

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

Park Ridge, New Jersey

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

**Prepared by
Business Office**

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DAVID BRADLER
President

AMARA WAGNER
Vice President

NATALIE AGOOS
JOSEPH BUCCO, JR.
DEBORAH B. CLARE
JOHN PIEROTTI, JR.
LAUREN SUM



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PARK RIDGE, NEW JERSEY 07656
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ROBERT M. GAMPER, Ed.D.
Superintendent of Schools

ROBERT WRIGHT
Board Secretary and
Business Administrator

March 9, 2023

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

Dear Board Members:

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

Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the "Independent Auditor's Report".

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 independent auditors' report, management's discussion and analysis (MD&A) and the basic financial statements including the district-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual fund financial statements, notes to the financial statements and required supplemental information (RSI). The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and the U.S. Uniform Guidance and the State Treasury Circular OMB 15-08. Information related to this single audit, including the auditors' report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: Park Ridge School District is an independent reporting entity within the criteria adopted by the GASB. All funds of the District are included in this report. The Park Ridge 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. The District completed the 2021-2022 fiscal year with an enrollment of 1,241 students, which is an increase of fourteen (14) students from the previous year's enrollment. The following details the changes in the student enrollment of the District over the last eight years:

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2021-22	1,241	1.14%
2020-21	1,227	-1.44%
2019-20	1,245	4.18%
2018-19	1,195	-.83%
2017-18	1,205	-2.04%
2016-17	1,230	.82%
2015-16	1,220	-2.10%
2014-15	1,279	-2.10%

2. ECONOMIC CONDITION AND OUTLOOK: The Borough of Park Ridge is a residential suburb of 2.6 square miles, located approximately 25 miles from midtown Manhattan. In 2003, the Borough underwent a revaluation that increased ratables by \$437,000,000. Since then, property values have remained relatively stable with the average home assessed at \$475,000. The Borough of Park Ridge has balanced progress and cost with the 48th lowest effective tax rate out of the 70 towns.

The District continues to investigate opportunities for shared services and mutual savings of taxpayer monies. In the past few years, this cooperation has resulted in the obtainment of grant funds through an Interlocal Agreement that helped offset repair costs to the school's tennis courts. Additionally, the Borough continues to allow the district access to its fuel pumps which helps keep costs down. With one source of revenue so critical to us all, it behooves both governing bodies to continue meeting the demands of diminished state aid in methods that are timely and reflective of the community we both serve.

3. MAJOR INITIATIVES:

Meeting the Challenge of Change

The Park Ridge Public Schools are a testament to the fact that teamwork breeds success. In standing among our peers, the September 2018 issue of *NJ Monthly Magazine* ranked Park Ridge High School as #55 in the State. The percentage of students taking Advanced Placement exams is 37% and currently 52% of the juniors and seniors are enrolled in two or more courses.

Technology is an issue of critical importance at every grade level. The entire school district is serviced by high speed fiber cables and each school has its own wireless network. Park Ridge maintains a web site for the District with links to teacher web pages. All staff and students have e-mail addresses. Video conferencing occurs at each grade level in grades 1-6 in the form of electronic field trips. Additionally, the District has a one to one laptop initiative in place for Grades 4-12.

The 2021-22 school year resounded with triumph on every level with 1 Commended and 1 Semi-finalist with regards to National Merit Letter of Commendation recipients. Our elementary schools also saw two of its students honored for their acceptance into the NJSMA Elementary Honors Band Festival. Park Ridge continued to excel at preparing students to further their education as 88% of the students will be attending four-year or two year colleges.

Park Ridge High School had many highlights in the 2021-22 school year. This past year, the Girls Cross Country team was divisional and County champions. They were also North 1, Group 1 champions and named BCWCA Small school team of the year. The Girls Tennis team also won honors as NJIC Patriot division champs with one of its athletes being honored by The Record for Athlete of the Week. The Football team was honored for winning the NJIC Patriot division and being North 1 Group 1 Sectional champs. Other teams winning divisional titles included the Girls Basketball team and the Wrestling team.

No school district can claim success without the endorsement and support of civic and parent groups. Park Ridge is fortunate to have an active network of concerned parents, community liaisons and corporate sponsors. The insights of the members of the ad hoc Board of Education, Drug Task Force, and Project/Facilities Committees shaped the District's direction in these areas. These groups continue to support, challenge and respond with the immeasurable gift of time, effort and unprecedented appreciation for the potential of our children. Commitment, quality and performance are emergent in each facet of the Park Ridge experience.

In September 2009, the district passed a \$10.6 million dollar referendum. This action upgraded the existing buildings by installing new roofs and windows and upgrading the heating and control systems. It also installed solar panels which will create a clean renewable energy source that will not only save the district money on its electric bills but will be good for the environment. The work done qualified the district for a 40% reimbursement from the State on any debt borrowed providing significant tax relief for residents.

In March of 2018, the district passed a \$3.6 million dollar referendum. This action will upgrade the existing steam heat system to a hot water system and allow for greater energy savings. It also installed air conditioning units in the “A-Wing” of the High School which will allow for a better teaching environment. All classrooms and spaces will receive new unit-ventilators as part of this project. The work done qualified the district for a 40% reimbursement from the State on any debt borrowed providing significant tax relief for residents.

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

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

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2022.

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

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

8. DEBT ADMINISTRATION: At June 30, 2022, the District has outstanding bonded debt of \$5,546,000.

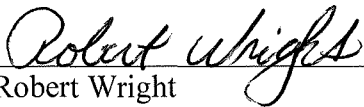
9. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements". The District has adopted a cash management plan which requires it to deposit funds in public depositories protected from loss under the provisions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

10. 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, property and contents, and fidelity bonds. In addition, the Park Ridge Board of Education is a member of NESBIG, serving the interest of more than 30 school districts in Bergen and Passaic Counties.

11. OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Bliss, LLP also was designed to meet the requirements of the Single Audit Act, and the related U.S. Uniform Guidance and State Treasury Circular Letter OMB 15-08. The auditors' report on the basic financial statements is included in the financial section of this report. The auditors' report related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,



Robert Wright

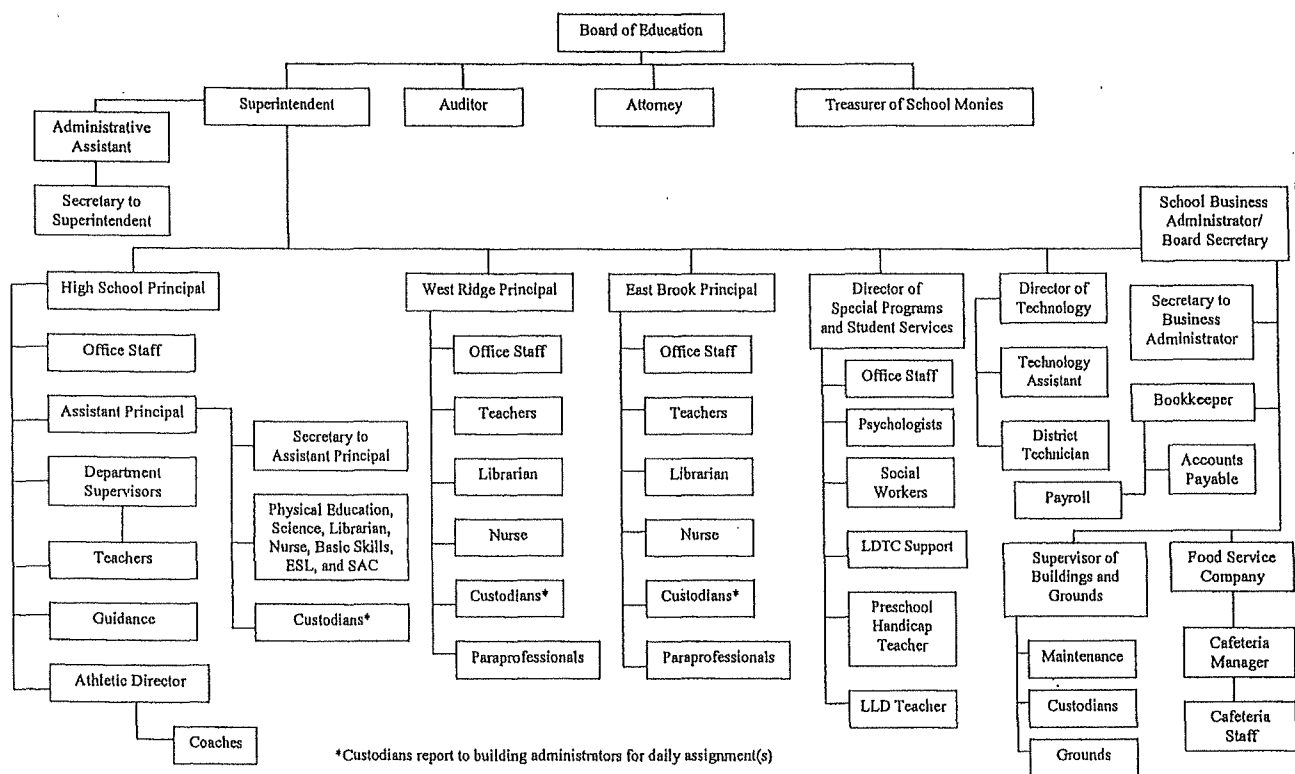
Business Administrator/Board Secretary

POLICY

PARK RIDGE BOARD OF EDUCATION

ADMINISTRATION
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Organizational Chart

1110 ORGANIZATIONAL CHART



Adopted: 8 June 2009



**PARK RIDGE BOARD OF EDUCATION
PARK RIDGE, NEW JERSEY**

**ROSTER OF OFFICIALS
June 30, 2022**

Members of the Board of Education

Term Expires

President:

David Bradler

2024

Vice President:

Amara Wagner

2024

Members of the Board:

Natalie Jowett Agoos

2023

Deborah Clare

2023

Erin Comeau

2022

John Pierotti, Jr.

2022

Lauren Sum

2023

Other Officials:

Superintendent of Schools:

Dr. Robert Gamper

Board Secretary/School Business Administrator

Robert Wright

**PARK RIDGE BOARD OF EDUCATION
PARK RIDGE, NEW JERSEY**

Consultants and Advisors

Audit Firm

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

Attorney

Cleary, Giacobbe, Alfieri, Jacobs, LLC
169 Ramapo Valley Road, Upper Level 105
Oakland, New Jersey 07436

Official Depository

Lakeland Bank
250 Oak Ridge Road
Oak Ridge, NJ 07438

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 9, 2023 on our consideration of the Park Ridge Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Park Ridge Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Park Ridge Board of Education's internal control over financial reporting and compliance.

LERCH, VINCI & BLISS, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
March 9, 2023

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

PARK RIDGE BOARD OF EDUCATION

Management Discussion and Analysis Fiscal Year Ended June 30, 2022

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

FINANCIAL HIGHLIGHTS

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

- The assets and deferred outflows of resources of the Park Ridge Board of Education exceeded its liabilities and deferred inflow of resources at the close of the fiscal year by \$24,131,824 (net position).
- The District's total net position increased \$3,352,952, or 16%.
- Overall District revenues were \$42,638,316. General revenues accounted for \$32,184,374, or 75% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$10,453,942, or 25% of total revenues.
- The school district had \$38,599,294 in expenses for governmental activities; only \$9,613,446 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$32,184,374 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$11,875,230. Of this amount, \$1,035,921 is available for spending at the District's discretion (unassigned fund balance – General Fund).
- The General Fund unassigned budgetary fund balance at the close of the current fiscal year was \$1,609,411, which represented an increase of \$11,927 from the previous fiscal year.
- The District's total outstanding long-term liabilities decreased \$2,238,290 during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

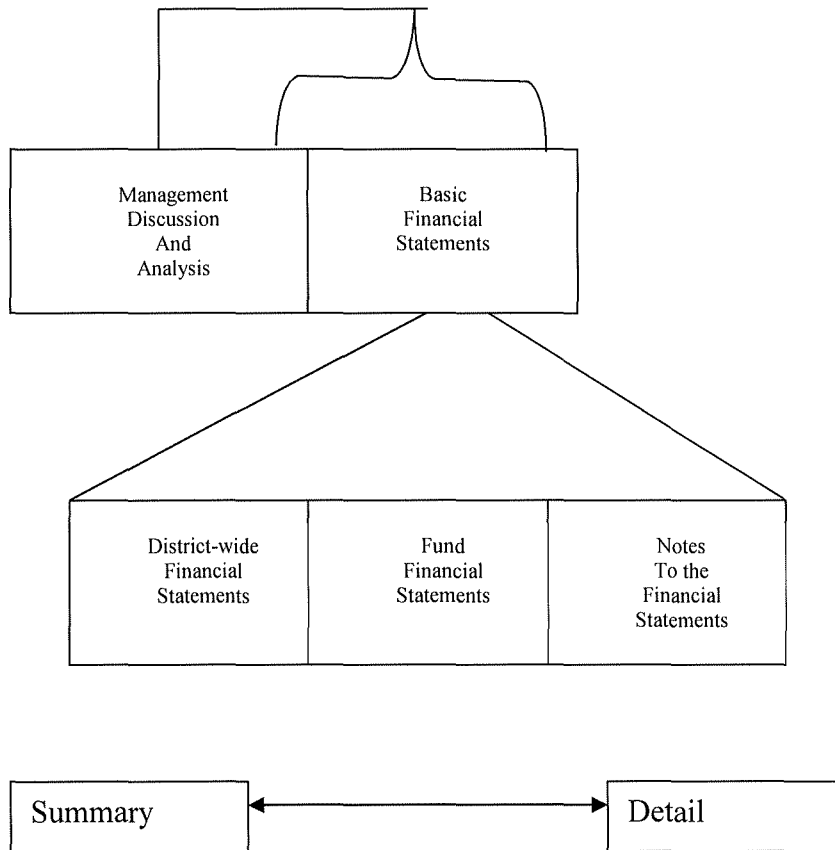
PARK RIDGE BOARD OF EDUCATION

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

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

- *Proprietary funds* statements offer *short-term* and *long-term* financial information about the activities the district operated like *businesses*.

The basic financial statements also include notes that explain some of the information in the statements and provide more detailed data. The figure below illustrates how the various parts of this Annual Report are arranged and related to one another.



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

PARK RIDGE BOARD OF EDUCATION

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

Major Features of the District-Wide and Fund Financial Statements

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

District-Wide Statements

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

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

- Over time, increases or decreases in the District’s net position are an indicator of whether its financial condition is improving or deteriorating, respectively.

PARK RIDGE BOARD OF EDUCATION

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

District-Wide Statements (Continued)

- 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 plant operation and maintenance. Property taxes and federal and state aid finance most of these activities.
- *Business type activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's food service, before and after school child care, Owl house program, SAT review program, summer sports programs, summer music program and laptop insurance program are included under this category.

Fund Financial Statements

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

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

The District has two kinds of funds:

- *Governmental Funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.
- *Proprietary Funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The District maintains one type of proprietary fund.
 - *Enterprise Funds* – This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has twelve enterprise funds for its food service (cafeteria) program, before and after school child care program, Owl house program, volleyball clinic program, SAT review program, summer basketball program, summer music program, summer lacrosse program, summer football/cheer program, summer baseball, softball & soccer program, laptop insurance program and wrestling program.

PARK RIDGE BOARD OF EDUCATION

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

Notes to the Financial Statements

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

Other Information

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

Combining statements and schedules are presented immediately following the required supplementary information.

PARK RIDGE BOARD OF EDUCATION

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. The District's *combined* net position was \$24,131,824 at June 30, 2022 and \$20,778,872 at June 30, 2021 as follows:

	Net Position					
	As of June 30, 2022 and 2021					
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Assets						
Current Assets	\$ 12,510,949	\$ 12,202,448	\$ 1,463,333	\$ 1,212,375	\$ 13,974,282	\$ 13,414,823
Capital Assets	<u>23,280,518</u>	<u>22,975,358</u>	<u>141,632</u>	<u>171,659</u>	<u>23,422,150</u>	<u>23,147,017</u>
Total Assets	<u>35,791,467</u>	<u>35,177,806</u>	<u>1,604,965</u>	<u>1,384,034</u>	<u>37,396,432</u>	<u>36,561,840</u>
Deferred Outflows of Resources	<u>561,071</u>	<u>819,937</u>	<u>-</u>	<u>-</u>	<u>561,071</u>	<u>819,937</u>
Total Assets and Deferred Outflows of Resources	<u>36,352,538</u>	<u>35,997,743</u>	<u>1,604,965</u>	<u>1,384,034</u>	<u>37,957,503</u>	<u>37,381,777</u>
Liabilities						
Long-Term Liabilities	10,298,451	12,505,330	145,188	176,599	10,443,639	12,681,929
Other Liabilities	<u>685,053</u>	<u>1,498,504</u>	<u>150,648</u>	<u>22,732</u>	<u>835,701</u>	<u>1,521,236</u>
Total Liabilities	<u>10,983,504</u>	<u>14,003,834</u>	<u>295,836</u>	<u>199,331</u>	<u>11,279,340</u>	<u>14,203,165</u>
Deferred Inflows of Resources	<u>2,546,339</u>	<u>2,402,897</u>	<u>-</u>	<u>-</u>	<u>2,546,339</u>	<u>2,402,897</u>
Total Liabilities and Deferred Inflows of Resources	<u>13,529,843</u>	<u>16,406,731</u>	<u>295,836</u>	<u>199,331</u>	<u>13,825,679</u>	<u>16,606,062</u>
Net Position						
Net Investment in Capital Assets	17,872,446	16,713,320	(3,556)	(4,940)	17,868,890	16,708,380
Restricted	8,545,291	6,218,832			8,545,291	6,218,832
Unrestricted	<u>(3,595,042)</u>	<u>(3,337,983)</u>	<u>1,312,685</u>	<u>1,189,643</u>	<u>(2,282,357)</u>	<u>(2,148,340)</u>
Total Net Position	<u>\$ 22,822,695</u>	<u>\$ 19,594,169</u>	<u>\$ 1,309,129</u>	<u>\$ 1,184,703</u>	<u>\$ 24,131,824</u>	<u>\$ 20,778,872</u>

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Restricted net position represent amounts reserved for specific purposes by outside parties or state regulations. Unrestricted net position represent amounts available to the government that are neither restricted nor invested in capital assets.

PARK RIDGE BOARD OF EDUCATION

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

Change in Net Position For The Fiscal Years Ended June 30, 2022 and 2021

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues						
Charges for Services	\$ 472,899	\$ 359,847	\$ 523,915	\$ 379,674	\$ 996,814	\$ 739,521
Operating Grants and Contributions	9,067,079	11,548,510	316,581	38,083	9,383,660	11,586,593
Capital Grants and Contributions	73,468	45,389			73,468	45,389
General Revenues						
Property Taxes	31,778,278	31,207,788			31,778,278	31,207,788
Unrestricted State Aid	229,863	1,438,996			229,863	1,438,996
Other	176,233	170,844	-	-	176,233	170,844
Total Revenues	41,797,820	44,771,374	840,496	417,757	42,638,316	45,189,131
Expenses						
Instruction						
Regular	15,175,407	16,451,588			15,175,407	16,451,588
Special Education	5,178,423	4,893,702			5,178,423	4,893,702
Other Instruction	1,086,494	1,231,558			1,086,494	1,231,558
School Sponsored Activities and Athletics	1,324,539	1,182,485			1,324,539	1,182,485
Support Services						
Student and Instruction Related Services	8,147,452	8,584,787			8,147,452	8,584,787
General Administrative Services	732,846	928,285			732,846	928,285
School Administrative Services	1,495,439	1,790,004			1,495,439	1,790,004
Central Services and Info. Technology	879,990	929,476			879,990	929,476
Plant Operations and Maintenance	3,705,729	3,831,109			3,705,729	3,831,109
Student Transportation	692,667	468,463			692,667	468,463
Interest on Debt	180,308	203,449			180,308	203,449
Food Services			262,495	55,104	262,495	55,104
Child Care Program			151,959	98,384	151,959	98,384
OWL House Program			245,110	215,808	245,110	215,808
Other Programs	-	-	26,506	21,603	26,506	21,603
Total Expenses	38,599,294	40,494,906	686,070	390,899	39,285,364	40,885,805
Increase in Net Position Before Transfers	3,198,526	4,276,468	154,426	26,858	3,352,952	4,303,326
Transfers In (Out)	30,000	(30,000)	(30,000)	30,000	-	-
Change in Net Position	3,228,526	4,246,468	124,426	56,858	3,352,952	4,303,326
Net Position, Beginning of Year	19,594,169	15,350,858	1,184,703	1,150,320	20,778,872	16,501,178
Prior Period Adjustment	-	(3,157)	-	(22,475)	-	(25,632)
Net Position, End of Year	\$ 22,822,695	\$ 19,594,169	\$ 1,309,129	\$ 1,184,703	\$ 24,131,824	\$ 20,778,872

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$41,797,820 for the year ended June 30, 2022. Property taxes of \$31,778,278 represented 76% of revenues. Another significant portion of revenues came from State aid; total State, Federal and Local aid and contributions of \$9,370,410 represented 22% of revenues. In addition, revenues are also earned from tuition, transportation fees and miscellaneous income which includes items such as interest, prior year refunds and other miscellaneous items.

