

GLEN ROCK PUBLIC SCHOOLS
Glen Rock, New Jersey

*ANNUAL COMPREHENSIVE
FINANCIAL REPORT*

*FOR THE FISCAL YEAR ENDED
JUNE 30, 2023*



ANNUAL COMPREHENSIVE

FINANCIAL REPORT

of the

Glen Rock Public Schools

Glen Rock, New Jersey

For The Fiscal Year Ended June 30, 2023

Prepared by

Business Office

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INTRODUCTORY SECTION

GLEN ROCK PUBLIC SCHOOLS

James Canellas
Business Administrator/
Board Secretary



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

October 12, 2023

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

The annual comprehensive financial report of the Borough of Glen Rock Public Schools (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 shared management of the District, specifically the Chief School Administrator and Business Administrator. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects, and is reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

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

1. REPORTING ENTITY AND ITS SERVICES: (Continued)

The school district provides a full range of regular and special educational services to grade levels K through 12 for the students residing in the Borough of Glen Rock. The District completed the 2022-2023 fiscal year with an enrollment of 2,591 resident students, which is 40 more than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2022-23	2,591	1.57%
2021-22	2,551	.83%
2020-21	2,530	(1.25%)
2019-20	2,562	1.00%
2018-19	2,539	(.16%)
2017-18	2,543	1.92%
2016-17	2,495	1.34%
2015-16	2,462	.90%
2014-15	2,440	.58%
2013-14	2,426	1.04%

2. ECONOMIC CONDITION AND OUTLOOK: The Glen Rock community consists of over 3,630 single family residences. There are approximately 47 businesses located within a small central business district that prosper despite the abundance of magnet shopping malls in the area.

3. MAJOR INITIATIVES: Throughout its history, the Glen Rock community has always placed a very high value on education; it is the foundation upon which the borough was built. In the late 1800s when the state of New Jersey mandated consolidation of school districts, local activists - concerned about the impact this would have on the education of their children - went door to door with a petition to create their own school district. The cosmopolitan town of Glen Rock, situated 23 miles west of New York City, and the only Bergen County town to have two NJ Transit train lines, was established September 14, 1894. Glen Rock's current population hovers at 12,133.

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

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

3. MAJOR INITIATIVES: (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

9. OTHER INFORMATION:

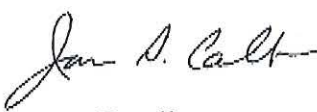
Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Bliss, LLP was appointed by Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act and related State Treasury Circular OMB 15-08. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,

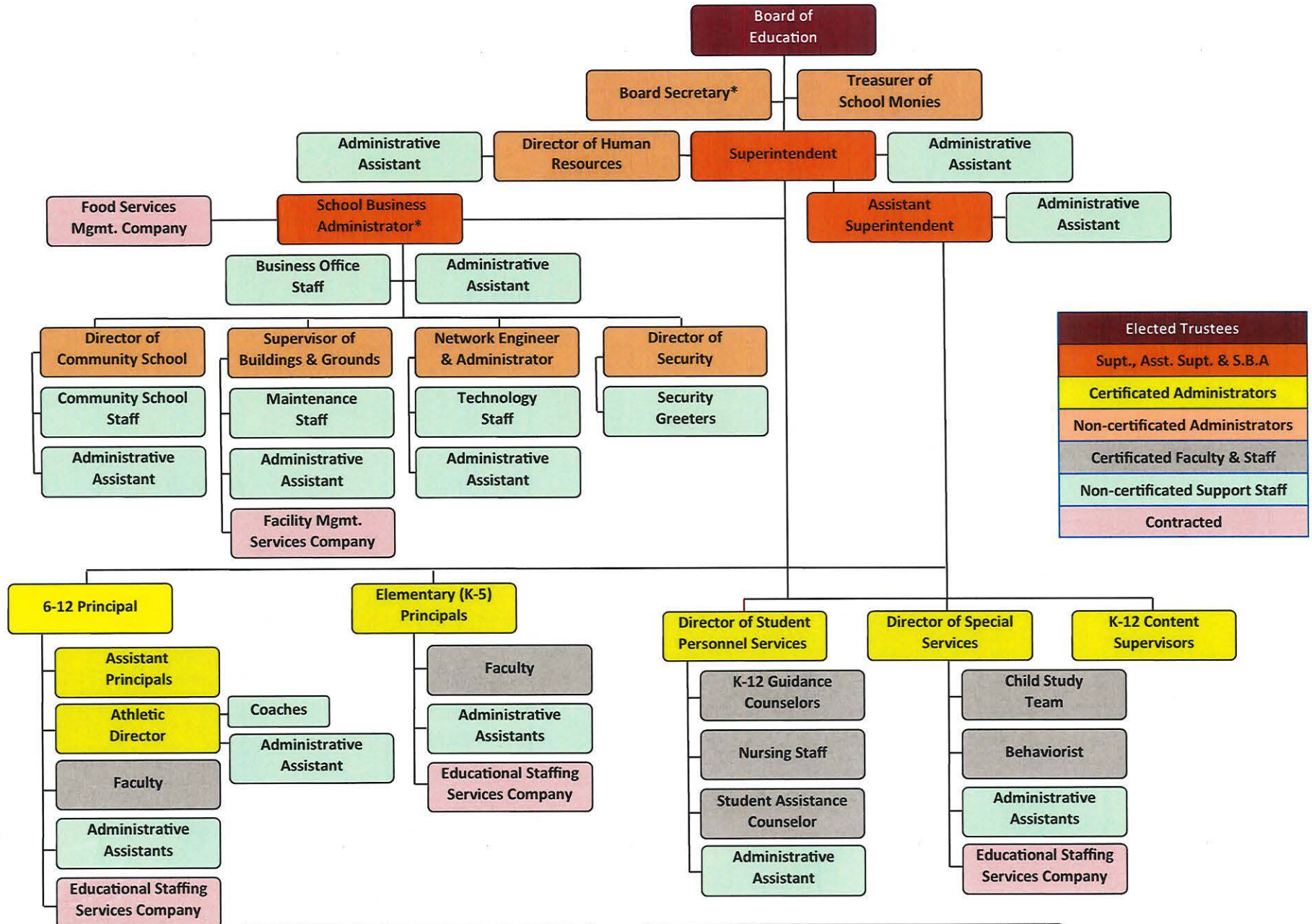

Brett Charleston

Superintendent of Schools


James Canellas

School Business Administrator/Board Secretary

Glen Rock Public Schools District Organizational Chart



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

Approved by the Glen Rock Board of Education
January 2, 2023

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

GLEN ROCK PUBLIC SCHOOLS

James Canellas
Business Administrator/
Board Secretary



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GLEN ROCK BOARD OF EDUCATION GLEN ROCK, NJ

Roster of Officials 2023

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Sinead Rundell, President	2025
Dr. Damali Robinson, Vice President	2023
Stephanie Carosella	2025
Elizabeth Carr	2025
Daniel Corey	2024
Edmund Hayward	2023
Rona McNabola	2023
Sharon Scarpelli	2024
Karyn Stephenson	2024

Other Officials

Dr. Brett Charleston, Superintendent of Schools

Mr. Gregory Van Nest, Asst. Superintendent

James Canellas, Business Administrator/Board Secretary

Antoinette Kelly, Treasurer of School Monies

GLEN ROCK PUBLIC SCHOOLS

Consultants & Advisors

June 30, 2023

District Auditor

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

Attorney

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

Official Depositories

Bank of America
208 Harristown Road
Glen Rock, NJ 07452

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, 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 Trustees
Glen Rock Public School District
Glen Rock, New Jersey

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Glen Rock Public Schools, 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 Glen Rock Public Schools 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 Glen Rock Public Schools and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

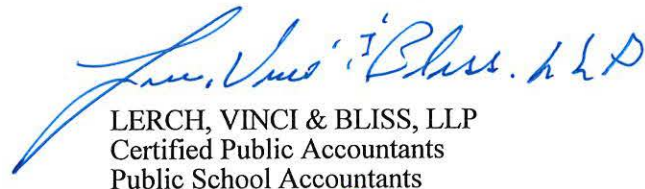
Other Information

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

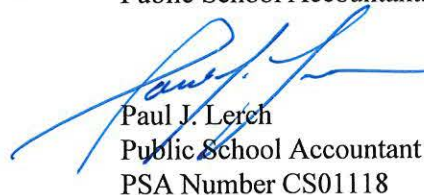
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If,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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 12, 2023 on our consideration of the Glen Rock Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Glen Rock Public Schools' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Glen Rock Public Schools' internal control over financial reporting and compliance.



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



Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
October 12, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

GLEN ROCK PUBLIC SCHOOLS

Management's Discussion and Analysis

This section of Glen Rock Public Schools' 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 Glen Rock Public Schools exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$19,009,217 (net position).
- Overall District revenues were \$69,412,840. General revenues accounted for \$53,708,429 or 77% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$15,704,411 or 23% of total revenues.
- The School District had \$66,176,719 in expenses for governmental activities; only \$13,353,773 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$53,690,751 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 \$16,065,805 a decrease of \$2,198,341 when compared to the ending fund balance at June 30, 2022 of \$18,264,146.
- The General Fund unassigned fund balance at June 30, 2023 was \$688,892, a decrease of \$1,009,986 when compared with the ending fund balance of \$1,698,878 at June 30, 2022.
- The General Fund unassigned budgetary fund balance at June 30, 2023 was \$1,839,055 which represents a decrease of \$971,289 when compared to the ending unassigned fund balance at June 30, 2022 of \$2,810,344.

GLEN ROCK PUBLIC SCHOOLS

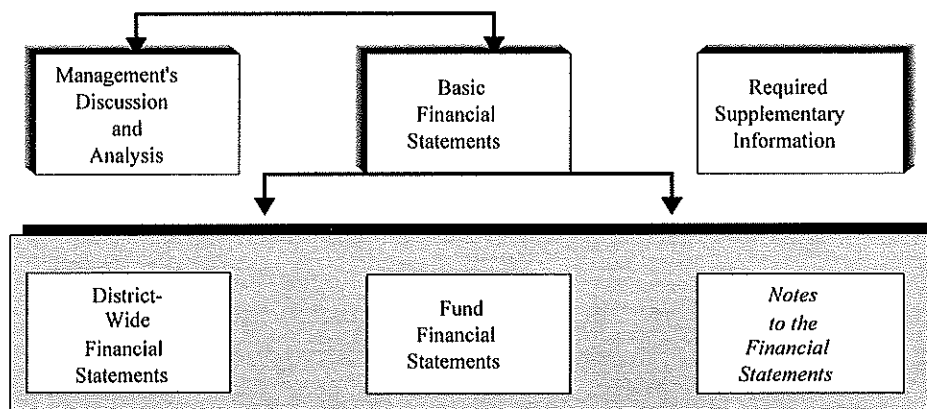
Management's Discussion and Analysis

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.



GLEN ROCK PUBLIC SCHOOLS

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.

GLEN ROCK PUBLIC SCHOOLS

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 and Community School which includes Before and After School Care, Adult Education, Summer Camp, Tots Program and Transitional Kindergarten Programs 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).

GLEN ROCK PUBLIC SCHOOLS

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 these 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.

GLEN ROCK PUBLIC SCHOOLS

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 \$19,009,217 and \$17,759,845 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, vehicles, furniture and equipment); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net Position as of June 30, 2023 and 2022

	Governmental Activities		Business-Type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Assets						
Current and Other Assets	\$ 17,290,655	\$ 19,907,258	\$ 1,459,075	\$ 1,056,755	\$ 18,749,730	\$ 20,964,013
Capital Assets	<u>52,980,022</u>	<u>51,770,241</u>	<u>20,895</u>	<u>23,109</u>	<u>53,000,917</u>	<u>51,793,350</u>
Total Assets	<u>70,270,677</u>	<u>71,677,499</u>	<u>1,479,970</u>	<u>1,079,864</u>	<u>71,750,647</u>	<u>72,757,363</u>
Deferred Outflows of Resources						
Deferred Amounts on Net Pension Liability	448,718	309,213			448,718	309,213
Deferred Amounts on Refunding of Debt	<u>1,581,309</u>	<u>1,844,394</u>	-	-	<u>1,581,309</u>	<u>1,844,394</u>
Total Deferred Outflows	<u>2,030,027</u>	<u>2,153,607</u>	<u>-</u>	<u>-</u>	<u>2,030,027</u>	<u>2,153,607</u>
Total Assets and Deferred Outflows	<u>72,300,704</u>	<u>73,831,106</u>	<u>1,479,970</u>	<u>1,079,864</u>	<u>73,780,674</u>	<u>74,910,970</u>
Liabilities						
Long-Term Liabilities	50,662,119	50,684,067			50,662,119	50,684,067
Other Liabilities	<u>1,780,416</u>	<u>2,221,389</u>	<u>537,272</u>	<u>518,733</u>	<u>2,317,688</u>	<u>2,740,122</u>
Total Liabilities	<u>52,442,535</u>	<u>52,905,456</u>	<u>537,272</u>	<u>518,733</u>	<u>52,979,807</u>	<u>53,424,189</u>
Deferred Inflows of Resources						
Deferred Amounts on Net Pension Liability	<u>1,791,650</u>	<u>3,726,936</u>	-	-	<u>1,791,650</u>	<u>3,726,936</u>
Total Deferred Inflows	<u>1,791,650</u>	<u>3,726,936</u>	<u>-</u>	<u>-</u>	<u>1,791,650</u>	<u>3,726,936</u>
Total Liabilities and Deferred Inflows	<u>54,234,185</u>	<u>56,632,392</u>	<u>537,272</u>	<u>518,733</u>	<u>54,771,457</u>	<u>57,151,125</u>
Net Position						
Net Investment in Capital Assets	15,121,850	12,225,242	20,895	23,109	15,142,745	12,248,351
Restricted	9,196,923	9,173,666			9,196,923	9,173,666
Unrestricted	<u>(6,252,254)</u>	<u>(4,200,194)</u>	<u>921,803</u>	<u>538,022</u>	<u>(5,330,451)</u>	<u>(3,662,172)</u>
Total Net Position	<u>\$ 18,066,519</u>	<u>\$ 17,198,714</u>	<u>\$ 942,698</u>	<u>\$ 561,131</u>	<u>\$ 19,009,217</u>	<u>\$ 17,759,845</u>

GLEN ROCK PUBLIC SCHOOLS

Management's Discussion and Analysis

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

	<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	\$ 1,267,870	\$ 1,305,875	\$ 2,350,638	\$ 2,087,345	\$ 3,618,508	\$ 3,393,220
Operating Grants and Contributions	12,036,097	13,771,644			12,036,097	13,771,644
Capital Grants and Contributions	49,806	669,028			49,806	669,028
General Revenues						
Property Taxes	51,885,084	50,908,812			51,885,084	50,908,812
State Aid	1,143,264	1,136,782			1,143,264	1,136,782
Miscellaneous	662,403	613,697	17,678	-	680,081	613,697
Total Revenues	<u>67,044,524</u>	<u>68,405,838</u>	<u>2,368,316</u>	<u>2,087,345</u>	<u>69,412,840</u>	<u>70,493,183</u>
Expenses						
Instruction						
Regular	26,849,904	24,893,668			26,849,904	24,893,668
Special Education	9,263,860	9,275,230			9,263,860	9,275,230
Other Instruction	1,214,018	1,238,191			1,214,018	1,238,191
School Sponsored Activities and Athletics	2,584,240	2,310,718			2,584,240	2,310,718
Support Services						
Student and Instruction Related Services	9,384,382	8,980,232			9,384,382	8,980,232
Educational Media/School Library	786,467	868,046			786,467	868,046
General Administration Services	1,681,769	1,906,867			1,681,769	1,906,867
School Administration Services	3,890,866	3,838,835			3,890,866	3,838,835
Plant Operation and Maintenance	6,051,504	5,631,429			6,051,504	5,631,429
Pupil Transportation	1,336,636	1,093,906			1,336,636	1,093,906
Central Services	1,728,251	1,663,878			1,728,251	1,663,878
Scholarship Awards	9,000	3,900			9,000	3,900
Interest and Other Chgs on Long-Term Debt	1,395,822	1,455,959			1,395,822	1,455,959
Food Service	-	-	660,410	637,557	660,410	637,557
Community School	-	-	1,326,339	1,147,886	1,326,339	1,147,886
Total Expenses	<u>66,176,719</u>	<u>63,160,859</u>	<u>1,986,749</u>	<u>1,785,443</u>	<u>68,163,468</u>	<u>64,946,302</u>
Change in Net Position	867,805	5,244,979	381,567	301,902	1,249,372	5,546,881
Net Position, Beginning of Year	<u>17,198,714</u>	<u>11,953,735</u>	<u>561,131</u>	<u>259,229</u>	<u>17,759,845</u>	<u>12,212,964</u>
Net Position, End of Year	<u>\$ 18,066,519</u>	<u>\$ 17,198,714</u>	<u>\$ 942,698</u>	<u>\$ 561,131</u>	<u>\$ 19,009,217</u>	<u>\$ 17,759,845</u>

GLEN ROCK PUBLIC SCHOOLS

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 with decreased enrollment, the provision of a multitude of special 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.

	<u>Total Cost</u> <u>of Services</u>		<u>Net Cost</u> <u>of Services</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Instruction				
Regular	26,849,904	\$ 24,893,668	\$ 22,759,081	\$ 19,286,841
Special Education	9,263,860	9,275,230	4,495,516	4,343,015
Other Instruction	1,214,018	1,238,191	953,489	931,564
School Sponsored Activities and Athletics	2,584,240	2,310,718	1,207,106	871,278
Support Services				
Student and Instruction Related Services	9,384,382	8,980,232	7,863,259	7,314,829
Educational Media/School Library	786,467	868,046	668,986	702,891
General Administration	1,681,769	1,906,867	1,490,873	1,654,126
School Administration Services	3,890,866	3,838,835	3,249,972	3,054,616
Plant Operation and Maintenance	6,051,504	5,631,429	5,825,215	5,301,762
Pupil Transportation	1,336,636	1,093,906	1,204,162	953,686
Central Services	1,728,251	1,663,878	1,701,086	1,539,845
Scholarship Awards	9,000	3,900	8,379	3,900
Interest and Other Charges on Long-Term Debt	<u>1,395,822</u>	<u>1,455,959</u>	<u>1,395,822</u>	<u>1,455,959</u>
Total	<u>\$ 66,176,719</u>	<u>\$ 63,160,859</u>	<u>\$ 52,822,946</u>	<u>\$ 47,414,312</u>

GLEN ROCK PUBLIC SCHOOLS

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 \$16,065,805, a decrease of \$2,198,341 from last year's fund balance of \$18,264,146.

