803	27,697
Other Employee Benefits	80,000	68	80,068	73,043	7,025
Unused Sick Payment to Terminated/Retired Staff	-	39,499	39,499	39,389	110
Total Unallocated Benefits	4,661,052	(282,105)	4,378,947	3,773,222	605,725
On-behalf TPAF Normal & Accrued Liab. Contribution (Non-Budgeted)				3,435,203	(3,435,203)
On-behalf TPAF NCGI Premium Contribution (Non-budgeted)				48,466	(48,466)
On-behalf TPAF Long Term Disability Insurance (Non-budgeted)				1,191	(1,191)
On-behalf TPAF Post-Retirement Medical Contributions (Non-budgeted)				813,926	(813,926)
Reimbursed TPAF Social Security Contributions (Non-budgeted)	-	-	-	737,405	(737,405)
Total On-Behalf Payments	-	-	-	5,036,191	(5,036,191)
Total Undistributed Expenditures	13,646,452	287,144	13,933,596	17,887,136	(3,953,540)
Total Expenditures-Current Expense	23,475,753	499,513	23,975,266	27,485,484	(3,510,218)

(Continued)

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

	<u>Original Budget</u>	<u>Adjustments/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Final to Actual</u>
CAPITAL OUTLAY					
Interest Deposit to Capital Reserve	\$ 500	\$ (500)	\$ -	\$ -	\$ -
Equipment					
Grades 1-5		8,890	8,890	2,990	5,900
Grades 6-8		4,026	4,026		4,026
Grades 9-12		11,400	11,400	8,900	2,500
Security		23,796	23,796		23,796
School Sponsored Athletics		10,953	10,953	10,953	-
School Buses- Special- Acquired Under Lease Purchase (Non-Budget)		72,604	72,604		72,604
Undistributed Expenditures-Admin Info Tech	-	4,225	4,225	4,225	-
Total Equipment	-	135,894	135,894	27,068	108,826
Facilities Acq. And Construction Services					
Architectural/Engineering Services	30,000	(3,438)	26,562	26,562	-
Construction Services	265,000	(193,076)	71,924	71,924	-
Other Objects-Debt Service Assessment	22,775	-	22,775	22,775	-
Total Facilities Acq. And Contr. Services	317,775	(196,514)	121,261	121,261	-
Total Capital Outlay	318,275	(61,120)	257,155	148,329	108,826
SPECIAL SCHOOLS					
Adult Education - Local - Instruction					
Salaries of Teachers	110,000	6,000	116,000	99,471	16,529
Purchased Professional and Technical Services	157,600		157,600	52,083	105,517
Other Purchased Services	303,000	(6,000)	297,000	85,356	211,644
General Supplies	5,000		5,000	3,250	1,750
Textbooks	2,000		2,000		2,000
Other Objects	100	-	100	-	100
Total Adult Education - Local - Instruction	577,700	-	577,700	240,160	337,540
Adult Education - Local - Support Services					
Salaries	158,000		158,000	149,078	8,922
Personal Services-Employee Benefits	82,000	-	82,000	61,807	20,193
Total Adult Education - Local - Support Services	240,000	-	240,000	210,885	29,115
Total Special Schools	817,700	-	817,700	451,045	366,655
Total Expenditures	24,611,728	438,393	25,050,121	28,084,858	(3,034,737)
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(607,569)	(438,393)	(1,045,962)	1,506,151	2,552,113
Other Financing Sources (Uses)					
Transfers In- Capital Reserve Returned from Capital Projects Fund		-		60,050	60,050
Transfers Out - Capital Reserve to Capital Projects Fund	-	(263,294)	(263,294)	(263,294)	-
Total Other Financing Sources (Uses)	-	(263,294)	(263,294)	(203,244)	60,050

(Continued)

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

	<u>Original Budget</u>	<u>Adjustments/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Final to Actual</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditure and Other Financing Uses	\$ (607,569)	\$ (701,687)	\$ (1,309,256)	\$ 1,302,907	\$ 2,612,163
Fund Balances, Beginning of Year	<u>4,282,467</u>	<u>-</u>	<u>4,282,467</u>	<u>4,282,467</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 3,674,898</u>	<u>\$ (701,687)</u>	<u>\$ 2,973,211</u>	<u>\$ 5,585,374</u>	<u>\$ 2,612,163</u>
Recapitulation of Excess (Deficiency) of Revenues Under Expenditures:					
Budgeted Fund Balance	\$ (312,569)	\$ (580,920)	\$ (893,489)	\$ 516,092	\$ 1,409,581
Budgeted Withdrawal From Capital Reserve	(295,000)		(295,000)	(295,000)	-
Transfer from Capital Projects Fund				60,050	60,050
Transfer to Capital Reserve				1,142,532	1,142,532
Adjustment for prior year encumbrances	<u>-</u>	<u>(120,767)</u>	<u>(120,767)</u>	<u>(120,767)</u>	<u>-</u>
Total	<u>\$ (607,569)</u>	<u>\$ (701,687)</u>	<u>\$ (1,309,256)</u>	<u>\$ 1,302,907</u>	<u>\$ 2,612,163</u>

Recapitulation of Fund Balance

Restricted Fund Balance	
Capital Reserve	\$ 3,065,429
Capital Reserve - Designated for Subsequent Year's Budget	310,000
Adult Education Programs	85,179
Adult Education Program - Designated for Subsequent Year's Budget	65,856
Excess Surplus - Designated for Subsequent Year's Budget	275,000
Excess Surplus	275,000
Unemployment Compensation	62,362
Assigned Fund Balance	
Designated for Subsequent Year's Budget	
Year-End Encumbrances	374,016
Unassigned Fund Balance	<u>1,072,532</u>
	5,585,374
Reconciliation to Governmental Fund Statement (GAAP)	
State Aid Payments Not Recognized on GAAP Basis	<u>(43,994)</u>
Fund Balance Per Governmental Funds (GAAP)	<u>\$ 5,541,380</u>

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Intergovernmental					
Local	\$ 19,000	\$ 2,567	\$ 21,567	\$ 244,651	\$ 223,084
State	166,029	82,407	248,436	183,915	(64,521)
Federal	420,734	1,404,098	1,824,832	687,494	(1,137,338)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	605,763	1,489,072	2,094,835	1,116,060	(978,775)
EXPENDITURES					
Instruction					
Salaries		171,213	171,213	48,838	122,375
Purchased Prof. and Technical Services	137,481	(59,737)	77,744	68,522	9,222
Other Purchased Services	251,419	6,476	257,895	257,895	-
General Supplies	20,224	183,750	203,974	125,001	78,973
Co-Curricular - Student Activities		-		178,721	(178,721) Note 1
Textbooks	8,775	168	8,943	8,913	30
Other Objects	-	29,170	29,170	16,807	12,363
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Instruction	417,899	331,039	748,938	704,697	44,241
Support Services					
Salaries		67,004	67,004	15,346	51,658
Employee Benefits		21,833	21,833	3,815	18,018
Purchased Professional/Technical Svcs.		323,854	323,854	155,121	168,733
Purchased Professional/Educational Svcs.	120,543	63,967	184,510	141,594	42,916
Other Purchased Services	30,610	(27,252)	3,358	1	3,357
Scholarships Awarded		-		14,625	(14,625) Note 1
General Supplies	36,711	6,000	42,711	23,495	19,216
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Support Services	187,864	455,405	643,269	353,997	289,272
Facilities Acquisitions and Construction					
Instructional Equipment	-	702,628	702,628	27,628	675,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Facilities Acquisitions and Construction	-	702,628	702,628	27,628	675,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	605,763	1,489,072	2,094,835	1,086,322	1,008,513
Excess (Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	29,738	29,738
Fund Balances, Beginning of Year, Restated	-	-	-	209,891	-
Fund Balances, End of Year	-	-	-	<u>\$ 239,629</u>	<u>\$ 29,738</u>
Recapitulation:					
Restricted:					
Student Activities				228,384	
Scholarships				11,245	
				<u>\$ 239,629</u>	

Note 1 - Not required to budget for these funds.

**MIDLAND PARK BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

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

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (Exhibits C-1 and C-2)	\$ 29,591,009	\$ 1,116,060
Difference-Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2022		(1,920)
State and Extraordinary aid payments recognized for GAAP purpose not recognized for budgetary statements (2020/2021 State aid)	629,897	
State aid payments recognized for budgetary purpose not recognized for GAAP statements (2021/2022 State aid)	<u>(43,994)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 30,176,912</u>	<u>\$ 1,114,140</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "expenditures" from the budgetary comparison schedule (Exhibits C-1 and C-2)	<u>\$ 28,084,858</u>	<u>\$ 1,086,322</u>
Differences-Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the orders is placed for <i>budgetary</i> purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances, June 30, 2022	<u>\$ -</u>	<u>\$ (1,920)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 28,084,858</u>	<u>\$ 1,084,402</u>

