

**RIDGEWOOD BOARD OF EDUCATION**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

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

**Ridgewood Board of Education**  
**Ridgewood, New Jersey**

**ANNUAL COMPREHENSIVE**

**FINANCIAL REPORT**

**of the**

**Ridgewood Board of Education**

**Village of Ridgewood, New Jersey**

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

**Prepared by**

**Ridgewood Board of Education**

**Business Office**

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## **INTRODUCTORY SECTION**



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# RIDGEWOOD

## PUBLIC SCHOOLS

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Interim Superintendent  
Education Center  
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Ridgewood, NJ 07450  
201-670-2700 x 10530  
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Honorable President and Members  
of the Board of Education  
Village of Ridgewood School District  
County of Bergen  
Ridgewood, NJ

Dear Board Members:

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

The Annual Comprehensive Financial Report is presented in four sections as follows:

- The Introductory Section contains a Table of Contents, Letter of Transmittal, Organizational Chart and a List of Principal Officials of the District;
- The Financial Section begins with the Independent Auditor's Report and includes the Management's Discussion and Analysis, the Basic Financial Statements including the district-wide financial statements presented in accordance with the provisions of the *Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. The basic financial statements also include individual fund financial statements, notes to the Financial Statements and Required Supplementary Information (RSI).
- The Statistical Section includes selected financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information of the District, generally presented on a multi-year basis;
- The Single Audit Section – The District is required to undergo an annual single audit in conformity with the provisions of the U.S. Uniform Guidance, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the single audit section of this report.



## Reporting Entity and Its Services

The Village of Ridgewood School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB No. 14. All funds of the District are included in this report. The Village of Ridgewood Board of Education and all its schools constitute the District's reporting entity. The District consists of one high school, two middle schools, seven elementary schools, and an administration building.

The District provides education to approximately 5,565 students in grades kindergarten through twelve as well as a pre-k disabled program.

An elected five-member Board of Education (the "Board") serves as the policy maker for the District. The Board adopts an annual budget and directly approves all expenditures, which serve as the basis for control over, and authorization for, all expenditures of the District's tax money.

The Superintendent is the chief executive officer of the District, responsible to the Board for total educational and support operations. The Business Administrator/Board Secretary is the chief financial officer of the District, responsible to the Board for maintaining all financial records, making payments of liabilities incurred by the District, acting as custodian of all District funds, and investing funds as permitted by New Jersey law.

## Economic Conditions and Outlook

The District completed the 2021-2022 school fiscal year with an average daily enrollment of 5,565 students, which is 11 students less than the previous year's average daily student enrollment. The following details the changes in the average daily student enrollment of the District over the last eight years.

Fiscal Year	Average Daily Student Enrollment	% Change
2021-22	5,565	-0.99%
2020-21	5,576	-2.07%
2019-20	5,694	0.74%
2018-19	5,652	-0.21%
2017-18	5,664	0.09%
2016-17	5,659	0.07%
2015-16	5,655	0.09%
2014-15	5,650	-1.17%
2013-14	5,717	-0.59%

**Economic Conditions and Outlook**  
**(Continued)**

The District's actual enrollment on October 15, 2021 was 5,565, a decrease of approximately 11 students from October 2020.

The District's primary funding source is property tax revenue. As a result, the District, along with many other public-school systems in the State, faces some difficult economic situations in the future. General fund Budget expenditures increased by 9.79% The local tax levy increased by 1.99%. The District's administration is closely monitoring the cost of operations and continues to look for innovative ways to contain costs in addition to new funding sources in order to maintain the quality educational services that the District has been accustomed to providing. The District remains accountable to the residents and taxpayers and attributes much of its past education success to the community's demand for, and support of a quality school system.

**Educational Program**

The mission statement for the Ridgewood Public Schools is as follows:

***The Ridgewood Public Schools, committed to a tradition of excellence and innovation, in partnership with the community, provide a rich and challenging learning environment, enabling students to maximize their unique potentials to become life-long learners and productive, responsible citizens.***

The Ridgewood Public School system is composed of seven elementary schools (Pre-K-5), two middle schools (6-8), and one high school (9-12), serving approximately 5,565 students. All public schools are accredited by the New Jersey Department of Education.

To maintain and advance instructional excellence, the District promotes comprehensive programs of staff and curriculum development. Our staff development and curriculum improvement efforts have focused on balanced literacy, mathematics, science and technology in alignment with the Common Core State Standards.

Ridgewood High School is a comprehensive high school, grades 9-12, which attempts to meet the needs of all students. It is also an institution with a long-standing tradition of providing a sound and challenging academic program for college-bound students. The present school population is 1,559. The high school is the largest in Bergen County. The class of 2022 included 375 students. The following page details the post-graduation plans for this class.

<b>Post- Secondary Plans: Class of 2022</b>	
4-Year Colleges	94.6%
2-Year Colleges	1.7%

The Class of 2022 received acceptances from the following colleges and universities:

## **COLLEGES ATTENDING – Class of 2022**

American University--3  
Amherst College--1  
Andrews University--1  
Arizona State University--1  
Babson College--1  
Bard College--1  
Bergen Community College--11  
Berklee College of Music--1  
Binghamton University--2  
Bloomsburg University of PA--1  
Boston College--4  
Boston University--5  
Bowdoin College--2  
Brigham Young University--1  
Brown University--2  
Bucknell University--8  
Carnegie Mellon University--1  
Case Western Reserve University--1  
Champlain College--1  
Clark University--1  
Clemson University--4  
Colby College--1  
Colgate University--5  
College of Charleston--1  
College of the Holy Cross--4  
Connecticut College--2  
Cornell University--5  
Culinary Institute of America--1  
CUNY Hunter College--1  
Davidson College--1  
Drexel University--2  
Elizabethtown College--1  
Elon University--8  
Emerson College--1  
Emory University--3  
Fairfield University--4  
Fairleigh Dickinson University--1  
Florida Atlantic University--1  
Florida Gulf Coast University--1  
Florida Southern College--1  
Fordham University--5  
Franklin and Marshall College--3  
Furman University--1  
George Washington University--4  
Georgetown University--2  
Georgia Institute of Technology--1  
Gettysburg College--4  
Gwinnett Technical College--1  
Harvard University--1  
High Point University--1  
Indiana University-Bloomington--11  
Iona College--2  
Ithaca College--4  
James Madison University--3  
Kean University--1  
Kent State University--1  
King's College--1  
Lafayette College--1  
Lehigh University--13  
Liberty University--1  
Loyola University Chicago--1  
Loyola University Maryland--2  
Manhattan College--2  
Marist College--6  
Marquette University--1  
Massachusetts College of Pharmacy & Health Sciences--1  
Massachusetts Institute of Technology--1  
McGill University--3  
Michigan State University--4  
Monmouth University--3  
Montclair State University--13  
Moravian University--1  
Mount St. Mary's University--1  
New Jersey Institute of Technology--2  
New York University--6  
Northeastern University--3  
Northwestern University--1  
Ocean County College--1  
Pace University, NYC Campus--1  
Pace University, Westchester Campus--1  
Pennsylvania State University-Main Campus--9  
Pepperdine University--1  
Pratt Institute-Main--2  
Princeton University--2  
Providence College--5  
Purdue University--4  
Quinnipiac University--1  
Ramapo College of New Jersey--6  
Rensselaer Polytechnic Institute--2  
Rhode Island College--1  
Rhode Island School of Design--1  
Rochester Institute of Technology--2  
Rockland Community College--1  
Rowan University--2  
Rutgers University-New Brunswick--31  
Rutgers University-Newark--2  
Sacred Heart University--4  
Saint Louis University-Madrid Campus--1  
Saint Michael's College--1  
Salisbury University --2  
San Diego State University--4  
Sarah Lawrence College--1  
Savannah College of Art & Design--1  
Seton Hall University--3  
Skidmore College--2  
Smith College--1  
Southern Methodist University--1  
Stevens Institute of Technology--11  
Stevenson University--1  
Stony Brook University--2  
Susquehanna University--1  
Syracuse University--11  
The College of New Jersey--5  
The College of Wooster--1  
The New School--1  
The University of Alabama--1  
The University of North Carolina Chapel Hill--1  
The University of Tampa--4  
The University of Tennessee-Knoxville--1  
The University of Texas at Austin--1  
Tufts University--3  
Tulane University of Louisiana--3  
United States Air Force Academy--1  
United States Military Academy--3  
United States Naval Academy--1  
Universidad Antonio de Nebrija--1  
University of Arizona--2  
University of British Columbia--1  
University of California-Berkeley--1  
University of California-Los Angeles--2  
University of California-San Diego--1  
University of Colorado Boulder--6  
University of Connecticut--1  
University of Delaware--7  
University of Illinois at Urbana-Champaign--1  
University of Maryland-College Park--4  
University of Massachusetts-Amherst--7  
University of Massachusetts-Boston--1  
University of Miami--4  
University of Michigan-Ann Arbor--2  
University of Mississippi--3  
University of Notre Dame--1  
University of Oregon--1  
University of Pennsylvania--2  
University of Pittsburgh--3  
University of Rhode Island--2  
University of Richmond--2  
University of Rochester--1  
University of South Carolina-Columbia--2  
University of Vermont--5  
University of Washington-Seattle Campus--1  
University of Wisconsin-Madison--7  
Vanderbilt University--2  
Vassar College--1  
Villanova University--3  
Virginia Polytechnic Institute and State University--6  
Wake Forest University--2  
Washington University in St Louis--2  
Wellesley College--1  
Widener University--1  
William & Mary--1  
William Paterson University of NJ--1  
Wofford College--1

## Major Initiatives

### Capital Projects

The District continued retrofitting existing Alerton Controls to New Honeywell BA CNET Open Controls in the following locations: Willard Elementary School, The District Educational Center. The district also completed two capital projects with renovations to the High School STEM Lab, T.V. Studio, and the High School Foods Lab.

### In District Special Education Classes

The District offers specialized classes for students with disabilities that are located in-district. At Glen School, the Ridgewood Early Development (RED) classes offer a comprehensive educational experience for a child who has been identified as a preschool disabled student, ages 3-5 that focuses on skill development within the social, motor, cognitive, and communications domains. The district also offers Language Learning Disabled (LLD) classes at Ridgewood High School, George Washington Middle School, Benjamin Franklin Middle School, Willard Elementary and Hawes Elementary School. The District's ABA-Based program, Ridgewood Intensive Services (RISe), is offered at Ridgewood High School, George Washington Middle School, Ridge Elementary and Glen School. Additionally, Strategic Actions for Innovative Learning (SAIL) is the District's multiply disabled program and is offered at Ridgewood High School, Benjamin Franklin Middle School, and Hawes Elementary School. The Ridgewood NOVA Program is a self-contained class designed for students with behavioral disabilities who are dysregulated emotionally/behaviorally and is offered at Somerville Elementary School. The District's transition to adulthood class, School Transition and Employment Program for Student Success (STEPSS) offers students ages 18-21-year-old who have met state graduation requirements, but continue to need more time and skill development before entering independent or interdependence adulthood.

These classes provide Ridgewood students with the opportunity to remain in the Ridgewood Public School system rather than be sent to potentially more restrictive out-of-district specialized schools for the disabled. In-district programs provide these students with disabilities additional inclusive opportunities to learn and work alongside their non-disabled peers in regular education classes and non-academic activities in their home school buildings when appropriate.

## Financial Information

**Internal Accounting Controls:** Management of the District is responsible for establishing and maintaining internal control designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Internal control 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 awards and state financial assistance, the District also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws, regulations, contracts and grants related to those programs. Internal control is also subject to periodic evaluation by the District's management.

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

**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, special revenue fund and 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 re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as committed or assigned fund balance on June 30, 2022.

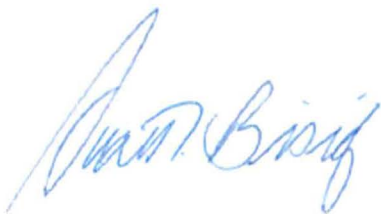
**Cash Management:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements". The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions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

**Risk Management:** The District 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. A schedule of insurance coverage is found in Exhibit J-20.

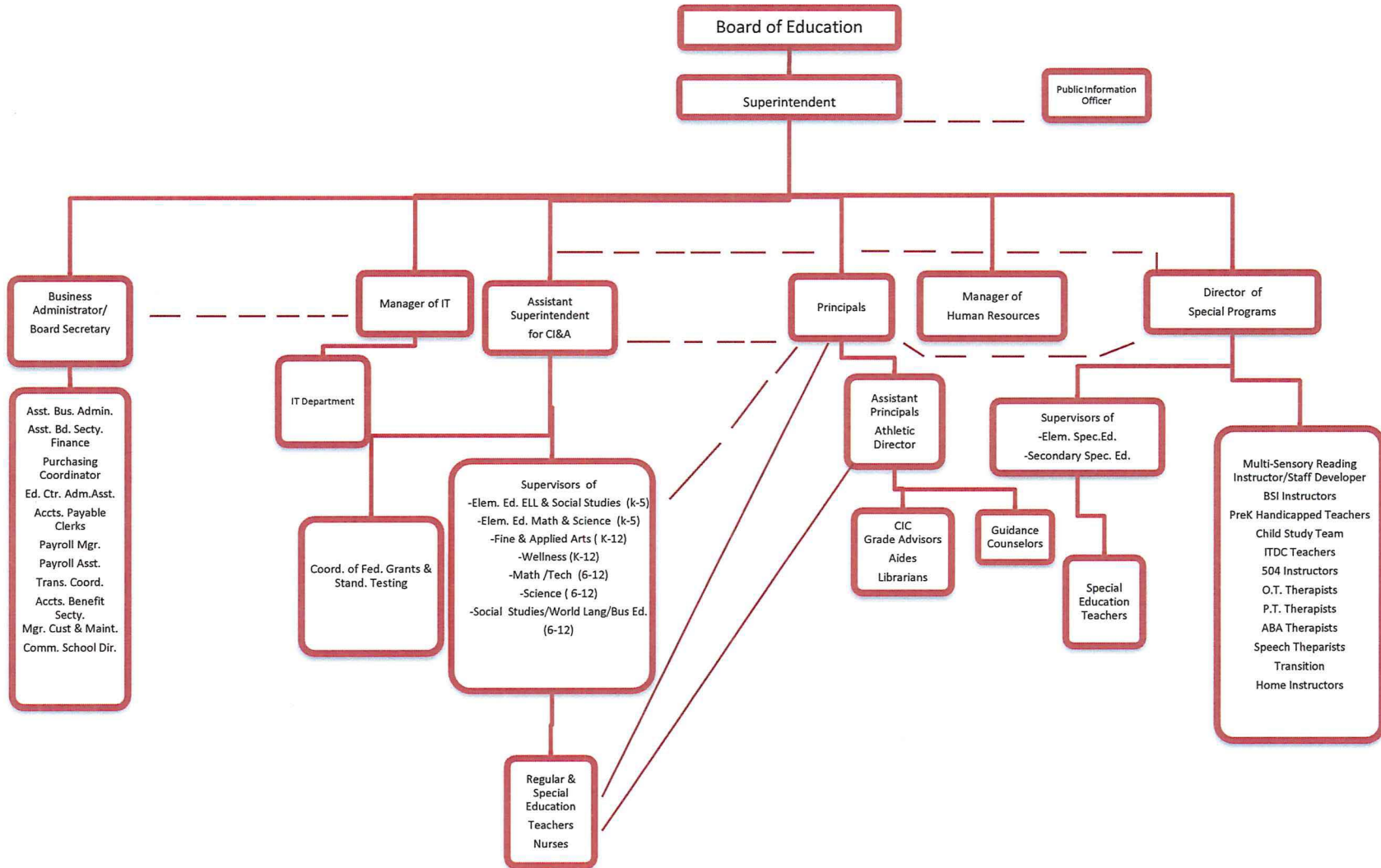
**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci and Bliss, LLP was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the U.S. Uniform Guidance, and New Jersey OMB's Circular 15-08. The auditor's report on the basic financial statements and specific required supplemental information 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 Village of Ridgewood School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the 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,



Scott T. Bisig, M.Ed.  
Business Administrator/Board Secretary



RIDGEWOOD BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30 2022

**Members of the Board of Education**

Ms. HyunJu Kwak, President

Mr. Michael Lembo, Vice President

Ms. Sheila Brogan, Trustee

Mr. Saurabh Dani, Trustee

Mr. Muhammad Mahmoud, Trustee

**Other District Officials June 30, 2022**

Dr. Thomas Gorman, Ed. D. Superintendent

Ms. Stacie Poelstra, Assistant Superintendent

Mr. Scott T. Bisig, M.Ed., School Business Administrator

Mr. Angelo DeSimone, Treasurer

RIDGEWOOD BOARD OF EDUCATION

CONSULTANT AND ADVISORS

JUNE 30 2022

**Independent Auditor**

Lerch, Vinci & Bliss, L.L.P.