Revenues and other financing sources for the District's governmental funds were \$74,186,492 total expenditures were \$76,384,833.

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 and other financing sources of the General Fund were \$69,667,742 for the fiscal year ended June 30, 2023. State sources amounts to \$15,734,798 and local sources amounts to \$909,769.

Expenditures of the General Fund were \$66,380,954. Instructional expenditures were \$40,177,065 for support services were \$24,906,580, debt service were \$240,206 and capital expenditures totaled \$1,057,103 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 \$2,030,409 for the fiscal year ended June 30, 2023. State sources amounts to \$227,381, federal sources amounts to \$825,099 and local sources amounts to \$977,929.

Expenditures of the Special Revenue Fund were \$2,115,833. Instructional expenditures were \$1,626,823 for support services were \$439,204 and capital expenditures totaled \$49,806 for the fiscal year ended June 30, 2023.

Capital Projects - The capital projects expenditures exceeded revenues and other financing uses by \$745,193 decreasing the fund balance from \$4,909,294 at June 30, 2022 to \$4,164,101 at June 30, 2023.

Proprietary Funds

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

GLEN ROCK PUBLIC SCHOOLS

Management's Discussion and Analysis

Enterprise Fund - The District uses Enterprise Funds to report activities related to the Food Services and Community School 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 \$53,000,917 and \$51,793,350 (net of accumulated depreciation), respectively. The capital assets consist of land, construction in progress, land improvements, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for the fiscal year 2022-2023 amounted to \$3,501,362 for governmental activities and \$5,414 for the Business-Type activities.

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

	Governmental		Business- Type		Total	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Land	\$ 12,022	\$ 12,022			\$ 12,022	\$ 12,022
Construction in Progress	16,669,544	13,065,310			16,669,544	13,065,310
Land Improvements	1,570,680	1,752,750			1,570,680	1,752,750
Buildings	32,744,903	35,693,888			32,744,903	35,693,888
Machinery and Equipment	<u>1,982,873</u>	<u>1,246,271</u>	<u>\$ 20,895</u>	<u>\$ 23,109</u>	<u>2,003,768</u>	<u>1,269,380</u>
Total	<u>\$ 52,980,022</u>	<u>\$ 51,770,241</u>	<u>\$ 20,895</u>	<u>\$ 23,109</u>	<u>\$ 53,000,917</u>	<u>\$ 51,793,350</u>

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

GLEN ROCK PUBLIC SCHOOLS

Management's Discussion and Analysis

LONG TERM LIABILITIES

At June 30, 2023, the District's long-term liabilities consisted of compensated absences payable of \$1,225,926, serial bonds (net of premium) of \$41,602,819, capital financing agreements of \$407,591, other financing agreements of \$1,810,808 and net pension liability of \$5,614,975 totaling \$50,662,119. This is in comparison to long-term liabilities at June 30, 2022 of \$50,684,067 or a decrease of \$21,948

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 2023-2024 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 utilizes the required investment to repair the District's aging 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, Glen Rock Public Schools, 620 Harristown Road, Glen Rock, NJ 07452.

BASIC FINANCIAL STATEMENTS

**GLEN ROCK PUBLIC SCHOOLS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2023**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 15,885,798	\$ 2,666,287	\$ 18,552,085
Receivables, net	189,198		189,198
Internal Balances	1,215,659	(1,215,659)	-
Inventory		8,447	8,447
Capital Assets, net			
Not Being Depreciated	16,681,566		16,681,566
Being Depreciated	<u>36,298,456</u>	<u>20,895</u>	<u>36,319,351</u>
Total Assets	<u>70,270,677</u>	<u>1,479,970</u>	<u>71,750,647</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	1,581,309		1,581,309
Deferred Amounts on Net Pension Liability	<u>448,718</u>	<u>-</u>	<u>448,718</u>
Total Deferred Outflows of Resources	<u>2,030,027</u>	<u>-</u>	<u>2,030,027</u>
Total Assets and Deferred Outflows of Resources	<u>72,300,704</u>	<u>1,479,970</u>	<u>73,780,674</u>
LIABILITIES			
Accounts Payable and Other Liabilities	1,162,707	14,490	1,177,197
Unearned Revenue	26,669	522,782	549,451
Accrued Interest Payable	555,566		555,566
Payable to Other Governments	35,474		35,474
Noncurrent Liabilities			
Due Within One Year	3,544,717		3,544,717
Due Beyond One Year	<u>47,117,402</u>	<u>-</u>	<u>47,117,402</u>
Total Liabilities	<u>52,442,535</u>	<u>537,272</u>	<u>52,979,807</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>1,791,650</u>	<u>-</u>	<u>1,791,650</u>
Total Liabilities and Deferred Inflows of Resources	<u>54,234,185</u>	<u>537,272</u>	<u>54,771,457</u>
NET POSITION			
Net Investment in Capital Assets	15,121,850	20,895	15,142,745
Restricted for			
Capital Projects	7,948,192		7,948,192
Debt Service	1		1
Other Purposes	1,248,730		1,248,730
Unrestricted	<u>(6,252,254)</u>	<u>921,803</u>	<u>(5,330,451)</u>
Total Net Position	<u>\$ 18,066,519</u>	<u>\$ 942,698</u>	<u>\$ 19,009,217</u>

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

**GLEN ROCK PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities							
Instruction							
Regular	\$ 26,849,904	\$ 104,675	\$ 3,936,342	\$ 49,806	\$ (22,759,081)		\$ (22,759,081)
Special Education	9,263,860		4,768,344		(4,495,516)		(4,495,516)
Other Instruction	1,214,018		260,529		(953,489)		(953,489)
School Sponsored Activities and Athletics	2,584,240	1,162,574	214,560		(1,207,106)		(1,207,106)
Support Services							
Student and Instruction Related Services	9,384,382		1,521,123		(7,863,259)		(7,863,259)
Educational Media/School Library	786,467		117,481		(668,986)		(668,986)
General Administrative Services	1,681,769		190,896		(1,490,873)		(1,490,873)
School Administrative Services	3,890,866		640,894		(3,249,972)		(3,249,972)
Plant Operations and Maintenance	6,051,504		226,289		(5,825,215)		(5,825,215)
Pupil Transportation	1,336,636		132,474		(1,204,162)		(1,204,162)
Central Services	1,728,251		27,165		(1,701,086)		(1,701,086)
Scholarship Awards	9,000	621			(8,379)		(8,379)
Interest on Long-Term Debt	1,395,822	-	-	-	(1,395,822)	-	(1,395,822)
Total Governmental Activities	66,176,719	1,267,870	12,036,097	49,806	(52,822,946)	-	(52,822,946)
Business-Type Activities							
Food Service	660,410	658,176				\$ (2,234)	(2,234)
Community School	1,326,339	1,692,462	-	-	-	366,123	366,123
Total Business-Type Activities	1,986,749	2,350,638	-	-	-	363,889	363,889
Total Primary Government	\$ 68,163,468	\$ 3,618,508	\$ 12,036,097	\$ 49,806	(52,822,946)	363,889	(52,459,057)
General Revenues							
Taxes:							
Property Taxes, Levied for General Purposes, Net					49,500,484		49,500,484
Property Taxes Levied for Debt Service					2,384,600		2,384,600
State Aid Restricted for Debt Service					1,143,264		1,143,264
Miscellaneous Income					662,403	17,678	680,081
Total General Revenues					53,690,751	17,678	53,708,429
Change in Net Position					867,805	381,567	1,249,372
Net Position, Beginning of Year					17,198,714	561,131	17,759,845
Net Position, End of Year					\$ 18,066,519	\$ 942,698	\$ 19,009,217

FUND FINANCIAL STATEMENTS

**GLEN ROCK PUBLIC SCHOOLS
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 10,743,407	\$ 475,680	\$ 4,666,710	\$ 1	\$ 15,885,798
Receivables from Other Governments		189,198			189,198
Due from Other Funds	<u>1,304,941</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,304,941</u>
Total Assets	<u>\$ 12,048,348</u>	<u>\$ 664,878</u>	<u>\$ 4,666,710</u>	<u>\$ 1</u>	<u>\$ 17,379,937</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable and Other Liabilities	\$ 359,066	\$ 73,340	\$ 467,042		\$ 899,448
Due to Other Funds		53,715	35,567		89,282
Payable to State Government		35,467			35,467
Payable to Federal Government		7			7
Payroll Deductions and Withholdings	263,259				263,259
Unearned Revenue	<u>-</u>	<u>26,669</u>	<u>-</u>	<u>-</u>	<u>26,669</u>
Total Liabilities	<u>622,325</u>	<u>189,198</u>	<u>502,609</u>	<u>-</u>	<u>1,314,132</u>
Fund Balances					
Restricted:					
Excess Surplus	1,521,184				1,521,184
Excess Surplus- Designated for Subsequent Year's Expenditures	1,521,184				1,521,184
Capital Reserve	6,355,020				6,355,020
Emergency Reserve	209,496				209,496
Capital Projects			4,164,101		4,164,101
Debt Service				\$ 1	1
Unemployment Compensation Reserve	773,050				773,050
Student Activities/Athletics		397,731			397,731
Scholarship Awards		77,949			77,949
Assigned:					
Year-End Encumbrances	347,251				347,251
Designated for Subsequent Years Expenditures	9,946				9,946
Unassigned	<u>688,892</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>688,892</u>
Total Fund Balances	<u>11,426,023</u>	<u>475,680</u>	<u>4,164,101</u>	<u>1</u>	<u>16,065,805</u>
Total Liabilities and Fund Balances	<u>\$ 12,048,348</u>	<u>\$ 664,878</u>	<u>\$ 4,666,710</u>	<u>\$ 1</u>	<u>\$ 17,379,937</u>

GLEN ROCK PUBLIC SCHOOLS
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2023

Total Government Fund Balances (B-1) \$ 16,065,805

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 \$97,311,992 and the accumulated depreciation is \$44,331,970. 52,980,022

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 1,581,309

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

Deferred Outflows of Resources	\$ 448,718	
Deferred Inflows of Resources	<u>(1,791,650)</u>	(1,342,932)

The District has financed capital assets through the issuance of serial bonds. The interest accrual at year end is: (555,566)

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

Bonds Payable, net of Premium	\$ (41,602,819)	
Capital Financing Agreements	(407,591)	
Other Financing Agreements	(1,810,808)	
Net Pension Liability	(5,614,975)	
Compensated Absences	<u>(1,225,926)</u>	(50,662,119)

Net Position of Governmental Activities (Exhibit A-1) \$ 18,066,519

GLEN ROCK PUBLIC SCHOOLS
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>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 49,500,484			\$ 2,384,600	\$ 51,885,084
Miscellaneous	909,769	\$ 977,929	\$ 46,729	-	1,934,427
Total - Local Sources	50,410,253	977,929	46,729	2,384,600	53,819,511
State Sources	15,734,798	227,381		1,143,264	17,105,443
Federal Sources	-	825,099	-	-	825,099
Total Revenues	66,145,051	2,030,409	46,729	3,527,864	71,750,053
EXPENDITURES					
Current					
Regular Instruction	28,166,117	45,928			28,212,045
Special Education Instruction	9,174,051	473,292			9,647,343
Other Instruction	1,227,732	57,404			1,285,136
School Sponsored Activities and Athletics	1,609,165	1,050,199			2,659,364
Support Services					
Student and Instructional Related Services	9,336,139	430,204			9,766,343
Educational Media/School Library	827,600				827,600
General Administrative Services	1,748,606				1,748,606
School Administrative Services	4,115,263				4,115,263
Plant Operations and Maintenance	5,938,856				5,938,856
Pupil Transportation	1,330,849				1,330,849
Central Services	1,609,267				1,609,267
Scholarship Awards		9,000			9,000
Debt Service					
Principal	218,040			2,715,000	2,933,040
Interest and Other Charges	22,166			1,568,812	1,590,978
Capital Outlay	1,057,103	49,806	3,604,234	-	4,711,143
Total Expenditures	66,380,954	2,115,833	3,604,234	4,283,812	76,384,833
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(235,903)	(85,424)	(3,557,505)	(755,948)	(4,634,780)
OTHER FINANCING SOURCES (USES)					
Capital Financing Agreements	412,783				412,783
Other Financing Agreements	2,023,656				2,023,656
Transfers In	1,086,252		4,654,513	755,949	6,496,714
Transfers Out	(4,654,513)	-	(1,842,201)	-	(6,496,714)
Total Other Financing Sources and (Uses)	(1,131,822)	-	2,812,312	755,949	2,436,439
Net Change in Fund Balances	(1,367,725)	(85,424)	(745,193)	1	(2,198,341)
Fund Balance, Beginning of Year	12,793,748	561,104	4,909,294	-	18,264,146
Fund Balance, End of Year	\$ 11,426,023	\$ 475,680	\$ 4,164,101	\$ 1	\$ 16,065,805

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

**GLEN ROCK PUBLIC SCHOOLS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Total net change in fund balances - governmental funds (Exhibit B-2) **\$ (2,198,341)**

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 in the current period.

Capital Outlay	\$ 4,711,143	
Depreciation Expense	<u>(3,501,362)</u>	
		1,209,781

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

Increase Compensated Absences, Net	(71,837)	
Decrease in Net Pension Expense	<u>1,236,445</u>	
		1,164,608

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

Debt Issued:

Issuance of Capital Financing Agreements	(412,783)	
Issuance of Other Financing Agreements	(2,023,656)	

Principal Repayments:

Payment of Bond Principal	2,715,000	
Payment of Capital Financing Agreement Principal	5,192	
Payment of Other Financing Agreement Principal	212,848	
Amortization of Bond Premium	435,530	
Amortization of Deferred Amounts on Refunding	<u>(263,085)</u>	
		669,046

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

The details are as follows:

Decrease in Accrued Interest		<u>22,711</u>
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Change in net position of governmental activities (Exhibit A-2) **\$ 867,805**

**GLEN ROCK PUBLIC SCHOOLS
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2023**

ASSETS	<u>Food Service</u>	<u>Community School</u>	<u>Business-Type Activities Enterprise Fund Totals</u>
Current Assets:			
Cash and Cash Equivalents	\$ 50,276	\$ 2,616,011	\$ 2,666,287
Inventory	<u>8,447</u>	<u>-</u>	<u>8,447</u>
Total Current Assets	<u>58,723</u>	<u>2,616,011</u>	<u>2,674,734</u>
Capital Assets			
Equipment	190,425		190,425
Less: Accumulated Depreciation	<u>(169,530)</u>	<u>-</u>	<u>(169,530)</u>
Total Capital Assets, Net	<u>20,895</u>	<u>-</u>	<u>20,895</u>
Total Assets	<u>79,618</u>	<u>2,616,011</u>	<u>2,695,629</u>
 LIABILITIES			
Current Liabilities			
Due to Other Funds		1,215,659	1,215,659
Accounts Payable	7,098	7,392	14,490
Unearned Revenue	<u>17,231</u>	<u>505,551</u>	<u>522,782</u>
Total Current Liabilities	<u>24,329</u>	<u>1,728,602</u>	<u>1,752,931</u>
 NET POSITION			
Investment in Capital Assets	20,895		20,895
Unrestricted	<u>34,394</u>	<u>887,409</u>	<u>921,803</u>
Total Net Position	<u>\$ 55,289</u>	<u>\$ 887,409</u>	<u>\$ 942,698</u>

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

**GLEN ROCK PUBLIC SCHOOLS
 PROPRIETARY FUND
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Food Service</u>	<u>Community School</u>	Business-Type Activities Enterprise Fund Totals
OPERATING REVENUES			
Tuition/Fees		\$ 1,692,462	\$ 1,692,462
Daily Sales	<u>\$ 658,176</u>	<u>-</u>	<u>658,176</u>
Total Operating Revenues	<u>658,176</u>	<u>1,692,462</u>	<u>2,350,638</u>
OPERATING EXPENSES			
Salaries, Benefits and Payroll Taxes	224,653	884,158	1,108,811
Cost of Sales	294,725		294,725
Insurance	28,121		28,121
Purchased Services	67,920	277,352	345,272
Equipment Rental		4,178	4,178
Supplies and Materials	24,299	30,670	54,969
Miscellaneous Expenditures	15,278	77,044	92,322
Trips		52,937	52,937
Depreciation Expense	<u>5,414</u>	<u>-</u>	<u>5,414</u>
Total Operating Expenses	<u>660,410</u>	<u>1,326,339</u>	<u>1,986,749</u>
Operating Income/(Loss)	<u>(2,234)</u>	<u>366,123</u>	<u>363,889</u>
NON-OPERATING REVENUES			
Interest Earnings	<u>574</u>	<u>17,104</u>	<u>17,678</u>
Total Non-Operating Revenues	<u>574</u>	<u>17,104</u>	<u>17,678</u>
Change in Net Position	<u>(1,660)</u>	<u>383,227</u>	<u>381,567</u>
Net Position, Beginning of Year	<u>56,949</u>	<u>504,182</u>	<u>561,131</u>
Net Position, End of Year	<u>\$ 55,289</u>	<u>\$ 887,409</u>	<u>\$ 942,698</u>

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

**GLEN ROCK PUBLIC SCHOOLS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Food Service</u>	<u>Community School</u>	<u>Business-Type Activities Enterprise Fund Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 662,111	\$ 1,726,174	\$ 2,388,285
Payments for Employees	(224,653)	(884,158)	(1,108,811)
Payments to Suppliers	<u>(456,697)</u>	<u>(436,655)</u>	<u>(893,352)</u>
Net Cash Provided By (Used For) Operating Activities	<u>(19,239)</u>	<u>405,361</u>	<u>386,122</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Acquisition of Capital Assets	<u>(3,200)</u>	<u>-</u>	<u>(3,200)</u>
Net Cash (Used for) Capital Financing Activities	<u>(3,200)</u>	<u>-</u>	<u>(3,200)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Payments from Other Funds	<u>-</u>	<u>121,246</u>	<u>121,246</u>
Net Cash Provided by Non-Capital Financing Activities	<u>-</u>	<u>121,246</u>	<u>121,246</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest	<u>574</u>	<u>17,104</u>	<u>17,678</u>
Net Cash Provided By Investing Activities	<u>574</u>	<u>17,104</u>	<u>17,678</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(21,865)	543,711	521,846
Cash and Cash Equivalents, Beginning of Year	<u>72,141</u>	<u>2,072,300</u>	<u>2,144,441</u>
Cash and Cash Equivalents, End of Year	<u>\$ 50,276</u>	<u>\$ 2,616,011</u>	<u>\$ 2,666,287</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating Income/(Loss)	\$ (2,234)	\$ 366,123	\$ 363,889
Adjustments to Reconcile Operating Income to Net Cash			
Provided By (Used For) Operating Activities			
Depreciation Expense	5,414		5,414
Changes in Assets and Liabilities			
(Increase) Decrease in Inventories	(1,720)		(1,720)
Increase (Decrease) in Unearned Revenue	3,935	33,712	37,647
Increase (Decrease) in Accounts Payable	<u>(24,634)</u>	<u>5,526</u>	<u>(19,108)</u>
Total Adjustments	<u>(17,005)</u>	<u>39,238</u>	<u>22,233</u>
Net Cash Provided By (Used For) Operating Activities	<u>\$ (19,239)</u>	<u>\$ 405,361</u>	<u>\$ 386,122</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

B. New Accounting Standards

During fiscal year 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.

