

ENGLEWOOD BOARD OF EDUCATION
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Englewood, New Jersey

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
of the
Englewood Board of Education
Englewood, New Jersey
For The Fiscal Year Ended June 30, 2023**

**Prepared by
Business Office**

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INTRODUCTORY SECTION



ENGLEWOOD PUBLIC SCHOOLS

ADMINISTRATIVE BUILDING, 274 KNICKERBOCKER ROAD, ENGLEWOOD, NJ 07631

February 16, 2024

Honorable President and
Members of the Board of Education
Englewood Public Schools
Englewood, New Jersey 07631

Dear Board Members:

The annual comprehensive financial report of the Englewood School District for the fiscal year ended June 30, 2023, 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. 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 and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter and list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report. 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 New Jersey OMB Circular 15-08-OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on internal control 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: Englewood School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Englewood 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 Pre-K through 12. These include regular as well as special education for handicapped youngsters. The District completed the 2022-2023 fiscal year with an enrollment of 2,997 students, which is 12 students less than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last five years.

<u>Fiscal Year Ending 6/30</u>	<u>Total Student Enrollment</u>	<u>Percent Change From Previous Yr.</u>
2018-2019	3,021	(0.2)
2019-2020	2,997	(0.8)
2020-2021	2,945	(1.7)
2021-2022	2,937	(0.2)
2022-2023	2,925	(0.4)

2. ECONOMIC CONDITION AND OUTLOOK: The District will remain sound economically with continued budget management. The budget management process will include a review and evaluation of district programs, staffing levels and new program development. Investments in energy efficiencies, grant opportunities and other shared service partnerships will provide cost savings measures.

3. MAJOR DISTRICT INITIATIVES 2022-2023 continued to focus on efficiencies and improvements district wide. Many corrective action plans and best practices are being put into place to improve the district and achieve compliance with state and federal laws. The district has continued to implement a student academic intervention program to address Math and Language Arts proficiency for all grade levels.

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

As a recipient of federal and state financial assistance, the District 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 evaluation by the District management.

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2023.

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

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

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

9. OTHER INFORMATION: A) **Independent Audit** - State statutes require an annual audit by independent Certified Public Accountants (CPA) or Registered Municipal Accountants. The accounting firm of Lerch, Vinci & Bliss, LLC, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the U.S. Uniform Guidance and New Jersey OMB Circular 15-08. The auditors' report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

10. ACKNOWLEDGMENTS: I would like to express my appreciation to the members of the Englewood 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.

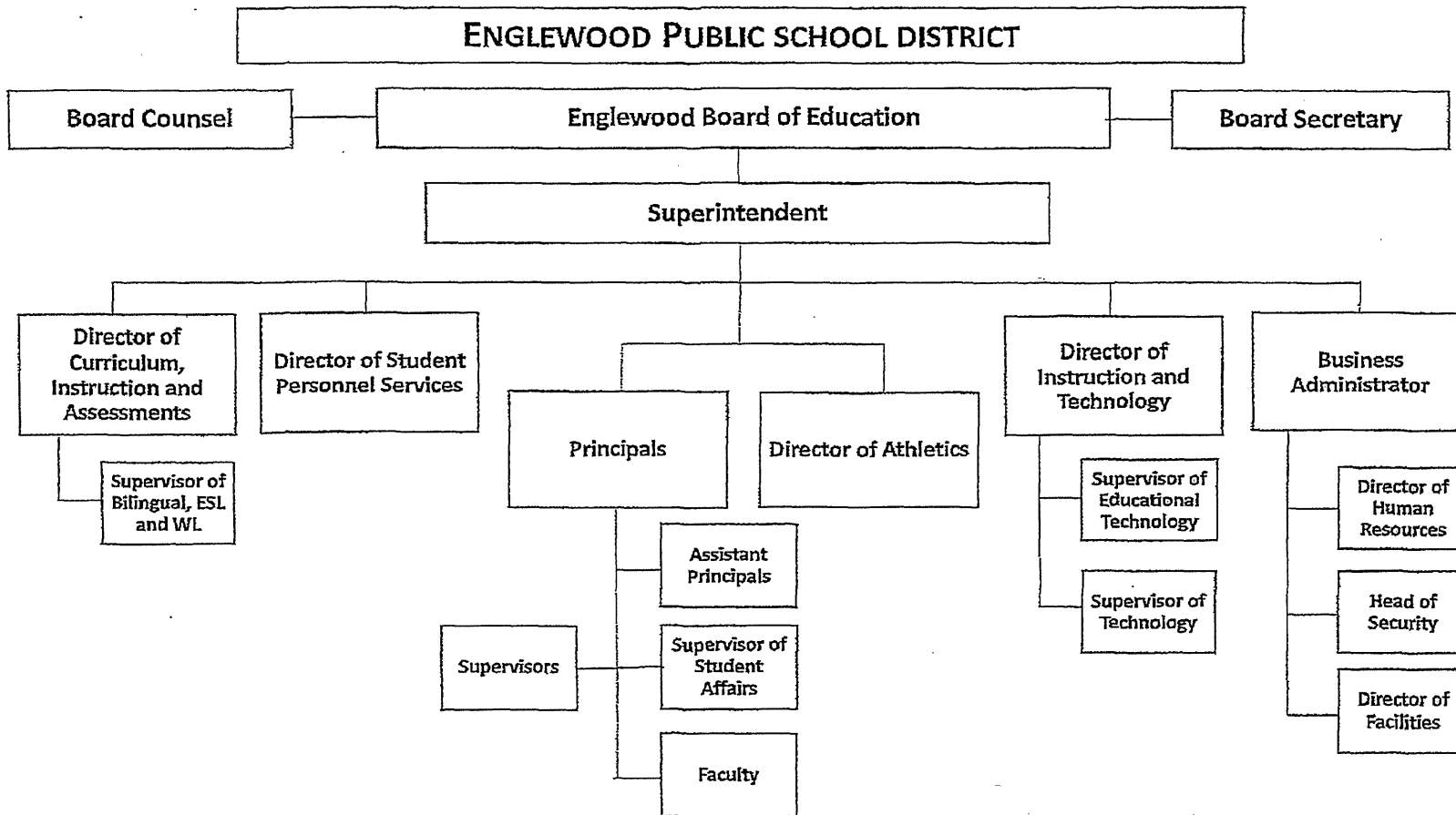
Respectfully submitted,



Dr. Marnie Hazelton
Superintendent of Schools



Cheryl Balleto, CPA, PSA
Business Administrator/Board Secretary



ENGLEWOOD SCHOOL DISTRICT
CITY OF ENGLEWOOD, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2023

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	TERM
Dr. Edith Banks	2025
Ms. Sheri Banks-Watson	2024
Dr. Tamar Blumenthal	2024
Ms. Angela David	2025
Mr. William Feinstein	2023
Ms. Ronique Hicks	2025
Mr. David Matthews	2023
Mr. Eric Montano	2023
Mr. Henry Pruitt, III	2024

OTHER OFFICIALS

Dr. Ronald Bolandi, Interim Superintendent of Schools (July to August 2022)
Dr. Ronel Cook, Superintendent of Schools (August to November 2022)
Dr. Jennifer Sifuentes, Acting Superintendent of Schools (December 2022 to June 2023)
Dr. Marnie Hazelton, Superintendent of Schools (June 2023)
Ms. Cheryl Balletto, Business Administrator/Board Secretary
Mr. Robert Brown, Treasurer

**ENGLEWOOD SCHOOL DISTRICT
CITY OF ENGLEWOOD, NEW JERSEY
CONSULTANTS AND ADVISORS**

JUNE 30, 2023

Independent Auditor

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

Attorney

Inglesino, Webster, Wyciskala & Taylor
600 Parsippany Road
Suite 204
Parsippany, NJ 07054

Official Depository

TD Bank
1000 MacArthur Boulevard
Mahwah, NJ 07430

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 E. 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, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Englewood Board of Education, as of and for the fiscal year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Englewood Board of Education as of June 30, 2023, 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 Englewood 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 Englewood 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 Englewood 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 Englewood 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 Englewood Board of Education’s basic financial statements. The accompanying schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Englewood 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, 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 February 16, 2024 on our consideration of the Englewood 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 Englewood 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 Englewood 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

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

ENGLEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

This section of Englewood Board of Education's annual comprehensive financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2023. The intent of this section is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement. Certain comparative information between the current year (2022-2023) and the prior year (2021-2022) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2022-2023 fiscal year include the following:

- The assets and deferred outflows of resources of the Englewood Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$68,576,921 (net position).
- Overall District revenues were \$96,229,264. General revenues accounted for \$66,101,220 or 69% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$30,128,044 of total revenues.
- The School District had \$89,356,771 in expenses for governmental activities; only \$27,696,926 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$66,101,220 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 \$14,523,688 a decrease of \$2,489,437 when compared to the ending fund balance at June 30, 2022 of \$17,013,125.
- The General Fund unassigned fund balance at June 30, 2023 was \$304,358, a decrease of \$997,456 when compared with the ending unassigned fund balance of \$1,301,814 at June 30, 2022.
- The General Fund unassigned budgetary fund balance at June 30, 2023 was \$2,690,246 which represents a decrease of \$1,195,788 when compared to the ending unassigned budgetary fund balance at June 30, 2022 of \$3,886,034.

ENGLEWOOD BOARD OF EDUCATION

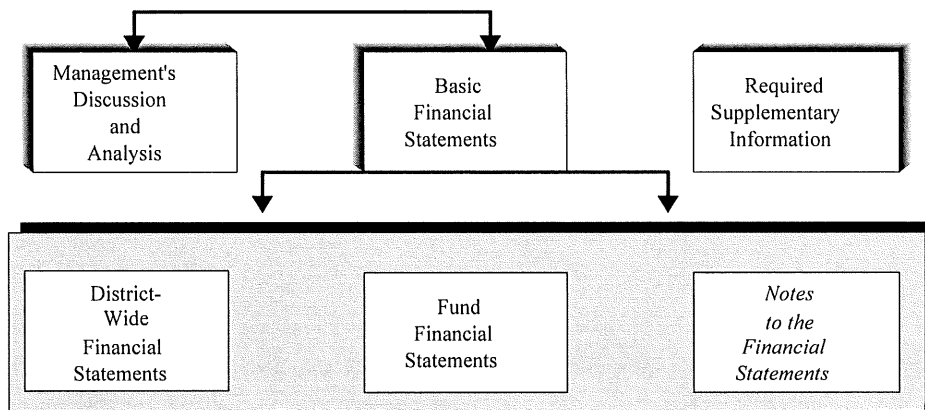
Management's Discussion and Analysis

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

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The table below shows how the various parts of this annual report are arranged and related to one another.



ENGLEWOOD BOARD OF EDUCATION

Management’s Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

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 are summarized below. The remainder of this overview section of management’s discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district	The activities of the district that are not proprietary or fiduciary, such as instruction, special education building maintenance, and community education	Activities the district operates similar to private businesses: Enterprise funds
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in 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 information	All assets, deferred outflows, liabilities, deferred inflows, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included	All assets, deferred outflows, liabilities, deferred inflows, 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.

ENGLEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

District-Wide Financial Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred outflows of resources, liabilities and deferred 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 it has 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 position is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

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

- *Governmental Activities* – Most of the District's basic services are included here, such as regular instruction and special education, transportation, administration, and plant operation and maintenance. State and Federal Aids and tuition charged to other school districts 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 operations is included here.

Fund Financial Statements

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

- Some funds are required by State law and 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).

ENGLEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

Fund Financial Statements (Continued)

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's Enterprise 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.

Notes to the Financial Statements

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

The District also presents required supplementary information regarding the accounting and reporting for pensions as required under GASB Statement No. 68 and post-retirement medical benefits as required under GASB Statement No. 75. The required supplementary information can be found following the notes to the financial statements.

Combining and individual financial schedules are presented immediately following the major budgetary comparisons if required.

ENGLEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$68,576,921 and \$64,166,537 as of June 30, 2023 and 2022, respectively, as shown below.

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, machinery 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.

Net Position as of June 30, 2023 and 2022

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Current and Other Assets	\$ 20,475,115	\$ 24,422,897	\$ 229,962	\$ 722,600	\$ 20,705,077	\$ 25,145,497
Capital Assets	<u>61,271,514</u>	<u>57,647,264</u>	<u>584,837</u>	<u>150,530</u>	<u>61,856,351</u>	<u>57,797,794</u>
Total Assets	<u>81,746,629</u>	<u>82,070,161</u>	<u>814,799</u>	<u>873,130</u>	<u>82,561,428</u>	<u>82,943,291</u>
Deferred Outflows of Resources						
Deferred Amounts on Net Pension Liability	489,064	371,987	-	-	489,064	371,987
Deferred Amounts on Refunding of Debt	<u>30,672</u>	<u>88,506</u>	<u>-</u>	<u>-</u>	<u>30,672</u>	<u>88,506</u>
Total Deferred Outflows	<u>519,736</u>	<u>460,493</u>	<u>-</u>	<u>-</u>	<u>519,736</u>	<u>460,493</u>
Total Assets and Deferred Outflows	<u>82,266,365</u>	<u>82,530,654</u>	<u>814,799</u>	<u>873,130</u>	<u>83,081,164</u>	<u>83,403,784</u>
Liabilities						
Long-Term Liabilities	7,285,246	8,837,740	-	-	7,285,246	8,837,740
Other Liabilities	<u>5,969,069</u>	<u>7,446,491</u>	<u>106,384</u>	<u>139,232</u>	<u>6,075,453</u>	<u>7,585,723</u>
Total Liabilities	<u>13,254,315</u>	<u>16,284,231</u>	<u>106,384</u>	<u>139,232</u>	<u>13,360,699</u>	<u>16,423,463</u>
Deferred Inflows of Resources						
Deferred Amounts on Net Pension Liability	1,131,039	2,806,787	-	-	1,131,039	2,806,787
Deferred Commodities Revenue	<u>-</u>	<u>-</u>	<u>12,505</u>	<u>6,997</u>	<u>12,505</u>	<u>6,997</u>
Total Deferred Inflows	<u>1,131,039</u>	<u>2,806,787</u>	<u>12,505</u>	<u>6,997</u>	<u>1,143,544</u>	<u>2,813,784</u>
Total Liabilities and Deferred Inflows	<u>14,385,354</u>	<u>19,091,018</u>	<u>118,889</u>	<u>146,229</u>	<u>14,504,243</u>	<u>19,237,247</u>
Net Position						
Net Investment in Capital Assets	59,450,642	54,002,412	584,837	150,530	60,035,479	54,152,942
Restricted	5,490,102	7,240,528	-	-	5,490,102	7,240,528
Unrestricted	<u>2,940,267</u>	<u>2,196,696</u>	<u>111,073</u>	<u>576,371</u>	<u>3,051,340</u>	<u>2,773,067</u>
Total Net Position	<u>\$ 67,881,011</u>	<u>\$ 63,439,636</u>	<u>\$ 695,910</u>	<u>\$ 726,901</u>	<u>\$ 68,576,921</u>	<u>\$ 64,166,537</u>

ENGLEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

The changes in net position for fiscal years ended 2023 and 2022 are as follows:

Changes in Net Position For the Fiscal Years Ended June 30, 2023 and 2022

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues						
Program Revenues						
Charges for Services	\$ 1,309,669	\$ 882,278	\$ 341,316	\$ 7,013	\$ 1,650,985	\$ 889,291
Operating Grants and Contributions	23,710,821	25,074,428	2,089,802	2,487,534	25,800,623	27,561,962
Capital Grants and Contributions	2,676,436	492,207			2,676,436	492,207
General Revenues						
Property Taxes	60,065,956	58,696,582			60,065,956	58,696,582
State Aid	5,150,757	5,149,069			5,150,757	5,149,069
Investment Earnings	232,912	10,011	-	-	232,912	10,011
Miscellaneous	644,595	516,323	-	-	644,595	516,323
Total Revenues	<u>93,798,146</u>	<u>90,826,958</u>	<u>2,431,118</u>	<u>2,494,547</u>	<u>96,229,264</u>	<u>93,321,505</u>
Expenses						
Instruction						
Regular	33,036,596	31,569,306			33,036,596	31,569,306
Special Education	15,304,042	15,119,650			15,304,042	15,119,650
Other Instruction	4,426,990	5,022,409			4,426,990	5,022,409
School Sponsored Activities and Athletics	1,323,687	1,024,449			1,323,687	1,024,449
Support Services						
Student and Instruction Related Services	13,688,122	13,705,194			13,688,122	13,705,194
General Administration Services	2,087,100	2,224,667			2,087,100	2,224,667
School Administration Services	3,911,837	3,754,977			3,911,837	3,754,977
Plant Operation and Maintenance	1,648,565	1,623,099			1,648,565	1,623,099
Pupil Transportation	8,496,587	6,495,540			8,496,587	6,495,540
Business Services	5,365,276	4,226,312			5,365,276	4,226,312
Interest and Other Chgs on Long-Term Debt	67,969	138,478			67,969	138,478
Food Service	-	-	2,462,109	2,420,580	2,462,109	2,420,580
Total Expenses	<u>89,356,771</u>	<u>84,904,081</u>	<u>2,462,109</u>	<u>2,420,580</u>	<u>91,818,880</u>	<u>87,324,661</u>
Change in Net Position	4,441,375	5,922,877	(30,991)	73,967	4,410,384	5,996,844
Net Position, Beginning of Year	<u>63,439,636</u>	<u>57,516,759</u>	<u>726,901</u>	<u>652,934</u>	<u>64,166,537</u>	<u>58,169,693</u>
Net Position, End of Year	<u>\$ 67,881,011</u>	<u>\$ 63,439,636</u>	<u>\$ 695,910</u>	<u>\$ 726,901</u>	<u>\$ 68,576,921</u>	<u>\$ 64,166,537</u>

ENGLEWOOD BOARD OF EDUCATION

Management’s Discussion and Analysis

Governmental Activities

As discussed elsewhere in this commentary, the financial position of the District improved significantly. However, maintaining existing programs which include both regular and special education programs, services for disabled pupils, and increases in District health benefits costs places a great demand on the District’s resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

Total and Net Cost of Governmental Activities. The following schedule presents the District’s total costs of services provided by major activity. After applying program revenues, derived from charges for services, operating grants and contributions and capital grants and contributions, the net cost of these services is presented. The following is a comparative analysis of the total and the net cost of governmental activities for the fiscal years ended June 30, 2023 and 2022.

**Total and Net Cost of Governmental Activities
For the Fiscal Years Ended June 30, 2023 and 2022**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Instruction				
Regular	\$ 33,036,596	\$ 31,569,306	\$ 24,324,585	\$ 22,857,245
Special Education	15,304,042	15,119,650	9,343,936	8,980,061
Other Instruction	4,426,990	5,022,409	3,070,975	2,566,931
School Sponsored Activities and Athletics	1,323,687	1,024,449	1,144,917	880,743
Support Services				
Student and Instruction Related Services	13,688,122	13,705,194	8,253,401	8,150,860
General Administration	2,087,100	2,224,667	2,087,100	2,196,608
School Administration Services	3,911,837	3,754,977	3,341,299	3,041,408
Plant Operation and Maintenance	1,648,565	1,623,099	1,648,565	1,501,119
Pupil Transportation	8,496,587	6,495,540	4,274,053	4,948,439
Business Services	5,365,276	4,226,312	4,103,045	3,193,276
Interest and Other Charges on Long-Term Debt	<u>67,969</u>	<u>138,478</u>	<u>67,969</u>	<u>138,478</u>
Total	<u>\$ 89,356,771</u>	<u>\$ 84,904,081</u>	<u>\$ 61,659,845</u>	<u>\$ 58,455,168</u>

ENGLEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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 financing requirements. In particular, unreserved 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 \$14,523,688, a decrease of \$2,489,437 from last year's fund balance of \$17,013,125.

Revenues for the District's governmental funds were \$100,057,023; total expenditures were \$102,546,460.

General Fund - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students.

Revenues of the General Fund were \$85,720,898 for the fiscal year ended June 30, 2023. State sources amounted to \$25,124,803, federal sources amounted to \$329,890, and local sources amounted to 60,266,205.

Expenditures of the General Fund were \$87,847,899. Instructional expenditures were \$53,815,589, support services were \$29,653,295, debt service expenditures were \$679,568 and capital expenditures totaled \$3,699,447 for the fiscal year ended June 30, 2023.

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

Revenues of the Special Revenue Fund were \$12,520,968 for the fiscal year ended June 30, 2023. State sources amounted to \$4,984,430, federal sources were \$7,318,324 and local sources were \$218,214.

Expenditures of the Special Revenue Fund were \$12,883,404. Instructional expenditures were \$5,287,507, support services were \$4,919,461 and capital expenditures totaled \$2,676,436 for the fiscal year ended June 30, 2023.

Debt Service Fund - The debt service revenues and expenditures were \$1,815,157 and the fund balance was -\$0- for June 30, 2023 and 2022, respectively.

Proprietary Funds

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

ENGLEWOOD BOARD OF EDUCATION

Management’s Discussion and Analysis

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

GENERAL FUND BUDGETARY HIGHLIGHTS

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

- Implementing budgets for specially funded projects, which include both federal and state grants.
- Reappropriation of June 30, 2022 encumbrances.