17-17 Route 208

Fair Lawn, New Jersey, 07410

**Attorney**

Clearly, Giacobbe, Alfieri, Jacobs, L.L.C.

169 Ramapo Valley Road

Upper Level – Suite 105

Oakland New Jersey, 07436

**Official Depositories**

Columbia Savings Bank

19-01 Route 208 North

Fair Lawn, New Jersey, 07410



**FINANCIAL SECTION**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

## **INDEPENDENT AUDITOR'S REPORT**

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

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

#### ***Opinions***

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

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

#### ***Basis for Opinions***

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

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

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

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

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

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

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

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

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

## ***Required Supplementary Information***

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

### ***Supplementary Information***

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

### ***Other Information***

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

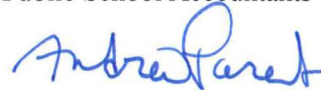
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If,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

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

In accordance with Government Auditing Standards, we have also issued our report dated February 23, 2023 on our consideration of the Ridgewood Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Ridgewood Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Ridgewood Board of Education's internal control over financial reporting and compliance.



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



Andrew D. Parente  
Public School Accountant  
PSA Number CS00224600

Fair Lawn, New Jersey  
February 23, 2023

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

# RIDGEWOOD BOARD OF EDUCATION

## Management Discussion and Analysis

### Fiscal Year Ended June 30, 2022

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

### FINANCIAL HIGHLIGHTS

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

- The assets and deferred outflows of resources of the Ridgewood Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$62,821,260 (Net Position).
- Overall District revenues were \$143,133,249 and were \$11,467,313 more than overall Board expenses of \$131,665,936. General revenues accounted for \$104,948,181 or 73% of all revenues. Program specific revenues in the form of charges for services, grants and contributions account for \$38,185,068 or 27% of total revenues and special items.
- The School District had \$128,104,694 in expenses for governmental activities; only \$33,901,231 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$104,947,809 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$22,464,188. Of that amount, \$2,184,312 (10%) is available for spending at the District's discretion (unassigned fund balance).
- The General Fund unassigned GAAP basis fund balance was \$2,184,312 at June 30, 2022, a decrease of \$52,648 when compared with the beginning unassigned GAAP basis fund balance at July 1, 2021 of \$2,236,960.
- The General Fund unassigned budgetary basis fund balance at June 30, 2022 was \$5,633,750 which represents an increase of \$208,975 compared to the ending unassigned budgetary basis fund balance at June 30, 2021 of \$5,424,775.

# RIDGEWOOD BOARD OF EDUCATION

## Management Discussion and Analysis

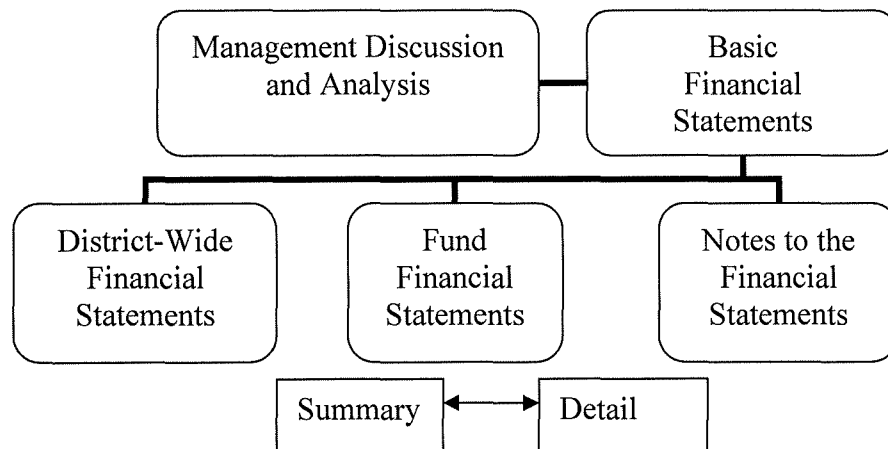
Fiscal Year Ended June 30, 2022

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



# RIDGEWOOD BOARD OF EDUCATION

## Management Discussion and Analysis

### Fiscal Year Ended June 30, 2022

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

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

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
<b>Scope</b>	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as instruction; building maintenance, transportation, and administration.	Activities the district operates similar to private businesses; food service.
<b>Required Financial Statements</b>	Statements of Net Position Statement of Activities	Balance Sheet Statements of Revenues Expenditures and changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses and Changes in Fund Net Position Statement of Cash Flows
<b>Accounting Basis and Measurement Focus</b>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
<b>Type of Asset, Liabilities and Deferred Inflows/outflows Information</b>	All assets, liabilities and deferred outflows/inflows of resources, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, liabilities and deferred outflows/inflows of resources, both financial and capital, short-term and long-term
<b>Type of Inflow/Outflow Information</b>	All revenues and expenses during the year, regardless of when cash is received and the related liability is due and payable	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.



# RIDGEWOOD BOARD OF EDUCATION

## Management Discussion and Analysis

Fiscal Year Ended June 30, 2022

### District-Wide Statements

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

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

- Over time, increases or decreases in the District's net position is an indicator of whether its financial condition 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 statement's the District's activities are shown in two categories:

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration, and community education. Property taxes and State and Federal aids finance most of these activities.
- *Business-type activities* – The District charges fees to customers to help it cover the costs of certain services it provides. The District's food service, infant/toddler development, technology initiative and photography lab fee programs are 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 by bond covenants.
- The District uses other funds, established in accordance with the State of New Jersey Uniform Chart of Accounts, to control and manage money for particular purposes (e.g. repaying its long-term debts) or to show that it is properly using certain revenues (e.g. Federal funds).

# RIDGEWOOD BOARD OF EDUCATION

## Management Discussion and Analysis

Fiscal Year Ended June 30, 2022

### 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 resources* that can readily be converted to cash, flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District’s programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.
  - *Enterprise Funds* – These funds are established to account for operations that are financed and operated in a manner similar to private business enterprises. The state intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has four enterprise funds for its food service operations, infant toddler development, technology’s initiative and photography lab fee programs.

### 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 financial statements.

# RIDGEWOOD BOARD OF EDUCATION

## Management Discussion and Analysis

Fiscal Year Ended June 30, 2022

### Other Information

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

Combining statements and schedules are presented immediately following the major budgetary comparisons and pension information.

### FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

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

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

**Net Position.** The District's *combined* net position was \$62,821,260 and \$51,353,947, as restated, on June 30, 2022 and 2021, respectively.

# RIDGEWOOD BOARD OF EDUCATION

## Management Discussion and Analysis

### Fiscal Year Ended June 30, 2022

Table 1  
Net Position  
as of June 30, 2022 and 2021

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Assets</b>						
Current and Other Assets	\$ 25,006,719	\$ 16,552,396	\$ 624,335	\$ (127,336)	\$ 25,631,054	\$ 16,425,060
Capital Assets						
Net of Accumulated Depreciation	<u>93,313,108</u>	<u>95,255,465</u>	<u>167,922</u>	<u>127,413</u>	<u>93,481,030</u>	<u>95,382,878</u>
Total Assets	<u>118,319,827</u>	<u>111,807,861</u>	<u>792,257</u>	<u>77</u>	<u>119,112,084</u>	<u>111,807,938</u>
<b>Deferred Outflows of Resources</b>						
Deferred Amounts on Refunding of Debt	2,025,901	2,297,064			2,025,901	2,297,064
Deferred Amount on Net Pension Liability	<u>582,796</u>	<u>969,147</u>	<u>-</u>	<u>-</u>	<u>582,796</u>	<u>969,147</u>
Total Deferred Outflows of Resources	<u>2,608,697</u>	<u>3,266,211</u>	<u>-</u>	<u>-</u>	<u>2,608,697</u>	<u>3,266,211</u>
<b>Liabilities</b>						
Non Current Liabilities	49,904,518	55,341,836			49,904,518	55,341,836
Other Liabilities	<u>2,928,208</u>	<u>2,518,030</u>	<u>192,205</u>	<u>122,992</u>	<u>3,120,413</u>	<u>2,641,022</u>
Total Liabilities	<u>52,832,726</u>	<u>57,859,866</u>	<u>192,205</u>	<u>122,992</u>	<u>53,024,931</u>	<u>57,982,858</u>
<b>Deferred Inflows of Resources</b>						
Deferred Amount on Net Pension Liability	<u>5,874,590</u>	<u>5,737,344</u>	<u>-</u>	<u>-</u>	<u>5,874,590</u>	<u>5,737,344</u>
Total Deferred Inflows of Resources	<u>5,874,590</u>	<u>5,737,344</u>	<u>-</u>	<u>-</u>	<u>5,874,590</u>	<u>5,737,344</u>
<b>Net Position</b>						
Net Investment in						
Capital Assets	55,088,671	54,875,869	167,922	127,413	55,256,593	55,003,282
Restricted	12,719,771	8,869,817			12,719,771	8,869,817
Unrestricted (Deficit)	<u>(5,587,234)</u>	<u>(12,268,824)</u>	<u>432,130</u>	<u>(250,328)</u>	<u>(5,155,104)</u>	<u>(12,519,152)</u>
Total Net Position	<u>\$ 62,221,208</u>	<u>\$ 51,476,862</u>	<u>\$ 600,052</u>	<u>\$ (122,915)</u>	<u>\$ 62,821,260</u>	<u>\$ 51,353,947</u>

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

# RIDGEWOOD BOARD OF EDUCATION

## Management Discussion and Analysis

### Fiscal Year Ended June 30, 2022

The District's total net position of \$62,821,260 at June 30, 2022 represents a \$11,467,313 or 22%, increase from the prior year. The following shows changes in net position for the fiscal years 2022 and 2021.

Table 2  
Change in Net Position  
for the Fiscal Years Ended June 30, 2022 and 2021

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Revenues and Special Items</b>						
Program Revenues:						
Charge for Services	\$ 2,152,436	\$ 1,121,858	\$ 4,283,837	\$ 924,449	\$ 6,436,273	\$ 2,046,307
Operating Grants and Contributions	30,863,417	42,155,692			30,863,417	42,155,692
Capital Grants and Contributions	885,378				885,378	-
General Revenues:						
Property Taxes	102,700,867	100,322,919			102,700,867	100,322,919
Federal and State Aid - Restricted	79,354	135,122			79,354	135,122
Other	2,167,588	1,608,621	372	713	2,167,960	1,609,334
Total Revenues	<u>138,849,040</u>	<u>145,344,212</u>	<u>4,284,209</u>	<u>925,162</u>	<u>143,133,249</u>	<u>146,269,374</u>
<b>Program Expenses</b>						
Instruction						
Regular	51,831,793	59,398,476			51,831,793	59,398,476
Special Education	19,721,497	21,989,929			19,721,497	21,989,929
Other Instruction	4,196,910	4,009,983			4,196,910	4,009,983
School Sponsored Activities and Athletics	2,497,556	2,468,142			2,497,556	2,468,142
Support Services:						
Student and Instruction Related Services	21,786,137	22,789,290			21,786,137	22,789,290
General Administration,	1,214,503	1,404,133			1,214,503	1,404,133
School Administration	5,483,087	6,287,612			5,483,087	6,287,612
Central Services	1,571,218	1,771,767			1,571,218	1,771,767
Administration Information Technology	1,488,798	1,184,993			1,488,798	1,184,993
Plant Operations and Maintenance	13,464,667	13,051,420			13,464,667	13,051,420
Pupil Transportation	3,458,189	2,898,396			3,458,189	2,898,396
Interest and Other Charges on Debt	1,390,339	1,451,652			1,390,339	1,451,652
Food Service			2,470,754	356,127	2,470,754	356,127
Infant/Toddler Development			1,032,357	977,939	1,032,357	977,939
Technology Initiative	-	-	58,131	88,505	58,131	88,505
Total Expenses	<u>128,104,694</u>	<u>138,705,793</u>	<u>3,561,242</u>	<u>1,422,571</u>	<u>131,665,936</u>	<u>140,128,364</u>
Change in Net Position	10,744,346	6,638,419	722,967	(497,409)	11,467,313	6,141,010
Net Position, Beginning of Year	<u>51,476,862</u>	<u>45,608,481</u>	<u>(122,915)</u>	<u>374,494</u>	<u>51,353,947</u>	<u>45,982,975</u>
Prior Period Adjustment	-	(770,038)	-	-	-	(770,038)
Net Position, End of Year	<u>\$ 62,221,208</u>	<u>\$ 51,476,862</u>	<u>\$ 600,052</u>	<u>\$ (122,915)</u>	<u>\$ 62,821,260</u>	<u>\$ 51,353,947</u>

# RIDGEWOOD BOARD OF EDUCATION

## Management Discussion and Analysis

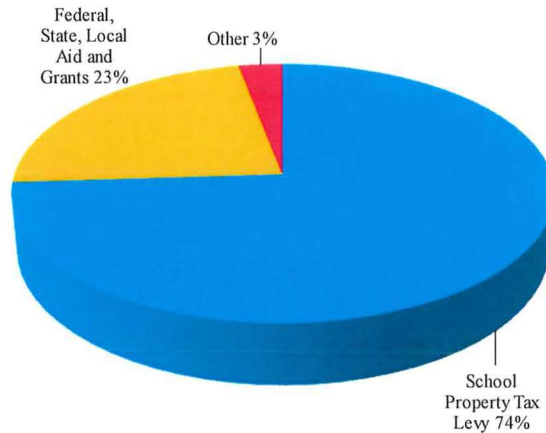
### Fiscal Year Ended June 30, 2022

**Governmental Activities.** The District's total governmental activities' revenues which includes State and Federal grants, were \$138,849,040 for the year ended June 30, 2022, property taxes of \$102,700,867 represented 74% of revenues. Another significant portion of revenues came from grant aid; total State, Federal and Local Aid and Grants were \$31,828,149 and represented 23% of revenues. In addition, revenue in the amount of \$4,320,024 (3%) was earned from tuition, fees and miscellaneous income which includes items such as interest, prior year refunds and other miscellaneous items.

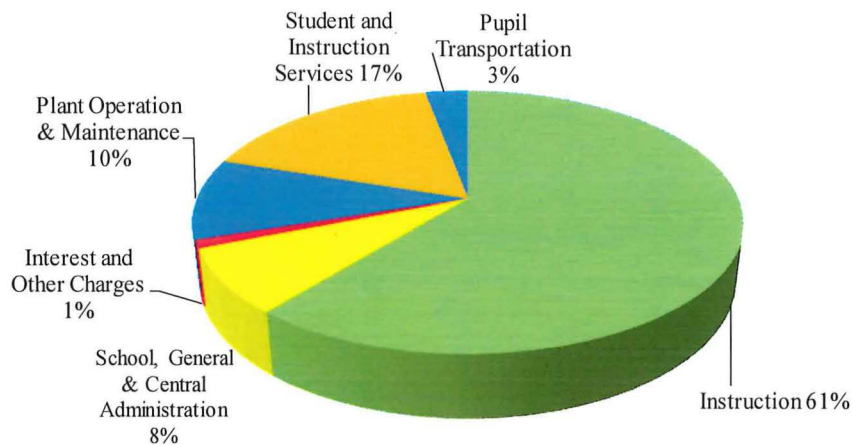
The total cost of all governmental activities programs and services was \$128,104,694. The district's expenses are predominantly related to educating and caring for students. Instruction totaled \$78,247,756 (61%) of total expenses. Support services, totaled \$48,466,599 (38%) of total expenses. The remaining expenses were for interest costs on long-term debt outstanding in the amount of \$1,390,339 (1%).

Total governmental activities revenues exceeded expenses and transfers out increasing net position by \$10,744,346 from the previous year.

**Revenues by Type – Governmental Activities  
For Fiscal Year 2022**



**Expenses by Type – Governmental Activities  
For Fiscal Year 2022**



# RIDGEWOOD BOARD OF EDUCATION

## Management Discussion and Analysis

### Fiscal Year Ended June 30, 2022

**Total and Net Cost of Governmental Activities.** The District's total cost of services for the fiscal years ended June 30, 2022 and 2021 were \$128,104,694 and \$138,705,793, respectively. After applying program revenues derived from operating and capital grants and contributions of \$31,748,795 and \$42,155,692 and charges for services of \$2,152,436 and \$1,121,858, the net cost of services of the District is \$94,203,463 and \$96,439,186, respectively.