**GLEN ROCK PUBLIC SCHOOLS
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.

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

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

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

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

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

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

Reclassifications

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

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

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

3. Inventories

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

**GLEN ROCK PUBLIC SCHOOLS
 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 (Continued)

Food Service Fund inventories, 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.

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 and Building Improvements	20-50
Machinery and Heavy Equipment	5-20

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Board has one type which arises only under the accrual basis of accounting that qualifies for reporting in this category. The item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years.

**GLEN ROCK PUBLIC SCHOOLS
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)

6. *Compensated Absences*

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

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.

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 inflows of resources or as deferred outflows of resources. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Differences resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported with the unamortized bond premium or discount. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

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

GLEN ROCK PUBLIC SCHOOLS
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*

District-Wide Statements

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

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

Governmental Fund Statements

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

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

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).

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

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

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

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).

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

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

**GLEN ROCK PUBLIC SCHOOLS
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)

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. The District has no committed fund balances at year end.

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

**GLEN ROCK PUBLIC SCHOOLS
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, of the community school program enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

**GLEN ROCK PUBLIC SCHOOLS
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 \$1,226,929 and the Special Revenue Fund by \$547,278. The increase was funded by the additional appropriation of grant awards, transfer from capital projects fund to debt service fund, student activity revenues, scholarship donations and the reappropriation of prior year general fund encumbrances.

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

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

B. Capital Reserve

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

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

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve (Continued)

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

Balance, July 1, 2022		\$ 6,292,643
Increased by		
Deposits Approved in District Budget	\$ 1,029,208	
Deposits Approved by Board Resolution	2,648,159	
Return of Unencumbered Withdrawals from Capital Projects Fund	<u>1,039,523</u>	
Total Increases		<u>4,716,890</u>
Decreased by		
Approved in District Budget		<u>4,654,513</u>
Balance, June 30, 2023		<u>\$ 6,355,020</u>

The June 30, 2023 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be \$27,099,080. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district's Long Range Facilities Plan.

C. Emergency Reserve

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

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

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Emergency Reserve (Continued)

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

Balance, July 1, 2022	\$ 209,496
Balance, June 30, 2023	<u>\$ 209,496</u>

D. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 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 \$3,042,368. Of this amount, \$1,521,184 was designated and appropriated in the 2023/2024 original budget certified for taxes and the remaining amount of \$1,521,184 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 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.

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 was \$18,126,948 and bank and brokerage firm balances of the Board's deposits amounted to \$20,090,925. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

Depository Account

Insured	\$ 19,736,292
Uninsured and Collateralized	<u>354,633</u>
	<u>\$ 20,090,925</u>

**GLEN ROCK PUBLIC SCHOOLS
 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)

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 \$354,633 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized

Collateral held by pledging financial institution's trust department not in the Board's name	\$ <u>354,633</u>
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Investments

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

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

<u>Investment Type:</u>	<u>Fair Value</u>
N.J. Cash Management Fund	\$ <u>425,137</u>

**GLEN ROCK PUBLIC SCHOOLS
 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)

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, \$425,137 of the Board’s investments was exposed to custodial credit risk as follows:

	<u>Fair Value</u>
Uninsured and Collateralized:	
Collateral held by pledging financial institutions' trust department or agent but not in the Board's name	\$ <u>425,137</u>
	\$ <u>425,137</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 New Jersey Cash Management Fund. These investments are 100% of the District’s total investments.

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

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

Investments 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.

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

**GLEN ROCK PUBLIC SCHOOLS
 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 are as follows:

	Special Revenue <u>Fund</u>	<u>Total</u>
Receivables:		
Intergovernmental		
Federal	\$ 188,984	\$ 188,984
State	<u>214</u>	<u>214</u>
Net Total Receivables	<u>\$ 189,198</u>	<u>\$ 189,198</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:

Special Revenue Fund	
Unencumbered Grant Draw Downs	<u>\$ 26,669</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 26,669</u>

**GLEN ROCK PUBLIC SCHOOLS
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:

	<u>Balance</u> <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2023</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 12,022			\$ 12,022
Construction in Progress	<u>13,065,310</u>	<u>\$ 3,604,234</u>	<u>-</u>	<u>16,669,544</u>
Total capital assets, not being depreciated	<u>13,077,332</u>	<u>3,604,234</u>	<u>-</u>	<u>16,681,566</u>
Capital assets, being depreciated:				
Land Improvements	4,020,328			4,020,328
Buildings and Building Improvements	70,200,148	110,071		70,310,219
Machinery and Equipment	<u>5,305,241</u>	<u>996,838</u>	<u>\$ (2,200)</u>	<u>6,299,879</u>
Total capital assets being depreciated	<u>79,525,717</u>	<u>1,106,909</u>	<u>(2,200)</u>	<u>80,630,426</u>
Less accumulated depreciation for:				
Land Improvements	(2,267,578)	(182,070)		(2,449,648)
Buildings and Building Improvements	(34,506,260)	(3,059,056)		(37,565,316)
Machinery and Equipment	<u>(4,058,970)</u>	<u>(260,236)</u>	<u>2,200</u>	<u>(4,317,006)</u>
Total accumulated depreciation	<u>(40,832,808)</u>	<u>(3,501,362)</u>	<u>2,200</u>	<u>(44,331,970)</u>
Total capital assets, being depreciated, net	<u>38,692,909</u>	<u>(2,394,453)</u>	<u>-</u>	<u>36,298,456</u>
Governmental activities capital assets, net	<u>\$ 51,770,241</u>	<u>\$ 1,209,781</u>	<u>\$ -</u>	<u>\$ 52,980,022</u>

**GLEN ROCK PUBLIC SCHOOLS
 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)

	<u>Balance</u> <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2023</u>
Business-Type activities:				
Capital assets, being depreciated:				
Machinery and Equipment	\$ 187,225	\$ 3,200	-	\$ 190,425
Less accumulated depreciation for:				
Machinery and Equipment	(164,116)	(5,414)	-	(169,530)
Business-type activities capital assets, net	<u>\$ 23,109</u>	<u>\$ (2,214)</u>	<u>-</u>	<u>\$ 20,895</u>

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

Governmental activities:

Instruction		
Regular		\$ 1,686,522
Special Education		474,807
Other Instruction		88,056
School-Sponsored Activities and Athletics		<u>93,013</u>
Total Instruction		<u>2,342,398</u>
Support Services		
Student and Instructional Related Services		472,921
Educational Media/School Library		50,929
General Administrative Services		82,755
School Administrative Services		277,833
Plant Operations and Maintenance		130,253
Pupil Transportation		6,692
Central Services		<u>137,581</u>
Total Support Services		<u>1,158,964</u>
Total Depreciation Expense - Governmental Activities		<u>\$ 3,501,362</u>
Business-Type Activities		
Food Service Fund		<u>\$ 5,414</u>

**GLEN ROCK PUBLIC SCHOOLS
 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 projects as of June 30, 2023:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Referendum- Various School Facility Renovations, Alterations and Improvements	\$ 10,230,305	\$ 2,571,249
Window and Door Replacement at Clara Coleman E.S.	1,412,724	112,955
Hamilton Classroom Addition	2,666,423	1,097,577
Hamilton Classroom Furniture	-	<u>162,472</u>
		<u>\$ 3,944,253</u>

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	\$ 53,715
General Fund	Capital Projects	35,567
General Fund	Community School	<u>1,215,659</u>
Total		<u>\$ 1,304,941</u>

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

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

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

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

Interfund Transfers

	Transfer In:			Total
	<u>General</u>	<u>Capital Projects</u>	<u>Debt Service</u>	
Transfer Out:				
Capital Projects Fund	\$ 1,086,252		\$ 755,949	\$ 1,842,201
General Fund	-	\$ 4,654,513	-	4,654,513
				-
Total Transfers	<u>\$ 1,086,252</u>	<u>\$ 4,654,513</u>	<u>\$ 755,949</u>	<u>\$ 6,496,714</u>

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

F. Financing Agreements

Capital Financing Agreements

The District entered into the following agreements to finance 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:

\$412,783, fiscal year 2023 Agreement for the acquisition of copiers for a term of 5 years due in annual principal installments of \$5,239 to \$8,893 through May 2, 2028 interest at 11.00%	<u>\$ 407,591</u>
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Other Financing Agreements

The District entered into the following agreements to finance the purchase of certain equipment that does not meet the threshold of a capital asset and therefore are classified as expendable supplies. The repayments under these financing agreements are subject to the annual appropriation of funds in the District’s approved budget.

**GLEN ROCK PUBLIC SCHOOLS
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)

Other Financing Agreements (Continued)

Other financing agreements at June 30, 2023 are comprised of the following:

\$522,842, fiscal year 2023 Agreement for the acquisition of technology equipment for a term of 3 years due in annual principal installments of \$174,236 and \$179,115 through September 19, 2024 interest at 2.80%	\$	353,351
\$1,113,285, fiscal year 2023 Agreement for the acquisition of technology equipment for a term of 4 years due in annual principal installments of \$259,103 and \$298,148 through August 14, 2026 interest at 4.79%		1,113,285
\$253,782, fiscal year 2023 Agreement for the acquisition of technology equipment for a term of 3 years due in annual principal installments of \$80,668 and \$88,581 through August 14, 2025 interest at 4.79%		253,782
\$133,747, fiscal year 2023 Agreement for the acquisition of technology equipment for a term of 3 years due in annual principal installments of \$44,571 and \$45,819 through September 19, 2024 interest at 2.80%		<u>90,390</u>
Total	\$	<u>1,810,808</u>

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

Governmental Activities:

Fiscal Year Ending June 30,	<u>Capital Agreements</u>		<u>Other Agreements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2024	\$ 66,138	\$ 41,549	\$ 558,579	\$ 77,907	\$ 744,173
2025	73,787	33,900	580,980	55,506	744,173
2026	82,323	25,366	373,101	32,153	512,943
2027	91,847	15,842	298,148	14,281	420,118
2028	<u>93,496</u>	<u>5,218</u>	<u>-</u>	<u>-</u>	<u>98,714</u>
Total	<u>\$ 407,591</u>	<u>\$ 121,875</u>	<u>\$ 1,810,808</u>	<u>\$ 179,847</u>	<u>\$ 2,520,121</u>

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

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:

\$14,718,000 2019 School Bonds, due in annual installments of \$900,000 to \$1,275,000 through July 2034, interest at 2.00% to 3.00%	\$ 12,980,000
\$32,910,000 2016 Refunding Bonds, due in annual installments of \$1,905,000 to \$2,925,000 through September 1, 2033, interest at 4.30% to 4.75%	<u>26,005,000</u>
	<u>\$ 38,985,000</u>

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	\$ 2,805,000	\$ 1,476,263	\$ 4,281,263
2025	2,930,000	1,380,063	4,310,063
2026	3,030,000	1,280,113	4,310,113
2027	3,130,000	1,176,663	4,306,663
2028	3,250,000	1,058,188	4,308,188
2029-2033	18,410,000	3,128,282	21,538,282
2034-2035	<u>5,430,000</u>	<u>148,950</u>	<u>5,578,950</u>
Total	<u>\$ 38,985,000</u>	<u>\$ 9,648,521</u>	<u>\$ 48,633,521</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)	\$ 112,177,881
Less: Net Debt Issued and Authorized But Not Issued	<u>38,985,320</u>
Remaining Borrowing Power	<u>\$ 73,192,561</u>

**GLEN ROCK PUBLIC SCHOOLS
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, <u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2023</u>	Due Within <u>One Year</u>
Governmental activities:					
Bonds Payable	\$ 41,700,000		\$ 2,715,000	\$ 38,985,000	\$ 2,805,000
Deferred Amounts					
Add: Premium	<u>3,053,349</u>	-	<u>435,530</u>	<u>2,617,819</u>	-
Total Bonds Payable	<u>44,753,349</u>	-	<u>3,150,530</u>	<u>41,602,819</u>	<u>2,805,000</u>
Net Pension Liability	4,776,629	\$ 1,307,538	469,192	5,614,975	
Capital Financing Agreements		412,783	5,192	407,591	66,138
Other Financing Agreements		2,023,656	212,848	1,810,808	558,579
Compensated Absences	<u>1,154,089</u>	<u>177,823</u>	<u>105,986</u>	<u>1,225,926</u>	<u>115,000</u>
Governmental Activity Long-Term Liabilities	<u>\$ 50,684,067</u>	<u>\$ 3,921,800</u>	<u>\$ 3,943,748</u>	<u>\$ 50,662,119</u>	<u>\$ 3,544,717</u>

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

NOTE 4 OTHER INFORMATION

A. Risk Management

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

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

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

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

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

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

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

<u>Year Ended</u> <u>June 30,</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Interest</u> <u>Earnings</u>	<u>Ending</u> <u>Balance</u>
2023	\$ 47,387	\$ 74,257	\$ 25,339	\$ 773,050
2022	35,113			774,581
2021	49,188			774,581

B. Contingent Liabilities

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

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 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.

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.

**GLEN ROCK PUBLIC SCHOOLS
 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

Plan Descriptions and Benefits Provided

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

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

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

The following represents the membership tiers for PERS:

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

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

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

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

**GLEN ROCK PUBLIC SCHOOLS
 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 following represent the membership tiers for TPAF:

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

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

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

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

Other Pension Funds

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

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

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

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

**GLEN ROCK PUBLIC SCHOOLS
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)

Plan Amendments

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

Measurement Focus and Basis of Accounting

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

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

Investment Valuation

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

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

**GLEN ROCK PUBLIC SCHOOLS
 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)

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.

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	\$ 469,192	\$ 8,250,459	\$ 1,097
2022	472,206	8,579,421	-
2021	428,071	5,862,097	3,038

**GLEN ROCK PUBLIC SCHOOLS
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)

In addition for fiscal years 2023, 2022 and 2021 the State contributed \$3,312, \$2,941 and \$3,251, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,782,144 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.

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 \$5,614,975 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 .03721 percent, which was a decrease of .00311 percent from its proportionate share measured as of June 30, 2021 of .04032 percent.

**GLEN ROCK PUBLIC SCHOOLS
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)

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension (benefit) of \$767,252 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	\$ 40,526	\$ 35,738
Changes of Assumptions	17,397	840,784
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	232,399	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>158,396</u>	<u>915,128</u>
Total	<u>\$ 448,718</u>	<u>\$ 1,791,650</u>

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:

<u>Year Ending June 30,</u>	<u>Total</u>
2023	\$ (808,216)
2024	(473,874)
2025	(230,558)
2026	174,642
2027	(4,926)
Thereafter	<u>-</u>
	<u>\$ (1,342,932)</u>

**GLEN ROCK PUBLIC SCHOOLS
 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)

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%

Mortality Rates

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

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

**GLEN ROCK PUBLIC SCHOOLS
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)

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%

**GLEN ROCK PUBLIC SCHOOLS
 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>\$ 7,213,598</u>	<u>\$ 5,614,975</u>	<u>\$ 4,254,482</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability at 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.

**GLEN ROCK PUBLIC SCHOOLS
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 \$2,853,582 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 \$106,030,693. 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 .20551 percent, which was an increase of .00761 percent from its proportionate share measured as of June 30, 2021 of .19790 percent.

**GLEN ROCK PUBLIC SCHOOLS
 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.

**GLEN ROCK PUBLIC SCHOOLS
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)

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, 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%

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.

**GLEN ROCK PUBLIC SCHOOLS
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>\$ 124,323,241</u>	<u>\$ 106,030,693</u>	<u>\$ 90,621,520</u>

The sensitivity analysis was based on the State’s proportionate share of the net pension liability attributable to the District at 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.

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

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.

State Health Benefit Program Fund – Local Education Retired Employees Plan (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement. 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.

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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

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.

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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 an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2023, 2022 and 2021 were \$2,167,376, \$2,004,499 and \$1,837,090, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 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 \$2,858,724. 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 \$71,402,948. 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 .00141 percent, which was no change from its proportionate share measured as of June 30, 2021 of .00141 percent.

**GLEN ROCK PUBLIC SCHOOLS
 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)

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

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.

**GLEN ROCK PUBLIC SCHOOLS
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)

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.

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 (State Share 100%)
Balance, June 30, 2021 Measurement Date	\$ <u>84,755,309</u>
Changes Recognized for the Fiscal Year:	
Service Cost	4,262,743
Interest on the Total OPEB Liability	1,892,257
Differences Between Expected and Actual Experience	1,461,326
Changes of Assumptions	(19,154,481)
Gross Benefit Payments	(1,874,336)
Contributions from the Member	60,130
Net Changes	<u>\$ (13,352,361)</u>
Balance, June 30, 2022 Measurement Date	\$ <u>71,402,948</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.

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 202.**

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>\$ 83,926,654</u>	<u>\$ 71,402,948</u>	<u>\$ 61,365,823</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State's Proportionate Share of the OPEB Liability Attributable to the District	<u>\$ 59,018,901</u>	<u>\$ 71,402,948</u>	<u>\$ 87,670,146</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 Glen Rock Public Schools, the District's share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 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 \$1,867,048 in federal aid to address the effects of the COVID-19 pandemic.