CAPITAL ASSETS

The District’s investment in capital assets for its governmental and business type activities as of June 30, 2023 and 2022 amounts to \$61,856,351 and \$57,797,794 (net of accumulated depreciation), respectively. The capital assets consist of land and land improvements, construction in progress, buildings and building improvements and various other types of equipment. Depreciation charges for the fiscal year 2022-2023 amounted to \$2,751,633 for governmental activities and \$43,825 for the Business-Type activities.

The following is a comparative analysis of capital assets at June 30, 2023 and 2022.

**Capital Assets
at June 30, 2023 and 2022**

	Governmental		Business- Type		Total	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Land	\$ 513,200	\$ 513,200			\$ 513,200	\$ 513,200
Construction in Progress	327,389	767,819	\$ 413,320		740,709	767,819
Land Improvements	2,807,172	1,089,485			2,807,172	1,089,485
Buildings and Building Improvements	56,409,390	54,076,507			56,409,390	54,076,507
Machinery and Equipment	<u>1,214,363</u>	<u>1,200,253</u>	<u>171,517</u>	<u>\$ 150,530</u>	<u>1,385,880</u>	<u>1,350,783</u>
Total	<u>\$ 61,271,514</u>	<u>\$ 57,647,264</u>	<u>\$ 584,837</u>	<u>\$ 150,530</u>	<u>\$ 61,856,351</u>	<u>\$ 57,797,794</u>

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

ENGLEWOOD BOARD OF EDUCATION

Management's Discussion and Analysis

LONG TERM LIABILITIES

At June 30, 2023, the District's long-term liabilities consisted of compensated absences payable of \$1,474,670, serial bonds of \$1,810,198 including original premium, capital financing agreements of \$41,346 and net pension liability of \$3,959,032 totaling \$7,285,246. This is in comparison to long-term liabilities at June 30, 2022 of \$8,837,740 or a decrease of \$1,552,494.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2022-2023 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing labor and related employee benefit costs. Other budgetary increases are anticipated with special education, and the required investment to repair and maintain the District's facilities.

These expenditures are to be paid for by the mandated 2% CAP on the property tax levy with certain allowable adjustments to the tax levy. In the future, any such allowable adjustments may not be permitted.

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 at Englewood Board of Education, 274 Knickerbocker Road, Englewood, NJ 07631.

DISTRICT-WIDE FINANCIAL STATEMENTS

**ENGLEWOOD BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2023**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 14,603,661	\$ 101,335	\$ 14,704,996
Accounts Receivable	5,871,454	101,283	5,972,737
Inventories		27,344	27,344
Capital Assets, Not Being Depreciated	840,589		840,589
Capital Assets, Being Depreciated, Net	<u>60,430,925</u>	<u>584,837</u>	<u>61,015,762</u>
Total Assets	<u>81,746,629</u>	<u>814,799</u>	<u>82,561,428</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	30,672		30,672
Deferred Amounts on Net Pension Liability	<u>489,064</u>	<u>-</u>	<u>489,064</u>
Total Deferred Outflows of Resources	<u>519,736</u>	<u>-</u>	<u>519,736</u>
Total Assets and Deferred Outflows of Resources	<u>82,266,365</u>	<u>814,799</u>	<u>83,081,164</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	2,220,757	101,231	2,321,988
Accrued Interest Payable	17,642		17,642
Payable to Other Governments	766,044		766,044
Unearned Revenue	2,964,626	5,153	2,969,779
Noncurrent Liabilities			
Due within one year	1,798,134		1,798,134
Due beyond one year	<u>5,487,112</u>	<u>-</u>	<u>5,487,112</u>
Total Liabilities	<u>13,254,315</u>	<u>106,384</u>	<u>13,360,699</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	1,131,039	-	1,131,039
Deferred Commodities Revenues	<u>-</u>	<u>12,505</u>	<u>12,505</u>
Total Deferred Inflows of Resources	<u>1,131,039</u>	<u>12,505</u>	<u>1,143,544</u>
Total Liabilities and Deferred Inflows of Resources	<u>14,385,354</u>	<u>118,889</u>	<u>14,504,243</u>
NET POSITION			
Net Investment in Capital Assets	59,450,642	584,837	60,035,479
Restricted for			
Capital Projects	4,655,866		4,655,866
Plant Maintenance	526,716		526,716
Other Purposes	307,520		307,520
Unrestricted	<u>2,940,267</u>	<u>111,073</u>	<u>3,051,340</u>
Total Position	<u>\$ 67,881,011</u>	<u>\$ 695,910</u>	<u>\$ 68,576,921</u>

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

**ENGLEWOOD BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
Instruction							
Regular Instruction	\$ 33,036,596	\$ 762,820	\$ 7,887,249	\$ 61,942	\$ (24,324,585)		\$ (24,324,585)
Special Education Instruction	15,304,042		5,960,106		(9,343,936)		(9,343,936)
Other Instruction	4,426,990		1,356,015		(3,070,975)		(3,070,975)
School Sponsored Activities and Athletics	1,323,687	178,770			(1,144,917)		(1,144,917)
Support Services							
Student & Instruction Related Services	13,688,122		5,434,721		(8,253,401)		(8,253,401)
General Administration	2,087,100				(2,087,100)		(2,087,100)
School Administration	3,911,837		570,538		(3,341,299)		(3,341,299)
Central Services	1,648,565				(1,648,565)		(1,648,565)
Plant Operations & Maintenance	8,496,587	167,844	1,440,196	2,614,494	(4,274,053)		(4,274,053)
Student Transportation	5,365,276	200,235	1,061,996		(4,103,045)		(4,103,045)
Interest on Long-Term Debt	67,969	-	-	-	(67,969)	-	(67,969)
Total Governmental Activities	89,356,771	1,309,669	23,710,821	2,676,436	(61,659,845)	-	(61,659,845)
Business-Type Activities							
Food Service	2,462,109	341,316	2,089,802	-	-	\$ (30,991)	(30,991)
Total Business-Type Activities	2,462,109	341,316	2,089,802	-	-	(30,991)	(30,991)
Total Primary Government	\$ 91,818,880	\$ 1,650,985	\$ 25,800,623	\$ 2,676,436	(61,659,845)	(30,991)	(61,690,836)
General Revenues							
Taxes:							
Property Taxes, levied for general purposes, net					58,250,799		58,250,799
Property Taxes, levied for debt service, net					1,815,157		1,815,157
Unrestricted State Aid					5,150,757		5,150,757
Investment Earnings					239,912		239,912
Miscellaneous Income					644,595	-	644,595
Total General Revenues					66,101,220	-	66,101,220
Change in Net Position					4,441,375	(30,991)	4,410,384
Net Position, Beginning of Year					63,439,636	726,901	64,166,537
Net Position, End of Year					\$ 67,881,011	\$ 695,910	\$ 68,576,921

FUND FINANCIAL STATEMENTS

**ENGLEWOOD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and Cash Equivalents	\$ 14,462,444	\$ 141,217		\$ 14,603,661
Accounts Receivable:				
Intergovernmental	1,615,789	4,112,186		5,727,975
Other	128,125	15,354		143,479
Due from Other Funds	<u>40,995</u>	<u>-</u>	<u>-</u>	<u>40,995</u>
 Total Assets	 <u>16,247,353</u>	 <u>4,268,757</u>	 <u>-</u>	 <u>20,516,110</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	1,236,773	1,295,873		2,532,646
Payable to Federal/State Government		200,896		200,896
Payroll Deductions and Withholdings Payable	105,452			105,452
Other Liabilities		147,807		147,807
Due to Other Funds		40,995		40,995
Unearned Revenue	<u>565,148</u>	<u>2,399,478</u>	<u>-</u>	<u>2,964,626</u>
 Total Liabilities	 <u>1,907,373</u>	 <u>4,085,049</u>	 <u>-</u>	 <u>5,992,422</u>
Fund Balances				
Restricted				
Excess Surplus	3,000,000			3,000,000
Excess Surplus - Designated for				
Subsequent Year's Expenditures	1,857,957			1,857,957
Capital Reserve	4,655,866			4,655,866
Maintenance Reserve	526,716			526,716
Emergency Reserve	750,346			750,346
Unemployment Compensation Reserve	123,812			123,812
Scholarships		65,990		65,990
Student Activities		117,718		117,718
Committed				
Year End Encumbrances	1,670,138			1,670,138
Assigned				
Year End Encumbrances	581,332			581,332
Designated for Subsequent Year Expenditures	869,455			869,455
Unassigned	<u>304,358</u>	<u>-</u>	<u>-</u>	<u>304,358</u>
 Total Fund Balances	 <u>14,339,980</u>	 <u>183,708</u>	 <u>-</u>	 <u>14,523,688</u>
 Total Liabilities and Fund Balances	 <u>\$ 16,247,353</u>	 <u>\$ 4,268,757</u>	 <u>\$ -</u>	 <u>\$ 20,516,110</u>

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

**ENGLEWOOD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2023**

Total Fund Balances (Exhibit B-1) \$ 14,523,688

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$105,871,229 and the accumulated depreciation is \$44,599,715. 61,271,514

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. 30,672

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

Deferred Outflows of Resources	\$ 489,064	
Deferred Inflows of Resources	<u>(1,131,039)</u>	(641,975)

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is: (17,642)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds

Serial Bonds (Including Unamortized Premium)	(1,810,198)	
Capital Financing Agreements	(41,346)	
Compensated Absences	(1,474,670)	
Net Pension Liability	<u>(3,959,032)</u>	<u>(7,285,246)</u>

Net Position of Governmental Activities \$ 67,881,011

ENGLEWOOD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local Sources				
Property Tax Levy	\$ 58,250,799		\$ 1,815,157	\$ 60,065,956
Tuition	762,820			762,820
Transportation Fees	200,235			200,235
Interest	239,912			239,912
Rentals	167,844			167,844
Miscellaneous	644,595	\$ 218,214	-	862,809
Total - Local Sources	60,266,205	218,214	1,815,157	62,299,576
Intergovernmental				
State Sources	25,124,803	4,984,430		30,109,233
Federal Sources	329,890	7,318,324	-	7,648,214
Total Revenues	<u>85,720,898</u>	<u>12,520,968</u>	<u>1,815,157</u>	<u>100,057,023</u>
EXPENDITURES				
Current				
Instruction				
Regular Instruction	32,759,494	3,796,583		36,556,077
Special Education Instruction	15,553,982	600,440		16,154,422
Other Instruction	4,254,327	713,227		4,967,554
School Sponsored Activities and Athletics	1,247,786	177,257		1,425,043
Support Services				
Student & Instruction Related Services	10,064,438	4,677,112		14,741,550
General Administration	2,116,851			2,116,851
School Administration	4,303,886			4,303,886
Central Services	1,848,593			1,848,593
Plant Operations & Maintenance	6,053,805	137,377		6,191,182
Student Transportation	5,265,722	104,972		5,370,694
Debt Service				
Principal	675,291		1,705,000	2,380,291
Interest	4,277		110,157	114,434
Capital Outlay	3,699,447	2,676,436	-	6,375,883
Total Expenditures	<u>87,847,899</u>	<u>12,883,404</u>	<u>1,815,157</u>	<u>102,546,460</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,127,001)</u>	<u>(362,436)</u>	<u>-</u>	<u>(2,489,437)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In		363,818	-	363,818
Transfers Out	(363,818)	-	-	(363,818)
Total Other Financing Sources and Uses	<u>(363,818)</u>	<u>363,818</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(2,490,819)	1,382	-	(2,489,437)
Fund Balance, Beginning of Year	16,830,799	182,326	-	17,013,125
Fund Balance, End of Year	<u>\$ 14,339,980</u>	<u>\$ 183,708</u>	<u>\$ -</u>	<u>\$ 14,523,688</u>

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

**ENGLEWOOD 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, 2023**

Total net change in fund balances - governmental funds (Exhibit B-2) \$ (2,489,437)

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	\$ 6,375,883	
Depreciation Expense	<u>(2,751,633)</u>	
		3,624,250

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of long-term debt uses those current financial resources of governmental funds. Neither transactions, however, has any effect on net position. Also governmental funds report the effect of premiums and other such items related to the refunding bonds when they are issued, whereas these amounts are expensed and or deferred and amortized in the statement of activities.

Principal Repayments:		
Serial Bonds	1,705,000	
Capital Financing Agreements	91,592	
Other Financing Agreements	583,698	
Amortization of Deferred Amounts on Refunding	(57,834)	
Amortization of Bond Premium	<u>85,222</u>	
		2,407,678

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due.

Decrease in Accrued Interest		19,077
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In the statement of activities, certain operating expenses e.g. compensated absences and pension expenses are measured by the amounts accrued during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). The amount presented is the net change.

Increase in Compensated Absences	(15,754)	
Decrease in Pension Expense	<u>895,561</u>	
		<u>879,807</u>

Change in net position of governmental activities (Exhibit A-2) \$ 4,441,375

ENGLEWOOD BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2023

	<u>Food Service</u>
ASSETS	
Cash	\$ 101,335
Accounts Receivable - Intergovernmental	101,283
Inventories	<u>27,344</u>
Total Current Assets	<u>229,962</u>
Capital Assets:	
Construction in Progress	413,190
Equipment	879,770
Accumulated Depreciation	<u>(708,253)</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>584,707</u>
Total Assets	<u>814,669</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	101,231
Unearned Revenues	<u>5,153</u>
Total Liabilities	<u>106,384</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Commodities Revenues	<u>12,505</u>
Total Liabilities and Deferred Inflows of Resources	<u>118,889</u>
NET POSITION	
Investment in Capital Assets	584,707
Unrestricted	<u>111,073</u>
Total Net Position	<u>\$ 695,780</u>

**ENGLEWOOD BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Food Service</u>
OPERATING REVENUES	
Local Sources	
Daily Food Sales - Non-Reimbursable programs	\$ 207,917
Miscellaneous	133,399
	341,316
Total Operating Revenues	341,316
OPERATING EXPENSES	
Salaries and Employee Benefits	871,592
Cost of Sales - Reimbursable programs	822,515
Cost of Sales - Non-Reimbursable programs	261,193
Purchased Management Services	111,052
Other Purchased Services	194,694
Supplies and Materials	122,495
Repairs and Maintenance	27,480
Miscellaneous	7,263
Depreciation	43,825
	2,462,109
Total Operating Expenses	2,462,109
Operating Income/(Loss)	(2,120,793)
NONOPERATING REVENUES	
State Sources:	
School Lunch Program	39,795
School Breakfast Program	5,581
School After the Bell Program	6,710
Summer Food Service Program for Children	3,907
Federal Sources	
School Breakfast Program	319,330
School Lunch Program	1,184,689
Supply Chain Assistance	142,245
Snack Program	108,511
Summer Food Service Program for Children	138,655
Food Distribution Program	140,379
	2,089,802
Total Nonoperating Revenues	2,089,802
Change in Net Position	(30,991)
Fund Balance, Beginning of Year	726,901
Fund Balance, End of Year	\$ 695,910

ENGLEWOOD BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Food Service</u>
Cash Flows from Operating Activities	
Cash Received from Customers	\$ 339,725
Cash Payments for Employee Salaries and Benefits	(871,592)
Cash Payments to Suppliers for Goods and Services	<u>(1,432,578)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(1,964,445)</u>
Cash Flows from Noncapital Financing Activities	
Cash Received from State and Federal Sources	<u>2,033,187</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>2,033,187</u>
Cash Flows from Capital Financing Activities	
Purchases of Capital Assets	<u>(478,132)</u>
Net Cash (Used for) Capital Financing Activities	<u>(478,132)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(409,390)
Cash and Cash Equivalents, Beginning of Year	<u>510,725</u>
Cash and Cash Equivalents, End of Year	<u>101,335</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Operating Income (Loss)	<u>(2,120,793)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash (Used for) Operating Activities	
Depreciation	43,825
Non-Cash Federal Assistance - Food Distribution Program	140,379
Change in Assets, Liabilities and Deferred Inflows	
(Increase)/Decrease in Inventory	(516)
Increase/(Decrease) in Accounts Payable	(31,257)
Increase/(Decrease) in Unearned Revenue	(1,591)
(Increase)/Decrease in Other Accounts Receivable	
Increase/(Decrease) in Deferred Commodities Revenue	<u>5,508</u>
Total Adjustments	<u>156,348</u>
Net Cash (Used for) Operating Activities	<u>\$ (1,964,445)</u>
Noncash Investing, Capital and Financing Activities	
Value Received Food Distribution Program	\$ 145,887

NOTES TO THE FINANCIAL STATEMENTS

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Englewood Board of Education (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A Superintendent 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 Englewood Board of Education this includes general operations, food service, and student related activities of the District.

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

B. New Accounting Standards

During fiscal year 2023, the District adopted the following GASB statements:

GASB Statement No. 96, *Subscription – Based Information Technology Arrangements*. 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.

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

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

- 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.

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.

ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

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

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.

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 and subscription arrangements for intangible right-to-use information technology (IT) software assets are reported as other financing sources.

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

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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. Capital Assets

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

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

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

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

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period 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.

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

5. *Deferred Outflows/Inflows of Resources* (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two types which arise only under the accrual basis of accounting that qualify for reporting in this category. Accordingly, one item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other item is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

6. *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.

7. *Pensions*

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

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

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

8. 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.

9. Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize bond 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.

10. Net Position/Fund Balance

District-Wide Statements

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

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

ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Governmental Fund Statements

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

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

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2023 audited excess surplus that is required to be appropriated in the 2024/2025 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, 2022 audited excess surplus that was appropriated in the 2023/2024 original budget certified for taxes.

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

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 2).

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

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 4).

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.

ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Governmental Fund Statements (Continued)

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 Trustees 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 2023/2024 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.

11. *Fund Balance Policies*

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

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

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.

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 2021-2022 and 2022-2023 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

The District must prepare its budget in compliance with applicable laws limiting the amount by which the general fund property tax levy can increase in the annual school budget. The 2010 Tax Levy CAP Law is calculated using the formulas and provisions of NJSA 18A:7F-38. The law was originally adopted in 2007 and was most recently amended in 2018. The core of the tax-levy cap calculation is a 2% increase to the previous budget year's general fund tax levy with exceptions only for enrollment increases, increases for certain pension contributions in excess of 2%, certain healthcare increases, and amounts approved by a simple majority of voters at a special election. Additionally, school districts can bank the unused tax levy for use in any of the next three (3) succeeding budget years if they were not granted approval to exceed the tax levy cap by the voters. The restrictions are solely on the tax levy for the general fund and are not applicable to the debt service fund.

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. 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 2022/2023. Also, during 2022/2023 the Board increased the original budget of the general fund by \$3,116,985 and the special revenue fund by \$2,475,461. The increases were funded by the additional appropriation of 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.

B. Excess Expenditures Over Appropriations

The following is a summary of expenditures in excess of available appropriations. The overexpended appropriations resulted in unfavorable variances. The below variances were offset with other available resources.

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund			
Preschool Disabilities – Full Time			
Other Purchased Services	-	\$329,750	\$329,750

The above variances were offset with other available resources.

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. 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, 2023 is as follows:

Balance, June 30, 2022		\$ 6,409,174
Increased by:		
Return of Unencumbered Budget Withdrawal	\$ 770,494	
Interest Earnings	2,500	
Deposits Approved by Board Resolution	<u>473,698</u>	
		<u>1,246,692</u>
		7,655,866
Decreased by:		
Withdrawals Approved in District Budget		<u>(3,000,000)</u>
Balance, June 30, 2023		<u>\$ 4,655,866</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan.

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Maintenance Reserve

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

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

The activity of the maintenance reserve for the fiscal year ended June 30, 2023 is as follows:

Balance, June 30, 2022	\$ 525,216
Increased by:	
Interest Earnings	<u>1,500</u>
Balance, June 30, 2023	<u>\$ 526,716</u>

The June 30, 2023 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$3,488,800.

E. 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.

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

E. Emergency Reserve (Continued)

The activity of the emergency reserve for the fiscal year ended June 30, 2023 is as follows:

Balance, June 30, 2022		\$ 719,908
Increased by:		
Interest earned	\$ 1,000	
Deposits Approved by Board Resolution	<u>29,438</u>	
		<u>30,438</u>
Balance, June 30, 2023		<u>\$ 750,346</u>

F. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year’s budget. The excess fund balance at June 30, 2023 is \$4,857,957. Of this amount, \$1,857,957 was designated and appropriated in the 2023/2024 original budget certified for taxes and the remaining amount of \$3,000,000 will be appropriated in the 2024/2025 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits in excess of the FDIC and NCUSIF insured amounts. GUDPA does not protect intermingled trust funds, withholdings from an employee’s salary or funds which may pass to the local government upon the happening of a future condition.