**Table 3**  
**Total and Net Cost of Governmental Activities**  
**for the Fiscal Year Ended June 30, 2022 and 2021**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Instruction				
Regular	\$ 51,831,793	\$ 59,398,476	\$ 37,653,550	\$ 38,965,294
Special Education	19,721,497	21,989,929	8,862,189	11,277,880
Other Instruction	4,196,910	4,009,983	3,170,582	2,440,572
School Sponsored Activities and Athletics	2,497,556	2,468,142	1,521,136	1,912,028
Support Services:				
Student and Instructional Related Services	21,786,137	22,789,290	18,282,015	17,197,133
General Administration	1,214,503	1,404,133	1,187,093	1,369,143
School Administration	5,483,087	6,287,612	4,421,784	4,564,103
Central Services	1,571,218	1,771,767	1,455,373	1,642,348
Plant Operations and Maintenance	13,464,667	13,051,420	12,132,326	12,277,864
Administrative Information Technology	1,488,798	1,184,993	1,409,948	1,103,160
Pupil Transportation	3,458,189	2,898,396	2,772,273	2,238,009
Interest on Debt	<u>1,390,339</u>	<u>1,451,652</u>	<u>1,335,194</u>	<u>1,451,652</u>
Total Expenses	<u>\$ 128,104,694</u>	<u>\$ 138,705,793</u>	<u>\$ 94,203,463</u>	<u>\$ 96,439,186</u>

# RIDGEWOOD BOARD OF EDUCATION

## Management Discussion and Analysis

### Fiscal Year Ended June 30, 2022

#### Business-Type Activities

The cost of Business-Type Activities for the fiscal year ended June 30, 2022 was \$3,561,242. Food service costs were \$2,470,754 (69%), infant/toddler development costs were \$1,032,357, (29%) and technology initiative costs were \$58,131, (2%). These costs were funded by revenue from charges for services of \$4,283,837, as detailed in the change in net position schedule. Revenues from food service charges for services were \$2,733,621 (64%), infant/toddler development charges for services were \$1,454,886 (34%) technology initiative and photography lab fee charges for services were \$94,535 (2%).

Total business-type activities revenues were more than expenses increasing net position by \$722,967 over the previous year. At June 30, 2022 the net position balance of the food service program was \$252,280, the infant/toddler development program fund net position was \$296,869, the technology initiative fund net position was \$48,488 and the photography lab fee fund net position was \$2,415.

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

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 \$22,464,188 at June 30, 2022 compared to a combined fund balance of \$14,445,044 at June 30, 2021.

Revenues and other financing sources in for the District's governmental funds were \$147,449,854 while total expenditures were \$139,430,710.

#### GENERAL FUND

The General fund includes the primary operations of the District in providing educational services to students from Pre-Kindergarten through Grade 12 including pupil transportation, extra-curricular activities and capital outlay projects.

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

<u>Revenues</u>	<u>Amount</u>		<u>Increase/(Decrease)</u>	
	<u>2022</u>	<u>2021</u>	<u>Amount</u>	<u>Percent</u>
Local Sources	\$ 103,546,002	\$ 100,035,303	\$ 3,510,699	3.51%
State Sources	34,859,348	27,120,948	7,738,400	28.53%
Federal Sources	<u>12,762</u>	<u>22,202</u>	<u>(9,440)</u>	-42.52%
Total	<u>\$ 138,418,112</u>	<u>\$ 127,178,453</u>	<u>\$ 11,239,659</u>	8.84%



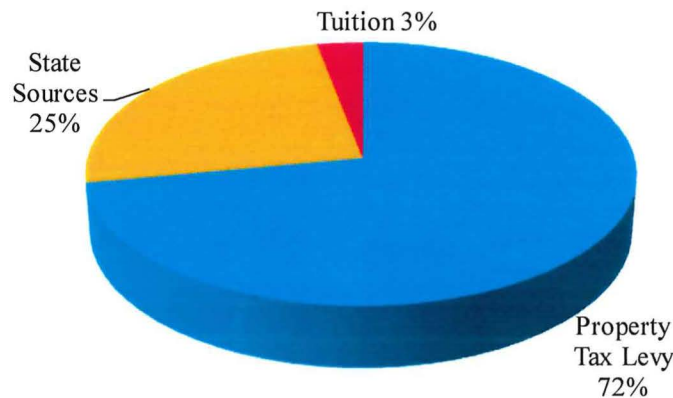
# RIDGEWOOD BOARD OF EDUCATION

## Management Discussion and Analysis

### Fiscal Year Ended June 30, 2022

The majority of revenues come from property taxes which accounted for 72% of total revenue while state sources represented 25% of total revenue for the 2022 fiscal year. Miscellaneous revenues primarily tuition fees represented 3% of the total revenue for the 2022 fiscal year. Federal sources represented less than 1% of total revenues for the 2022 fiscal year.

#### General Fund Revenues by Source For Fiscal Year 2022



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

<u>Expenditures</u>	<u>Amount</u>		<u>Increase/(Decrease)</u>	
	<u>2022</u>	<u>2021</u>	<u>Amount</u>	<u>Percent</u>
Current Expenditures:				
Instruction	\$ 81,539,079	\$ 76,744,532	\$ 4,794,547	6.25%
Support Services	46,176,566	43,269,000	2,907,566	6.72%
Capital Outlay	1,523,926	1,949,512	(425,586)	-21.83%
Debt Service:	1,574,153	1,840,284	(266,131)	-14.46%
Total	<u>\$ 130,813,724</u>	<u>\$ 123,803,328</u>	<u>\$ 7,010,396</u>	5.66%

Total General Fund expenditures increased \$7,010,396 or 6% from the previous year. Instruction represented 63% of total expenditures while support services accounted for 35% and debt service and capital outlay accounted for 2% of total expenditures for the 2022 fiscal year.

# RIDGEWOOD BOARD OF EDUCATION

## Management Discussion and Analysis

### Fiscal Year Ended June 30, 2022

For the 2021-2022 school year General Fund revenues and other financing uses exceeded expenditures by \$8,113,132. After adjusting for restricted and assigned fund balances, the unassigned fund balance decreased from \$2,236,960 at June 30, 2021 to \$2,184,312 at June 30, 2022. In addition, the District ended the June 30, 2022 fiscal year with \$3,636,048 of excess surplus of which \$907,000 was designated for the subsequent year's budget (2022/2023) and \$2,729,048 is designated for the 2023/2024 budget. In addition, the District had restricted fund balances of \$3,815,530 in capital reserve of which \$529,002 was designated for the 2022/23 budget, \$5,223,567 in maintenance reserve and \$1,000,000 in emergency reserve none of which was designated for the 2022/23 budget. The District designated an additional \$2,289,549 for 2022/23 budget.

#### CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital Assets.** At the end of fiscal years 2022 and 2021, the District had \$93,481,030 and \$95,382,878, respectively, invested in land, buildings, furniture, machinery and equipment for both governmental and business-type activities. Depreciation charges for fiscal year 2021-2022 amounted to \$4,028,446 for governmental activities and \$39,155 for business-type activities. The following is a comparison of the June 30, 2022 and 2021 balances.

#### Capital Assets As of June 30, 2022 and 2021

Table 4  
Capital Assets at June 30, 2022 and 2021

	Governmental		Business Type		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 7,435,206	\$ 7,435,206			\$ 7,435,206	\$ 7,435,206
Land Improvements	9,003,521	8,998,821			9,003,521	8,998,821
Buildings and Building Improvements	131,478,514	130,347,222			131,478,514	130,347,222
Right to use Leased Buildings	202,128				202,128	
Machinery and Equipment	<u>7,143,373</u>	<u>6,395,404</u>	<u>\$ 559,464</u>	<u>\$ 479,800</u>	<u>7,702,837</u>	<u>6,875,204</u>
Subtotal	155,262,742	153,176,653	559,464	479,800	155,822,206	153,656,453
Less: Accumulated Depreciation	<u>(61,949,634)</u>	<u>(57,921,188)</u>	<u>(391,542)</u>	<u>(352,387)</u>	<u>(62,341,176)</u>	<u>(58,273,575)</u>
Total Capital Assets,						
Net of Accumulated Depreciation	<u>\$ 93,313,108</u>	<u>\$ 95,255,465</u>	<u>\$ 167,922</u>	<u>\$ 127,413</u>	<u>\$ 93,481,030</u>	<u>\$ 95,382,878</u>

Additional information on the District's capital assets is presented in Note 3 of this report.

# RIDGEWOOD BOARD OF EDUCATION

## Management Discussion and Analysis

### Fiscal Year Ended June 30, 2022

**Debt Administration.** As of June 30, 2022 and 2021 the District had long-term debt and outstanding long-term liabilities in the amount of \$49,904,518 and \$55,341,836, respectively. For fiscal year 2021-2022 total outstanding long-term liabilities decreased by \$5,437,318. The following is a comparison of the June 30, 2022 and 2021 balances.

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

	<u>2022</u>	<u>2021</u>
Serial Bonds (including unamortized premium)	\$ 37,880,967	\$ 40,384,285
Capital Financing Agreements	2,197,818	2,292,501
Leases Payable	171,553	
Net Pension Liability	8,571,240	11,424,535
Compensated Absences	<u>1,082,940</u>	<u>1,240,515</u>
Total	<u>\$ 49,904,518</u>	<u>\$ 55,341,836</u>

Additional information on the District's long-term liabilities is presented in Note 3 of this report.

#### GENERAL FUND BUDGETARY HIGHLIGHTS

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

- Reinstating prior year purchase orders being carried over.
- Appropriation of additional State and Federal Aid.

General Fund budgetary basis revenues and other financing sources exceeded budgetary basis expenditures by \$8,374,755 during the 2021/22 fiscal year increasing the District's budgetary basis fund balance. The increase was the result of additional state aid revenue for special education costs and unexpended appropriation balances in the areas of regular instruction, special education instruction, tuition and health benefits. After deducting restricted and assigned fund balances, the unassigned budgetary fund balance increased \$208,975 from \$5,424,775 at June 30, 2021 to \$5,633,750 at June 30, 2022. The District has retained a capital reserve balance in the amount of \$3,815,530 at June 30, 2022. In addition, the District has a maintenance reserve in the amount of \$5,223,567 and an emergency reserve balance of \$1,000,000 at June 30, 2022.

# **RIDGEWOOD BOARD OF EDUCATION**

## **Management Discussion and Analysis**

**Fiscal Year Ended June 30, 2022**

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

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

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

These indicators were considered when adopting the budget for fiscal year 2022-2023. Budgeted expenditures in the General Fund increased \$5,258,981 to \$118,864,935 for fiscal year 2022-2023.

### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Business Office, Ridgewood Board of Education, Education Center, 49 Cottage Place, Ridgewood, New Jersey 07451.

**DISTRICT-WIDE FINANCIAL STATEMENTS**

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

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 21,524,378	\$ 642,957	\$ 22,167,335
Investments, at Fair Value	2,268,647		2,268,647
Receivables, Net:			
Receivables from Other Governments	1,088,825		1,088,825
Other	70,644	11,440	82,084
Internal Balances	54,225	(54,225)	-
Inventories	-	24,163	24,163
Capital Assets Not Being Depreciated	7,435,206		7,435,206
Capital Assets, Being Depreciated, net	<u>85,877,902</u>	<u>167,922</u>	<u>86,045,824</u>
Total Assets	<u>118,319,827</u>	<u>792,257</u>	<u>119,112,084</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amounts on Refunding of Debt	2,025,901		2,025,901
Deferred Amounts on Net Pension Liability	<u>582,796</u>	<u>-</u>	<u>582,796</u>
Total Deferred Outflows of Resources	<u>2,608,697</u>	<u>-</u>	<u>2,608,697</u>
Total Assets and Deferred Outflows of Resources	<u>120,928,524</u>	<u>792,257</u>	<u>121,720,781</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Current Liabilities	1,443,186	111,629	1,554,815
Accrued Interest Payable	385,677		385,677
Unearned Revenue	1,099,345	80,576	1,179,921
Noncurrent Liabilities			
Due Within One Year	3,109,865		3,109,865
Due Beyond One Year	<u>46,794,653</u>	<u>-</u>	<u>46,794,653</u>
Total Liabilities	<u>52,832,726</u>	<u>192,205</u>	<u>53,024,931</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Amounts on Net Pension Liability	<u>5,874,590</u>	<u>-</u>	<u>5,874,590</u>
Total Deferred Inflows of Resources	<u>5,874,590</u>	<u>-</u>	<u>5,874,590</u>
Total Liabilities and Deferred Inflows of Resources	<u>58,707,316</u>	<u>192,205</u>	<u>58,899,521</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	55,088,671	167,922	55,256,593
Restricted for			
Capital Projects	3,898,072		3,898,072
Facility Maintenance	5,223,567		5,223,567
Other Purposes	3,598,132		3,598,132
Unrestricted (Deficit)	<u>(5,587,234)</u>	<u>432,130</u>	<u>(5,155,104)</u>
Total Net Position	<u>\$ 62,221,208</u>	<u>\$ 600,052</u>	<u>\$ 62,821,260</u>

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities</b>							
Instruction							
Regular	\$ 51,831,793	\$ 1,667,921	\$ 12,129,649	\$ 380,673	\$ (37,653,550)		\$ (37,653,550)
Special Education	19,721,497		10,859,308		(8,862,189)		(8,862,189)
Other Instruction	4,196,910	127,100	899,228		(3,170,582)		(3,170,582)
School Sponsored Activities and Athletics	2,497,556	15,479	960,941		(1,521,136)		(1,521,136)
Support Services					-		
Student and Instruction Related Services	21,786,137		3,504,122		(18,282,015)		(18,282,015)
School Administration Services	5,483,087		1,061,303		(4,421,784)		(4,421,784)
General Administration Services	1,214,503		27,410		(1,187,093)		(1,187,093)
Central Services	1,571,218		115,845		(1,455,373)		(1,455,373)
Administration Information Technology	1,488,798		78,850		(1,409,948)		(1,409,948)
Plant Operations And Maintenance	13,464,667	341,936	485,700	504,705	(12,132,326)		(12,132,326)
Pupil Transportation	3,458,189		685,916		(2,772,273)		(2,772,273)
Interest On Long-Term Debt	1,390,339	-	55,145	-	(1,335,194)	-	(1,335,194)
Total Governmental Activities	<u>128,104,694</u>	<u>2,152,436</u>	<u>30,863,417</u>	<u>885,378</u>	<u>(94,203,463)</u>	<u>-</u>	<u>(94,203,463)</u>
<b>Business-Type Activities</b>							
Food Service	2,470,754	2,733,621	-			\$ 262,867	262,867
Infant/Toddler Development	1,032,357	1,454,886				422,529	422,529
Technology Initiative	58,131	94,535				36,404	36,404
Photography Lab Fee	-	795				795	795
Total Business-Type Activities	<u>3,561,242</u>	<u>4,283,837</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>722,595</u>	<u>722,595</u>
Total Primary Government	<u>\$ 131,665,936</u>	<u>\$ 6,436,273</u>	<u>\$ 30,863,417</u>	<u>\$ 885,378</u>	<u>(94,203,463)</u>	<u>722,595</u>	<u>(93,480,868)</u>
<b>General Revenues</b>							
Taxes							
Property Taxes Levied for General Purposes					\$ 99,241,616		\$ 99,241,616
Property Taxes Levied for Debt Service					3,459,251		3,459,251
State Aid Restricted - Debt Service					79,354		79,354
Interest Income					1,567	372	1,939
Miscellaneous Income					2,166,021	\$ -	2,166,021
Total General Revenues and Special Items					<u>104,947,809</u>	<u>372</u>	<u>104,948,181</u>
Change in Net Position					10,744,346	722,967	11,467,313
Net Position, Beginning of Year, as Restated					<u>51,476,862</u>	<u>(122,915)</u>	<u>51,353,947</u>
Net Position, End of Year					<u>\$ 62,221,208</u>	<u>\$ 600,052</u>	<u>\$ 62,821,260</u>