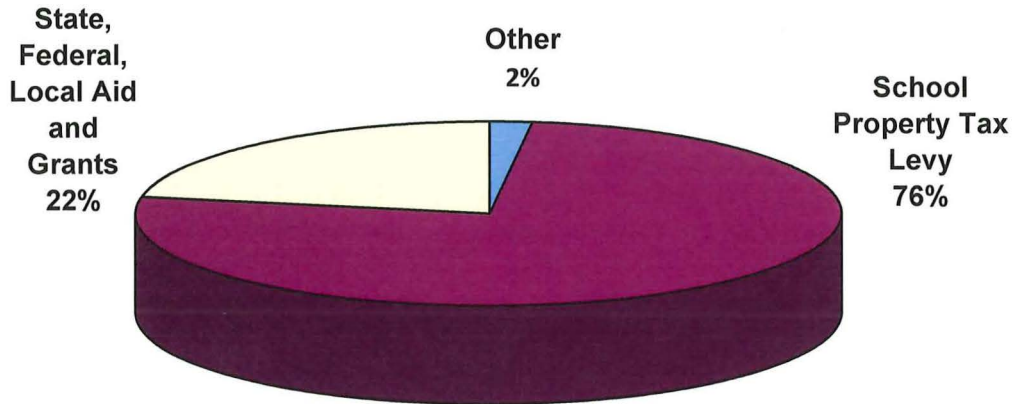
PARK RIDGE BOARD OF EDUCATION

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

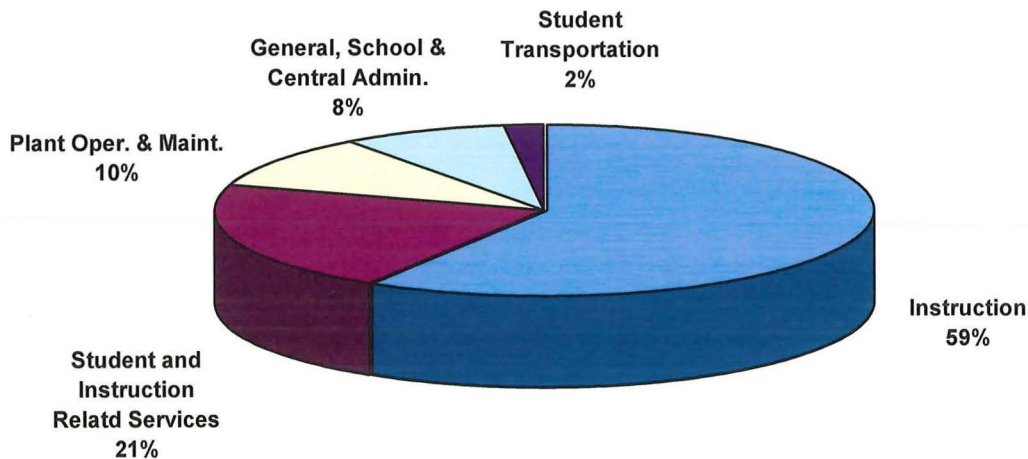
The total cost of all governmental activities programs and services was \$38,599,294. The District's expenses are predominantly related to educating and caring for students. Instruction totaled \$22,764,863 (59%) of total expenses. Support services, total \$15,654,123 (41%) of total expenses and interest and other charges on debt totaled \$180,308 (less than 1%) of total expenses.

Total governmental activities revenues and transfers in exceeded expenses, increasing net position by \$3,228,526 over the previous year.

Revenues by Sources – Governmental Activities For Fiscal Year 2022



Expenses by Type-Governmental Activities For Fiscal Year 2022



PARK RIDGE BOARD OF EDUCATION

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

Total and Net Cost of Governmental Activities. The District's total cost of services was \$38,599,294. After applying program revenues, derived from charges for services of \$472,899 and operating and capital grants and contributions of \$9,140,547, the net cost of services of the District is \$28,985,848 for the fiscal year ended June 30, 2022.

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

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Instruction				
Regular	\$ 15,175,407	\$ 16,451,588	\$ 11,872,672	\$ 11,452,067
Special Education	5,178,423	4,893,702	2,502,256	2,333,124
Other Instruction	1,086,494	1,231,558	764,009	828,480
School Sponsored Activities and Athletics	1,324,539	1,182,485	983,678	926,561
Support Services				
Student and Instruction Related Services	8,147,452	8,584,787	6,193,126	6,252,192
General Administrative Services	732,846	928,285	638,366	777,568
School Administrative Services	1,495,439	1,790,004	1,217,683	1,368,357
Central Services and Info. Technology	879,990	929,476	760,450	770,161
Plant Operations and Maintenance	3,705,729	3,831,109	3,393,714	3,404,192
Student Transportation	692,667	468,463	517,315	305,278
Interest on Debt	180,308	203,449	142,579	123,180
Total	<u>\$ 38,599,294</u>	<u>\$ 40,494,906</u>	<u>\$ 28,985,848</u>	<u>\$ 28,541,160</u>

Business-Type Activities – The District's total business-type activities revenues were \$840,496 for the year ended June 30, 2022. Charges for services accounted for 62% of total revenues. Operating grants and contributions accounted for 38% of total revenue for the year.

Total cost of all business-type activities programs and services was \$686,070. The District's expenses are related to Food Service (38%), Child Care Services (22%), Owl House life skills program (36%) and other programs (4%) offered to District students.

Total business-type activities revenues exceeded expenses and transfers out, increasing net position by \$124,426. Food service operations increased net position by \$94,331, child care operations decreased net position by \$22,482, Owl House program operations increased net position by \$46,890, and the remaining increase in net position of \$5,687 was from the other programs' operations for a combined increase of \$124,426 from the previous year.

PARK RIDGE BOARD OF EDUCATION

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

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

GOVERNMENTAL FUNDS

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$11,875,230, which was an increase of \$1,110,150 from last year's fund balance of \$10,765,080. This increase was largely attributable to General Fund revenues and other financing sources exceeding expenditures for the current fiscal year. This was mainly due to the District's positive results from budgetary operations in the current fiscal year.

Revenues for the District's governmental funds were \$42,927,824 while total expenditures were \$41,847,674 for the fiscal year ended June 30, 2022. In addition, other financing sources were \$30,000 as a result of a transfer from the Food Service Fund operations for the return of the prior year subsidy from General Fund.

GENERAL FUND

The General Fund includes the primary operations of the District in providing educational services to students from Pre-Kindergarten through Grade 12 including pupil transportation, plant operation and maintenance and capital outlay activities.

The following schedule presents a comparison of General Fund revenues for the fiscal years ended June 30, 2022 and 2021:

	Fiscal Year Ended June 30,		Amount of Increase	Percent
	2022	2021	(Decrease)	Change
Local Sources				
Property Taxes	\$ 31,068,077	\$ 30,458,899	\$ 609,178	2%
Tuition	155,170	125,387	29,783	24%
Transportation	64,619	57,480	7,139	12%
Other	176,233	170,844	5,389	3%
State Sources	8,873,241	7,006,981	1,866,260	27%
Federal Sources	3,874	80,628	(76,754)	-95%
Total General Fund Revenues	\$ 40,341,214	\$ 37,900,219	\$ 2,440,995	6%

Total General Fund revenues increased \$2,440,995, or 6%, from the previous year. Local property taxes increased by \$609,178, or 2% to finance increases in budgeted operating costs. There was a significant increase in State Aid revenue of \$1,866,260, or 27% mainly attributable to the increase in special education aid and on-behalf aid for teacher pension contributions made by the State for the District's teaching professionals. There were increases in tuition revenues of \$29,783 and transportation fees of \$7,139 both resulting from an increase in special education program students received during the current year. Other local revenues increased 3% as a result of higher interest earnings in the current year. Federal aid decreased \$76,754 as a result of FEMA reimbursements received in 2020-2021 for COVID-19 expenditures made by the District at that time.

PARK RIDGE BOARD OF EDUCATION

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

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

	<u>Year Ended June 30,</u>		Amount of	
	<u>2022</u>	<u>2021</u>	Increase (Decrease)	Percent Change
Instruction	\$ 22,881,038	\$ 20,554,950	\$ 2,326,088	11%
Support Services	14,850,167	14,074,926	775,241	6%
Debt Service	35,940	29,139	6,801	23%
Capital Outlay	<u>1,428,005</u>	<u>1,988,280</u>	<u>(560,275)</u>	-28%
Total Expenditures	<u>\$ 39,195,150</u>	<u>\$ 36,647,295</u>	<u>\$ 2,547,855</u>	7%

Total General Fund expenditures increased \$2,547,855, or 7%, from the previous year. Increases during the year were attributed to regular and special education instructional costs, student and instructional related services support costs and student transportation support costs which were offset by decreases in general administrative services support costs. Decreases in capital outlay was the results of a reduction in equipment purchases in the current year.

For fiscal year 2022 General Fund revenues and other financing sources exceed expenditures by \$1,176,064. Therefore, total fund balance increased to \$11,439,830 at June 30, 2022. After deducting restricted and assigned fund balances, the unassigned fund balance increased \$43,336 to \$1,035,921 at June 30, 2022. In addition, fund balances restricted for capital reserve increased \$2,353,609 to a balance of \$7,152,418 at year-end while maintenance reserve and emergency reserve remained the same with balances of \$700,000 and \$241,040 at year-end, respectively. In addition, restricted fund balance for unemployment compensation increased \$38,764 to a balance of \$257,473 while excess surplus decreased \$174,849 to a balance of \$551,273 at year end. Committed and Assigned fund balances for year end encumbrances and amounts designated for use in the 2022/2023 budget decreased \$1,084,796 at year end.

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget several times. These budget amendments fall into three categories:

- Implementing budgets for specially funded projects, which include both federal and state grants.
- Reinstating prior year purchase orders being carried over as encumbrances.
- Increases in budget appropriations for significant unbudgeted costs funded by restricted and unassigned fund balance.

General Fund budgetary revenues and other financing sources exceeded expenditures increasing budgetary fund balance by \$1,144,655. After deducting restricted and assigned fund balances, the unassigned budgetary fund balance increased \$11,927 from \$1,597,484 at June 30, 2021 to \$1,609,411 at June 30, 2022. The unassigned budgetary fund balance at year end is at the maximum level permitted by the State Department of Education. Consequently, the District had excess surplus from current year operations of \$307,202 at June 30, 2022. These excess funds will be appropriated in the 2023/2024 budget in accordance with State budget regulations.

PARK RIDGE BOARD OF EDUCATION

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

CAPITAL ASSETS

At the end of the fiscal year 2022 the District had \$23,422,150 (net of accumulated depreciation) invested in land, buildings, furniture, equipment and vehicles. Depreciation expenses for fiscal year 2022 amounted to \$1,140,330 for governmental activities and \$33,508 for business-type activities. The following is a comparison of the June 30, 2022 and 2021 balances:

Capital Assets at June 30, 2022 and 2021

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$ 1,054,125	\$ 1,054,125			\$ 1,054,125	\$ 1,054,125
Construction in Progress	3,567,656	3,713,074			3,567,656	3,713,074
Land Improvements	3,845,369	3,762,552			3,845,369	3,762,552
Buildings and Building Improvements	26,807,626	25,307,512	\$ 308,248	\$ 308,248	27,115,874	25,615,760
Machinery and Equipment	<u>4,080,159</u>	<u>4,072,182</u>	<u>127,742</u>	<u>124,261</u>	<u>4,207,901</u>	<u>4,196,443</u>
	39,354,935	37,909,445	435,990	432,509	39,790,925	38,341,954
Less Accumulated Depreciation	<u>(16,074,417)</u>	<u>(14,934,087)</u>	<u>(294,358)</u>	<u>(260,850)</u>	<u>(16,368,775)</u>	<u>(15,194,937)</u>
Total	<u>\$ 23,280,518</u>	<u>\$ 22,975,358</u>	<u>\$ 141,632</u>	<u>\$ 171,659</u>	<u>\$ 23,422,150</u>	<u>\$ 23,147,017</u>

Additional information on the District's capital assets is presented in the Notes to the Financial Statements contained in this report.

LONG TERM LIABILITIES

At June 30, 2022 the District had long-term liabilities outstanding in the amount of \$10,443,639 consisting of bonds payable, leases payable, capital financing agreements, compensated absences and net pension liability. Total overall outstanding long-term liabilities decreased \$2,238,290 during the current fiscal year. The following is a comparison of the June 30, 2022 and 2021 balances.

Outstanding Long-Term Liabilities At June 30, 2022 and 2021

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Bonds Payable (including Unamortized Premium)	\$ 5,548,144	\$ 6,416,404			\$ 5,548,144	\$ 6,416,404
Leases Payable			\$ 145,188	\$ 176,599	145,188	176,599
Capital Financing Agreements	83,065	115,381			83,065	115,381
Compensated Absences	823,581	855,548			823,581	855,548
Net Pension Liability	<u>3,843,661</u>	<u>5,117,997</u>	<u>-</u>	<u>-</u>	<u>3,843,661</u>	<u>5,117,997</u>
Total	<u>\$ 10,298,451</u>	<u>\$ 12,505,330</u>	<u>\$ 145,188</u>	<u>\$ 176,599</u>	<u>\$ 10,443,639</u>	<u>\$ 12,681,929</u>

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

PARK RIDGE BOARD OF EDUCATION

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

FACTORS BEARING THE DISTRICT'S FUTURE

While many factors influence the district's future, the availability of State funding, student enrollment, aging school facilities and the economy will have the most impact on educational and fiscal decisions in the future.

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

These indicators were considered when adopting the budget for fiscal year 2022-2023. Budgeted expenditures in the General Fund increased approximately 1% to \$35,399,749 in fiscal year 2022-2023.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Park Ridge Board of Education, 2 Park Avenue, Park Ridge, NJ 07656.

DISTRICT-WIDE FINANCIAL STATEMENTS

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

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 11,930,281	\$ 1,415,595	\$ 13,345,876
Cash with Fiscal Agent	843		843
Investments	66,359		66,359
Receivables, net	513,466	21,558	535,024
Inventories		1,558	1,558
Prepaid Items		24,622	24,622
Capital Assets, Not Being Depreciated	4,621,781		4,621,781
Capital Assets, Being Depreciated, Net	<u>18,658,737</u>	<u>141,632</u>	<u>18,800,369</u>
Total Assets	<u>35,791,467</u>	<u>1,604,965</u>	<u>37,396,432</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	223,137		223,137
Deferred Amounts on Net Pension Liability	<u>337,934</u>	<u>-</u>	<u>337,934</u>
Total Deferred Outflows of Resources	<u>561,071</u>	<u>-</u>	<u>561,071</u>
Total Assets and Deferred Outflows of Resources	<u>36,352,538</u>	<u>1,604,965</u>	<u>37,957,503</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	575,862	22,866	598,728
Payable to Other Governments	38,764		38,764
Accrued Interest Payable	49,334		49,334
Unearned Revenue	21,093	127,782	148,875
Noncurrent Liabilities			
Due within one year	1,015,643	33,282	1,048,925
Due beyond one year	<u>9,282,808</u>	<u>111,906</u>	<u>9,394,714</u>
Total Liabilities	<u>10,983,504</u>	<u>295,836</u>	<u>11,279,340</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>2,546,339</u>	<u>-</u>	<u>2,546,339</u>
Total Deferred Inflows of Resources	<u>2,546,339</u>	<u>-</u>	<u>2,546,339</u>
Total Liabilities and Deferred Inflows of Resources	<u>13,529,843</u>	<u>295,836</u>	<u>13,825,679</u>
NET POSITION			
Net Investment in Capital Assets	17,872,446	(3,556)	17,868,890
Restricted for			
Capital Projects	7,322,731		7,322,731
Plant Maintenance	700,000		700,000
Unemployment Compensation	257,473		257,473
Scholarships	156,360		156,360
Student Activities	100,191		100,191
Other Purposes	8,536		8,536
Unrestricted	<u>(3,595,042)</u>	<u>1,312,685</u>	<u>(2,282,357)</u>
Total Net Position	<u>\$ 22,822,695</u>	<u>\$ 1,309,129</u>	<u>\$ 24,131,824</u>

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

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

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental Activities							
Instruction							
Regular	\$ 15,175,407	\$ 43,400	\$ 3,259,335		\$ (11,872,672)		\$ (11,872,672)
Special Education	5,178,423	70,858	2,605,309		(2,502,256)		(2,502,256)
Other Instruction	1,086,494		322,485		(764,009)		(764,009)
School Sponsored Activities and Athletics	1,324,539	253,110	87,751		(983,678)		(983,678)
Support Services							
Student and Instruction Related Services	8,147,452	40,912	1,913,414		(6,193,126)		(6,193,126)
General Administrative Services	732,846		94,480		(638,366)		(638,366)
School Administrative Services	1,495,439		277,756		(1,217,683)		(1,217,683)
Central Services and Info. Technology	879,990		119,540		(760,450)		(760,450)
Plant Operations and Maintenance	3,705,729		238,547	\$ 73,468	(3,393,714)		(3,393,714)
Student Transportation	692,667	64,619	110,733		(517,315)		(517,315)
Interest on Debt	180,308	-	37,729		(142,579)		(142,579)
Total Governmental Activities	<u>38,599,294</u>	<u>472,899</u>	<u>9,067,079</u>	<u>73,468</u>	<u>(28,985,848)</u>	<u>-</u>	<u>(28,985,848)</u>
Business-Type Activities							
Food Service	262,495	70,245	316,581			\$ 124,331	124,331
Before and After School Care Program	151,959	129,477				(22,482)	(22,482)
OWL House	245,110	292,000				46,890	46,890
SAT Review Program	12,891	10,330				(2,561)	(2,561)
Summer Basketball Program	6,200	6,633				433	433
Summer Music Program	1,950	2,090				140	140
Laptop Insurance Program	-	7,400				7,400	7,400
Summer Lacrosse Program	1,625	1,745				120	120
Summer Baseball, Softball, Soccer Program	3,840	3,995	-	-	-	155	155
Total Business-Type Activities	<u>686,070</u>	<u>523,915</u>	<u>316,581</u>	<u>-</u>	<u>-</u>	<u>154,426</u>	<u>154,426</u>
Total Primary Government	<u>\$ 39,285,364</u>	<u>\$ 996,814</u>	<u>\$ 9,383,660</u>	<u>\$ 73,468</u>	<u>(28,985,848)</u>	<u>154,426</u>	<u>(28,831,422)</u>

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

Continued

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

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
General Revenues			
Property Taxes			
Levied for General Purposes	\$ 31,068,077		\$ 31,068,077
Levied for Debt Service	710,201		710,201
State Aid for Debt Principal	229,863		229,863
Miscellaneous Income	176,233		176,233
Transfers	30,000	\$ (30,000)	-
 Total General Revenues and Transfers	32,214,374	(30,000)	32,184,374
 Change in Net Position	3,228,526	124,426	3,352,952
 Net Position, Beginning of Year (Restated)	19,594,169	1,184,703	20,778,872
 Net Position End of Year	\$ 22,822,695	\$ 1,309,129	\$ 24,131,824

FUND FINANCIAL STATEMENTS

**PARK RIDGE BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF 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	\$ 11,560,037	\$ 199,928	\$ 170,313	\$ 3	\$ 11,930,281
Cash With Fiscal Agent	843				843
Investments		66,359			66,359
Receivables, Net					
Receivables from Other Governments	159,869	342,597			502,466
Accounts	11,000				11,000
Due from Other Funds	<u>243,812</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>243,812</u>
Total Assets	<u>\$ 11,975,561</u>	<u>\$ 608,884</u>	<u>\$ 170,313</u>	<u>\$ 3</u>	<u>\$ 12,754,761</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 361,465	\$ 46,331			\$ 407,796
Accrued Salaries and Wages	7,686				7,686
Compensated Absences Payable	94,133				94,133
Payable to Other Governments - State		38,764			38,764
Payroll Deductions and Withholdings Payable	9,021				9,021
Other Liabilities	57,226				57,226
Due to Other Funds		243,812			243,812
Unearned Revenue	<u>6,200</u>	<u>14,893</u>	<u>-</u>	<u>-</u>	<u>21,093</u>
Total Liabilities	<u>535,731</u>	<u>343,800</u>	<u>-</u>	<u>-</u>	<u>879,531</u>
Fund Balances					
Restricted					
Capital Reserve	5,652,418				5,652,418
Capital Reserve - Designated for Subsequent Year's Expenditures	1,500,000				1,500,000
Maintenance Reserve	700,000				700,000
Emergency Reserve	241,040				241,040
Unemployment Compensation Reserve	257,473				257,473
Excess Surplus	307,202				307,202
Excess Surplus - Designated for Subsequent Year's Expenditures	244,071				244,071
Scholarships		156,360			156,360
Student Activities		100,191			100,191
Capital Projects			\$ 170,313		170,313
Debt Service				\$ 3	3
Other Purposes		8,533			8,533
Committed					
Year End Encumbrances	918,954				918,954
Assigned					
Year End Encumbrances	238,842				238,842
Designated for Subsequent Year's Expenditures	343,909				343,909
Unassigned	<u>1,035,921</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,035,921</u>
Total Fund Balances	<u>11,439,830</u>	<u>265,084</u>	<u>170,313</u>	<u>3</u>	<u>11,875,230</u>
Total Liabilities and Fund Balances	<u>\$ 11,975,561</u>	<u>\$ 608,884</u>	<u>\$ 170,313</u>	<u>\$ 3</u>	<u>\$ 12,754,761</u>

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

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

Total Fund Balances - Governmental Funds (Carried Forward)		\$ 11,875,230
<p>Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$39,354,935 and the accumulated depreciation is \$16,074,417.</p>		23,280,518
<p>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.</p>		223,137
<p>Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and amortized over future years.</p>		
	Deferred Outflows of Resources Deferred Inflows of Resources	\$ 337,934 <u>(2,546,339)</u> (2,208,405)
<p>The District has financed capital assets through the issuance of long-term debt. The interest accrual at year end is:</p>		(49,334)
<p>Long-term liabilities, including bonds payable, net pension liability, capital financing agreements and compensated absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds.</p>		
	Bonds Payable, Net Capital Financing Agreements Compensated Absences Net Pension Liability	(5,548,144) (83,065) (823,581) <u>(3,843,661)</u> <u>(10,298,451)</u>
Net Position of Governmental Activities (Exhibit A-1)		\$ <u>22,822,695</u>

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 31,068,077			\$ 710,201	\$ 31,778,278
Tuition	155,170				155,170
Transportation Fees	64,619				64,619
Miscellaneous	176,233	\$ 287,811	-	-	464,044
Total - Local Sources	31,464,099	287,811	-	710,201	32,462,111
State Sources	8,873,241	136,625		267,592	9,277,458
Federal Sources	3,874	1,184,381	-	-	1,188,255
Total Revenues	40,341,214	1,608,817	-	977,793	42,927,824
EXPENDITURES					
Instruction					
Regular	15,771,980	227,510			15,999,490
Special Education	4,924,748	474,278			5,399,026
Other Instruction	1,056,098	96,049			1,152,147
School-Sponsored Activities and Athletics	1,128,212	269,613			1,397,825
Support Services					
Student and Instruction Related Services	8,105,391	523,560			8,628,951
General Administrative Services	729,862				729,862
School Administrative Services	1,648,547				1,648,547
Central Services and Info. Technology	948,602				948,602
Plant Operations and Maintenance	2,771,452	37,050			2,808,502
Student Transportation	646,313				646,313
Debt Service					
Principal	32,316			865,000	897,316
Interest	3,624			141,979	145,603
Capital Outlay	1,428,005	6,865	\$ 10,620	-	1,445,490
Total Expenditures	39,195,150	1,634,925	10,620	1,006,979	41,847,674
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,146,064	(26,108)	(10,620)	(29,186)	1,080,150
Other Financing Sources/(Uses)					
Transfer In	30,000	-	-	-	30,000
Total Other Financing Sources/(Uses)	30,000	-	-	-	30,000
Net Change in Fund Balances	1,176,064	(26,108)	(10,620)	(29,186)	1,110,150
Fund Balance, Beginning of Year	10,263,766	291,192	\$ 180,933	29,189	10,765,080
Fund Balance, End of Year	\$ 11,439,830	\$ 265,084	\$ 170,313	\$ 3	\$ 11,875,230

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

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

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ 1,110,150

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 capital outlay exceeds depreciation expense in the current period.