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

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, 2023, the book value of the Board's deposits were \$14,701,701 and bank and brokerage firm balances of the Board's deposits amounted to \$19,436,140. The Board's deposits which are displayed on the various fund balance sheets as "cash" or "cash and cash equivalents" are categorized as:

Depository Account

Insured	\$ 19,214,384
Uninsured and Collateralized	<u>221,756</u>
	<u>\$ 19,436,140</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, 2023 the Board's bank balance of \$221,756 was exposed to custodial credit risk as follows:

Depository Account

Depository Account

Uninsured and Collateralized	
Collateral held by pledging financial institution's trust department but not in the Board's name	<u>\$ 221,756</u>

Investments

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

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

As of June 30, 2023, the Board had the following investments:

<u>Investment Type:</u>	<u>Fair Value</u>
N.J. Cash Management Fund	\$ <u>3,295</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 credit risk. As of June 30, 2023, \$3,295 of the Board’s investments was exposed to custodial credit risk as follows:

<u>Uninsured and Collateralized:</u>	<u>Fair Value</u>
Collateral held by pledging financial institutions' trust department or agent but not in the Board's name	\$ <u>3,295</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.

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

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

Fair Value of Investments. The Englewood 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. Since the value is not obtained from a quoted price in an active market the investments held by the District at June 30, 2023 are categorized as Level 2.

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

Receivables as of June 30, 2023 for the district’s individual major funds, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Intergovernmental:				
Local	\$ 1,013,057			\$ 1,013,057
State	602,732	\$ 1,188	\$ 3,311	607,231
Federal		4,110,998	97,972	4,208,970
Other Accounts	<u>128,125</u>	<u>15,354</u>	<u>272,265</u>	<u>415,744</u>
Gross Receivables	1,743,914	4,127,540	373,548	6,245,002
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>(272,265)</u>	<u>(272,265)</u>
Net Total Receivables	<u>\$ 1,743,914</u>	<u>\$ 4,127,540</u>	<u>\$ 101,283</u>	<u>\$ 5,972,737</u>

C. Unearned Revenue

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

	<u>Unearned</u>
General Fund	
Unrealized FEMA Proceeds	\$ 565,148
Special Revenue Fund	
Unencumbered grant draw downs	330,791
Grant Drawdowns Reserved for Encumbrances	<u>2,068,687</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 2,964,626</u>

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2023 was as follows:

	Balance, <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2023</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 513,200			\$ 513,200
Construction in Progress	<u>767,819</u>	<u>\$ 327,389</u>	<u>\$ (767,819)</u>	<u>327,389</u>
Total Capital Assets, Not Being Depreciated	<u>1,281,019</u>	<u>327,389</u>	<u>(767,819)</u>	<u>840,589</u>
Capital assets, Being Depreciated:				
Land Improvements	2,981,610	1,916,053		4,897,663
Buildings and Building Improvements	87,980,215	4,534,467		92,514,682
Machinery and Equipment	<u>7,252,502</u>	<u>365,793</u>	<u>-</u>	<u>7,618,295</u>
Total Capital Assets Being Depreciated	<u>98,214,327</u>	<u>6,816,313</u>	<u>-</u>	<u>105,030,640</u>
Less Accumulated Depreciation for:				
Land Improvements	(1,892,125)	(198,366)		(2,090,491)
Building and Building Improvements	(33,903,708)	(2,201,584)		(36,105,292)
Machinery and Equipment	<u>(6,052,249)</u>	<u>(351,683)</u>	<u>-</u>	<u>(6,403,932)</u>
Total Accumulated Depreciation	<u>(41,848,082)</u>	<u>(2,751,633)</u>	<u>-</u>	<u>(44,599,715)</u>
Total Capital Assets, Being Depreciated, Net	<u>56,366,245</u>	<u>4,064,680</u>	<u>-</u>	<u>60,430,925</u>
Government Activities Capital Assets, Net	<u>\$ 57,647,264</u>	<u>\$ 4,392,069</u>	<u>\$ (767,819)</u>	<u>\$ 61,271,514</u>

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, July 1, 2022	Increases	Decreases	Balance, June 30, 2023
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	-	\$ 413,320	-	\$ 413,320
Total Capital Assets, Not Being Depreciated	-	413,320	-	413,320
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 814,958	64,812	-	879,770
Total Capital Assets Being Depreciated	814,958	64,812	-	879,770
Less Accumulated Depreciation for:				
Machinery and Equipment	(664,428)	(43,825)	-	(708,253)
Total Accumulated Depreciation	(664,428)	(43,825)	-	(708,253)
Total Capital Assets, Being Depreciated, Net	150,530	20,987	-	171,517
Business-Type Activities Capital Assets, Net	\$ 150,530	\$ 434,307	\$ -	\$ 584,837

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

Governmental activities:

Instruction	
Regular	\$ 195,274
Total Instruction	195,274
Support Services	
Student and Instruction Related Services	23,440
School Administration	88,284
Plant Operations and Maintenance	2,432,875
Student Transportation	11,760
Total Support Services	2,556,359
Total Governmental Activities	\$ 2,751,633
Business-Type Activities:	
Food Service Fund	\$ 43,825
Total Depreciation Expense-Business-Type Activities	\$ 43,825

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction project as of June 30, 2023:

<u>Project</u>	<u>Remaining Commitment</u>
DMHS Cafeteria Expansion Project	\$ <u>1,670,318</u>

The District has one other significant commitment at June 30, 2023 as follows:

<u>Purposes</u>	<u>Remaining Commitment</u>
Acquisition of 3000 Chromebooks	\$ <u>1,592,300</u>

Insurance Proceeds

The District had insurance policies in effect at the time of Hurricane Ida for comprehensive property damage (including flood), and other coverages. During 2023, the District collected \$720,957 of the prior year receivable balance from insurance. In addition, the District collected \$669,297 from the Federal Emergency Management Agency (“FEMA”), of which \$104,149 was utilized to offset additional expenditures associated with Hurricane Ida not covered by insurance. The balance of \$565,148 is reported as unearned revenue at June 30, 2023.

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2023, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ <u>40,995</u>

The above balance is to cover the cash balance which was in an overdraft position.

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

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

Interfund Transfers

	<u>Transfer In:</u>
	Special Revenue <u>Fund</u>
Transfer Out:	
General Fund	\$ 363,818
 Total	 <u>\$ 363,818</u>

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

F. Financing Agreements

Capital Financing Agreements

The District entered into the following agreements to finance the acquisition of other 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, 2023 are comprised of the following:

\$416,833, fiscal year 2019 Agreement for the acquisition of copiers for a term of 5 years due in an annual principal installment of \$30,864 through September 30, 2023 interest at 0.38%	\$ 30,864
 \$12,268, fiscal year 2022 Agreement for the acquisition of a copier for a term of 5 years due in annual principal installments of \$474 to \$2,743 through August, 2027 interest at 3.13%	 <u>10,482</u>
Total	 <u>\$ 41,346</u>

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. 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,	Capital Agreements		Total
	Principal	Interest	
2024	\$ 33,134	\$ 895	\$ 34,029
2025	2,418	450	2,868
2026	2,576	292	2,868
2027	2,743	125	2,868
2028	<u>475</u>	<u>2</u>	<u>477</u>
Total	<u>\$ 41,346</u>	<u>\$ 1,764</u>	<u>\$ 43,110</u>

G. Long-Term Debt

General Obligation Bonds

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

Bonds payable at June 30, 2023 are comprised of the following issues:

\$14,970,000, 2013 Bonds, due in a final annual
installment of \$1,765,000
on April 1, 2024, interest at 2.25% to 4.00% \$1,765,000

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

Governmental Activities:

Year Ending June 30,	Serial Bonds		Total
	Principal	Interest	
2024	<u>\$ 1,765,000</u>	<u>\$ 52,925</u>	<u>\$ 1,817,925</u>
	<u>\$ 1,765,000</u>	<u>\$ 52,925</u>	<u>\$ 1,817,925</u>

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2023 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 221,509,906
Less: Net Debt Issued and Authorized But Not Issued	<u>1,765,000</u>
Remaining Borrowing Power	<u>\$ 219,744,906</u>

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2023, was as follows:

	Balance, July 1, 2022	Additions	Deletions	Balance, June 30, 2023	Due Within One Year
Governmental activities:					
Serial Bonds	\$ 3,470,000		\$ 1,705,000	\$ 1,765,000	\$ 1,765,000
Deferred Amounts					
Add: Original Issue Premium	130,420	-	85,222	45,198	-
Total Bonds Payable	3,600,420	-	1,790,222	1,810,198	1,765,000
Capital Financing Agreements	132,938		91,592	41,346	33,134
Other Financing Agreements	583,698		583,698	-	-
Compensated Absences	1,458,916	\$ 15,754		1,474,670	
Net Pension Liability	3,061,768	897,264	-	3,959,032	-
Governmental activity					
Long-term liabilities	<u>\$ 8,837,740</u>	<u>\$ 913,018</u>	<u>\$ 2,465,512</u>	<u>\$ 7,285,246</u>	<u>\$ 1,798,134</u>

For the governmental activities, the liabilities for capital and other 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 New Jersey School Insurance Group (NJSIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against various insurance claims.

The relationship between the Board and the insurance 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.

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

NJSIG 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, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's restricted fund balance for unemployment compensation claims in the General Fund for the current and previous two years:

Fiscal Year Ended June 30,	Employee Contributions	Amount Reimbursed	Ending Balance
2023	\$ 49,577	\$ 21,902	\$ 123,812
2022	32,871	2,687	123,812
2021	14,694	14,694	123,812

B. Contingent Liabilities

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

Pending Litigation - There are four (4) pending cases (three in one consolidated matter) of sexual abuse committed by three former teachers in which the alleged abuse occurred between the years of 1966 and 1974. The complaints allege that the District was negligent in its hiring, retention, supervision and/or control of its teachers and the District failed to have proper policies and procedures in place to detect and/or prevent the alleged sexual abuse. Discovery in all of the complaints are scheduled to end by March 2024. In the opinion of the Board attorney the range of potential losses for such cases is generally between \$450,000 and several million dollars.

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, 2023, 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.

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

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, 2023, the District has not estimated its arbitrage earnings due to the IRS, if any.

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.

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

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.

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.

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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.

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.

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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.

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2022 is \$15.2 billion and the plan fiduciary net position as a percentage of the total pension liability is 62.91% . The collective net pension liability of the State funded TPAF at June 30, 2022 is \$51.7 billion and the plan fiduciary net position as a percentage of total pension liability is 32.29%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2021 which were rolled forward to June 30, 2022.

Actuarial Methods and Assumptions

In the July 1, 2021 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 2023.

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, 2023 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 more 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 2023, 2022, and 2021 were equal to the required contributions.

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

During the fiscal years ended June 30, 2023, 2022, and 2021 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and unfunded accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Year Ended <u>June 30,</u>	<u>PERS</u>	On-Behalf <u>TPAF</u>	<u>DCRP</u>
2023	\$ 330,820	\$ 9,262,706	\$ 1,653
2022	302,679	9,419,317	2,287
2021	264,226	6,884,728	3,086

In addition for fiscal years 2023, 2022, and 2021 the State contributed \$3,345, \$3,185, and \$4,048, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$2,001,374 during the fiscal year ended June 30, 2023 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, 2021 through June 30, 2022. 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.

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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)

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, 2022 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2022.

At June 30, 2023, the District reported in the statement of net position (accrual basis) a liability of \$3,959,032 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. 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, 2022. At June 30, 2022, the District's proportionate share was 0.02623 percent, which was an increase of 0.00038 percent from its proportionate share measured as of June 30, 2021 of 0.02585 percent.

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$564,741 for PERS. The pension contribution made by the District during the current 2022/2023 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, 2023 with a measurement date of the prior fiscal year end of June 30, 2022. 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, 2023 for contributions made subsequent to the measurement date. At June 30, 2023, 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	\$ 28,574	\$ 25,199
Changes of Assumptions	12,266	592,824
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	163,861	-
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>284,363</u>	<u>513,016</u>
Total	<u>\$ 489,064</u>	<u>\$ 1,131,039</u>

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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)

At June 30, 2023, 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	\$ (570,933)
2024	(224,509)
2025	(41,457)
2026	195,029
2027	(105)
Thereafter	<u>-</u>
	<u>\$ (641,975)</u>

Actuarial Assumptions

The District’s total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75-6.55%
	Based on Years of Service
Investment Rate of Return	7.00%

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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)

Mortality Rates

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

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

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, 2022) 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, 2022 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%	4.91%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Investment Grade Credit	7.00%	3.38%
US Equity	27.00%	8.12%
Non-US Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
High Yield	4.00%	4.95%
Real Assets	3.00%	7.60%
Private Credit	8.00%	8.10%
Real Estate	8.00%	11.19%
Private Equity	13.00%	11.80%

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 2022. 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>\$ 5,086,196</u>	<u>\$ 3,959,032</u>	<u>\$ 2,999,770</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, 2022. A sensitivity analysis specific to the District's net pension liability at June 30, 2022 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.

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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, 2021 through June 30, 2022. 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, 2022, the State's pension contribution was more 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, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$3,132,938 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, 2023 the State's proportionate share of the net pension liability attributable to the District is \$116,410,743. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. 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, 2022. At June 30, 2022, the State's share of the net pension liability attributable to the District was 0.22563 percent, which was a decrease of 0.00679 percent from its proportionate share measured as of June 30, 2021 of 0.23242 percent.

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	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, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**ENGLEWOOD 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, 2022) 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>Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.91%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Investment Grade Credit	7.00%	3.38%
US Equity	27.00%	8.12%
Non-US Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
High Yield	4.00%	4.95%
Real Assets	3.00%	7.60%
Private Credit	8.00%	8.10%
Real Estate	8.00%	11.19%
Private Equity	13.00%	11.80%

Discount Rate

The discount rate used to measure the total pension liability for TPAF was 7.00% as of June 30, 2022. 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.

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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>\$ 136,494,070</u>	<u>\$ 116,410,743</u>	<u>\$ 99,493,064</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, 2022. A sensitivity analysis specific to the State’s proportionate share of the net pension liability attributable to the District at June 30, 2022 was not provided by the pension system.

Pension Plan Fiduciary Net Position

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

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, 2022. 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.

**ENGLEWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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, the Police and Firemen Retirement System (PFRS) or Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement. 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, 2021:

Active Plan Members	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>151,669</u>
Total	<u>364,817</u>

Measurement Focus and Basis of Accounting

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

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

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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, 2022 is \$50.6 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities at June 30, 2022 were determined based on actuarial valuations as of June 30, 2021 which were rolled forward to June 30, 2022.

Actuarial Methods and Assumptions

In the June 30, 2021 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 \$1.33 billion to the OPEB plan in fiscal year 2022.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution 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, 2023, 2022, and 2021 were \$2,433,291, \$2,200,733, and \$2,157,566, 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.

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

E. Post-Retirement Medical Benefits (Continued)

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

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State’s contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2021 through June 30, 2022. Nonemployer allocation percentages have been rounded for presentation purposes.

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

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$2,304,182. 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, 2023 the State’s proportionate share of the OPEB liability attributable to the District is \$81,305,379. 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, 2022 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2022. At June 30, 2022, the state’s share of the OPEB liability attributable to the District was 0.16054 percent, which was an increase of .01839 percent from its proportionate share measured as of June 30, 2021 of 0.14215 percent.

Actuarial Assumptions

The OPEB liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>PERS</u>	<u>TPAF</u>
Salary Increases	2.75% to 6.55% Based on Years of Service	2.75% to 4.25% Based on Years of Service

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2018 to June 30, 2021.

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate for June 30, 2022 was 3.54%. 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.

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

E. Post-Retirement Medical Benefits (Continued)

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

Changes in the Total OPEB Liability

The change in the State’s proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

	Total OPEB Liability <u>(State Share 100%)</u>
Balance, June 30, 2021 Measurement Date	\$ <u>96,394,510</u>
Changes Recognized for the Fiscal Year:	
Service Cost	4,694,591
Interest on the Total OPEB Liability	2,154,682
Differences Between Expected and Actual Experience	1,938,300
Changes of Assumptions	(21,810,897)
Gross Benefit Payments	(2,134,276)
Contributions from the Member	<u>68,469</u>
Net Changes	<u>(15,089,131)</u>
Balance, June 30, 2022 Measurement Date	\$ <u>81,305,379</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.16% in 2021 to 3.54% in 2022.

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, 2022.

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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 3.54%, 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 (2.54% percent) or 1-percentage-point higher (4.54% percent) than the current rate:

	1% Decrease (<u>2.54%</u>)	Current Discount Rate (<u>3.54%</u>)	1% Increase (<u>4.54%</u>)
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>95,565,920</u>	\$ <u>81,305,379</u>	\$ <u>69,876,268</u>

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

	1% <u>Decrease</u>	Healthcare Cost Trend <u>Rates</u>	1% <u>Increase</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>67,203,865</u>	\$ <u>81,305,379</u>	\$ <u>99,828,573</u>

The sensitivity analyses were based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2022. Sensitivity analyses specific to the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2022 were not provided by the pension system.

F. Tax Abatements

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

For Englewood Board of Education, the District’s share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 5 RECENT HEALTHCARE DEVELOPMENTS

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. On March 13, 2020, the President of the United States declared a national public health emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. The Governor of the State declared a state of emergency and a public health emergency on March 9, 2020. In response to the COVID-19 pandemic, federal and State legislation and executive orders were implemented to mitigate the spread of the disease and provide relief to State and local governments. The pandemic and certain mitigation measures altered the behavior of businesses and people with negative impacts on regional, State and local economies. The national public health emergency and the State public health emergency have since ended, while the state of emergency declared by the State and several executive orders signed by the Governor remain to manage COVID-19 on an endemic level. Depending on future circumstances, ongoing actions could be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19, its variants or other critical health care challenges.

To date, the overall finances and operations of the Board have not been materially adversely affected by the COVID-19 pandemic. Nonetheless, the degree of any future impact to the Board's operations and finances is difficult to predict due to the dynamic nature of the COVID-19 pandemic and any additional actions that may be taken by governmental and other health care authorities to manage the COVID-19 pandemic.

The American Rescue Plan Act of 2021, H.R. 1319 (the "Plan"), signed into law by the President of the United States on March 11, 2021, provided \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic. The Plan, in part, 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. In addition, the Plan includes \$350 billion in relief funds to public entities, such as the Board.

The Board has been awarded a total of \$11,754,845 in federal aid to address the effects of the COVID-19 pandemic.