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

**FUND FINANCIAL STATEMENTS**



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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 20,304,973	\$ 681,713	\$ 82,542	\$ 455,150	\$ 21,524,378
Investments, at Fair Value		2,268,647			2,268,647
Receivables, Net					
Receivables from Other Governments	244,185	844,640			1,088,825
Other Accounts Receivable	70,644				70,644
Due from Other Funds	<u>263,856</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>263,856</u>
Total Assets	<u>\$ 20,883,658</u>	<u>\$ 3,795,000</u>	<u>\$ 82,542</u>	<u>\$ 455,150</u>	<u>\$ 25,216,350</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts Payable	\$ 618,602	\$ 94,372			\$ 712,974
Payable to State Government		1,547			1,547
Payroll Deductions and Withholdings Payable	728,665				728,665
Due to Other Funds		209,631	-		209,631
Unearned Revenue	<u>559,755</u>	<u>539,590</u>	<u>-</u>	<u>-</u>	<u>1,099,345</u>
Total Liabilities	<u>1,907,022</u>	<u>845,140</u>	<u>-</u>	<u>-</u>	<u>2,752,162</u>
Fund Balances					
Restricted Fund Balance					
Excess Surplus	2,729,048				2,729,048
Excess Surplus - Designated for					
Subsequent Year's Expenditures	907,000				907,000
Capital Reserve	3,286,528				3,286,528
Capital Reserve - Designated for					
Subsequent Year's Expenditures	529,002				529,002
Maintenance Reserve	5,223,567				5,223,567
Emergency Reserve	1,000,000				1,000,000
Unemployment Compensation	193,122				193,122
Student Activity/Athletic Funds		287,714			287,714
Scholarship		2,662,146			2,662,146
Capital Projects			\$ 82,542		82,542
Debt Service				\$ 455,150	455,150
Assigned Fund Balance					
Year End Encumbrances	634,508				634,508
Designated for Subsequent Year's					
Expenditures	2,289,549				2,289,549
Unassigned Fund Balance:					
General Fund	<u>2,184,312</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,184,312</u>
Total Fund Balances	<u>18,976,636</u>	<u>2,949,860</u>	<u>82,542</u>	<u>455,150</u>	<u>22,464,188</u>
Total Liabilities and Fund Balances	<u>\$ 20,883,658</u>	<u>\$ 3,795,000</u>	<u>\$ 82,542</u>	<u>\$ 455,150</u>	<u>\$ 25,216,350</u>

Continued

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

Total Fund Balances - Governmental Funds	\$	22,464,188
Amounts reported for <i>governmental activities</i> 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 \$155,262,742 and the accumulated depreciation is \$61,949,634.		93,313,108
Accrued interest on long-term bonds, notes and capital leases is not due and payable in the current period and therefore is not reported as a liability in the funds.		(385,677)
Amounts resulting from the refunding of debt are reported as deferred outflows of reserves on the statement of net position and amortized over the life of the debt.		2,025,901
Certain amounts resulting from the measurement of the net pension liability are reported as either deferred outflows of resources or deferred inflows of resources on the statement of net position and deferred over future years.		
Deferred Outflows of Resources	\$ 582,796	
Deferred Inflows of Resources	<u>(5,874,590)</u>	(5,291,794)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
Serial Bonds Payable (including unamortized premium)	(37,880,967)	
Capital Financing Agreements/Leases Payable	(2,369,371)	
Compensated Absences	(1,082,940)	
Net Pension Liability	<u>(8,571,240)</u>	<u>(49,904,518)</u>
<b>Net position of governmental activities (Exhibit A-1)</b>	<b>\$</b>	<b><u>62,221,208</u></b>

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

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<b>REVENUES</b>					
Local Sources					
Property Tax Levy	\$ 99,241,616			\$ 3,459,251	\$ 102,700,867
Tuition	1,795,021				1,795,021
Miscellaneous	<u>2,509,365</u>	\$ 1,698,156	\$ 159	-	<u>4,207,680</u>
Total - Local Sources	103,546,002	1,698,156	159	3,459,251	108,703,568
State Sources	34,859,348			134,499	34,993,847
Federal Sources	<u>12,762</u>	<u>2,290,933</u>	-	-	<u>2,303,695</u>
Total Revenues	<u>138,418,112</u>	<u>3,989,089</u>	<u>159</u>	<u>3,593,750</u>	<u>146,001,110</u>
<b>EXPENDITURES</b>					
Current					
Instruction:					
Regular	55,495,597	727,786	615,131		56,838,514
Special Education	19,704,849	1,382,787			21,087,636
Other Instruction	4,568,357	29,815			4,598,172
School Sponsored Activities and Athletics	1,770,276	853,742			2,624,018
Support Services					
Student and Instruction Related Services	22,417,714	976,745			23,394,459
School Administrative Services	5,903,488				5,903,488
General Administration Services	1,240,432		5,525		1,245,957
Central Services	1,680,803				1,680,803
Administration Information Technology	1,240,231		323,157		1,563,388
Plant Operations And Maintenance	10,226,153		1,535		10,227,688
Pupil Transportation	3,467,745				3,467,745
Debt Service:					
Principal	1,360,258			1,860,000	3,220,258
Interest and Other Charges	213,895			1,278,600	1,492,495
Capital Outlay	<u>1,523,926</u>	<u>562,163</u>	-	-	<u>2,086,089</u>
Total Expenditures	<u>130,813,724</u>	<u>4,533,038</u>	<u>945,348</u>	<u>3,138,600</u>	<u>139,430,710</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>7,604,388</u>	<u>(543,949)</u>	<u>(945,189)</u>	<u>455,150</u>	<u>6,570,400</u>
<b>Other Financing Sources (Uses)</b>					
Insurance Proceeds	306,616	-	-	-	306,616
Capital Financing Agreement			940,000		940,000
Leases Payable	<u>202,128</u>	-	-	-	<u>202,128</u>
Total Other Financing Sources (Uses)	<u>508,744</u>	<u>-</u>	<u>940,000</u>	<u>-</u>	<u>1,448,744</u>
Net Change in Fund Balances	8,113,132	(543,949)	(5,189)	455,150	8,019,144
Fund Balance, Beginning of Year	<u>10,863,504</u>	<u>3,493,809</u>	<u>87,731</u>	<u>-</u>	<u>14,445,044</u>
Fund Balance, End of Year	<u>\$ 18,976,636</u>	<u>\$ 2,949,860</u>	<u>\$ 82,542</u>	<u>\$ 455,150</u>	<u>\$ 22,464,188</u>

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

**Total net change in fund balances - governmental funds (Exhibit B-2)** **\$ 8,019,144**

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital additions in the period.

Capital Additions	\$ 2,086,089	
Depreciation Expense	<u>(4,028,446)</u>	(1,942,357)

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

Accrued Interest		25,001
------------------	--	--------

Repayments of bond and capital lease principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

Serial Bonds		2,155,000
Capital Financing Agreements/Leases Payable		<u>1,065,258</u>

The issuance of long-term debt (e.g. bonds, 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.

Capital Lease/Lease Purchase Agreement Proceeds		(1,142,128)
---	--	-------------

Governmental funds report the effect of discounts and losses on the refunding of debt 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.

Amortization of Bond Premium	348,318	
Amortization of Deferred Amounts on Refunding	<u>(271,163)</u>	77,155

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

Decrease in Compensated Absences	157,575	
Decrease in Pension Expense	<u>2,329,698</u>	<u>2,487,273</u>

**Change in net position of governmental activities (Exhibit A-2)** **\$ 10,744,346**

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

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

**Business-Type Activities - Enterprise Fund**

	<u>Food Service</u>	<u>Infant/ Toddler Development</u>	<u>Non-Major Technology Initiative</u>	<u>Non-Major Photography Lab Fee</u>	<u>Totals</u>
<b>ASSETS</b>					
Current Assets					
Cash and Cash Equivalents	\$ 269,150	\$ 322,904	\$ 48,488	\$ 2,415	\$ 642,957
Other Accounts Receivable	11,440				11,440
Inventories	<u>24,163</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,163</u>
Total Current Assets	<u>304,753</u>	<u>322,904</u>	<u>48,488</u>	<u>2,415</u>	<u>678,560</u>
Capital Assets					
Equipment	456,025	103,439			559,464
Less: Accumulated Depreciation	<u>(297,842)</u>	<u>(93,700)</u>	<u>-</u>	<u>-</u>	<u>(391,542)</u>
Total Capital Assets, Net	<u>158,183</u>	<u>9,739</u>	<u>-</u>	<u>-</u>	<u>167,922</u>
Total Assets	<u>462,936</u>	<u>332,643</u>	<u>48,488</u>	<u>2,415</u>	<u>846,482</u>
<b>LIABILITIES</b>					
Current Liabilities					
Accounts Payable	110,455	1,174			111,629
Due to Other Funds	54,225				54,225
Unearned Revenue	<u>45,976</u>	<u>34,600</u>	<u>-</u>	<u>-</u>	<u>80,576</u>
Total Current Liabilities	<u>210,656</u>	<u>35,774</u>	<u>-</u>	<u>-</u>	<u>246,430</u>
<b>NET POSITION</b>					
Net Investment in Capital Assets	158,183	9,739			167,922
Unrestricted	<u>94,097</u>	<u>287,130</u>	<u>48,488</u>	<u>2,415</u>	<u>432,130</u>
Total Net Position	<u>\$ 252,280</u>	<u>\$ 296,869</u>	<u>\$ 48,488</u>	<u>\$ 2,415</u>	<u>\$ 600,052</u>

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

	<u>Business-Type Activities - Enterprise Fund</u>				<u>Totals</u>
	<u>Food Service</u>	<u>Infant/ Toddler Development</u>	<u>Non-Major Technology Initiative</u>	<u>Non-Major Photography Lab Fee</u>	
<b>OPERATING REVENUES</b>					
Charges for Services					
Daily Sales - Non-Reimbursable Programs	\$ 2,733,621				\$ 2,733,621
Program Fees	<u>-</u>	<u>\$ 1,454,886</u>	<u>\$ 94,535</u>	<u>\$ 795</u>	<u>1,550,216</u>
Total Operating Revenues	<u>2,733,621</u>	<u>1,454,886</u>	<u>94,535</u>	<u>795</u>	<u>4,283,837</u>
<b>OPERATING EXPENSES</b>					
Salaries and Employee Benefits	845,957	887,957	61		1,733,975
Cost of Sales - Non-Reimbursable Programs	1,091,003				1,091,003
Other Purchased Services	138,117	102,420			240,537
Management Fees	173,850				173,850
Supplies and Materials	118,413	27,264	58,070		203,747
Miscellaneous	72,600	6,375			78,975
Depreciation	<u>30,814</u>	<u>8,341</u>	<u>-</u>	<u>-</u>	<u>39,155</u>
Total Operating Expenses	<u>2,470,754</u>	<u>1,032,357</u>	<u>58,131</u>	<u>-</u>	<u>3,561,242</u>
Operating Income (Loss)	<u>262,867</u>	<u>422,529</u>	<u>36,404</u>	<u>795</u>	<u>722,595</u>
<b>NONOPERATING REVENUES</b>					
Interest Income	<u>372</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>372</u>
Total Nonoperating Revenues	<u>372</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>372</u>
Change in Net Position	263,239	422,529	36,404	795	722,967
Net Position, Beginning of Year	<u>(10,959)</u>	<u>(125,660)</u>	<u>12,084</u>	<u>1,620</u>	<u>(122,915)</u>
Net Position, End of Year	<u>\$ 252,280</u>	<u>\$ 296,869</u>	<u>\$ 48,488</u>	<u>\$ 2,415</u>	<u>\$ 600,052</u>

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

	<u>Business-Type Activities - Enterprise Fund</u>				<u>Totals</u>
	<u>Food Service</u>	<u>Infant/ Toddler Development</u>	<u>Non-Major Technology Initiative</u>	<u>Non-Major Photography Lab Fee</u>	
<b>Cash Flows from Operating Activities</b>					
Receipts from Customers	\$ 2,679,610	\$ 1,457,086	\$ 94,535	\$ 795	\$ 4,232,026
Payments for Employees' Salaries and Benefits	(845,957)	(887,957)	(61)		(1,733,975)
Payments to Suppliers for Goods and Services	(1,490,776)	(134,885)	(58,070)	-	(1,683,731)
Net Cash Provided by (Used for) Operating Activities	<u>342,877</u>	<u>434,244</u>	<u>36,404</u>	<u>795</u>	<u>814,320</u>
<b>Cash Flows from Noncapital Financing Activities</b>					
Transfers from/(to) Other Funds	-	(111,340)	-	-	(111,340)
Net Cash Provided By Noncapital Financing Activities	<u>-</u>	<u>(111,340)</u>	<u>-</u>	<u>-</u>	<u>(111,340)</u>
<b>Cash Flows from Investing Activities</b>					
Interest Earnings	372	-	-	-	372
Net Cash Provided by Investing Activities	<u>372</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>372</u>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Acquisition of Capital Assets	(79,664)	-	-	-	(79,664)
Net Cash (Used for) Capital and Related Financing Activities	<u>(79,664)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(79,664)</u>
Net Increase in Cash and Cash Equivalents	263,585	322,904	36,404	795	623,688
Cash and Cash Equivalents, Beginning of Year	5,565	-	12,084	1,620	19,269
Cash and Cash Equivalents, End of Year	<u>\$ 269,150</u>	<u>\$ 322,904</u>	<u>\$ 48,488</u>	<u>\$ 2,415</u>	<u>\$ 642,957</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>					
Operating Income (Loss)	\$ 262,867	\$ 422,529	\$ 36,404	\$ 795	\$ 722,595
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities					
Depreciation	30,814	8,341			39,155
Change in Assets and Liabilities:					
Decrease/(Increase) in Accounts Receivable	(9,395)	(42,550)			(51,945)
(Decrease)/Increase in Unearned Revenue	(44,616)	44,750			134
(Increase)/Decrease in Inventories	(7,248)				(7,248)
Increase/(Decrease) in Accounts Payable	110,455	1,174	-	-	111,629
Total Adjustments	<u>80,010</u>	<u>11,715</u>	<u>-</u>	<u>-</u>	<u>91,725</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 342,877</u>	<u>\$ 434,244</u>	<u>\$ 36,404</u>	<u>\$ 795</u>	<u>\$ 814,320</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**



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

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

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

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

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Ridgewood Board of Education this includes general operations, food service, infant toddler development, technology initiative, photography labs and student related activities of the District.

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

**B. New Accounting Standards**

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

- GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

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

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

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

- GASB Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*. The objectives of this Statement is to improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities.
- GASB Statement No. 92, *Omnibus 2020*. The objective of this Statement is to enhance comparability in the application of accounting and financial reporting requirements and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics.
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No.84, and a Supersession of GASB Statement No. 32*. The objective of this Statement is to provide more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.
- GASB Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments.

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

- GASB Statement No. 96, *Subscription – Based Information Technology Arrangements*, will be effective beginning with the fiscal year ending June 30, 2023. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

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

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

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

- GASB Statement No. 99, *Omnibus 2022*, the section applicable to the District will be effective beginning with the fiscal year ending June 30, 2023. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.
- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.
- GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

**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.

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

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

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

**Fund Financial Statements**

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

The District reports the following major governmental funds:

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

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

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

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

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 *infant/toddler development fund* accounts for the activities of the District's teaching and recreational school program which provides daycare and recreation to infants and toddlers.

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

The *technology initiative fund* accounts for the non refundable deposits charged to repair and replenish the districts chromebooks which are provided to students.

The *photography lab fee* accounts for the annual lab fees collected for the photography program at Ridgewood High School.

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".

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

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

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

**Reclassifications**

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

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

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

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

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

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

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

**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.

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

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

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

**2. *Receivables***

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

**3. *Inventories***

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

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased.

**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 except for intangible right-to-use leased assets the measurement of which is discussed in Note 1. E.10. 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	20-45
Right-to-use Leased Buildings	5
Machinery and Equipment	5-10

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

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

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

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

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has one type of item, which arises only under the accrual basis of accounting that qualifies for reporting in this category. The one 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.

**6. *Compensated Absences***

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

**7. *Pensions***

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

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

**8. *Leases***

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

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

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

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

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

**9. *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.

**10 *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 (delete as applicable). 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.

**11. *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, 2022 audited excess surplus that is required to be appropriated in the 2023/2024 original budget certified for taxes.



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

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

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

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

**Governmental Fund Statements (Continued)**

**Restricted Fund Balance (Continued)**

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

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

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

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

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

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

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

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

*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.

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

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

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

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

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

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

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

**Governmental Fund Statements (Continued)**

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

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

***12. Fund Balance Policies***

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

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

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

**F. Revenues and Expenditures/Expenses**

***1. Program Revenues***

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

***2. Property Taxes***

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

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

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

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

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

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

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

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

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

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

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

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

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2021/2022. Also, during 2021/2022 the Board increased the original budget by \$5,393,065. The increase was funded by the additional appropriation of emergency reserve, grant awards, student activity revenues, scholarship donations and the reappropriation of prior year general fund encumbrances.

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

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

**A. Budgetary Information (Continued)**

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.

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

Balance, July 1, 2021		\$ 2,361,827
Increased by:		
Interest Earnings	\$ 958	
Unexpended Balance on Withdrawal to Capital Outlay	195,582	
Deposits Approved by Board Resolution	<u>2,500,000</u>	
Total Increases		<u>2,696,540</u>
		5,058,367
Decreased by:		
Withdrawals Approved in District Budget		<u>1,242,837</u>
Balance, June 30, 2022		<u>\$ 3,815,530</u>

The June 30, 2022 LRFP balance of local support costs of uncompleted capital projects is \$65,350,280. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan. \$529,002 of the capital reserve balance at June 30, 2022 was designated and appropriated for use in the 2022/2023 original budget certified for taxes.