BUDGETARY COMPARISON SCHEDULES

**GLEN ROCK PUBLIC SCHOOLS
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	\$ 49,500,484		\$ 49,500,484	\$ 49,500,484	
Tuition from Individuals	25,000		25,000	54,525	\$ 29,525
Tuition from Other LEAs Within State	155,459		155,459		(155,459)
Interest Earned on Current Expense Emergency Reserve	300		300		(300)
Interest Earned on Capital Reserve Funds	250		250		(250)
Miscellaneous	707,836	-	707,836	855,244	147,408
Total Revenues - Local Sources	50,389,329	-	50,389,329	50,410,253	20,924
State Sources					
Transportation Aid	131,824		131,824	131,824	
Special Education Aid	2,335,685		2,335,685	2,335,685	
Security Aid	201,595		201,595	201,595	
Extraordinary Aid	189,960		189,960	901,100	711,140
On Behalf TPAF Pension System Contributions- (Non-Budgeted)- Normal				8,137,560	8,137,560
(Non-Budgeted)- NCGI Premium				112,899	112,899
(Non-Budgeted)-Post Retirement Medical Contribution				2,167,376	2,167,376
(Non-Budgeted)-Long Term Disability				3,312	3,312
Reimbursed TPAF Social Security Contributions- (Non-Budgeted)	-	-	-	1,782,144	1,782,144
Total State Sources	2,859,064	-	2,859,064	15,773,495	12,914,431
Total Revenues	53,248,393	-	53,248,393	66,183,748	12,935,355
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers:					
Kindergarten	602,441	\$ (33,644)	568,797	568,797	-
Grades 1 - 5	4,958,821	(62,894)	4,895,927	4,856,805	39,122
Grades 6 - 8	4,127,580	(341,281)	3,786,299	3,577,715	208,584
Grades 9 - 12	5,097,517	27,861	5,125,378	4,990,395	134,983
Regular Programs - Home Instruction					
Salaries of Teachers	22,500	(7,214)	15,286	7,800	7,486
Purchased Professional-Educational Services	5,000	4,000	9,000	4,781	4,219
Regular Programs - Undistributed Instruction:					
Purchased Professional-Educational Services	412,449	269,002	681,451	646,687	34,764
Purchased Technical Services		156	156	156	-
Other Purchased Services	862,443	25,966	888,409	881,015	7,394
General Supplies	705,742	6,883	712,625	603,202	109,423
General Supplies - Other Financing Agreements (Non-Budget)				2,023,656	(2,023,656)
Textbooks	148,500	14,327	162,827	154,525	8,302
Other Objects	194,392	100,100	294,492	292,567	1,925
Total Instruction Regular Programs	17,137,385	3,262	17,140,647	18,608,101	(1,467,454)
Special Education					
Learning/Language Disabilities					
Salaries of Teachers	418,296	(13,519)	404,777	404,777	-
General Supplies	4,000	-	4,000	2,794	1,206
Total Learning/Language Disabilities	422,296	(13,519)	408,777	407,571	1,206
Emotional Regulation Impairment					
Salaries of Teachers	96,124	(96,124)	-	-	-
Total Emotional Regulation Impairment	96,124	(96,124)	-	-	-
Resource Room/Resource Center					
Salaries of Teachers	3,141,188	104,835	3,246,023	3,201,385	44,638
General Supplies	18,725	(1,550)	17,175	12,879	4,296
Other Objects	11,650	(11,250)	400	-	400
Total Resource Room/Resource Center	3,171,563	92,035	3,263,598	3,214,264	49,334

(Continued)

**GLEN ROCK PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Autism					
Salaries of Teachers	\$ 143,360	\$ 13,250	\$ 156,610	\$ 146,110	\$ 10,500
Purchased Professional-Educational Services	372,160	130,000	502,160	451,526	50,634
General Supplies	8,000	14,836	22,836	17,086	5,750
Total Autism	523,520	158,086	681,606	614,722	66,884
Preschool Disabilities - Part Time					
Salaries of Teachers	117,599	200	117,799	112,579	5,220
General Supplies	1,000	-	1,000	996	4
Other Objects	3,000	-	3,000	-	3,000
Total Preschool Disabilities - Part Time	121,599	200	121,799	113,575	8,224
Preschool Disabilities - Full Time					
Salaries of Teachers	-	73,804	73,804	73,804	-
Total Preschool Disabilities - Full Time	-	73,804	73,804	73,804	-
Home Instruction					
Salaries of Teachers	10,500	-	10,500	3,190	7,310
Purchased Professional-Educational Services	145,000	(45,500)	99,500	65,006	34,494
Total Home Instruction	155,500	(45,500)	110,000	68,196	41,804
Total Special Education	4,490,602	168,982	4,659,584	4,492,132	167,452
Basic Skills/Remedial					
Salaries of Teachers	518,946	6,129	525,075	518,543	6,532
General Supplies	2,800	(294)	2,506	2,190	316
Total Basic Skills/Remedial	521,746	5,835	527,581	520,733	6,848
Bilingual Education					
Salaries of Teachers	234,128	(21,630)	212,498	212,498	-
Other Purchased Services	1,000	-	1,000	45	955
General Supplies	6,000	-	6,000	1,419	4,581
Total Bilingual Education	241,128	(21,630)	219,498	213,962	5,536
School Sponsored Co/Extra Curricular Activities					
Salaries	160,540	3,217	163,757	163,757	-
Purchased Services	1,000	120	1,120	801	319
Supplies and Materials	37,600	(7,931)	29,669	23,585	6,084
Other Objects	9,250	14,643	23,893	21,401	2,492
Total School-Sponsored Co/Extra Curricular Activities	208,390	10,049	218,439	209,544	8,895
School Sponsored Athletics					
Salaries	528,163	80,277	608,440	608,440	-
Purchased Services	212,073	(14,331)	197,742	189,823	7,919
Supplies and Materials	48,000	(7,123)	40,877	39,984	893
Other Objects	50,500	(4,891)	45,609	43,249	2,360
Total School Sponsored Athletics	838,736	53,932	892,668	881,496	11,172
Total Instruction	23,437,987	220,430	23,658,417	24,925,968	(1,267,551)
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State-Special	241,439	(43,079)	198,360	198,360	-
Tuition to County Vocational School District - Regular	489,330	-	489,330	470,209	19,121
Tuition to County Vocational School District - Special	16,550	26,920	43,470	23,190	20,280
Tuition to CSSD & Reg. Day Schools	62,955	70,065	133,020	121,706	11,314
Tuition to APSSD Within State	1,561,230	(248,033)	1,313,197	1,313,197	-
Tuition to APSSD & Oth LEAs-Special-Out of State	306,092	(272,759)	33,333	33,333	-
Tuition - Other	-	347,773	347,773	333,625	14,148
Total Instruction	2,677,596	(119,113)	2,558,483	2,493,620	64,863

(Continued)

**GLEN ROCK PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Attendance and Social Work					
Salaries	\$ 113,029	\$ 1	\$ 113,030	\$ 113,029	\$ 1
Supplies and Materials	200	-	200	200	-
Total Attendance and Social Work	<u>113,229</u>	<u>1</u>	<u>113,230</u>	<u>113,229</u>	<u>1</u>
Health Services					
Salaries	518,905	(1,592)	517,313	495,371	21,942
Purchased Professional and Technical Services	220,150	(74,385)	145,765	98,112	47,653
Other Purchased Services	1,100	(615)	485	440	45
Supplies and Materials	77,550	(30,196)	47,354	19,278	28,076
Other Objects	2,500	-	2,500	2,279	221
Total Health Services	<u>820,205</u>	<u>(106,788)</u>	<u>713,417</u>	<u>615,480</u>	<u>97,937</u>
Speech, OT/PT and Related Services					
Salaries	519,640	74,246	593,886	593,886	-
Purchased Professional/Educational Services	193,250	15,000	208,250	141,521	66,729
Supplies and Materials	4,000	-	4,000	3,562	438
Total Speech OT/PT and Related Services	<u>716,890</u>	<u>89,246</u>	<u>806,136</u>	<u>738,969</u>	<u>67,167</u>
Other Supp. Svcs.-Extraord. Serv.					
Salaries	7,500	2,942	10,442	10,442	-
Purchased Professional-Educational Services	2,390,174	25,983	2,416,157	1,827,682	588,475
Supplies and Materials	23,000	(3,222)	19,778	11,265	8,513
Total Other Support/Extraordinary Services	<u>2,420,674</u>	<u>25,703</u>	<u>2,446,377</u>	<u>1,849,389</u>	<u>596,988</u>
Guidance					
Salaries of Other Professional Staff	984,691	(34,507)	950,184	937,481	12,703
Salaries of Secretarial and Clerical Assistants	52,712	-	52,712	52,712	-
Other Salaries	4,196	-	4,196	4,196	-
Purchased Professional-Educational Services	500	-	500	-	500
Other Purchased Professional/Technical Services	10,000	-	10,000	2,193	7,807
Other Purchased Services	15,830	(601)	15,229	13,008	2,221
Supplies and Materials	16,490	(4,399)	12,091	4,124	7,967
Other Objects	5,550	-	5,550	2,739	2,811
Total Guidance	<u>1,089,969</u>	<u>(39,507)</u>	<u>1,050,462</u>	<u>1,016,453</u>	<u>34,009</u>
Child Study Team					
Salaries of Other Professional Staff	1,163,345	57,981	1,221,326	1,164,982	56,344
Salaries of Secretarial and Clerical Assistants	103,320	(5,008)	98,312	97,960	352
Other Salaries	42,500	23,706	66,206	66,206	-
Other Purchased Professional and Technical Services	85,500	298	85,798	77,502	8,296
Other Purchased Services	8,300	616	8,916	7,562	1,354
Supplies and Materials	21,000	(615)	20,385	11,104	9,281
Other Objects	1,040	(1,040)	-	-	-
Total Child Study Team	<u>1,425,005</u>	<u>75,938</u>	<u>1,500,943</u>	<u>1,425,316</u>	<u>75,627</u>
Improvement of Instruction Services					
Salaries of Supervisor of Instruction	490,338	2,352	492,690	484,733	7,957
Other Salaries	51,000	4,836	55,836	55,836	-
Other Purchased Services	6,250	(4,704)	1,546	564	982
Supplies and Materials	4,000	(1,100)	2,900	2,720	180
Other Objects	114,700	2,361	117,061	116,043	1,018
Total Improvement of Instruction Services	<u>666,288</u>	<u>3,745</u>	<u>670,033</u>	<u>659,896</u>	<u>10,137</u>
Educational Media Services/ School Library					
Salaries	470,280	(15,568)	454,712	422,811	31,901
Other Purchased Services	3,406	2,613	6,019	6,019	-
Supplies and Materials	112,659	9,569	122,228	89,606	32,622
Miscellaneous Expenditures	-	4,109	4,109	4,109	-
Total Educational Media Services/ School Library	<u>586,345</u>	<u>723</u>	<u>587,068</u>	<u>522,545</u>	<u>64,523</u>

(Continued)

**GLEN ROCK PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Instructional Staff Training Services					
Salaries of Other Professional Staff		\$ 180	\$ 180	\$ 180	-
Other Salaries	\$ 17,400	(180)	17,220	13,346	\$ 3,874
Purchased Professional Educational Services	27,914	8,394	36,308	33,258	3,050
Other Purchased Professional and Technical Services	20,000	-	20,000	-	20,000
Other Purchased Services	93,050	3,432	96,482	37,599	58,883
Supplies and Materials	1,500	-	1,500	299	1,201
Total Instructional Staff Training Services	159,864	11,826	171,690	84,682	87,008
Support Services General Administration					
Salaries	741,806	(54,777)	687,029	687,029	-
Legal Services	115,000	2,907	117,907	74,004	43,903
Audit Fees	46,750	39,274	86,024	49,412	36,612
Architectural/Engineering Services	15,000	111,198	126,198	86,969	39,229
Other Purchased Professional Services	11,500	(6,012)	5,488	5,341	147
Communications/Telephone	89,120	(5,515)	83,605	73,164	10,441
BOE Other Purchased Services	6,500	(1,366)	5,134	3,517	1,617
Miscellaneous Purchased Services	147,529	44,836	192,365	189,760	2,605
General Supplies	7,500	(250)	7,250	4,783	2,467
Miscellaneous Expenditures	32,545	16,035	48,580	46,112	2,468
BOE Membership Dues and Fees	19,693	(386)	19,307	19,307	-
Total Support Services General Administration	1,232,943	145,944	1,378,887	1,239,398	139,489
Undistributed Expenditures					
Support Services School Administration					
Salaries of Principals/Asst. Principals/Prog. Dir.	1,283,722	(1,322)	1,282,400	1,282,400	-
Salaries of Other Professional Staff	544,757	843	545,600	543,831	1,769
Salaries of Secretarial and Clerical Assistants	478,072	2,312	480,384	480,339	45
Other Salaries	3,012	(1,256)	1,756	753	1,003
Purchased Professional and Technical Services	9,200	(450)	8,750	3,036	5,714
Other Purchased Services	57,576	(3,065)	54,511	36,603	17,908
Supplies and Materials	50,100	32,922	83,022	71,295	11,727
Other Objects	36,300	6,264	42,564	32,830	9,734
Total Support Services School Administration	2,462,739	36,248	2,498,987	2,451,087	47,900
Central Services					
Salaries	634,440	5,728	640,168	619,035	21,133
Purchased Technical Services	34,528	4,200	38,728	37,037	1,691
Miscellaneous Purchased Services	22,500	(3,622)	18,878	14,292	4,586
Supplies and Materials	7,500	1,987	9,487	8,694	793
Miscellaneous Expenditures	5,900	(72)	5,828	3,920	1,908
Total Undistributed Expenditures - Central Services	704,868	8,221	713,089	682,978	30,111
Admin. Info. Tech.					
Salaries	468,033	55,134	523,167	523,167	-
Purchased Professional Services	40,931	19,800	60,731	60,731	-
Other Purchased Services	32,396	(12,453)	19,943	12,774	7,169
Supplies and Materials	80,247	(48,817)	31,430	28,156	3,274
Other Objects	1,640	-	1,640	1,625	15
Total Undistributed Expenditures - Admin. Info. Technology	623,247	13,664	636,911	626,453	10,458
Required Maintenance for School Facilities					
Salaries	540,700	50,640	591,340	578,323	13,017
Cleaning, Repair and Maintenance Services	387,450	281,379	668,829	564,693	104,136
General Supplies	94,500	(32,267)	62,233	53,019	9,214
Total Required Maint for School Facilities	1,022,650	299,752	1,322,402	1,196,035	126,367

**GLEN ROCK PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENDITURES (Continued)					
Custodial Services					
Salaries	\$ 30,497	\$ (7,176)	\$ 23,321	\$ 22,957	\$ 364
Salaries of Non-Instructional Aides	154,282	12,099	166,381	122,515	43,866
Purchased Professional and Technical Services	79,729	19,553	99,282	95,759	3,523
Cleaning, Repair and Maintenance Services	2,246,841	32,407	2,279,248	2,217,142	62,106
Other Purchased Property Services	59,500	459	59,959	59,688	271
Insurance	368,593	4,940	373,533	373,533	-
Miscellaneous Purchased Services	39,650	-	39,650	13,611	26,039
General Supplies	197,800	10,750	208,550	186,761	21,789
Energy (Electricity)	716,191	(974)	715,217	588,929	126,288
Energy (Natural Gas)	232,657	28,429	261,086	216,017	45,069
Other Objects	17,750	(1,055)	16,695	9,950	6,745
	<u>4,143,490</u>	<u>99,432</u>	<u>4,242,922</u>	<u>3,906,862</u>	<u>336,060</u>
Undistributed Expenditures					
Care and Upkeep of Grounds					
Salaries	150,251	-	150,251	150,251	-
Cleaning, Repair and Maintenance Services	253,350	(41,954)	211,396	172,909	38,487
General Supplies	22,000	(5,039)	16,961	3,940	13,021
	<u>425,601</u>	<u>(46,993)</u>	<u>378,608</u>	<u>327,100</u>	<u>51,508</u>
Security					
Salaries	206,227	94,265	300,492	207,312	93,180
Cleaning, Repair and Maintenance Services	39,333	(25,050)	14,283	11,277	3,006
General Supplies	34,000	(14,179)	19,821	5,842	13,979
Other Objects	1,950	425	2,375	565	1,810
	<u>281,510</u>	<u>55,461</u>	<u>336,971</u>	<u>224,996</u>	<u>111,975</u>
Student Transportation Services					
Salaries of Non-Instructional Aides	9,500	(9,400)	100	100	-
Salaries for Pupil Trans (Bet Home & Sch)-Sp. Ed.	55,206	251	55,457	55,457	-
Cleaning, Repair and Maintenance Services	10,000	7,200	17,200	17,085	115
Contr Serv(Bet Home &Sch)-Vend	2,000	(2,000)	-	-	-
Contr Serv(Bet Home &Sch)-Joint Agrmnts	85,800	116,795	202,595	202,595	-
Contr Serv(Oth. Than Bet Home &Sch)-Vend	275,300	74	275,374	219,680	55,694
Contr Serv(Sp. Ed. Stdts)-Vendors	-	22,550	22,550	22,550	-
Contr Serv(Sp. Ed. Stdts)-Joint Agrmnts	990,093	(97,969)	892,124	792,071	100,053
Miscellaneous Purchased Services-Transportation	-	566	566	566	-
Transportation Supplies	8,800	(300)	8,500	2,997	5,503
Other Objects	5,000	2,934	7,934	3,164	4,770
	<u>1,441,699</u>	<u>40,701</u>	<u>1,482,400</u>	<u>1,316,265</u>	<u>166,135</u>
Unallocated Employee Benefits					
Social Security Contributions	590,000	-	590,000	363,220	226,780
Other Retirement Contributions - PERS	486,412	(10,230)	476,182	452,815	23,367
Workmen's Compensation	203,345	(47,373)	155,972	155,972	-
Health Benefits	5,765,821	(54,246)	5,711,575	5,454,635	256,940
Tuition Reimbursements	107,500	(13,171)	94,329	87,577	6,752
Unemployment Compensation (Non-Budget)	-	-	-	26,870	(26,870)
Other Employee Benefits	233,124	31,181	264,305	261,912	2,393
	<u>7,386,202</u>	<u>(93,839)</u>	<u>7,292,363</u>	<u>6,803,001</u>	<u>489,362</u>
On Behalf TPAF Pension System Contributions-					
(Non-Budgeted)- Normal	-	-	-	8,137,560	(8,137,560)
(Non-Budgeted)- NCGI Premium	-	-	-	112,899	(112,899)
(Non-Budgeted) Post Retirement and Medical Contribution	-	-	-	2,167,376	(2,167,376)
(Non-Budgeted) Long Term Disability	-	-	-	3,312	(3,312)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,782,144	(1,782,144)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,203,291</u>	<u>(12,203,291)</u>
Total Undistributed Expenditures	<u>30,401,014</u>	<u>500,365</u>	<u>30,901,379</u>	<u>40,497,045</u>	<u>(9,595,666)</u>
Interest Earned on Current Expense Emergency	300	-	300	-	300
Total Current Expenditures	<u>53,839,301</u>	<u>720,795</u>	<u>54,560,096</u>	<u>65,423,013</u>	<u>(10,862,917)</u>