REQUIRED SUPPLEMENTARY INFORMATION - PART II
BUDGETARY COMPARISON SCHEDULES

**ENGLEWOOD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
REVENUES					
Local Sources					
Local Tax Levy	\$ 58,250,799		\$ 58,250,799	\$ 58,250,799	
Tuition from Other LEA's Within State	700,000		700,000	762,820	\$ 62,820
Transportation Fees from Other LEA's	5,000		5,000	200,235	195,235
Interest	5,000		5,000	239,912	234,912
Rentals	100,000		100,000	167,844	67,844
Unrestricted Miscellaneous	60,000	-	60,000	644,595	584,595
Total Local Sources	59,120,799	-	59,120,799	60,266,205	1,145,406
State Sources					
School Choice Aid	4,413,689		4,413,689	4,413,689	-
Special Education Aid	2,342,582		2,342,582	2,342,582	-
Security Aid	1,201,342		1,201,342	1,201,342	-
Maintenance of Equity				181,152	181,152
Transportation Aid	830,412		830,412	830,412	-
Adjustment Aid	535,621		535,621	535,621	-
Extraordinary Aid	700,000		700,000	1,594,179	894,179
Nonpublic School Transportation Aid				126,778	126,778
On-behalf TPAF Pension Contributions (Non-Budget)					
Pension Benefit Contribution				9,135,955	9,135,955
NCGI Premium				126,751	126,751
On-behalf TPAF Post Retirement					
Medical Benefits Contributions (Non-Budget)				2,433,291	2,433,291
On-behalf TPAF Long-Term Disability Insurance (Non-Budget)				3,345	3,345
On-behalf TPAF Social Security Payments (Non-Budget)	-	-	-	2,001,374	2,001,374
Total State Sources	10,023,646	-	10,023,646	24,926,471	14,902,825
Federal Sources:					
FEMA - Storm Proceeds				104,149	104,149
Semi FFCRA	12,710		12,710	18,661	5,951
Medicaid Assistance Program	150,055	-	150,055	207,080	57,025
Total Federal Sources	162,765	-	162,765	329,890	167,125
Total Revenues	69,307,210	-	69,307,210	85,522,566	16,215,356
EXPENDITURES					
CURRENT					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	850,475	\$ 216,443	1,066,918	1,066,918	-
Grades 1-5	3,791,049	701,998	4,493,047	4,493,047	-
Grades 6-8	3,045,129	64,962	3,110,091	3,110,091	-
Grades 9-12	5,996,144	(208,231)	5,787,913	5,787,913	-
Regular Program - Home Instruction					
Salaries of Teachers	75,000	5,496	80,496	80,496	-
Purchased Professional-Educational Services	15,000	11,400	26,400	17,050	9,350
General Supplies	2,000	-	2,000		2,000
Regular Programs - Undistributed Instruction					
Purchased Professional-Educational Services	586,050	(82,899)	503,151	445,858	57,293
Other Purchased Services	725,000	(101,200)	623,800	621,703	2,097
General Supplies	1,170,450	(466,367)	704,083	610,378	93,705
Textbooks	608,280	(385,000)	223,280	209,362	13,918
Other Objects	7,500	3,000	10,500	10,350	150
Total Regular Programs	16,872,077	(240,398)	16,631,679	16,453,166	178,513

**ENGLEWOOD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Special Education					
Learning and/or Language Disabilities					
Salaries of Teachers	\$ 1,688,992	\$ (216,512)	\$ 1,472,480	\$ 1,469,914	\$ 2,566
Purchased - Professional Educational Services	75,000	5,035	80,035	80,035	-
Other Purchased Services	400,000	-	400,000	400,000	-
Total Learning and/or Language Disabilities	<u>2,163,992</u>	<u>(211,477)</u>	<u>1,952,515</u>	<u>1,949,949</u>	<u>2,566</u>
Behavior Disabilities					
Salaries of Teachers	77,325	(76,880)	445	-	445
General Supplies	5,000	(1,450)	3,550	137	3,413
Total Behavior Disabilities	<u>82,325</u>	<u>(78,330)</u>	<u>3,995</u>	<u>137</u>	<u>3,858</u>
Multiple Disabilities					
Salaries of Teachers	850,079	222,247	1,072,326	1,048,955	23,371
Purchased Professional-Educational Services	25,000	77,300	102,300	97,840	4,460
Other Purchased Services	1,450,000	(384,127)	1,065,873	885,490	180,383
General Supplies	-	1,556	1,556	1,435	121
Total Multiple Disabilities	<u>2,325,079</u>	<u>(83,024)</u>	<u>2,242,055</u>	<u>2,033,720</u>	<u>208,335</u>
Resource Room/Resource Center					
Salaries of Teachers	1,357,038	(372,877)	984,161	964,424	19,737
Other Purchased Services	370,000	-	370,000	370,000	-
General Supplies	-	180	180	177	3
Total Resource Room/Resource Center	<u>1,727,038</u>	<u>(372,697)</u>	<u>1,354,341</u>	<u>1,334,601</u>	<u>19,740</u>
Preschool Disabilities - Full-Time					
Salaries of Teachers	498,495	(103,216)	395,279	353,476	41,803
Other Purchased Services	-	-	-	329,750	(329,750)
General Supplies	-	250	250	249	1
Total Preschool Disabilities - Full-Time	<u>498,495</u>	<u>(102,966)</u>	<u>395,529</u>	<u>683,475</u>	<u>(287,946)</u>
Total Special Education	<u>6,796,929</u>	<u>(848,494)</u>	<u>5,948,435</u>	<u>6,001,882</u>	<u>(53,447)</u>
Basic Skills/Remedial - Instruction					
Salaries of Teachers	169,883	3,075	172,958	172,958	-
Total Basic Skills/Remedial - Instruction	<u>169,883</u>	<u>3,075</u>	<u>172,958</u>	<u>172,958</u>	<u>-</u>
Bilingual Education					
Salaries of Teachers	2,308,049	(115,786)	2,192,263	2,169,343	22,920
Other Purchased Services	200,000	-	200,000	200,000	-
Total Bilingual Education	<u>2,508,049</u>	<u>(115,786)</u>	<u>2,392,263</u>	<u>2,369,343</u>	<u>22,920</u>

**ENGLEWOOD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT (Continued)					
School Sponsored Co/Extra-Curricular Activities					
Salaries	\$ 190,500	\$ 53,182	\$ 243,682	\$ 243,682	-
Purchased Services	38,000	(28,546)	9,454	9,454	-
Supplies and Materials	26,000	54,842	80,842	25,530	\$ 55,312
Total School Sponsored Co/Extra-Curricular Activities	<u>254,500</u>	<u>79,478</u>	<u>333,978</u>	<u>278,666</u>	<u>55,312</u>
School Sponsored Athletics - Instruction					
Salaries	305,000	63,617	368,617	368,617	-
Purchased Services	240,300	24,500	264,800	258,746	6,054
Supplies and Materials	120,000	14,800	134,800	114,691	20,109
Total School Sponsored Athletics - Instruction	<u>665,300</u>	<u>102,917</u>	<u>768,217</u>	<u>742,054</u>	<u>26,163</u>
Total Instruction	<u>27,266,738</u>	<u>(1,019,208)</u>	<u>26,247,530</u>	<u>26,018,069</u>	<u>229,461</u>
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State-Regular	95,000	(95,000)	-	-	-
Tuition to Other LEAs Within the State-Special	1,421,669	(303,300)	1,118,369	1,082,778	35,591
Tuition to County Voc. School Dist. - Regular	882,400	254,414	1,136,814	1,101,913	34,901
Tuition to County Voc. School Dist. - Special	667,728	(162,522)	505,206	428,898	76,308
Tuition to CSSD & Reg. Day Schools	1,838,460	(87,000)	1,751,460	1,742,801	8,659
Tuition to APSSD Within the State	3,447,104	57,900	3,505,004	3,504,701	303
Tuition - State Facilities	55,000	(50,482)	4,518	4,500	18
Tuition - Other	45,000	33,700	78,700	78,681	19
Total Undistributed Expenditures - Instruction	<u>8,452,361</u>	<u>(352,290)</u>	<u>8,100,071</u>	<u>7,944,272</u>	<u>155,799</u>
Attendance and Social Work					
Salaries	69,227	12,298	81,525	81,525	-
Salaries of Family Support Team	228,419	15,384	243,803	243,803	-
Salaries of Family Liaisons	150,717	28,862	179,579	179,578	1
Total Attendance and Social Work	<u>448,363</u>	<u>56,544</u>	<u>504,907</u>	<u>504,906</u>	<u>1</u>
Health Services					
Salaries	430,143	(4,863)	425,280	420,392	4,888
Purchased Professional and Technical Services	320,000	28,336	348,336	348,335	1
Supplies and Materials	7,800	(980)	6,820	6,401	419
Total Health Services	<u>757,943</u>	<u>22,493</u>	<u>780,436</u>	<u>775,128</u>	<u>5,308</u>
Speech, OT, PT and Related Services					
Salaries	785,534	5,125	790,659	772,438	18,221
Purchased Professional-Educational Services	900,000	34,335	934,335	925,805	8,530
Supplies and Materials	9,000	2,371	11,371	7,690	3,681
Total Speech, OT, PT and Related Services	<u>1,694,534</u>	<u>41,831</u>	<u>1,736,365</u>	<u>1,705,933</u>	<u>30,432</u>
Other Supp. Serv. Students - Extra Serv.					
Purchased Professional-Educational Services	7,500	(7,500)	-	-	-
Total Other Supp. Serv. Students - Extra Serv.	<u>7,500</u>	<u>(7,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>

**ENGLEWOOD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Guidance					
Salaries of Other Professional Staff	\$ 890,936	\$ 42,595	\$ 933,531	\$ 914,084	\$ 19,447
Other Purchased Services	119,000	83,821	202,821	196,780	6,041
Supplies and Materials	16,000	2,433	18,433	10,629	7,804
Total Guidance	1,025,936	128,849	1,154,785	1,121,493	33,292
Child Study Team					
Salaries of Other Professional Staff	1,456,337	(20,053)	1,436,284	1,425,134	11,150
Salaries of Secretarial and Clerical Assistants	72,468	2,430	74,898	74,897	1
Purchased Professional - Educational Services	165,000	(3,470)	161,530	158,790	2,740
Other Purchased Services	41,300	-	41,300	40,737	563
Supplies and Materials	10,000	209	10,209	10,208	1
Other Objects	-	82	82	82	-
Total Child Study Team	1,745,105	(20,802)	1,724,303	1,709,848	14,455
Improvement of Instructional Services					
Salaries of Supervisor of Instruction	113,400	(14,096)	99,304	76,515	22,789
Other Purchased Services	50,000	42,538	92,538	85,181	7,357
Total Improvement of Inst. Serv.	163,400	28,442	191,842	161,696	30,146
Edu. Media Serv./Sch. Library					
Salaries	690,147	(68,161)	621,986	608,785	13,201
Other Purchased Services	1,064,800	64,382	1,129,182	1,096,104	33,078
Supplies and Materials	149,060	(77,881)	71,179	29,168	42,011
Total Edu. Media Serv./Sch. Library	1,904,007	(81,660)	1,822,347	1,734,057	88,290
Instructional Staff Training Services					
Salaries of Other Professional Staff	30,000	-	30,000	20,374	9,626
Purchased Professional/Educational Services	79,000	(48,100)	30,900	17,316	13,584
Other Purchased Services	10,000	-	10,000	2,314	7,686
Total Instructional Staff Training Services	119,000	(48,100)	70,900	40,004	30,896
Support Services General Administration					
Salaries	488,413	(303,700)	184,713	184,660	53
Legal Services	295,000	189,248	484,248	477,358	6,890
Audit Fees	58,000	63,621	121,621	63,621	58,000
Other Purchased Professional Services	11,000	5,923	16,923	14,507	2,416
Communications/Telephone	236,000	(2,000)	234,000	233,903	97
BOE Other Purchased Services	4,700	700	5,400	5,241	159
Miscellaneous Purchased Services	50,000	10,000	60,000	57,916	2,084
General Supplies	6,000	4,995	10,995	9,202	1,793
Judgements Against the School District	200,000	565,808	765,808	765,751	57
Miscellaneous Expenditures	20,000	6,500	26,500	26,422	78
BOE Membership Dues and Fees	27,000	-	27,000	25,018	1,982
Total Support Services General Administration	1,396,113	541,095	1,937,208	1,863,599	73,609
Support Services School Administration					
Salaries of Principal/Asst. Principals/Program Directors	2,410,470	(189,100)	2,221,370	2,171,311	50,059
Other Purchased Services	408,500	165,000	573,500	565,000	8,500
Supplies and Materials	40,700	4,353	45,053	27,543	17,510
Other Objects	10,000	(700)	9,300	178	9,122
Total Support Services School Administration	2,869,670	(20,447)	2,849,223	2,764,032	85,191

**ENGLEWOOD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Central Services					
Salaries	\$ 910,181	\$ 66,000	\$ 976,181	\$ 969,011	\$ 7,170
Purchased Professional Services	46,100	2,220	48,320	48,313	7
Purchased Technical Services	87,000	(14,100)	72,900	72,807	93
Misc. Purchased Services	7,100	(500)	6,600	1,860	4,740
Supplies and Materials	15,400	(400)	15,000	14,434	566
Miscellaneous Expenditures	8,900	(360)	8,540	6,867	1,673
Total Central Services	<u>1,074,681</u>	<u>52,860</u>	<u>1,127,541</u>	<u>1,113,292</u>	<u>14,249</u>
Admin. Info Technology					
Salaries	281,327	-	281,327	272,526	8,801
Other Purchased Services	2,000	360	2,360	2,360	-
Total Admin. Info. Technology	<u>283,327</u>	<u>360</u>	<u>283,687</u>	<u>274,886</u>	<u>8,801</u>
Required Maintenance for School Facilities					
Salaries	74,958	8,000	82,958	82,958	-
Cleaning, Repair and Maintenance	442,765	106,295	549,060	511,818	37,242
Total Required Maintenance for School Facilities	<u>517,723</u>	<u>114,295</u>	<u>632,018</u>	<u>594,776</u>	<u>37,242</u>
Custodial Services					
Salaries	135,210	15,896	151,106	151,106	-
Cleaning, Repair and Maint. Serv.	2,237,658	18,473	2,256,131	2,230,849	25,282
Other Purchased Property Services	193,600	19,920	213,520	205,692	7,828
Insurance	507,000	23,282	530,282	529,581	701
Miscellaneous Purchased Services	40,000	25,163	65,163	59,477	5,686
General Supplies	192,500	10,227	202,727	197,740	4,987
Energy (Electricity)	940,000	160,000	1,100,000	998,838	101,162
Other Objects	-	17,117	17,117	17,098	19
Total Custodial Services	<u>4,245,968</u>	<u>290,078</u>	<u>4,536,046</u>	<u>4,390,381</u>	<u>145,665</u>
Care and Upkeep of Grounds					
Cleaning, Repair and Maint. Serv.	25,000	(25,000)	-	-	-
Total Care and Upkeeping Grounds	<u>25,000</u>	<u>(25,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Security					
Salaries	793,493	(236,370)	557,123	557,122	1
Purchased Professional and Technical Services	-	7,200	7,200	5,454	1,746
Cleaning, Repair and Maint. Serv.	5,200	236,599	241,799	240,551	1,248
General Supplies	3,000	4,031	7,031	7,031	-
Total Security	<u>801,693</u>	<u>11,460</u>	<u>813,153</u>	<u>810,158</u>	<u>2,995</u>
Student Transportation Services					
Sal. For Pupil Trans. (Bet Home & School)-Reg.	97,400	(33,414)	63,986	63,986	-
Sal. For Pupil Trans. (Other than Bet Home & School)	130,000	(87,363)	42,637	42,636	1
Cleaning, Repair & Maint. Services	35,000	(14,302)	20,698	18,736	1,962
Contracted Services (Between Home and School) - Vendors	1,199,182	181,299	1,380,481	1,380,468	13
Contracted Services (Other than Between Home and School) - Vendors	61,800	5,500	67,300	63,752	3,548
Contracted Services (Spl. Ed. Students)-Vendors	386,580	(8,200)	378,380	378,318	62
Contracted Services (Between Home and School)-Joint Agreements	250,000	153,000	403,000	402,165	835
Contracted Services (Spl. Ed. Students)-Joint Agreements	1,430,000	770,902	2,200,902	2,200,755	147
Contracted Serv.-Aid in Lieu of Payments - Non-Public Schools	250,000	(67,800)	182,200	182,166	34
Miscellaneous Purchased Services - Transportation	320,000	173,100	493,100	493,100	-
Transportation Supplies	1,000	(1,000)	-	-	-
Other Objects	1,500	(1,400)	100	100	-
Total Student Transportation Services	<u>4,162,462</u>	<u>1,070,322</u>	<u>5,232,784</u>	<u>5,226,182</u>	<u>6,602</u>

**ENGLEWOOD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Unallocated Benefits - Employee Benefits					
Social Security Contributions	\$ 400,000	\$ 123,165	\$ 523,165	\$ 523,119	\$ 46
Other Retirement Contributions -PERS	300,000	45,401	345,401	345,316	85
Unemployment Compensation	50,000	(50,000)	-	-	-
Workmen's Compensation	325,000	(58,965)	266,035	266,035	-
Health Benefits	6,832,578	(472,511)	6,360,067	6,341,832	18,235
Tuition Reimbursement	100,000	23,000	123,000	122,890	110
Other Employee Benefits	125,000	(6,900)	118,100	118,044	56
Total Unallocated Benefits - Employee Benefits	8,132,578	(396,810)	7,735,768	7,717,236	18,532
Interest Earned on Maintenance Reserve	1,500	-	1,500	-	1,500
Increase in Current Expense Emergency Reserve	1,000	-	1,000	-	1,000
	<u>2,500</u>	<u>-</u>	<u>2,500</u>	<u>-</u>	<u>2,500</u>
On-behalf TPAF Pension Contributions (Non-Budget)					
Pension Benefit Contribution				9,135,955	(9,135,955)
NCGI Premium				126,751	(126,751)
On-behalf TPAF Post Retirement					
Medical Benefits Contributions (Non-Budget)				2,433,291	(2,433,291)
On-behalf TPAF Long-Term Disability Insurance(Non-Budget)				3,345	(3,345)
On-behalf TPAF Social Security Payments (Non-Budget)	-	-	-	2,001,374	(2,001,374)
Total On-Behalf Payments	-	-	-	13,700,716	(13,700,716)
Total Undistributed Expenditures	39,829,864	1,406,020	41,235,884	54,152,595	(12,916,711)
Total Expenditures - Current Expenditures	67,096,602	386,812	67,483,414	80,170,664	(12,687,250)
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures:					
Instruction		223,800	223,800	178,352	45,448
Required Maintenance for School Facilities		42,236	42,236	42,220	16
Security	-	62,983	62,983	62,983	-
	<u>-</u>	<u>329,019</u>	<u>329,019</u>	<u>283,555</u>	<u>45,464</u>
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	172,500	366,992	539,492	326,269	213,223
Construction Services	3,150,000	2,366,531	5,516,531	3,046,429	2,470,102
Construction Services (Nonbudgeted - Storm Proceeds)		-		104,149	(104,149)
Assessment for Debt Service	184,772	-	184,772	184,772	-
Total Facilities Acquisition and Construction Services	3,507,272	2,733,523	6,240,795	3,661,619	2,579,176
Interest - Deposit to Capital Reserve	2,500	-	2,500	-	2,500
Total Capital Outlay	3,509,772	3,062,542	6,572,314	3,945,174	2,627,140
Transfer of Funds to Charter Schools	4,064,430	(332,369)	3,732,061	3,732,061	-
Total Expenditures	74,670,804	3,116,985	77,787,789	87,847,899	(10,060,110)
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(5,363,594)	(3,116,985)	(8,480,579)	(2,325,333)	6,155,246

**ENGLEWOOD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
Other Financing Sources/(Uses)					
Transfer Out - Special Revenue	\$ (363,818)	-	\$ (363,818)	\$ (363,818)	-
Total Other Financing Sources (Uses)	<u>(363,818)</u>	<u>-</u>	<u>(363,818)</u>	<u>(363,818)</u>	<u>-</u>
Net Change in Fund Balances	(5,727,412)	\$ (3,116,985)	(8,844,397)	(2,689,151)	\$ 6,155,246
Fund Balance, Beginning of Year	<u>19,415,019</u>	<u>-</u>	<u>19,415,019</u>	<u>19,415,019</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 13,687,607</u>	<u>\$ (3,116,985)</u>	<u>\$ 10,570,622</u>	<u>\$ 16,725,868</u>	<u>\$ 6,155,246</u>
Recapitulation of Fund Balance					
Restricted Fund Balance					
Excess Surplus				\$ 3,000,000	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,857,957	
Capital Reserve				4,655,866	
Maintenance Reserve				526,716	
Emergency Reserve				750,346	
Unemployment Compensation Reserve				123,812	
Committed Fund Balance					
Year End Encumbrances				1,670,138	
Assigned Fund Balance					
Year End Encumbrances				581,332	
Designated for Subsequent Year's Expenditures				869,455	
Unassigned Fund Balance				<u>2,690,246</u>	
Reconciliation to Governmental Funds Statements (GAAP):				16,725,868	
Less: State Aid Revenue Not Recognized on GAAP Basis				<u>(2,385,888)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 14,339,980</u>	

**ENGLEWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Intergovernmental					
Local Sources		\$ 335,217	\$ 335,217	\$ 215,803	\$ (119,414)
State Sources	\$ 5,247,438	120,628	5,368,066	4,839,554	(528,512)
Federal Sources	6,657,054	2,019,616	8,676,670	6,160,481	(2,516,189)
Total Revenues	11,904,492	2,475,461	14,379,953	11,215,838	(3,164,115)
EXPENDITURES					
Instruction					
Salaries of Teachers	3,737,255	(259,463)	3,477,792	2,370,920	1,106,872
Purchased Professional Technical Services	-	866,692	866,692	732,539	134,153
Purchased Professional - Educational Services	-	25,743	25,743	25,742	1
Other Purchased Services	700,000	130,350	830,350	829,946	404
Cont. Serv. Other than Bet. Home & Sch	-	1,000	1,000	-	1,000
General Supplies	977,955	1,424,516	2,402,471	2,172,804	229,667
Textbooks	1,150,380	(1,042,140)	108,240	87,130	21,110
Other Objects	-	31,401	31,401	-	31,401
Co-Curricular Activities	-	178,770	178,770	177,257	1,513
Total Instruction	6,565,590	1,356,869	7,922,459	6,396,338	1,526,121
Support Services					
Salaries	177,131	892	178,023	69,481	108,542
Salaries of Supervisors of Instruction	79,412	197,551	276,963	276,963	-
Salaries of Principals and Assistant Principals	74,975	5,000	79,975	79,957	18
Salaries of Other Professionals	289,326	14,100	303,426	303,386	40
Other Salaries	52,000	10,996	62,996	62,951	45
Salaries of Community Parent Involvement Spec	54,696	39,800	94,496	94,406	90
Salaries of Master Teachers	99,186	(43,000)	56,186	-	56,186
Purchased Professional - Technical Services	303,958	1,336,576	1,640,534	817,877	822,657
Professional Educational Services-Contracted PreK	1,179,600	1,900	1,181,500	1,181,495	5
Other Purchased Professional Services	-	194,032	194,032	-	194,032
Purchased Property Services	-	50,000	50,000	-	50,000
Cleaning, Repair & Maintenance	150,000	-	150,000	150,000	-
Cont. Trans. Serv. (Bet. Home & Sch)	182,630	(77,658)	104,972	104,972	-
Cont. Serv. Other than Bet. Home & Sch	-	1,200	1,200	-	1,200
Cont. Serv. - Grant Agreement	20,000	7,819	27,819	27,819	-
Travel	-	820	820	-	820
Miscellaneous Purchased Services	50,000	(34,309)	15,691	-	15,691
Other Purchased Services	1,090,000	(362,642)	727,358	687,849	39,509
Supplies and Materials	100,000	(24,590)	75,410	43,003	32,407
Miscellaneous Expenditures	-	400,840	400,840	306,751	94,089
Scholarships Awarded	-	300	300	300	-
Other Objects	-	13,636	13,636	-	13,636
Total Support Services	3,902,914	1,733,263	5,636,177	4,207,210	1,428,967
Unallocated Employed Benefits	1,611,879	(643,271)	968,608	760,336	208,272
Capital Outlay					
Construction Services	187,927	(34,000)	153,927	152,448	1,479
Instructional Equipment	-	62,600	62,600	61,942	658
Total Capital Outlay	187,927	28,600	216,527	214,390	2,137
Total Expenditures	12,268,310	2,475,461	14,743,771	11,578,274	3,165,497
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(363,818)	-	(363,818)	(362,436)	1,382
Other Financing Sources					
Transfers In - General Fund	363,818	-	363,818	363,818	-
Total Other Financing Sources	363,818	-	363,818	363,818	-
Net Change in Fund Balances	-	-	-	1,382	1,382
Fund Balances, Beginning of Year	182,326	-	182,326	182,326	-
Fund Balances, End of Year	\$ 182,326	\$ -	\$ 182,326	\$ 183,708	\$ 1,382
Student Activities				\$ 117,718	
Scholarships				65,990	
				\$ 183,708	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**ENGLEWOOD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 85,522,566	\$ 11,215,838
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2022		3,373,817
Encumbrances, June 30, 2023		(2,068,687)
State Aid payment recognized for GAAP purposes, not recognized for Budgetary statements (2021/2022 State Aid)	2,584,220	
State Aid payment recognized for budgetary purposes, not recognized for GAAP statements (2022/2023 State Aid)	<u>(2,385,888)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 85,720,898</u>	<u>\$ 12,520,968</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 87,847,899	\$ 11,578,274
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances , June 30, 2022		3,373,817
Encumbrances , June 30, 2023	<u>-</u>	<u>(2,068,687)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 87,847,899</u>	<u>\$ 12,883,404</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

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

**PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Ten Fiscal Years ***

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.02623 %	0.02585 %	0.02415 %	0.02695 %	0.03052 %	0.03297 %	0.03241 %	0.03230 %	0.02842 %	0.07294 %
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 3,959,032	\$ 3,061,768	\$ 3,938,788	\$ 4,855,238	\$ 6,009,525	\$ 7,674,340	\$ 9,598,485	\$ 7,251,085	\$ 5,321,629	\$ 13,940,689
District's Covered Payroll	2,263,638	2,037,644	1,994,063	1,981,768	2,081,548	2,466,906	2,371,158	2,354,341	2,192,991	2,206,933
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	175%	150%	198%	245%	289%	311%	405%	308%	243%	632%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.91%	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.