	Capital Outlay	\$ 1,445,490	
	Depreciation Expense	<u>(1,140,330)</u>	305,160

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

	Payment of Serial Bond Principal	865,000	
	Payment of Capital Financing Agreements Principal	<u>32,316</u>	897,316

Governmental funds report the effect of issuance costs and other such items related to the refunding bonds and other long-term debt when they are first issued, whereas these amounts are deferred and amortized in the statement of activities.

	Deferred Amount on Refunding	(46,610)	
	Original Issue Premium	<u>3,260</u>	(43,350)

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

	Decrease in Compensated Absences, Net	31,967	
	Decrease in Pension Expense	<u>918,638</u>	950,605

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

	Decrease in Accrued Interest		<u>8,645</u>
--	------------------------------	--	--------------

Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 3,228,526**

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

Business-Type Activities - Enterprise Funds

	<u>Food Service</u>	<u>Before and After School Program</u>	<u>OWL House Program</u>	<u>Non-Major Enterprise Funds</u>	<u>Totals</u>
ASSETS					
Current Assets					
Cash and Cash Equivalents	\$ 106,118	\$ 563,001	\$ 524,049	\$ 222,427	\$ 1,415,595
Intergovernmental Receivable	21,530				21,530
Accounts Receivable		28			28
Inventories	1,558				1,558
Prepaid Items	-	15,162	9,460	-	24,622
Total Current Assets	<u>129,206</u>	<u>578,191</u>	<u>533,509</u>	<u>222,427</u>	<u>1,463,333</u>
Capital Assets					
Right-to-Use Leased Building			308,248		308,248
Equipment	97,514	30,228			127,742
Less: Accumulated Depreciation	(91,817)	(17,592)	(184,949)	-	(294,358)
Total Capital Assets, Net	<u>5,697</u>	<u>12,636</u>	<u>123,299</u>	<u>-</u>	<u>141,632</u>
Total Assets	<u>134,903</u>	<u>590,827</u>	<u>656,808</u>	<u>222,427</u>	<u>1,604,965</u>
LIABILITIES					
Current Liabilities					
Accounts Payable	18,198	3,271	1,397	-	22,866
Leases Payable			33,282		33,282
Unearned Revenue	-	94,322	-	33,460	127,782
Total Current Liabilities	<u>18,198</u>	<u>97,593</u>	<u>34,679</u>	<u>33,460</u>	<u>183,930</u>
Long-term Liabilities					
Leases Payable	-	-	111,906	-	111,906
Total Long-term Liabilities	<u>-</u>	<u>-</u>	<u>111,906</u>	<u>-</u>	<u>111,906</u>
Total Liabilities	<u>18,198</u>	<u>97,593</u>	<u>146,585</u>	<u>33,460</u>	<u>295,836</u>
NET POSITION					
Investment in Capital Assets	5,697	12,636	(21,889)		(3,556)
Unrestricted	111,008	480,598	532,112	188,967	1,312,685
Total Net Position	<u>\$ 116,705</u>	<u>\$ 493,234</u>	<u>\$ 510,223</u>	<u>\$ 188,967</u>	<u>\$ 1,309,129</u>

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

	<u>Business-Type Activities - Enterprise Funds</u>				
	<u>Food Service</u>	<u>Before and After School Program</u>	<u>OWL House Program</u>	<u>Non-Major Enterprise Funds</u>	<u>Totals</u>
OPERATING REVENUES					
Charges for Services					
Daily Sales - Non-Reimbursable Programs	\$ 70,245				\$ 70,245
Program Fees	-	\$ 129,477	\$ 292,000	\$ 32,193	\$ 453,670
Total Operating Revenues	<u>70,245</u>	<u>129,477</u>	<u>292,000</u>	<u>32,193</u>	<u>523,915</u>
OPERATING EXPENSES					
Salaries and Employee Benefits	107,099	149,724	187,831	26,065	470,719
Cost of Sales - Reimbursable Programs	91,553				91,553
Cost of Sales - Non-Reimbursable Programs	21,476				21,476
Purchased Management Services	19,522				19,522
Purchased Professional and Educational Services			4,244		4,244
Other Purchased Services	13,196				13,196
Supplies and Materials	7,302	1,503	3,390	441	12,636
Utilities			642		642
Pupil Transportation			8,488		8,488
Miscellaneous	396		4,004		4,400
Depreciation	1,951	732	30,825	-	33,508
Total Operating Expenses	<u>262,495</u>	<u>151,959</u>	<u>239,424</u>	<u>26,506</u>	<u>680,384</u>
Operating Income (Loss)	<u>(192,250)</u>	<u>(22,482)</u>	<u>52,576</u>	<u>5,687</u>	<u>(156,469)</u>
NONOPERATING REVENUES (EXPENSES)					
Federal Sources					
National School Lunch Program	288,992				288,992
Special Milk Program	8,372				8,372
Emergency Operational Cost Program	2,521				2,521
Administrative Cost Program for Pandemic EBT	1,242				1,242
Food Distribution Program	8,649				8,649
State Sources					
State School Lunch Program	6,805				6,805
Local Sources					
Interest on Leases	-	-	(5,686)	-	(5,686)
Total Nonoperating Revenues (Expenses)	<u>316,581</u>	<u>-</u>	<u>(5,686)</u>	<u>-</u>	<u>310,895</u>
Change in Net Position Before Transfers	124,331	(22,482)	46,890	5,687	154,426
Transfers Out	(30,000)	-	-	-	(30,000)
Change in Net Position	94,331	(22,482)	46,890	5,687	124,426
Total Net Position, Beginning of Year (Restated)	<u>22,374</u>	<u>515,716</u>	<u>463,333</u>	<u>183,280</u>	<u>1,184,703</u>
Total Net Position, End of Year	<u>\$ 116,705</u>	<u>\$ 493,234</u>	<u>\$ 510,223</u>	<u>\$ 188,967</u>	<u>\$ 1,309,129</u>

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

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

	<u>Business-Type Activities - Enterprise Funds</u>				<u>Totals</u>
	<u>Food Service</u>	<u>Before and After School Program</u>	<u>OWL House Program</u>	<u>Non-Major Enterprise Funds</u>	
Cash Flows from Operating Activities					
Cash Received from Customers	\$ 70,245	\$ 223,771	\$ 292,000	\$ 52,110	\$ 638,126
Cash Payments for Employees' Salaries and Benefits	(107,099)	(149,724)	(187,831)	(26,065)	(470,719)
Cash Payments to Suppliers for Goods and Services	(130,756)	(13,394)	(21,923)	(441)	(166,514)
Net Cash Provided by (Used for) Operating Activities	<u>(167,610)</u>	<u>60,653</u>	<u>82,246</u>	<u>25,604</u>	<u>893</u>
Cash Flows from Noncapital Financing Activities					
Cash Received From (Paid to) Other Funds	(30,000)				(30,000)
Cash Received from State and Federal Subsidy Reimbursements	293,519	-	-	-	293,519
Net Cash Provided by Noncapital Financing Activities	<u>263,519</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>263,519</u>
Cash Flows from Capital and Related Financing Activities					
Payment of Lease Principal			(31,411)		(31,411)
Payment of Lease Interest			(5,686)		(5,686)
Purchase of Capital Assets	(3,481)	-	-	-	(3,481)
Net Cash (Used For) Capital and Related Financing Activities	<u>(3,481)</u>	<u>-</u>	<u>(37,097)</u>	<u>-</u>	<u>(40,578)</u>
Net Increase in Cash And Cash Equivalents	92,428	60,653	45,149	25,604	223,834
Cash and Cash Equivalents, Beginning of Year	13,690	502,348	478,900	196,823	1,191,761
Cash and Cash Equivalents, End of Year	<u>\$ 106,118</u>	<u>\$ 563,001</u>	<u>\$ 524,049</u>	<u>\$ 222,427</u>	<u>\$ 1,415,595</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities					
Operating Income (Loss)	\$ (192,250)	\$ (22,482)	\$ 52,576	\$ 5,687	\$ (156,469)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities					
Depreciation	1,951	732	30,825		33,508
Non-Cash Assistance - Food Distribution Program	8,649				8,649
Change in Assets and Liabilities					
(Increase)/Decrease in Accounts Receivable		(28)			(28)
(Increase)/Decrease in Inventories	2,665				2,665
(Increase)/Decrease in Prepaid Items		(15,162)	(186)		(15,348)
Increase/(Decrease) in Accounts Payable	11,375	3,271	(969)		13,677
Increase/(Decrease) in Unearned Revenues	-	94,322	-	19,917	114,239
Total Adjustments	<u>24,640</u>	<u>83,135</u>	<u>29,670</u>	<u>19,917</u>	<u>157,362</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (167,610)</u>	<u>\$ 60,653</u>	<u>\$ 82,246</u>	<u>\$ 25,604</u>	<u>\$ 893</u>
Non-Cash Investing, Capital and Financing Activities:					
Value Received - USDA Food Distribution Program	\$ 8,649			\$	8,649

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

NOTES TO THE FINANCIAL STATEMENTS

**PARK RIDGE 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 Park Ridge 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 seven elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade twelve (12) school district.

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

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

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

B. New Accounting Standards

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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

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

The *before and after school program fund* accounts for the activities of the District's teaching and recreation after school ("EXTRAS") program which provides daycare and recreation services for elementary students in grade K through 6.

The *Owl House program fund* accounts for the activities of the District's program for students (18-21 year old) who have met all of their high school graduation requirements yet still have Individualized Education Program (IEP) goals and objectives in the area of transition to adult life.

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

The *SAT review program fund* accounts for the activities of the District's SAT review courses provided to District and non-District students during the school year.

The *summer basketball program fund* accounts for the activities of the summer basketball camp program provided to District students during the summer recess.

The *volleyball clinic program fund* accounts for the activities of the volleyball clinic program that runs periodically and is provided to District students.

The *summer music program fund* accounts for the activities of the summer music program provided to District students during the summer recess.

The *laptop insurance program fund* accounts for the non-refundable deposits charged to students to repair and replenish the District's laptop computers provided to students.

The *summer lacrosse program fund* accounts for the activities of the summer lacrosse program providing to District students during the summer recess.

The *summer football/cheer program fund* accounts for the activities of the summer football/cheer program provided to District students for the football clinics and cheerleading mini-camps during the summer recess.

The *summer baseball, softball and soccer program fund* accounts for the summer activities of the summer baseball, softball and soccer programs providing to District students during summer recess.

The *wrestling program fund* accounts for the activities of the wrestling clinic program that runs periodically and is provided to District students.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

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

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

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

**PARK RIDGE 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)

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

3. Inventories

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

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

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 except for intangible right-to-use leased assets the measurement of which is discussed in Note 1. E. 9. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	50
Building Improvements	10-20
Right-to-use Leased Buildings	10
Machinery and Equipment	10-20
Computer Equipment	5

**PARK RIDGE 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

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods 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 only 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; 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. Proprietary Funds accrue accumulated vacation and sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. Leases

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

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

10. Financing Agreements

Capital financing agreements and other financing agreements are financed purchase contracts that transfer ownership of the underlining assets or items (i.e. expendable supplies) to the District by the end of the agreement and do not contain termination options. Capital financing agreements and other financing agreements are recognized as long-term liabilities along with the related capital asset or expenses being financed, respectively, in the district-wide and proprietary fund type financial statements.

In the fund financial statements, capital financing agreements and other financing agreements are recognized as other financing sources at the face amount of the financed purchase contract. Assets and supplies financed under these agreements are reported as capital outlay or current expenditures, respectively.

11. 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 or as deferred outflows of resources. Bond and note premiums are deferred and amortized over the life of the related debt 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 and notes payable are reported with the unamortized premium. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

In the fund financial statements, governmental fund types recognize bond and note premiums, 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**PARK RIDGE 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)

12. Net Position/Fund Balance

District-Wide Statements

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

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

Governmental Fund Statements

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

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

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

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

Maintenance Reserve – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 2C).

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

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

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

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

**PARK RIDGE 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)

12. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

Scholarships – This restriction was created to represent 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.

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

Other Purposes – This restriction was created to represent donor restricted funds bequested to the District for various District purposes.

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

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Education for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

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

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

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

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.

**PARK RIDGE 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)

13. *Fund Balance Policies*

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

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Education is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

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

F. Revenues and Expenditures/Expenses

1. *Program Revenues*

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

2. *Property Taxes*

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

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.

**PARK RIDGE 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)

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, before and after school program, Owl House program and other non-major program enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2021/2022. Also, during 2021/2022 the Board increased the original budget by \$3,999,021. The increase was funded by the additional appropriation of unassigned fund balance, grant awards, student activity revenues, scholarship donations and the reappropriation of prior year general fund encumbrances.

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

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

**PARK RIDGE 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

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

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

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

Balance, July 1, 2021		\$ 4,798,809
Increased by:		
Deposits Approved by Board Resolution	\$ 3,400,000	
Return of Encumbered Budgeted Withdrawals	<u>1,103,609</u>	
		<u>4,503,609</u>
		9,302,418
Decreased by:		
Withdrawals Approved in District Budget		<u>2,150,000</u>
Balance, June 30, 2022		<u>\$ 7,152,418</u>

The withdrawals from the capital reserve were for use in department approved facilities projects, consistent with the district’s Long Range Facilities Plan. \$1,500,000 of the capital reserve balance at June 30, 2022 was designated and appropriated for use in the 2022/2023 original budget certified for taxes.

C. Maintenance Reserve

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Maintenance Reserve (Continued)

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

Balance, July 1, 2021	<u>\$ 700,000</u>
Balance, June 30, 2022	<u>\$ 700,000</u>

The June 30, 2022 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$706,237. The withdrawals from the maintenance reserve were used to replace the reduction in budgeted state aid as permitted by State directive.

D. Emergency Reserve

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

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

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

Balance, July 1, 2021	<u>\$ 241,040</u>
Balance, June 30, 2022	<u>\$ 241,040</u>

E. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 4% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2022 is \$551,273. Of this amount, \$244,071 was designated and appropriated in the 2022/2023 original budget certified for taxes and the remaining amount of \$307,202 will be appropriated in the 2023/2024 original budget certified for taxes.

**PARK RIDGE 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 \$13,302,467 and bank and brokerage firm balances of the Board's deposits amounted to \$13,656,219. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" or "cash with fiscal agent" are categorized as:

Depository Account

Insured	\$ 13,369,260
Uninsured and Collateralized	<u>286,959</u>
	<u>\$ 13,656,219</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 \$286,959 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department but not in the Board's name	<u>\$ 286,959</u>
	<u>\$ 286,959</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments

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

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

<u>Investment Type:</u>	<u>Fair Value</u>
N.J. Cash Management Fund (Cash Equivalent)	\$ 44,252
Vanguard Wellington Fund Admiral	<u>66,359</u>
	<u>\$ 110,611</u>

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial risk. As of June 30, 2022, \$110,612 of the Board’s investments was exposed to custodial credit risk as follows:

	<u>Fair Value</u>
Uninsured and Collateralized:	
Collateral held by pledging financial institutions' trust department or agent but not in the Board's name	<u>\$ 110,611</u>
	<u>\$ 110,611</u>

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

**PARK RIDGE 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)

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. As of June 30, 2022, the Board’s investment in the Vanguard Wellington Fund Admiral was rated five (5) stars by Morningstar Investors Services.

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. The District has 40% of its investments in the NJ Cash Management Fund and 60% of its investments with Vanguard Wellington Fund Admiral in accordance with an agreement between the District and the donor.

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

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

Investments are valued based on price data obtained from observed transactions and market price quotations provided by N.J Cash Management Fund and The Vanguard Group, Inc. Since the value is not obtained from a quoted price in an active market the investments held by the District at June 30, 2022 are categorized as Level 2.

Investment and interest earning in the Capital Projects Fund are assigned to the General Fund in accordance with Board policy.

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>Before and After School Program</u>	<u>Total</u>
Receivables:					
Intergovernmental					
State	\$ 159,869		\$ 467		\$ 160,336
Federal		\$ 342,597	21,063		363,660
Accounts	<u>11,000</u>	<u>-</u>	<u>-</u>	<u>\$ 28</u>	<u>11,028</u>
Gross Receivables	170,869	342,597	21,530	28	535,024
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 170,869</u>	<u>\$ 342,597</u>	<u>\$ 21,530</u>	<u>\$ 28</u>	<u>\$ 535,024</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Unearned Revenue

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

General Fund		
Prepaid Tuition Fees	\$	6,200
Special Revenue Fund		
Unencumbered Grant Draw Downs		4,893
Grant Draw Downs Reserved for Encumbrances		<u>10,000</u>
 Total Unearned Revenue for Governmental Funds	 \$	 <u>21,093</u>

D. Capital Assets

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

	Balance, July 1, 2021 (Restated)	Increases	Decreases	Transfers	Balance, June 30, 2022
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 1,054,125				\$ 1,054,125
Construction in Progress	<u>3,713,074</u>	\$ 150,589	\$ (296,007)	\$ -	<u>3,567,656</u>
Total Capital Assets, Not Being Depreciated	<u>4,767,199</u>	<u>150,589</u>	<u>(296,007)</u>	<u>-</u>	<u>4,621,781</u>
Capital Assets, Being Depreciated:					
Land Improvements	3,762,552	82,817			3,845,369
Buildings and Building Improvements	25,307,512	1,500,114		-	26,807,626
Machinery and Equipment	<u>4,072,182</u>	<u>7,977</u>	<u>-</u>	<u>-</u>	<u>4,080,159</u>
Total Capital Assets Being Depreciated	<u>33,142,246</u>	<u>1,590,908</u>	<u>-</u>	<u>-</u>	<u>34,733,154</u>
Less Accumulated Depreciation for:					
Land Improvements	(2,149,587)	(139,832)			(2,289,419)
Buildings and Building Improvements	(9,483,077)	(852,151)			(10,335,228)
Machinery and Equipment	<u>(3,301,423)</u>	<u>(148,347)</u>	<u>-</u>	<u>-</u>	<u>(3,449,770)</u>
Total Accumulated Depreciation	<u>(14,934,087)</u>	<u>(1,140,330)</u>	<u>-</u>	<u>-</u>	<u>(16,074,417)</u>
Total Capital Assets, Being Depreciated, Net	<u>18,208,159</u>	<u>450,578</u>	<u>-</u>	<u>-</u>	<u>18,658,737</u>
Governmental Activities Capital Assets, Net	<u>\$ 22,975,358</u>	<u>\$ 601,167</u>	<u>\$ (296,007)</u>	<u>\$ -</u>	<u>\$ 23,280,518</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, July 1, 2021 (Restated)	<u>Increases</u>	<u>Decreases</u>	Balance, June 30, 2022
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Right-to-Use Leased Buildings	\$ 308,248			\$ 308,248
Machinery and Equipment	<u>124,261</u>	\$ 3,481	-	<u>127,742</u>
Total Capital Assets Being Depreciated	<u>432,509</u>	<u>3,481</u>	-	<u>435,990</u>
Less Accumulated Depreciation for:				
Right-to-Use Leased Buildings	(154,124)	(30,825)		(184,949)
Machinery and Equipment	<u>(106,726)</u>	<u>(2,683)</u>	-	<u>(109,409)</u>
Total Accumulated Depreciation	<u>(260,850)</u>	<u>(33,508)</u>	-	<u>(294,358)</u>
Total Capital Assets, Being Depreciated, Net	<u>171,659</u>	<u>(30,027)</u>	-	<u>141,632</u>
Business-Type Activities Capital Assets, Net	<u>\$ 171,659</u>	<u>\$ (30,027)</u>	<u>\$ -</u>	<u>\$ 141,632</u>

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

Governmental Activities:

Instruction	
Regular	\$ <u>26,963</u>
Total Instruction	<u>26,963</u>
Support Services	
General Administrative Services	35,527
School Administrative Services	2,382
Plant Operations and Maintenance	1,020,928
Student Transportation	<u>54,530</u>
Total Support Services	<u>1,113,367</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,140,330</u>

Business-Type Activities:

Food Service Fund	\$ 1,951
Before and After School Program Fund	732
OWL House Program	<u>30,825</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 33,508</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

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

<u>Project</u>	<u>Remaining Commitment</u>
High School Bathroom and Nurse's Suite Renovations	\$ 389,924
East Brook and West Ridge Elementary School Renovations	334,022
Acquisition and Installation of Football and Basketball Scoreboards	<u>65,254</u>
Total	<u>\$ 789,200</u>

E. Interfund Receivables, Payables, and Transfers

Due To/From Other Funds

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	<u>\$ 243,812</u>

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

Interfund Transfers

	<u>Transfer In:</u>
	General Fund
Transfer Out:	
Food Service Fund	<u>\$ 30,000</u>
	<u>\$ 30,000</u>

The above transfers is a return to the General Fund of a prior year transfer made to the Food Service Fund.

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases Payable

On June 22, 2016, the District entered into a 5 year lease agreement with the option to renew for four (4) additional five (5) year terms as lessee for the use of a building for the Owl House life skills program. On June 10, 2021 the District exercised its option to extend the lease five more years through June 30, 2026. A total lease liability was recorded in the amount of \$308,248. The lease has an interest rate of 3.50%. The District is required to make monthly payments of \$3,091 to \$3,346. As of June 30, 2022 the value of the lease liability was \$145,188. The building has a 10 year estimated useful life. The value of the right -to-use asset as of June 30, 2022 is \$308,248 and had accumulated depreciation of \$184,949.

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

Business-Type Activities:

Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 33,282	\$ 4,557	\$ 37,839
2024	35,235	3,361	38,596
2025	37,273	2,095	39,368
2026	<u>39,398</u>	<u>757</u>	<u>40,155</u>
Total	<u>\$ 145,188</u>	<u>\$ 10,770</u>	<u>\$ 155,958</u>

G. Financing Agreements

Capital Financing Agreements

The District entered into the following agreements to finance the acquisition of capital assets under capital financing agreements. The repayments under these financing agreements are subject to the annual appropriation of funds in the District's approved budget.