Supplementary Information

Special Revenue Fund

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

	<u>Elementary and Secondary Education Act (ESEA)</u>			<u>I.D.E.A.</u>			<u>Total</u>	<u>Total</u>	<u>Total</u>	<u>Total</u> <u>2021/22</u>
	<u>Title I</u>	<u>Title IIa</u>	<u>Title IV</u>	<u>Part B Preschool</u>	<u>Part B Basic</u>	<u>ARP Basic</u>	<u>Exhibit E-1A</u>	<u>Exhibit E-1B</u>	<u>Exhibit E-1C</u>	
REVENUES										
Intergovernmental										
Local							-	-	\$ 244,651	\$ 244,651
State							-	\$ 124,546	59,369	183,915
Federal	\$ 75,205	\$ 15,806	\$ 10,360	\$ 14,053	\$ 249,567	\$ 44,226	\$ 278,277	-	-	687,494
Total Revenues	\$ 75,205	\$ 15,806	\$ 10,360	\$ 14,053	\$ 249,567	\$ 44,226	\$ 278,277	\$ 124,546	\$ 304,020	\$ 1,116,060
EXPENDITURES										
Instruction										
Salaries of Teachers	\$ 20,503	\$ -					\$ 28,335	\$ -	\$ -	\$ 48,838
Purchased Prof. and Technical Services	481		\$ 3,806	\$ 10,000			54,235	-	-	68,522
Other Purchased Services					\$ 223,103	\$ 34,792	-	-	-	257,895
General Supplies	1,760		6,554	4,053	824	3,064	101,429	-	7,317	125,001
Co-Curricular - Student Activities							-	-	178,721	178,721
Textbooks							-	-	8,913	8,913
Other Objects	-	-	-	-	-	-	2,557	-	14,250	16,807
Total Instruction	22,744	-	10,360	14,053	223,927	37,856	186,556	-	209,201	704,697
Support Services										
Salaries	6,522						8,824	-	-	15,346
Employee Benefits	2,067						1,748	-	-	3,815
Purchased Prof. And Technical Svcs.	43,871	15,806			25,640		55,667	-	14,137	155,121
Purchased Prof. - Educational Svc							-	124,546	17,048	141,594
Other Purchased Services	1						-	-	-	1
Scholarships Awarded							-	-	14,625	14,625
General Supplies	-	-	-	-	-	-	10,482	-	13,013	23,495
Total Support Services	52,461	15,806	-	-	25,640	-	76,721	124,546	58,823	353,997
Facilities Acquisitions and Construction										
Instructional Equipment	-	-	-	-	-	6,370	15,000	-	6,258	27,628
Total Facilities Acquisitions and Construction	-	-	-	-	-	6,370	15,000	-	6,258	27,628
Total Expenditures	75,205	15,806	10,360	14,053	249,567	44,226	278,277	124,546	274,282	1,086,322
Excess(Deficiency) of Revenues										
Over/(Under) Expenditures	-	-	-	-	-	-	-	-	29,738	29,738
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	209,891	209,891
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 239,629	\$ 239,629

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

	Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA)						Total
	ESSER II	Learning Acceleration	Mental Health	ESSER III	Accelerated Learning	Beyond the School Day	
REVENUES							
Intergovernmental							
Local							\$ -
State							-
Federal	\$ 123,697	\$ 21,271	\$ 72,500	\$ 29,441	\$ 23,667	\$ 7,701	278,277
Total Revenues	\$ 123,697	\$ 21,271	\$ 72,500	\$ 29,441	\$ 23,667	\$ 7,701	\$ 278,277
EXPENDITURES							
Instruction							
Salaries		\$ 7,000		\$ 13,634		\$ 7,701	\$ 28,335
Purchased Prof. and Technical Services		13,735	\$ 40,500				54,235
Other Purchased Services							-
General Supplies	\$ 98,215			3,214			101,429
Co-Curricular - Student Activities							-
Textbooks							-
Other Objects	-	-	-	2,557	-	-	2,557
Total Instruction	98,215	20,735	40,500	19,405	-	7,701	186,556
Support Services							
Salaries				8,824			8,824
Employee Benefits		536		1,212			1,748
Purchased Prof. and Technical Svcs.			32,000		23,667		55,667
Purchased Prof. - Educational Svc							-
Other Purchased Services							-
Scholarships Awarded							-
General Supplies	10,482	-	-	-	-	-	10,482
Total Support Services	10,482	536	32,000	10,036	23,667	-	76,721
Facilities Acquisition and Construction							
Service							
Instructional Equipment	15,000	-	-	-	-	-	15,000
Total Facilities Acquisition and Construction Services	15,000	-	-	-	-	-	15,000
Total Expenditures	123,697	21,271	72,500	29,441	23,667	7,701	278,277
Excess(Deficiency) of Revenues							
Over/(Under) Expenditures	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	<u>Chapter 192 Auxiliary Services</u>			<u>Chapter 193 Handicapped Services</u>			<u>Total</u>
	<u>Nonpublic Comp. Ed.</u>	<u>Nonpublic E.S.L.</u>	<u>Nonpublic Transportation</u>	<u>Nonpublic Suppl. Inst.</u>	<u>Nonpublic Exam. and Class</u>	<u>Nonpublic Speech Corr.</u>	
REVENUES							
Intergovernmental							\$ -
Local							
State	\$ 31,980	\$ 1,188	\$ 19,215	\$ 11,564	\$ 18,768	\$ 41,831	\$ 124,546
Federal	-	-	-	-	-	-	-
Total Revenues	\$ 31,980	\$ 1,188	\$ 19,215	\$ 11,564	\$ 18,768	\$ 41,831	\$ 124,546
EXPENDITURES							
Instruction							
Salaries of Teachers							
Purchased Prof. & Tech. Svcs.							
Other Purchased Services							
General Supplies							
Scholarships Awarded							
Co-Curricular - Student Activities							
Textbooks							
Other Objects	-	-	-	-	-	-	-
Total Instruction	-	-	-	-	-	-	-
Support Services							
Salaries							
Employee Benefits							
Purchased Prof. and Technical Svcs.							-
Purchased Prof. - Educational Svc	\$ 31,980	\$ 1,188	\$ 19,215	\$ 11,564	\$ 18,768	\$ 41,831	\$ 124,546
Other Purchased Services							-
Scholarships Awarded							
General Supplies	-	-	-	-	-	-	-
Total Support Services	31,980	1,188	19,215	11,564	18,768	41,831	124,546
Facilities Acquisition and Construction							
Instructional Equipment	-	-	-	-	-	-	-
Total Facilities Acquisition and Construction	-	-	-	-	-	-	-
Total Expenditures	\$ 31,980	\$ 1,188	\$ 19,215	\$ 11,564	\$ 18,768	\$ 41,831	\$ 124,546
Excess(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	<u>Nonpublic Nursing</u>	<u>Nonpublic Textbook</u>	<u>Nonpublic Technology</u>	<u>Nonpublic Security</u>	<u>Scholarships</u>	<u>Student Activities</u>	<u>Local Donations</u>	<u>Total</u>
REVENUES								
Intergovernmental								
Local					\$ 17,863	\$ 205,221	\$ 21,567	\$ 244,651
State	\$ 17,248	\$ 8,913	\$ 6,258	\$ 26,950	-	-	-	59,369
Federal	-	-	-	-	-	-	-	-
Total Revenues	<u>\$ 17,248</u>	<u>\$ 8,913</u>	<u>\$ 6,258</u>	<u>\$ 26,950</u>	<u>\$ 17,863</u>	<u>\$ 205,221</u>	<u>\$ 21,567</u>	<u>\$ 304,020</u>
EXPENDITURES								
Instruction								
Salaries of Teachers								
Purchased Prof. & Tech. Svcs.							\$ 7,317	\$ 7,317
Other Purchased Services								
General Supplies								
Co-Curricular - Student Activities						\$ 178,721		178,721
Textbooks		\$ 8,913						8,913
Other Objects	-	-	-	-	-	-	14,250	14,250
Total Instruction	<u>-</u>	<u>8,913</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>178,721</u>	<u>21,567</u>	<u>209,201</u>
Support Services								
Salaries								
Employee Benefits								
Purchased Prof. and Technical Svcs.				\$ 14,137				14,137
Purchased Prof. - Educational Svc	\$ 17,048							17,048
Other Purchased Services								-
Scholarships Awarded					\$ 14,625			14,625
General Supplies	200	-	-	12,813	-	-	-	13,013
Total Support Services	<u>17,248</u>	<u>-</u>	<u>-</u>	<u>26,950</u>	<u>14,625</u>	<u>-</u>	<u>-</u>	<u>58,823</u>
Facilities Acquisition and Construction								
Instructional Equipment	-	-	\$ 6,258	-	-	-	-	6,258
Total Facilities Acquisition and Construction	<u>-</u>	<u>-</u>	<u>6,258</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,258</u>
Total Expenditures	<u>\$ 17,248</u>	<u>\$ 8,913</u>	<u>\$ 6,258</u>	<u>\$ 26,950</u>	<u>\$ 14,625</u>	<u>\$ 178,721</u>	<u>\$ 21,567</u>	<u>\$ 274,282</u>
Excess(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	3,238	26,500	-	29,738
Fund Balance, Beginning of Year	-	-	-	-	8,007	201,884	-	209,891
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,245</u>	<u>\$ 228,384</u>	<u>\$ -</u>	<u>\$ 239,629</u>

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

NOT APPLICABLE

Capital Projects Fund

**MIDLAND PARK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Issue/Project Title</u>	<u>Appropriations</u>	<u>Expenditures to Date Prior Years</u>	<u>Cancellations/ Transfer to General Fund</u>	<u>Cancellation of BCSS Receivable</u>	<u>Expenditures</u>	<u>Balance June 30, 2022</u>
Godwin School Entrance Modification	\$ 134,160	\$ 103,599	\$ 30,561			\$ -
Door Replacement Projects	635,799	410,503	23,498			201,798
Life Skills Classroom Renovations	460,367	451,717	4,562	\$ 4,088		-
Lintel Renovations at Highland School	151,153	130,460	1,429		\$ 19,264	-
Highland School Art Project	<u>61,496</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,496</u>
	<u>\$ 1,442,975</u>	<u>\$ 1,096,279</u>	<u>\$ 60,050</u>	<u>\$ 4,088</u>	<u>\$ 19,264</u>	<u>\$ 263,294</u>
					Project Balances	<u>\$ 263,294</u>

Reconciliation of Fund Balance

Restricted	
Year-End Encumbrances	
Available for Capital Projects	<u>263,294</u>
Total Fund Balance- Restricted	
for Capital Projects	<u>\$ 263,294</u>

**MIDLAND PARK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Revenues and Other Financing Sources

Transfer from Capital Reserve	\$ 263,294
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Total Revenues and Other Financing Sources	263,294
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Expenditures and Other Financing Use:

Construction Services	19,264
Transfers Out- General Fund- Return of Unexpended Capital Reserve Funds	60,050
BCSS Receivable Balances Cancelled	4,088