ENGLEWOOD BOARD OF EDUCATION
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS

PUBLIC EMPLOYEES RETIREMENT SYSTEM
 Last Ten Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 330,820	\$ 302,679	\$ 264,226	\$ 262,105	\$ 303,590	\$ 305,410	\$ 287,913	\$ 277,708	\$ 234,056	\$ 549,604
Contributions in Relation to the Contractually Required Contributions	<u>330,820</u>	<u>302,679</u>	<u>264,226</u>	<u>262,105</u>	<u>303,590</u>	<u>305,410</u>	<u>287,913</u>	<u>277,708</u>	<u>234,056</u>	<u>549,604</u>
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 2,280,328	\$ 2,263,638	\$ 2,037,644	\$ 1,994,063	\$ 1,981,768	\$ 2,081,548	\$ 2,466,906	\$ 2,371,158	\$ 2,354,341	\$ 2,192,991
Contributions as a Percentage of Covered Payroll	14.51%	13.37%	12.97%	13.14%	15.32%	14.67%	11.67%	11.71%	10.67%	24.90%

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

TEACHERS PENSION AND ANNUITY FUND
Last Ten Fiscal Years *

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0 %	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	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 116,410,743</u>	<u>\$ 111,736,599</u>	<u>\$ 164,049,056</u>	<u>\$ 160,071,708</u>	<u>\$ 164,415,769</u>	<u>\$ 176,729,163</u>	<u>\$ 198,967,050</u>	<u>\$ 149,021,394</u>	<u>\$ 130,115,851</u>	<u>\$ 120,746,323</u>
Total	<u>\$ 116,410,743</u>	<u>\$ 111,736,599</u>	<u>\$ 164,049,056</u>	<u>\$ 160,071,708</u>	<u>\$ 164,415,769</u>	<u>\$ 176,729,163</u>	<u>\$ 198,967,050</u>	<u>\$ 149,021,394</u>	<u>\$ 130,115,851</u>	<u>\$ 120,746,323</u>
District's Covered Payroll	\$ 25,973,353	\$ 25,452,982	\$ 25,251,816	\$ 25,365,356	\$ 26,841,397	\$ 26,762,968	\$ 26,187,653	\$ 26,297,165	\$ 24,589,186	\$ 23,209,424
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%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	32.29%	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.

ENGLEWOOD 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, 2023

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.

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

Postemployment Health Benefit Plan

Last Six Fiscal Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability						
Service Cost	\$ 4,694,591	\$ 5,821,568	\$ 3,496,603	\$ 3,312,071	\$ 3,786,109	\$ 4,576,151
Interest on Total OPEB Liability	2,154,682	2,500,575	2,523,815	3,058,464	3,331,392	2,857,083
Changes of Benefit Terms	-	(102,600)				
Differences Between Expected and Actual Experience	1,938,300	(21,589,248)	17,511,088	(12,533,771)	(9,837,037)	
Changes of Assumptions	(21,810,897)	95,101	20,380,907	1,036,938	(8,806,753)	(11,923,519)
Gross Benefit Payments	(2,134,276)	(1,969,753)	(1,942,428)	(2,134,857)	(2,052,106)	(2,579,431)
Contribution from the Member	68,469	63,927	58,875	63,283	70,924	94,981
Net Change in Total OPEB Liability	<u>(15,089,131)</u>	<u>(15,180,430)</u>	<u>42,028,860</u>	<u>(7,197,872)</u>	<u>(13,507,471)</u>	<u>(6,974,735)</u>
Total OPEB Liability - Beginning	<u>96,394,510</u>	<u>111,574,940</u>	<u>69,546,080</u>	<u>76,743,952</u>	<u>90,251,423</u>	<u>97,226,158</u>
Total OPEB Liability - Ending	<u>\$ 81,305,379</u>	<u>\$ 96,394,510</u>	<u>\$ 111,574,940</u>	<u>\$ 69,546,080</u>	<u>\$ 76,743,952</u>	<u>\$ 90,251,423</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>81,305,379</u>	<u>96,394,510</u>	<u>111,574,940</u>	<u>69,546,080</u>	<u>76,743,952</u>	<u>90,251,423</u>
Total OPEB Liability - Ending	<u>\$ 81,305,379</u>	<u>\$ 96,394,510</u>	<u>\$ 111,574,940</u>	<u>\$ 69,546,080</u>	<u>\$ 76,743,952</u>	<u>\$ 90,251,423</u>
District's Covered Payroll	<u>\$ 28,236,991</u>	<u>\$ 27,490,626</u>	<u>\$ 27,245,879</u>	<u>\$ 27,347,124</u>	<u>\$ 28,922,945</u>	<u>\$ 29,229,874</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	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.

**ENGLEWOOD 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, 2023**

Changes in Benefit Terms:

None.

Changes of Assumptions

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

SCHOOL LEVEL SCHEDULES

(General Fund)

NOT APPLICABLE

SPECIAL REVENUE FUND

ENGLEWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	IDEA Part B							Cares/ ESSER I Act	To Exhibit E-1A
	Basic 2022/23	Preschool 2022/23	Title I 2022/23	Title I 2021/2022	Title I SIA 2022/23	Title IIA 2022/23	Title III 2022/23		
REVENUES									
Intergovernmental									
State									
Federal	\$ 1,202,287	\$ 47,267	\$ 728,327	\$ 81,335	\$ 69,671	\$ 115,048	\$ 54,618	\$ 15,588	\$ 2,314,141
Local	-	-	-	-	-	-	-	-	-
Total Revenues	1,202,287	47,267	728,327	81,335	69,671	115,048	54,618	15,588	2,314,141
EXPENDITURES									
Instruction									
Salaries of teachers	107,731		29,760	8,381	39,665		2,025		187,562
Purchased Professional and Technical Services			260,649						260,649
Purchased Professional - Educational Services					25,742				25,742
Other Purchased Services	429,947								429,947
General Supplies			103,637	65,851	1,229		26,870		197,587
Textbooks									-
Co-Curricular Activities	-	-	-	-	-	-	-	-	-
Total Instruction	537,678	-	394,046	74,232	66,636	-	28,895	-	1,101,487
Support Services									
Salaries									-
Salaries of Supervisors of Instruction			99,915			45,653	23,895		169,463
Salaries of Principals/Asst Principals/Directors									-
Salaries of Other Professional Staff									-
Personal Services-Employee Benefits	57,022		44,984	7,103	3,035	3,492	1,828		117,464
Other Salaries									-
Salaries of Family/Parent Liaison									-
Purchased Educational Svcs - Contracted PreK									-
Purchased Professional and Technical Services	523,527	47,267				65,903			636,697
Cleaning, Repair & Maintenance									-
Cont. Trans. Serv. (Bet. Home & Sch)									-
Other Purchased Services	84,060		181,107						265,167
Supplies & Materials			8,275					15,588	23,863
Miscellaneous									-
Scholarship Awards									-
Other Objects	-	-	-	-	-	-	-	-	-
Total Support Services	664,609	47,267	334,281	7,103	3,035	115,048	25,723	15,588	1,212,654
Capital Outlay									
Construction Services									-
Instructional Equipment	-	-	-	-	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-	-	-	-	-
Total Expenditures	1,202,287	47,267	728,327	81,335	69,671	115,048	54,618	15,588	2,314,141
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	-
Other Financing Sources									
Transfers In - General Fund	-	-	-	-	-	-	-	-	-
Net Changes in Fund Balance	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ENGLEWOOD BOARD OF EDUCATION
 SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	E-1 <u>Subtotal</u>	ARP Basic <u>2022/23</u>	ARP Preschool <u>2022/23</u>	CRSSA ESSER II <u>Learning Accel.</u>	CRSSA ESSER II <u>Mental Health</u>	CRSSA ESSER II	ARP <u>ESSER III</u>	ARP Accelerated <u>Learning</u>	Other Programs	To Exhibit <u>E-1B</u>
REVENUES										
Intergovernmental										
State										
Federal	\$ 2,314,141	\$ 102,440	\$ 6,976	\$ 117,602	\$ 45,000	\$ 152,448	\$ 3,118,809	\$ 303,065		\$ 6,160,481
Local	-	-	-	-	-	-	-	-	\$ 36,864	36,864
Total Revenues	<u>2,314,141</u>	<u>102,440</u>	<u>6,976</u>	<u>117,602</u>	<u>45,000</u>	<u>152,448</u>	<u>3,118,809</u>	<u>303,065</u>	<u>36,864</u>	<u>6,197,345</u>
EXPENDITURES										
Instruction										
Salaries of Teachers	187,562	34,462	6,480				800,198	185,391		1,214,093
Purchased Professional and Technical Services	260,649			78,750						339,399
Purchased Professional - Educational Services	25,742									25,742
Other Purchased Services	429,947									429,947
General Supplies	197,587	3,520					1,739,818		36,864	1,977,789
Textbook	-									-
Co-Curricular Activities	-									-
Total Instruction	<u>1,101,487</u>	<u>37,982</u>	<u>6,480</u>	<u>78,750</u>	<u>-</u>	<u>-</u>	<u>2,540,016</u>	<u>185,391</u>	<u>36,864</u>	<u>3,986,970</u>
Support Services										
Salaries	-			37,711			31,770			69,481
Salaries of Supervisors of Instruction	169,463									169,463
Salaries of Principals/Asst Principals/Directors	-									-
Salaries of Other Professional Staff	-									-
Personal Services-Employee Benefits	117,464	2,637	496	1,141			248,906	117,674		488,318
Other Salaries	-									-
Salaries of Family/Parent Liaison	-									-
Purchased Educational Svcs - Contracted PreK	-									-
Purchased Professional and Technical Services	636,697	61,821			45,000		74,359			817,877
Cleaning, Repair & Maintenance	-									-
Cont. Trans. Serv. (Bet. Home & Sch)	-									-
Other Purchased Services	265,167						204,618			469,785
Supplies & Materials	23,863						19,140			43,003
Miscellaneous	-									-
Scholarship Awards	-									-
Other Objects	-									-
Total Support Services	<u>1,212,654</u>	<u>64,458</u>	<u>496</u>	<u>38,852</u>	<u>45,000</u>	<u>-</u>	<u>578,793</u>	<u>117,674</u>	<u>-</u>	<u>2,057,927</u>
Capital Outlay										
Construction Services	-					152,448				152,448
Instructional Equipment	-					-				-
Total Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>152,448</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>152,448</u>
Total Expenditures	<u>2,314,141</u>	<u>102,440</u>	<u>6,976</u>	<u>117,602</u>	<u>45,000</u>	<u>152,448</u>	<u>3,118,809</u>	<u>303,065</u>	<u>36,864</u>	<u>6,197,345</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	-	-
Other Financing Sources										
Transfers In - General Fund	-	-	-	-	-	-	-	-	-	-
Net Changes in Fund Balance	-	-	-	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ENGLEWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Exhibit E-1A Subtotal	Preschool Education Aid	Nonpublic Security	Climate Change	Nonpublic Technology	Nonpublic Textbooks	Nonpublic Nursing	Student Activities	Scholarship	To Exhibit E-1C
REVENUES										
Intergovernmental										
State	-	\$ 3,763,949	\$ 306,751	\$ 6,660	\$ 63,860	\$ 87,130	\$ 218,064			\$ 4,446,414
Federal	\$ 6,160,481									6,160,481
Local	36,864	-	-	-	-	-	-	\$ 178,770	\$ 169	215,803
Total Revenues	6,197,345	3,763,949	306,751	6,660	63,860	87,130	218,064	178,770	169	10,822,698
EXPENDITURES										
Instruction										
Salaries of Teachers	1,214,093	1,156,827								2,370,920
Purchased Professional and Technical Services	339,399									339,399
Purchased Professional - Educational Services	25,742									25,742
Other Purchased Services	429,947	399,999								829,946
General Supplies	1,977,789	124,495		6,660	63,860					2,172,804
Textbooks	-					87,130				87,130
Co-Curricular Activities	-							177,257		177,257
Total Instruction	3,986,970	1,681,321	-	6,660	63,860	87,130	-	177,257	-	6,003,198
Support Services										
Salaries	69,481									69,481
Salaries of Supervisors of Instruction	169,463	107,500								276,963
Salaries of Principals/Asst Principals/Directors	-	79,957								79,957
Salaries of Other Professional Staff	-	303,386								303,386
Personal Services-Employee Benefits	488,318	272,018								760,336
Other Salaries	-	62,951								62,951
Salaries of Family/Parent Liaison	-	94,406								94,406
Purchased Educational Svcs - Contracted PreK	-	1,181,495								1,181,495
Purchased Professional and Technical Services	817,877									817,877
Cleaning, Repair & Maintenance	-	150,000								150,000
Cont. Trans. Serv. (Bet. Home & Sch)	-	104,972								104,972
Cont. Serv. - Grant Agreement	-	27,819								27,819
Other Purchased Services	469,785						218,064			687,849
Supplies & Material	43,003									43,003
Miscellaneous	-		306,751							306,751
Scholarship Awarded	-								300	300
Other Objects	-									-
Total Support Services	2,057,927	2,384,504	306,751	-	-	-	218,064	-	300	4,967,546
Capital Outlay										
Construction Services	152,448									152,448
Instructional Equipment	-	61,942								61,942
Total Capital Outlay	152,448	61,942	-	-	-	-	-	-	-	214,390
Total Expenditures	6,197,345	4,127,767	306,751	6,660	63,860	87,130	218,064	177,257	300	11,185,134
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	(363,818)	-	-	-	-	-	1,513	(131)	(362,436)
Other Financing Sources										
Transfers In - General Fund	-	363,818	-	-	-	-	-	-	-	363,818
Net Changes in Fund Balance	-	-	-	-	-	-	-	1,513	(131)	1,382
Fund Balance, Beginning of Year	-	-	-	-	-	-	-	116,205	66,121	182,326
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 117,718	\$ 65,990	\$ 183,708

ENGLEWOOD BOARD OF EDUCATION
 SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Exhibit E-1B Subtotal	Chapter 192			Chapter 193			Grand Total
		Nonpublic Home Inst.	Compensatory Education	ESL	Exam and Classification	Corrective Speech	Supplementary Instruction	
REVENUES								
Intergovernmental								
State	\$ 4,446,414	\$ 1,188	\$ 32,416	\$ 16,538	\$ 125,147	\$ 107,415	\$ 110,436	\$ 4,839,554
Federal	6,160,481							6,160,481
Local	215,803	-	-	-	-	-	-	215,803
Total Revenues	10,822,698	1,188	32,416	16,538	125,147	107,415	110,436	11,215,838
EXPENDITURES								
Instruction								
Salaries of Teachers	2,370,920							2,370,920
Purchased Professional and Technical Services	339,399	1,188	32,416	16,538	125,147	107,415	110,436	732,539
Purchased Professional - Educational Services	25,742							25,742
Other Purchased Services	829,946							829,946
General Supplies	2,172,804							2,172,804
Textbooks	87,130							87,130
Co-Curricular Activities	177,257	-	-	-	-	-	-	177,257
Total Instruction	6,003,198	1,188	32,416	16,538	125,147	107,415	110,436	6,396,338
Support Services								
Salaries	69,481							69,481
Salaries of Supervisors of Instruction	276,963							276,963
Salaries of Principals/Asst Principals/Directors	79,957							79,957
Salaries of Other Professional Staff	303,386							303,386
Personal Services-Employee Benefits	760,336							760,336
Other Salaries	62,951							62,951
Salaries of Family/Parent Liaison	94,406							94,406
Purchased Educational Svcs - Contracted PreK	1,181,495							1,181,495
Purchased Professional and Technical Services	817,877							817,877
Cleaning, Repair & Maintenance	150,000							150,000
Cont. Trans. Serv. (Bet. Home & Sch)	104,972							104,972
Cont. Serv. - Grant Agreement	27,819							27,819
Other Purchased Services	687,849							687,849
Supplies & Material	43,003							43,003
Miscellaneous	306,751							306,751
Scholarship Awarded	300							300
Other Objects	-	-	-	-	-	-	-	-
Total Support Services	4,967,546	-	-	-	-	-	-	4,967,546
Capital Outlay								
Construction Services	152,448							152,448
Instructional Equipment	61,942							61,942
Total Capital Outlay	214,390	-	-	-	-	-	-	214,390
Total Expenditures	11,185,134	1,188	32,416	16,538	125,147	107,415	110,436	11,578,274
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	(362,436)	-	-	-	-	-	-	(362,436)
Other Financing Sources								
Transfers In - General Fund	363,818							363,818
Net Changes in Fund Balance	1,382	-	-	-	-	-	-	1,382
Fund Balance, Beginning of Year	182,326							182,326
Fund Balance, End of Year	\$ 183,708	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 183,708

**ENGLEWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID EXPENDITURES
PRESCHOOL - ALL PROGRAMS - FULL DAY 4 YR.
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Districtwide</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES			
Instruction			
Salaries of Teachers	\$ 1,210,057	\$ 1,156,827	\$ 53,230
Other Purchased Services	399,999	399,999	-
General Supplies	<u>229,009</u>	<u>124,495</u>	<u>104,514</u>
Total Instruction	<u>1,839,065</u>	<u>1,681,321</u>	<u>157,744</u>
Support Services			
Salaries of Supervisors of Instruction	107,512	107,500	12
Salaries of Principals/Assistant Principals	79,975	79,957	18
Salaries of Other Professional Staff	303,425	303,386	39
Other Salaries	63,000	62,951	49
Salaries of Family/Parent Liaison	94,496	94,406	90
Salaries of Facilitators	56,186	-	56,186
Personnel Services - Employee Benefits	272,018	272,018	-
Purchased Education Services - Contracted PreK	1,181,500	1,181,495	5
Cleaning, Repair & Maintenance	150,000	150,000	-
Contr. Trans. Serv. (Bet. Home & Sch)	104,972	104,972	-
Cont. Svs. - Grant Agreement	39,700	27,819	11,881
Miscellaneous	-	-	-
Other Objects	-	-	-
Total Support Services	<u>2,452,784</u>	<u>2,384,504</u>	<u>68,280</u>
Capital Outlay			
Instructional Equipment	<u>169,027</u>	<u>61,942</u>	<u>107,085</u>
Total Expenditures	<u>\$ 4,460,876</u>	<u>\$ 4,127,767</u>	<u>\$ 333,109</u>
Total 2022-2023 ECPA Allocation			\$ 3,544,417
Add: Actual Preschool Aid Carryover (June 30, 2022)			680,722
Budgeted Transfer from General Fund			363,818
Cancelled Prior Year Accounts Payable			<u>15,321</u>
Total Preschool Aid Funds Available for 2022-2023 Budget			4,604,278
Less: 2022-2023 Budgeted Preschool Aid (Including Prior Year Budgeted Carryover)			<u>4,460,876</u>
Available & Unbudgeted Preschool Aid Funds as of June 30, 2023			143,402
Add: June 30, 2023 Unexpended Preschool Aid			<u>333,109</u>
2022-2023 Actual Carryover - Preschool Aid			<u>\$ 476,511</u>
2022-2023 Preschool Aid Carryover Budgeted in 2023-2024			<u>\$ 300,000</u>