Capital financing agreements at June 30, 2022 are comprised of the following:

\$164,231, fiscal year 2020 Agreement for the acquisition of photo copiers for a term of five (5) years due in monthly principal installments ranging from \$2,746 through \$2,986 through November 20, 2024.	<u>\$ 83,065</u>
Total	<u>\$ 83,065</u>

**PARK RIDGE 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. Financing Agreements (Continued)

Capital Financing Agreements (Continued)

The maturity schedule of the remaining capital financing agreement payments for principal and interest is as follows:

Governmental Activities:

Fiscal Year Ending June 30,	<u>Capital Financing Agreements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2023	\$ 33,499	\$ 2,441	\$ 35,940
2024	34,725	1,215	35,940
2025	<u>14,841</u>	<u>134</u>	<u>14,975</u>
Total	<u>\$ 83,065</u>	<u>\$ 3,790</u>	<u>\$ 86,855</u>

H. 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. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

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

\$2,155,000, 2010 Refunding Bonds, due in a final annual installment of \$205,000 on August 1, 2022, interest at 3.25%	\$205,000
\$3,141,000, 2010 Bonds, due in annual installments of \$225,000 to \$231,000 through August 15, 2025, interest at 4.00%	911,000
\$5,135,000, 2016 Refunding Bonds, due in annual installments of \$450,000 to \$535,000 through August 15, 2030, interest at 1.98%	<u>4,430,000</u>
Total	<u>\$5,546,000</u>

**PARK RIDGE 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. Long-Term Debt (Continued)

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

Governmental Activities:

Fiscal Year Ending <u>June 30,</u>	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2023	\$ 880,000	\$ 118,530	\$ 998,530
2024	685,000	97,190	782,190
2025	700,000	78,883	778,883
2026	716,000	60,209	776,209
2027	490,000	45,936	535,936
2028-2031	<u>2,075,000</u>	<u>83,308</u>	<u>2,158,308</u>
	<u>\$ 5,546,000</u>	<u>\$ 484,056</u>	<u>\$ 6,030,056</u>

Statutory Borrowing Power

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

4 % of Equalized Valuation Basis (Municipal)	\$ 75,175,043
Less: Net Debt Issued and Debt Authorized But Not Issued	<u>5,546,466</u>
Remaining Borrowing Power	<u>\$ 69,628,577</u>

**PARK RIDGE 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. Long-Term Debt (Continued)

Changes in Long-Term Liabilities

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

	Balance, <u>July 1, 2021</u> (Restated)	<u>Additions</u>	<u>Deletions</u>	Balance, <u>June 30, 2022</u>	Due Within <u>One Year</u>
Governmental Activities:					
Bonds Payable	\$ 6,411,000		\$ (865,000)	\$ 5,546,000	\$ 880,000
Unamortized Premium on Refunding	5,404	-	(3,260)	2,144	2,144
Bonds Payable, Net	<u>6,416,404</u>	<u>-</u>	<u>(868,260)</u>	<u>5,548,144</u>	<u>882,144</u>
Capital Financing Agreements	115,381		(32,316)	83,065	33,499
Compensated Absences	855,548		(31,967)	823,581	100,000
Net Pension Liability	<u>5,117,997</u>	<u>-</u>	<u>(1,274,336)</u>	<u>3,843,661</u>	<u>-</u>
Governmental Activity Long-Term Liabilities	<u>\$ 12,505,330</u>	<u>\$ -</u>	<u>\$ (2,206,879)</u>	<u>\$ 10,298,451</u>	<u>\$ 1,015,643</u>
Business-Type Activities:					
Leases Payable	<u>176,599</u>	<u>-</u>	<u>(31,411)</u>	<u>145,188</u>	<u>33,282</u>
Business-Type Activity Long-Term Liabilities	<u>\$ 176,599</u>	<u>\$ -</u>	<u>\$ (31,411)</u>	<u>\$ 145,188</u>	<u>\$ 33,282</u>

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

NOTE 4 OTHER INFORMATION

A. Risk Management

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

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

The relationship between the Board and the 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.

**PARK RIDGE 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)

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

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

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

Fiscal Year Ended <u>June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022	None	\$ 30,148		\$ 257,473
2021	None	26,621	\$ 66,037	218,709
2020	None	26,592	13,520	258,125

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.

**PARK RIDGE 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

Plan Descriptions and Benefits Provided

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

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

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

The following represents the membership tiers for PERS:

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

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

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

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

**PARK RIDGE 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' Pension and Annuity Fund (TPAF) (Continued)

The following represent the membership tiers for TPAF:

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

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

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

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

Other Pension Funds

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

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

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

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

**PARK RIDGE 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)

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

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

**PARK RIDGE 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)

Collective Net Pension Liability

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

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

Actuarial Methods and Assumptions

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

Employer and Employee Pension Contributions

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

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

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

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2022	\$ 379,975	\$ 5,033,706	\$ 22,400
2021	343,331	3,637,716	15,409
2020	304,722	2,696,509	18,261

**PARK RIDGE 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)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2022, 2021 and 2020 the District contributed \$0, \$0 and \$1,084, respectively for PERS and the State contributed \$1,515, \$1,829 and \$2,057, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,018,031 during the fiscal year ended June 30, 2022 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

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

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

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

At June 30, 2022, the District reported in the statement of net position (accrual basis) a liability of \$3,843,661 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2021. At June 30, 2021, the District's proportionate share was .03245 percent, which was an increase of .00107 percent from its proportionate share measured as of June 30, 2020 of .03138 percent.

**PARK RIDGE 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)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$538,663 for PERS. The pension contribution made by the District during the current 2021/2022 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2022 with a measurement date of the prior fiscal year end of June 30, 2021. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2022 for contributions made subsequent to the measurement date. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 60,619	\$ 27,516
Changes of Assumptions	20,018	1,368,368
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		1,012,521
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>257,297</u>	<u>137,934</u>
Total	<u>\$ 337,934</u>	<u>\$ 2,546,339</u>

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

Year Ending <u>June 30,</u>	<u>Total</u>
2023	\$ (913,572)
2024	(613,177)
2025	(391,088)
2026	(295,134)
2027	4,566
Thereafter	<u>-</u>
	<u>\$ (2,208,405)</u>

**PARK RIDGE 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)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

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

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

Mortality Rates

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

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

**PARK RIDGE 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)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

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

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

**PARK RIDGE BOARD OF EDUCATION
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NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

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

Sensitivity of Net Pension Liability

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

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>5,234,287</u>	\$ <u>3,843,661</u>	\$ <u>2,663,518</u>

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

Pension Plan Fiduciary Net Position

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

**PARK RIDGE 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)

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

Teachers Pension and Annuity Fund (TPAF)

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

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

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

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$1,389,209 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2022 the State's proportionate share of the net pension liability attributable to the District is \$59,038,796. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2021. At June 30, 2021, the State's share of the net pension liability attributable to the District was .12281 percent, which was an increase of .00204 percent from its proportionate share measured as of June 30, 2020 of .12077 percent.

**PARK RIDGE 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)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

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

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

Mortality Rates

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

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

**PARK RIDGE BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

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

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

Discount Rate

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

**PARK RIDGE BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
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NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Sensitivity of Net Pension Liability

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 69,852,757</u>	<u>\$ 59,038,796</u>	<u>\$ 49,955,748</u>

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

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

Plan Description and Benefits Provided

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

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

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

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

Plan Membership

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

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

**PARK RIDGE 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)

Collective Net OPEB Liability

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

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

Actuarial Methods and Assumptions

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

Post-Retirement Medical Benefits Contributions

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

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2022, 2021 and 2020 were \$1,176,077, \$1,140,004 and \$1,000,356, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$3,690,570. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2022 the State’s proportionate share of the OPEB liability attributable to the District is \$59,273,321. The nonemployer allocation percentages are based on the ratio of the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2021 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2021. At June 30, 2021, the state’s share of the OPEB liability attributable to the District was .09878 percent, which was an increase of .00243 percent from its proportionate share measured as of June 30, 2020 of .09635 percent.

Actuarial Assumptions

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

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

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

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

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Health Care Trend Assumptions

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

Discount Rate

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

Changes in the Total OPEB Liability

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

	Total OPEB Liability <u>(State Share 100%)</u>
Balance, June 30, 2020 Measurement Date	\$ <u>65,332,994</u>
Changes Recognized for the Fiscal Year:	
Service Cost	3,185,409
Interest on the Total OPEB Liability	1,537,612
Changes of Benefit Terms	(63,089)
Differences Between Expected and Actual Experience	(9,606,184)
Changes of Assumptions	58,478
Gross Benefit Payments	(1,211,208)
Contributions from the Member	<u>39,309</u>
Net Changes	\$ <u>(6,059,673)</u>
Balance, June 30, 2021 Measurement Date	\$ <u><u>59,273,321</u></u>

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

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

	1% Decrease <u>(1.16%)</u>	Current Discount Rate <u>(2.16%)</u>	1% Increase <u>(3.16%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 71,000,134</u>	<u>\$ 59,273,321</u>	<u>\$ 50,039,160</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 47,981,946</u>	<u>\$ 59,273,321</u>	<u>\$ 74,436,803</u>

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

F. Tax Abatements

For the year ended December 31, 2021, the Borough provided property tax abatements through certain programs authorized under State statutes. These programs include the Long Term Tax Exemption Law (the “LTTE Law”) and the New Jersey Housing and Mortgage financing Act (NJHMFA).

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

NOTE 4 OTHER INFORMATION (Continued)

F. Tax Abatements (Continued)

The Long Term Tax Exemption Law (NJSA 40A:20 et.seq.) is focused on broad areas of redevelopment. It allows for a longer abatement term to carry out a larger development plan through declaring an area as being “in need of redevelopment”. These long-term property abatements may last up to 30 years from completion of a project or 35 years from execution of the financial agreement. The process is initiated when the municipality passes a resolution calling for the municipal planning board to study the need for designating an area “in need of redevelopment”. Upon adopting the planning board’s recommendations and formalizing the redevelopment area designation, a municipality adopts a redevelopment plan, engages redevelopment entities to carry out the plan, and may authorize long-term tax abatements in the process. Developers submit abatement applications to the governing body for review. The financial agreement is approved through adoption of a local ordinance. The agreement exempts a project from taxation, but requires a payment in lieu of taxes (PILOTs) in an amount based generally on a percentage of project costs or revenue generated by the project, depending on the type of project. The Developer agreed to contribute \$500,000 to the Borough toward the cost of construction of a Community Center or other public purpose. For the year ended December 31, 2021 the Borough abated property taxes totaling \$835,615 under the LTTE program of which \$551,451 represents the portion attributable to the District.

The New Jersey Housing and Mortgage Financing Act (NJSA 55:14K et. seq.) allows for property tax abatements for residential rental housing projects financed by the New Jersey Housing and Mortgage Finance Agency. These property tax abatements last for the term of the original mortgage financing so long as the residential rental housing project remains subject to the NJHMFA Law and regulations. The process begins when the municipality passes by ordinance or resolution, as appropriate, that such residential rental housing project shall be exempt from property tax provided that an agreement is entered into with the housing sponsor for payments in lieu of taxes (PILOTs) to the municipality. The agreement can require the housing sponsor to a PILOT payment to the municipality in an amount up to 20% of the annual gross revenue from each housing project. For the year ended December 31, 2021 the Borough abated property taxes totaling \$124,297 under the NJHMFA program of which \$82,028 represents the portion attributable to the District.

NOTE 5 RESTATEMENT

On July 1, 2021, the Park Ridge Board of Education implemented GASB Statement No. 87 “Leases”. The Park Ridge Board of Education has determined that the effect of implementing this accounting change on the financial statements previously reported as of and for the fiscal year ended June 30, 2021 are as follows:

Governmental Activities

The financial statements of the governmental activities as of June 30, 2021 have been restated to reflect the reclassification of certain activities related to capital financing agreement activities. The effect of this restatement is to decrease net position of governmental activities by \$3,157 from \$19,597,326 as previously reported to \$19,594,169 as of June 30, 2021.

Business-Type Activities and Proprietary Funds

The financial statements of the business-type activities and proprietary funds as of June 30, 2021 have been restated to reflect the reclassification of certain activities related to leases payable for the intangible right-to-use capital assets. The effect of this restatement is to decrease total business-type activities and proprietary funds net position by \$22,475 from \$1,207,178 as previously reported to \$1,184,703 as of June 30, 2021. More specifically, the effect of this restatement decreased the Owl House Program Enterprise Fund net position by \$22,475 from \$485,808 as previously reported to \$463,333 as of June 30, 2021.

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

NOTE 6 INFECTIOUS DISEASE OUTBREAK – COVID-19 RECENT DEVELOPMENTS

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

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

Since the pandemic began, the federal government had enacted rescue legislation to address the pandemic and alleviate its economic and health effects, including significant support for education. The legislation includes various forms of financial relief including direct stimulus payments and various other forms of economic relief, including extended unemployment benefits, continued eviction and foreclosure moratoriums, an increase in the child tax credit, an increase in food and housing aid, assistance grants to restaurants and bars, and other small business grants and loans. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. Federal aid for public education has been provided under three 5 separate laws: The Coronavirus Aid, Relief, and Economic Security Act in March 2020 (CARES Act), and the Coronavirus Response and Relief Supplemental Appropriations Act in December 2020 (CRRSA) and the American Rescue Plan Act in March 2021 (ARP). The Elementary and Secondary School Emergency Relief (ESSER) Fund is the main source of funding for public elementary and secondary education under each law. The School District has been awarded up to \$1,495,745 to address certain expenses incurred as a result of the pandemic. Because of the evolving nature of the outbreak and federal, state and local responses, the Board cannot predict how the outbreak will impact the financial condition or operations of the Board, or if there will be any impact on the assessed values of property within the School District or deferral of tax payments to municipalities. The School District cannot predict costs associated with this or any other potential infectious disease outbreak including whether there will be any reduction in State funding or an increase in operational costs incurred to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease. To date the School District has not been materially and adversely affected financially due to the virus.

REQUIRED SUPPLEMENTARY INFORMATION - PART II
BUDGETARY COMPARISON SCHEDULES

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 31,068,077		\$ 31,068,077	\$ 31,068,077	
Tuition from Other LEA's				111,770	\$ 111,770
Tuition from Individuals	33,945		33,945	43,400	9,455
Transportation Fees				64,619	64,619
Interest				36,045	36,045
Interest on Capital Reserve	500		500		(500)
Miscellaneous	134,390	-	134,390	140,188	5,798
Total Local Sources	<u>31,236,912</u>	<u>-</u>	<u>31,236,912</u>	<u>31,464,099</u>	<u>227,187</u>
State Sources					
Special Education Aid	886,177		886,177	886,177	
Security Aid	59,165		59,165	59,165	
Transportation Aid	99,501		99,501	99,501	
Extraordinary Aid	170,279		170,279	501,057	330,778
School Security Grant				66,603	66,603
On-behalf TPAF Pension Benefits Contribution (Nonbudgeted)				4,963,675	4,963,675
On-behalf TPAF Pension - NCGI Premium (Nonbudgeted)				70,031	70,031
On-behalf TPAF Post Retirement Medical Contribution (Nonbudgeted)				1,176,077	1,176,077
On-behalf TPAF Long Term Disability Insurance				1,515	1,515
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	-	-	-	1,018,031	1,018,031
Total State Sources	<u>1,215,122</u>	<u>-</u>	<u>1,215,122</u>	<u>8,841,832</u>	<u>7,626,710</u>
Federal Sources					
Medicaid Reimbursement Program	19,096	-	19,096	3,874	(15,222)
Total Federal Sources	<u>19,096</u>	<u>-</u>	<u>19,096</u>	<u>3,874</u>	<u>(15,222)</u>
Total Revenues	<u>32,471,130</u>	<u>-</u>	<u>32,471,130</u>	<u>40,309,805</u>	<u>7,838,675</u>
CURRENT EXPENDITURES					
Regular Programs - Instruction					
Salaries of Teachers					
Kindergarten	495,934	(151,181)	344,753	344,753	-
Grades 1-5	2,870,673	34,076	2,904,749	2,904,749	-
Grades 6-8	2,021,531	-	2,021,531	1,701,504	320,027
Grades 9-12	3,110,712	(104,330)	3,006,382	2,976,692	29,690
Regular Programs - Home Instruction					
Salaries of Teachers	18,000	2,316	20,316	20,316	-
Regular Programs - Undistributed Instruction					
Purchased Technical Services	26,950	(535)	26,415	25,865	550
Other Purchased Services	159,725	-	159,725	133,924	25,801
General Supplies	437,342	1,368,310	1,805,652	1,598,005	207,647
Textbooks	45,188	(1,200)	43,988	31,643	12,345
Other Objects	16,420	-	16,420	7,215	9,205
Total Regular Programs	<u>9,202,475</u>	<u>1,147,456</u>	<u>10,349,931</u>	<u>9,744,666</u>	<u>605,265</u>
Special Education					
Learning and/or Language Disabilities					
Salaries of Teachers	402,041	-	402,041	275,868	126,173
Other Salaries for Instruction	114,977	-	114,977	42,881	72,096
General Supplies	4,500	-	4,500	2,975	1,525
Total Learning and/or Language Disabilities	<u>521,518</u>	<u>-</u>	<u>521,518</u>	<u>321,724</u>	<u>199,794</u>

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

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Special Education (Continued)					
Resource Room/Resource Center					
Salaries of Teachers	\$ 1,318,762	\$ 144,908	\$ 1,463,670	\$ 1,458,538	\$ 5,132
General Supplies	4,880	-	4,880	3,287	1,593
Total Resource Room/Resource Center	<u>1,323,642</u>	<u>144,908</u>	<u>1,468,550</u>	<u>1,461,825</u>	<u>6,725</u>
Preschool Disabilities - Part-Time					
Salaries of Teachers	156,083	9,635	165,718	165,718	-
Other Salaries for Instruction	149,621	-	149,621	110,311	39,310
General Supplies	2,500	-	2,500	584	1,916
Total Preschool Disabilities - Part-Time	<u>308,204</u>	<u>9,635</u>	<u>317,839</u>	<u>276,613</u>	<u>41,226</u>
Total Special Education	<u>2,153,364</u>	<u>154,543</u>	<u>2,307,907</u>	<u>2,060,162</u>	<u>247,745</u>
Basic Skills/Remedial					
Salaries of Teachers	596,667	-	596,667	469,039	127,628
General Supplies	2,000	-	2,000	1,592	408
Total Basic Skills/Remedial	<u>598,667</u>	<u>-</u>	<u>598,667</u>	<u>470,631</u>	<u>128,036</u>
Bilingual Education					
Salaries of Teachers	150,139	-	150,139	150,138	1
General Supplies	1,050	-	1,050	709	341
Total Bilingual Education	<u>151,189</u>	<u>-</u>	<u>151,189</u>	<u>150,847</u>	<u>342</u>
School Sponsored Cocurricular Activities					
Salaries	269,149	-	269,149	237,260	31,889
Other Objects	43,210	(2,000)	41,210	40,801	409
Total School Sponsored Cocurricular Activities	<u>312,359</u>	<u>(2,000)</u>	<u>310,359</u>	<u>278,061</u>	<u>32,298</u>
School Sponsored Athletics					
Salaries	417,751	-	417,751	403,988	13,763
Purchased Services	82,371	(62,045)	20,326	17,982	2,344
Supplies and Materials	60,247	4,091	64,338	55,754	8,584
Other Objects	32,600	(154)	32,446	20,552	11,894
Transfers to Cover Deficit	-	70,246	70,246	65,061	5,185
Total School Sponsored Athletics	<u>592,969</u>	<u>12,138</u>	<u>605,107</u>	<u>563,337</u>	<u>41,770</u>
Other Instructional Programs - Instruction					
Salaries	39,777	-	39,777	8,875	30,902
Total Other Instructional Programs - Instruction	<u>39,777</u>	<u>-</u>	<u>39,777</u>	<u>8,875</u>	<u>30,902</u>
Total Instruction	<u>13,050,800</u>	<u>1,312,137</u>	<u>14,362,937</u>	<u>13,276,579</u>	<u>1,086,358</u>

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures					
Instruction:					
Tuition to Other LEA's Within the State-Regular	\$ 75,000	\$ 5,402	\$ 80,402	\$ 72,094	\$ 8,308
Tuition to Other LEA's Within the State-Special	481,100	12,225	493,325	489,812	3,513
Tuition to County Vocational Schools-Regular	344,150	(31,589)	312,561	254,787	57,774
Tuition to County Vocational Schools-Special	87,000	31,589	118,589	112,674	5,915
Tuition to CSSD and Regional Day Schools	284,250	-	284,250	233,284	50,966
Tuition to APSSD-Within State	1,321,473	(29,864)	1,291,609	642,996	648,613
Tuition to APSSD-Outside State	-	12,237	12,237	12,237	-
Total Undistributed Expenditures - Instruction	2,592,973	-	2,592,973	1,817,884	775,089
Health Services					
Salaries	240,426	(342)	240,084	240,084	-
Purchased Professional/Technical Services	5,000	2,101	7,101	7,101	-
Other Purchased Services	2,700	617	3,317	1,364	1,953
Supplies and Materials	10,105	(1,693)	8,412	3,986	4,426
Total Health Services	258,231	683	258,914	252,535	6,379
Other Support Services-Students-Speech, OT, PT & Related Services					
Salaries	261,716	39,602	301,318	301,318	-
Supplies and Materials	2,400	69	2,469	2,442	27
Total Other Support Services-Students-Speech, OT, PT & Related Serv	264,116	39,671	303,787	303,760	27
Other Support Services-Students-Extra Serv					
Salaries	769,507	154,166	923,673	826,815	96,858
Purchased Professional/Educational Services	168,000	(78,092)	89,908	89,908	-
Other Objects	79,751	(4,019)	75,732	75,732	-
Total Other Support Services-Students-Extra Serv	1,017,258	72,055	1,089,313	992,455	96,858
Other Support Services-Students-Guidance					
Salaries of Other Professional Staff	409,635	6,542	416,177	416,177	-
Salaries of Secretarial and Clerical Assistants	53,007	7,588	60,595	60,595	-
Other Purchased Services	273	-	273	273	273
Supplies and Materials	10,737	(6,532)	4,205	3,406	799
Other Objects	10,835	(2,285)	8,550	5,903	2,647
Total Other Support Services-Students-Guidance	484,487	5,313	489,800	486,081	3,719
Other Support Services-Students-Child Study Teams					
Salaries of Other Professional Staff	1,063,522	91,009	1,154,531	1,154,043	488
Salaries of Secretarial and Clerical Assistants	82,505	1,875	84,380	84,380	-
Purchased Professional/Educational Services	937,308	(179,952)	757,356	520,017	237,339
Other Purchased Services	1,651	-	1,651	152	1,499
Supplies and Materials	23,800	270	24,070	19,510	4,560
Other Objects	22,945	-	22,945	20,989	1,956
Total Other Support Services-Students-Child Study Teams	2,131,731	(86,798)	2,044,933	1,799,091	245,842
Improvement of Instructional Services					
Salaries of Supervisors of Instruction	399,218	-	399,218	387,432	11,786
Supplies and Materials	2,640	-	2,640	2,258	382
Other Objects	11,427	239	11,666	2,566	9,100
Total Improvement of Instructional Services	413,285	239	413,524	392,256	21,268
Educational Media/School Library					
Salaries	666,788	-	666,788	659,234	7,554
Other Purchased Services	38,303	6,438	44,741	38,954	5,787
Supplies and Materials	37,650	2,458	40,108	34,713	5,395
Total Educational Media/School Library	742,741	8,896	751,637	732,901	18,736