Total Expenditures and Other Financing Uses	83,402
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Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	179,892
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Fund Balance- Beginning of Year	83,402
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Fund Balance - End of Year	\$ 263,294
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**MIDLAND PARK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS BUDGETARY BASIS
GODWIN SCHOOL ENTRANCE MODIFICATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Period</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve	\$ 134,160	-	\$ 134,160	\$ 134,160
Total Revenues and Other Financing Sources	<u>134,160</u>	<u>-</u>	<u>134,160</u>	<u>134,160</u>
Expenditures and Other Financing Uses				
Expenditures				
Purchased Professional and Technical Services	12,784		12,784	12,784
Supplies	8,972		8,972	9,021
Construction Services	81,843		81,843	112,355
Transfer to Capital Reserve	<u>-</u>	<u>\$ 30,561</u>	<u>30,561</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>103,599</u>	<u>30,561</u>	<u>134,160</u>	<u>134,160</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ 30,561</u>	<u>\$ (30,561)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Numbers		N/A		
Grant Date		N/A		
Bond Authorization Date		N/A		
Proceeds Issued		N/A		
Original Authorized Cost	\$ 134,160			
Percentage Increase Over Original Authorized Cost		0%		
Percentage Completion		100%		
Original Target Completion Date		2017/2018		
Revised Target Completion Date		Completed		

**MIDLAND PARK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS BUDGETARY BASIS
DOOR REPLACEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Period</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve	\$ 443,001	\$ 201,798	\$ 644,799	\$ 644,799
Transfers from/(to) Other Projects	-	(9,000)	(9,000)	(9,000)
Total Revenues and Other Financing Sources	<u>443,001</u>	<u>192,798</u>	<u>635,799</u>	<u>635,799</u>
Expenditures and Other Financing Uses				
Expenditures				
Purchased Professional and Technical Services	36,409		36,409	37,000
Supplies				-
Construction Services	369,253		369,253	406,001
Transfer to Capital Reserve	<u>4,841</u>	<u>23,498</u>	<u>28,339</u>	<u>28,339</u>
Total Expenditures and Other Financing Uses	<u>410,503</u>	<u>23,498</u>	<u>434,001</u>	<u>471,340</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ 32,498</u>	<u>\$ 169,300</u>	<u>\$ 201,798</u>	<u>\$ 164,459</u>
Additional Project Information:				
Project Numbers		N/A		
Grant Date		N/A		
Bond Authorization Date		N/A		
Proceeds Issued		N/A		
Original Authorized Cost	\$ 279,876			
Additional Authorized Cost	355,923			
Revised Authorized Cost	635,799			
Percentage Increase Over Original Authorized Cost		127%		
Percentage Completion		68%		
Revised Target Completion Date		2022/2023		

**MIDLAND PARK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS BUDGETARY BASIS
LIFE SKILLS CLASSROOM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Period</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Contributions from Other Local Sources	\$ 40,000		\$ 40,000	\$ 40,000
Contributions from Other Governments	230,000		230,000	230,000
Transfers from Capital Reserve	147,669		147,669	147,669
Transfers from Food Service Enterprise Fund	42,698	-	42,698	42,698
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues and Other Financing Sources	460,367	-	460,367	460,367
Expenditures and Other Financing Uses				
Expenditures				
Purchased Professional and Technical Services	19,147		19,147	30,000
Supplies	17,914		17,914	
Equipment	2,850		2,850	
Construction Services	411,806		411,806	430,367
Cancellation of BCSS Receivable		\$ 4,088	4,088	
Transfer to Capital Reserve	-	4,562	4,562	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures and Other Financing Uses	451,717	8,650	460,367	460,367
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses				
	<u>\$ 8,650</u>	<u>\$ (8,650)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Numbers	3170-050-20-1000			
Grant Date	N/A			
Bond Authorization Date	N/A			
Proceeds Issued	N/A			
Original Authorized Cost	\$ 312,698			
Additional Authorized Cost	147,669			
Revised Authorized Cost	460,367			
Percentage Increase Over Original				
Authorized Cost	47%			
Percentage Completion	100%			
Revised Target Completion Date	Completed			

**MIDLAND PARK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS BUDGETARY BASIS
LINTEL RENOVATIONS AT HIGHLAND SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Period</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve	\$ 142,153		\$ 142,153	\$ 142,153
Transfers from/(to) Other Projects	-	\$ 9,000	9,000	9,000
Total Revenues and Other Financing Sources	<u>142,153</u>	<u>9,000</u>	<u>151,153</u>	<u>151,153</u>
Expenditures and Other Financing Uses				
Expenditures				
Purchased Professional and Technical Services	9,724		9,724	11,153
Construction Services	120,736	19,264	140,000	140,000
Transfer to Capital Reserve	-	1,429	1,429	-
Total Expenditures and Other Financing Uses	<u>130,460</u>	<u>20,693</u>	<u>151,153</u>	<u>151,153</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ 11,693</u>	<u>\$ (11,693)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Numbers	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Proceeds Issued	N/A			
Original Authorized Cost	\$ 142,153			
Additional Authorized Cost	9,000			
Revised Authorized Cost	151,153			
Percentage Increase Over Original Authorized Cost	6%			
Percentage Completion	100%			
Revised Target Completion Date	Completed			

**MIDLAND PARK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS BUDGETARY BASIS
HIGHLAND ART ROOM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Period</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve	\$ -	\$ 61,496	\$ 61,496	\$ 61,496
Total Revenues and Other Financing Sources	-	61,496	61,496	61,496
Expenditures and Other Financing Uses				
Expenditures				
Purchased Professional and Technical Services	-	-	-	61,496
Construction Services	-	-	-	-
Total Expenditures and Other Financing Uses	-	-	-	61,496
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	\$ -	\$ 61,496	\$ 61,496	\$ -
Additional Project Information:				
Project Numbers	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Proceeds Issued	N/A			
Original Authorized Cost	\$ 61,496			
Additional Authorized Cost				
Revised Authorized Cost	61,496			
Percentage Increase Over Original Authorized Cost	0%			
Percentage Completion	0%			
Revised Target Completion Date	2022/2023			

Long-Term Debt

**MIDLAND PARK BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Issue</u>	<u>Date of Bonds</u>	<u>Amount of Bonds</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance July 1, 2021</u>	<u>Retired</u>	<u>Balance, June 30, 2022</u>
			<u>Date</u>	<u>Amount</u>				
2012 Refunding Bonds	3/28/2012	\$ 3,695,000	8/15/2022	\$ 395,000	3.000 %	\$ 1,180,000	\$ 390,000	\$ 790,000
			8/15/2023	395,000	3.000			
2015 School Bonds	2/5/2015	8,500,000	8/15/2022	360,000	2.000			
			8/15/2023	370,000	2.000			
			8/15/2024	385,000	2.000			
			8/15/2025	400,000	2.000			
			8/15/2026	415,000	2.000			
			8/15/2027	425,000	3.000			
			8/15/2028	440,000	3.000			
			8/15/2029	460,000	3.000			
			8/15/2030	475,000	3.000			
			8/15/2031	490,000	3.000			
			8/15/2032	505,000	3.000			
			8/15/2033	525,000	3.000			
			8/15/2034	535,000	3.000			
			8/15/2035	540,000	3.125			
					<u>6,670,000</u>	<u>345,000</u>	<u>6,325,000</u>	
					<u>\$ 7,850,000</u>	<u>\$ 735,000</u>	<u>\$ 7,115,000</u>	
						<u>Paid by Budget Appropriation</u>	<u>\$ 735,000</u>	

**MIDLAND PARK BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER PURCHASE AGREEMENTS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Series</u>	<u>Interest Rate</u>	<u>Amount of Original Issue</u>	<u>Balance, July 1, 2021</u>	<u>Retired</u>	<u>Balance, June 30, 2022</u>
Purchase Agreement - School Bus	2.599%	\$ 77,900	\$ 16,041	\$ 16,041	\$ -
Purchase Agreement - Chromebooks	3.942%	209,412	104,628	51,303	53,325
Purchase Agreement - Technology Supplies and Software Upgrades	0.000%	49,598	<u>33,065</u>	<u>16,533</u>	<u>16,532</u>
			<u>\$ 153,734</u>	<u>\$ 83,877</u>	<u>\$ 69,857</u>
				Paid by Budget Appropriation	<u><u>\$ 83,877</u></u>

**MIDLAND PARK BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 939,125	-	\$ 939,125	\$ 939,125	-
Total Revenues	<u>939,125</u>	<u>-</u>	<u>939,125</u>	<u>939,125</u>	<u>-</u>
EXPENDITURES					
Debt Service					
Principal on Bonds	735,000		735,000	735,000	
Interest on Bonds	<u>204,125</u>	<u>-</u>	<u>204,125</u>	<u>204,125</u>	<u>-</u>
Total Expenditures	<u>939,125</u>	<u>-</u>	<u>939,125</u>	<u>939,125</u>	<u>-</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Statistical Section

Statistical Section
Unaudited

Contents

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.

Revenue Capacity

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

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.

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.

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.