CAPITAL PROJECTS FUND

ENGLEWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES - BUDGETARY BASIS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOT APPLICABLE

**ENGLEWOOD 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, 2023**

NOT APPLICABLE

PROPRIETARY FUNDS

**ENGLEWOOD BOARD OF EDUCATION
ENTERPRISE FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2023**

**FINANCIAL STATEMENTS ARE PRESENTED
ON EXHIBIT B-4**

**ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**FINANCIAL STATEMENTS ARE PRESENTED
ON EXHIBIT B-5**

**ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**FINANCIAL STATEMENTS ARE PRESENTED
ON EXHIBIT B-6**

**FIDUCIARY FUNDS
NOT APPLICABLE**

LONG-TERM DEBT

**ENGLEWOOD BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2022</u>	<u>Matured</u>	<u>Balance, June 30, 2023</u>
Refunding of School Bonds	8/14/2013	\$ 14,970,000	4/1/2024	\$ 1,010,000	2.25%	\$ 3,470,000	\$ 1,705,000	\$ 1,765,000
			4/1/2024	755,000	4.00%			
						<u>\$ 3,470,000</u>	<u>\$ 1,705,000</u>	<u>\$ 1,765,000</u>

**ENGLEWOOD BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF CAPITAL FINANCING AND OTHER FINANCING AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Purpose</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2022</u>	<u>Issued</u>	<u>Matured</u>	<u>Balance, June 30, 2023</u>
<u>Capital Finance Agreements</u>						
Savin Copiers - 29	\$ 416,833	0.38%	\$ 120,670	-	\$ 89,806	\$ 30,864
Savin Copiers - 1	12,268	3.13%	<u>12,268</u>	<u>\$ -</u>	<u>1,786</u>	<u>10,482</u>
			<u>132,938</u>	<u>-</u>	<u>91,592</u>	<u>41,346</u>
<u>Other Financing Agreements</u>						
Computers and Network Equipment	3,643,491	N/A	<u>583,698</u>	<u>-</u>	<u>583,698</u>	<u>-</u>
			<u>583,698</u>	<u>-</u>	<u>583,698</u>	<u>-</u>
			<u>\$ 716,636</u>	<u>\$ -</u>	<u>\$ 675,290</u>	<u>\$ 41,346</u>

**ENGLEWOOD BOARD OF EDUCATION
LONG-TERM DEBT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

REVENUES	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Local Sources					
Property Tax Levy	\$ 1,815,157	-	\$ 1,815,157	\$ 1,815,157	-
Total Revenues	<u>1,815,157</u>	<u>-</u>	<u>1,815,157</u>	<u>1,815,157</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Principal on Bonds	1,705,000		1,705,000	1,705,000	
Interest on Bonds	<u>110,157</u>	<u>-</u>	<u>110,157</u>	<u>110,157</u>	<u>-</u>
Total Expenditures	<u>1,815,157</u>	<u>-</u>	<u>1,815,157</u>	<u>1,815,157</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)					
Transfer In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-	-
Fund Balance, July 1, 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

This part of the Englewood 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 government's overall financial health.

Contents

Exhibits

Financial Trends

These schedules contain trend information to help the reader understand how the government'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 government'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 government's current levels of outstanding debt and the government'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 government'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 government's financial report relates to the services the government 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.

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	\$ 44,417,088	\$ 45,759,867	\$ 49,130,322	\$ 52,091,654	\$ 51,463,414	\$ 51,865,522	\$ 53,163,669	\$ 53,339,200	\$ 54,002,412	\$ 59,450,642
Restricted	5,344,700	7,657,255	5,554,837	3,128,771	1,886,772	2,449,843	4,098,068	6,515,979	7,240,528	5,490,102
Unrestricted	(6,792,845)	(9,079,347)	(7,492,055)	(9,341,012)	(11,453,502)	(9,571,817)	(6,729,783)	(2,338,420)	2,196,696	2,940,267
Total governmental activities net position	<u>\$ 42,968,943</u>	<u>\$ 44,337,775</u>	<u>\$ 47,193,104</u>	<u>\$ 45,879,413</u>	<u>\$ 41,896,684</u>	<u>\$ 44,743,548</u>	<u>\$ 50,531,954</u>	<u>\$ 57,516,759</u>	<u>\$ 63,439,636</u>	<u>\$ 67,881,011</u>
Business-type activities										
Net investment in capital assets	\$ 316,668	\$ 287,014	\$ 265,682	\$ 304,313	\$ 285,707	\$ 266,931	\$ 230,631	\$ 193,964	\$ 150,530	\$ 584,837
Restricted										
Unrestricted	377,746	429,584	291,649	309,635	185,793	262,233	354,844	458,970	576,371	111,073
Total business-type activities net position	<u>\$ 694,414</u>	<u>\$ 716,598</u>	<u>\$ 557,331</u>	<u>\$ 613,948</u>	<u>\$ 471,500</u>	<u>\$ 529,164</u>	<u>\$ 585,475</u>	<u>\$ 652,934</u>	<u>\$ 726,901</u>	<u>\$ 695,910</u>
District-wide										
Net investment in capital assets	\$ 44,733,756	\$ 46,046,881	\$ 49,396,004	\$ 52,395,967	\$ 51,749,121	\$ 52,132,453	\$ 53,394,300	\$ 53,533,164	\$ 54,152,942	\$ 60,035,479
Restricted	5,344,700	7,657,255	5,554,837	3,128,771	1,886,772	2,449,843	4,098,068	6,515,979	7,240,528	5,490,102
Unrestricted	(6,415,099)	(8,649,763)	(7,200,406)	(9,031,377)	(11,267,709)	(9,309,584)	(6,374,939)	(1,879,450)	2,773,067	3,051,340
Total district net position	<u>\$ 43,663,357</u>	<u>\$ 45,054,373</u>	<u>\$ 47,750,435</u>	<u>\$ 46,493,361</u>	<u>\$ 42,368,184</u>	<u>\$ 45,272,712</u>	<u>\$ 51,117,429</u>	<u>\$ 58,169,693</u>	<u>\$ 64,166,537</u>	<u>\$ 68,576,921</u>

Note 1 - Net Position at June 30, 2015 reflects the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions".

Note 2 - Net Position at June 30, 2020 was restated to reflect the implementation of GASB Statement No. 84 "Fiduciary Activities" and a correction of an error for compensated absences liability.

Source: District financial statements

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities										
Instruction										
Regular	\$ 27,010,613	\$ 31,555,621	\$ 31,719,415	\$ 36,035,396	\$ 38,807,796	\$ 32,982,724	\$ 32,447,275	\$ 33,963,173	\$ 31,569,306	\$ 33,036,596
Special education	10,734,174	12,130,980	15,035,765	17,164,703	17,421,418	16,079,747	14,514,310	15,668,207	15,119,650	15,304,042
Other instruction	2,285,360	3,229,078	4,121,522	4,370,164	4,539,034	4,017,584	3,618,444	3,662,199	5,022,409	4,426,990
School Sponsored Activities and Athletics	700,748	785,555	830,923	828,671	998,517	988,776	915,832	903,340	1,024,449	1,323,687
Support Services:										
Student & instruction related services	9,458,239	10,624,960	9,679,904	10,658,722	13,785,387	12,663,126	12,316,458	15,057,385	13,705,194	13,688,122
General and business administrative services	1,746,285	1,478,589	1,487,569	1,802,680	1,487,430	1,742,238	1,537,452	2,119,334	2,224,667	2,087,100
School administrative services	2,723,280	4,005,534	4,335,052	5,641,252	5,674,070	4,511,873	4,704,953	4,559,803	3,754,977	3,911,837
Central Services	1,265,611	1,223,740	1,443,526	1,566,815	1,703,945	1,653,774	1,697,182	1,694,696	1,623,099	1,648,565
Administrative Information Technology										
Plant operations and maintenance	7,900,369	7,964,055	7,901,477	7,937,351	7,222,916	7,117,329	7,225,695	7,557,562	6,495,540	8,496,587
Pupil transportation	2,909,844	3,121,273	3,875,295	3,909,006	4,208,372	4,552,643	4,231,379	3,070,412	4,226,312	5,365,276
Interest on long-term debt	561,397	603,301	502,731	456,212	400,829	360,062	291,624	222,588	138,478	67,969
Total governmental activities expenses	67,295,920	76,722,686	80,933,179	90,370,972	96,249,714	86,669,876	83,500,604	88,478,699	84,904,081	89,356,771
Business-type activities:										
Food service	1,768,692	1,804,114	1,975,659	1,962,412	1,991,727	1,914,120	1,556,602	809,928	2,420,580	2,462,109
After school program	327,001	379,828	522,536	448,440	321					
Total business-type activities expense	2,095,693	2,183,942	2,498,195	2,410,852	1,992,048	1,914,120	1,556,602	809,928	2,420,580	2,462,109
Total district expenses	\$ 69,391,613	\$ 78,906,628	\$ 83,431,374	\$ 92,781,824	\$ 98,241,762	\$ 88,583,996	\$ 85,057,206	\$ 89,288,627	\$ 87,324,661	\$ 91,818,880
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction	\$ 123,452	\$ 160,956	\$ 243,932	\$ 797,879	\$ 846,633	\$ 657,847	\$ 792,900	\$ 807,958	\$ 617,132	\$ 762,820
School Sponsored Activities and Athletics									89,216	178,770
Plant Operations	320,918	429,985	302,845	369,475	330,858	511,243	296,845	58,965	110,547	167,844
Student Transportation	201,761	183,692	164,290	212,403	251,750	283,486	231,132	41,926	65,383	200,235
Operating grants and contributions	11,730,915	19,258,709	21,723,896	27,357,365	30,243,730	25,885,527	24,229,374	30,087,130	25,074,428	23,710,821
Capital grants and contributions	-	162,511	1,029,044	471,392	-	8,871		156,024	492,207	2,676,436
Total governmental activities program revenues	12,377,046	20,195,853	23,464,007	29,208,514	31,672,971	27,346,974	25,550,251	31,152,003	26,448,913	27,696,926
Business-type activities:										
Charges for services										
Food service	\$ 336,019	\$ 336,615	\$ 333,934	\$ 341,712	\$ 280,107	\$ 297,815	\$ 196,357	\$ 7,309	\$ 7,013	\$ 341,316
After School Program	386,140	452,928	455,315	477,903	1,209	1,675				
Operating grants and contributions	1,364,681	1,416,583	1,549,679	1,647,854	1,568,284	1,672,294	1,416,556	974,917	2,487,534	2,089,802
Total business type activities program revenues	2,086,840	2,206,126	2,338,928	2,467,469	1,849,600	1,971,784	1,612,913	982,226	2,494,547	2,431,118
Total district program revenues	\$ 14,463,886	\$ 22,401,979	\$ 25,802,935	\$ 31,675,983	\$ 33,522,571	\$ 29,318,758	\$ 27,163,164	\$ 32,134,229	\$ 28,943,460	\$ 30,128,044
Net (Expense)/Revenue										
Governmental activities	\$ (54,918,874)	\$ (56,526,833)	\$ (57,469,172)	\$ (61,162,458)	\$ (64,576,743)	\$ (59,322,902)	\$ (57,950,353)	\$ (57,326,696)	\$ (58,455,168)	\$ (61,659,845)
Business-type activities	(8,853)	22,184	(159,267)	56,617	(142,448)	57,664	56,311	172,298	73,967	(30,991)
Total district-wide net expense	\$ (54,927,727)	\$ (56,504,649)	\$ (57,628,439)	\$ (61,105,841)	\$ (64,719,191)	\$ (59,265,238)	\$ (57,894,042)	\$ (57,154,398)	\$ (58,381,201)	\$ (61,690,836)

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 47,896,529	\$ 48,854,459	\$ 49,783,095	\$ 50,778,757	\$ 51,794,332	\$ 53,814,733	\$ 54,891,028	\$ 55,988,849	\$ 57,108,626	\$ 58,250,799
Property taxes levied for debt service, net	2,185,306	2,087,378	2,085,700	1,816,157	1,813,757	1,819,356	1,813,355	1,813,656	1,587,956	1,815,157
Unrestricted grants and aid	6,266,111	5,735,385	7,290,877	6,301,480	6,116,069	5,448,130	4,939,629	4,951,138	5,149,069	5,150,757
Investment earnings	99,199	58,909	55,114	34,036	40,410	52,174	59,606	21,477	16,071	239,912
Miscellaneous income	379,178	120,568	364,785	647,888	218,376	105,905	534,763	689,069	516,323	644,595
Gain/(Loss) on Disposal of Capital Assets			29,948							
Transfers								104,839		
Special Item - Change in Net Pension Liability		1,038,966	714,982	270,449	611,070	929,468	1,192,964	742,473	-	-
Total governmental activities	<u>\$ 56,826,323</u>	<u>\$ 57,895,665</u>	<u>\$ 60,324,501</u>	<u>\$ 59,848,767</u>	<u>\$ 60,594,014</u>	<u>\$ 62,169,766</u>	<u>\$ 63,431,345</u>	<u>\$ 64,311,501</u>	<u>\$ 64,378,045</u>	<u>\$ 66,101,220</u>
Business-type activities:										
Prior Year Receivables Cancelled										
Loss on Disposal of Capital Assets										
Transfers								(104,839)		
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(104,839)</u>	<u>-</u>	<u>-</u>
Total district-wide	<u>\$ 56,826,323</u>	<u>\$ 57,895,665</u>	<u>\$ 60,324,501</u>	<u>\$ 59,848,767</u>	<u>\$ 60,594,014</u>	<u>\$ 62,169,766</u>	<u>\$ 63,431,345</u>	<u>\$ 64,206,662</u>	<u>\$ 64,378,045</u>	<u>\$ 66,101,220</u>
Change in Net Position										
Governmental activities	\$ 1,907,449	\$ 1,368,832	\$ 2,855,329	\$ (1,313,691)	\$ (3,982,729)	\$ 2,846,864	\$ 5,480,992	\$ 6,984,805	\$ 5,922,877	\$ 4,441,375
Business-type activities	(8,853)	22,184	(159,267)	56,617	(142,448)	57,664	56,311	67,459	73,967	(30,991)
Total district	<u>\$ 1,898,596</u>	<u>\$ 1,391,016</u>	<u>\$ 2,696,062</u>	<u>\$ (1,257,074)</u>	<u>\$ (4,125,177)</u>	<u>\$ 2,904,528</u>	<u>\$ 5,537,303</u>	<u>\$ 7,052,264</u>	<u>\$ 5,996,844</u>	<u>\$ 4,410,384</u>

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Fiscal Year Ended June 30,</u>		<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
					2018	2019				
General Fund										
Restricted	\$ 12,554,465	\$ 9,917,651	\$ 8,315,037	\$ 6,148,604	\$ 4,015,111	\$ 4,917,834	\$ 7,015,690	\$ 11,220,493	\$ 12,363,479	\$ 10,914,697
Committed	790,000	396,936	395,900		613,306				1,507,349	1,670,138
Assigned	816,527	167,723	930,837	546,760	545,749	712,020	1,113,545	974,408	687,536	1,450,787
Unassigned	<u>(115,837)</u>	<u>9,235</u>	<u>149,773</u>	<u>(159,880)</u>	<u>159,603</u>	<u>(2,645)</u>	<u>(37,723)</u>	<u>1,103,603</u>	<u>1,301,814</u>	<u>304,358</u>
Total General Fund	<u>\$ 14,045,155</u>	<u>\$ 10,491,545</u>	<u>\$ 9,791,547</u>	<u>\$ 6,535,484</u>	<u>\$ 5,333,769</u>	<u>\$ 5,627,209</u>	<u>\$ 8,091,512</u>	<u>\$ 13,298,504</u>	<u>\$ 15,860,178</u>	<u>\$ 14,339,980</u>
All Other Governmental Funds										
Restricted	\$ 652,182	\$ 2,662,630	\$ 1,424,107	\$ 1,127,252	\$ 305,566	\$ 228,451	\$ 412,052	\$ 417,424	\$ 182,326	\$ 183,708
Assigned										
Unassigned		<u>(85,473)</u>	<u>(107,301)</u>	<u>(102,341)</u>	<u>(90,003)</u>					
Total all other governmental funds	<u>\$ 652,182</u>	<u>\$ 2,577,157</u>	<u>\$ 1,316,806</u>	<u>\$ 1,024,911</u>	<u>\$ 215,563</u>	<u>\$ 228,451</u>	<u>\$ 412,052</u>	<u>\$ 417,424</u>	<u>\$ 182,326</u>	<u>\$ 183,708</u>

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

Source: District financial statements

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Property Tax levy	\$ 50,081,835	\$ 50,941,837	\$ 51,868,795	\$ 52,594,914	\$ 53,608,089	\$ 55,634,089	\$ 56,704,383	\$ 57,802,505	\$ 58,696,582	\$ 60,065,956
Tuition charges	123,452	160,956	243,932	797,879	699,061	657,847	792,900	807,958	617,132	762,820
Transportation Fees	201,761	183,692	164,290	212,403	251,750	283,486	231,132	41,926	65,383	200,235
Interest earnings	99,199	58,909	55,114	34,036	40,410	52,174	59,606	21,477	16,071	239,912
Rentals	320,918	429,985	302,845	369,475	330,858	511,243	296,845	58,965	110,547	167,844
Miscellaneous	402,770	158,630	439,307	686,550	338,619	148,978	728,613	770,061	636,289	862,809
State sources	16,398,328	17,034,512	20,576,879	20,083,271	22,084,571	23,040,009	23,134,659	25,172,354	29,329,197	30,109,233
Federal sources	1,575,106	2,357,276	2,318,335	2,007,007	2,292,416	2,367,503	2,003,344	2,971,499	4,753,527	7,648,214
Total revenue	69,203,369	71,325,797	75,969,497	76,785,535	79,645,774	82,695,329	83,951,482	87,646,745	94,224,728	100,057,023
Expenditures										
Instruction										
Regular Instruction	26,505,107	27,492,007	27,085,718	28,637,463	32,334,011	29,815,527	30,033,781	30,310,611	33,695,336	36,556,077
Special education instruction	10,724,164	11,382,338	13,785,767	14,990,423	15,480,392	15,116,239	13,837,334	14,511,674	15,754,979	16,154,422
Other instruction	2,282,624	2,869,680	3,583,771	3,494,841	3,677,151	3,622,439	3,324,796	3,255,797	5,436,751	4,967,554
School Sponsored Activities and Athletics	700,073	803,954	850,381	848,570	971,846	994,207	933,868	877,831	1,102,847	1,425,043
Support Services:										
Tuition										
Student & inst. related services	9,448,777	10,114,041	9,312,948	9,919,284	12,063,376	12,015,077	11,893,613	14,158,521	14,394,931	14,741,550
General and business admin. Services	1,745,089	1,507,069	1,517,897	1,825,709	1,469,000	1,745,772	1,547,913	2,065,906	2,248,979	2,116,851
School administrative services	2,677,005	3,519,150	3,735,813	4,377,576	4,503,030	3,861,723	4,220,873	3,945,722	3,968,451	4,303,886
Central Services	1,264,123	1,264,821	1,496,819	1,620,809	1,642,353	1,666,761	1,686,049	1,614,870	1,728,787	1,848,593
Administrative Information Technology										
Plant operations and maintenance	6,338,353	6,430,743	6,166,399	5,983,038	5,153,973	5,079,217	5,126,271	5,365,931	8,340,009	6,191,182
Pupil transportation	2,883,257	3,103,721	3,859,967	3,893,670	4,170,734	4,528,853	4,212,132	3,024,355	4,201,970	5,370,694
Capital outlay	2,256,823	1,744,612	4,180,445	3,638,726	1,062,747	1,486,153	1,942,545	690,925	1,740,608	6,375,883
Debt service:										
Principal	2,125,700	2,062,132	2,086,315	1,998,200	2,721,270	2,426,540	2,482,679	2,420,170	2,512,207	2,380,291
Interest and other charges	669,759	660,164	609,621	535,946	479,445	447,326	369,138	296,907	207,619	114,434
Total expenditures	69,620,854	72,954,432	78,271,861	81,764,255	85,729,328	82,805,834	81,610,992	82,539,220	95,333,474	102,546,460
Excess (Deficiency) of revenues over (under) expenditures	(417,485)	(1,628,635)	(2,302,364)	(4,978,720)	(6,083,554)	(110,505)	2,340,490	5,107,525	(1,108,746)	(2,489,437)
Other Financing sources (uses)										
Proceeds from Bonds										
Premium on Bonds										
Payment to Refunding Bond Escrow Agent										
Insurance Proceeds									4,393,675	-
Capital Leases	1,568,020		342,015	1,430,762	4,072,491	416,833			12,268	-
Transfers in	4,033	2,497,255	882,644	28,270	2,372		654,234	572,839	475,608	363,818
Transfers out	(4,033)	(2,497,255)	(882,644)	(28,270)	(2,372)		(654,234)	(468,000)	(475,608)	(363,818)
Total other financing sources (uses)	1,568,020	-	342,015	1,430,762	4,072,491	416,833	-	104,839	4,405,943	-
Net change in fund balances	\$ 1,150,535	\$ (1,628,635)	\$ (1,960,349)	\$ (3,547,958)	\$ (2,011,063)	\$ 306,328	\$ 2,340,490	\$ 5,212,364	\$ 3,297,197	\$ (2,489,437)
Debt service as a percentage of noncapital expenditures	4.15%	3.82%	3.64%	3.24%	3.78%	3.53%	3.58%	3.32%	2.91%	2.59%