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
CURRENT EXPENDITURES (Continued)					
Instructional Staff Training Services					
Salaries of Supervisors of Instruction	\$ 306,737	\$ (780)	\$ 305,957	\$ 295,231	\$ 10,726
Salaries of Other Professional Staff		1,014	1,014	1,014	-
Salaries of Secretarial/Clerical Assistants	29,748	-	29,748	29,123	625
Other Purchased Services	38,925	(1,934)	36,991	6,320	30,671
Total Instructional Staff Training Services	<u>375,410</u>	<u>(1,700)</u>	<u>373,710</u>	<u>331,688</u>	<u>42,022</u>
Support Services - General Administration					
Salaries	300,853	2,223	303,076	303,076	-
Legal Services	75,000	(13,426)	61,574	40,678	20,896
Audit Fees	35,000	37,700	72,700	35,775	36,925
Architectural / Engineering Services	30,000	5,126	35,126	9,339	25,787
Other Purchased Professional Services	46,000	3,003	49,003	41,599	7,404
Communications / Telephone	60,250	(7,665)	52,585	24,062	28,523
Misc Purchased Services	9,000	320	9,320	8,620	700
General Supplies	5,450	-	5,450	4,776	674
Miscellaneous Expenditures	19,490	24,363	43,853	43,521	332
BOE Membership Dues and Fees	17,521	1,000	18,521	16,840	1,681
Total Support Services - General Administration	<u>598,564</u>	<u>52,644</u>	<u>651,208</u>	<u>528,286</u>	<u>122,922</u>
Support Services - School Administration					
Salaries of Principals/Assistant Principals/Program Directors	637,498	-	637,498	613,991	23,507
Salaries of Secretarial and Clerical Assistants	425,109	3,171	428,280	403,819	24,461
Other Purchased Services	9,450	(1,775)	7,675	5,788	1,887
Supplies and Materials	21,800	(4,396)	17,404	12,902	4,502
Other Objects	17,010	777	17,787	13,093	4,694
Total Support Services - School Administration	<u>1,110,867</u>	<u>(2,223)</u>	<u>1,108,644</u>	<u>1,049,593</u>	<u>59,051</u>
Central Services					
Salaries	522,035	21,721	543,756	543,756	-
Purchased Technical Services	49,520	1,869	51,389	37,845	13,544
Misc. Purchased Services	4,650	(956)	3,694	2,814	880
Supplies and Materials	9,750	(1,375)	8,375	8,104	271
Miscellaneous Expenditures	6,420	(3,340)	3,080	3,080	-
Total Central Services	<u>592,375</u>	<u>17,919</u>	<u>610,294</u>	<u>595,599</u>	<u>14,695</u>
Admin. Info. Technology					
Other Purchased Services	2,500	(2,371)	129	-	129
Supplies and Materials	44,300	37,421	81,721	63,829	17,892
Other Objects	5,500	(5,500)	-	-	-
Total Admin. Info. Technology	<u>52,300</u>	<u>29,550</u>	<u>81,850</u>	<u>63,829</u>	<u>18,021</u>
Required Maintenance for School Facilities					
Salaries	302,083	(111,527)	190,556	190,093	463
Cleaning, Repair and Maintenance Services	191,608	44,122	235,730	215,155	20,575
General Supplies	110,000	35,439	145,439	124,008	21,431
Total Required Maintenance for School Facilities	<u>603,691</u>	<u>(31,966)</u>	<u>571,725</u>	<u>529,256</u>	<u>42,469</u>

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
CURRENT EXPENDITURES (Continued)					
Custodial Services					
Salaries	\$ 715,210	\$ 131,318	\$ 846,528	\$ 809,934	36,594
Salaries of Non-Instructional Aides	87,230	(10,980)	76,250	72,415	\$ 3,835
Purchased Professional/Technical Services	28,000	3,107	31,107	28,507	2,600
Cleaning, Repair and Maintenance Services	55,000	(55,000)			-
Rental of Land & Bldg. Other than Lease Purchase Agreement		56,911	56,911	53,690	3,221
Other Purchased Property Services	64,400	2,507	66,907	60,555	6,352
Insurance	231,462	20,018	251,480	250,690	790
Miscellaneous Purchased Services	28,174	(1,820)	26,354	23,022	3,332
General Supplies	66,420	26,100	92,520	90,910	1,610
Energy (Electricity)	215,000	(8,529)	206,471	206,471	-
Energy (Natural Gas)	257,105	(39,161)	217,944	130,567	87,377
Total Custodial Services	<u>1,748,001</u>	<u>124,471</u>	<u>1,872,472</u>	<u>1,726,761</u>	<u>145,711</u>
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	84,600	-	84,600	81,905	2,695
Total Care and Upkeep of Grounds	<u>84,600</u>	<u>-</u>	<u>84,600</u>	<u>81,905</u>	<u>2,695</u>
Student Transportation Services					
Salaries for Pupil Transportation (Other Than Between Home and School)	88,034	-	88,034	72,464	15,570
Contracted Services (Other Than Between Home and School) - Vendors	46,240	-	46,240	10,955	35,285
Contracted Services (Between Home and School) - Joint Agreements	55,000	-	55,000	31,340	23,660
Contracted Services (Spec. Ed Students) - Vendors	32,000	-	32,000	18,463	13,537
Contracted Services (Spec. Ed Students) - Joint Agreements	529,000	-	529,000	481,369	47,631
Total Student Transportation Services	<u>750,274</u>	<u>-</u>	<u>750,274</u>	<u>614,591</u>	<u>135,683</u>
Unallocated Employee Benefits					
Social Security Contributions	440,000	-	440,000	425,557	14,443
Other Retirement Contributions - PERS	400,000	(10,000)	390,000	385,415	4,585
Other Retirement Contributions - Regular	22,000	10,000	32,000	22,400	9,600
Unemployment Compensation	38,000	-	38,000		38,000
Workers Compensation	293,090	(16,596)	276,494	124,337	152,157
Health Benefits	4,657,557	-	4,657,557	3,700,480	957,077
Tuition Reimbursement	22,000	4,208	26,208	11,027	15,181
Other Employee Benefits	295,858	573	296,431	282,899	13,532
Total Unallocated Employee Benefits	<u>6,168,505</u>	<u>(11,815)</u>	<u>6,156,690</u>	<u>4,952,115</u>	<u>1,204,575</u>
On-behalf TPAF Pension Benefits Contribution (Nonbudgeted)				4,963,675	(4,963,675)
On-behalf TPAF Pension - NCGI Premium (Nonbudgeted)				70,031	(70,031)
On-behalf TPAF Post Retirement Medical Contribution (Nonbudgeted)				1,176,077	(1,176,077)
On-behalf TPAF Long Term Disability Insurance				1,515	(1,515)
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	-	-	-	1,018,031	(1,018,031)
Total On-Behalf	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,229,329</u>	<u>(7,229,329)</u>
Total Undistributed Expenditures	<u>19,989,409</u>	<u>216,939</u>	<u>20,206,348</u>	<u>24,479,915</u>	<u>(4,273,567)</u>
Total Current Expenditures	<u>33,040,209</u>	<u>1,529,076</u>	<u>34,569,285</u>	<u>37,756,494</u>	<u>(3,187,209)</u>

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

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
CAPITAL OUTLAY					
Equipment					
Grades 9-12	\$ 7,750	\$ 80,750	\$ 88,500	\$ 5,257	\$ 83,243
Custodial Services	-	13,000	13,000	-	13,000
Total Equipment	<u>7,750</u>	<u>93,750</u>	<u>101,500</u>	<u>5,257</u>	<u>96,243</u>
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	170,000	80,917	250,917	238,527	12,390
Construction Services	1,980,000	1,011,179	2,991,179	1,103,548	1,887,631
Lease Purchase Agreements - Principal		67,000	67,000	51,073	15,927
Infrastructure		61,626	61,626	29,600	32,026
SDA Debt Service Assessment	10,651	-	10,651	10,651	-
Total Facilities Acquisition and Construction Services	<u>2,160,651</u>	<u>1,220,722</u>	<u>3,381,373</u>	<u>1,433,399</u>	<u>1,947,974</u>
Interest Deposit to Capital Reserve	500	-	500	-	500
Total Capital Outlay	<u>2,168,901</u>	<u>1,314,472</u>	<u>3,483,373</u>	<u>1,438,656</u>	<u>2,044,717</u>
Total Expenditures	<u>35,209,110</u>	<u>2,843,548</u>	<u>38,052,658</u>	<u>39,195,150</u>	<u>(1,142,492)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,737,980)</u>	<u>(2,843,548)</u>	<u>(5,581,528)</u>	<u>1,114,655</u>	<u>6,696,183</u>
Other Financing Sources (Uses)					
Transfer In - Food Service Fund	-	-	-	30,000	30,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>30,000</u>
Net Change in Fund Balances	<u>(2,737,980)</u>	<u>(2,843,548)</u>	<u>(5,581,528)</u>	<u>1,144,655</u>	<u>6,726,183</u>
Fund Balances, Beginning of Year	<u>10,868,665</u>	<u>-</u>	<u>10,868,665</u>	<u>10,868,665</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 8,130,685</u>	<u>\$ (2,843,548)</u>	<u>\$ 5,287,137</u>	<u>\$ 12,013,320</u>	<u>\$ 6,726,183</u>
Recapitulation of Fund Balance					
Restricted Fund Balance					
Capital Reserve				\$ 5,652,418	
Capital Reserve - Designated for Subsequent Year's Expenditures				1,500,000	
Maintenance Reserve				700,000	
Emergency Reserve				241,040	
Unemployment Compensation Reserve				257,473	
Excess Surplus				307,202	
Excess Surplus - Designated for Subsequent Year's Expenditures				244,071	
Committed Fund Balance					
Year End Encumbrances				918,954	
Assigned Fund Balance					
Year End Encumbrances				238,842	
Designated for Subsequent Year's Expenditures				343,909	
Unassigned Fund Balance				<u>1,609,411</u>	
Fund Balance - Budgetary Basis				12,013,320	
Reconciliation to Governmental Fund Statements (GAAP)					
2021/2022 State Aid Not Recognized on a GAAP Basis				<u>(573,490)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 11,439,830</u>	

**PARK RIDGE 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 Actual</u>
REVENUES					
Intergovernmental					
State	\$ 94,283	\$ 42,342	\$ 136,625	\$ 136,625	
Federal	395,169	789,212	1,184,381	1,184,381	
Local	-	323,919	323,919	297,811	\$ (26,108)
Total Revenues	<u>489,452</u>	<u>1,155,473</u>	<u>1,644,925</u>	<u>1,618,817</u>	<u>(26,108)</u>
EXPENDITURES					
Instruction					
Salaries	95,526	51,089	146,615	146,615	-
Purchased Professional and Technical Services		113,682	113,682	113,682	-
Other Purchased Services		3,721	3,721	3,721	-
Tuition	279,143	140,154	419,297	419,297	-
General Supplies		109,600	109,600	109,600	-
Textbooks	18,000	(13,078)	4,922	4,922	-
Co-Curricular/Extra-Curricular Activities		181,127	181,127	181,127	-
Athletic Activities	-	88,486	88,486	88,486	-
Total Instruction	<u>392,669</u>	<u>674,781</u>	<u>1,067,450</u>	<u>1,067,450</u>	<u>-</u>
Support Services					
Other Salaries		198,320	198,320	198,320	-
Purchased Professional and Technical Services	12,692	95,934	108,626	108,626	-
Purchased Professional and Educational Services		36,720	36,720	36,720	-
Other Purchased Professional Services	76,283	(21,794)	54,489	54,489	-
Other Purchased Services	5,944	79,470	85,414	85,414	-
Supplies and Materials	1,864	45,084	46,948	46,948	-
Miscellaneous Expenditures		1,393	1,393	1,393	-
Scholarship Awards	-	28,700	28,700	28,700	-
Total Support Services	<u>96,783</u>	<u>463,827</u>	<u>560,610</u>	<u>560,610</u>	<u>-</u>
Capital Outlay					
Non-Instructional Equipment	-	16,865	16,865	16,865	-
Total Capital Outlay	<u>-</u>	<u>16,865</u>	<u>16,865</u>	<u>16,865</u>	<u>-</u>
Total Expenditures	<u>489,452</u>	<u>1,155,473</u>	<u>1,644,925</u>	<u>1,644,925</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	(26,108)	(26,108)
Fund Balances, Beginning of Year	<u>291,192</u>	<u>-</u>	<u>291,192</u>	<u>291,192</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 291,192</u>	<u>\$ -</u>	<u>\$ 291,192</u>	<u>\$ 265,084</u>	<u>\$ (26,108)</u>
Recapitulation of Fund Balance					
Restricted Fund Balances					
Scholarships			\$ 156,360		
Student Activities			100,191		
Other Purposes			<u>8,533</u>		
			<u>\$ 265,084</u>		

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

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

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

The accounting records of the Special Revenue 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 (Exhibit C-1, C-2).	\$ 40,309,805	\$ 1,618,817
Differences - 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		(10,000)
State aid payments recognized for GAAP purposes, not recognized for budgetary purposes - June 30, 2021	604,899	
State aid payments recognized for budgetary purposes, not recognized for GAAP purposes - June 30, 2022	<u>(573,490)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (Exhibit B-2).	<u>\$ 40,341,214</u>	<u>\$ 1,608,817</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule (Exhibit C-1, C-2)	\$ 39,195,150	\$ 1,644,925
Differences - Budget to GAAP:		
Encumbrances for goods ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the goods are received for financial reporting purposes		
Encumbrances, June 30, 2022	<u>-</u>	<u>(10,000)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 39,195,150</u>	<u>\$ 1,634,925</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

**PARK RIDGE 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)	.03245 %	.03138 %	.03133 %	.03067 %	.03258 %	.03327 %	.03258 %	.03268 %	.03167 %
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 3,843,661	\$ 5,117,997	\$ 5,644,698	\$ 6,038,861	\$ 7,584,508	\$ 9,853,322	\$ 7,313,933	\$ 6,117,881	\$ 6,053,426
District's Covered Payroll	\$ 2,391,114	\$ 2,358,618	\$ 2,195,191	\$ 2,178,195	\$ 2,191,469	\$ 2,302,288	\$ 2,260,483	\$ 2,219,849	\$ 2,221,409
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	160.75%	216.99%	257.14%	277.24%	346.09%	427.98%	323.56%	275.60%	272.50%
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.

PARK RIDGE 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	\$ 379,975	\$ 343,331	\$ 304,722	\$ 305,072	\$ 301,835	\$ 295,557	\$ 280,115	\$ 269,378	\$ 238,653
Contributions in Relation to the Contractually Required Contribution	<u>379,975</u>	<u>343,331</u>	<u>304,722</u>	<u>305,072</u>	<u>301,835</u>	<u>295,557</u>	<u>280,115</u>	<u>269,378</u>	<u>238,653</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 2,374,014	\$ 2,391,114	\$ 2,358,618	\$ 2,195,191	\$ 2,178,195	\$ 2,191,469	\$ 2,302,288	\$ 2,260,483	\$ 2,219,849
Contributions as a Percentage of Covered Payroll	16.01%	14.36%	12.92%	13.90%	13.86%	13.49%	12.17%	11.92%	10.75%

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.

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

Teachers Pension and Annuity Fund

Last Nine Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 59,038,796</u>	<u>\$ 79,528,001</u>	<u>\$ 72,910,487</u>	<u>\$ 72,443,014</u>	<u>\$ 77,542,932</u>	<u>\$ 89,122,953</u>	<u>\$ 74,298,218</u>	<u>\$ 57,698,736</u>	<u>\$ 55,389,935</u>
Total	<u>\$ 59,038,796</u>	<u>\$ 79,528,001</u>	<u>\$ 72,910,487</u>	<u>\$ 72,443,014</u>	<u>\$ 77,542,932</u>	<u>\$ 89,122,953</u>	<u>\$ 74,298,218</u>	<u>\$ 57,698,736</u>	<u>\$ 55,389,935</u>
District's Covered Payroll	\$ 14,112,204	\$ 13,674,290	\$ 13,343,878	\$ 12,773,910	\$ 12,594,144	\$ 11,785,992	\$ 11,518,945	\$ 11,401,726	\$ 11,101,579
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.

**PARK RIDGE 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.

**PARK RIDGE 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	\$ 3,185,409	\$ 1,782,778	\$ 1,676,969	\$ 1,821,753	\$ 2,198,627
Interest on Total OPEB Liability	1,537,612	1,462,640	1,753,286	1,849,497	1,594,434
Changes of Benefit Terms	(63,089)				
Differences Between Expected and Actual Experience	(9,606,184)	10,702,738	(6,499,118)	(3,634,559)	
Changes of Assumptions	58,478	11,934,093	604,658	(5,075,137)	(6,659,362)
Gross Benefit Payments	(1,211,208)	(1,137,394)	(1,244,877)	(1,182,583)	(1,023,783)
Contribution from the Member	39,309	34,474	36,902	40,872	37,698
Net Change in Total OPEB Liability	<u>(6,059,673)</u>	<u>24,779,329</u>	<u>(3,672,180)</u>	<u>(6,180,157)</u>	<u>(3,852,386)</u>
Total OPEB Liability - Beginning	<u>65,332,994</u>	<u>40,553,665</u>	<u>44,225,845</u>	<u>50,406,002</u>	<u>54,258,388</u>
Total OPEB Liability - Ending	<u>\$ 59,273,321</u>	<u>\$ 65,332,994</u>	<u>\$ 40,553,665</u>	<u>\$ 44,225,845</u>	<u>\$ 50,406,002</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>59,273,321</u>	<u>65,332,994</u>	<u>40,553,665</u>	<u>44,225,845</u>	<u>50,406,002</u>
Total OPEB Liability - Ending	<u>\$ 59,273,321</u>	<u>\$ 65,332,994</u>	<u>\$ 40,553,665</u>	<u>\$ 44,225,845</u>	<u>\$ 50,406,002</u>
District's Covered Payroll	\$ 16,503,318	\$ 16,032,908	\$ 15,539,069	\$ 14,952,105	\$ 14,785,613
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%

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

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

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

**PARK RIDGE 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.

SCHOOL LEVEL SCHEDULES

NOT APPLICABLE

SPECIAL REVENUE FUND

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

	IDEA		Nonpublic Textbooks	Nonpublic Nursing	Nonpublic Security	Nonpublic Technology	Chapter 192	Chapter 193			To Exhibit E-1A
	Part B Basic	Preschool Program					Compensatory Education	Examination/ Classification	Corrective Speech	Supplemental Instruction	
REVENUES											
State			\$ 4,922	\$ 23,737	\$ 37,050	\$ 3,444	\$ 22,843	\$ 25,600	\$ 5,152	\$ 13,877	\$ 136,625
Federal	\$ 293,333	\$ 21,308	-	-	-	-	-	-	-	-	314,641
Local	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 293,333	21,308	\$ 4,922	\$ 23,737	\$ 37,050	\$ 3,444	\$ 22,843	\$ 25,600	\$ 5,152	\$ 13,877	\$ 451,266
EXPENDITURES											
Instruction											
Purchased Professional and Technical Services	\$ 25,095										\$ 25,095
Tuition	216,439	\$ 21,308									237,747
General Supplies	15,799					\$ 3,444					19,243
Textbooks	-	-	\$ 4,922	-	-	-	-	-	-	-	4,922
Total Instruction	257,333	21,308	4,922	-	-	3,444	-	-	-	-	287,007
Support Services											
Purchased Professional and Technical Services	36,000										36,000
Purchased Professional and Educational Services							\$ 22,843			\$ 13,877	36,720
Other Purchased Professional Services				\$ 23,737				\$ 25,600	\$ 5,152		54,489
Supplies and Materials	-	-	-	-	\$ 37,050	-	-	-	-	-	37,050
Total Support Services	36,000	-	-	23,737	37,050	-	22,843	25,600	5,152	13,877	164,259
Total Expenditures	\$ 293,333	\$ 21,308	\$ 4,922	\$ 23,737	\$ 37,050	\$ 3,444	\$ 22,843	\$ 25,600	\$ 5,152	\$ 13,877	\$ 451,266
Net Change in Fund Balances	-	-	-	-	-	-	-	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-	-	-	-	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	Exhibit E-1 Subtotal	ESEA Consolidated Grants					American Rescue Plan - ESSER III Programs				To Exhibit E-1B
		Title I Part A	Title II Part A	Title III	Title III Immigrant	Title IV	ESSER III	Accelerated Learning Coach and Educator Support	Evidence-Based Comprehensive Beyond the School Day	NJTSS	
REVENUES											
State	\$ 136,625										\$ 136,625
Federal	314,641	\$ 77,905	\$ 21,186	\$ 2,594	\$ 63	\$ 11,544	\$ 78,656	\$ 320	\$ 9,027	\$ 45,000	560,936
Local	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 451,266	\$ 77,905	\$ 21,186	\$ 2,594	\$ 63	\$ 11,544	\$ 78,656	\$ 320	\$ 9,027	\$ 45,000	697,561
EXPENDITURES											
Instruction											
Salaries for Instruction	-	\$ 75,496		\$ 2,594					\$ 9,027		\$ 87,117
Purchased Professional and Technical Services	\$ 25,095										25,095
Other Purchased Services	-						\$ 3,721				3,721
Tuition	237,747										237,747
General Supplies	19,243	2,409			\$ 63	\$ 1,712	74,935				98,362
Textbooks	4,922	-	-	-	-	-	-	-	-	-	4,922
Total Instruction	287,007	77,905	-	2,594	63	1,712	78,656	-	9,027	-	456,964
Support Services											
Other Salaries	-							\$ 320			320
Purchased Professional and Technical Services	36,000		\$ 12,692			\$ 9,832				\$ 45,000	103,524
Purchased Professional and Educational Services	36,720										36,720
Other Purchased Professional Services	54,489										54,489
Other Purchased Services	-		5,944								5,944
Supplies and Materials	37,050	-	2,550	-	-	-	-	-	-	-	39,600
Total Support Services	164,259	-	21,186	-	-	9,832	-	320	-	45,000	240,597
Total Expenditures	\$ 451,266	\$ 77,905	\$ 21,186	\$ 2,594	\$ 63	\$ 11,544	\$ 78,656	\$ 320	\$ 9,027	\$ 45,000	\$ 697,561
Net Change in Fund Balances	-	-	-	-	-	-	-	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-	-	-	-	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	Exhibit E-1A Subtotal	ACSERS	CRRSA-ESSER II Programs			Local Donations	Student Activities	Scholarships	Erna Folkens Bequest	Varsity Club	To Exhibit E-1C
			ESSER II	Learning Acceleration	Mental Health						
REVENUES											
State	\$ 136,625										\$ 136,625
Federal	560,936	\$ 209,757	\$ 282,248	\$ 24,338	\$ 45,000						1,122,279
Local	-	-	-	-	-	\$ 24,213	\$ 239,117	\$ 20,464	\$ 24	\$ 13,993	297,811
Total Revenues	\$ 697,561	\$ 209,757	\$ 282,248	\$ 24,338	\$ 45,000	\$ 24,213	\$ 239,117	\$ 20,464	\$ 24	\$ 13,993	\$ 1,556,715
EXPENDITURES											
Instruction											
Salaries for Instruction	\$ 87,117		\$ 40,748	\$ 18,750							\$ 146,615
Purchased Professional and Technical Services	25,095		43,500		\$ 40,500						109,095
Other Purchased Services	3,721										3,721
Tuition	237,747	\$ 133,535									371,282
General Supplies	98,362			1,738							100,100
Textbooks	4,922										4,922
Co-Curricular/Extra-Curricular Activities	-						\$ 181,127				181,127
Athletic Activities	-	-	-	-	-	-	80,155	-	-	\$ 8,331	88,486
Total Instruction	456,964	133,535	84,248	20,488	40,500	\$ -	261,282	-	-	8,331	1,005,348
Support Services											
Other Salaries	320		198,000								198,320
Purchased Professional and Technical Services	103,524	1,252		3,850							108,626
Purchased Professional and Educational Services	36,720										36,720
Other Purchased Professional Services	54,489										54,489
Other Purchased Services	5,944	74,970			4,500						85,414
Supplies and Materials	39,600					\$ 7,348					46,948
Miscellaneous Expenditures	-							\$ 1,393			1,393
Scholarship Awards	-	-	-	-	-	-	-	\$ 28,700	-	-	28,700
Total Support Services	240,597	76,222	198,000	3,850	4,500	7,348	-	28,700	1,393	-	560,610
Capital Outlay											
Non-Instructional Equipment	-	-	-	-	-	16,865	-	-	-	-	16,865
Total Capital Outlay	-	-	-	-	-	16,865	-	-	-	-	16,865
Total Expenditures	\$ 697,561	\$ 209,757	\$ 282,248	\$ 24,338	\$ 45,000	\$ 24,213	\$ 261,282	\$ 28,700	\$ 1,393	\$ 8,331	\$ 1,582,823
Net Change in Fund Balances	-	-	-	-	-	-	(22,165)	(8,236)	(1,369)	5,662	(26,108)
Fund Balances, Beginning of Year	-	-	-	-	-	-	107,619	164,596	9,902	9,075	291,192
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,454	\$ 156,360	\$ 8,533	\$ 14,737	\$ 265,084