(Continued)

**GLEN ROCK PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
CAPITAL OUTLAY					
Equipment					
Instruction					
Undistributed expenditures - Instruction	\$ 150,000	\$ 156,981	\$ 306,981	\$ 301,666	\$ 5,315
Non-Instruction					
Capital Financing Agreements (Non-Budget)				412,783	(412,783)
Child Study Team		3,350	3,350	3,350	-
Admin- Info Technology		226,553	226,553	101,533	125,020
Operations and Plant Maintenance		71,850	71,850	71,850	-
School Sponsored Athletics		16,446	16,446	7,466	8,980
School Administration		54	54	54	-
Security	12,500	24,101	36,601	36,601	-
Care and Upkeep of Grounds	-	6,799	6,799	6,796	3
Total Equipment	<u>162,500</u>	<u>506,134</u>	<u>668,634</u>	<u>942,045</u>	<u>(273,411)</u>
Facilities Acquisition and Construction Services					
Assessment for Debt Service on SDA funding	15,896	-	15,896	15,896	-
Total Facilities Acquisition and Construction Services	<u>15,896</u>	<u>-</u>	<u>15,896</u>	<u>15,896</u>	<u>-</u>
Increase in Capital Reserve	1,029,208	-	1,029,208	-	1,029,208
Interest Deposit to Capital Reserve	250	-	250	-	250
Total Expenditures - Capital Outlay	<u>1,207,854</u>	<u>506,134</u>	<u>1,713,988</u>	<u>957,941</u>	<u>756,047</u>
Total Expenditures - General Fund	<u>55,047,155</u>	<u>1,226,929</u>	<u>56,274,084</u>	<u>66,380,954</u>	<u>(10,106,870)</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>(1,798,762)</u>	<u>(1,226,929)</u>	<u>(3,025,691)</u>	<u>(197,206)</u>	<u>2,828,485</u>
Other Financing Sources/Uses					
Capital Financing Agreements (Non-Budget)				412,783	412,783
Other Financing Agreements (Non-Budget)				2,023,656	2,023,656
Transfer in From Capital Projects				1,086,252	1,086,252
Transfer to Capital Projects Fund- Capital Reserve	(4,654,513)	-	(4,654,513)	(4,654,513)	-
Total Other Financing Sources/Uses	<u>(4,654,513)</u>	<u>-</u>	<u>(4,654,513)</u>	<u>(1,131,822)</u>	<u>3,522,691</u>
Net Change in Fund Balance	(6,453,275)	(1,226,929)	(7,680,204)	(1,329,028)	6,351,176
Fund Balance, Beginning of Year	13,905,214	-	13,905,214	13,905,214	-
Fund Balance, End of Year	<u>\$ 7,451,939</u>	<u>\$ (1,226,929)</u>	<u>\$ 6,225,010</u>	<u>\$ 12,576,186</u>	<u>\$ 6,351,176</u>
Recapitulation of Fund Balance					
Restricted:					
Excess Surplus				\$ 1,521,184	
Excess Surplus- Designated for Subsequent Year's Expenditures				1,521,184	
Capital Reserve				6,355,020	
Emergency Reserve				209,496	
Unemployment Reserve				773,050	
Assigned:					
Year-End Encumbrances				347,251	
Designated for Subsequent Year's Expenditures				9,946	
Unassigned:				<u>1,839,055</u>	
Fund Balance (Budgetary Basis)				12,576,186	
Reconciliation to Governmental Fund Statements (GAAP)					
State Aid Payments Not Recognized on a GAAP Basis				<u>1,150,163</u>	
Fund Balance per Governmental Funds (GAAP Basis)				<u>\$ 11,426,023</u>	

(Continued)

**GLEN ROCK PUBLIC SCHOOLS
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) 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					
State Sources	\$ 185,670	\$ 68,335	\$ 254,005	\$ 227,381	\$ (26,624)
Federal Sources	555,744	474,743	1,030,487	825,099	(205,388)
Local Sources					
Miscellaneous (Non-Budget)	-	4,200	4,200	977,929	973,729
Total Revenues	<u>741,414</u>	<u>547,278</u>	<u>1,288,692</u>	<u>2,030,409</u>	<u>741,717</u>
EXPENDITURES					
Instruction					
Salaries		47,000	47,000	40,000	7,000
Purchased Professional/Educational Services	21,912	4,061	25,973	25,972	1
Purchased Professional/Technical Services	23,715	217	23,932	23,932	-
Tuition	461,656	29,142	490,798	473,292	17,506
General Supplies	8,247	(7,562)	685	632	53
Textbooks	11,785	489	12,274	12,274	-
Miscellaneous	-	522	522	522	-
Student Activities/Athletics (Non-Budget)	-	-	-	1,050,199	(1,050,199)
Total Instruction	<u>527,315</u>	<u>73,869</u>	<u>601,184</u>	<u>1,626,823</u>	<u>(1,025,639)</u>
Support Services					
Salaries		144,412	144,412	64,003	80,409
Purchased Professional & Technical Services	21,427	78,698	100,125	63,700	36,425
Purchased Professional - Educational Services	133,613	95,582	229,195	198,840	30,355
Other Purchased Professional Services	39,681	(4,086)	35,595	35,595	-
Other Purchased Services	1,974	31,365	33,339	25,738	7,601
Miscellaneous Purchased Services	-	15,750	15,750	5,537	10,213
General Supplies	14,174	22,617	36,791	36,791	-
Miscellaneous	3,230	(3,230)	-	-	-
Scholarship Awards (Non-Budget)	-	-	-	9,000	(9,000)
Total Support Services	<u>214,099</u>	<u>381,108</u>	<u>595,207</u>	<u>439,204</u>	<u>156,003</u>
Facilities Acquisition and Construction					
Construction Services		8,992	8,992	-	8,992
Instructional Equipment		20,956	20,956	11,176	9,780
Non-Instructional Equipment	-	62,353	62,353	38,630	23,723
Total Facilities Acquisition and Construction	<u>-</u>	<u>92,301</u>	<u>92,301</u>	<u>49,806</u>	<u>42,495</u>
Total Expenditures	<u>741,414</u>	<u>547,278</u>	<u>1,288,692</u>	<u>2,115,833</u>	<u>(827,141)</u>
Net Change in Fund Balance	-	-	-	(85,424)	(85,424)
Fund Balances, Beginning of Year	<u>561,104</u>	<u>-</u>	<u>561,104</u>	<u>561,104</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 561,104</u>	<u>\$ -</u>	<u>\$ 561,104</u>	<u>\$ 475,680</u>	<u>\$ (85,424)</u>
Restricted Fund Balances:					
Student Activities and Athletics				\$ 397,731	
Scholarships				<u>77,949</u>	
				<u>\$ 475,680</u>	

REQUIRED SUPPLEMENTARY INFORMATION - PART II

**GLEN ROCK PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
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 schedules	C-1 \$ 66,183,748		C-2 \$ 2,030,409
Difference - Budget to GAAP:			
State Aid and Extraordinary payment recognized for GAAP purposes, not recognized for Budgetary statements (2021/2022 State Aids).	1,111,466		
State Aid and Extraordinary payment not recognized for GAAP purposes, recognized for Budgetary statements (2022/2023 State Aids).	<u>(1,150,163)</u>		<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	B-2 \$ <u>66,145,051</u>		B-2 \$ <u>2,030,409</u>
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	C-1 \$ <u>66,380,954</u>		C-2 \$ <u>2,115,833</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	B-2 \$ <u>66,380,954</u>		B-2 \$ <u>2,115,833</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

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

Public Employees Retirement System

Last 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)	0.03721 %	0.04032 %	0.03884 %	0.05133 %	0.04440 %	0.04457 %	0.04756 %	0.04907 %	0.04762 %	0.04834 %
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 5,614,975	\$ 4,776,629	\$ 6,381,192	\$ 7,737,957	\$ 8,741,950	\$10,375,147	\$14,087,333	\$ 11,014,621	\$ 8,915,916	\$ 9,238,480
District's Covered Payroll	\$ 2,840,821	\$ 2,749,763	\$ 2,933,348	\$ 2,867,020	\$ 3,138,309	\$ 3,048,612	\$ 2,983,879	\$ 3,322,003	\$ 3,245,483	\$ 3,314,276
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	197.65%	173.71%	217.54%	269.90%	278.56%	340.32%	472.11%	331.57%	274.72%	278.75%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.11%	40.14%	47.93%	52.08%	48.72%

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

**GLEN ROCK PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT 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	\$ 469,192	\$ 472,206	\$ 428,071	\$ 419,258	\$ 446,486	\$ 412,892	\$ 422,559	\$ 421,847	\$ 392,579	\$ 369,910
Contributions in Relation to the Contractually Required Contribution	<u>469,192</u>	<u>472,206</u>	<u>428,071</u>	<u>419,258</u>	<u>446,486</u>	<u>412,892</u>	<u>422,559</u>	<u>421,847</u>	<u>392,579</u>	<u>369,910</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 2,941,976	\$ 2,840,821	\$ 2,749,763	\$ 2,933,348	\$ 2,867,020	\$ 3,138,309	\$ 3,048,612	\$ 2,983,879	\$ 3,322,003	\$3,245,483
Contributions as a Percentage of Covered Payroll	15.95%	16.62%	15.57%	14.29%	15.57%	13.16%	13.86%	14.14%	11.82%	11.40%

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

Teachers Pension and Annuity Fund

Last 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>\$ 106,030,693</u>	<u>\$ 95,139,666</u>	<u>\$ 127,550,371</u>	<u>\$ 116,420,475</u>	<u>\$ 120,813,268</u>	<u>\$ 124,192,382</u>	<u>\$ 143,289,276</u>	<u>\$ 117,213,772</u>	<u>\$ 97,818,837</u>	<u>\$ 94,792,233</u>
Total	<u>\$ 106,030,693</u>	<u>\$ 95,139,666</u>	<u>\$ 127,550,371</u>	<u>\$ 116,420,475</u>	<u>\$ 120,813,268</u>	<u>\$ 124,192,382</u>	<u>\$ 143,289,276</u>	<u>\$ 117,213,772</u>	<u>\$ 97,818,837</u>	<u>\$ 94,792,233</u>
District's Covered Payroll	\$ 23,856,342	\$ 22,282,965	\$ 22,409,975	\$ 21,102,359	\$ 20,571,812	\$ 19,759,557	\$ 19,129,191	\$ 18,765,085	\$ 17,883,876	\$ 18,064,542
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	32.29%	35.52%	24.60%	26.95%	26.49%	36.44%	22.33%	28.71%	33.64%	33.76%

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

**GLEN ROCK PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Change of Benefit Terms: None.

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

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

POSTEMPLOYMENT HEALTH BENEFIT PLAN

Last Six Fiscal Years*

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service Cost	\$ 4,262,743	\$ 4,841,076	\$ 2,697,688	\$ 2,444,271	\$ 2,744,834	\$ 3,327,294
Interest on OPEB Liability	1,892,257	2,198,642	2,158,451	2,585,179	2,703,393	2,328,946
Changes of Benefit Terms		(90,212)				-
Differences Between Expected and Actual Experience	1,461,326	(14,424,464)	13,654,511	(9,620,765)	(4,643,546)	-
Changes of Assumptions	(19,154,481)	83,618	17,138,120	890,988	(7,486,361)	(9,724,100)
Gross Benefit Payments	(1,874,336)	(1,731,914)	(1,633,370)	(1,834,375)	(1,744,435)	(1,642,767)
Contribution from the Member	60,130	56,208	49,507	54,376	60,290	60,491
Net Change in Total OPEB Liability	(13,352,361)	(9,067,046)	34,064,907	(5,480,326)	(8,365,825)	(5,650,136)
Total OPEB Liability - Beginning	84,755,309	93,822,355	59,757,448	65,237,774	73,603,599	79,253,735
Total OPEB Liability - Ending	\$ 71,402,948	\$ 84,755,309	\$ 93,822,355	\$ 59,757,448	\$ 65,237,774	\$ 73,603,599
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	71,402,948	84,755,309	93,822,355	59,757,448	65,237,774	73,603,599
Total OPEB Liability - Ending	\$ 71,402,948	\$ 84,755,309	\$ 93,822,355	\$ 59,757,448	\$ 65,237,774	\$ 73,603,599
District's Covered Payroll	\$ 26,697,163	\$ 25,032,728	\$ 25,343,323	\$ 23,969,379	\$ 23,710,121	\$ 22,808,169
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.

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

GLEN ROCK PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	ESEA	IDEA		Totals Page 2	Totals Page 3	Grand Totals
	Title IIA	Part B Basic	ARP Part B Basic			
REVENUES						
Intergovernmental						
State Sources					\$ 227,381	\$ 227,381
Federal Sources	\$ 24,037	\$ 578,668	\$ 7,975	\$ 214,419		825,099
Local Sources						
Miscellaneous	-	-	-	977,929	-	977,929
Total Revenues	\$ 24,037	\$ 578,668	\$ 7,975	\$ 1,192,348	\$ 227,381	\$ 2,030,409
EXPENDITURES						
Instruction:						
Salaries				\$ 40,000		\$ 40,000
Tuition		\$ 473,292	\$ -	-		473,292
Purchased Prof. Educational Services				-	\$ 25,972	25,972
Purchased Prof. Tech Service				-	23,932	23,932
General Supplies				632	-	632
Textbooks				-	12,274	12,274
Student Activities/Athletics				1,050,199	-	1,050,199
Miscellaneous	-	-	-	522	-	522
Total Instruction	-	473,292	-	1,091,353	62,178	1,626,823
Support Services						
Salaries				64,003		64,003
Purchased Professional Educational Services		105,376	7,975	-	85,489	198,840
Purchased Professional and Technical Services	\$ 22,250			41,450		63,700
Other Purchased Professional Services				-	35,595	35,595
Other Purchased Services				25,738		25,738
Miscellaneous Purchased Services	1,787			-	3,750	5,537
General Supplies				35,552	1,239	36,791
Scholarship Awards	-	-	-	9,000	-	9,000
Total Support Services	24,037	105,376	7,975	175,743	126,073	439,204
Facilities Acquisition and Construction Services						
Construction Services				-	-	-
Instructional Equipment				7,676	3,500	11,176
Non-Instructional Equipment	-	-	-	3,000	35,630	38,630
Total Facilities Acq. & Construction	-	-	-	10,676	39,130	49,806
Total Expenditures	24,037	578,668	7,975	1,277,772	227,381	2,115,833
Net Change in Fund Balance	-	-	-	(85,424)	-	(85,424)
Fund Balance, Beginning of Year	-	-	-	561,104	-	561,104
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ 475,680	\$ -	\$ 475,680

GLEN ROCK PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	ARP-ESSER III				Local	Student Activities/ Athletics	Scholarship	Totals Pg 2
	Accelerated Learning Coach and Educator	Evidence Based Summer Learning	Evidence Based Comprehensive Beyond	NJTSS Mental Health Support				
REVENUES								
Intergovernmental								
Federal Sources	\$ 131,191	\$ 40,000	\$ 8,220	\$ 35,008				\$ 214,419
Local Sources								
Miscellaneous	-	-	-	-	\$ 4,154	\$ 973,154	\$ 621	977,929
Total Revenues	\$ 131,191	\$ 40,000	\$ 8,220	\$ 35,008	\$ 4,154	\$ 973,154	\$ 621	\$ 1,192,348
EXPENDITURES								
Instruction:								
Salaries		\$ 40,000						\$ 40,000
Tuition								-
Purchased Prof. Educational Services								-
Purchased Prof. Tech Service								-
Miscellaneous Purchased Services								-
General Supplies					\$ 632			632
Textbooks								-
Student Activities/Athletics						\$ 1,050,199	-	1,050,199
Miscellaneous	-	-	-	-	522	-	-	522
Total Instruction	-	40,000	-	-	1,154	1,050,199	-	1,091,353
Support Services								
Salaries	\$ 64,003							64,003
Purchased Professional Educational Services								-
Purchased Professional and Technical Services	41,450							41,450
Other Purchased Professional Services	25,738							25,738
Miscellaneous Purchased Services								-
General Supplies			\$ 544	\$ 35,008	-			35,552
Scholarships Awarded	-	-	-	-	-	-	\$ 9,000	9,000
Total Support Services	131,191	-	544	35,008	-	-	9,000	175,743
Facilities Acquisition and Construction Services								
Instructional Equipment			7,676					7,676
Non-Instructional Equipment	-	-	-	-	3,000	-	-	3,000
Total Facilities Acq. & Construction	-	-	7,676	-	3,000	-	-	10,676
Total Expenditures	131,191	40,000	8,220	35,008	4,154	1,050,199	9,000	1,277,772
Net Change in Fund Balance	-	-	-	-	-	(77,045)	(8,379)	(85,424)
Fund Balance, Beginning of Year	-	-	-	-	-	474,776	86,328	561,104
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 397,731	\$ 77,949	\$ 475,680

GLEN ROCK PUBLIC SCHOOLS
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOT APPLICABLE

**GLEN ROCK PUBLIC SCHOOLS
SPECIAL REVENUE FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Balance, July 1, <u>2022</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2023</u>
Elementary Schools	\$ 26,264	\$ 44,747	\$ 42,447	\$ 28,564
Middle/High School	448,512	569,532	648,914	369,130
Activity Fees		239,463	239,453	10
Athletics	-	119,412	119,385	27
	<hr/>	<hr/>	<hr/>	<hr/>
Total All Schools	<u>\$ 474,776</u>	<u>\$ 973,154</u>	<u>\$ 1,050,199</u>	<u>\$ 397,731</u>