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

Fiscal Year Ended June 30,	<u>Tuition</u>	<u>Interest on Investments</u>	<u>Cancelled O/S Checks</u>	<u>Cancellation of Prior Year Payables</u>	<u>E-Rate Rebates</u>	<u>Rentals</u>	<u>Refunds</u>	<u>Transportation Fees</u>	<u>Miscellaneous</u>	<u>Total</u>
2014	\$ 123,452	\$ 95,166	\$ 89,102	\$ 197,289	-	\$ 320,918	\$ 27,414	\$ 201,761	\$ 65,373	\$ 1,120,475
2015	160,956	56,074	-	-	-	429,985	19,169	183,692	101,399	951,275
2016	243,932	52,265	28,132	193,429	\$ 12,900	302,845	43,065	164,290	87,259	1,128,117
2017	797,879	30,911		295,716		369,475	74,157	212,403	278,015	2,058,556
2018	699,061	36,524	8,363	101,698		330,858		251,750	108,315	1,536,569
2019	657,847	52,134				511,243		283,486	105,905	1,610,615
2020	792,900	59,606		236,875		296,845	48,837	231,132	249,051	1,915,246
2021	807,958	21,477		299,258		58,965	6,614	41,926	383,197	1,619,395
2022	617,132	16,071		228,007		110,547		65,383	288,316	1,325,456
2023	762,820	239,912		382,137		167,844		200,235	262,458	2,015,406

ENGLEWOOD 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	Tax-Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2014	\$ 41,609,500	\$ 3,103,856,500	\$ 756,710,500	\$ 242,531,500	\$ 177,144,200	\$ 4,321,852,200	\$ 6,615,913	\$ 4,328,468,113	\$ 634,876,700	\$ 4,742,307,048	\$ 1.168
2015	42,039,900	3,120,437,300	752,236,900	241,394,800	175,187,900	4,331,296,800	6,772,340	4,338,069,140	632,317,600	4,729,270,577	1.184
2016	39,584,900	3,131,452,500	749,430,700	240,535,000	217,627,500	4,378,630,600	100	4,378,630,700	599,048,200	4,790,712,545	1.193
2017	36,825,600	3,127,131,000	754,651,000	237,852,200	259,745,000	4,416,204,800		4,416,204,800	594,119,200	4,893,708,466	1.203
2018	33,139,500	3,147,176,400	758,211,900	237,550,300	259,745,000	4,435,823,100		4,435,823,100	600,090,000	5,031,924,323	1.232
2019	38,783,300	3,150,605,200	750,175,300	240,664,800	259,224,100	4,439,452,700		4,439,452,700	625,562,600	5,079,359,282	1.265
2020	37,379,500	3,156,045,000	782,849,600	250,878,900	259,203,200	4,486,356,200		4,486,356,200	627,172,500	5,213,280,390	1.256
2021	43,168,100	3,155,461,400	687,285,500	252,385,300	349,203,200	4,487,503,500		4,487,503,500	629,348,400	5,249,573,038	1.301
2022	41,969,100	3,164,440,500	685,652,300	252,680,800	384,875,100	4,529,617,800		4,529,617,800	628,406,000	5,602,146,265	1.329
2023	34,773,200	3,193,213,700	676,780,000	254,779,400	387,105,500	4,546,651,800		4,546,651,800	629,457,600	6,019,135,551	1.314

Source: County Abstract of Ratables

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

Calendar Year	Overlapping Rates			Total Direct and Overlapping Tax Rate
	Total Direct School Tax Rate	City of Englewood	County of Bergen	
2014	\$ 1.168	\$ 1.092	\$ 0.254	\$ 2.514
2015	1.184	1.090	0.261	2.535
2016	1.193	1.096	0.269	2.558
2017	1.203	1.163	0.275	2.641
2018	1.232	1.214	0.276	2.722
2019	1.265	1.247	0.277	2.789
2020	1.256	1.271	0.288	2.815
2021	1.301	1.295	0.294	2.890
2022	1.329	1.322	0.298	2.949
2023	1.314	1.350	0.316	2.980

Source: County Abstract of Ratables

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

Taxpayer	2023	
	Taxable Assessed Value	% of Total District Net Assessed Value
Englewood Property Owner	\$ 90,000,000	1.98%
HSRE-EB Englewood LLC	45,450,000	1.00%
Englewood Terrace LLC	42,300,000	0.93%
SHG (ETAL) S. Hekemian Group	40,560,000	0.89%
BCC Englewood Circle LLC	38,516,400	0.85%
Sheffield Englewood DE LLC	27,339,700	0.60%
Sheffield Englewood DE LLC	23,318,700	0.51%
15 S Dean Street LLC	20,127,000	0.44%
Mistral Realty Holdings II LLC	19,540,400	0.43%
SH729-744 LLC	16,550,000	0.36%
	\$ 363,702,200	8.00%

	2014	
	Taxable Assessed Value	% of Total District Net Assessed Value
Englewood Redevelopment	\$ 90,000,000	2.04%
Englewood Terrace LLC	26,272,000	0.60%
SHG Englewood South I LLC	22,408,000	0.51%
SHG Englewood South II LLC	19,540,000	0.44%
Brunt Street, LLC	16,000,000	0.36%
Rockwood Property Holding, LLC	15,000,000	0.34%
Englewood Village LLC	14,250,000	0.32%
SH729-744 LLC	13,658,000	0.31%
Seol Shik Poom, Inc.	13,570,000	0.31%
VanBrunt SRG, LLC	10,900,000	0.25%
	\$ 241,598,000	5.48%

Source: Municipal Tax Assessor

**ENGLEWOOD 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	
2014	\$ 50,081,835	\$ 47,908,349	95.66%	2,173,486
2015	50,941,837	50,941,837	100.00%	
2016	51,868,795	47,474,573	91.53%	4,394,222
2017	52,594,914	52,594,914	100.00%	
2018	53,608,089	52,655,113	98.22%	952,976
2019	55,634,089	50,997,915	91.67%	4,636,174
2020	56,704,383	51,979,018	91.67%	4,725,365
2021	57,802,505	57,802,505	100.00%	
2022	58,696,582	58,696,582	100.00%	
2023	60,065,956	60,065,956	100.00%	

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

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Capital Financing Agreements and Other Financing Agreements			
2014	\$ 15,399,000	\$ 1,463,645	\$ 16,862,645	28,086	\$ 600
2015	13,826,000	974,513	14,800,513	28,160	526
2016	12,215,000	736,975	12,951,975	28,124	461
2017	10,905,000	1,479,537	12,384,537	28,618	433
2018	9,545,000	4,190,758	13,735,758	28,514	482
2019	8,125,000	3,464,424	11,589,424	28,404	408
2020	6,640,000	2,466,745	9,106,745	28,278	322
2021	5,095,000	1,591,575	6,686,575	29,113	230
2022	3,470,000	716,636	4,186,636	29,034	144
2023	1,765,000	41,346	1,806,346	29,034 (E)	62

Source: District records

(E) Estimated

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2014	\$ 15,399,000	\$ 172,385	\$ 15,226,615	0.35%	\$ 542
2015	13,826,000	86,198	13,739,802	0.32%	488
2016	12,215,000		12,215,000	0.28%	434
2017	10,905,000		10,905,000	0.25%	381
2018	9,545,000		9,545,000	0.22%	335
2019	8,125,000		8,125,000	0.18%	286
2020	6,640,000		6,640,000	0.15%	235
2021	5,095,000		5,095,000	0.11%	175
2022	3,470,000		3,470,000	0.08%	120
2023	1,765,000		1,765,000	0.04%	61

Source: District records

ENGLEWOOD BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022
(Unaudited)

	<u>Total Debt</u>
Municipal Debt:	
City of Englewood	\$ 91,271,957
Englewood Board of Education (June 30, 2023)	<u>1,765,000</u>
	<u>93,036,957</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	43,422,760
Bergen County Utilities Authority - Wastewater (B)	<u>8,802,661</u>
	<u>52,225,421</u>
 Total Direct and Overlapping Debt	 <u>\$ 145,262,378</u>

Source:
Borough of Englewood's 2022 Annual Debt Statement
County of Bergen's 2022 Annual Debt Statement
Bergen County Utilities Authority's 2022 Annual Audit

(A) The debt for this entity was apportioned to Englewood by dividing the municipality's 2022 equalized value by the total 2022 equalized value for Bergen County.
(B) The debt was computed based upon usage

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

Legal Debt Margin Calculation for Fiscal Year 2023

	Equalized valuation basis
	2022 \$ 5,930,371,563
	2021 5,493,332,721
	2020 <u>5,189,538,693</u>
	<u>\$ 16,613,242,977</u>
Average equalized valuation of taxable property	\$ 5,537,747,659
Debt limit (4% of average equalization value)	221,509,906
Total Net Debt Applicable to Limit	<u>1,765,000</u>
Legal debt margin	<u>\$ 219,744,906</u>

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 194,951,596	\$ 189,995,581	\$ 187,636,471	\$ 188,924,496	\$ 192,834,298	\$ 197,415,995	\$ 201,518,801	\$ 204,559,712	\$ 210,640,501	\$ 221,509,906
Total net debt applicable to limit	<u>14,700,000</u>	<u>13,475,000</u>	<u>12,215,000</u>	<u>10,905,000</u>	<u>9,545,000</u>	<u>8,125,000</u>	<u>6,640,000</u>	<u>5,095,000</u>	<u>3,470,000</u>	<u>1,765,000</u>
Legal debt margin	<u>\$ 180,251,596</u>	<u>\$ 176,520,581</u>	<u>\$ 175,421,471</u>	<u>\$ 178,019,496</u>	<u>\$ 183,289,298</u>	<u>\$ 189,290,995</u>	<u>\$ 194,878,801</u>	<u>\$ 199,464,712</u>	<u>\$ 207,170,501</u>	<u>\$ 219,744,906</u>
Total net debt applicable to the limit as a percentage of debt limit	7.54%	7.09%	6.51%	5.77%	4.95%	4.12%	3.29%	2.49%	1.65%	0.80%

Source: Annual Debt Statements

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

Year	Population	County Per Capita Personal Income	Unemployment Rate
2014	28,086	\$ 74,452	5.8%
2015	28,160	77,666	5.1%
2016	28,124	79,145	4.5%
2017	28,618	81,483	4.3%
2018	28,514	85,951	4.3%
2019	28,404	89,456	3.2%
2020	28,278	91,972	10.0%
2021	29,113	97,343	4.6%
2022	29,034	N/A	3.6%
2023	29,034 (E)	N/A	N/A

Source: New Jersey State Department of Education

(E) Estimate

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

Employer	2023		2014	
	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment

INFORMATION NOT AVAILABLE

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

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction										
Regular	251.0	256.0	262.0	257.0	252.0	241.0	239.0	234.0	239.0	235.0
Special Education	147.0	42.0	41.0	46.0	47.0	55.0	53.0	56.0	54.0	53.0
Support Services:										
Student & instruction related services	27.0	51.0	62.0	61.0	59.0	57.0	57.0	57.0	58.0	58.0
School administrative services	25.0	25.0	14.0	14.0	14.0	14.0	15.0	15.0	15.0	15.0
General and business administrative services	18.0	22.0	18.0	17.0	16.0	16.0	16.0	16.0	16.0	16.0
Plant operations and maintenance	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0	2.0	2.0
Pupil transportation	5.0	5.0	5.0	5.0	5.0	5.0	4.0	3.0	3.0	2.0
Food Service										
Total	<u>475.0</u>	<u>403.0</u>	<u>404.0</u>	<u>402.0</u>	<u>395.0</u>	<u>390.0</u>	<u>385.0</u>	<u>382.0</u>	<u>387.0</u>	<u>381.0</u>

Source: District Personnel Records

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

Teacher/Pupil Ratio

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Elementary	Middle School	High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2014	3,050	\$ 64,568,572	\$ 21,170	1.25%	311	1:10	1:8	1:10	3,050.4	2,860.8	1.69%	93.78%
2015	3,084	68,487,524	22,207	4.90%	320	1:10	1:8	1:12	3,019.5	2,908.6	-1.01%	96.33%
2016	3,110	71,395,480	22,957	3.37%	303	1:10	1:8	1:11	3,103.7	2,909.9	2.79%	93.76%
2017	3,100	75,591,383	24,384	6.22%	303	1:10	1:8	1:11	3,086.3	2,900.5	-0.56%	93.98%
2018	3,010	81,465,866	27,065	10.99%	299	1:10	1:8	1:11	3,008.9	2,823.8	-2.51%	93.85%
2019	3,021	78,445,815	25,967	-4.06%	299	1:9	1:10	1:10	2,994.9	2,812.8	-0.47%	93.92%
2020	2,997	76,816,630	25,631	-1.29%	292	1:9	1:10	1:10	2,980.9	2,980.9	-0.47%	100.00%
2021	2,572	79,131,218	30,766	20.04%	290	1:9	1:10	1:10	2,571.9	2,418.6	-13.72%	94.04%
2022	2,934	90,873,040	30,972	0.67%	293	1:9	1:10	1:10	2,849.9	2,652.9	10.81%	93.09%
2023	2,925	93,675,852	32,026	3.40%	288	1:9	1:9	1:10	2,884.4	2,673.9	1.21%	92.70%

Sources: District records

(b) Operating expenditures equal total expenditures less debt service and capital outlay

ENGLEWOOD BOARD OF EDUCATION
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
District Building										
<u>Elementary</u>										
Quarles Elementary (1958)										
Square Feet	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000	54,000
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	450	466	487	487	399	428	423	414	385	381
Cleveland/McCloud Elementary (1935)										
Square Feet	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000
Capacity (students)	550	550	550	550	550	550	550	550	550	550
Enrollment	563	549	553	553	570	595	569	541	510	488
Lincoln/Grieco Elementary (1915)										
Square Feet	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000
Capacity (students)	600	600	600	600	600	600	600	600	600	600
Enrollment	579	589	606	606	598	381	346	354	355	349
Liberty Elementary (1901)										
Square Feet	41,150	41,150	41,150							
Capacity (students)	60	60	60							
Enrollment	-	-	-							
<u>Middle School</u>										
Janis Dismus School (1968)										
Square Feet	94,680	94,680	94,680	94,680	94,680	94,680	94,680	94,680	94,680	94,680
Capacity (students)	700	700	700	700	700	700	700	700	700	700
Enrollment	386	412	422	422	361	574	572	562	556	548
<u>Senior High School</u>										
High School (1931)										
Square Feet	203,100	203,100	203,100	203,100	203,100	203,100	203,100	203,100	203,100	203,100
Capacity (students)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	1,002	1,068	1,064	1,064	1,082	1,043	1,042	1,026	1,053	1,084
<u>Vince Lombardi Learning Center</u>										
High School (1931)										
Square Feet	31,000	31,000	31,000							
Capacity (students)										
Enrollment										

Number of Schools at June 30, 2022
 Elementary = 4
 Middle School = 1
 Senior High School = 1
 Other = 0

Source: District Records

ENGLEWOOD BOARD OF EDUCATION
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)

<u>School Facilities</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Quarles Elementary	\$ 58,390	\$ 54,854	\$ 54,356	\$ 59,558	\$ 47,749	\$ 40,137	\$ 45,716	\$ 49,736	\$ 41,005	\$ 53,530
McCloud Elementary	46,712	96,502	95,627	104,777	84,003	70,611	80,426	87,498	72,138	95,164
Gricco Elementary	64,228	92,440	91,601	100,365	80,466	67,638	77,039	83,814	69,100	92,304
Liberty School	52,550									
Middle School	116,779	96,177	95,305	104,424	83,720	70,373	80,155	87,203	71,895	139,659
High School	212,616	192,232	196,788	219,004	179,590	150,960	171,942	187,060	154,223	214,119
Vince Lombardi Center	32,620	31,490	-	-	27,412	23,042	26,244	28,552	23,540	-
Total School Facilities	\$ 583,895	\$ 563,695	\$ 533,677	\$ 588,128	\$ 502,940	\$ 422,761	\$481,522	\$ 523,863	\$ 431,901	\$ 594,776

Source: District Records

**ENGLEWOOD BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2023
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Blanket Real and Personal Property (All Locations)		
Limits of Liability per occurrence	\$ 500,000,000	\$ 5,000
Blanket Extra Expense	50,000,000	5,000
Blanket Valuable Papers	10,000,000	5,000
Flood Zones - Per Occurrence	75,000,000	
Earthquake - Per Occurrence	50,000,000	
Terrorism - Aggregate	1,000,000	
Comprehensive General Liability	25,000,000	50,000
Automobile Liability	16,000,000	1,000
Workers Compensation	Statutory	
Cyber Liability	1,000,000	250,000
Public Employee Dishonesty Faithful Performance Bond	500,000	1,000
Theft, Disappearance and Destruction	50,000	1,000
Forgery or Alteration	20,000	1,000
Surety Bonds (2)		
Treasurer of School Monies	350,000	
School Business Administrator/Board Secretary	362,000	

- (1) New Jersey School Boards Association Insurance Group
(2) Hartford Fire Insurance Company

Source: District's 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 E. CONSONI, CPA, PSA
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ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities and each major fund of the Englewood Board of Education as of and for the fiscal year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Englewood Board of Education's basic financial statements and have issued our report thereon dated February 16, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Englewood 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 Englewood Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Englewood 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 Englewood 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 Englewood Board of Education in a separate report entitled, “Auditor’s Management Report on Administrative Findings – Financial, Compliance and Performance” dated February 16, 2024.

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 Englewood 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 Englewood 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
February 16, 2024



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
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CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

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

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Englewood 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 Englewood Board of Education's major federal and state programs for the fiscal year ended June 30, 2023. The Englewood 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 Englewood 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, 2023.