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

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

**C. Maintenance Reserve**

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

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

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

Balance, July 1, 2021	\$ 2,733,778
Increased by:	
Deposits Approved by Board Resolution	<u>2,489,789</u>
Balance, June 30, 2022	<u>\$ 5,223,567</u>

The June 30, 2022 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$5,223,567.

**D. Emergency Reserve**

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

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

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

Balance, July 1, 2021	\$ 626,636
Increased by:	
Deposits Approved by Board Resolution	<u>622,928</u>
	1,249,564
Decreased by:	
Withdrawals Approved by Resolution	<u>249,564</u>
Balance, June 30, 2022	<u>\$ 1,000,000</u>

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

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

**E. Calculation of Excess Surplus**

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 4% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year’s budget. The excess fund balance at June 30, 2022 is \$3,636,048. Of this amount, \$907,000 was designated and appropriated in the 2022/2023 original budget certified for taxes and the remaining amount of \$2,729,048 will be appropriated in the 2023/2024 original budget certified for taxes.

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits and Investments**

**Cash Deposits**

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2022, the book value of the Board's deposits were \$22,167,335 and bank and brokerage firm balances of the Board’s deposits amounted to \$25,507,576. The Board's deposits which are displayed on the various fund balance sheets as "cash" or “cash and cash equivalents” are categorized as:

**Depository Account**

Insured	\$ 24,117,633
Uninsured and Collateralized	<u>1,389,943</u>
	<u>\$ 25,507,576</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2022 the Board’s bank balance of \$1,389,943 was exposed to custodial credit risk as follows:

**Depository Account**

Uninsured and Collateralized:

Collateral held by pledging financial institutions' trust department or agent but not in the Board's name	<u>\$ 1,389,943</u>
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**RIDGEWOOD BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

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

**Investments**

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

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

<b><u>Investment Type:</u></b>	<b><u>Fair Value</u></b>
U.S. Government Securities	
Fixed Income and Preferred	\$ 481,327
Equities	1,650,208
Alternative Investments	<u>137,112</u>
	<u>\$ 2,268,647</u>

The investments which were received as donations to the school district, are to be invested with specific custodians, according to donor stipulations. These custodians, which are subsidiaries of banks, make all investment decisions.

**Custodial Credit Risk – Investments** – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial risk. As of June 30, 2022, \$2,268,647 of the Board's investments was exposed to custodial credit risk as follows:

	<b><u>Fair Value</u></b>
Uninsured and Collateralized:	
Collateral held by pledging financial institutions' trust department or agent but not in the Board's name	<u>\$ 2,268,647</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.

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

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

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

**Investments (Continued)**

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

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 BNY Mellon and Morgan Stanley brokerage accounts. These investments are 100% of the District’s total investments.

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

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

Investments are valued based on price data obtained from observed transactions and market price quotations provided by BNY Mellon and Morgan Stanley. Since the value is not obtained from a quoted price in an active market the investments held by the District at June 30, 2022 are categorized as Level 2.

**B. Receivables**

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

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Other	\$ 70,644		\$ 11,440	\$ 82,084
Intergovernmental-				
Federal	242,045	\$ 844,640		1,086,685
Local	<u>2,140</u>	<u>-</u>	<u>-</u>	<u>2,140</u>
Gross Receivables	314,829	844,640	11,440	1,170,909
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 314,829</u>	<u>\$ 844,640</u>	<u>\$ 11,440</u>	<u>\$ 1,170,909</u>



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

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

**C. Unearned Revenue**

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

General Fund		
Prepaid Fees	\$	559,755
Special Revenue Fund		
Unencumbered Grant Draw Downs		495,003
Grant Draw Downs Reserved for Encumbrances		44,587
Total Unearned Revenue for Governmental Funds	\$	<u>1,099,345</u>

**D. Capital Assets**

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

	Balance, July 1, 2021 (Restated)	Increases	Decreases	Adjustments	Balance, June 30, 2022
<b>Governmental Activities:</b>					
Capital Assets, Not Being Depreciated:					
Land	\$ 7,435,206	-	-	-	\$ 7,435,206
Total Capital Assets, Not Being Depreciated	<u>7,435,206</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,435,206</u>
Capital Assets, Being Depreciated:					
Land Improvements	8,998,821	\$ 4,700			9,003,521
Building and Building Improvements	130,347,222	1,131,292			131,478,514
Right to use - Leased Buildings		202,128			202,128
Machinery and Equipment	6,395,404	747,969	-	-	7,143,373
Total Capital Assets Being Depreciated	<u>145,741,447</u>	<u>2,086,089</u>	<u>-</u>	<u>-</u>	<u>147,827,536</u>
Less Accumulated Depreciation for:					
Land Improvements	(4,094,444)	(711,145)		\$ (159,726)	(4,965,315)
Building and Building Improvements	(49,050,988)	(2,693,119)		(6,274)	(51,750,381)
Right to use - Leased Buildings		(40,426)			(40,426)
Machinery and Equipment	(4,775,756)	(583,756)	-	166,000	(5,193,512)
Total Accumulated Depreciation	<u>(57,921,188)</u>	<u>(4,028,446)</u>	<u>-</u>	<u>-</u>	<u>(61,949,634)</u>
Total Capital Assets, Being Depreciated, Net	<u>87,820,259</u>	<u>(1,942,357)</u>	<u>-</u>	<u>-</u>	<u>85,877,902</u>
Governmental Activities Capital Assets, Net	<u>\$ 95,255,465</u>	<u>\$ (1,942,357)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 93,313,108</u>

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

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

**D. Capital Assets (Continued)**

	Balance, <u>July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2022</u>
<b>Business-Type Activities:</b>				
Capital Assets, Being Depreciated:				
Equipment	\$ 479,800	\$ 79,664	\$ -	\$ 559,464
Total Capital Assets Being Depreciated	<u>479,800</u>	<u>79,664</u>	<u>-</u>	<u>559,464</u>
Less Accumulated Depreciation for:				
Equipment	(352,387)	(39,155)	-	(391,542)
Total Accumulated Depreciation	<u>(352,387)</u>	<u>(39,155)</u>	<u>-</u>	<u>(391,542)</u>
Total Capital Assets, Being Depreciated, Net	<u>127,413</u>	<u>40,509</u>	<u>-</u>	<u>167,922</u>
Business-Type Activities Capital Assets, Net	<u>\$ 127,413</u>	<u>\$ 40,509</u>	<u>\$ -</u>	<u>\$ 167,922</u>

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

**Governmental Activities:**

Instruction	
Regular	\$ <u>255,769</u>
Total Instruction	<u>255,769</u>
Support Services	
Student and Instruction Related Services	106,252
School Administration	110,374
Operations and Maintenance of Plant	<u>3,556,051</u>
Total Support Services	<u>3,772,677</u>
Total Depreciation Expense - Governmental Funds	<u>\$ 4,028,446</u>

**Business-Type Activities:**

Food Service Fund	\$ 30,814
Infant/Toddler Development Fund	<u>8,341</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 39,155</u>

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

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

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

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

**Due To/From Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 209,631
General Fund	Food Service Fund	<u>54,225</u>
Total		<u>\$ 263,856</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.

**F. Leases Payable**

In August, 2021, the District entered into a five (5) year lease agreement as lessee for the use of general office space and classrooms for students. An initial lease liability was recorded in the amount of \$202,128. The lease has an interest rate of 2.50%. The District is required to make monthly payments of \$3,450 to \$3,734. As of June 30, 2022 the value of the lease liability was \$171,553. The building has a five (5) year estimated useful life. The value of the right -to-use asset as of June 30, 2022 is \$202,128 and had accumulated depreciation of \$40,426.

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

**Governmental Activities:**

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 38,236	\$ 3,854	\$ 42,090
2024	40,054	2,878	42,932
2025	41,936	1,855	43,791
2026	43,882	784	44,666
2027	<u>7,445</u>	<u>23</u>	<u>7,468</u>
Total	<u>\$ 171,553</u>	<u>\$ 9,394</u>	<u>\$ 180,947</u>

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

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

**G. Financing Agreements**

**Capital Financing Agreements**

The District entered into the following agreements to finance the construction of major capital facilities and other capital assets under capital financing agreements. The repayments under these financing agreements are subject to the annual appropriation of funds in the District’s approved budget.

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

<p>\$900,000, fiscal year 2019 Agreement for the acquisition of technology equipment for a term of 5 years due in an annual principal installment of \$185,972 through August, 2022 interest at 2.90%</p>	<p>\$ 185,972</p>
<p>\$940,000 fiscal year 2020 Agreement for the acquisition of technology equipment for a term of 5 years due in annual principal installments of \$189,116 to \$193,016 through November, 2022 interest at 2.06%</p>	<p>382,132</p>
<p>\$940,000, fiscal year 2021 Agreement for the acquisition of technology equipment for a term of 5 years due in annual principal installments of \$186,143 to \$191,205 through November, 2024 interest at 1.02%</p>	<p>566,006</p>
<p>\$940,000, fiscal year 2022 Agreement for the acquisition of technology equipment for a term of 5 years due in annual principal installments of \$184,377 to \$190,071 through December, 2025 interest at 1.02%</p>	<p>748,858</p>
<p>\$541,878, fiscal year 2021 Agreement for the acquisition of copiers for a term of 5 years due in annual principal installments of \$111,020 to \$88,793 through March, 2025 interest at 4.23%</p>	<p><u>314,850</u></p>
<p>Total</p>	<p><u>\$ 2,197,818</u></p>

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

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

**G. Financing Agreements (Continued)**

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

**Governmental Activities:**

Fiscal Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 856,629	\$ 37,942	\$ 894,571
2024	682,966	20,246	703,212
2025	468,152	7,957	476,109
2026	<u>190,071</u>	<u>1,937</u>	<u>192,008</u>
 Total	 <u>\$ 2,197,818</u>	 <u>\$ 68,082</u>	 <u>\$ 2,265,900</u>

**H. Long-Term Debt**

**General Obligation Bonds**

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

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

\$3,475,000, 2011 Refunding Bonds, due in annual installments of \$230,000 to \$235,000 through February, 2028 interest at 3.25% to 4.00%	\$1,400,000
\$32,860,000, 2016 School Refunding Bonds, due in annual installments of \$1,680,000 to \$2,755,000 through March, 2035, interest at 3.00% to 4.00%	29,475,000
\$6,660,000, 2016 ESIP Bonds, due in annual installments of \$305,000 to \$460,000 through November, 2035, interest at 2.00% to 4.00%	<u>4,465,000</u>
Total	<u>\$35,340,000</u>

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

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

**H. Long-Term Debt**

**General Obligation Bonds (Continued)**

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

**Governmental Activities:**

Fiscal Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 2,215,000	\$ 1,360,075	\$ 3,575,075
2024	2,225,000	1,279,200	3,504,200
2025	2,320,000	1,192,075	3,512,075
2026	2,450,000	1,101,300	3,551,300
2027	2,540,000	1,005,475	3,545,475
2028-2032	11,070,000	3,238,525	14,308,525
2033-2037	<u>12,520,000</u>	<u>951,975</u>	<u>13,471,975</u>
 Total	 <u>\$ 35,340,000</u>	 <u>\$ 10,128,625</u>	 <u>\$ 45,468,625</u>

**Statutory Borrowing Power**

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

4% of Equalized Valuation Basis (Municipal)	\$ 272,036,877
Less: Net Debt	<u>35,340,000</u>
 Remaining Borrowing Power	 <u>\$ 236,696,877</u>

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

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

**I. Other Long-Term Liabilities (Continued)**

**Changes in Long-Term Liabilities**

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

	Balance, <u>July 1, 2021</u> (Restated)	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2022</u>	Due Within <u>One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable	\$ 37,495,000		\$ 2,155,000	\$ 35,340,000	\$ 2,215,000
Add: Original Issue Premium	<u>2,889,285</u>	-	<u>348,318</u>	<u>2,540,967</u>	-
Total Bonds Payable	40,384,285	-	2,503,318	37,880,967	2,215,000
Capital Financing Agreements	2,292,501	\$ 940,000	1,034,683	2,197,818	856,629
Leases Payable		202,128	30,575	171,553	38,236
Compensated Absences	1,240,515		157,575	1,082,940	
Net Pension Liability	<u>11,424,535</u>	-	<u>2,853,295</u>	<u>8,571,240</u>	-
Governmental Activity Long-Term Liabilities	<u>\$ 55,341,836</u>	<u>\$ 1,142,128</u>	<u>\$ 6,579,446</u>	<u>\$ 49,904,518</u>	<u>\$ 3,109,865</u>

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

**NOTE 4 OTHER INFORMATION**

**A. Risk Management**

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

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

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

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

**NOTE 4 OTHER INFORMATION (Continued)**

**A. Risk Management (Continued)**

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

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

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

Fiscal Year Ended <u>June 30,</u>	Employee <u>Contributions</u>	Interest <u>Earnings</u>	Amount <u>Reimbursed</u>	Ending <u>Balance</u>
2022	\$ 87,296	\$ 450	\$ 16,595	\$ 193,122
2021	62,392	853	23,565	192,672
2020	84,343	1,952	121,695	191,819

**B. Contingent Liabilities**

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

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

**C. Federal Arbitrage Regulations**

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



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

**NOTE 4 OTHER INFORMATION (Continued)**

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

**Plan Descriptions and Benefits Provided**

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

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

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

The following represents the membership tiers for PERS:

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

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

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

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

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

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

The following represent the membership tiers for TPAF:

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

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

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

**Defined Contribution Retirement Program (DCRP)** – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS or TPAF on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the 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](http://www.state.nj.us/treasury/pensions).

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

**NOTE 4 OTHER INFORMATION (Continued)**

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

**Plan Amendments**

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

**Measurement Focus and Basis of Accounting**

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

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

**Investment Valuation**

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

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

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

**NOTE 4 OTHER INFORMATION (Continued)**

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

**Collective Net Pension Liability**

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

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

**Actuarial Methods and Assumptions**

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

**Employer and Employee Pension Contributions**

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

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

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

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2022	\$ 808,275	\$ 18,679,489	\$ 103,906
2021	766,393	13,258,918	115,410
2020	689,544	9,962,215	121,085

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

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

In addition for fiscal years 2022, 2021 and 2020 the District contributed \$0, \$0 and \$3,299, respectively for PERS and the State contributed \$4,986, \$5,535 and \$6,187, 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 \$3,716,222 during the fiscal year ended June 30, 2022 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

**Public Employees Retirement System (PERS)**

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

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

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

At June 30, 2022, the District reported in the statement of net position (accrual basis) a liability of \$8,571,240 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2021. At June 30, 2021, the District's proportionate share was .07235 percent, which was an increase of .0023 percent from its proportionate share measured as of June 30, 2020 of .07005 percent.

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

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$1,482,366 for PERS. The pension contribution made by the District during the current 2021/2022 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2022 with a measurement date of the prior fiscal year end of June 30, 2021. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2022 for contributions made subsequent to the measurement date. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 135,179	\$ 61,360
Changes of Assumptions	44,639	3,051,417
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		2,257,890
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>402,978</u>	<u>503,923</u>
Total	<u>\$ 582,796</u>	<u>\$ 5,874,590</u>

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

<u>Year Ending June 30,</u>	<u>Total</u>
2023	\$ (2,218,318)
2024	(1,470,903)
2025	(936,299)
2026	(675,467)
2027	9,193
Thereafter	<u>-</u>
	<u>\$ (5,291,794)</u>

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

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

*Actuarial Assumptions*

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

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

*Mortality Rates*

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

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

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

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

***Long-Term Expected Rate of Return***

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

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



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

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

***Discount Rate (Continued)***

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

***Sensitivity of Net Pension Liability***

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

	<b>1% Decrease <u>6.00%</u></b>	<b>Current Discount Rate <u>7.00%</u></b>	<b>1% Increase <u>8.00%</u></b>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 11,672,291</u>	<u>\$ 8,571,240</u>	<u>\$ 5,939,559</u>

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

***Pension Plan Fiduciary Net Position***

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

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

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

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

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

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

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$5,063,453 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2022 the State's proportionate share of the net pension liability attributable to the District is \$215,187,353. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2021. At June 30, 2021, the State's share of the net pension liability attributable to the District was .44761 percent, which was an increase of .00142 percent from its proportionate share measured as of June 30, 2020 of .44619 percent.