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

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

	Fiscal Year Ended June 30,									
	2013	2014 (Restated)	2015	2016	2017 (Restated)	2018	2019	2020 (Restated)	2021	2022
Governmental Activities										
Net Investment in Capital Assets	\$ 3,978,371	\$ 5,850,681	\$ 5,436,490	\$ 6,957,794	\$ 12,872,361	\$ 12,975,747	\$ 12,310,956	\$ 12,487,485	\$ 12,780,928	\$ 12,476,120
Restricted	1,030,055	1,125,760	1,518,161	943,530	950,806	1,130,708	1,375,697	2,061,015	2,864,280	4,091,749
Unrestricted	1,594,958	(2,983,237)	(2,925,558)	(2,736,476)	(4,216,835)	(5,247,417)	(5,553,340)	(6,038,684)	(6,195,994)	(4,446,951)
Total Governmental Activities Net Position	<u>\$ 6,603,384</u>	<u>\$ 3,993,204</u>	<u>\$ 4,029,093</u>	<u>\$ 5,164,848</u>	<u>\$ 9,606,332</u>	<u>\$ 8,859,038</u>	<u>\$ 8,133,313</u>	<u>\$ 8,509,816</u>	<u>\$ 9,449,214</u>	<u>\$ 12,120,918</u>
Business-Type Activities										
Investment in Capital Assets	\$ 53,102	\$ 50,501	\$ 39,561	\$ 42,166	\$ 64,508	\$ 64,408	\$ 73,841	\$ 67,379	\$ 60,256	\$ 53,887
Unrestricted	79,357	75,320	74,201	69,014	91,244	108,754	99,221	49,506	73,167	101,011
Total Business-Type Activities Net Position	<u>\$ 132,459</u>	<u>\$ 125,821</u>	<u>\$ 113,762</u>	<u>\$ 111,180</u>	<u>\$ 155,752</u>	<u>\$ 173,162</u>	<u>\$ 173,062</u>	<u>\$ 116,885</u>	<u>\$ 133,423</u>	<u>\$ 154,898</u>
District-Wide										
Net Investment in Capital Assets	\$ 4,031,473	\$ 5,901,182	\$ 5,476,051	\$ 6,999,960	\$ 12,936,869	\$ 13,040,155	\$ 12,384,797	\$ 12,554,864	\$ 12,841,184	\$ 12,530,007
Restricted	1,030,055	1,125,760	1,518,161	943,530	950,806	1,130,708	1,375,697	2,061,015	2,864,280	4,091,749
Unrestricted	1,674,315	(2,907,917)	(2,851,357)	(2,667,462)	(4,125,591)	(5,138,663)	(5,454,119)	(5,989,178)	(6,122,827)	(4,345,940)
Total District Net Position	<u>\$ 6,735,843</u>	<u>\$ 4,119,025</u>	<u>\$ 4,142,855</u>	<u>\$ 5,276,028</u>	<u>\$ 9,762,084</u>	<u>\$ 9,032,200</u>	<u>\$ 8,306,375</u>	<u>\$ 8,626,701</u>	<u>\$ 9,582,637</u>	<u>\$ 12,275,816</u>

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

Note 2- Net Position at June 30, 2017 restated for updated capital asset and accumulated depreciation values.

Note 3 - Net Position at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities".

Source: District financial statements

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

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities										
Instruction										
Regular	\$ 8,084,461	\$ 7,938,421	\$ 9,804,531	\$ 10,844,538	\$ 12,073,475	\$ 12,408,806	\$ 11,480,682	\$ 10,958,285	\$ 12,578,907	\$ 10,119,644
Special education	4,587,358	4,501,769	5,193,170	5,290,136	5,921,928	6,400,761	6,334,943	6,136,491	6,483,701	6,245,391
Other instruction										
School Sponsored Activities and Athletics	670,894	669,528	759,684	839,587	968,669	999,843	969,669	876,174	1,038,226	693,863
Other	633,752	671,286	886,952	858,751	802,493	894,828	976,699	733,334	522,084	847,032
Support Services:										
Student & instruction related services	2,823,942	2,887,818	3,310,290	3,554,681	3,767,826	4,370,983	4,187,409	3,933,264	3,905,058	4,335,763
General and Business Admin/Central Svcs.	1,209,666	1,194,263	1,323,919	1,178,620	1,338,159	1,474,254	1,370,557	1,456,179	1,425,626	1,574,315
School Administration services	1,195,229	1,167,881	1,386,281	1,535,558	1,762,734	1,858,822	1,757,201	1,703,933	1,904,444	1,859,455
Plant operations and maintenance	1,724,253	1,895,075	1,834,810	1,901,845	2,347,506	2,278,130	2,435,986	2,993,439	3,083,847	2,730,771
Pupil transportation	560,515	545,022	539,909	589,466	509,474	602,110	753,706	639,511	526,841	872,183
Interest on long-term debt	122,852	107,932	194,909	388,045	197,330	260,275	252,176	234,238	221,858	200,950
Total governmental activities expenses	<u>21,612,922</u>	<u>21,578,995</u>	<u>25,234,455</u>	<u>26,981,227</u>	<u>29,689,594</u>	<u>31,548,812</u>	<u>30,519,028</u>	<u>29,664,848</u>	<u>31,690,592</u>	<u>29,479,367</u>
Business-type activities:										
Food service	339,638	332,467	326,525	372,199	390,965	386,879	425,642	314,026	227,624	542,249
Total business-type activities expense	<u>339,638</u>	<u>332,467</u>	<u>326,525</u>	<u>372,199</u>	<u>390,965</u>	<u>386,879</u>	<u>425,642</u>	<u>314,026</u>	<u>227,624</u>	<u>542,249</u>
Total district expenses	<u>\$ 21,952,560</u>	<u>\$ 21,911,462</u>	<u>\$ 25,560,980</u>	<u>\$ 27,353,426</u>	<u>\$ 30,080,559</u>	<u>\$ 31,935,691</u>	<u>\$ 30,944,670</u>	<u>\$ 29,978,874</u>	<u>\$ 31,918,216</u>	<u>\$ 30,021,616</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (Tuition)	\$ 26,482	\$ 25,644	\$ 31,195	\$ 29,875	\$ 46,397	\$ 40,750	\$ 63,242	\$ 39,204	\$ 19,244	\$ 35,925
Adult education	553,341	529,773	708,635	672,598	637,458	702,619	841,396	572,353	128,792	120,091
Scholarships and Student Activities									120,091	29,738
Operating grants and contributions	2,889,511	2,654,539	4,834,961	5,875,726	7,546,882	8,775,232	7,158,857	6,470,757	9,476,587	8,092,488
Capital grants and contributions	-	-	278,254	1,160,454	1,480,801	31,771	25,710	270,000	-	-
Total governmental activities program revenues	<u>3,469,334</u>	<u>3,209,956</u>	<u>5,853,045</u>	<u>7,738,653</u>	<u>9,711,538</u>	<u>9,550,372</u>	<u>8,089,205</u>	<u>7,352,314</u>	<u>9,744,714</u>	<u>8,158,151</u>
Business-type activities:										
Charges for services										
Food service	255,620	247,855	239,912	283,963	301,684	314,309	325,257	223,782	3,418	57,557
Operating grants and contributions	75,845	77,687	74,471	85,579	94,894	89,773	99,459	75,762	240,614	506,087
Total business type activities program revenues	<u>331,465</u>	<u>325,542</u>	<u>314,383</u>	<u>369,542</u>	<u>396,578</u>	<u>404,082</u>	<u>424,716</u>	<u>299,544</u>	<u>244,032</u>	<u>563,644</u>
Total district program revenues	<u>\$ 3,800,799</u>	<u>\$ 3,535,498</u>	<u>\$ 6,167,428</u>	<u>\$ 8,108,195</u>	<u>\$ 10,108,116</u>	<u>\$ 9,954,454</u>	<u>\$ 8,513,921</u>	<u>\$ 7,651,858</u>	<u>\$ 9,988,746</u>	<u>\$ 8,721,795</u>
Net (Expense)/Revenue										
Governmental activities	\$ (18,143,588)	\$ (18,369,039)	\$ (19,381,410)	\$ (19,242,574)	\$ (19,978,056)	\$ (21,998,440)	\$ (22,429,823)	\$ (22,312,534)	\$ (21,945,878)	\$ (21,321,216)
Business-type activities	(8,173)	(6,925)	(12,142)	(2,657)	5,613	17,203	(926)	(14,482)	16,408	21,395
Total district-wide net expense	<u>\$ (18,151,761)</u>	<u>\$ (18,375,964)</u>	<u>\$ (19,393,552)</u>	<u>\$ (19,245,231)</u>	<u>\$ (19,972,443)</u>	<u>\$ (21,981,237)</u>	<u>\$ (22,430,749)</u>	<u>\$ (22,327,016)</u>	<u>\$ (21,929,470)</u>	<u>\$ (21,299,821)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes	\$ 17,497,925	\$ 18,802,959	\$ 18,204,842	\$ 18,705,258	\$ 19,079,363	\$ 19,533,118	\$ 20,021,446	\$ 20,421,875	\$ 20,983,476	\$ 21,516,844
Property Taxes levied for debt service	423,524	423,472	415,162	910,587	911,236	922,370	918,388	935,325	937,475	939,125
Unrestricted grants and contributions	30,576	34,660	34,980	35,320	33,651	33,593	34,612	33,937	34,182	33,967
Investment earnings	8,256	3,511	7,234	4,712	20,329	11,960	28,664	33,139	10,131	1,942
Miscellaneous income	808,830	936,551	755,081	722,452	655,332	750,105	864,436	899,834	920,012	1,501,042
Loss on Disposal of Capital Assets										
Transfers								42,698		
Total governmental activities	<u>18,769,111</u>	<u>20,201,153</u>	<u>19,417,299</u>	<u>20,378,329</u>	<u>20,699,911</u>	<u>21,251,146</u>	<u>21,867,546</u>	<u>22,366,808</u>	<u>22,885,276</u>	<u>23,992,920</u>
Business-type activities:										
Investment Earnings	168	287	83	75	76	207	826	1,003	130	80
Transfers								(42,698)		
Total business-type activities	<u>168</u>	<u>287</u>	<u>83</u>	<u>75</u>	<u>76</u>	<u>207</u>	<u>826</u>	<u>(41,695)</u>	<u>130</u>	<u>80</u>
Total district-wide	<u>\$ 18,769,279</u>	<u>\$ 20,201,440</u>	<u>\$ 19,417,382</u>	<u>\$ 20,378,404</u>	<u>\$ 20,699,987</u>	<u>\$ 21,251,353</u>	<u>\$ 21,868,372</u>	<u>\$ 22,325,113</u>	<u>\$ 22,885,406</u>	<u>\$ 23,993,000</u>
Change in Net Position										
Governmental activities	\$ 625,523	\$ 1,832,114	\$ 35,889	\$ 1,135,755	\$ 721,855	\$ (747,294)	\$ (562,277)	\$ 54,274	\$ 939,398	\$ 2,671,704
Business-type activities	(8,005)	(6,638)	(12,059)	(2,582)	5,689	17,410	(100)	(56,177)	16,538	21,475
Total district	<u>\$ 617,518</u>	<u>\$ 1,825,476</u>	<u>\$ 23,830</u>	<u>\$ 1,133,173</u>	<u>\$ 727,544</u>	<u>\$ (729,884)</u>	<u>\$ (562,377)</u>	<u>\$ (1,903)</u>	<u>\$ 955,936</u>	<u>\$ 2,693,179</u>