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 Englewood 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 Englewood 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 Englewood 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 Englewood 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 Englewood 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 Englewood 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 Englewood 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 Englewood Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

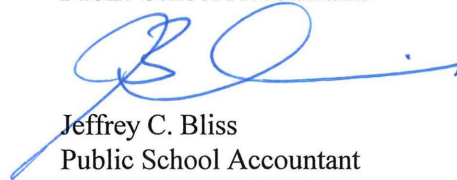
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable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

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

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Englewood Board of Education, as of and for the fiscal year ended June 30, 2023, 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 February 16, 2024, 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
February 16, 2024

ENGLEWOOD BOARD OF EDUCATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance, July 1, 2022			Accounts Receivable Carryover Amount	Deferred Revenue Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments Accounts Receivable	Adjustments Deferred Revenues	Cancelled Prior Year Enc/AP	Refund of Prior Years' Balances	Balance, June 30, 2023			MEMO GAAP Receivable
					(Accounts Receivable	Deferred Revenue	Due to Grantor									(Account Receivable)	Deferred Revenue	Due to Grantor	
U.S. Department of Agriculture																			
Passed-through State Department of Education																			
National School Lunch Program	10.555																		
Cash Assistance		221NJ304N1099	7/1/21-6/30/22	\$ 3,567,288	\$ (142,387)				\$ 142,387										
Cash Assistance		231NJ304N1099	7/1/22-6/30/23	1,184,689					1,114,844	\$ 1,184,689						\$ (69,845)			\$ (69,845)
Supply Chain Assistance		231NJ304N1099	7/1/22-6/30/23	142,245					142,245										
Non-Cash Assistance (Food Distribution)		221NJ304N1099	7/1/21-6/30/22	113,616		\$ 6,997				6,997									
Non-Cash Assistance (Food Distribution)		231NJ304N1099	7/1/22-6/30/23	145,887					145,887	133,382						\$ 12,505			
After School Snack Program	10.558	221NJ304N1099	7/1/21-6/30/22	43,476	(4,036)				4,036										
After School Snack Program	10.558	231NJ304N1099	7/1/22-6/30/23	108,511					102,665	108,511						(5,846)			(5,846)
Summer Food Service Program for Children	10.559	231NJ304N1099	7/1/22-6/30/23	138,655					138,655	138,655									
School Breakfast program	10.553	221NJ304N1099	7/1/21-6/30/22	412,252	(35,347)				35,347										
School Breakfast program	10.553	231NJ304N1099	7/1/22-6/30/23	319,330					297,049	319,330						(22,281)			(22,281)
Total U.S. Department of Agriculture/Child Nutrition Cluster					(181,770)	6,997			2,123,115	2,033,809						(97,972)	12,505		(97,972)
U.S. Department of Health and Human Services																			
General Fund																			
Medicaid Assistance Program-	93.778	2005NJ5MAP	7/1/22-6/30/23	207,080					207,080	207,080									
Medicaid Assistance Program-FFCRA	93.778	2005NJ5MAP	7/1/22-6/30/23	18,661					18,661	18,661									
Medicaid Assistance Program-	93.778	2005NJ5MAP	7/1/21-6/30/22	177,464	(40,352)				40,352										
Total Medicaid Assistance Cluster					(40,352)				266,093	225,741									
FEMA - Public Assistance Grant	97.036	N/A	7/1/21-6/30/22	669,297					669,297	104,149							565,148		
U.S. Department of Education																			
Passed-through State Department of Education																			
Special Revenue Fund																			
IDEA Part B, Basic Regular	84.027A	H027A210100	7/1/21-9/30/22	1,107,646	(1,046,357)	526,801	\$ 526,801	\$ (526,801)	519,556										
IDEA Part B, Basic Regular	84.027A	H027A220100	7/1/22-9/30/23	1,157,764			(526,801)	526,801	952,509	1,202,287						(732,056)	482,278		(249,778)
IDEA Preschool	84.173A	H173A210114	7/1/21-9/30/22	41,647	(2,551)	2,551	2,551	(2,551)											
IDEA Preschool	84.173A	H173A220114	7/1/22-9/30/23	47,267			(2,551)	2,551	38,961	47,267						(10,857)	2,551		(8,306)
ARP - IDEA Part B, Basic	84.027X	H027X210100	7/1/21-9/30/22	247,427	(215,828)	102,196	-	-	102,440							(215,828)			(215,828)
ARP - IDEA Preschool	84.173X	H173X210114	7/1/21-9/30/22	21,036	(21,036)	6,976	-	-	20,540	6,976						(496)			(496)
Special Education Cluster(IDEA)					(1,285,772)	638,524			1,531,566	1,358,970						(959,237)	484,829		(474,408)
NCLB/ESEA																			
Title III	84.365	S365A210030	7/1/21-9/30/22	132,610	(128,745)	7,774	7,774	(7,774)	120,971										
Title III	84.365	S365A220030	7/1/22-9/30/23	91,220			(7,774)	7,774	35,151	54,618						(63,843)	44,376		(19,467)
Title III	84.365	S365A200030	7/1/20-9/30/21	58,475		15									15				
Title III Immigrant	84.365	S365A210030	7/1/21-9/30/22		(2,519)				2,519										
Title III Cluster					(131,264)	7,774	15		158,641	54,618					15	(63,843)	44,376		(19,467)
Title I	84.010	S010A210030	7/1/21-9/30/22	716,888	(781,513)	196,777	115,442	(115,442)	666,071	81,335									
Title I	84.010	S010A220030	7/1/22-9/30/23	739,857			(115,442)	115,442	241,286	728,327						(614,013)	126,972		(487,041)
Title I	84.010	S010A200030	7/1/20-9/30/21	788,962		2,126									2,126				
Title I SIA	84.010	S010A210030	7/1/21-9/30/22	51,700	(28,478)	25,471	25,471	(25,471)	3,007										
Title I SIA	84.010	S010A220030	7/1/22-9/30/23	44,200			(25,471)	25,471	39,173	69,671						(30,498)			(30,498)
Title I Reallocated	84.010	S010A210030	7/1/20-9/30/22			129												129	
Title I Reallocated	84.010	S010A190030	2/1/19-9/30/19	42,304	(22,264)											(22,264)			(22,264)
Title I Cluster					(832,255)	222,248	2,255		949,537	879,333					2,126	(666,775)	126,972	129	(539,803)
Title II A	84.367A	S367A210029	7/1/21-9/30/22	160,637	(182,225)	132,969	80,975	(80,975)	49,256				51,994	(51,994)					
Title II A	84.367A	S367A210029	7/1/20-9/30/21	186,383		636										636			
Title II A	84.367A	S367A220029	7/1/22-9/30/23	185,725			(80,975)	80,975	50,412	115,048						(216,288)	151,652		(64,636)
Title II A Cluster					(182,225)	132,969	636		99,668	115,048						(216,288)	151,652		(64,636)
Elementary and Secondary School Emergency Relief Fund (Essex)																			
ESSER I - CARES Emergency Relief Grant	84.425D	S425D210027	3/13/20-9/30/22	943,172	(127,659)				127,659	15,588				15,588					
ESSER I - Coronavirus Supplemental Approp	84.425D	S425D210027	3/13/20-9/30/23	2,585,751	(2,519,423)	24,000		152,448	2,331,491	152,448						(187,932)	24,000		(163,932)
ESSER II - Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	165,940	(165,940)	165,940			9,371	117,602						(156,569)	48,338		(108,231)
ESSER II - Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(45,000)	45,000				45,000						(45,000)			(45,000)
ARP - ESSER III	84.425U	S425U210027	3/13/20-9/30/24	5,811,309	(5,811,309)	4,628,778			1,825,632	3,118,809				22,579		(3,985,677)	1,532,548		(2,453,129)
ARP - Accelerated Learning	84.425U	S425U210027	3/13/20-9/30/24	303,065	(303,065)	303,065			157,582	303,065						(145,483)			(145,483)
ARP - Based Summer	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	40,000				40,000						(40,000)	40,000		
ARP - Comprehension Beyond	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	40,000				40,000						(40,000)	40,000		
ARP - Mental Health	84.425U	S425U210027	3/13/20-9/30/24	88,501	(88,501)					88,501									
ARP - Homeless Children and Youth	84.425W	S425W210031	4/23/21-9/30/23	37,186	(37,186)				37,186										
Total Elementary and Secondary School Emergency Relief Fund (Essex Cluster)					(9,178,083)	5,246,783			152,448	4,577,422				38,167		(4,600,661)	1,684,886		(2,915,775)
Passed through County of Bergen																			
Coronavirus Relief Fund Grant	21.019	S425D200027	3/13/20-12/30/21	316,063		407												407	
Non Public Digital Divide CARES Act	21.019	S377A200027	7/16/20-10/31/20	71,341	(68,787)				1,991						1,991	(68,787)			(68,787)
Total Coronavirus Relief Fund Grant (CARES Cluster)					(68,787)	407			1,991						1,991	(68,787)	407		(68,787)
Project Image	84.293B	N/A	9/1/11-8/31/12	269,870	(28,122)														(28,122)
Perkins Grant	84.048A	V048A210030	7/1/21-6/30/22	29,021	(8,015)				8,015										
Total U.S. Department of Education					(11,714,523)	6,248,705	2,906		152,448	7,326,840	6,160,481	51,994	(51,994)	38,411	4,768	(6,603,713)	2,493,122	129	(4,110,998)
Total Federal Awards					\$ (11,936,645)	\$ 6,255,702	\$ 2,906	\$ -	\$ 152,448	\$ 10,385,345	\$ 8,524,180	\$ 51,994	\$ (51,994)	\$ 38,411	\$ 4,768	\$ (6,701,685)	\$ 3,070,775	\$ 129	\$ (4,208,970)

ENGLEWOOD BOARD OF EDUCATION
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2022			Carryover Amount	Cash Received	Budgetary Expenditures	Transfers	Cancelled Prior Year Enc/AP	Refund of Prior Years' Balances	Balance, June 30, 2023			Memo		
				(Accounts Receivable)	Deferred Revenue	Due to Grantor							(Accounts Receivable)	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
State Department of Education																		
General Fund:																		
School Choice Aid	22-495-034-5120-068	7/1/21-6/30/22	\$ 4,634,989	\$ (394,923)				\$ 394,923										-
School Choice Aid	23-495-034-5120-068	7/1/22-6/30/23	4,413,689					4,038,905	\$ 4,413,689				\$ (374,784)					\$ 4,413,689
Categorical Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	2,280,766	(194,332)				194,332										-
Categorical Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	2,342,582					2,143,664	2,342,582				(198,918)					2,342,582
Categorical Security Aid	22-495-034-5120-084	7/1/21-6/30/22	1,201,342	(102,360)				102,360										-
Categorical Security Aid	23-495-034-5120-084	7/1/22-6/30/23	1,201,342					1,099,331	1,201,342				(102,011)					1,201,342
Maintenance of Equity Aid	23-495-034-5120-128	7/1/22-6/30/23	181,152						181,152				(181,152)					\$ (181,152)
Adjustment Aid	22-495-034-5120-085	7/1/21-6/30/22	535,621	(45,637)				45,637										-
Adjustment Aid	23-495-034-5120-085	7/1/22-6/30/23	535,621					490,139	535,621				(45,482)					535,621
Total State Aid Public Cluster				(737,252)				8,509,291	8,674,386				(902,347)					(181,152)
Categorical Transportation Aid	22-495-034-5120-014	7/1/22-6/30/22	830,412	(70,756)				70,756										-
Categorical Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	830,412					759,898	830,412				(70,514)					830,412
Nonpublic School Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	122,026	(122,026)				122,026										-
Nonpublic School Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	126,778						126,778				(126,778)					(126,778)
Total Transportation Aid Cluster				(192,782)				952,680	957,190				(197,292)					(126,778)
Extraordinary Aid	22-495-034-5120-044	7/1/21-6/30/22	1,776,212	(1,776,212)				1,776,212										-
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	1,594,179						1,594,179				(1,594,179)					1,594,179
TPAF Social Security Contribution	22-495-034-5094-003	7/1/21-6/30/22	2,003,619	(196,040)				196,040										-
TPAF Social Security Contribution	23-495-034-5094-003	7/1/22-6/30/23	2,001,374					1,706,572	2,001,374				(294,802)					(294,802)
On-Behalf TPAF Contributions																		-
Pension Benefit Contribution	23-495-034-5094-002	7/1/22-6/30/23	9,135,955					9,135,955	9,135,955									9,135,955
Pension NCGI Premium	23-495-034-5094-004	7/1/22-6/30/23	126,751					126,751	126,751									126,751
Post Retirement Medical Contribution	23-495-034-5094-001	7/1/22-6/30/23	2,433,291					2,433,291	2,433,291									2,433,291
Long-Term Disability Insurance Contrib.	23-495-034-5094-004	7/1/22-6/30/23	3,345					3,345	3,345									3,345
Total General Fund				(2,902,286)				24,840,137	24,926,471				(2,988,620)					(602,732)
Special Revenue Fund																		
New Jersey Non-Public Aid																		
Auxiliary Services																		
Compensatory Education	22-100-034-5120-067	7/1/21-6/30/22	32,787	-		\$ 11,109						\$ 11,109						-
Compensatory Education	23-100-034-5120-067	7/1/22-6/30/23	42,497					42,497	32,416							\$ 10,081		32,416
English as a Second Language	22-100-034-5120-067	7/1/21-6/30/22	21,560			11,329						11,329						-
English as a Second Language	23-100-034-5120-067	7/1/22-6/30/23	22,951					22,951	16,538								6,413	16,538
Home Instruction	22-100-034-5120-067	7/1/21-6/30/22	3,749	(3,749)				3,749										-
Home Instruction	23-100-034-5120-067	7/1/22-6/30/23	1,188						1,188				(1,188)					(1,188)
Total Non Public Aux. Service Aid (Chap. 192) Cluster				(3,749)		22,438		69,197	50,142				22,438	(1,188)		16,494		(1,188)
Handicapped Services																		
Examination and Classification	22-100-034-5120-066	7/1/21-6/30/22	175,177			46,051						46,051						-
Examination and Classification	23-100-034-5120-066	7/1/22-6/30/23	161,155					161,155	125,147							36,008		125,147
Corrective Speech	22-100-034-5120-066	7/1/21-6/30/22	110,670			18,637						18,637						-
Corrective Speech	23-100-034-5120-066	7/1/22-6/30/23	119,691					119,691	107,415							12,276		107,415
Supplementary Instruction	22-100-034-5120-066	7/1/21-6/30/22	127,204			22,219						22,219						-
Supplementary Instruction	23-100-034-5120-066	7/1/22-6/30/23	123,735					123,735	110,436							13,299		110,436
Total Non Public Hand. Service Aid (Chap. 193) Cluster						86,907		404,581	342,998				86,907			61,583		342,998
Textbook Aid	22-100-034-5120-064	7/1/21-6/30/22	97,292			16,221						16,221						-
Textbook Aid	23-100-034-5120-064	7/1/22-6/30/23	108,240					108,240	87,130							21,110		87,130
Nursing Services	22-100-034-5120-070	7/1/21-6/30/22	219,072			1,302						1,302						-
Nursing Services	23-100-034-5120-070	7/1/22-6/30/23	218,064					218,064	218,064									218,064
Technology Aid	22-100-034-5120-373	7/1/21-6/30/22	68,082			32,682						32,682						-
Technology Aid	23-100-034-5120-373	7/1/22-6/30/23	68,880					68,880	63,860							5,020		63,860
Security Aid	22-100-034-5120-509	7/1/21-6/30/22	342,300			27,783						27,783						-
Security Aid	21-100-034-5120-509	7/1/20-6/30/21	343,350			4,176										4,176		-
Security Aid	23-100-034-5120-509	7/1/22-6/30/23	399,135					399,135	306,751							92,384		306,751
Preschool Education Aid	22-495-034-5120-086	7/1/21-6/30/22	3,478,014	(347,801)	\$ 680,722		\$ (680,722)	347,801										-
Preschool Education Aid	23-495-034-5120-086	7/1/22-6/30/23	3,544,417				680,722	3,189,975	4,127,767	363,818	\$ 15,321		(354,442)	\$ 476,511				4,127,767
Preschool Education Aid General Fund Contribution			363,818															-
Targeted At Risk Aid - 217	08-	7/1/07-6/30/08	817,000			7,790												7,790
Character ED	06-495-034-5120-053	7/1/05-6/30/08	26,494			26,494												26,494
LEADS Grant		7/1/06-6/30/07	41,200			22,589												22,589
DCA - Local Recreation Impvt. Grant	21-04960-0403-00	2/1/22-8/31/23	80,000	(80,000)				80,000										-
Climate Change	N/A	7/1/22-6/30/23	6,660					6,660	6,660									6,660
Total Special Revenue Fund				(431,550)	737,595	191,509		4,892,533	5,203,372	363,818	15,321	187,333	(355,630)	533,384	200,767		(1,188)	5,203,372

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

ENGLEWOOD BOARD OF EDUCATION
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2022				Cash Received	Budgetary Expenditures	Transfers	Cancelled Prior Year Enc/AP	Refund of Prior Years' Balances	Balance, June 30, 2023			Memo	
				(Accounts Receivable)	Deferred Revenue	Due to Grantor	Carryover Amount						(Accounts Receivable)	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
Capital Projects Fund																	
Security on Schools	N/A	7/1/20-6/30/21	\$ 156,024	\$ (156,024)	-	-	-	\$ 156,024	-	-	-	-	-	-	-	-	-
Total Capital Projects Fund/SDA Cluster				(156,024)	-	-	-	156,024	-	-	-	-	-	-	-	-	-
Enterprise Fund																	
After Bell (State)	23-100-010-3350-023	7/1/22-6/30/23	6,710				6,237	\$ 6,710					\$ (473)	-	-	\$ (473)	\$ 6,710
Summer Food Service Program for Children (23-100-010-3350-023	7/1/22-6/30/23	3,907				3,907	3,907					-	-	-	-	3,907
School Breakfast (State Share)	23-100-010-3350-023	7/1/22-6/30/23	5,581				5,116	5,581				(465)	-	-	(465)	5,581	
School Lunch (State Share)	23-100-010-3350-023	7/1/22-6/30/23	39,795				37,422	39,795				(2,373)	-	-	(2,373)	39,795	
School Lunch (State Share)	22-100-010-3350-023	7/1/21-6/30/22	40,466	(3,277)	-	-	3,277	-	-	-	-	-	-	-	-	-	
Total Enterprise Fund				(3,277)	-	-	-	55,959	55,993	-	-	-	(3,311)	-	-	(3,311)	55,993
Total State Financial Assistance Subject to Single Audit Determination				(3,493,137)	\$ 737,595	\$ 191,509	-	29,944,653	30,185,836	\$ 363,818	\$ 15,321	\$ 187,333	(3,347,561)	\$ 533,384	\$ 200,767	(607,231)	30,185,836
State Financial Assistance																	
Not Subject to Single Audit Determination																	
General Fund																	
On-Behalf/TPAF Contributions																	
Pension Benefit Contribution	23-495-034-5094-002	7/1/22-6/30/23	9,135,955				(9,135,955)	(9,135,955)									(9,135,955)
Pension NCGI Premium	23-495-034-5094-004	7/1/22-6/30/23	126,751				(126,751)	(126,751)									(126,751)
Post Retirement Medical Contribution	23-495-034-5094-001	7/1/22-6/30/23	2,433,291				(2,433,291)	(2,433,291)									(2,433,291)
Long-Term Disability Insurance Contrib.	23-495-034-5094-004	7/1/22-6/30/23	3,345				(3,345)	(3,345)									(3,345)
Total State Financial Assistance Utilized for Calculation to Determine Major Program				\$ (3,493,137)	\$ 737,595	\$ 191,509	\$ -	\$ 18,245,311	\$ 18,486,494	\$ 363,818	\$ 15,321	\$ 187,333	\$ (3,347,561)	\$ 533,384	\$ 200,767	\$ (607,231)	\$ 18,486,494

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

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 REPORTING ENTITY

The Englewood School District (the “Board” or the “District”) received and participated in numerous Federal Award and State Financial Assistance programs in the form of cost reimbursement grants and revenue sharing entitlements. The Board is the reporting entity for these programs. The Board is defined in Note 1 (A) to the Board’s Financial Statements.

NOTE 2 BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance (the “Schedules”) present the activity of all federal and state programs of the Board. All federal awards received directly from federal agencies or passed through other government agencies are included on the schedule of expenditures of federal awards. All state awards received directly from state agencies or passed through other government agencies are included in the schedule of expenditures of state financial assistance. The information in these Schedules are 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* (Uniform Guidance) and New Jersey OMB Circular Letter 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The 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 the Notes to the Budgetary Comparison Schedules (RSI) and Note 1(D) to the Board’s financial statements, respectively. Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements. The Board’s summary of significant accounting policies are described in Note 1 to the Board’s financial statements.

NOTE 4 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 \$198,332 for the general fund and an increase of \$1,305,130 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	\$ 329,890	\$ 25,124,803	\$ 25,454,693
Special Revenue Fund	7,318,324	4,984,430	12,302,754
Food Service Fund	<u>2,033,809</u>	<u>55,993</u>	<u>2,089,802</u>
Total Financial Assistance	<u>\$ 9,682,023</u>	<u>\$ 30,165,226</u>	<u>\$ 39,847,249</u>

**ENGLEWOOD BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 5 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 6 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$2,001,374 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, 2023. The amount reported as TPAF Pension System Contributions in the amount of \$9,262,706 , TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,433,291 and TPAF Long-Term Disability Insurance in the amount of \$3,345 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2023.

NOTE 7 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 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 8 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.

**ENGLEWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Part I -- Summary of Auditor's Results

Financial Statement Section

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

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

2) Significant deficiency(ies) identified that are not considered to be material weaknesses? yes X none reported

Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

Internal Control over major programs:

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

2) Significant deficiency(ies) identified that are not considered to be material weaknesses? yes X none reported

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

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

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>FAIN Number</u>	<u>Name of Federal Program or Cluster</u>
<u>10.555</u>	<u>231NJ304N1099</u>	<u>National School Lunch</u>
<u>10.553</u>	<u>231NJ304N1099</u>	<u>School Breakfast Program</u>
<u>10.558</u>	<u>231NJ304N1099</u>	<u>After School Snack</u>
<u>10.559</u>	<u>231NJ304N1099</u>	<u>Summer Food Service Program</u>
<u>84.027A</u>	<u>H027A220100</u>	<u>IDEA - Basic</u>
<u>84.173A</u>	<u>H173A220114</u>	<u>IDEA - Preschool</u>
<u>84.027X</u>	<u>H027X210100</u>	<u>IDEA - Basic - ARP</u>
<u>84.173X</u>	<u>H175X210114</u>	<u>IDEA - Preschool - ARP</u>
<u>93.778</u>	<u>2005NJSMAP</u>	<u>Medicaid Assistance Program (SEMI)</u>

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

Auditee qualified as low-risk auditee? X yes no

ENGLEWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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 deficiency(ies) identified that are not considered to be material weakness(es)? ___ yes ___ X none reported

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

Any audit findings disclosed that are required to be reported in accordance with N.J. Circular Letter 15-08? ___ yes ___ X no

Identification of major state programs:

Table with 2 columns: GMIS Number(s) and Name of State Program. Rows include: 495-034-5120-089 Special Education Aid, 495-034-5120-084 Security Aid, 495-034-5120-085 Adjustment Aid, 495-034-5120-068 School Choice Aid, 495-034-5120-044 Extraordinary Aid, 100-034-5120-070 Non Public Nursing.

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

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

**ENGLEWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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.

ENGLEWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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 Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

There are none.

ENGLEWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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 Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR STATE AWARDS

There are none.

**ENGLEWOOD BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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*, Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

There were none.