CAPITAL PROJECTS FUND

**GLEN ROCK PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Issue/Project Title</u>	<u>Appropriation</u>	<u>Expenditures to Date</u>		<u>Total Transfers Out</u>	<u>Balance, June 30, 2023</u>
		<u>Prior Years</u>	<u>Current Year</u>		
2018/19 Renovations, Alterations and Improvements at Central, Coleman and Byrd Elementary Schools, and the Glen Rock Middle/High School	\$ 14,718,320	\$ 10,193,227	\$ 37,078	\$ 1,916,766	\$ 2,571,249
2021/22- Window/Door Replacement at Coleman School Faculty Bathroom Project at Hamilton School, Gym Floor Replacement at Byrd School, Parking Lot Re- Paving/Excavate at Central School, Roof Replacement at Coleman School, Repointing/Waterproofing at Middle School and Bipolar Ionization Installations District Wide	3,550,871	2,005,533	500,292	1,039,523	5,523
2022/23 - Hamilton Elementary School Classroom Addition	<u>4,654,513</u>	-	<u>3,066,864</u>	-	<u>1,587,649</u>
	<u>\$ 22,923,704</u>	<u>\$ 12,198,760</u>	<u>\$ 3,604,234</u>	<u>\$ 2,956,289</u>	<u>\$ 4,164,421</u>
<u>Reconciliation to Fund Balance - GAAP</u>					
					\$ 4,164,421
					Less-
					2018/19 Referendum Authorized but Not Issued
					<u>(320)</u>
					Fund Balance, GAAP Basis
					<u>\$ 4,164,101</u>
<u>Recapitulation of Fund Balance - GAAP</u>					
					Year End Encumbrances
					\$ 939,234
					Available for Capital Projects
					<u>3,224,867</u>
					Total Fund Balance Restricted for
					Capital Projects
					<u>\$ 4,164,101</u>

GLEN ROCK PUBLIC SCHOOLS
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGETARY BASIS
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

EXHIBIT F-2

Revenues and Other Financing Sources	
Transfer from Capital Reserve	\$ 4,654,513
Interest Earned	<u>46,729</u>
 Total Revenues and Other Financing Sources	 <u>4,701,242</u>
 Expenditures and Other Financing Uses	
Purchased Prof/Tech Services	56,508
Construction Services	3,377,419
Supplies and Equipment	167,622
Miscellaneous	2,685
Transfer Out- General Fund	1,086,252
Transfer Out- Debt Service Fund	<u>755,949</u>
 Total Expenditures and Other Financing Uses	 <u>5,446,435</u>
 Net Change in Fund Balance	 (745,193)
 Fund Balance, Beginning of Year	 <u>4,909,294</u>
 Fund Balance, End of Year - Budgetary Basis	 <u>\$ 4,164,101</u>
 Fund Balance, End of Year - GAAP Basis	 <u>\$ 4,164,101</u>

**GLEN ROCK PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS, ALTERNATIONS AND IMPROVEMENTS AT CENTRAL,
COLEMAN AND BYRD ELEMENTARY SCHOOLS AND THE GLEN ROCK
MIDDLE/HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 14,718,000	-	\$ 14,718,000	\$ 14,718,320
Total Revenues and Other Financing Sources	<u>14,718,000</u>	<u>-</u>	<u>14,718,000</u>	<u>14,718,320</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical services	1,390,336		1,390,336	1,467,823
Bond Sale Costs	57,895		57,895	60,000
Construction Services	8,163,563	\$ 37,078	8,200,641	12,477,441
Supplies and Equipment	523,711		523,711	525,000
Miscellaneous Expenditures	57,722		57,722	188,056
Transfer Out - Debt Service Fund	1,160,817	755,949	1,916,766	-
Total Expenditures and Other Financing Uses	<u>11,354,044</u>	<u>793,027</u>	<u>12,147,071</u>	<u>14,718,320</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>\$ 3,363,956</u>	<u>\$ (793,027)</u>	2,570,929	<u>\$ -</u>
		Add: Authorized But Not Issued	<u>320</u>	
Additional Project Information:			<u>\$ 2,571,249</u>	
Project Number	N/A			
Grant Date	N/A			
Bonds Authorization Date	3/12/2019			
Bonds Authorized	\$ 14,718,320			
Bonds Issued	\$ 14,718,000			
Original Authorized Cost	\$ 14,718,320			
Change Orders	-			
Revised Authorized Cost	\$ 14,718,320			
Change Order Percentage	N/A			
Percentage Completion	82.53%			
Original Target Completion Date	12/31/2021			
Revised Target Completion Date	6/30/2024			

**GLEN ROCK PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
WINDOW/DOOR REPLACEMENT AT COLEMAN SCHOOL, FACULTY BATHROOM
PROJECT AT HAMILTON SCHOOL, GYM FLOOR REPLACEMENT AT BYRD SCHOOL,
PARKING LOT REPAVING/EXCAVATION AT CENTRAL SCHOOL, ROOF REPLACEMENT
AT COLEMEN SCHOOL, REPOINTING/WATERPROOFING AT MIDDLE SCHOOL AND
DISTRICT WID BIPOLAR IONIZATION INSTALLATIONS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenues and Other Financing Sources				
Transfer From Capital Reserve	\$ 3,550,871	-	\$ 3,550,871	\$ 3,550,871
 Total Revenues and Other Financing Sources	 <u>3,550,871</u>	 <u>-</u>	 <u>3,550,871</u>	 <u>3,550,871</u>
 Expenditures and Other Financing Uses				
Purchased Professional and Technical services	227,244	\$ 3,295	230,539	200,000
Construction Services	1,766,102	496,997	2,263,099	3,348,871
Miscellaneous Expenditures	12,187		12,187	2,000
Transfer Out - General Fund	-	1,039,523	1,039,523	-
 Total Expenditures and Other Financing Uses	 <u>2,005,533</u>	 <u>1,539,815</u>	 <u>3,545,348</u>	 <u>3,550,871</u>
 Excess (Deficiency) of Revenues over (under) Expenditures	 <u>\$ 1,545,338</u>	 <u>\$ (1,539,815)</u>	 <u>\$ 5,523</u>	 <u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bonds Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 3,550,871
Change Orders	(1,039,523)
Revised Authorized Cost	\$ 2,511,348
 Change Order Percentage	 N/A
Percentage Completion	99.84%
Original Target Completion Date	6/30/2022
Revised Target Completion Date	6/30/2024

**GLEN ROCK PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
HAMILTON ELEMENTARY SCHOOL CLASSROOM ADDITION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenues and Other Financing Sources				
Transfer From Capital Reserve	\$ -	\$ 4,654,513	\$ 4,654,513	\$ 4,654,513
Total Revenues and Other Financing Sources	-	4,654,513	4,654,513	4,654,513
 Expenditures and Other Financing Uses				
Purchased Professional and Technical services		53,213	53,213	220,382
Construction Services		2,843,344	2,843,344	4,140,400
Supplies and Equipment		167,622	167,622	211,393
Miscellaneous Expenditures	-	2,685	2,685	82,338
Total Expenditures and Other Financing Uses	-	3,066,864	3,066,864	4,654,513
Excess (Deficiency) of Revenues over (under) Expenditures	\$ -	\$ 1,587,649	\$ 1,587,649	\$ -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bonds Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 4,654,513
Change Orders	-
Revised Authorized Cost	\$ 4,654,513
Change Order Percentage	N/A
Percentage Completion	65.89%
Original Target Completion Date	6/30/2023
Revised Target Completion Date	6/30/2024

PROPRIETARY FUND

**GLEN ROCK PUBLIC SCHOOLS
PROPRIETARY FUND
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2023**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

**COMBINING 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

**GLEN ROCK PUBLIC SCHOOLS
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Annual Date</u>	<u>Maturities Amount</u>	<u>Interest Rate</u>	<u>Balance July 1, 2022</u>	<u>Matured</u>	<u>Balance June 30, 2023</u>						
2019 School Bonds	7/15/2019	\$ 14,718,000	7/15/2023	\$ 900,000	2.00%	\$ 13,865,000	\$ 885,000	\$ 12,980,000						
			7/15/2024	950,000	2.00%									
			7/15/2025	975,000	2.00%									
			7/15/2026	1,000,000	2.00%									
			7/15/2027	1,025,000	2.00%									
			7/15/2028	1,050,000	2.00%									
			7/15/2029	1,090,000	2.00%									
			7/15/2030	1,125,000	2.250%									
			7/15/2031	1,160,000	2.375%									
			7/15/2032	1,200,000	3.00%									
			7/15/2033	1,230,000	3.00%									
			7/15/2034	1,275,000	3.00%									
			2016 Refunding Bonds	1/26/2016	32,910,000				9/1/2023	1,905,000	4.300%	27,835,000	1,830,000	26,005,000
									9/1/2024	1,980,000	4.500%			
9/1/2025	2,055,000	4.500%												
9/1/2026	2,130,000	4.500%												
9/1/2027	2,225,000	4.500%												
9/1/2028	2,330,000	4.600%												
9/1/2029	2,440,000	4.625%												
9/1/2030	2,545,000	4.700%												
9/1/2031	2,675,000	4.750%												
9/1/2032	2,795,000	4.750%												
9/1/2033	2,925,000	4.750%												
						<u>27,835,000</u>	<u>1,830,000</u>	<u>26,005,000</u>						
						<u>\$ 41,700,000</u>	<u>\$ 2,715,000</u>	<u>\$ 38,985,000</u>						
Budget Appropriation							<u>\$ 2,715,000</u>							

**GLEN ROCK PUBLIC SCHOOLS
LONG-TERM DEBT
SCHEDULE OF CAPITAL & OTHER FINANCING AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Issue</u>	<u>Amount of Original Issue</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2023</u>
<u>Capital Financing Agreements</u>						
Acquisition of Copiers	\$ 412,783	11.00%	-	\$ 412,783	\$ 5,192	\$ 407,591
Total Capital Financing Agreements			-	412,783	5,192	407,591
<u>Other Financing Agreements</u>						
2022/23 Technology Equipment	522,842	2.80%		522,842	169,491	353,351
2022/23 Technology Equipment	1,113,285	4.79%		1,113,285		1,113,285
2022/23 Technology Equipment	253,782	4.79%		253,782		253,782
2022/23 Technology Equipment	133,747	2.80%	-	133,747	43,357	90,390
Total Other Financing Agreements			-	2,023,656	212,848	1,810,808
Total Financing Agreements			\$ -	\$ 2,436,439	\$ 218,040	\$ 2,218,399

**DEBT SERVICE 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					
Local Sources					
Local Tax Levy	\$ 2,384,600		\$ 2,384,600	\$ 2,384,600	
State Sources					
State Aid	<u>1,143,264</u>	<u>-</u>	<u>1,143,264</u>	<u>1,143,264</u>	<u>-</u>
Total Revenues	<u>3,527,864</u>	<u>-</u>	<u>3,527,864</u>	<u>3,527,864</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Redemption of Principal	2,715,000		2,715,000	2,715,000	
Interest	<u>1,568,813</u>	<u>-</u>	<u>1,568,813</u>	<u>1,568,812</u>	<u>\$ 1</u>
Total Expenditures	<u>4,283,813</u>	<u>-</u>	<u>4,283,813</u>	<u>4,283,812</u>	<u>1</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>(755,949)</u>	<u>-</u>	<u>(755,949)</u>	<u>(755,948)</u>	<u>1</u>
Other Financing Sources/(Uses)					
Transfer In	<u>755,949</u>	<u>-</u>	<u>755,949</u>	<u>755,949</u>	<u>-</u>
Net Changes in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

J-16 to J-20

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

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
Net Investment in Capital Assets	\$ 11,869,829	\$ 12,097,377	\$ 12,891,322	\$ 11,511,891	\$ 11,279,232	\$ 11,172,441	\$ 10,809,961	\$ 11,030,531	\$ 12,225,242	\$ 15,121,850
Restricted	2,327,742	2,110,708	1,527,503	1,995,365	1,143,855	2,207,557	5,302,533	7,189,612	9,173,666	9,196,923
Unrestricted	(7,361,144)	(7,519,250)	(7,714,876)	(8,479,726)	(8,483,475)	(8,375,596)	(8,466,933)	(6,266,408)	(4,200,194)	(6,252,254)
Total Governmental Activities Net Position	\$ 6,836,427	\$ 6,688,835	\$ 6,703,949	\$ 5,027,530	\$ 3,939,612	\$ 5,004,402	\$ 7,645,561	\$ 11,953,735	\$ 17,198,714	\$ 18,066,519
Business-type activities										
Net Investment in Capital Assets	\$ 12,780	\$ 21,777	\$ 17,425	\$ 22,784	\$ 20,384	\$ 13,112	\$ 11,154	\$ 19,109	\$ 23,109	\$ 20,895
Unrestricted	778,714	530,601	375,699	484,089	638,686	605,299	576,732	240,120	538,022	921,803
Total Business-Type Activities Net Position	\$ 791,494	\$ 552,378	\$ 393,124	\$ 506,873	\$ 659,070	\$ 618,411	\$ 587,886	\$ 259,229	\$ 561,131	\$ 942,698
District-wide										
Net Investment in Capital Assets	\$ 11,882,609	\$ 12,119,154	\$ 12,908,747	\$ 11,534,675	\$ 11,299,616	\$ 11,185,553	\$ 10,821,115	\$ 11,049,640	\$ 12,248,351	\$ 15,142,745
Restricted	2,327,742	2,110,708	1,527,503	1,995,365	1,143,855	2,207,557	5,302,533	7,189,612	9,173,666	9,196,923
Unrestricted	(6,582,430)	(6,988,649)	(7,339,177)	(7,995,637)	(7,844,789)	(7,770,297)	(7,890,201)	(6,026,288)	(3,662,172)	(5,330,451)
Total District Net Position	\$ 7,627,921	\$ 7,241,213	\$ 7,097,073	\$ 5,534,403	\$ 4,598,682	\$ 5,622,813	\$ 8,233,447	\$ 12,212,964	\$ 17,759,845	\$ 19,009,217

Source: District Financial Records

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

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

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities										
Instruction										
Regular	\$ 19,560,882	\$ 22,802,265	\$ 24,119,067	\$ 27,243,362	\$ 27,821,163	\$ 27,143,778	\$ 26,092,013	\$ 28,634,338	\$ 24,893,668	\$ 26,849,904
Special Education	6,359,075	7,081,367	7,773,836	8,134,028	8,895,937	9,103,622	9,050,204	9,174,829	9,275,230	9,263,860
Other Instruction	603,338	711,206	688,326	1,322,079	1,349,779	1,437,758	1,350,370	1,492,768	1,238,191	1,214,018
School Sponsored Activities and Athletics	1,092,729	1,223,345	1,210,348	1,516,347	1,544,499	1,617,568	1,560,607	2,173,443	2,310,718	2,584,240
Support Services:										
Student & Instruction Related Services	7,124,795	7,770,425	8,390,007	9,176,149	9,365,201	8,557,365	9,066,502	9,305,545	8,980,232	9,384,382
Educational Media/School Library	945,838	1,130,931	1,197,343	1,147,445	1,118,832	994,909	980,794	1,099,704	868,046	786,467
General Administration	1,034,115	1,156,223	1,299,253	1,397,259	1,292,970	1,299,593	1,280,390	1,791,092	1,906,867	1,681,769
School Administrative Services	3,485,098	4,003,034	4,268,557	4,772,544	4,852,112	4,757,709	4,677,942	4,526,247	3,838,835	3,890,866
Plant Operations and Maintenance	4,907,607	4,813,339	4,828,108	4,976,158	4,867,880	4,579,072	4,889,406	5,137,656	5,631,429	6,051,504
Pupil Transportation	905,266	894,179	856,873	793,786	957,459	1,063,883	981,622	808,990	1,093,906	1,336,636
Central Services	1,479,608	1,451,301	1,522,395	1,633,449	1,725,118	1,441,998	1,510,826	1,643,263	1,663,878	1,728,251
Scholarship Awards								6,400	3,900	9,000
Interest on Long-Term Debt	1,942,558	1,903,597	1,396,278	1,444,427	1,375,360	1,307,032	1,571,410	1,511,780	1,455,959	1,395,822
Total Governmental Activities Expenses	49,440,909	54,941,212	57,550,391	63,557,033	65,166,310	63,304,287	63,012,086	67,306,055	63,160,859	66,176,719
Business-Type Activities:										
Food Service	512,705	486,218	506,962	523,671	537,142	549,969	415,968	14,080	637,557	660,410
Community School	1,346,609	1,557,780	1,469,523	1,471,994	1,589,835	1,748,106	1,375,814	620,571	1,147,886	1,326,339
Total Business-Type Activities Expense	1,859,314	2,043,998	1,976,485	1,995,665	2,126,977	2,298,075	1,791,782	634,651	1,785,443	1,986,749
Total District Expenses	\$ 51,300,223	\$ 56,985,210	\$ 59,526,876	\$ 65,552,698	\$ 67,293,287	\$ 65,602,362	\$ 64,803,868	\$ 67,940,706	\$ 64,946,302	\$ 68,163,468
Program Revenues										
Governmental Activities:										
Charges for Services:										
Regular- Tuition	\$ 35,688	\$ 32,088	\$ 28,724	\$ 28,595	\$ 58,380	\$ 128,413	\$ 112,642	\$ 84,852	\$ 98,476	\$ 104,675
School Spons. Activities/Athletics Fees				105,928	177,132	169,214	100,861	203,951	1,207,399	1,162,574
Plant Operations and Maint. Facility Rental				24,379	40,939	43,597	22,337			
Scholarships										621
Capital Grants and Contributions	25,000	3,712	41,383	44,296	49,426	28,533	38,210	306,625	669,028	49,806
Operating Grants and Contributions	6,169,032	10,351,346	12,407,077	16,072,363	16,913,015	14,346,541	13,172,044	18,700,643	13,771,644	12,036,097
Total Governmental Activities Program Revenues	6,229,720	10,387,146	12,477,184	16,275,561	17,238,892	14,716,298	13,446,094	19,296,071	15,746,547	13,353,773
Business-Type Activities:										
Charges for Services										
Food Service	497,938	454,868	545,932	520,619	551,506	555,043	403,626		635,665	658,176
Community School	1,459,900	1,662,706	1,571,254	1,588,766	1,727,668	1,801,929	1,452,421	405,994	1,451,680	1,692,462
Total Business Type Activities Program Revenues	1,957,838	2,117,574	2,117,186	2,109,385	2,279,174	2,356,972	1,856,047	405,994	2,087,345	2,350,638
Total District Program Revenues	\$ 8,187,558	\$ 12,504,720	\$ 14,594,370	\$ 18,384,946	\$ 19,518,066	\$ 17,073,270	\$ 15,302,141	\$ 19,702,065	\$ 17,833,892	\$ 15,704,411
Net (Expense)/Revenue										
Governmental Activities	\$ (43,211,189)	\$ (44,554,066)	\$ (45,073,207)	\$ (47,281,472)	\$ (47,927,418)	\$ (48,587,989)	\$ (49,565,992)	\$ (48,009,984)	\$ (47,414,312)	\$ (52,822,946)
Business-Type Activities	98,524	73,576	140,701	113,720	152,197	58,897	64,265	(228,657)	301,902	363,889
Total District-Wide Net Expense	\$ (43,112,665)	\$ (44,480,490)	\$ (44,932,506)	\$ (47,167,752)	\$ (47,775,221)	\$ (48,529,092)	\$ (49,501,727)	\$ (48,238,641)	\$ (47,112,410)	\$ (52,459,057)