Source: District financial statements

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

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020 (Restated)	2021	2022
General Fund										
Restricted	1,518,044	\$ 1,797,257	\$ 1,860,868	\$ 1,561,986	\$ 1,578,807	\$ 1,687,572	\$ 1,631,058	\$ 2,137,166	\$ 3,120,987	\$ 4,138,826
Committed	493,776	267,213	-	1,099,894	424,924		98,600	226,858		
Assigned	138,120	255,094	750,726	239,122	143,643	100,839	46,774	65,239	120,767	374,016
Unassigned	371,248	390,357	371,735	381,585	402,424	402,215	419,026	408,911	410,816	1,028,538
Total general fund	<u>\$ 2,561,537</u>	<u>\$ 2,709,921</u>	<u>\$ 2,983,329</u>	<u>\$ 3,282,587</u>	<u>\$ 2,549,798</u>	<u>\$ 2,190,626</u>	<u>\$ 2,195,458</u>	<u>\$ 2,838,174</u>	<u>\$ 3,652,570</u>	<u>\$ 5,541,380</u>
All Other Governmental Funds										
Restricted	\$ 185,233	\$ 9,088	\$ 7,824,556	\$ 5,184,166	\$ 2,165,687	\$ 2,055,872	\$ 439,924	\$ 498,849	\$ 293,293	\$ 502,923
Total all other governmental funds	<u>\$ 185,233</u>	<u>\$ 9,088</u>	<u>\$ 7,824,556</u>	<u>\$ 5,184,166</u>	<u>\$ 2,165,687</u>	<u>\$ 2,055,872</u>	<u>\$ 439,924</u>	<u>\$ 498,849</u>	<u>\$ 293,293</u>	<u>\$ 502,923</u>

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

Source: District financial statements

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

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Property Tax levy	\$ 17,921,449	\$ 19,226,431	\$ 18,620,004	\$ 19,615,845	\$ 19,990,599	\$ 20,455,488	\$ 20,939,834	\$ 21,357,200	\$ 21,920,951	\$ 22,455,969
Tuition charges			31,195	29,875	46,397	40,750	63,242	39,204	19,244	35,925
Miscellaneous	1,404,173	1,496,862	1,470,950	1,401,021	1,313,245	1,464,684	1,757,308	1,780,248	1,197,471	1,751,723
State sources	2,574,234	2,375,839	2,975,866	4,055,059	4,832,728	4,017,416	4,466,999	4,811,535	5,425,305	7,300,986
Federal sources	338,589	311,977	289,671	419,750	405,495	396,212	362,148	414,567	595,643	685,574
Total revenue	22,238,445	23,411,109	23,387,686	25,521,550	26,588,464	26,374,550	27,589,531	28,402,754	29,158,614	32,230,177
Expenditures										
Instruction										
Regular Instruction	7,884,907	7,742,389	8,086,962	8,694,063	9,209,223	9,512,086	9,691,310	10,174,155	10,796,411	11,040,108
Special education instruction	4,526,493	4,464,400	4,644,281	4,596,055	4,911,320	5,329,303	5,732,392	5,824,555	5,895,815	5,998,908
Other instruction	658,391	658,817	831,109	758,385	683,099	766,767	903,717	726,328	457,139	782,601
School sponsored activities and athletics	777,943	657,398	643,844	695,288	765,323	791,643	838,244	809,431	908,365	758,284
Support Services:										
Student & inst. related services	2,629,669	2,818,165	3,051,762	3,207,911	3,252,306	3,651,007	3,692,918	3,672,724	3,498,719	4,354,148
General Administration Services	509,185	536,758	501,429	510,788	504,226	560,163	570,329	634,368	556,597	632,044
School Administrative services	1,165,179	1,143,805	1,192,378	1,283,252	1,401,483	1,457,922	1,513,780	1,575,781	1,644,692	1,706,536
Business / Central Services	676,271	635,392	616,081	692,515	661,858	672,763	636,052	720,679	679,853	802,441
Plant operations and maintenance	1,699,994	1,870,816	1,757,337	1,782,408	2,148,118	2,002,056	2,230,875	1,973,243	1,963,449	2,091,320
Pupil transportation	556,472	540,979	522,680	558,202	462,610	535,513	710,360	598,102	480,524	761,257
Capital outlay	614,394	1,923,905	1,446,206	4,074,043	5,346,153	701,269	1,731,525	608,462	642,305	172,446
Debt service:										
Principal	406,690	447,234	401,725	697,413	702,724	666,204	689,818	765,642	796,512	818,877
Interest and other charges	115,739	113,571	103,994	312,359	291,289	274,741	259,327	241,580	229,393	208,679
Cost of Issuance Bonds			133,459							
Total expenditures	22,221,327	23,553,629	23,933,247	27,862,682	30,339,732	26,921,437	29,200,647	28,325,050	28,549,774	30,127,649
Excess (Deficiency) of revenues over (under) expenditures	17,118	(142,520)	(545,561)	(2,341,132)	(3,751,268)	(546,887)	(1,611,116)	77,704	608,840	2,102,528
Other Financing sources (uses)										
Serial bonds issued			8,500,000							
Premium on Issuance of Bonds			134,437							
Capital Lease issued		114,759								
Lease Purchase Proceeds	176,145					77,900		259,010		
Transfers in	197	211	154,439	2,105	238,947		279,876	44,398	458,763	323,344
Transfers out	(197)	(211)	(154,439)	(2,105)	(238,947)		(279,876)	(1,700)	(458,763)	(323,344)
Cancellation of Uncollectible Receivable										(4,088)
Total other financing sources (uses)	176,145	114,759	8,634,437	-	-	77,900	-	301,708	-	(4,088)
Net Change in Fund Balances	\$ 193,263	\$ (27,761)	\$ 8,088,876	\$ (2,341,132)	\$ (3,751,268)	\$ (468,987)	\$ (1,611,116)	\$ 379,412	\$ 608,840	\$ 2,098,440
Debt service as a percentage of noncapital expenditures	2.42%	2.59%	2.84%	4.24%	3.98%	3.59%	3.46%	3.63%	3.68%	3.43%

Source: District financial statements

Note: Noncapital expenditures are total expenditures less capital outlay.

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

Fiscal Year Ended June 30,	Facility Charge	Tuition	Interest on Investments	Continuing Education Program Fees	Refunds	Rentals	Miscellaneous	Total
2013	\$ 775,000	\$ 26,482	\$ 8,256	\$ 553,341	\$ 1,511	\$ 20,917	\$ 2,511	\$ 1,388,018
2014	889,192	25,644	3,497	529,773	2,953	6,750	37,656	1,495,465
2015	675,229	31,195	4,173	696,975	4,000	-	87,512	1,499,084
2016	690,619	29,875	4,712	672,598	8,111	700	20,917	1,427,532
2017	637,123	46,397	6,042	637,458	438	700	17,072	1,345,230
2018	732,064	40,750	11,960	702,619	5,398	1,228	11,415	1,505,434
2019	848,304	63,242	28,664	841,396	8,517	801	6,814	1,797,738
2020	884,801	39,204	33,139	572,353	422	301	14,310	1,544,530
2021	908,474	19,244	11,754	128,792	3,206	3,087	3,622	1,078,179
2022	947,868	35,925	8,712	498,654	36,059	14,651	1,128	1,542,997

Source: District financial statements

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2013	\$ 7,242,400	\$ 860,794,000	\$ 129,396,241	\$ 47,833,500	\$ 14,160,100	\$ 1,059,426,241	\$ 1,298,959	\$ 1,060,725,200	\$ 1,195,418,944	\$ 1.81
2014	7,538,700	862,904,800	138,901,400	37,931,400	14,160,100	1,061,436,400	-	1,061,436,400	1,130,631,018	1.76
2015	6,663,100	863,292,200	140,382,600	37,931,400	14,160,100	1,062,429,400	-	1,062,429,400	1,152,684,604	1.85
2016	6,594,300	865,538,000	141,082,300	37,931,400	14,160,100	1,065,306,100	-	1,065,306,100	1,199,693,915	1.88
2017	6,317,300	868,299,100	141,838,200	37,931,400	14,160,100	1,068,546,100	-	1,068,546,100	1,244,623,991	1.91
2018	6,317,300	869,806,700	140,795,800	37,931,400	14,160,100	1,069,011,300	-	1,069,011,300	1,252,223,630	1.96
2019	7,060,100	871,583,400	140,890,500	37,931,400	14,160,100	1,071,625,500	-	1,071,625,500	1,264,345,838	1.99
2020	6,556,300	874,237,200	141,781,800	38,067,700	14,160,100	1,074,803,100	-	1,074,803,100	1,295,131,426	2.04
2021	6,554,700	876,542,800	140,230,600	38,262,100	15,436,000	1,077,026,200	-	1,077,026,200	1,303,782,513	2.09
2022	6,530,000	879,848,800	142,744,600	38,262,100	15,436,000	1,082,821,500	-	1,082,821,500	1,347,630,989	2.11

Source: County Abstract of Ratables

^a Tax rates are per \$100

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

Calendar Year	Total Direct School Tax Rate	Overlapping Rates		Total Direct and Overlapping Tax Rate
		Municipality	County	
2013	\$ 1.81	\$ 0.65	\$ 0.26	\$ 2.72
2014	1.76	0.69	0.25	2.69
2015	1.85	0.70	0.26	2.81
2016	1.88	0.70	0.28	2.86
2017	1.91	0.72	0.29	2.93
2018	1.96	0.74	0.29	2.99
2019	1.99	0.76	0.29	3.04
2020	2.04	0.78	0.30	3.12
2021	2.09	0.81	0.31	3.20
2022	2.11	0.83	0.30	3.25