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

	Exhibit	American Rescue Plan		Grand Total
	E-1B Subtotal	IDEA Part B Basic	IDEA Preschool Program	
REVENUES				
State	\$ 136,625			\$ 136,625
Federal	1,122,279	\$ 56,678	\$ 5,424	1,184,381
Local	297,811	-	-	297,811
Total Revenues	\$ 1,556,715	\$ 56,678	\$ 5,424	\$ 1,618,817
EXPENDITURES				
Instruction				
Salaries for Instruction	\$ 146,615			\$ 146,615
Purchased Professional and Technical Services	109,095	\$ 4,587		113,682
Other Purchased Services	3,721			3,721
Tuition	371,282	42,591	\$ 5,424	419,297
General Supplies	100,100	9,500		109,600
Textbooks	4,922			4,922
Co-Curricular/Extra-Curricular Activities	181,127			181,127
Athletic Activities	88,486	-	-	88,486
Total Instruction	1,005,348	56,678	5,424	1,067,450
Support Services				
Other Salaries	198,320			198,320
Purchased Professional and Technical Services	108,626			108,626
Purchased Professional and Educational Services	36,720			36,720
Other Purchased Professional Services	54,489			54,489
Other Purchased Services	85,414			85,414
Supplies and Materials	46,948			46,948
Miscellaneous Expenditures	1,393			1,393
Scholarship Awards	28,700	-	-	28,700
Total Support Services	560,610	-	-	560,610
Capital Outlay				
Non-Instructional Equipment	16,865	-	-	16,865
Total Capital Outlay	16,865	-	-	16,865
Total Expenditures	\$ 1,582,823	\$ 56,678	\$ 5,424	\$ 1,644,925
Net Change in Fund Balances	(26,108)	-	-	(26,108)
Fund Balances, Beginning of Year	291,192	-	-	291,192
Fund Balances, End of Year	\$ 265,084	\$ -	\$ -	\$ 265,084

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

NOT APPLICABLE

CAPITAL PROJECTS FUND

**PARK RIDGE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Number</u>	<u>Issue/Project Title</u>	<u>Modified Appropriation</u>	<u>Expenditures to Date</u>		<u>Unexpended Project Balance, June 30, 2022</u>
			<u>Prior Years</u>	<u>Current Year</u>	
3/13/2018	High School Hot Water Heating Conversion and HVAC Improvements	\$ 3,598,466	\$ 3,417,067	\$ 10,620	\$ 170,779
		<u>\$ 3,598,466</u>	<u>\$ 3,417,067</u>	<u>\$ 10,620</u>	<u>\$ 170,779</u>
<u>Reconciliation to GAAP Basis</u>					
					\$ 170,779
					Less Unfunded Authorizations:
					Debt Authorized but Not Issued
					<u>(466)</u>
					Fund Balance, June 30, 2022 - GAAP Basis
					<u>\$ 170,313</u>
<u>Recapitulation of Fund Balance (Deficit)</u>					
					Restricted for Capital Projects
					Available for Capital Projects
					<u>\$ 170,313</u>
					Total Fund Balance - Restricted for Capital Projects
					<u>\$ 170,313</u>

**PARK RIDGE 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**

Expenditures and Other Financing Uses

Capital Outlay:	
Construction Services	\$ <u>10,620</u>
 Total Expenditures and Other Financing Uses	 <u>10,620</u>
 Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	 (10,620)
 Fund Balance - Beginning of Year	 \$ <u>180,933</u>
 Fund Balance - End of Year	 \$ <u><u>170,313</u></u>

Reconciliation to GAAP

Fund Balance, End of Year - Budgetary Basis	\$ <u>170,313</u>
 Fund Balance, June 30, 2022 - GAAP	 \$ <u><u>170,313</u></u>

**PARK RIDGE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
HIGH SCHOOL HOT WATER HEATING CONVERSION AND HVAC IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Capital Note Proceeds	\$ 3,598,000	-	\$ 3,598,000	\$ 3,598,466
Total Revenues	<u>3,598,000</u>	<u>-</u>	<u>3,598,000</u>	<u>3,598,466</u>
Expenditures and Other Financing Uses				
Architectural / Engineering Services	292,039		292,039	299,175
Construction Services	3,125,028	\$ 10,620	3,135,648	3,280,300
Supplies and Materials	-	-	-	18,991
Total Expenditures	<u>3,417,067</u>	<u>10,620</u>	<u>3,427,687</u>	<u>3,598,466</u>
Excess of Revenue Over Expenditures	<u>\$ 180,933</u>	<u>\$ (10,620)</u>	<u>\$ 170,313</u>	<u>\$ -</u>
Additional Project Information:				
Project Number				
Referendum Date		3/13/2018		
Debt Authorized	\$ 3,598,466			
Debt Issued	3,598,000			
Original Authorized Cost	3,598,466			
Additional Authorized Cost	-			
Revised Authorized Cost	3,598,466			
Percentage Increase Over Original Authorized Cost	\$ -			
Completion Date		June 2023		
Percentage Completion		95.25%		

PROPRIETARY FUNDS

NON-MAJOR ENTERPRISE FUNDS

PARK RIDGE BOARD OF EDUCATION
 ENTERPRISE FUNDS - NON-MAJOR
 COMBINING STATEMENT OF NET POSITION
 AS OF JUNE 30, 2022

	<u>SAT Review Program</u>	<u>Summer Basketball Program</u>	<u>Volleyball Clinic Program</u>	<u>Summer Music Program</u>	<u>Laptop Insurance Program</u>	<u>Summer Lacrosse Program</u>	<u>Summer Football/ Cheer Program</u>	<u>Summer Baseball Softball Soccer Program</u>	<u>Wrestling Program</u>	<u>Total Non-Major Enterprise Funds</u>
ASSETS										
Cash and Cash Equivalents	\$ 8,012	\$ 21,004	\$ 5,759	\$ 3,838	\$ 172,379	\$ 663	\$ 922	\$ 9,720	\$ 130	\$ 222,427
Total Assets	<u>8,012</u>	<u>21,004</u>	<u>5,759</u>	<u>3,838</u>	<u>172,379</u>	<u>663</u>	<u>922</u>	<u>9,720</u>	<u>130</u>	<u>222,427</u>
LIABILITIES										
Current Liabilities										
Unearned Revenue	-	18,285	4,590	1,650	-	-	-	8,935	-	33,460
Total Liabilities	<u>-</u>	<u>18,285</u>	<u>4,590</u>	<u>1,650</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,935</u>	<u>-</u>	<u>33,460</u>
NET POSITION										
Unrestricted	<u>8,012</u>	<u>2,719</u>	<u>1,169</u>	<u>2,188</u>	<u>172,379</u>	<u>663</u>	<u>922</u>	<u>785</u>	<u>130</u>	<u>188,967</u>
Total Net Position	<u>\$ 8,012</u>	<u>\$ 2,719</u>	<u>\$ 1,169</u>	<u>\$ 2,188</u>	<u>\$ 172,379</u>	<u>\$ 663</u>	<u>\$ 922</u>	<u>\$ 785</u>	<u>\$ 130</u>	<u>\$ 188,967</u>

PARK RIDGE BOARD OF EDUCATION
 ENTERPRISE FUND - NON-MAJOR
 COMBINING STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	SAT Review Program	Summer Basketball Program	Volleyball Clinic Program	Summer Music Program	Laptop Insurance Program	Summer Lacrosse Program	Summer Football/ Cheer Program	Summer Baseball Softball Soccer Program	Wrestling Program	Total Non-Major Enterprise Funds
OPERATING REVENUES										
Charges for Services										
Program Fees	\$ 10,330	\$ 6,633	\$ -	\$ 2,090	\$ 7,400	\$ 1,745	\$ -	\$ 3,995	\$ -	\$ 32,193
Total Operating Revenues	10,330	6,633	-	2,090	7,400	1,745	-	3,995	-	32,193
OPERATING EXPENSES										
Salaries and Wages	12,450	6,200	-	1,950	-	1,625	-	3,840	-	26,065
Supplies and Materials	441	-	-	-	-	-	-	-	-	441
Total Operating Expenses	12,891	6,200	-	1,950	-	1,625	-	3,840	-	26,506
Operating Income (Loss)	(2,561)	433	-	140	7,400	120	-	155	-	5,687
Total Net Position, Beginning of Year	10,573	2,286	1,169	2,048	164,979	543	922	630	130	183,280
Total Net Position, End of Year	\$ 8,012	\$ 2,719	\$ 1,169	\$ 2,188	\$ 172,379	\$ 663	\$ 922	\$ 785	\$ 130	\$ 188,967

**PARK RIDGE BOARD OF EDUCATION
ENTERPRISE FUND - NON-MAJOR
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>SAT Review Program</u>	<u>Summer Basketball Program</u>	<u>Volleyball Clinic Program</u>	<u>Summer Music Program</u>	<u>Laptop Insurance Program</u>	<u>Summer Lacrosse Program</u>	<u>Summer Football/Cheer Program</u>	<u>Summer Baseball Softball Soccer Program</u>	<u>Wrestling Program</u>	<u>Total Non-Major Enterprise Funds</u>
Cash Flows from Operating Activities										
Cash Received from (Paid to) Customers	\$ 10,330	\$ 16,815	\$ 4,590	\$ 3,740	\$ 7,400	\$ 540	\$ -	\$ 8,695	\$ -	\$ 52,110
Cash Payments for Employees Salaries & Benefits	(12,450)	(6,200)	-	(1,950)	-	(1,625)	-	(3,840)	-	(26,065)
Cash Payments to Suppliers for Goods and Services	(441)	-	-	-	-	-	-	-	-	(441)
Net Cash Provided (Used) by Operating Activities	(2,561)	10,615	4,590	1,790	7,400	(1,085)	-	4,855	-	25,604
Net Increase (Decrease) in Cash and Cash Equivalents	(2,561)	10,615	4,590	1,790	7,400	(1,085)	-	4,855	-	25,604
Cash and Cash Equivalents, Beginning of Year	10,573	10,389	1,169	2,048	164,979	1,748	922	4,865	130	196,823
Cash and Cash Equivalents, End of Year	\$ 8,012	\$ 21,004	\$ 5,759	\$ 3,838	\$ 172,379	\$ 663	\$ 922	\$ 9,720	\$ 130	\$ 222,427
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities										
Operating Income (Loss)	\$ (2,561)	\$ 433	\$ -	\$ 140	\$ 7,400	\$ 120	\$ -	\$ 155	\$ -	5,687
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities										
Changes in Assets and Liabilities										
Increase/(Decrease) in Unearned Revenue	-	10,182	4,590	1,650	-	(1,205)	-	4,700	-	19,917
Total Adjustments	-	10,182	4,590	1,650	-	(1,205)	-	4,700	-	19,917
Net Cash Provided (Used) by Operating Activities	\$ (2,561)	\$ 10,615	\$ 4,590	\$ 1,790	\$ 7,400	\$ (1,085)	\$ -	\$ 4,855	\$ -	\$ 25,604

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

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

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, June 30, 2021</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance, June 30, 2022</u>
			<u>Date</u>	<u>Amount</u>					
Refunding Bonds	7/1/2010	\$ 2,155,000	8/1/2022	\$ 205,000	3.25 %	\$ 415,000		\$ 210,000	\$ 205,000
School Bonds	10/28/2010	3,141,000	8/15/2022	225,000	4.00	1,131,000		220,000	911,000
			8/15/2023	225,000	4.00				
			8/15/2024	230,000	4.00				
			8/15/2025	231,000	4.00				
Refunding Bonds	12/15/2016	5,135,000	8/15/2022	450,000	1.98	4,865,000	-	435,000	4,430,000
			8/15/2023	460,000	1.98				
			8/15/2024	470,000	1.98				
			8/15/2025	485,000	1.98				
			8/15/2026	490,000	1.98				
			8/15/2027	500,000	1.98				
			8/15/2028	515,000	1.98				
			8/15/2029	525,000	1.98				
8/15/2030	535,000	1.98							
						<u>4,865,000</u>	<u>-</u>	<u>435,000</u>	<u>4,430,000</u>
						<u>\$ 6,411,000</u>	<u>\$ -</u>	<u>\$ 865,000</u>	<u>\$ 5,546,000</u>
							Paid by Budget Appropriation	<u>\$ 865,000</u>	

**PARK RIDGE BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCING AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Description</u>	<u>Interest Rate</u>	<u>Amount of Original Issue</u>	<u>Balance, July 1, 2021 (Restated)</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2022</u>
2019 Lease of 13 Copier Machines	3.72%	\$ 164,231	\$ 115,381	-	\$ 32,316	\$ 83,065
			<u>\$ 115,381</u>	<u>\$ -</u>	<u>\$ 32,316</u>	<u>\$ 83,065</u>

**LONG-TERM DEBT
SCHEDULE OF LEASES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Business-Type Activities</u>	<u>Interest Rate</u>	<u>Amount of Original Issue</u>	<u>Balance, July 1, 2021 (Restated)</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2022</u>
OWL House Program Building Lease	3.50%	\$ 308,248	\$ 176,599	-	\$ 31,411	\$ 145,188
			<u>\$ 176,599</u>	<u>\$ -</u>	<u>\$ 31,411</u>	<u>\$ 145,188</u>

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

J-16 to J-20

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

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

Fiscal Year Ended June 30,

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Net Investment in Capital Assets	\$ 5,206,951	\$ 6,319,245	\$ 6,799,817	\$ 7,363,362	\$ 8,084,286	\$ 9,130,501	\$ 10,097,596	\$ 11,460,979	\$ 16,713,320	\$ 17,872,446
Restricted	3,920,669	4,083,327	4,793,492	6,491,403	7,184,879	6,207,814	7,639,162	7,755,093	6,218,832	8,545,291
Unrestricted	475,671	(5,443,076)	(5,643,391)	(5,171,056)	(5,889,199)	(5,548,866)	(5,864,655)	(3,865,214)	(3,337,983)	(3,595,042)
Total Governmental Activities Net Position	\$ 9,603,291	\$ 4,959,496	\$ 5,949,918	\$ 8,683,709	\$ 9,379,966	\$ 9,789,449	\$ 11,872,103	\$ 15,350,858	\$ 19,594,169	\$ 22,822,695
Business-Type Activities										
Net Investment in Capital Assets	\$ 20,385	\$ 17,526	\$ 21,183	\$ 17,604	\$ 14,319	\$ 11,260	\$ 8,207	\$ 20,287	\$ (4,940)	\$ (3,556)
Restricted										
Unrestricted	304,090	426,557	475,893	552,975	596,499	756,470	1,067,767	1,130,033	1,189,643	1,312,685
Total Business-Type Activities Net Position	\$ 324,475	\$ 444,083	\$ 497,076	\$ 570,579	\$ 610,818	\$ 767,730	\$ 1,075,974	\$ 1,150,320	\$ 1,184,703	\$ 1,309,129
District-Wide										
Net Investment in Capital Assets	\$ 5,227,336	\$ 6,336,771	\$ 6,821,000	\$ 7,380,966	\$ 8,098,605	\$ 9,141,761	\$ 10,105,803	\$ 11,481,266	\$ 16,708,380	\$ 17,868,890
Restricted	3,920,669	4,083,327	4,793,492	6,491,403	7,184,879	6,207,814	7,639,162	7,755,093	6,218,832	8,545,291
Unrestricted	779,761	(5,016,519)	(5,167,498)	(4,618,081)	(5,292,700)	(4,792,396)	(4,796,888)	(2,735,181)	(2,148,340)	(2,282,357)
Total District Net Position	\$ 9,927,766	\$ 5,403,579	\$ 6,446,994	\$ 9,254,288	\$ 9,990,784	\$ 10,557,179	\$ 12,948,077	\$ 16,501,178	\$ 20,778,872	\$ 24,131,824

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

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

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

Source: District financial statements

**PARK RIDGE 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	\$ 11,838,555	\$ 11,480,847	\$ 14,279,696	\$ 14,394,352	\$ 16,522,589	\$ 17,656,163	\$ 14,954,928	\$ 14,283,285	\$ 16,451,588	\$ 15,175,407	
Special Education	3,934,433	4,037,621	4,393,862	4,479,826	4,989,645	5,284,485	5,366,865	4,446,265	4,893,702	5,178,423	
Other Instruction	887,332	631,304	684,296	766,748	965,770	1,257,524	1,259,879	1,309,531	1,231,558	1,086,494	
School Sponsored Activities And Athletics	689,106	841,350	949,245	984,177	1,132,243	1,206,587	1,133,889	993,181	1,182,485	1,324,539	
Support Services:											
Student & Instruction Related Services	4,852,101	5,086,264	5,537,667	6,345,060	6,953,733	7,500,709	7,316,042	7,914,070	8,584,787	8,147,452	
General Administration	763,368	672,470	773,459	750,946	1,089,002	811,427	731,517	851,351	928,285	732,846	
School Administrative Services	1,287,528	1,292,750	1,906,929	1,747,378	1,720,877	2,024,646	1,668,043	1,542,298	1,790,004	1,495,439	
Central Services and Info. Technology	711,393	660,876	760,004	721,620	823,432	839,943	859,240	814,094	929,476	879,990	
Plant Operations and Maintenance	2,059,681	2,127,481	2,221,454	2,290,641	2,797,096	2,567,200	3,830,457	3,425,958	3,831,109	3,705,729	
Student Transportation	638,787	647,292	592,189	560,717	589,310	682,658	722,441	562,650	468,463	692,667	
Interest and Other Charges On Long-Term Debt	419,703	403,744	383,236	364,523	301,913	285,182	318,478	281,152	203,449	180,308	
Total Governmental Activities Expenses	28,081,987	27,881,999	32,482,037	33,405,988	37,885,610	40,116,524	38,161,779	36,423,835	40,494,906	38,599,294	
Business-Type Activities:											
Food Service	226,544	246,871	224,669	225,896	217,127	217,318	208,854	166,527	55,104	262,495	
Before and After School Child Care Program	220,176	249,217	265,433	258,970	288,533	299,714	289,217	299,488	98,384	151,959	
OWL House Program					184,930	198,558	252,176	257,220	215,808	245,110	
SAT Review	6,922	8,430	8,566	11,432	11,023	12,274	15,871	13,669	10,580	12,891	
Summer Basketball Program	2,832	5,168		1,600	9,737	15,450	17,695	21,385		6,200	
Volleyball Clinic Program	2,305	4,367	1,551	2,510	3,578	6,250	6,500	6,750		-	
Summer Music Program	3,710	3,590	3,600	3,740	4,900	4,412	4,050	4,100		1,950	
Summer Lacrosse Program				5,887		2,000	2,110	3,735		1,625	
Summer Football/Cheer Program				3,746	2,700	6,470	102	2,400		-	
Summer Baseball, Softball, Soccer Program					980		3,860	2,060		3,840	
Laptop Insurance Program			6,218	629	1,596	9,541	274	9,500	11,023	-	
Wrestling Program	-	-	-	-	-	-	-	2,000	-	-	
Total Business-Type Activities Expense	462,489	517,643	510,037	514,410	724,124	772,967	800,709	788,834	390,899	686,070	
Total District Expenses	\$ 28,544,476	\$ 28,399,642	\$ 32,992,074	\$ 33,920,398	\$ 38,609,734	\$ 40,889,491	\$ 38,962,488	\$ 37,212,669	\$ 40,885,805	\$ 39,285,364	
Program Revenues											
Governmental Activities:											
Charges For Services:											
Instruction (Regular)	\$ 33,750	\$ -		\$ 43,849	\$ 39,000	\$ 33,900	\$ 66,000	\$ 59,020	\$ 15,150	\$ 43,400	
Special Education	74,634	73,533	90,416	47,755	33,774	156,739	200,395	125,460	69,325	70,858	
School Sponsored Activities And Athletics									176,980	253,110	
Student and Instruction Related Services						29,400	46,791	40,032	40,912	40,912	
Transportation						60,689	105,254	103,873	57,480	64,619	
Operating Grants And Contributions	3,885,838	3,461,172	6,454,886	8,106,105	10,282,311	11,083,613	8,958,584	8,259,148	11,548,510	9,067,079	
Capital Grants And Contributions	195,301	9,317	76,049	10,000	-	-	-	4,795	45,389	73,468	
Total Governmental Activities Program Revenues	4,189,523	3,544,022	6,621,351	8,207,709	10,355,085	11,364,341	9,377,024	8,592,328	11,953,746	9,613,446	