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property Taxes Levied for General Purposes, net	\$ 40,033,500	\$ 40,521,909	\$ 41,319,529	\$ 42,275,920	\$ 43,540,070	\$ 46,150,041	\$ 47,296,016	\$ 48,123,696	\$ 48,965,861	\$ 49,500,484
Taxes Levied for Debt Service	2,641,786	2,511,792	2,510,082	2,371,652	2,436,622	2,410,694	2,349,214	2,680,775	1,942,951	2,384,600
State Aid Restricted for Debt Service		682,918	685,570	689,999	626,313	759,622	735,786	906,383	1,136,782	1,143,264
Unrestricted Grants and Contributions		43,210	46,068	68,421	70,471	6,090				
Miscellaneous Income	383,120	346,645	227,072	199,061	166,906	226,332	519,985	507,304	613,697	662,403
Loss on Disposal of Assets					(882)					
Transfers		300,000	300,000	-	-	100,000	100,000	100,000		-
Total Governmental Activities	43,058,406	44,406,474	45,088,321	45,605,053	46,839,500	49,652,779	51,001,001	52,318,158	52,659,291	53,690,751
Business-Type Activities:										
Loss on Disposal of Assets		(12,784)								
Miscellaneous Income	45	92	45	29		444	5,210			17,678
Transfers		(300,000)	(300,000)	-	-	(100,000)	(100,000)	(100,000)		-
Total Business-Type Activities	45	(312,692)	(299,955)	29	-	(99,556)	(94,790)	(100,000)	-	17,678
Total District-Wide	\$ 43,058,451	\$ 44,093,782	\$ 44,788,366	\$ 45,605,082	\$ 46,839,500	\$ 49,553,223	\$ 50,906,211	\$ 52,218,158	\$ 52,659,291	\$ 53,708,429
Change in Net Position										
Governmental Activities	\$ (152,783)	\$ (147,592)	\$ 15,114	\$ (1,676,419)	\$ (1,087,918)	\$ 1,064,790	\$ 1,435,009	\$ 4,308,174	\$ 5,244,979	\$ 867,805
Business-Type Activities	98,569	(239,116)	(159,254)	113,749	152,197	(40,659)	(30,525)	(328,657)	301,902	381,567
Total District	\$ (54,214)	\$ (386,708)	\$ (144,140)	\$ (1,562,670)	\$ (935,721)	\$ 1,024,131	\$ 1,404,484	\$ 3,979,517	\$ 5,546,881	\$ 1,249,372

Source: District Financial Records

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	\$ 4,859,140	\$ 4,059,921	\$ 3,380,219	\$ 5,020,419	\$ 4,229,142	\$ 4,627,893	\$ 7,335,640	\$ 10,064,564	\$ 10,064,564	\$ 10,379,934
Assigned	440,959	362,962	349,721	159,263	168,856	757,225	440,692	209,922	209,922	357,197
Unassigned	588,648	604,866	609,852	584,943	635,511	628,304	624,115	1,579,888	1,579,888	688,892
Total General Fund	<u>\$ 5,888,747</u>	<u>\$ 5,027,749</u>	<u>\$ 4,339,792</u>	<u>\$ 5,764,625</u>	<u>\$ 5,033,509</u>	<u>\$ 6,013,422</u>	<u>\$ 8,400,447</u>	<u>\$ 11,854,374</u>	<u>\$ 11,854,374</u>	<u>\$ 11,426,023</u>
All Other Governmental Funds										
Restricted	\$ 240,272	\$ 625,325	\$ 729,443	\$ (14,107)	\$ 8,362	\$ 116,004	\$ 10,094,985	\$ 5,085,579	\$ 5,085,579	\$ 4,639,782
Total All Other Governmental Funds	<u>\$ 240,272</u>	<u>\$ 625,325</u>	<u>\$ 729,443</u>	<u>\$ (14,107)</u>	<u>\$ 8,362</u>	<u>\$ 116,004</u>	<u>\$ 10,094,985</u>	<u>\$ 5,085,579</u>	<u>\$ 5,085,579</u>	<u>\$ 4,639,782</u>

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

Source: District Financial Records

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax Levy	\$ 42,675,286	\$ 43,033,701	\$ 43,829,611	\$ 44,647,572	\$ 45,976,692	\$ 48,560,735	\$ 49,645,230	\$ 50,804,471	\$ 50,908,812	\$ 51,885,084
Miscellaneous	421,669	387,183	262,241	382,390	459,109	573,058	781,785	1,593,787	1,921,572	1,934,427
State Sources	5,619,280	6,244,849	6,861,254	7,572,727	8,529,250	9,826,232	10,595,639	12,922,222	16,829,608	17,105,443
Federal Sources	546,871	566,938	578,622	557,785	565,543	571,386	565,564	1,012,127	1,732,139	825,099
Total Revenue	49,263,106	50,232,671	51,531,728	53,160,474	55,530,594	59,531,411	61,588,218	66,332,607	71,392,131	71,750,053
Expenditures										
Instruction										
Regular Instruction	18,212,373	19,042,630	19,501,867	20,244,803	21,465,914	22,866,024	23,058,785	24,530,283	25,641,142	28,212,045
Special Education Instruction	6,105,429	6,358,458	6,726,187	6,716,222	7,590,579	8,171,658	8,383,289	8,257,006	9,469,170	9,647,343
Other Instruction	564,264	600,723	624,058	981,102	1,041,380	1,195,140	1,190,410	1,265,617	1,278,052	1,285,136
School Sponsored Activities and Athletics	1,025,616	1,039,520	1,041,748	1,174,494	1,236,834	1,281,404	1,292,904	1,985,782	2,346,786	2,659,364
Support Services:										
Student & Inst. Related Services	6,816,480	6,902,786	7,317,688	7,602,196	7,943,800	8,017,828	8,439,928	8,318,706	9,187,372	9,766,343
Educational Media/School Library	878,847	941,358	964,494	822,769	840,913	847,879	870,595	943,699	893,717	827,600
General Administration	992,209	1,027,762	1,138,160	1,148,308	1,093,384	1,145,711	1,181,595	1,579,877	1,946,152	1,748,606
School Administrative Services	3,238,353	3,301,966	3,413,608	3,493,296	3,700,239	4,001,168	4,120,093	3,836,530	3,960,731	4,115,263
Plant Operations and Maintenance	4,768,457	4,700,478	4,740,001	4,835,728	4,660,307	4,503,823	4,791,939	4,947,805	5,445,618	5,938,856
Pupil Transportation	900,275	889,166	850,949	785,353	943,441	1,053,158	975,107	796,767	1,083,669	1,330,849
Central Services	1,380,704	1,353,706	1,417,785	1,474,672	1,498,576	1,283,945	1,393,048	1,423,526	1,467,085	1,609,267
Scholarship Awards								6,400	3,900	9,000
Debt Service:										
Principal	1,371,812	1,295,000	1,350,000	1,415,000	1,484,000	1,670,000	1,630,000	1,690,000	2,608,000	2,933,040
Interest and Other Charges	1,973,287	1,918,586	1,457,978	1,664,187	1,603,181	1,530,833	1,470,896	1,913,179	1,655,760	1,590,978
Payments to Escrow Agent			660,000	-	-	-	-	-	-	-
Capital Outlay	1,793,363	1,636,477	1,472,778	121,061	1,136,693	975,285	6,447,773	6,492,909	3,080,784	4,711,143
Total Expenditures	50,021,469	51,008,616	52,677,301	52,479,191	56,239,241	58,543,856	65,246,362	67,988,086	70,067,938	76,384,833
Excess (Deficiency) of Revenues over (under) Expenditures	(758,363)	(775,945)	(1,145,573)	681,283	(708,647)	987,555	(3,658,144)	(1,655,479)	1,324,193	(4,634,780)
Other Financing sources (uses)										
Proceeds from Refunding Bonds			39,845,469	-	-	-	14,718,000			
Payments to Escrow Agent			(39,583,735)	-	-	-	-			
Capital Financing Agreements										412,783
Other Financing Agreements										2,023,656
Transfers in	2,289,384	2,263,228	1,713,200	724,603	986,900	860,684	683,210	1,472,535	4,711,688	6,496,714
Transfers out	(2,289,384)	(1,963,228)	(1,413,200)	(724,603)	(986,900)	(760,684)	(583,210)	(1,372,535)	(4,711,688)	(6,496,714)
Total other financing sources (uses)	-	300,000	561,734	-	-	100,000	14,818,000	100,000	-	2,436,439
Net change in fund balances	\$ (758,363)	\$ (475,945)	\$ (583,839)	\$ 681,283	\$ (708,647)	\$ 1,087,555	\$ 11,159,856	\$ (1,555,479)	\$ 1,324,193	\$ (2,198,341)
Debt service as a percentage of noncapital expenditures	2.84%	2.62%	2.64%	2.70%	2.69%	2.90%	2.77%	2.75%	3.89%	4.09%

* Noncapital expenditures are total expenditures less capital outlay.

Source: District Financial Records

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

<u>Fiscal Year Ended June 30,</u>	<u>Interest Earned</u>	<u>Tuition</u>	<u>Insurance Refund</u>	<u>Prior Year Refunds</u>	<u>Solar SREC</u>	<u>Activity Fees</u>	<u>E-Rate</u>	<u>Facility Rental</u>	<u>Laptop Initiative User Fees</u>	<u>Shared Service Fees</u>	<u>Miscellaneous</u>	<u>Total</u>
2014	\$ 1,881	\$ 35,668	\$ 49,628	\$ 66,036	\$ 14,695	\$ 151,355	\$ 87,412				\$ 9,469	\$ 416,144
2015	3,342	32,088	26,963	46,133	11,389	136,190	86,854				34,135	377,094
2016	2,344	28,724	4,559	747	34,720	113,592	34,346				36,364	255,396
2017	2,475	28,595	25,360	77,280	20,714	105,928	14,093	\$ 24,379			65,744	364,568
2018	735	58,380	32,951		25,902	177,122		40,939	\$ 46,020		61,308	397,337
2019	9,853	85,986	50,130	17,033	9,928	169,215	19,308	43,597	42,427		119,955	525,005
2020	4,524	70,142	23,566		25,325	100,861	15,083	22,337	42,500	\$ 335,819	158,168	755,825
2021		44,552		17,460	38,673	203,951	45,209		40,300	350,980	95,282	796,107
2022		209,455			6,201	160,514		8,511	40,060	360,998	86,948	872,687
2023	25,711	54,525			3,354	189,420		9,975	50,150	372,342	204,292	909,769

Source: District Financial Records

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2014	\$ 9,891,200	\$ 2,120,538,000	\$ 151,245,000	\$ 24,655,400		\$ 2,306,329,600	\$ 1,762,273	\$ 2,308,091,873	\$ 2,442,816,653	1.860
2015	8,273,500	2,133,332,200	148,802,100	26,470,400		2,316,878,200	958	2,316,879,158	2,477,507,512	1.875
2016	11,232,800	2,142,483,700	145,085,700	26,076,500		2,324,878,700	938	2,324,879,638	2,532,591,324	1.906
2017	8,560,100	2,159,424,700	148,141,700	26,076,500		2,342,203,000	938	2,342,203,938	2,550,031,422	1.936
2018	7,516,800	2,181,719,500	155,313,500	26,076,500		2,370,626,300	938	2,370,627,238	2,588,612,003	1.994
2019	7,289,000	2,192,629,900	153,221,055	26,076,500		2,379,216,455	-	2,379,216,455	2,658,993,412	2.063
2020	6,194,900	2,207,767,000	153,132,155	26,076,500		2,393,170,555	-	2,393,170,555	2,710,189,354	2.129
2021	6,604,800	2,222,573,300	153,132,155	26,076,500		2,408,386,755	-	2,408,386,755	2,774,020,697	2.096
2022	7,945,300	2,231,641,900	144,816,800	26,076,500	\$ 7,855,800	2,418,336,300	-	2,418,336,300	2,766,157,787	2.135
2023	7,345,800	2,254,077,500	144,786,800	26,519,300	7,855,800	2,440,585,200	-	2,440,585,200	2,940,420,159	2.171

Source: County Abstract of Ratables

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

Calendar Year	<u>Overlapping Rates</u>			Total Direct and Overlapping Tax Rate
	<u>Total Direct School Tax Rate</u>	<u>Municipality</u>	<u>County</u>	
2014	\$ 1.860	\$ 0.604	\$ 0.246	\$ 2.710
2015	1.875	0.613	0.258	2.746
2016	1.906	0.616	0.268	2.790
2017	1.936	0.622	0.273	2.831
2018	1.994	0.627	0.266	2.887
2019	2.063	0.634	0.272	2.969
2020	2.129	0.639	0.281	3.049
2021	2.096	0.656	0.291	3.043
2022	2.135	0.670	0.276	3.081
2023	2.171	0.700	0.289	3.160

Source: County Abstract of Ratables

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

Taxpayer	2023		Taxpayer	2014	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Opeachy Ltd, L.P.	\$ 12,500,000	0.51%	Opeachy Ltd, L.P.	\$ 14,000,000	0.61%
208 Glen Rock Associates	11,000,000	0.45%	Bank of America	11,000,000	0.48%
266 Harristown Property LLC	8,750,000	0.36%	333 Realty LLC	8,583,500	0.37%
HMOB of Glen Rock	8,315,000	0.34%	Glen Rock Property, LLC	7,634,800	0.33%
Glen Rock Senior Housing Corp.	8,285,000	0.34%	Financial Services, Inc.	6,375,000	0.28%
333 Realty LLC	7,333,000	0.30%	SAC Family, LLC	5,369,100	0.23%
PSI Atlantic Glen Rock LLC	6,060,000	0.25%	Hajjar Medical Office LLC	8,315,000	0.36%
201 Rock Road LLC	5,369,100	0.22%	Rock Glen Assoc LLC	4,800,000	0.21%
Glen Rock Mall	4,861,800	0.20%	Heritage Plaza I	4,625,000	0.20%
29 Glen Rock Associates LLC	4,800,000	0.20%	Joan Ree Realty LLC	4,432,500	0.19%
	<u>\$ 77,273,900</u>	<u>3.17%</u>		<u>\$ 75,134,900</u>	<u>3.26%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 42,675,286	\$ 42,675,286	100.00%	N/A
2015	43,033,701	43,033,701	100.00%	N/A
2016	43,829,611	43,829,611	100.00%	N/A
2017	44,657,572	44,657,572	100.00%	N/A
2018	45,976,692	45,976,692	100.00%	N/A
2019	48,560,735	48,560,735	100.00%	N/A
2020	49,645,230	49,645,230	100.00%	N/A
2021	50,804,471	50,804,471	100.00%	N/A
2022	50,908,812	50,908,812	100.00%	N/A
2023	51,885,084	51,885,084	100.00%	N/A

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

Fiscal Year Ended June 30,	<u>Governmental Activities</u>			Total District	Population	Per Capita
	General Obligation Bonds	Capital Financing Agreements	Other Financing Agreements			
2014	\$ 43,007,000			\$ 43,007,000	11,739	3,664
2015	41,712,000			41,712,000	11,802	3,534
2016	37,479,000			37,479,000	11,823	3,170
2017	36,064,000			36,064,000	11,795	3,058
2018	34,580,000			34,580,000	11,829	2,923
2019	32,910,000			32,910,000	11,778	2,794
2020	45,998,000			45,998,000	11,708	3,929
2021	44,308,000			44,308,000	11,655	3,802
2022	41,700,000			41,700,000	12,064	3,457
2023	38,985,000	\$ 407,591	\$ 1,810,808	41,203,399	12,039	3,422

Source: District financial records

*Estimated

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

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2014	\$ 43,007,000	\$ 5,628	\$ 43,001,372	1.86%	\$ 3,664
2015	41,712,000	4,287	41,707,713	1.80%	3,534
2016	37,749,000	9,991	37,739,009	1.62%	3,170
2017	36,064,000	22,972	36,041,028	1.54%	3,058
2018	34,580,000	14,622	34,565,378	1.46%	2,923
2019	32,910,000	125	32,909,875	1.38%	2,794
2020	45,998,000	23,335	45,974,665	1.92%	3,929
2021	44,308,000	23,210	44,284,790	1.84%	3,802
2022	41,700,000		41,700,000	1.72%	3,457
2023	38,985,000		38,985,000	1.60%	3,422

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

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.

GLEN ROCK PUBLIC SCHOOLS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2022
(Unaudited)

	<u>Total</u>
Municipal Debt: (1)	
Glen Rock Board of Education	\$ 39,985,320
Borough of Glen Rock	<u>21,184,026</u>
	<u>61,169,346</u>
 Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	21,440,748
Passaic Valley Sewerage Authority	<u>1,580,181</u>
	<u>23,020,929</u>
 Total Direct and Overlapping Debt	 <u>\$ 84,190,275</u>

Source:

(1) Glen Rock's 2022 Annual Debt Statement

(A) The debt for this entity was apportioned to Glen Rock by dividing the municipality's 2022 equalized value by the total 2021 equalized value for Bergen County.