Source: County Abstract of Ratables

**MIDLAND PARK BOARD OF EDUCATION
 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
UB Midland Park LLC	\$ 20,688,900	1.92%	Mid Park, Hye Partners	\$ 20,374,400	1.92%
Marlow Park LLC	10,781,600	1.00%	MW Midpark Grocery	9,849,500	0.93%
NW Midland Pk-C/O Paradigm Tax	9,849,500	0.91%	Mature Environment	7,169,800	0.67%
Vander Sterre Bros Construction	8,529,300	0.79%	Marlow Park, LLC	5,974,900	0.56%
Mature Environments, Inc	7,169,800	0.67%	Henpal Realty Co	4,780,000	0.45%
Godwin Park LLC	6,400,500	0.59%	Vander Sterre Bros	4,672,700	0.44%
Tenastic, Inc	4,694,800	0.44%	Vander Sterre Bros	3,856,000	0.36%
156 & 176 Greenwood Ave LLC	4,296,000	0.40%	Textel Apartments	3,306,900	0.31%
Rigs Developmt 1 LLC	3,482,000	0.32%	Marlow Park, LLC	3,293,300	0.31%
Textel Apartments LP	3,306,900	0.31%	Marlow Park, LLC	3,133,900	0.29%
			Tenastic Inc	3,090,600	0.29%
	<u>\$ 79,199,300</u>	<u>7.35%</u>		<u>\$ 69,502,000</u>	<u>6.53%</u>

Source: Municipal Tax Assessor

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

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2013	\$ 17,921,449	\$ 17,921,449	100.00%	
2014	19,226,431	19,226,431	100.00%	
2015	18,620,004	18,620,004	100.00%	
2016	19,615,845	19,615,845	100.00%	
2017	19,990,599	19,990,599	100.00%	
2018	20,455,488	20,455,488	100.00%	
2019	20,939,834	20,939,834	100.00%	
2020	21,357,200	21,357,200	100.00%	
2021	21,920,951	21,920,951	100.00%	
2022	22,455,969	22,455,969	100.00%	

**MIDLAND PARK BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		Total District	Population	Per Capita
	General Obligation Bonds	Capital Leases/Lease Purchase			
2013	\$ 3,950,000	\$ 269,337	\$ 4,219,337	7,226	584
2014	3,635,000	251,862	3,886,862	7,245	536
2015	11,810,000	175,137	11,985,137	7,245	1,654
2016	11,210,000	77,724	11,287,724	7,262	1,554
2017	10,585,000		10,585,000	7,255	1,459
2018	9,935,000	61,696	9,996,696	7,279	1,373
2019	9,260,000	46,878	9,306,878	7,249	1,284
2020	8,565,000	235,246	8,800,246	7,218	1,219
2021	7,850,000	153,734	8,003,734	7,177	1,115
2022	7,115,000	69,857	7,184,857	6,966	1,031

Source: District records

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Debt	Deductions			
2013	\$ 3,950,000		\$ 3,950,000	0.37%	547
2014	3,635,000		3,635,000	0.34%	502
2015	11,810,000	\$ 4,439	11,805,561	1.11%	1,629
2016	11,210,000	6,544	11,203,456	1.05%	1,543
2017	10,585,000	16,392	10,568,608	0.99%	1,457
2018	9,935,000	14,287	9,920,713	0.93%	1,363
2019	9,260,000		9,260,000	0.86%	1,277
2020	8,565,000		8,565,000	0.80%	1,187
2021	7,850,000		7,850,000	0.73%	1,094
2022	7,115,000		7,115,000	0.66%	1,021

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.

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

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Municipal Debt: (1)			
Midland Park Board of Education	\$ 7,115,000	\$ 7,115,000	
Borough of Midland Park	<u>4,032,366</u>	<u>-</u>	<u>\$ 4,032,366</u>
	<u>\$ 11,147,366</u>	<u>\$ 7,115,000</u>	<u>4,032,366</u>
Overlapping Debt Apportioned to the Municipality:			
Bergen County:			
County of Bergen (A)			\$ 10,344,035
Northwest Bergen County Utilities Authority (B)			<u>3,267,316</u>
			<u>13,611,351</u>
Total Direct and Overlapping Debt			<u>\$ 17,643,717</u>

Source:

(1) Borough's 2021 Annual Debt Statement

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

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

MIDLAND PARK BOARD OF EDUCATION
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2022

Equalized valuation basis	
2021	\$ 1,340,418,419
2020	1,289,041,857
2019	<u>1,279,247,344</u>
	<u>\$ 3,908,707,620</u>
Average equalized valuation of taxable property	<u>\$ 1,302,902,540</u>
Debt limit (4% of average equalization value)	\$ 52,116,102
Total Net Debt Applicable to Limit	<u>7,115,000</u>
Legal debt margin	<u>\$ 45,001,102</u>

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 49,965,865	\$ 47,566,471	\$ 46,201,991	\$ 46,198,007	\$ 47,516,051	\$ 48,687,539	\$ 49,564,433	\$ 50,238,040	\$ 34,245,189	\$ 52,116,102
Total net debt applicable to limit	<u>3,950,000</u>	<u>3,635,000</u>	<u>11,810,000</u>	<u>11,210,000</u>	<u>10,585,000</u>	<u>9,935,000</u>	<u>9,260,000</u>	<u>8,565,000</u>	<u>7,850,000</u>	<u>7,115,000</u>
Legal debt margin	<u>\$ 46,015,865</u>	<u>\$ 43,931,471</u>	<u>\$ 34,391,991</u>	<u>\$ 34,988,007</u>	<u>\$ 36,931,051</u>	<u>\$ 38,752,539</u>	<u>\$ 40,304,433</u>	<u>\$ 41,673,040</u>	<u>\$ 26,395,189</u>	<u>\$ 45,001,102</u>
Total net debt applicable to the limit as a percentage of debt limit	7.91%	7.64%	25.56%	24.27%	22.28%	20.41%	18.68%	17.05%	22.92%	13.65%

Source: Annual Debt Statements

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

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2013	7,226	\$ 71,699	4.50%
2014	7,245	74,480	4.90%
2015	7,245	77,767	4.60%
2016	7,262	79,407	3.90%
2017	7,255	81,676	3.90%
2018	7,279	86,404	3.30%
2019	7,249	89,456	2.90%
2020	7,218	N/A	8.90%
2021	7,177	N/A	N/A
2022	6,966	N/A	N/A

N/A - Not Available

Source: New Jersey State Department of Education

MIDLAND PARK BOARD OF EDUCATION
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Employer	2022		2013	
	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment

NOT AVAILABLE

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

<u>Function/Program</u>	<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>	<u>2013</u>
Instruction										
Regular	76.3	83.2	80.0	78.1	80.3	81.5	79.1	73.2	74.6	75.4
Special education	56.8	47.4	50.0	48.5	50.2	44.3	41.9	38.3	35.9	34.5
Adult/Continuing Education Programs	2.5	2.5	2.4	2.7	2.5	2.4	2.5	2.5	2.5	2.5
Support Services:										
Student and instruction related services	23.5	24.8	23.7	24.8	25.0	24.8	25.3	25.2	24.8	26.4
General administration	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
School administrative services	10.5	10.5	10.2	10.0	10.3	10.0	9.5	9.5	9.5	9.5
Other Administrative Services							-			
Central services	4.5	4.5	4.0	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Plant operations and maintenance	21.1	20.5	18.5	18.5	18.5	17.0	18.0	17.1	16.5	18.5
Pupil transportation	3.5	3.5	4.5	4.5	4.5	4.5	5.5	6.5	5.0	2.5
Food Service		-	-	-	-	-	-	-	-	-
Total	<u>200.7</u>	<u>198.9</u>	<u>195.3</u>	<u>193.6</u>	<u>197.8</u>	<u>191.0</u>	<u>188.3</u>	<u>178.8</u>	<u>175.3</u>	<u>175.8</u>

Source: District Personnel Records

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

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Teacher/Pupil Ratio			Average Daily Enrollment (ADE)d	Average Daily Attendance (ADA) d	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2012	1,102	\$ 20,312,583	\$ 18,432	6.54%	117	12:01	9:1	12:01	1,088	1,039	0.46%	95.50%
2013	1,076	21,084,504	19,595	6.31%	118	12:01	9:1	11:01	1,045	1,006	-3.95%	96.27%
2014	1,010	21,068,919	20,860	6.46%	119	12:1	9:1	11:1	996	956	-4.69%	95.98%
2015	1,005	21,847,863	21,739	4.21%	121	10:1	9:1	10:1	987	948	-0.90%	96.07%
2016	1,035	22,778,867	22,009	1.24%	114	8:1	8:1	10:1	964	926	-2.37%	96.12%
2017	948	23,999,566	25,316	15.03%	118	10:1	8:1	9:1	952	911	-1.23%	95.70%
2018	940	25,279,223	26,893	6.23%	121	11:1	7:1	9:1	936	907	-1.65%	96.90%
2019	914	26,519,977	29,015	7.89%	119	8:1	7:1	7:1	915	876	-2.24%	95.74%
2020	902	26,709,366	29,611	2.05%	105	8:1	9:1	9:1	885	863	-3.25%	97.49%
2021	858	26,881,564	31,330	5.81%	114	7:01	11:1	7:1	841	823	-5.00%	97.86%
2022	873	28,927,647	33,136	5.76%	103	8:01	12:1	5:1	901		7.13%	0.00%

Sources: District records

- Note:
- a Enrollment based on annual October district count.
 - b Operating expenditures equal total expenditures less debt service and capital outlay.
 - c Cost per pupil represents operating expenditures divided by enrollment.
 - d Average daily counts are based on annual end of year June summary counts.