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

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

**Actuarial Assumptions**

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

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

***Mortality Rates***

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

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

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

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

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

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

**Long-Term Expected Rate of Return**

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

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

***Discount Rate***

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

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

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

***Sensitivity of Net Pension Liability***

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

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 254,602,583</u>	<u>\$ 215,187,353</u>	<u>\$ 182,081,037</u>

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

***Pension Plan Fiduciary Net Position***

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

**E. Post-Retirement Medical Benefits**

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

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

**Plan Description and Benefits Provided**

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

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

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

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

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

**Plan Membership**

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

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

**Measurement Focus and Basis of Accounting**

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

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

**Investment Valuation**

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

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

**NOTE 4 OTHER INFORMATION (Continued)**

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

**Collective Net OPEB Liability**

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

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

**Actuarial Methods and Assumptions**

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

**Post-Retirement Medical Benefits Contributions**

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

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2022, 2021 and 2020 were \$4,364,284, \$4,155,139 and \$3,695,799, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

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

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

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

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$10,828,250. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2022 the State’s proportionate share of the OPEB liability attributable to the District is \$195,538,851. The nonemployer allocation percentages are based on the ratio of the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2021 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2021. At June 30, 2021, the state’s share of the OPEB liability attributable to the District was .28836 percent, which was a decrease of .03766 percent from its proportionate share measured as of June 30, 2020 of .32602 percent.

**Actuarial Assumptions**

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

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

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

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

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

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



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

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

**Health Care Trend Assumptions**

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

**Discount Rate**

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

**Changes in the Total OPEB Liability**

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

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2020 Measurement Date	\$ <u>221,072,490</u>
Changes Recognized for the Fiscal Year:	
Service Cost	9,935,784
Interest on the Total OPEB Liability	5,072,484
Change of Benefits	(208,127)
Differences Between Expected and Actual Experience	(36,660,677)
Changes of Assumptions	192,914
Gross Benefit Payments	(3,995,696)
Contributions from the Member	<u>129,679</u>
<b>Net Changes</b>	<b>\$ (25,533,639)</b>
Balance, June 30, 2021 Measurement Date	<u>\$ 195,538,851</u>

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

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

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

**NOTE 4 OTHER INFORMATION (Continued)**

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

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

**Sensitivity of OPEB Liability**

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

	<b>1% Decrease <u>(1.16%)</u></b>	<b>Current Discount Rate <u>(2.16%)</u></b>	<b>1% Increase <u>(3.16%)</u></b>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 234,224,847	\$ 195,538,851	\$ 165,075,952

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

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 158,289,335	\$ 195,538,851	\$ 245,562,198

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

**F. Tax Abatements**

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

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

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

**NOTE 5 RESTATEMENT**

On July 1, 2021, the Ridgewood Board of Education implemented GASB Statement No. 87 “Leases”. The District also made a prior period adjustment for a correction of an error related to the calculation of the compensated absences liabilities as of June 30, 2021. The Ridgewood Board of Education has determined that the effect of implementing this accounting change and the correction of the compensated balances on the financial statements previously reported as of and for the fiscal year ended June 30, 2021 are as follows:

**Governmental Activities**

The financial statements of the governmental activities as of June 30, 2021 have been restated to reflect certain activities related to capital financing agreements and capital assets for leased copiers which decreased net position by \$50,185. The financial statements of the governmental activities as of June 30, 2021 have also been restated to reflect the revised calculation of the compensated absences liability which resulted in a decrease in net position of \$719,853. The effect of this restatement is to decrease net position of governmental activities by \$770,038 from \$52,246,900 as previously reported to \$51,476,862 as of June 30, 2021.

**NOTE 6 INFECTIOUS DISEASE OUTBREAK – COVID-19 RECENT DEVELOPMENTS**

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

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

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

**NOTE 7 INFECTIOUS DISEASE OUTBREAK – COVID-19 RECENT DEVELOPMENTS (Continued)**

Since the pandemic began, the federal government had enacted rescue legislation to address the pandemic and alleviate its economic and health effects, including significant support for education. The legislation includes various forms of financial relief including direct stimulus payments and various other forms of economic relief, including extended unemployment benefits, continued eviction and foreclosure moratoriums, an increase in the child tax credit, an increase in food and housing aid, assistance grants to restaurants and bars, and other small business grants and loans. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. Federal aid for public education has been provided under three 5 separate laws: The Coronavirus Aid, Relief, and Economic Security Act in March 2020 (CARES Act), and the Coronavirus Response and Relief Supplemental Appropriations Act in December 2020 (CRRSA) and the American Rescue Plan Act in March 2021 (ARP). The Elementary and Secondary School Emergency Relief (ESSER) Fund is the main source of funding for public elementary and secondary education under each law. The School District has been awarded up to \$2,579,562 to address certain expenses incurred as a result of the pandemic. Because of the evolving nature of the outbreak and federal, state and local responses, the Board cannot predict how the outbreak will impact the financial condition or operations of the Board, or if there will be any impact on the assessed values of property within the School District or deferral of tax payments to municipalities. The School District cannot predict costs associated with this or any other potential infectious disease outbreak including whether there will be any reduction in State funding or an increase in operational costs incurred to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease. To date the School District has not been materially and adversely affected financially due to the virus.

**BUDGETARY COMPARISON SCHEDULES**

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
<b>REVENUES</b>					
Local Sources					
Property Tax Levy	\$ 99,241,616	-	\$ 99,241,616	\$ 99,241,616	-
Tuition from Individuals	200,170	-	200,170	490,036	\$ 289,866
Tuition from Other LEAs within the State	691,891	-	691,891	1,177,885	485,994
Tuition from Summer School	126,258	-	126,258	127,100	842
Rents and Royalties	164,000	-	164,000	341,936	177,936
Unrestricted Miscellaneous Revenue	1,527,060	-	1,527,060	475,558	(1,051,502)
Interest Earned on Current Expense Emergency Reserve	50	-	50	-	(50)
Interest Earned on Maintenance Reserve	50	-	50	450	400
Interest Earned on Capital Reserve Account	4,950	-	4,950	958	(3,992)
Interest Earned on Unemployment Account	-	-	-	-	-
Other Restricted Miscellaneous Revenues	523,518	-	523,518	1,690,463	1,166,945
State Sources					
Categorical Special Education Aid	3,896,003	-	3,896,003	3,896,003	-
Categorical Security Aid	447,742	-	447,742	447,742	-
Categorical Transportation Aid	620,535	-	620,535	620,535	-
Extraordinary Aid	1,576,345	-	1,576,345	3,010,867	1,434,522
Additional Nonpublic Transportation Aid	-	-	-	57,628	57,628
Securing Our Child Future Act	-	-	-	323,215	323,215
Reimbursed TPAF Social Security Payments (Non-Budget)	-	-	-	3,716,222	3,716,222
On-behalf TPAF Pension System Contribution (Non-Budget)	-	-	-	18,419,614	18,419,614
On-behalf TPAF Pension - NCGI Premium (Non-Budget)	-	-	-	259,875	259,875
On-behalf TPAF Post Retirement Medical Contribution (Non-Budget)	-	-	-	4,364,284	4,364,284
On-behalf TPAF Long-Term Disability Insurance (Non-Budget)	-	-	-	4,986	4,986
Federal Sources					
Medicaid Reimbursement	20,361	-	20,361	12,762	(7,599)
<b>Total Revenues</b>	<b>109,040,549</b>	<b>-</b>	<b>109,040,549</b>	<b>138,679,735</b>	<b>29,639,186</b>
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES</b>					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	2,277,440	\$ (490,801)	1,786,639	1,721,774	64,865
Grades 1-5	10,687,459	475,088	11,162,547	11,134,035	28,512
Grades 6-8	9,076,669	(11,567)	9,065,102	8,640,043	425,059
Grades 9-12	11,012,507	73,513	11,086,020	10,764,586	321,434
Regular Programs - Home Instruction					
Salaries of Teachers	10,000	14,224	24,224	24,223	1
Purchased Professional-Educational Services	10,000	23,728	33,728	33,189	539
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	36,225	(4,121)	32,104	2,918	29,186
Purchased Professional-Educational Services	20,200	(3,592)	16,608	11,010	5,598
Other Purchased Services	1,145,863	973	1,146,836	1,083,710	63,126
General Supplies	921,902	(148,482)	773,420	692,406	81,014
Textbooks	328,510	1,425	329,935	282,219	47,716
Other Objects	7,145	850	7,995	3,310	4,685
<b>Total Regular Programs</b>	<b>35,533,920</b>	<b>(68,762)</b>	<b>35,465,158</b>	<b>34,393,423</b>	<b>1,071,735</b>
Special Education					
Learning and/or Language Disabilities					
Salaries of Teachers	912,258	161,195	1,073,453	1,070,504	2,949
Other Salaries for Instruction	242,449	(70,344)	172,105	171,604	501
General Supplies	18,500	(431)	18,069	6,426	11,643
<b>Total Learning and/or Language Disabilities</b>	<b>1,173,207</b>	<b>90,420</b>	<b>1,263,627</b>	<b>1,248,534</b>	<b>15,093</b>

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
Emotional Regulation Impairment					
Other Salaries for Instruction		\$ 26,597	\$ 26,597	\$ 24,420	\$ 2,177
Purchased Professional-Educational Services	\$ 375,000	(53,600)	321,400	125,210	196,190
General Supplies	-	3,500	3,500	2,615	885
<b>Total Emotional Regulation Impairment</b>	<b>375,000</b>	<b>(23,503)</b>	<b>351,497</b>	<b>152,245</b>	<b>199,252</b>
Multiple Disabilities					
Salaries of Teachers	994,736	209,822	1,204,558	1,202,408	2,150
Other Salaries for Instruction	507,718	(231,521)	276,197	260,429	15,768
Purchased Professional-Educational Services	30,000	2,600	32,600	9,357	23,243
General Supplies	56,000	1,223	57,223	42,420	14,803
<b>Total Multiple Disabilities</b>	<b>1,588,454</b>	<b>(17,876)</b>	<b>1,570,578</b>	<b>1,514,614</b>	<b>55,964</b>
Resource Room/Resource Center					
Salaries of Teachers	5,035,132	(55,969)	4,979,163	4,667,231	311,932
Other Salaries for Instruction	1,244,481	(75,564)	1,168,917	690,393	478,524
General Supplies	19,250	(1,015)	18,235	7,634	10,601
<b>Total Resource Room</b>	<b>6,298,863</b>	<b>(132,548)</b>	<b>6,166,315</b>	<b>5,365,258</b>	<b>801,057</b>
Autism					
General Supplies	-	41	41	41	-
<b>Total Autism</b>	<b>-</b>	<b>41</b>	<b>41</b>	<b>41</b>	<b>-</b>
Preschool Disabilities - Full Time					
Salaries of Teachers	677,123	(17,798)	659,325	624,246	35,079
Other Salaries for Instruction	199,270	29,476	228,746	228,735	11
Purchased Professional-Educational Services	21,000	19,800	40,800	39,974	826
General Supplies	14,500	-	14,500	14,070	430
<b>Total Preschool Disabilities - Full Time</b>	<b>911,893</b>	<b>31,478</b>	<b>943,371</b>	<b>907,025</b>	<b>36,346</b>
Home Instruction					
Salaries of Teachers	13,000	(541)	12,459	12,459	-
Purchased Professional-Educational Services	20,000	-	20,000	1,399	18,601
<b>Total Home Instruction</b>	<b>33,000</b>	<b>(541)</b>	<b>32,459</b>	<b>13,858</b>	<b>18,601</b>
<b>Total Special Education</b>	<b>10,380,417</b>	<b>(52,529)</b>	<b>10,327,888</b>	<b>9,201,575</b>	<b>1,126,313</b>
Basic Skills/Remedial					
Salaries of Teachers	1,344,952	(5,046)	1,339,906	1,100,544	239,362
General Supplies	6,800	2,737	9,537	8,578	959
<b>Total Basic Skills/Remedial</b>	<b>1,351,752</b>	<b>(2,309)</b>	<b>1,349,443</b>	<b>1,109,122</b>	<b>240,321</b>
Bilingual Education					
Salaries of Teachers	596,738	10,221	606,959	603,006	3,953
General Supplies	3,320	(301)	3,019	1,124	1,895
<b>Total Bilingual Education</b>	<b>600,058</b>	<b>9,920</b>	<b>609,978</b>	<b>604,130</b>	<b>5,848</b>

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
School Sponsored Co-Curricular Activities					
Salaries	\$ 375,900	\$ 15,559	\$ 391,459	\$ 373,983	\$ 17,476
Purchased Services	13,700	(1,480)	12,220	7,491	4,729
Supplies and Materials	14,400	(6,444)	7,956	6,527	1,429
Other Objects	20,650	-	20,650	19,925	725
<b>Total School-Sponsored Co/Extra Curricular Activities</b>	<b>424,650</b>	<b>7,635</b>	<b>432,285</b>	<b>407,926</b>	<b>24,359</b>
School Sponsored Athletics - Instruction					
Salaries	749,016	1,044	750,060	689,580	60,480
Purchased Services	111,500	(4,780)	106,720	98,010	8,710
Supplies and Materials	107,000	39,634	146,634	127,283	19,351
Supplies and Materials (Nonbudgeted - Insurance Proceeds)				25,055	(25,055)
Other Objects	50,182	29,579	79,761	78,404	1,357
<b>Total School Sponsored Athletics</b>	<b>1,017,698</b>	<b>65,477</b>	<b>1,083,175</b>	<b>1,018,332</b>	<b>64,843</b>
Summer School - Instruction					
Salaries of Teachers	110,000	(29,989)	80,011	61,852	18,159
General Supplies	500	-	500	-	500
<b>Total Summer School - Instruction</b>	<b>110,500</b>	<b>(29,989)</b>	<b>80,511</b>	<b>61,852</b>	<b>18,659</b>
<b>Total Instruction</b>	<b>49,418,995</b>	<b>(70,557)</b>	<b>49,348,438</b>	<b>46,796,360</b>	<b>2,552,078</b>
Undistributed Expenditures					
Instruction					
Tuition to Other LEA's Within the State - Special	479,722	(50,000)	429,722	426,782	2,940
Tuition to County Vocational School District-Regular	580,800	-	580,800	549,864	30,936
Tuition to CSSD & Regional Day Schools	576,730	-	576,730	390,427	186,303
Tuition to Private Schools for Disabled - Within State	4,891,585	(293,351)	4,598,234	4,018,510	579,724
Tuition to Private Schools for Disabled & Other LEAs-Spl,O/S State	162,240	59,400	221,640	149,200	72,440
Tuition - Other	-	801	801	801	-
<b>Total Undistributed Expenditures - Instruction</b>	<b>6,691,077</b>	<b>(283,150)</b>	<b>6,407,927</b>	<b>5,535,584</b>	<b>872,343</b>
Attendance and Social Work					
Salaries	51,182	2,464	53,646	53,646	-
Supplies and Materials	100	-	100	100	-
<b>Total Attendance and Social Work</b>	<b>51,282</b>	<b>2,464</b>	<b>53,746</b>	<b>53,746</b>	<b>-</b>