(B) The debt was computed based upon flow

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 98,270,729	\$ 97,989,183	\$ 98,702,448	\$ 99,815,349	\$101,035,603	\$ 102,760,071	\$ 103,527,004	\$ 107,848,939	\$ 109,253,966	\$ 112,177,881
Total net debt applicable to limit	<u>43,297,355</u>	<u>42,002,355</u>	<u>40,652,355</u>	<u>36,354,355</u>	<u>34,864,000</u>	<u>47,628,320</u>	<u>45,998,320</u>	<u>44,308,320</u>	<u>41,700,320</u>	<u>38,985,320</u>
Legal debt margin	<u>\$ 54,973,374</u>	<u>\$ 55,986,828</u>	<u>\$ 58,050,093</u>	<u>\$ 63,460,994</u>	<u>\$ 66,171,603</u>	<u>\$ 55,131,751</u>	<u>\$ 57,528,684</u>	<u>\$ 63,540,619</u>	<u>\$ 67,553,646</u>	<u>\$ 73,192,561</u>
Total net debt applicable to the limit as a percentage of debt limit	44.06%	42.86%	41.19%	36.42%	34.51%	46.35%	44.43%	41.08%	38.17%	34.75%

Legal Debt Margin Calculation for Calendar Year 2022

Equalized valuation basis	
2020	\$ 2,752,669,145
2021	2,750,870,080
2022	<u>2,909,801,829</u>
	<u>\$ 8,413,341,054</u>
Average equalized valuation of taxable property	\$ 2,804,447,018
Debt limit (4% of average equalization value)	112,177,881
Total Net Debt Applicable to Limit	<u>38,985,320</u>
Legal debt margin	<u>\$ 73,192,561</u>

Source: Annual Debt Statements

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

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2014	11,739	\$ 73,883	4.10%
2015	11,802	77,323	3.50%
2016	11,823	78,836	3.50%
2017	11,795	81,024	2.90%
2018	11,829	85,191	2.80%
2019	11,778	88,241	2.70%
2020	11,708	91,972	6.40%
2021	11,655	97,343	3.80%
2022	12,064	N/A	2.40%
2023	12,039	N/A	N/A

Source: New Jersey State Department of Education

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

<u>Employer</u>	<u>2023</u>		<u>2014</u>	
	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

NOT AVAILABLE

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

<u>Function/Program</u>	<u>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	181	185	189	185	186	183	183	182	207	208
Special education	32	32	32	37	39	42	42	42	57	60
Support Services:										
General administration	2	2	2	2	2	2	2	3	7	6
School administrative services	8	8	8	8	8	8	8	7	32	32
Central services	1	1	1	1	1	1	1	1	13	13
Plant operations and maintenance	12	8	8	8	8	8	8	8	9	9
Food Service	-	-	-	-	-	-	-	-	-	-
Total	<u>236</u>	<u>236</u>	<u>240</u>	<u>241</u>	<u>244</u>	<u>244</u>	<u>244</u>	<u>243</u>	<u>325</u>	<u>328</u>

Source: District Personnel Records

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

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2014	2,426	44,883,007	18,501	0.89%	213	89	56	68	2394	2301	0.81%	96.12%
2015	2,440	46,158,553	18,917	2.25%	217	91	56	68	2408	2338	0.59%	97.09%
2016	2,462	47,736,545	19,389	2.49%	219	94	56	69	2434	2340	1.08%	96.14%
2017	2,495	49,278,943	19,751	1.87%	222	94	55	73	2440	2433	0.25%	99.71%
2018	2,539	52,015,367	20,487	3.72%	255	95	57	73	2491	2444	2.09%	98.11%
2019	2,539	54,367,738	21,413	4.52%	225	93	58	74	2529	2456	1.53%	97.11%
2020	2,562	55,697,693	21,740	1.53%	225	93	58	74	2528	2472	-0.04%	97.78%
2021	2,530	57,891,998	22,882	5.25%	224	93	57	74	2539	2490	0.44%	98.07%
2022	2,551	62,723,394	24,588	7.45%	234	103	57	74	2551	2460	0.47%	96.43%
2023	2,591	67,149,672	25,917	5.40%	234	103	60	71	2584	2504	1.29%	96.90%

Sources: District records

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

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>District Building</u>										
<u>Elementary</u>										
<u>Hamilton</u>										
Square Feet	31,080	31,080	31,080	31,080	31,080	31,080	31,080	31,080	31,080	31,080
Capacity (students)	240	240	240	240	240	240	240	240	240	240
Enrollment	256	264	271	266	272	274	270	276	274	284
<u>Central</u>										
Square Feet	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200
Capacity (students)	344	344	344	344	344	344	344	344	344	344
Enrollment	314	307	317	333	340	345	351	347	353	343
<u>Coleman</u>										
Square Feet	36,360	36,360	36,360	36,360	36,360	36,360	36,360	36,360	36,360	36,360
Capacity (students)	308	308	308	308	308	308	308	308	308	308
Enrollment	288	273	293	291	312	308	311	334	334	355
<u>Byrd</u>										
Square Feet	31,200	31,200	31,200	31,200	31,200	31,200	31,200	31,200	31,200	31,200
Capacity (students)	245	245	245	245	245	245	245	245	245	245
Enrollment	244	256	265	269	272	274	268	259	278	267
<u>Middle School/High School</u>										
Square Feet	262,098	262,098	262,098	262,098	262,098	262,098	262,098	262,098	262,098	262,098
Capacity (students)	1,451	1,451	1,451	1,451	1,451	1,451	1,451	1,451	1,451	1,451
Enrollment	1,284	1,320	1,341	1,334	1,321	1,311	1,341	1,314	1,312	1,346

Number of Schools at June 30, 2023

Elementary = 4

Middle School/High School = 1

Source: District Records

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

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES

<u>Project # (s)</u>	<u>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>
School Facilities										
Glen Rock Senior High School	\$ 185,309	\$ 193,058	\$ 199,407	\$ 527,564	\$ 195,741	\$ 193,872	\$ 182,183	\$ 183,720	\$ 270,634	\$ 356,760
Glen Rock Middle School	164,278	173,752	179,467	178,572	176,166	174,485	163,964	161,534	237,952	313,678
Richard E. Byrd Elem.School	63,436	64,353	66,469	59,524	65,247	64,624	60,728	64,573	95,121	125,392
Central Elementary School	74,124	77,223	79,763	72,751	78,296	77,549	72,873	74,488	109,727	144,646
Clara E. Coleman Elem. School	68,780	70,788	73,116	92,593	71,771	71,087	66,800	67,031	98,742	130,165
Hamilton Elementary School	<u>61,402</u>	<u>64,351</u>	<u>66,470</u>	<u>66,138</u>	<u>65,248</u>	<u>64,624</u>	<u>60,727</u>	<u>64,574</u>	<u>95,122</u>	<u>125,394</u>
Total School Facilities	<u>\$ 617,329</u>	<u>\$ 643,525</u>	<u>\$ 664,692</u>	<u>\$ 997,142</u>	<u>\$ 652,469</u>	<u>\$ 646,241</u>	<u>\$ 607,275</u>	<u>\$ 615,920</u>	<u>\$ 907,298</u>	<u>\$ 1,196,035</u>

Source: District Records

GLEN ROCK PUBLIC SCHOOLS
INSURANCE SCHEDULE
JUNE 30, 2023
(Unaudited)

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

Source: District records

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, 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 Trustees
Glen Rock Public School District
Glen Rock, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and each major fund of the Glen Rock Public Schools as of and for the fiscal year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Glen Rock Public Schools’ basic financial statements and have issued our report thereon dated October 12, 2023.

Report on Internal Control Over Financial Reporting

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

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


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

Report on Compliance and Other Matters

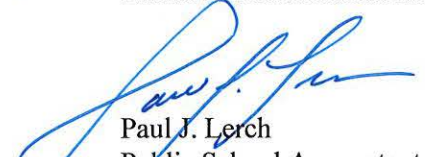
As part of obtaining reasonable assurance about whether the Glen Rock Public Schools' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct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

Purpose of this Report

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



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



Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
October 12, 2023



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
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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 Trustees
Glen Rock Public Schools
Glen Rock, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Glen Rock Public Schools' compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Glen Rock Public Schools' major federal and state programs for the fiscal year ended June 30, 2023. The Glen Rock Public Schools' major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Glen Rock Public Schools complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 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 Glen Rock Public Schools and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the Glen Rock Public Schools' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

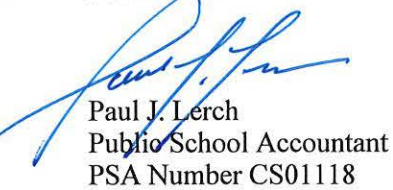
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund of the Glen Rock Public Schools, as of and for the fiscal year ended June 30, 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 October 12, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



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



Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
October 12, 2023

GLEN ROCK PUBLIC SCHOOLS
 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 June 30, 2022			Carryover Amount		Cash Received	Budgetary Expenditures	Balance June 30, 2023			Memo GAAP Receivable	
					(Accounts Receivable)	Unearned Revenue	Due to Grantor	(Accounts Receivable)	Unearned Revenue			(Accounts Receivable)	Unearned Revenue	Due to Grantor		
U.S. Department of Education																
Passed Through State Department of Education																
E.S.E.A Consolidated Grant																
Title IIA	84.367A	S367A220029	7/1/22-9/30/23	\$ 24,692						\$ 22,549	\$ 24,037	\$ (2,143)	\$ 655		\$ (1,488)	
Title IIA, Carryover	84.367A	S367A210029	7/1/21-9/30/22	22,127	\$ (2,322)				2,322							
Title III Immigrant, Carryover	84.365	S365A200030	7/1/19-9/30/20	4,975	(3,253)		\$ 7		3,253					\$ 7		
I.D.E.A. Part B, Basic	84.027	H027A220100	7/1/22-9/30/23	584,111				\$ (151,761)	\$ 28,377	570,215	578,668	(165,657)	33,820		(131,837)	
I.D.E.A. Part B, Basic, Carryover	84.027	H027A210100	7/1/21-9/30/22	562,669	(151,761)	\$ 28,377		151,761	(28,377)							
ARP - IDEA Basic	84.027X	H027X210100	7/1/21-9/30/22	120,336	(120,336)	9,365				110,971	7,975	(9,365)	1,390		(7,975)	
ARP - IDEA Preschool	84.173X	H173X210114	7/1/21-9/30/22	10,279	(10,279)					10,279						
I.D.E.A. Part B, Preschool	84.173	H173A220114	7/1/22-9/30/23	26,932								(26,932)	26,932		-	
<i>IDEA Cluster</i>											<u>586,643</u>					
ACSERS Aid	21.027	SLFRFDOE1SES	7/1/21-6/30/22	270,285	(270,285)					270,285						
American Rescue Plan																
Non Title I	84.425U	S425U210027	1/1/22-12/31/22	607,892	(607,892)					607,892						
Accelerated Learning Coach and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	211,959	(211,959)	211,959				119,059	131,191	(92,900)	80,768		(12,132)	
Evidence Based Summer Learning Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	40,000				40,000	40,000					
Evidence Based Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	40,000				7,676	8,220	(32,324)	31,780		(544)	
NJTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000	(45,000)	45,000					35,008	(45,000)	9,992		(35,008)	
Elementary and Second School Emergency Relief (ESSER II)																
Non Title I	84.425D	S425D210027	3/19/20-9/30/23	303,946	(100)	100						(100)	100		-	
Learning Acceleration	84.425D	S425D210027	3/19/20-9/30/23	25,000	(18,775)	25				18,750		(25)	25		-	
Mental Health	84.425D	S425D210027	3/19/20-9/30/23	45,000	(8,625)	25				8,600		(25)	25		-	
<i>ESF Cluster</i>											<u>214,419</u>					
Total Special Revenue Fund					<u>(1,530,587)</u>	<u>374,851</u>	<u>7</u>	<u>-</u>	<u>-</u>	<u>1,791,851</u>	<u>825,099</u>	<u>(374,471)</u>	<u>185,487</u>	<u>7</u>	<u>(188,984)</u>	
Total Federal Financial Assistance					<u>\$ (1,530,587)</u>	<u>\$ 374,851</u>	<u>\$ 7</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,791,851</u>	<u>\$ 825,099</u>	<u>\$ (374,471)</u>	<u>\$ 185,487</u>	<u>\$ 7</u>	<u>\$ (188,984)</u>	

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GLEN ROCK PUBLIC SCHOOLS
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2022			Cash Received	Budgetary Expenditures	Repayment of Prior Year's Balance	Balance June 30, 2023			Memorandum	
				(Accounts Receivable)	Unearned Revenue	Due to Grantor				(Accts. Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Budgetary Expenditures
State Department of Education														
General Fund														
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	\$ 2,335,685				\$ 2,117,734	\$ 2,335,685		\$ (217,951)			\$	2,335,685
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	1,851,691	\$ (163,365)			163,365							
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	201,595				182,784	201,595		(18,811)				201,595
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	201,595	(17,786)			17,786							
								<u>2,537,280</u>						
State Aid Public Cluster														
Transportation	23-495-034-5120-014	7/1/22-6/30/23	131,824				119,523	131,824		(12,301)				131,824
Transportation	22-495-034-5120-014	7/1/21-6/30/22	131,824	(11,630)			11,630							
Extraordinary Aid	23-100-034-5120-044	7/1/22-6/30/23	901,100					901,100		(901,100)				901,100
Extraordinary Aid	22-100-034-5120-044	7/1/21-6/30/22	918,685	(918,685)			918,685							
Lead Testing for Schools Aid	22-495-034-5120	7/1/21-6/30/22	10,083	(10,083)			10,083							
School Security Grant	N/A	7/1/20-6/30/21	142,792	(142,792)			142,792							
On-Behalf TPAF Pension System Contr. (Non-Budgeted)														
Normal	23-495-034-5094-002	7/1/22-6/30/23	8,137,560				8,137,560	8,137,560						8,137,560
NCGI Premium	23-495-034-5094-004	7/1/22-6/30/23	112,899				112,899	112,899						112,899
Post Retirement Medical Contribution	23-495-034-5094-001	7/1/22-6/30/23	2,167,376				2,167,376	2,167,376						2,167,376
Long Term Disability	23-495-034-5094-004	7/1/22-6/30/23	3,312				3,312	3,312						3,312
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/22-6/30/23	1,782,144	-	-	-	1,782,144	1,782,144	-	-	-	-	-	1,782,144
Total General Fund				<u>(1,264,341)</u>	<u>-</u>	<u>-</u>	<u>15,887,673</u>	<u>15,773,495</u>	<u>-</u>	<u>(1,150,163)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,773,495</u>
Special Revenue Fund														
New Jersey Non-Public Aid:														
Textbook	23-100-034-5120-064	7/1/22-6/30/23	13,002				13,002	12,274				\$ 728		12,274
Nursing	23-100-034-5120-070	7/1/22-6/30/23	22,176				22,176	22,176						22,176
Technology	23-100-034-5120-373	7/1/22-6/30/23	8,274				8,274	8,274						8,274
Technology	22-100-034-5120-373	7/1/21-6/30/22	9,702		\$ 26				\$ 26					
Security	23-100-034-5120-509	7/1/22-6/30/23	40,590				40,590	40,584					6	40,584
Security	22-100-034-5120-509	7/1/21-6/30/22	40,950			1,226			1,226					
SDA Emergent and Capital Maintenance Needs	N/A	7/1/22-6/30/23	62,253				62,253	35,630				\$ 26,623		35,630
Auxiliary Services:														
Compensatory Education	23-100-034-5120-067	7/1/22-6/30/23	51,392				51,392	44,078					7,314	44,078
Compensatory Education	22-100-034-5120-067	7/1/21-6/30/22	49,269			9,943			9,943					
ESL	23-100-034-5120-067	7/1/22-6/30/23	10,023				10,023	2,005					8,018	2,005
ESL	22-100-034-5120-067	7/1/21-6/30/22	4,111			2,558			2,558					
								<u>46,083</u>						
Auxiliary Services: Cluster														
Home Instruction	N/A	7/1/22-6/30/23	214					214		(214)			\$ (214)	214
Handicapped Services:														
Examination	23-100-034-5120-066	7/1/22-6/30/23	34,124				34,124	25,972					8,152	25,972
Examination	22-100-034-5120-066	7/1/21-6/30/22	27,679			10,237			10,237					
Supplemental Instruction	23-100-034-5120-066	7/1/22-6/30/23	21,476				21,476	17,016					4,460	17,016
Supplemental Instruction	22-100-034-5120-066	7/1/21-6/30/22	20,650			7,434			7,434					
Corrective Speech	23-100-034-5120-066	7/1/22-6/30/23	25,947				25,947	19,158					6,789	19,158
Corrective Speech	22-100-034-5120-066	7/1/21-6/30/22	27,900			12,276			12,276					
								<u>62,146</u>						
Handicapped Services: Cluster														
Total Special Revenue Fund				<u>-</u>	<u>-</u>	<u>43,700</u>	<u>289,257</u>	<u>227,381</u>	<u>43,700</u>	<u>(214)</u>	<u>26,623</u>	<u>35,467</u>	<u>(214)</u>	<u>227,381</u>
Debt Service Fund														
Debt Service Aid	23-495-034-5120-075	7/1/22-6/30/23	1,143,264				1,143,264	1,143,264						1,143,264
Total Debt Service Fund				<u>-</u>	<u>-</u>	<u>-</u>	<u>1,143,264</u>	<u>1,143,264</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,143,264</u>
Total State Financial Assistance- Determination for Single Audit				<u>\$ (1,264,341)</u>	<u>\$ -</u>	<u>\$ 43,700</u>	<u>\$ 17,320,194</u>	<u>\$ 17,144,140</u>	<u>\$ 43,700</u>	<u>\$ (1,150,377)</u>	<u>\$ 26,623</u>	<u>\$ 35,467</u>	<u>\$ (214)</u>	<u>\$ 17,144,140</u>
Less: On-Behalf TPAF Pension System Contributions (Non-Budgeted)														
Normal								\$ 8,137,560						
NCGI Premium								112,899						
Post Retirement Medical Contribution								2,167,376						
Long Term Disability								3,312						
Amount Utilized to Determine Major Programs								<u>\$ 6,722,993</u>						

**GLEN ROCK PUBLIC SCHOOLS
 NOTES TO THE SCHEDULES OF EXPENDITURES OF
 FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOTE 1 REPORTING ENTITY

The Glen Rock Public Schools (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 a decrease of \$38,697 for the general fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board’s financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 15,734,798	\$ 15,734,798
Special Revenue Fund	\$ 825,099	227,381	1,052,480
Debt Service Fund	-	1,143,264	1,143,264
Total Financial Assistance	<u>\$ 825,099</u>	<u>\$ 17,105,443</u>	<u>\$ 17,930,542</u>

**GLEN ROCK PUBLIC SCHOOLS
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 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 \$1,782,144 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 \$8,250,459, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,167,376 and TPAF Long-Term Disability Insurance in the amount of \$3,312 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 payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

NOTE 8 DE MINIMIS INDIRECT COST RATE

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

**GLEN ROCK PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 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 deficiencies identified that are not considered to be material weaknesses? _____ yes X no

Noncompliance material to basic financial statements noted? _____ yes X no

Federal Awards Section

Internal Control over major programs:

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

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

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

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

Identification of major federal programs:

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

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

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

**GLEN ROCK PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Part I – Summary of Auditor’s Results

State Awards Section

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

Internal Control over compliance:

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

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

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08, as amended? yes X none reported

Identification of major programs:

<u>State Grant/Project Number (s)</u>	<u>Name of State Program</u>
23-495-034-5120-089	Special Education Aid
23-495-034-5120-084	Security Aid
23-495-034-5094-003	Reimbursed TPAF Social Security

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

Auditee qualified as low-risk auditee? X yes no

**GLEN ROCK PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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.

**GLEN ROCK PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
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 the U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

There are none.

CURRENT YEAR STATE AWARDS

There are none.

**GLEN ROCK PUBLIC SCHOOLS
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 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*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

There were none.