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**PARK RIDGE 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
Business-Type Activities:										
Charges For Services										
Food Service	\$ 189,925	\$ 205,627	\$ 171,351	\$ 176,259	\$ 169,298	\$ 163,387	\$ 164,768	\$ 110,704	\$ 1,568	\$ 70,245
Before and After School Child Care Program	277,872	336,329	323,257	317,978	325,542	366,266	328,384	262,298	37,037	129,477
OWL House Program					140,300	297,600	449,470	387,700	274,800	292,000
SAT Review	7,700	10,385	12,950	13,870	13,740	11,817	8,480	8,970	13,020	10,330
Summer Basketball Program	2,940	5,300		1,600	9,920	15,820	18,318	22,255		6,633
Volleyball Clinic Program	2,440	4,520	1,650	4,215	2,110	6,365	6,467	7,150		-
Summer Music Program	3,910	3,790	3,810	3,970	5,180	4,840	4,310	4,340		2,090
Summer Lacrosse Program				6,075		2,135	2,190	14,262		1,745
Summer Football Program				3,775	2,840	7,085		2,540		-
Summer Basketball, Softball, Soccer Program						1,010	3,960	2,300		3,995
Laptop Insurance Program	4,700	31,165	7,591	17,931	9,815	11,719	47,563	10,000	53,249	7,400
Wrestling Program								2,130		-
Operating Grants And Contributions	39,366	40,135	42,421	42,240	40,988	41,835	40,043	28,531	38,083	316,581
Capital Grants And Contributions	-	-	-	-	-	-	-	-	-	-
Total Business Type Activities Program Revenues	528,853	637,251	563,030	587,913	719,733	929,879	1,073,953	863,180	417,757	840,496
Total District Program Revenues	\$ 4,718,376	\$ 4,181,273	\$ 7,184,381	\$ 8,795,622	\$ 11,074,818	\$ 12,294,220	\$ 10,450,977	\$ 9,455,508	\$ 12,371,503	\$ 10,453,942
Net (Expense)/Revenue										
Governmental Activities	\$ (23,892,464)	\$ (24,337,977)	\$ (25,860,686)	\$ (25,198,279)	\$ (27,530,525)	\$ (28,752,183)	\$ (28,784,755)	\$ (27,831,507)	\$ (28,541,160)	\$ (28,985,848)
Business-Type Activities	66,364	119,608	52,993	73,503	(4,391)	156,912	273,244	74,346	26,858	154,426
Total District-Wide Net Expense	\$ (23,826,100)	\$ (24,218,369)	\$ (25,807,693)	\$ (25,124,776)	\$ (27,534,916)	\$ (28,595,271)	\$ (28,511,511)	\$ (27,757,161)	\$ (28,514,302)	\$ (28,831,422)
102 General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied For General Purposes	\$ 23,926,685	\$ 24,682,977	\$ 25,657,068	\$ 26,475,355	\$ 27,153,268	\$ 27,964,298	\$ 29,025,581	\$ 29,606,050	\$ 30,458,899	\$ 31,068,077
Property Taxes Levied For Debt Service	725,983	778,009	787,036	785,461	787,213	837,113	686,857	718,422	748,889	710,201
Unrestricted Grants And Contributions	166,495	171,905	202,471	207,230	237,825	247,015	213,137	222,527	1,438,996	229,863
Miscellaneous Income	180,101	114,717	204,533	464,024	93,106	113,240	976,834	235,392	170,844	176,233
Transfers	-	-	-	-	(44,630)	-	(35,000)	-	(30,000)	30,000
Total Governmental Activities	24,999,264	25,747,608	26,851,108	27,932,070	28,226,782	29,161,666	30,867,409	30,782,391	32,787,628	32,214,374
Business-Type Activities:										
Transfers	-	-	-	-	44,630	-	35,000	-	30,000	(30,000)
Total Business-Type Activities	-	-	-	-	44,630	-	35,000	-	30,000	(30,000)
Total District-Wide	\$ 24,999,264	\$ 25,747,608	\$ 26,851,108	\$ 27,932,070	\$ 28,271,412	\$ 29,161,666	\$ 30,902,409	\$ 30,782,391	\$ 32,817,628	\$ 32,184,374
Change in Net Position										
Governmental Activities	\$ 1,106,800	\$ 1,409,631	\$ 990,422	\$ 2,733,791	\$ 696,257	\$ 409,483	\$ 2,082,654	\$ 2,950,884	\$ 4,246,468	\$ 3,228,526
Business-Type Activities	66,364	119,608	52,993	73,503	40,239	156,912	308,244	74,346	56,858	124,426
Total District	\$ 1,173,164	\$ 1,529,239	\$ 1,043,415	\$ 2,807,294	\$ 736,496	\$ 566,395	\$ 2,390,898	\$ 3,025,230	\$ 4,303,326	\$ 3,352,952

Source: District financial statements

PARK RIDGE 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	2021	2022
General Fund										
Restricted	\$ 4,624,623	\$ 4,678,074	\$ 5,551,415	\$ 7,818,312	\$ 8,361,472	\$ 6,927,299	\$ 8,543,074	\$ 8,617,722	\$ 6,684,680	\$ 8,902,204
Committed									1,125,472	918,954
Assigned	349,964	413,099	609,367	470,855	556,161	1,457,455	814,070	2,495,061	1,461,029	582,751
Unassigned	<u>281,954</u>	<u>282,672</u>	<u>300,908</u>	<u>293,847</u>	<u>324,690</u>	<u>372,292</u>	<u>385,467</u>	<u>356,022</u>	<u>992,585</u>	<u>1,035,921</u>
Total General Fund	<u>\$ 5,256,541</u>	<u>\$ 5,373,845</u>	<u>\$ 6,461,690</u>	<u>\$ 8,583,014</u>	<u>\$ 9,242,323</u>	<u>\$ 8,757,046</u>	<u>\$ 9,742,611</u>	<u>\$ 11,468,805</u>	<u>\$ 10,263,766</u>	<u>\$ 11,439,830</u>
All Other Governmental Funds										
Restricted	\$ 1,362,117	\$ 354,787	\$ 92,104	\$ 43,438	\$ 101,087	\$ 70,682	\$ 443,014	\$ 479,865	\$ 501,314	\$ 435,400
Assigned										
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(215,360)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total All Other Governmental Funds	<u>\$ 1,362,117</u>	<u>\$ 354,787</u>	<u>\$ 92,104</u>	<u>\$ 43,438</u>	<u>\$ 101,087</u>	<u>\$ (144,678)</u>	<u>\$ 443,014</u>	<u>\$ 479,865</u>	<u>\$ 501,314</u>	<u>\$ 435,400</u>

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

Source: District financial Statements

PARK RIDGE 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	\$ 24,652,668	\$ 25,460,986	\$ 26,444,104	\$ 27,260,816	\$ 27,940,481	\$ 28,801,411	\$ 29,712,438	\$ 30,324,472	\$ 31,207,788	\$ 31,778,278
Tuition Charges	108,384	73,533	90,416	91,604	72,774	220,039	313,186	224,512	125,387	155,170
Transportation Fees							105,254	103,873	57,480	64,619
Miscellaneous	189,301	127,848	210,633	469,694	97,174	187,437	981,814	257,564	401,195	464,044
State Sources	3,659,345	3,260,737	3,792,301	4,198,098	4,648,254	5,216,756	5,853,088	6,226,259	8,658,030	9,277,458
Federal Sources	383,788	359,209	389,754	480,054	465,085	460,578	466,710	442,160	721,573	1,188,255
Total Revenue	28,993,486	29,282,313	30,927,208	32,500,266	33,223,768	34,886,221	37,432,490	37,578,840	41,171,453	42,927,824
Expenditures										
Instruction										
Regular Instruction	11,270,498	10,903,123	12,237,361	11,750,046	12,667,281	13,985,619	13,443,145	13,304,676	14,426,466	15,999,490
Special Education Instruction	3,889,013	3,990,586	4,046,856	4,004,274	4,303,216	4,701,184	5,042,278	4,242,725	4,492,557	5,399,026
Other Instruction	887,332	628,631	595,649	641,859	766,248	1,007,880	1,129,060	1,218,806	1,091,908	1,152,147
School Sponsored Activities and Athletics	689,106	841,350	930,811	938,573	1,003,488	1,077,787	1,096,557	993,325	1,153,148	1,397,825
Support Services:										
Student and Inst. Related Services	4,823,287	5,048,402	5,096,509	5,623,822	5,867,529	6,322,294	6,743,896	7,487,233	7,798,573	8,628,951
General Administration	751,666	660,286	719,271	686,758	819,134	742,073	690,816	816,017	875,959	729,862
School Administrative Services	1,261,888	1,287,362	1,732,226	1,522,189	1,436,618	1,676,265	1,542,694	1,554,386	1,639,070	1,648,547
Central Services and Info. Technology	711,393	659,561	720,674	653,942	683,129	729,267	765,023	794,037	859,988	948,602
Plant Operations And Maintenance	1,976,469	2,036,240	2,048,448	2,083,979	2,356,120	2,255,943	2,838,035	2,484,157	2,816,955	2,808,502
Student Transportation	618,714	638,926	570,464	525,229	554,281	630,751	718,416	531,840	411,497	646,313
Capital Outlay	1,189,941	2,189,873	747,393	791,077	906,574	1,094,574	4,380,991	1,794,971	2,033,669	1,445,490
Debt Service:										
Principal	1,093,877	2,397,269	1,285,536	976,935	1,001,016	1,142,036	834,016	855,114	4,476,604	897,316
Interest and Other Charges	425,049	406,889	387,153	369,372	278,629	251,590	224,832	295,564	248,649	145,603
Advance Refunding Escrow	-	-	-	-	49,772	-	-	-	-	-
Total Expenditures	29,588,233	31,688,498	31,118,351	30,568,055	32,693,035	35,617,263	39,449,759	36,372,851	42,325,043	41,847,674
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	(594,747)	(2,406,185)	(191,143)	1,932,211	530,733	(731,042)	(2,017,269)	1,205,989	(1,153,590)	1,080,150

PARK RIDGE 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
Other Financing Sources (Uses)										
Capital Lease / Lease Purchase Proceeds (Non-Budgeted)	\$ 757,703	\$ 116,159	\$ 1,016,305	\$ 140,447						
Bond Proceeds										
Capital Note Proceeds							\$ 3,598,000			
Premium on Capital Note							27,526	29,185		
Permanently Financed Project Note		1,400,000								
Refunding Bond Proceeds					5,135,000					
Premium on Refunding Bonds					(5,085,228)					
Payment to Refunded Escrow Agent					181,083	-	27,526	71,145	2,427,963	30,000
Transfers In		1,816,612			(44,630)		(62,526)	(71,145)	(2,457,963)	-
Transfers Out	-	(1,816,612)	-	-						
Total Other Financing Sources (Uses)	<u>757,703</u>	<u>1,516,159</u>	<u>1,016,305</u>	<u>140,447</u>	<u>186,225</u>	<u>-</u>	<u>3,590,526</u>	<u>29,185</u>	<u>(30,000)</u>	<u>30,000</u>
Net Change in Fund Balances	<u>\$ 162,956</u>	<u>\$ (890,026)</u>	<u>\$ 825,162</u>	<u>\$ 2,072,658</u>	<u>\$ 716,958</u>	<u>\$ (731,042)</u>	<u>\$ 1,573,257</u>	<u>\$ 1,235,174</u>	<u>\$ (1,183,590)</u>	<u>\$ 1,110,150</u>
Debt Service as a Percentage of Noncapital Expenditures	5.35%	9.51%	5.51%	4.52%	4.03%	4.04%	3.02%	3.33%	11.73%	2.58%

* Noncapital expenditures are total expenditures less capital outlay.

Source: District financial statements

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

Fiscal Year Ended June 30	<u>Tuition</u>	<u>Interest on Deposits</u>	<u>Refunds / Voided Checks</u>	<u>Admission Receipts for Sports</u>	<u>Rentals / Use of Facilities</u>	<u>Energy Credits</u>	<u>Sale of Computers</u>	<u>Transportation Fees</u>	<u>Other</u>	<u>Total</u>
2013	\$ 108,384	\$ 32,849	\$ 11,061	\$ 5,025	\$ 8,980	\$ 85,201			\$ 36,985	\$ 288,485
2014	73,533	38,066	6,163	5,813	8,640	23,598		\$ 1,540	30,897	188,250
2015	90,416	13,833	14,622	29,833		89,339			56,906	294,949
2016	91,604	28,535	7,681	17,510	6,720		\$ 359,460		44,118	555,628
2017	72,774	32,365	31,213	6,569	9,961				12,998	165,880
2018	220,039	59,175	15,458	5,927	5,505			60,689	27,175	393,968
2019	313,186	207,780	24,557	6,771		342,482	356,838	105,254	38,406	1,395,274
2020	224,512	158,073	49,147	7,741	11,350			103,873	9,081	563,777
2021	125,387	30,375	120,599			19,228		57,480	642	353,711
2022	155,170	36,045	92,362			21,625		64,619	26,201	396,022

Source: Park Ridge School District records

PARK RIDGE 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	\$ 6,577,300.0	\$ 1,371,375,600	\$ 200,188,600	\$ 3,815,600	\$ 17,953,900	\$ 1,599,911,000	\$ 1,733,938	\$ 1,601,644,938	\$ 1,743,954,709	\$ 1.565
2014	6,857,800	1,372,648,800	199,582,600	3,815,600	18,642,800	1,601,547,600	1,733,938	1,603,281,538	1,732,142,471	1.619
2015	8,932,600	1,373,047,900	199,796,000	3,815,600	18,542,900	1,604,135,200	1,457,369	1,605,592,569	1,773,035,249	1.672
2016	11,305,200	1,377,256,100	173,999,500	3,815,600	18,542,900	1,584,919,300	1,457,369	1,586,376,669	1,842,799,975	1.740
2017	9,497,200	1,383,177,700	175,007,200	3,815,600	18,728,200	1,590,225,900	1,371,359	1,591,597,259	1,852,729,013	1.783
2018	8,497,300	1,389,183,100	175,007,200	3,815,600	18,728,200	1,595,231,400	1,396,319	1,596,627,719	1,811,832,408	1.833
2019	11,570,200	1,392,152,800	170,940,300	3,815,600	19,792,100	1,598,271,000	1,387,079	1,599,658,079	1,853,834,869	1.877
2020	10,637,900	1,396,037,600	169,405,800	3,815,600	19,792,100	1,599,689,000	1,377,677	1,601,066,677	1,876,885,270	1.922
2021	19,702,100	1,397,339,015	138,305,800	3,815,600	19,792,100	1,578,954,615	1,394,583	1,580,349,198	1,845,042,027	1.993
2022	19,072,000	1,394,015,215	138,305,800	3,815,600	19,792,100	1,575,000,715	1,346,005	1,576,346,720	1,914,325,769	2.037

Source: County Abstract of Ratables

^a Tax rates are per \$100

**PARK RIDGE BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)**

Calendar Year	Total Direct Rate	Overlapping Rates		Total Direct and Overlapping Tax Rate
	Local School District	Municipality Park Ridge	County of Bergen	
2013	\$1.565	\$0.560	\$0.250	\$2.375
2014	1.619	0.560	0.252	2.431
2015	1.672	0.565	0.263	2.500
2016	1.740	0.581	0.287	2.608
2017	1.783	0.619	0.300	2.702
2018	1.833	0.650	0.284	2.767
2019	1.877	0.685	0.282	2.844
2020	1.922	0.716	0.288	2.926
2021	1.993	0.733	0.294	3.020
2022	2.037	0.760	0.292	3.089

Source: Park Ridge Borough Tax Collector

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

Taxpayer	2022		2013	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Park Ridge Health Care Properties, LLC	\$ 18,750,000	1.19%		
Hertz Corp.			\$ 33,985,200	2.12%
Sony Corp.			30,000,000	1.87%
SA Park Ridge LLC			24,000,000	1.50%
225 Brae, LLC NJ	16,410,000	1.04%		
Sartak Holdings Inc	15,400,000	0.98%	20,850,000	1.30%
JLM Park Ridge LLC (Marriott)	12,000,000	0.76%	12,000,000	0.75%
Landmark AR Park Ridge, LLC	10,000,000	0.63%		
Park Ridge Hye Partners			7,410,600	0.46%
Ridge Manor Apts. LLC	4,730,000	0.30%	4,041,100	0.25%
Park Ridge Hye Partners	4,676,500	0.30%	7,410,600	0.46%
PR III / CP Park Ridge Urb Ren LLC	4,181,800	0.27%		
PRAH Associates LLC	3,715,500	0.24%		
Erich Uhlmann	3,271,700	0.21%	3,271,700	0.20%
S/K Park Ridge Assoc.	-	0.00%	2,800,000	0.17%
	<u>\$ 93,135,500</u>	<u>5.91%</u>	<u>\$ 145,769,200</u>	<u>9.10%</u>

SOURCE: Tax Assessor's records

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	\$ 24,652,668	\$ 24,652,668	100%	
2014	25,460,986	25,460,986	100%	
2015	26,444,104	26,444,104	100%	
2016	27,260,816	27,260,816	100%	
2017	27,940,481	27,940,481	100%	
2018	28,801,411	28,801,411	100%	
2019	29,712,438	29,712,438	100%	
2020	30,324,472	30,324,472	100%	
2021	31,207,788	31,207,788	100%	
2022	31,778,278	31,778,278	100%	

Source: District records

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

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities			Total District	Population	Per Capita
	General Obligation Bonds	Capital Financing Agreements	Other Financing Agreements	Capital Notes	Leases Payable				
2013	\$ 12,020,000	\$ 78,140	\$ 534,475				\$ 12,632,615	8,765	\$ 1,441
2014	11,370,000	54,614	326,891				11,751,505	8,795	1,336
2015	10,690,000	30,045	762,229				11,482,274	8,812	1,303
2016	9,995,000	142,633	508,153				10,645,786	8,800	1,210
2017	9,751,000	115,693	254,077				10,120,770	8,797	1,150
2018	8,891,000	87,734					8,978,734	8,756	1,025
2019	8,086,000	58,718		\$ 3,598,000			11,742,718	8,695	1,351
2020	7,261,000	28,604		3,598,000			10,887,604	8,633	1,261
2021	6,411,000				\$ 176,599		6,587,599	9,434	* 698
2022	5,546,000	83,065			145,188		5,774,253	9,434	* 612

Source: District records

* Estimated

**PARK RIDGE 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 of Property	Per Capita
	General Obligation Bonds	Deductions			
2013	\$ 12,020,000		\$ 12,020,000	0.75%	\$ 1,371
2014	11,370,000		11,370,000	0.71%	1,293
2015	10,690,000		10,690,000	0.67%	1,213
2016	9,995,000	\$ 2,001	9,992,999	0.63%	1,136
2017	9,751,000	72,683	9,678,317	0.61%	1,100
2018	8,891,000	70,682	8,820,318	0.55%	1,007
2019	8,086,000	27,526	8,058,474	0.50%	927
2020	7,261,000	29,186	7,231,814	0.45%	838
2021	6,411,000	29,189	6,381,811	0.40%	676
2022	5,546,000	3	5,545,997	0.35%	588

Source: District records

**PARK RIDGE BOARD OF EDUCATION
COMPUTATION OF DIRECT AND OVERLAPPING OUTSTANDING BONDED DEBT
FOR YEAR ENDED DECEMBER 31, 2021
(Unaudited)**

MUNICIPAL DEBT (1)	
Park Ridge Board of Education (as of June 30, 2022)	\$ 5,546,466
Borough of Park Ridge	<u>17,734,895</u>
Total Direct Debt	<u>23,281,361</u>
OVERLAPPING DEBT APPORTIONED TO THE MUNICIPALITY	
Bergen County: (2) and (3)	
County of Bergen (A)	14,638,315
Bergen County Utilities Authority-Waste Water (B)	<u>2,208,875</u>
Total Overlapping Debt	<u>16,847,190</u>
Total Direct and Overlapping Debt	<u>\$ 40,128,551</u>

(A) The debt for this entity was apportioned 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.

Sources:

- (1) Borough of Park Ridge 2021 Annual Debt Statement
- (2) BCUA 2021 Audit
- (3) Bergen County 2021 Annual Debt Statement

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

Legal Debt Margin Calculation for Fiscal Year 2022

Equalized valuation basis	
2019	\$ 1,870,416,618
2020	1,864,439,394
2021	<u>1,903,272,197</u>
	<u>\$ 5,638,128,209</u>
Average equalized valuation of taxable property	\$ 1,879,376,070
Debt limit (4 % of average equalization value)	75,175,043
Total Net Debt Applicable to Limit	<u>5,546,466</u>
Legal debt margin	<u><u>\$ 69,628,577</u></u>

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt Limit	\$ 72,962,225	\$ 70,744,383	\$ 70,099,412	\$ 71,403,481	\$ 72,958,750	\$ 73,440,804	\$ 73,173,975	\$ 73,560,456	\$ 74,404,457	\$ 75,175,043
Total Net Debt Applicable to Limit	<u>13,420,713</u>	<u>11,370,713</u>	<u>10,690,713</u>	<u>9,995,713</u>	<u>9,751,713</u>	<u>12,490,179</u>	<u>11,684,466</u>	<u>10,859,466</u>	<u>6,411,466</u>	<u>5,546,466</u>
Legal Debt Margin	<u>\$ 59,541,512</u>	<u>\$ 59,373,670</u>	<u>\$ 59,408,699</u>	<u>\$ 61,407,768</u>	<u>\$ 63,207,037</u>	<u>\$ 60,950,625</u>	<u>\$ 61,489,509</u>	<u>\$ 62,700,990</u>	<u>\$ 67,992,991</u>	<u>\$ 69,628,577</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	18.39%	16.07%	15.25%	14.00%	13.37%	17.01%	15.97%	14.76%	8.62%	7.38%

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

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

<u>Year Ended December 31,</u>	<u>Unemployment Rate</u>	<u>County Per Capita Income</u>	<u>Population</u>
2013	8.80%	\$ 71,286	8,765
2014	4.90%	73,883	8,795
2015	4.00%	77,323	8,812
2016	3.80%	78,836	8,800
2017	3.60%	81,024	8,797
2018	3.60%	85,191	8,756
2019	3.20%	88,241	8,695
2020	2.60%	91,972	8,633
2021	8.40%	91,972 (E)	9,434
2022	5.50%	91,972 (E)	9,434 (E)

(E) - Estimate

N/A - Information is not available.

Source: Unemployment rates were provided by the NJ Department of Labor - Bureau of Labor Force Statistics; County Per Capita Income was provided by the US Department of Commerce - Bureau of Economic Analysis; School District Population was provided by the US Department of Census - Population Division.