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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
Undistributed Expenditures (Continued)					
Health Services					
Salaries	\$ 875,816	\$ 17,821	\$ 893,637	\$ 856,774	\$ 36,863
Purchased Professional and Technical Services	170,225	(17,568)	152,657	2,376	150,281
Cleaning, Repair and Maintenance Services	500	-	500	450	50
Supplies and Materials	30,380	(2,325)	28,055	13,689	14,366
<b>Total Health Services</b>	<b>1,076,921</b>	<b>(2,072)</b>	<b>1,074,849</b>	<b>873,289</b>	<b>201,560</b>
Speech, OT, PT and Related Svcs.					
Salaries	1,607,009	47,762	1,654,771	1,654,679	92
Purchased Professional-Educational Services	998,000	(4,000)	994,000	790,225	203,775
Supplies and Materials	13,720	440	14,160	10,265	3,895
<b>Total Speech, OT, PT and Related Svcs.</b>	<b>2,618,729</b>	<b>44,202</b>	<b>2,662,931</b>	<b>2,455,169</b>	<b>207,762</b>
Other Support Services - Students - Extra Services					
Salaries	1,122,240	2,077	1,124,317	1,043,260	81,057
Purchased Professional-Educational Services	1,408,925	17,057	1,425,982	1,139,050	286,932
Supplies and Materials	37,320	2,800	40,120	32,068	8,052
<b>Total Other Support Services - Students - Extra Services</b>	<b>2,568,485</b>	<b>21,934</b>	<b>2,590,419</b>	<b>2,214,378</b>	<b>376,041</b>
Guidance					
Salaries of Other Professional Staff	2,058,115	35,319	2,093,434	2,090,171	3,263
Salaries of Secretarial and Clerical Assistants	246,327	(16,615)	229,712	229,711	1
Other Salaries		3,600	3,600	3,474	126
Purchased Professional-Educational Services	312,408	203	312,611	271,621	40,990
Other Purchased Services	2,300	-	2,300	461	1,839
Supplies and Materials	8,860	9,616	18,476	16,653	1,823
Other Objects	900	-	900	-	900
<b>Total Guidance</b>	<b>2,628,910</b>	<b>32,123</b>	<b>2,661,033</b>	<b>2,612,091</b>	<b>48,942</b>
Child Study Teams					
Salaries of Other Professional Staff	3,171,379	163,798	3,335,177	3,325,484	9,693
Salaries of Secretarial and Clerical Assistants	451,380	42,859	494,239	492,097	2,142
Purchased Professional-Educational Services	65,000	9,625	74,625	68,502	6,123
Other Purchased Professional-Technical Services	25,000	(625)	24,375		24,375
Other Purchased Services	9,000	-	9,000	1,377	7,623
Supplies and Materials	36,450	8,454	44,904	38,656	6,248
Other Objects	1,000	-	1,000	390	610
<b>Total Child Study Teams</b>	<b>3,759,209</b>	<b>224,111</b>	<b>3,983,320</b>	<b>3,926,506</b>	<b>56,814</b>
Improvement of Instructional Services					
Salaries of Supervisors of Instruction	1,326,999	70,749	1,397,748	1,396,883	865
Salaries of Other Professional Staff	363,247	(64,750)	298,497	233,490	65,007
Salaries of Secretarial and Clerical Assistants	314,235	-	314,235	248,227	66,008
Purchased Professional - Educational Services	31,350	-	31,350	23,509	7,841
Other Purchased Services	17,050	-	17,050	2,982	14,068
Supplies and Materials	2,500	25,674	28,174	25,108	3,066
Other Objects	11,973	-	11,973	11,346	627
<b>Total Improvement of Instructional Services</b>	<b>2,067,354</b>	<b>31,673</b>	<b>2,099,027</b>	<b>1,941,545</b>	<b>157,482</b>

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
Undistributed Expenditures (Continued)					
Educational Media Services/School Library					
Salaries	\$ 1,398,343	\$ (24,090)	\$ 1,374,253	\$ 1,351,925	\$ 22,328
Purchased Professional and Technical Services	90,835	-	90,835	82,808	8,027
Cleaning, Repair and Maintenance Services	250	-	250		250
Supplies and Materials	149,350	5,590	154,940	147,306	7,634
<b>Total Educational Media Serv./School Library</b>	<b>1,638,778</b>	<b>(18,500)</b>	<b>1,620,278</b>	<b>1,582,039</b>	<b>38,239</b>
Instructional Staff Training Services					
Salaries of Other Professional Staff	32,475	(26,319)	6,156	3,629	2,527
Purchased Professional - Educational Services	124,075	(45,708)	78,367	61,400	16,967
Other Purchased Services	120,400	(7,167)	113,233	55,182	58,051
Supplies and Materials	7,750	(3,819)	3,931	256	3,675
<b>Total Instructional Staff Training Services</b>	<b>284,700</b>	<b>(83,013)</b>	<b>201,687</b>	<b>120,467</b>	<b>81,220</b>
Support Services - General Administration					
Salaries of Other Professional Staff	236,650	7,077	243,727	241,065	2,662
Salaries of Secretarial and Clerical Assistants	78,495	(46,934)	31,561	30,882	679
Other Salaries	1,000	-	1,000		1,000
Legal Services	200,000	83,249	283,249	247,600	35,649
Audit Fees	57,289	711	58,000	56,800	1,200
Architectural/Engineering Services	40,000	1,015	41,015	32,117	8,898
Other Purchased Professional Services	48,862	-	48,862	38,994	9,868
Insurance	250,592	85	250,677	242,126	8,551
Communications/Telephone	256,054	(25,804)	230,250	172,407	57,843
BOE Other Purchased Services	4,800	-	4,800	1,422	3,378
Misc Purchased Services	34,100	(15,000)	19,100	782	18,318
General Supplies	15,079	117,515	132,594	13,018	119,576
Judgments Against the School District	50,000	(6,719)	43,281	-	43,281
Miscellaneous Expenditures	25,788	(10,500)	15,288	12,608	2,680
BOE Membership Dues and Fees	31,059	-	31,059	26,663	4,396
<b>Total Support Services - General Administration</b>	<b>1,329,768</b>	<b>104,695</b>	<b>1,434,463</b>	<b>1,116,484</b>	<b>317,979</b>
Support Services - School Administration					
Salaries of Principal/Asst. Principals	2,763,415	(15,023)	2,748,392	2,733,547	14,845
Salaries of Secretarial and Clerical Assistants	1,026,740	(45,736)	981,004	951,763	29,241
Other Purchased Services	17,400	(6,373)	11,027	2,686	8,341
Supplies and Materials	118,146	(28,520)	89,626	75,110	14,516
Other Objects	3,500	756	4,256	2,160	2,096
<b>Total Support Services - School Administration</b>	<b>3,929,201</b>	<b>(94,896)</b>	<b>3,834,305</b>	<b>3,765,266</b>	<b>69,039</b>
Central Services					
Salaries	1,210,718	3,081	1,213,799	1,149,339	64,460
Purchased Professional Services	231,956	(67,802)	164,154	97,476	66,678
Misc Purchased Services	32,189	494	32,683	15,203	17,480
Supplies and Materials	27,500	237,754	265,254	52,567	212,687
Miscellaneous Expenditures	4,100	1,835	5,935	5,051	884
<b>Total Central Services</b>	<b>1,506,463</b>	<b>175,362</b>	<b>1,681,825</b>	<b>1,319,636</b>	<b>362,189</b>

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
Undistributed Expenditures (Continued)					
Admin. Info. Technology					
Salaries	\$ 806,710	-	\$ 806,710	\$ 782,302	\$ 24,408
Purchased Professional Services	225,442	-	225,442	201,002	24,440
Other Purchased Services	18,660	\$ (8,303)	10,357	1,411	8,946
Supplies and Materials	2,000	-	2,000	1,899	101
Other Objects	575	-	575	575	-
<b>Total Admin. Info. Technology</b>	<b>1,053,387</b>	<b>(8,303)</b>	<b>1,045,084</b>	<b>987,189</b>	<b>57,895</b>
Required Maintenance for School Facilities					
Salaries	170,255	(57,000)	113,255	112,773	482
Cleaning, Repair and Maintenance Services	1,605,129	(100,506)	1,504,623	1,465,439	39,184
Lead Testing of Drinking Water		351	351		351
General Supplies	388,000	(86,307)	301,693	280,305	21,388
Other Objects	2,000	-	2,000	-	2,000
<b>Total Required Maintenance for School Facilities</b>	<b>2,165,384</b>	<b>(243,462)</b>	<b>1,921,922</b>	<b>1,858,517</b>	<b>63,405</b>
Custodial Services					
Salaries	172,226	(132,000)	40,226	23,104	17,122
Salaries of Non-Instructional Aides	158,361	78,079	236,440	204,300	32,140
Purchased Professional and Technical Services		6,450	6,450	6,450	-
Cleaning, Repair and Maintenance Services	4,372,328	107,042	4,479,370	4,302,752	176,618
Cleaning, Repair and Maint. Services (Nonbudgeted - Insurance Proc.)				261,044	(261,044)
Rental of Land & Bldg. Oth. Than Lease Pur Agrmt	98,710	46,524	145,234	123,451	21,783
Other Purchased Property Services	161,509	18	161,527	158,405	3,122
Insurance	470,276	11,361	481,637	481,637	-
General Supplies	472,888	60,881	533,769	521,411	12,358
Energy (Natural Gas)	390,390	314,317	704,707	644,546	60,161
Energy (Electricity)	741,600	(14,627)	726,973	708,639	18,334
Energy (Gasoline)	-	29,400	29,400	28,549	851
Interest - Energy Savings Impr Prog Bonds	160,150	-	160,150	160,150	-
Principal - Energy Savings Impr Prog Bonds	295,000	-	295,000	295,000	-
<b>Total Custodial Services</b>	<b>7,493,438</b>	<b>507,445</b>	<b>8,000,883</b>	<b>7,919,438</b>	<b>81,445</b>
Care and Upkeep of Grounds					
Purchased Professional and Technical Services	93,097	-	93,097		93,097
Cleaning, Repair and Maintenance Services	366,707	34,827	401,534	360,933	40,601
Cleaning, Repair and Maint. Services (Nonbudgeted - Insurance Proc.)				18,220	(18,220)
General Supplies	123,350	15,909	139,259	125,339	13,920
<b>Total Care and Upkeep of Grounds</b>	<b>583,154</b>	<b>50,736</b>	<b>633,890</b>	<b>504,492</b>	<b>129,398</b>
Security					
Salaries	61,724	-	61,724	53,237	8,487
Purchased Professional and Technical Services	163,180	42,034	205,214	204,478	736
Cleaning, Repair and Maintenance Services	65,662	1,200	66,862	45,517	21,345
General Supplies	18,284	-	18,284	9,172	9,112
<b>Total Security</b>	<b>308,850</b>	<b>43,234</b>	<b>352,084</b>	<b>312,404</b>	<b>39,680</b>

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
Undistributed Expenditures (Continued)					
Student Transportation Services					
Salaries for Pupil Transportation(Bet Home & Sch) Reg	\$ 68,152	-	\$ 68,152	\$ 66,980	\$ 1,172
Salaries for Pupil Transportation(Other than Bet Home & Sch)	41,700	\$ 6,461	48,161	33,239	14,922
Management Fee-ESC and CTSA Transportation Prog.	53,878	-	53,878	51,001	2,877
Cleaning, Repair and Maintenance Services	10,500	1,086	11,586	11,586	-
Contracted Services - Aid in Lieu of Payments - Non Public	180,000	(1,710)	178,290	157,175	21,115
Contracted Svcs. (Between Home & School) - Vendors	908,292	(49,878)	858,414	840,341	18,073
Contracted Svcs. (Other than Between Home and School) - Vendors	252,600	(6,575)	246,025	195,363	50,662
Contracted Services (Bet. Home & Sch)-Joint Agreements	130,560	(40,300)	90,260	73,159	17,101
Contracted Services (Special Ed. Students)-Vendors	58,800	126,892	185,692	163,232	22,460
Contracted Services (Special Ed. Students)-Joint Agreements	2,193,000	(48,998)	2,144,002	1,837,951	306,051
General Supplies	300	7,101	7,401	5,301	2,100
<b>Total Student Transportation Services</b>	<b>3,897,782</b>	<b>(5,921)</b>	<b>3,891,861</b>	<b>3,435,328</b>	<b>456,533</b>
Unallocated Benefits - Employee Benefits					
Social Security Contributions	1,049,300	-	1,049,300	1,031,880	17,420
Other Retirement Contributions - PERS	835,400	11,932	847,332	847,332	-
Other Retirement Contributions - Regular	155,149	(5,149)	150,000	113,822	36,178
Unemployment Compensation	-	-	-	-	-
Workmen's Compensation	275,000	(11,932)	263,068	110,548	152,520
Health Benefits	11,551,097	(355,289)	11,195,808	9,751,782	1,444,026
Tuition Reimbursement	275,000	-	275,000	110,269	164,731
Other Employee Benefits	67,000	-	67,000	47,891	19,109
Unused Sick Payment to Terminated/Retired Staff	5,000	-	5,000	-	5,000
<b>Total Unallocated Benefits-Employee Benefits</b>	<b>14,212,946</b>	<b>(360,438)</b>	<b>13,852,508</b>	<b>12,013,524</b>	<b>1,838,984</b>
Reimbursed TPAF Social Security Payments (Non-Budget)	-	-	-	3,716,222	(3,716,222)
On-behalf TPAF Pension System Contribution (Non-Budget)	-	-	-	18,419,614	(18,419,614)
On-behalf TPAF Pension - NCGI Premium (Non-Budget)	-	-	-	259,875	(259,875)
On-behalf TPAF Post Retirement Medical Contribution (Non-Budget)	-	-	-	4,364,284	(4,364,284)
On-behalf TPAF Long-Term Disability Insurance (Non-Budget)	-	-	-	4,986	(4,986)
<b>Total On-Behalf TPAF</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,764,981</b>	<b>(26,764,981)</b>
<b>Total Undistributed Expenditures</b>	<b>59,865,818</b>	<b>138,224</b>	<b>60,004,042</b>	<b>81,312,073</b>	<b>(21,308,031)</b>
Interest Earned on Maintenance Reserve	50	-	50	-	50
Interest Earned on Current Expense Emergency Res	50	-	50	-	50
<b>Total Expenditures - Current Expenditures</b>	<b>109,284,913</b>	<b>67,667</b>	<b>109,352,580</b>	<b>128,108,433</b>	<b>(18,755,853)</b>
<b>CAPITAL OUTLAY</b>					
Equipment					
Regular Programs - Instruction					
Grades 1-5	-	17,045	17,045	16,461	584
Grades 6-8	-	4,479	4,479	4,479	-
Grades 9-12	-	40,407	40,407	27,985	12,422
Special Programs - Instruction					
School-Sponsored Athletics (Nonbudgeted - Insurance Proceeds)	-	-	-	2,297	(2,297)
Undistributed Expenditures					
Support Services - Education Media/Library	-	73,739	73,739	-	73,739
Support Services - School Administration	-	3,206	3,206	3,206	-
Support Services - Central Services	-	9,979	9,979	-	9,979
Support Services - Operation Maint for School Fac.	-	403,934	403,934	398,651	5,283
Care and Upkeep of Grounds	-	5,741	5,741	5,741	-
<b>Total Equipment</b>	<b>-</b>	<b>558,530</b>	<b>558,530</b>	<b>458,820</b>	<b>99,710</b>

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
<b>CAPITAL OUTLAY (Continued)</b>					
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	\$ 240,000	\$ (147,741)	\$ 92,259	\$ 2,380	\$ 89,879
Other Purchased Professional and Technical Services		-			
Construction Services	960,000	-	960,000	854,297	105,703
Assessment for Debt Service on SDA Funding	42,837	-	42,837	42,837	-
Total Facilities Acquisition and Construction Services	<u>1,242,837</u>	<u>(147,741)</u>	<u>1,095,096</u>	<u>899,514</u>	<u>195,582</u>
Assets Acquired under Capital Leases (Non-Budget)					
Leased Buildings	-	-	-	202,128	(202,128)
Total Assets Acquired under Capital Leases	<u>-</u>	<u>-</u>	<u>-</u>	<u>202,128</u>	<u>(202,128)</u>
Interest Deposit into Capital Reserve	4,950	-	4,950	-	4,950
Total Capital Outlay	<u>1,247,787</u>	<u>410,789</u>	<u>1,658,576</u>	<u>1,560,462</u>	<u>98,114</u>
<b>SPECIAL SCHOOLS</b>					
Summer School - Instruction					
Salaries of Teachers	216,300	-	216,300	186,054	30,246
General Supplies	8,900	(273)	8,627	8,522	105
Total Summer School - Instruction	<u>225,200</u>	<u>(273)</u>	<u>224,927</u>	<u>194,576</u>	<u>30,351</u>
Summer School - Support Services					
Salaries	49,378	-	49,378	38,320	11,058
Personal Services - Employee Benefits	45,157	(900)	44,257	20,876	23,381
Other Purchased Services	3,475	31,050	34,525	34,525	-
Other Objects	11,950	(2,802)	9,148	8,022	1,126
Total Summer School - Support Services	<u>109,960</u>	<u>27,348</u>	<u>137,308</u>	<u>101,743</u>	<u>35,565</u>
Other Special Schools - Instruction					
Salaries of Teachers	340,000	(14,348)	325,652	280,089	45,563
Purchased Professional and Technical Services	30,000	20,000	50,000	49,660	340
General Supplies	16,000	(500)	15,500	6,836	8,664
Total Other Special Schools - Instruction	<u>386,000</u>	<u>5,152</u>	<u>391,152</u>	<u>336,585</u>	<u>54,567</u>
Other Special Schools - Support Services					
Salaries	47,437	1	47,438	46,788	650
Personal Services - Employee Benefits	56,729	(500)	56,229	36,931	19,298
Other Purchased Services	77,727	(30,150)	47,577	47,292	285
Supplies and Materials	3,150	(2,500)	650	557	93
Other Objects	24,450	1,500	25,950	12,917	13,033
Total Other Special Schools - Support Services	<u>209,493</u>	<u>(31,649)</u>	<u>177,844</u>	<u>144,485</u>	<u>33,359</u>
Adult Education - Local - Instruction					
Salaries of Teachers	125,000	(33,298)	91,702	91,701	1
Purchased Professional and Technical Services	53,500	38,274	91,774	90,440	1,334
Other Purchased Services		-			-
General Supplies	1,700	699	2,399	1,897	502
Other Objects	4,000	-	4,000	-	4,000
Total Adult Education - Local - Instruction	<u>184,200</u>	<u>5,675</u>	<u>189,875</u>	<u>184,038</u>	<u>5,837</u>