**MIDLAND PARK BOARD OF EDUCATION BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>District Building</u>										
<u>Godwin/Highland Elementary School</u>										
Square Feet	50,420	50,420	50,420	50,420	50,420	50,420	50,420	50,420	50,420	50,420
Capacity (students)	518	518	518	518	518	518	518	518	518	518
Enrollment	554	510	512	532	494	494	518	520	495	518
<u>Jr./Sr. High School</u>										
Square Feet	105,776	105,776	105,776	105,776	105,776	105,776	105,776	105,776	105,776	105,776
Capacity (students)	586	586	586	586	586	586	586	586	586	586
Enrollment	501	490	479	485	448	439	396	367	363	355

Number of Schools at June 30, 2021

Elementary = 1

Junior / Senior High School = 1

Source: District Records

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

		<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
SCHOOL FACILITIES	PROJECT #										
Elementary- Godwin/Highland	N/A	\$ 138,858	\$ 182,258	\$ 165,580	\$ 109,525	\$ 117,952	\$ 278,714	\$ 196,369	\$ 370,368	\$ 429,407	\$ 167,560
Midland Park Jr/Sr High School	N/A	<u>160,343</u>	<u>255,873</u>	<u>276,925</u>	<u>368,795</u>	<u>396,901</u>	<u>321,144</u>	<u>236,715</u>	<u>96,864</u>	<u>112,305</u>	<u>259,768</u>
GRAND TOTAL		<u>\$ 299,201</u>	<u>\$ 438,131</u>	<u>\$ 442,505</u>	<u>\$ 478,320</u>	<u>\$ 514,853</u>	<u>\$ 599,858</u>	<u>\$ 433,084</u>	<u>\$ 467,232</u>	<u>\$ 541,712</u>	<u>\$ 427,328</u>

Source: District Records

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

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - Great American Insurance Property - Blanket Building & Contents	\$ 41,232,163	\$ 5,000
General Liability-National Union Fire - (Each Occurrence) (General Aggregate)	1,000,000 3,000,000	1,000
Automobile - National Union Fire Liability	1,000,000	10,000
Excess Liability - National Union Fire Umbrella Policy	9,000,000	
Excess Workers Compensation - Safety National Casualty Workers Compensation Policy Bodily Injury	1,000,000	
School Board Legal Liability - Greenwich Insurance Company Directors and Officers Policy	1,000,000	5,000
Public Employee Dishonesty - Selective Insurance (Per Loss) Company of America (Per Employee)	500,000 100,000	100,000 5,000
Cyber Liability - Indian Harbor (Aggregate)	6,000,000	100,000

Source: District's records

Single Audit Section

**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 Auditors' Report

**Honorable President and Members
of the Board of Education
Midland Park Board of Education
Midland Park, New Jersey**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the financial statements of the governmental activities, the business-type activities and each major fund of the Midland Park Board of Education, in the County of Bergen, New Jersey (the "District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 17, 2023.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District'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.

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**The Honorable President and Members
of the Board of Education
Midland Park Board of Education**

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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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

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

PKF O'Connor Davies, LLP

Woodcliff Lake, New Jersey
March 17, 2023



Gary W. Higgins, CPA
Licensed Public School Accountant No. CS00814

**Report on Compliance for Each Major Federal and State
Program and Report on Internal Control Over Compliance Required
by the Uniform Guidance and NJ OMB Circular 15-08**

Independent Auditors' Report

Honorable President and Members
of the Board of Education
Midland Park Board of Education
Midland Park, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Midland Park Board of Education's, in the County of Bergen, New Jersey (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2022. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District 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 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 ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under

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**The Honorable President and Members
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Midland Park Board of Education**

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those standards, the Uniform Guidance and New Jersey OMB Circular 15-08 are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report. We are required to be independent of the District 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 District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' 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 District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the 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 omissions, misrepresentations, or the override of internal control. Non-compliance 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 District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey OMB Circular 15-08, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

**The Honorable President and Members
of the Board of Education
Midland Park Board of Education**

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- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 Auditors' 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 Honorable President and Members
of the Board of Education
Midland Park Board of Education**

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

PKF O'Connor Davies, LLP

Woodcliff Lake, New Jersey
March 17, 2023

Gary W. Higgins

Gary W. Higgins, CPA
Licensed Public School Accountant No. CS00814

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

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance, June 30, 2021		Cash Received	Budgetary Expenditures	Adjustments	(Accounts Receivable) June 30, 2022	Unearned Revenue	Amount Provided to Subrecipient	MEMO GAAP Receivable
						(Account Receivable) Unearned Revenue/	Due to Grantor							
U.S. Department of Agriculture														
Passed-through State Department of Agriculture														
Enterprise Fund:														
National School Lunch Program														
National School Lunch Program-Non-Cash	10.555			7/1/21-6/30/22	\$ 38,957			\$ 37,524	\$ 37,177			\$ 347		
National School Lunch Program-Non-Cash	10.555			7/1/20-6/30/21	19,968	\$ 1,780			1,780					
National School Lunch Program-Cash	10.555	221NJ304N1099	N/A	7/1/21-6/30/22	436,034			408,417	436,034		\$ (27,617)		\$ (27,617)	
National School Lunch Program-Cash	10.555	211NJ304N1099	N/A	7/1/20-6/30/21	176,906	(46,880)		46,880						
COVID-19 National School Lunch Program	10.555	221NJ304N1099	N/A	7/1/21-6/30/22	11,434				11,434					
School Breakfast Program	10.553	221NJ304N1099	N/A	7/1/21-6/30/22	7,266			6,190	7,266		(1,076)		(1,076)	
School Breakfast Program	10.553	211NJ304N1099	N/A	7/1/20-6/30/21	32,391	(2,737)		2,737						
Total National School Lunch Program Cluster						(47,837)	-	513,182	493,691	-	(28,693)	347	-	(28,693)
Pandemic Electronic Benefit Transfer Admin. Costs Grant	10.649	222121S900941	N/A	7/1/21-6/30/22	1,242			1,242	1,242					
Total Enterprise Fund						(47,837)	-	514,424	494,933	-	(28,693)	347	-	(28,693)
U.S. Department of Education														
Passed-through State Department of Education														
Special Revenue Fund:														
I.D.E.A. Part B. Basic Regular	84.027	H027A210100	IDEA-3170-22	7/1/21-9/30/22	261,631			240,133	248,742		(8,609)			(8,609)
I.D.E.A. Part B. Basic Regular	84.027	H027A200100	IDEA-3170-21	7/1/20-9/30/21	260,364	(5,626)		6,451	825					
I.D.E.A. Part B. Preschool	84.173	H173A210114	IDEA-3170-22	7/1/21-6/30/22	21,899			13,974	14,053		(79)			(79)
I.D.E.A. Part B. Preschool	84.173	H173A200114	IDEA-3170-21	7/1/20-9/30/21	21,248	(1,182)		1,182						
I.D.E.A. Basic - ARP	84.027X	H027A210100	IDEA-3170-22	7/1/21-9/30/22	45,482			41,491	44,226		(2,735)			(2,735)
Total Special Education (IDEA) - Cluster						(6,808)	-	303,231	307,846	-	(11,423)	-	-	(11,423)
Title I	84.010A	S010A210030	ESSEA-3170-22	7/1/21-9/30/22	51,200			36,131	45,376	\$ 195	(9,050)			(7,130)
Title I	84.010A	S010A200030	ESSEA-3170-21	7/1/20-9/30/21	109,095	(25,399)		55,228	29,829					
Total Title I						(25,399)	-	91,359	75,205	195	(9,050)	-	-	(7,130)
Title II Part A	84.367A	S367A210029	ESSEA-3170-22	7/1/21-9/30/22	13,487			11,696	12,896		(1,200)			(1,200)
Title II Part A	84.367A	S367A200029	ESSEA-3170-21	7/1/20-9/30/21	22,440	(4,995)		7,905	2,910					
Total Title II						(4,995)	-	19,601	15,806	-	(1,200)	-	-	(1,200)
Title IV	84.424A	S424A210031	ESSEA-3170-22	7/1/21-9/30/22	10,000	-		9,012	9,339		(327)			(327)
Title IV	84.424A	S424A200031	ESSEA-3170-21	7/1/20-9/30/21	10,000	(2,865)		3,886	1,021					
Total Title IV						(2,865)	-	12,898	10,360	-	(327)	-	-	(327)
CRRSA - ESSER II	84.425D	S425D210027	N/A	3/13/20-9/30/23	342,977			123,697	123,697					
CRRSA - Learning Acceleration	84.425D	S425D210027	N/A	3/13/20-9/30/23	25,000			22,166	21,271			895		
CRRSA - Mental Health	84.425D	S425D210027	N/A	3/13/20-9/30/23	45,000			40,500	40,500					
CRRSA - ESSER III	84.425U	S425U210027	N/A	3/13/20-9/30/24	770,819			21,835	29,441		(7,606)			(7,606)
CRRSA - Accelerated Learning	84.425U	S425U210027	N/A	3/13/20-9/30/24	70,180			17,667	23,667		(6,000)			(6,000)
CRRSA - Beyond the Day Learning	84.425U	S425U210027	N/A	3/13/20-9/30/24	40,000			7,701	7,701					
CRRSA - Mental Health	84.425U	S425U210027	N/A	3/13/20-9/30/24	45,000			10,250	32,000		(21,750)			(21,750)
Total Emergency and Secondary School Emergency Relief Cluster						-	-	243,816	278,277	-	(35,356)	895	-	(35,356)
Total Special Revenue Fund						(40,067)	-	670,905	687,494	195	(57,356)	895	-	(55,436)
Total Federal Awards						\$ (87,904)	\$ -	\$ 1,185,329	\$ 1,182,427	\$ 195	\$ (86,049)	\$ 1,242	\$ -	\$ (84,129)

The Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2021		Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	June 30, 2022		Due to Grantor June 30, 2021	MEMO GAAP Receivable	MEMO Combined Total Expenditures	
				Unearned Revenue/ (Accts Rec.)	Due to Grantor				(Accounts Receivable)	Unearned Revenue				
State Department of Education														
Equalization Aid	21-495-034-5120-078	7/1/20-6/30/21	\$ 33,981	\$ (1,668)		\$ 1,668								
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	33,981			32,299	\$ 33,981		\$ (1,682)				\$ 33,981	
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	58,146	(2,854)		2,854								
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	58,146			55,267	58,146		(2,879)				58,146	
Special Education Categorical Aid	21-495-034-5120-089	7/1/20-6/30/21	605,223	(29,706)		29,706								
Special Education Categorical Aid	22-495-034-5120-089	7/1/21-6/30/22	605,223			655,389	689,524		(34,135)				689,524	
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	107,033	(5,253)		5,253								
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	107,033			101,734	107,033		(5,299)				107,033	
Extraordinary Aid	21-495-034-5120-044	7/1/20-6/30/21	590,416	(590,416)		590,416								
Extraordinary Aid	22-495-034-5120-044	7/1/21-6/30/22	606,293			606,293	606,293		(606,293)		(606,293)		606,293	
School Security Grant (Alyssa's Law)	20E00312	7/1/20-6/30/22	50,392	(50,392)		50,392								
On-Behalf TPAF Pension System Contributions (NCGI)	22-495-034-5094-004	7/1/21-6/30/22	48,466			48,466	48,466						48,466	
On-Behalf TPAF Pension System Contributions (Normal and Accrued Liability)	22-495-034-5094-002	7/1/21-6/30/22	3,435,203			3,435,203	3,435,203						3,435,203	
On-Behalf TPAF Pension System Contributions (Long Term Disability Insurance)	22-495-034-5094-004	7/1/21-6/30/22	1,191			1,191	1,191						1,191	
On-Behalf TPAF Post Retirement Medical Contr.	22-495-034-5094-001	7/1/21-6/30/22	813,926			813,926	813,926						813,926	
Reimbursed TPAF Social Security Contribution	21-495-034-5094-003	7/1/20-6/30/21	708,412	(35,356)		35,356								
Reimbursed TPAF Social Security Contribution	22-495-034-5094-003	7/1/21-6/30/22	737,405			700,681	737,405		(36,724)			(36,724)	737,405	
Total General Fund				(715,645)	-	6,559,801	6,531,168	-	(687,012)	-	-	(643,017)	6,531,168	
New Jersey Nonpublic Aid														
Textbook Aid	22-100-034-5120-064	7/1/20-6/30/22	8,943			8,943	8,913			\$ 30				
Textbook Aid	21-100-034-5120-064	7/1/20-6/30/21	10,324		\$ 197			\$ 197						
Nursing Services	22-100-034-5120-064	7/1/20-6/30/22	17,248			17,248	17,248							
Nursing Services	21-100-034-5120-070	7/1/20-6/30/21	17,850		1			1						
Technology Aid	22-100-034-5120-064	7/1/20-6/30/22	6,258			6,258	6,258							
Security Aid	21-100-034-5120-509	7/1/20-6/30/21	30,625											
Security Aid	22-100-034-5120-509	7/1/20-6/30/22	26,950			26,950	26,950							
Auxiliary Services														
Transportation	22-100-034-5120-064	7/1/20-6/30/22	19,215			19,215	19,215							
Transportation	21-100-034-5120-067	7/1/20-6/30/21	17,894											
Compensatory Education	22-100-034-5120-064	7/1/20-6/30/22	43,069			39,415	31,980			7,435				
Compensatory Education	21-100-034-5120-067	7/1/20-6/30/21	39,626		13,673			13,673						
English as a Second Language	22-100-034-5120-064	7/1/20-6/30/22	3,654			3,654	1,188				2,466			
English as a Second Language	21-100-034-5120-067	7/1/20-6/30/21	3,553		1,155			1,155						
Handicapped Services														
Supplementary Instruction	22-100-034-5120-066	7/1/20-6/30/22	16,024			16,024	11,564				4,460			
Supplementary Instruction	21-100-034-5120-066	7/1/20-6/30/21	14,571		6,233			6,233						
Examination and Classification	22-100-034-5120-066	7/1/20-6/30/22	42,654			42,654	18,768				23,886			
Examination and Classification	21-100-034-5120-066	7/1/20-6/30/21	32,332		17,101			17,101						
Corrective Speech	22-100-034-5120-066	7/1/20-6/30/22	46,500			46,500	41,831				4,669			
Corrective Speech	21-100-034-5120-066	7/1/20-6/30/21	36,456		17,590			17,590						
Total Special Revenue Fund					55,950	226,861	183,915	55,950	-	-	42,946	-	-	
State School Lunch Program	21-100-010-3350-023	7/1/20-6/30/21	9,037	(1,484)		1,484								
State School Lunch Program	22-100-010-3350-023	7/1/21-6/30/22	11,154			10,518	11,154		(636)			(636)	11,154	
Total Food Service Fund				(1,484)		12,002	11,154		(636)			(636)	11,154	
Total State Financial Assistance Subject to Single Audit Determination														
			\$	(717,129)	\$	55,950	\$ 6,798,664	\$ 6,726,237	\$ 55,950	\$ (687,648)	\$	42,946	\$ (643,653)	\$ 6,542,322
State Financial Assistance Not Subject to Major Program Determination														
General Fund														
Less: On-Behalf TPAF NCGI Premium	22-495-034-5094-004	7/1/20-6/30/21	48,466			48,466	48,466						48,466	
On-Behalf TPAF Pension	22-495-034-5094-002	7/1/20-6/30/21	3,435,203			3,435,203	3,435,203						3,435,203	
On-Behalf TPAF Pension- Long Term Disability	22-495-034-5094-004	7/1/20-6/30/21	1,191			1,191	1,191						1,191	
On-Behalf TPAF Post-Retirement Medical	22-495-034-5094-001	7/1/20-6/30/21	813,926			813,926	813,926						813,926	
Total State Financial Assistance Subject to Major Program Determination														
			\$	(717,129)	\$	55,950	\$ 2,499,878	\$ 2,427,451	\$ 55,950	\$ (687,648)	\$	42,946	\$ (643,653)	\$ 2,243,536

The Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Midland Park Board of Education
Notes to Schedules of Expenditures of
Federal Awards and State Financial Assistance

Year ended June 30, 2022

1. General

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

2. Basis of Accounting

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the enterprise funds, which are presented using the accrual basis of accounting and those recorded in the special revenue fund, which are presented using the budgetary basis of accounting. These basis of accounting are described in Note 1 to the District's basic financial statements. The information in these schedules are presented in accordance with the requirements of 2 CFR 200-*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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 schedule may differ from amounts presented, or used in the preparation of, the basic financial statements.

3. Relationship to Basic Financial Statements

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

Midland Park Schools

Notes to Schedules of Expenditures of
Federal Awards and State Financial Assistance

Year ended June 30, 2022

3. Relationship to Basic Financial Statements (Continued)

The general fund is presented in the accompanying schedules on the modified accrual basis of accounting with the exception of the revenue recognition of the last two state aid payments in the current 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 the last two 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, whereas the GAAP basis does not. The special revenue fund also recognizes the last 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 \$585,903 for the general fund and (\$1,920) for the special revenue fund. See note 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 (C-3).

Federal and State award revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 7,117,071	\$ 7,117,071
Special Revenue Fund	\$ 685,574	183,915	869,489
Food Service Fund	<u>494,933</u>	<u>11,154</u>	<u>506,087</u>
Total financial award revenues	<u>\$ 1,180,507</u>	<u>\$ 7,312,140</u>	<u>\$ 8,492,647</u>

4. Relationship to Federal and State Financial Reports

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

Midland Park Schools

Notes to Schedules of Expenditures of
Federal Awards and State Financial Assistance

Year ended June 30, 2022

5. Other

TPAF Social Security Contributions in the amount of \$737,405 represent the amount reimbursed by the State for the employer's share of Social Security for TPAF members for the year ended June 30, 2022. The post-retirement pension, medical and disability insurance benefits received on behalf of the District for the year ended June 30, 2022 amounted to \$4,298,786. Since on-behalf post retirement, medical and disability insurance benefits are paid by the State directly, these expenditures are not subject to a single audit in accordance with New Jersey OMB Circular 15-08, however they are reported on the Schedule of Expenditures of State Financial Assistance, as directed by the funding agency.

6. Indirect Costs

The District did not use the 10% de minimis indirect cost rate.

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

Part I – Summary of Auditors' Results

Financial Statements

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 weakness(es)? _____ yes X none reported

Noncompliance material to the 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 not considered to be material weakness(es)? _____ yes X none reported

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

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

<u>AL Number(s)</u>	<u>FAIN Number</u>	<u>Name of Federal Program or Cluster</u>
84.027	H027A210100	Special Education Cluster: I.D.E.A. Part B, Basic I.D.E.A. Part B, Preschool American Rescuse Plan I.D.E.A, Basic
84.173	H173A210114	
84.027X	H027A210100	
84.425D	S425D210027	Elementary and Secondary School Emergency Relief Cluster: Elementary and Secondary School Emergency Relief Fund II (ESSER II) Elementary and Secondary School Emergency Relief Fund III (ESSER III)
84.425U	S425D210027	

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

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

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

Part I – Summary of Auditors' Results

State Financial Assistance Section

Internal Control over major state programs:

(1) Material weaknesses identified? _____ yes X no

2) Significant deficiencies identified that are not considered to be material weakness(es)? _____ yes X none reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular Letter 15-08?

_____ yes X no

Identification of major state programs:

<u>GMIS Number</u>	<u>Name of State Program or Cluster</u>
495-034-5094-003	Reimbursed TPAF Social Security Contribution
495-034-5120-078	General State Aid Cluster: Equalization Aid Security Aid Special Education Categorical Aid
495-034-5120-084	
495-034-5120-089	

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

_____ yes X no

MIDLAND PARK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

Part II – Schedule of Financial Statement Findings

No compliance or internal control over financial reporting findings noted that were required to be reported under *Government Auditing Standards*.

MIDLAND PARK BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

**Part III – Schedule of Federal Award and State Financial Assistance Findings and
Questioned Costs**

No federal award or state financial assistance program compliance findings or questioned costs were noted that are required to be reported in accordance with 2 CFR 200 section .516(a) or NJ OMB Circular Letter 15-08.

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

Summary Schedule of Prior Year Findings

No prior year findings were noted.