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

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

INFORMATION NOT AVAILABLE

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

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Instruction										
Regular	141	141	141	138	139	139	138	141	141	142
Special Education	46	48	49	53	51	51	51	51	52	52
Other Instruction	7	7	6	5	7	7	7	7	7	7
Support Services:										
Student and Instruction Related Services	13	13	11	11	11	9	9	9	9	9
General Administration	5	5	5	5	5	5	5	5	5	5
School Administrative Services	12	12	12	12	12	14	14	14	14	14
Other Administrative Services	6	6	6	7	7	7	7	7	7	7
Central Services	6	6	6	9	9	9	9	9	9	9
Plant Operations And Maintenance	15	15	15	15	15	16	16	16	16	16
Child Care (EXTRA's)	8	8	8	8	8	8	8	8	8	8
Total	<u>259</u>	<u>261</u>	<u>259</u>	<u>263</u>	<u>264</u>	<u>265</u>	<u>264</u>	<u>267</u>	<u>268</u>	<u>269</u>

Source: District Personnel Records

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

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Junior/Senior High School				
2013	1,306	\$ 26,879,366	\$ 20,581	6.73%	141	1:10	1:9	1,297	1,243	2.05%	95.84%
2014	1,307	26,694,467	20,424	-0.76%	141	1:10	1:9	1,294	1,243	-0.23%	96.06%
2015	1,279	28,698,269	22,438	9.86%	141	1:10	1:9	1,286	1,235	-0.62%	96.03%
2016	1,333	28,430,671	21,328	-4.95%	138	1:9	1:8	1,211	1,173	-5.83%	96.85%
2017	1,245	30,457,044	24,463	14.70%	139	1:8	1:7	1,228	1,179	1.40%	96.01%
2018	1,205	33,129,063	27,493	12.38%	139	1:8	1:7	1,185	1,137	-3.50%	95.95%
2019	1,236	33,129,063	26,803	-2.51%	138	1:8	1:9	1,214	1,164	2.45%	95.88%
2020	1,245	33,427,202	26,849	0.17%	141	1:8	1:9	1,232	1,200	1.48%	97.40%
2021	1,229	35,566,121	28,939	7.78%	141	1:9	1:10	1,227	1,157	-0.41%	94.30%
2022	1,241	39,359,265	31,716	9.59%	142	1:9	1:10	1,202	1,141	-2.04%	94.93%

Sources: District records

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>District Building</u>										
<u>Elementary</u>										
<u>East Brook</u>										
Square Feet	31,675	31,675	31,675	31,675	31,675	31,675	31,675	31,675	31,675	31,675
Capacity (students)	388	388	388	388	388	388	388	388	388	388
Enrollment	360	360	360	360	360	360	360	360	320	318
<u>West Ridge</u>										
Square Feet	32,605	32,605	32,605	32,605	32,605	32,605	32,605	32,605	32,605	32,605
Capacity (students)	407	407	407	407	407	407	407	407	407	407
Enrollment	365	365	365	365	365	365	365	365	350	322
<u>Junior / Senior High School</u>										
Square Feet	93,253	93,253	93,253	93,253	93,253	93,253	93,253	93,253	93,253	93,253
Capacity (students)	584	584	584	584	584	584	584	584	584	584
Enrollment	590	590	590	590	590	590	590	590	670	549
<u>Other</u>										
<u>Board Office - Square Feet</u>										
Trailers - Square Feet	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850
Square Feet	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Number of Schools at June 30, 2022										
Elementary =	2	2	2	2	2	2	2	2	2	2
Junior / Senior High School =	1	1	1	1	1	1	1	1	1	1
Other =	2	2	2	2	2	2	2	2	2	2

Source: District Records

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

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

	Project # (s)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
*School Facilities											
East Brook Elementary School	201530	\$ 69,371	\$ 69,061	\$ 70,375	\$ 65,553	\$ 73,181	\$ 72,702	\$ 129,281	\$ 87,447	\$ 176,376	\$ 85,204
West Ridge Elementary School	201529	77,153	76,809	66,248	61,709	90,684	86,407	105,226	65,829	139,390	97,748
High School	201531	217,775	216,802	226,572	212,076	288,802	277,395	391,935	405,612	382,733	346,304
District-Wide		-	-	-	-	-	-	-	-	-	-
Total School Facilities		<u>\$ 364,299</u>	<u>\$ 362,672</u>	<u>\$ 363,195</u>	<u>\$ 339,338</u>	<u>\$ 452,667</u>	<u>\$ 436,504</u>	<u>\$ 626,442</u>	<u>\$ 558,888</u>	<u>\$ 698,499</u>	<u>\$ 529,256</u>

*School Facilities as defined under EFCFA.
 (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3)

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

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - National Union		
Blanket Building & Contents	\$ 52,010,660	\$ 5,000 *
General Liability		2,500 *
General Aggregate	2,000,000	
Products Completed Operations	2,000,000	
Personal and Advertising Injury	1,000,000	
Each Occurrence	1,000,000	
Fire Legal Liability	1,000,000	
Medical Expense	5,000	
Flood - Other than Zone A	5,000,000	50,000
Flood - Zone A	1,000,000	500,000
Commercial Auto Policy - National Union	1,000,000	1,000 *
		(Comp/Collision)
Umbrella Liability Policy - National Union	9,000,000	
Umbrella Liability Policy - Allied World/Hudson Evanston	30,000,000	
Excess Umbrella Liability Policy - Firemen's Fund	25,000,000	
	(Shared limit among all Boards)	
Boiler & Machinery - National Union	52,010,660	5,000 *
Public Official Bonds - RLI Surety		
Business Administrator/Board Secretary/Treasurer	260,000	
Environmental Impairment Liability - Market	20,000,000	
	(Group Aggregate)	
Each Impairment:	2,000,000	25,000
Aggregate Limit per Named Insured:	4,000,000	
Mold Deductible:		50,000
School Board Legal Liability - Greenwich	1,000,000	
Employment Related Practices Deductible:		20,000
School Board Legal Deductible		10,000
Crime - National Union		
Employee Dishonesty includes Faithful Performance	500,000	5,000
Forgery & Alteration	250,000	5,000
Computer Fraud & Funds Transfer Fund	250,000	5,000
Workers' Compensation Safety National		
BI by Accident - Each Accident:	1,000,000	
BI by Disease - Each Employee:	1,000,000	
BI by Disease - Policy Limit:	1,000,000	
Employers Liability Retained Limit:	500,000	
Cyber Liability Policy - Cowbell/National Specialty		
Policy Aggregate:	1,000,000	
Security Breach Expense:	1,000,000	25,000
Security Breach Liability:	1,000,000	25,000
Computer & Funds Transfer Fraud:	1,000,000	25,000
Public Relations:	50,000	25,000
Business Interruption:	1,000,000	6 hours
Ransom Payments:	1,000,000	25,000
Cyber Extortion:	50,000	25,000
Social Engineering:	100,000	25,000

* Note: GI Deductible \$10,000 - NESBIG pays \$7,500, BOE pays \$2,500
Property/Boiler Deductible \$25,000 - NESBIG pays \$20,000, BOE pays \$5,000
Auto Deductible \$10,000 - NESBIG pays \$7,500, BOE pays \$2,500

Source: Park Ridge School District records.

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Park Ridge Board of Education as of and for the fiscal year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Park Ridge Board of Education's basic financial statements and have issued our report thereon dated March 9, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Park Ridge Board of Education in a separate report entitled, “Auditor’s Management Report on Administrative Findings – Financial, Compliance and Performance” dated March 9, 2023.

Purpose of this Report

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

LERCH, VINCI & BLISS, LLP

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



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
March 9, 2023



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
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DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA

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

INDEPENDENT AUDITOR’S REPORT

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Park Ridge Board of Education’s compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Park Ridge Board of Education’s major federal and state programs for the fiscal year ended June 30, 2022. The Park Ridge Board of Education’s major federal and state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Park Ridge Board of Education complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2022.

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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


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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Park Ridge Board of Education, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Board of Education’s basic financial statements. We have issued our report thereon dated March 9, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

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


Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
March 9, 2023

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

	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance, June 30, 2021		Accounts Rec Carryover Amount	Unearned Rev Carryover Amount	Cash Received	Budgetary Expenditures	Balance, June 30, 2022		Memo GAAP Receivable
					(Account Receivable)	Unearned Revenue					(Account Receivable)	Unearned Revenue	
U.S. Department of Education													
Passed-through State Department of Education													
National School Lunch Program													
Cash Assistance	10.555	221NJ304N1099	7/1/21-6/30/22	\$ 288,992					\$ 268,703	\$ 288,992	\$ (20,289)		\$ (20,289)
Cash Assistance		211NJ304N1099	7/1/20-6/30/21	26,077	\$ (5,309)			5,309					-
Emergency Operational Cost Program		202121H170341	7/1/21-6/30/22	2,521						2,521			-
Non-Cash Assistance (Food Distribution)		221NJ304N1099	7/1/21-6/30/22	8,649				8,649		8,649			-
School Breakfast Program	10.553	211NJ304N1099	7/1/20-6/30/21	7,027	(1,310)			1,310					-
Special Milk Program	10.556	221NJ304N1099	7/1/21-6/30/22	8,372				7,598	8,372		(774)		(774)
P-EBT Administrative Cost Program	10.649	212125900941	7/1/21-6/30/22	628				628		628			-
P-EBT Administrative Cost Program		202125900941	7/1/20-6/30/21	614				614		614			-
Total U.S. Department of Agriculture					(6,619)	-	-	-	295,332	309,776	(21,063)	-	(21,063)
U.S. Department of Education													
Passed-through State Department of Education													
I.D.E.A. Part B, Basic	84.027A	H027A210100	7/1/21-9/30/22	321,418			\$ (8,865)	\$ 8,865	264,182	293,333	(66,101)	\$ 36,950	(29,151)
I.D.E.A. Part B, Basic	84.027A	H027A200100	7/1/20-9/30/21	321,248	(8,865)	\$ 8,865	8,865	(8,865)					-
American Rescue Plan - I.D.E.A. Part B, Basic	84.027X	H027A210100	7/1/21-9/30/22	63,520					53,178	56,678	(10,342)	6,842	(3,500)
I.D.E.A. Part B, Preschool	84.173A	H173A210114	7/1/21-9/30/22	21,308			(1,002)	1,002	21,308	21,308	(1,002)	1,002	-
I.D.E.A. Part B, Preschool	84.173A	H173A200114	7/1/20-9/30/21	21,039	(1,002)	1,002	1,002	(1,002)			(20,037)	20,037	-
American Rescue Plan - I.D.E.A. Part B, Preschool	84.173X	H173A210114	7/1/21-9/30/22	5,424	-	-	-	-	5,424	5,424	-	-	-
Total Special Education Cluster IDEA					(9,867)	9,867	-	-	344,092	376,743	(97,482)	64,831	(32,651)
Title III	84.365	S365A210030	7/1/21-9/30/22	4,594					2,057	2,594	(2,537)	2,000	(537)
Title III	84.365	S365A200030	7/1/20-9/30/21	4,617	(2,523)				2,523				-
Title III Immigrant	84.365	S365A210030	7/1/21-9/30/22				(63)	63	63	63	-	-	-
Title III Immigrant	84.365	S365A200030	7/1/20-9/30/21	1,502	(63)	63	63	(63)					-
Total Title III					(2,586)	63	-	-	4,643	2,657	(2,537)	2,000	(537)
Title IV	84.424	S424A210031	7/1/21-9/30/22	10,000			(1,544)	1,544	11,424	11,544	(120)	-	(120)
Title IV	84.424	S424A200031	7/1/20-9/30/21	10,000	(1,544)	1,544	1,544	(1,544)					-
Title I	84.010	S010A210030	7/1/21-9/30/22	77,553			(352)	352	66,591	77,905	(11,314)	-	(11,314)
Title I	84.010	S010A200030	7/1/20-9/30/21	91,447	(352)	352	352	(352)					-
Title II - Part A	84.367A	S367A210029	7/1/21-9/30/22	14,740			(13,195)	13,195	21,186	21,186	(6,749)	6,749	-
Title II - Part A	84.367A	S367A200029	7/1/20-9/30/21	21,587	(38,120)	13,195	13,195	(13,195)	24,925	-	-	-	-
Total Other ESEA Programs					(42,602)	15,154	-	-	128,769	113,292	(20,720)	8,749	(11,971)
Elementary and Secondary School Emergency Relief Fund (ESSER):													
ESSER II - Coronavirus Response and Relief Supplem. Appropriations	84.425D	S425D200027	3/13/20-9/30/23	299,745	(299,745)	299,745			222,098	282,248	(77,647)	17,497	(60,150)
ESSER II - Learning Acceleration	84.425D	S425D200027	3/13/20-9/30/23	25,000	(25,000)	25,000			24,338	24,338	(662)	662	-
ESSER II - Mental Health	84.425D	S425D200027	3/13/20-9/30/23	45,000	(45,000)	45,000			45,000	45,000	-	-	-
American Rescue Plan (ARP) - ESSER III	84.425U	S425U210027	3/13/20-9/30/24	673,658						78,656	(673,658)	595,002	(78,656)
American Rescue Plan (ARP) - Accelerated Learning Coach and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	102,317						320	(102,317)	101,997	(320)
American Rescue Plan (ARP) - Evidence Based Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000							(40,000)	40,000	-
American Rescue Plan (ARP) - Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000						9,027	(40,000)	30,973	(9,027)
American Rescue Plan (ARP) - NJTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000						45,000	(45,000)	-	(45,000)
Total Elementary and Secondary School Emergency Relief Fund Cluster (ESSER)					(369,745)	369,745	-	-	291,436	484,589	(979,284)	786,131	(193,153)

The Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an Integral Part of this Statement.

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

	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance, June 30, 2021		Accounts Rec Carryover Amount	Unearned Rev Carryover Amount	Cash Received	Budgetary Expenditures	Balance, June 30, 2022		Memo GAAP Receivable
					(Account Receivable)	Unearned Revenue					(Account Receivable)	Unearned Revenue	
Additional or Compensatory Special Education and Related Services	21.027	SLFRFDOE1SES	7/1/21-6/30/22	\$ 209,757	-	-	-	-	\$ 104,935	\$ 209,757	\$ (104,822)	-	\$ (104,822)
Total ACSERS					-	-	-	-	104,935	209,757	(104,822)	-	(104,822)
Total U.S. Department of Education - Special Revenue Fund					\$ (422,214)	\$ 394,766	-	-	869,232	1,184,381	(1,202,308)	\$ 859,711	(342,597)
U.S Department of Health and Human Services													
Special Ed. Medicaid Reimbursement	93.778	2005NJ5MAP	7/1/21-6/30/22	3,874	-	-	-	-	3,874	3,874	-	-	-
Total U.S. Department of Health and Human Services - General Fund					-	-	-	-	3,874	3,874	-	-	-
Total General Fund					-	-	-	-	3,874	3,874	-	-	-
Total Federal Financial Assistance					\$ (428,833)	\$ 394,766	\$ -	\$ -	\$ 1,168,438	\$ 1,498,031	\$ (1,223,371)	\$ 859,711	\$ (363,660)

Note: The District is not subject to Federal Single Audit in accordance with the Uniform Guidance

**PARK RIDGE 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	Balance, June 30, 2022		Memo	
								(Accounts Receivable)	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education											
General Fund											
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	\$ 886,177		\$ 824,743	\$ 886,177		\$ (61,434)		\$ 886,177	
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	672,062	\$ (57,961)	57,961					-	
Security Aid	22-495-034-5120-089	7/1/21-6/30/22	59,165		55,064	59,165		(4,101)		59,165	
Security Aid	21-495-034-5120-089	7/1/20-6/30/21	59,165	(5,103)	5,103					-	
Total State Aid Public Cluster				(63,064)	942,871	945,342	-	(65,535)	-	-	945,342
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	99,501		92,603	99,501		(6,898)		99,501	
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	99,501	(8,581)	8,581					-	
Extraordinary Aid	22-495-034-5120-014	7/1/21-6/30/22	501,057			501,057		(501,057)		501,057	
Extraordinary Aid	21-495-034-5120-014	7/1/20-6/30/21	533,254	(533,254)	533,254					-	
School Security Grant	22E00117	9/1/21-8/31/22	66,603			66,603		(66,603)		\$ (66,603)	66,603
On-Behalf TPAF Pension Benefits	22-495-034-5094-002	7/1/21-6/30/22	4,963,675		4,963,675	4,963,675				4,963,675	
On-Behalf TPAF - Pension - NCGI Premium	22-495-034-5094-004	7/1/21-6/30/22	70,031		70,031	70,031				70,031	
On-Behalf TPAF - Post Retirement Medical Contributions	22-495-034-5094-001	7/1/21-6/30/22	1,176,077		1,176,077	1,176,077				1,176,077	
On-Behalf TPAF - Long Term Disability Insurance	22-495-034-5094-004	7/1/21-6/30/22	1,515		1,515	1,515				1,515	
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	7/1/21-6/30/22	1,018,031	-	966,750	1,018,031	-	(51,281)	-	(51,281)	1,018,031
Total General Fund State Aid				(604,899)	8,755,357	8,841,832	-	(691,374)	-	(117,884)	8,841,832
Special Revenue Fund											
Nonpublic Handicapped Services											
Examination and Classification	22-100-034-5120-066	7/1/21-6/30/22	48,355		48,355	25,600			\$ 22,755		25,600
Examination and Classification	21-100-034-5120-066	7/1/20-6/30/21	95,649	44,203			\$ 44,203				
Corrective Speech	22-100-034-5120-066	7/1/21-6/30/22	10,230		10,230	5,152			5,078		5,152
Corrective Speech	21-100-034-5120-066	7/1/20-6/30/21	8,932	4,466			4,466				
Supplemental Instruction	22-100-034-5120-066	7/1/21-6/30/22	19,824		19,824	13,877			5,947		13,877
Supplemental Instruction	21-100-034-5120-066	7/1/20-6/30/21	15,298	3,236	-	-	3,236	-	-	-	-
Total Handicapped Services (Chapter 193 Cluster)				51,905	78,409	44,629	51,905	-	33,780	-	44,629
Nonpublic Auxiliary Services											
Comp Education	22-100-034-5120-067	7/1/21-6/30/22	27,770		27,770	22,843			4,927		22,843
Comp Education	21-100-034-5120-067	7/1/20-6/30/21	13,064	8,710			8,710				-
N.J. Nonpublic Aid											
Nonpublic Textbooks	22-100-034-5120-064	7/1/21-6/30/22	4,922		4,922	4,922			-		4,922
Nonpublic Nursing	22-100-034-5120-070	7/1/21-6/30/22	23,744		23,744	23,737			7		23,737
Nonpublic Security	22-100-034-5120-084	7/1/21-6/30/22	37,100		37,100	37,050			50		37,050
Nonpublic Technology	22-100-034-5120-373	7/1/21-6/30/22	3,444	-	3,444	3,444	-	-	-	-	3,444
Total Special Revenue Fund				60,615	175,389	136,625	60,615	-	38,764	-	136,625
Debt Service Fund											
Type II Debt Service Aid	22-495-034-5120-125	7/1/21-6/30/22	267,592	-	267,592	267,592	-	-	-	-	267,592
Total Debt Service Fund				-	267,592	267,592	-	-	-	-	267,592
State Department of Agriculture											
State School Lunch Program	22-100-010-3350-023	7/1/21-6/30/22	6,805		6,338	6,805		(467)		(467)	6,805
State School Lunch Program	21-100-010-3350-023	7/1/20-6/30/21	1,478	(498)	498	-	-	-	-	-	-
Total State Financial Assistance Subject to Single Audit Determination				(544,782)	9,205,174	9,252,854	60,615	(691,841)	38,764	(118,351)	9,252,854

PARK RIDGE 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	Balance, June 30, 2022		Memo	
								(Accounts Receivable)	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Financial Assistance											
Not Subject to Major Program Determination											
General Fund											
On-Behalf TPAF Pension Benefits	22-495-034-5094-002	7/1/21-6/30/22	4,963,675		\$ (4,963,675)	\$ (4,963,675)					\$ (4,963,675)
On-Behalf TPAF - Pension - NCGI Premium	22-495-034-5094-004	7/1/21-6/30/22	70,031		(70,031)	(70,031)					(70,031)
On-Behalf TPAF - Post Retirement Medical Contributions	22-495-034-5094-001	7/1/21-6/30/22	1,176,077		(1,176,077)	(1,176,077)					(1,176,077)
On-Behalf TPAF - Long Term Disability Insurance	22-495-034-5094-004	7/1/21-6/30/22	1,515		(1,515)	(1,515)					(1,515)
Total State Financial Assistance Subject to Major Program Determination				\$ (544,782)	\$ 2,993,876	\$ 3,041,556	\$ 60,615	\$ (691,841)	\$ 38,764	\$ (118,351)	\$ 3,041,556

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

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

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

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$31,409 for the general fund and a decrease of 10,000 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 3,874	\$ 8,873,241	\$ 8,877,115
Special Revenue Fund	1,184,381	136,625	1,321,006
Debt Service Fund		267,592	267,592
Food Service Fund	<u>309,776</u>	<u>6,805</u>	<u>316,581</u>
Total Financial Assistance	<u>\$ 1,498,031</u>	<u>\$ 9,284,263</u>	<u>\$ 10,782,294</u>

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

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,018,031 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2022. The amount reported as TPAF Pension System Contributions in the amount of \$5,033,706, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,176,077 and TPAF Long-Term Disability Insurance in the amount of \$1,515 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2022.

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

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

NOTE 7 DE MINIMIS INDIRECT COST RATE

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

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

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

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

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

Type of auditors' report on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance? _____ yes X no

Identification of major federal programs:

<u>AL Number(s):</u>	<u>FAIN Number:</u>	<u>Name of Federal Program or Cluster:</u>
<u>84.425D</u>	<u>S425D10027</u>	<u>Coronavirus Response and Relief Supplemental Act (CRRSA - ESSER II Cluster)</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>American Rescue Plan - Elementary and Secondary Schools - Emergency Relief Fund (ARP-ESSER III Cluster)</u>
<u>84.027A</u>	<u>H027A210100</u>	<u>Individuals with Disabilities Education Act - (IDEA) Part B and IDEA Preschool;</u>
<u>84.027X</u>	<u>H027X210100</u>	<u>American Rescue Plan - Individuals with Disabilities Education Act - (IDEA) - Part B and IDEA Preschool</u>
<u>84.173A</u>	<u>H173A210114</u>	
<u>84.173X</u>	<u>H173X210114</u>	

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

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

PARK RIDGE BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Part I – Summary of Auditor’s Results

State Awards Section

Internal Control over major programs:

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

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

Type of auditors' report on compliance for major programs: Unmodified

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

Identification of major programs:

State Grant/Project Number(s):

Name of State Program:

22-495-034-5120-089

Special Education Aid - State Aid Public Cluster

22-495-034-5120-089

Security Aid - State Aid Public Cluster

22-495-034-5094-003

Reimbursed TPAF Social Security Contributions

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

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

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

Part 2 – Schedule of Financial Statement Findings

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

THERE ARE NONE.

**PARK RIDGE BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

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

CURRENT YEAR FEDERAL AWARDS

There are none.

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

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

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

CURRENT YEAR STATE AWARDS

There are none.

**PARK RIDGE BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

STATUS OF PRIOR YEAR FINDINGS

There were none.