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
Adult Education - Local - Support Services					
Salaries	\$ 53,985	-	\$ 53,985	\$ 53,472	\$ 513
Personal Services - Employee Benefits	44,097	-	44,097	31,318	12,779
Other Purchased Services	95,290	\$ (6,455)	88,835	83,621	5,214
Supplies and Materials	1,000	-	1,000	36	964
Other Objects	17,000	402	17,402	14,955	2,447
Total Adult Education - Local - Support Services	211,372	(6,053)	205,319	183,402	21,917
Total Special Schools	1,326,225	200	1,326,425	1,144,829	181,596
Total Expenditures	111,858,925	478,656	112,337,581	130,813,724	(18,476,143)
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(2,818,376)	(478,656)	(3,297,032)	7,866,011	11,163,043
Other Financing Sources (Uses)					
Insurance Proceeds				306,616	306,616
Leases	-	-	-	202,128	202,128
Total Other Financing Sources	-	-	-	508,744	508,744
Excess (Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources	(2,818,376)	(478,656)	(3,297,032)	8,374,755	11,671,787
Change in Fund Balance	(2,818,376)	(478,656)	(3,297,032)	8,374,755	11,671,787
Fund Balance, Beginning of Year	14,051,319	-	14,051,319	14,051,319	-
Fund Balance, End of Year	\$ 11,232,943	\$ (478,656)	\$ 10,754,287	\$ 22,426,074	\$ 11,671,787
<b>Recapitulation Of Fund Balance:</b>					
Restricted Fund Balance:					
Excess Surplus				2,729,048	
Excess Surplus - Designated for Subsequent Year's Expenditures				907,000	
Capital Reserve				3,286,528	
Capital Reserve - Designated for Subsequent Year's Expenditures				529,002	
Emergency Reserve				1,000,000	
Maintenance Reserve				5,223,567	
Unemployment Claims				193,122	
Assigned Fund Balance:					
Year End Encumbrances				634,508	
Designated for Subsequent Year's Expenditures				2,289,549	
Unassigned Fund Balance				5,633,750	
Reconciliation to Governmental Fund Statement (GAAP)				22,426,074	
State Aid Payments Not Recognized on GAAP Basis					
Extraordinary Aid			\$ (3,010,867)		
Delayed State Aid Payments			(438,571)		
				(3,449,438)	
Fund Balance Per Governmental Funds (GAAP)				\$ 18,976,636	

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

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final Budget to Actual
<b>REVENUES</b>					
Intergovernmental					
Local	\$ 6,301	\$ 2,301,432	\$ 2,307,733	\$ 1,590,183	\$ (717,550)
Federal	1,579,096	2,612,977	4,192,073	2,303,400	(1,888,673)
<b>Total Revenues</b>	<u>1,585,397</u>	<u>4,914,409</u>	<u>6,499,806</u>	<u>3,893,583</u>	<u>(2,606,223)</u>
<b>EXPENDITURES</b>					
Instruction					
Salaries of Teachers	13,403	764,483	777,886	392,091	385,795
Other Salaries for Instruction	18,113	37,269	55,382	18,278	37,104
Purchased Prof./Educational Services	-	32,100	32,100	31,400	700
Other Purchased Professional Services	-	14,000	14,000	14,000	-
Purchased Technical Services	-	5,870	5,870	-	5,870
Tuition	1,139,378	421,570	1,560,948	1,399,073	161,875
Travel	-	130	130	130	-
Supplies and Materials	4,941	374,408	379,349	227,342	152,007
Student Co-Curricular and Athletics	-	853,742	853,742	853,742	-
Miscellaneous	1,260	118,222	119,482	28,631	90,851
<b>Total Instruction</b>	<u>1,177,095</u>	<u>2,621,794</u>	<u>3,798,889</u>	<u>2,964,687</u>	<u>834,202</u>
Support Services					
Salaries of Other Professional Staff	58,038	227,068	285,106	83,067	202,039
Salaries of Noninstructional Aides	-	84,324	84,324	29,292	55,032
Salaries for Pupil Transportation(Other than Bet Home & Sch)	-	241	241	-	241
Personnel Services - Employee Benefits	50,397	69,879	120,276	43,906	76,370
Purchased Prof./Educational Services	299,867	(62,569)	237,298	48,816	188,482
Other Purchased Professional Services	-	1,000	1,000	-	1,000
Cleaning, Repair & Maintenance	-	50	50	-	50
Rental	-	1,529	1,529	900	629
Transportation	-	62,806	62,806	25,776	37,030
Insurance	-	5,130	5,130	-	5,130
Travel	-	109,750	109,750	3,369	106,381
General Supplies	-	66,331	66,331	19,254	47,077
Scholarships Awarded/Net Loss on Inv.	-	755,903	755,903	755,903	-
Miscellaneous Expenditures	-	10,368	10,368	10,368	-
<b>Total Support Services</b>	<u>408,302</u>	<u>1,331,810</u>	<u>1,740,112</u>	<u>1,020,651</u>	<u>719,461</u>
Facilities Acquisition and Construction Services					
Construction Services	-	190,000	190,000	-	190,000
Instructional	-	414,315	414,315	270,704	143,611
Non-instructional Equipment	-	356,490	356,490	181,490	175,000
<b>Total Facilities Acquisition and Const.Ser.</b>	<u>-</u>	<u>960,805</u>	<u>960,805</u>	<u>452,194</u>	<u>508,611</u>
<b>Total Expenditures</b>	<u>1,585,397</u>	<u>4,914,409</u>	<u>6,499,806</u>	<u>4,437,532</u>	<u>2,062,274</u>
Excess of Revenues over Expenses	-	-	-	(543,949)	(543,949)
Fund Balance, July 1,	3,493,809	-	3,493,809	3,493,809	-
Fund Balance, June 30	\$ 3,493,809	\$ -	\$ 3,493,809	\$ 2,949,860	\$ (543,949)
Student Activity/Athletic Funds				\$ 287,714	
Scholarships				2,662,146	
				<u>\$ 2,949,860</u>	

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



**RIDGEWOOD BOARD OF EDUCATION  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
BUDGET TO GAAP RECONCILIATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

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

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules (Exhibits C-1 and C-2)	\$ 138,679,735	\$ 3,893,583
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances June 30, 2021		140,093
Encumbrances June 30, 2022		(44,587)
State Aid payments recognized for budgetary purposes not recognized for GAAP statements		
Prior Year	3,187,815	
Current Year	(3,449,438)	-
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 138,418,112</u>	<u>\$ 3,989,089</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 130,813,724	\$ 4,437,532
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances June 30, 2021		140,093
Encumbrances June 30, 2022	-	(44,587)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 130,813,724</u>	<u>\$ 4,533,038</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**PENSION INFORMATION  
AND  
POST-EMPLOYMENT BENEFITS INFORMATION**

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

PUBLIC EMPLOYEES RETIREMENT SYSTEM  
Last Nine Fiscal Years \*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.07235%	0.07005%	0.07088%	0.07200%	0.07514%	0.07918%	0.08106%	0.12008%	0.11244%
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 8,571,240</u>	<u>\$ 11,424,535</u>	<u>\$ 12,273,286</u>	<u>\$ 14,178,235</u>	<u>\$ 17,491,143</u>	<u>\$ 23,451,718</u>	<u>\$ 18,196,878</u>	<u>\$ 22,482,937</u>	<u>\$ 21,488,873</u>
District's Covered Payroll	<u>\$ 5,105,332</u>	<u>\$ 5,222,317</u>	<u>\$ 5,068,384</u>	<u>\$ 4,924,565</u>	<u>\$ 5,000,343</u>	<u>\$ 5,088,990</u>	<u>\$ 5,355,142</u>	<u>\$ 7,167,298</u>	<u>\$ 7,023,952</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	167.89%	218.76%	242.15%	287.91%	349.80%	460.83%	339.80%	313.69%	305.94%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

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

PUBLIC EMPLOYEES RETIREMENT SYSTEM  
Last Nine Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 808,275	\$ 766,393	\$ 689,544	\$ 716,258	\$ 696,082	\$ 703,450	\$ 696,919	\$ 989,952	\$ 847,187
Contributions in Relation to the Contractually Required Contributions	<u>808,275</u>	<u>766,393</u>	<u>689,544</u>	<u>716,258</u>	<u>696,082</u>	<u>703,450</u>	<u>696,919</u>	<u>989,952</u>	<u>847,187</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	<u>\$ 5,090,504</u>	<u>\$ 5,105,332</u>	<u>\$ 5,222,317</u>	<u>\$ 5,068,384</u>	<u>\$ 4,924,565</u>	<u>\$ 5,000,343</u>	<u>\$ 5,088,990</u>	<u>\$ 5,355,142</u>	<u>\$ 7,167,298</u>
Contributions as a Percentage of Covered Payroll	15.88%	15.01%	13.20%	14.13%	14.13%	14.07%	13.69%	18.49%	11.82%

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

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

TEACHERS PENSION AND ANNUITY FUND  
Last Nine Fiscal Years \*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)									
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>215,187,353</u>	<u>293,815,005</u>	<u>271,531,940</u>	<u>272,952,994</u>	<u>300,609,650</u>	<u>346,457,855</u>	<u>280,128,643</u>	<u>231,014,249</u>	<u>223,403,034</u>
Total	<u>\$ 215,187,353</u>	<u>\$ 293,815,005</u>	<u>\$ 271,531,940</u>	<u>\$ 272,952,994</u>	<u>\$ 300,609,650</u>	<u>\$ 346,457,855</u>	<u>\$ 280,128,643</u>	<u>\$ 231,014,249</u>	<u>\$ 223,403,034</u>
District's Covered Payroll	<u>\$ 51,041,915</u>	<u>\$ 51,351,946</u>	<u>\$ 48,375,614</u>	<u>\$ 47,693,601</u>	<u>\$ 45,578,273</u>	<u>\$ 44,290,765</u>	<u>\$ 44,690,162</u>	<u>\$ 43,796,359</u>	<u>\$ 42,920,432</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	421.59%	572.16%	561.30%	572.31%	659.55%	782.23%	626.82%	527.47%	520.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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

**Change of Benefit Terms:** None.

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

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

**Postemployment Health Benefit Plan**

**Last Five Fiscal Years\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>					
Service Cost	\$ 9,935,784	\$ 5,599,218	\$ 5,381,730	\$ 6,008,296	\$ 7,186,978
Interest on Total OPEB Liability	5,072,484	4,893,585	5,966,519	6,302,473	5,465,675
Change of Benefits	(208,127)				
Differences Between Expected and Actual Experience	(36,660,677)	37,861,911	(24,055,695)	(12,281,458)	
Changes of Assumptions	192,914	40,382,347	2,028,777	(17,304,961)	(22,719,433)
Gross Benefit Payments	(3,995,696)	(3,848,690)	(4,176,865)	(4,032,316)	(4,113,092)
Contribution from the Member	129,679	116,654	123,814	139,363	151,454
<b>Net Change in Total OPEB Liability</b>	<u>(25,533,639)</u>	<u>85,005,025</u>	<u>(14,731,720)</u>	<u>(21,168,603)</u>	<u>(14,028,418)</u>
<b>Total OPEB Liability - Beginning</b>	<u>221,072,490</u>	<u>136,067,465</u>	<u>150,799,185</u>	<u>171,967,788</u>	<u>185,996,206</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 195,538,851</u>	<u>\$ 221,072,490</u>	<u>\$ 136,067,465</u>	<u>\$ 150,799,185</u>	<u>\$ 171,967,788</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	195,538,851	221,072,490	136,067,465	150,799,185	171,967,788
<b>Total OPEB Liability - Ending</b>	<u>\$ 195,538,851</u>	<u>\$ 221,072,490</u>	<u>\$ 136,067,465</u>	<u>\$ 150,799,185</u>	<u>\$ 171,967,788</u>
District's Covered Payroll	<u>\$ 56,147,247</u>	<u>\$ 56,574,263</u>	<u>\$ 53,443,998</u>	<u>\$ 52,618,166</u>	<u>\$ 50,578,616</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%

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

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

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

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

**Changes in Benefit Terms:**

None.

**Changes of Assumptions**

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



**SCHOOL LEVEL SCHEDULES**

**NOT APPLICABLE**

**SPECIAL REVENUE FUND**

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

	I.D.E.A.		ARP - I.D.E.A.	Student	Scholarships	Other Grants	Subtotal Page 2	Subtotal Page 3	Total
	Part B Basic	Preschool	Part B Basic	Activities and Athletics					
REVENUES									
Local				\$ 869,221	\$ 196,475	\$ 524,487			\$ 1,590,183
Federal	\$ 1,056,163	\$ 39,510	\$ 82,604	-	-	-	\$ 810,741	\$ 314,382	2,303,400
Total Revenues	\$ 1,056,163	\$ 39,510	\$ 82,604	\$ 869,221	\$ 196,475	\$ 524,487	\$ 810,741	\$ 314,382	\$ 3,893,583
EXPENDITURES									
Instruction									
Salaries of Teachers			\$ 26,745			\$ 66,009	\$ 282,651	\$ 16,686	\$ 392,091
Other Salaries for Instruction							18,278	-	18,278
Purchased Prof./Educational Services			31,100			300	-	-	31,400
Other Purchased Professional Services						14,000	-	-	14,000
Tuition	\$ 1,056,163	\$ 39,510					91,425	211,975	1,399,073
Travel						130	-	-	130
Supplies and Materials			11,794			94,164	115,764	5,620	227,342
Student Co-Curricular and Athletics				853,742			-	-	853,742
Miscellaneous						28,631	-	-	28,631
Total Instruction	1,056,163	39,510	69,639	853,742	-	203,234	508,118	234,281	2,964,687
Support Services									
Salaries of Other Professional Staff							37,885	45,182	83,067
Salaries of Non-Instructional Aides							29,292	-	29,292
Personnel Services - Employee Benefits						13,354	-	30,552	43,906
Purchased Prof./Educational Services			12,965				31,956	3,895	48,816
Rental						900	-	-	900
Transportation						25,776	-	-	25,776
Travel						151	2,746	472	3,369
General Supplies							19,254	-	19,254
Scholarships Awarded/Net Loss on Inv.					\$ 755,903		-	-	755,903
Miscellaneous Expenditures						10,368	-	-	10,368
Total Support Services	-	-	12,965	-	755,903	50,549	121,133	80,101	1,020,651
Facilities Acquisition and Construction Services									
Instructional Equipment						270,704	-	-	270,704
Non-Instructional Equipment							181,490	-	181,490
Total Facilities Acquisition and Construction Services	-	-	-	-	-	270,704	181,490	-	452,194
Total Expenditures	1,056,163	39,510	82,604	853,742	755,903	524,487	810,741	314,382	4,437,532
Excess of Revenues over Expenses	-	-	-	15,479	(559,428)	-	-	-	(543,949)
Fund Balance, July 1	-	-	-	272,235	3,221,574	-	-	-	3,493,809
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 287,714	\$ 2,662,146	\$ -	\$ -	\$ -	\$ 2,949,860

Continued

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

	<u>ESSER I</u>	<u>CRRSA ESSER II</u>	<u>CRRSA Lea. Accel.</u>	<u>CRRSA Ment. Health</u>	<u>ARP ESSER III</u>	<u>ARP Lea. Accel.</u>	<u>ARP Comp Bevo</u>	<u>ARP Ment. Health</u>	<u>Page 2 Total</u>
<b>REVENUES</b>									
Local									
Federal	\$ 1,026	\$ 247,320	\$ 25,970	\$ 19,789	\$ 433,038	\$ 22,441	\$ 37,157	\$ 24,000	810,741
<b>Total Revenues</b>	<b>\$ 1,026</b>	<b>\$ 247,320</b>	<b>\$ 25,970</b>	<b>\$ 19,789</b>	<b>\$ 433,038</b>	<b>\$ 22,441</b>	<b>\$ 37,157</b>	<b>\$ 24,000</b>	<b>\$ 810,741</b>
<b>EXPENDITURES</b>									
<b>Instruction</b>									
Salaries of Teachers		\$ 6,540	\$ 3,135		\$ 211,819		\$ 37,157	\$ 24,000	\$ 282,651
Other Salaries for Instruction		18,278							18,278
Purchased Prof./Educational Services									-
Other Purchased Professional Services									-
Tuition		68,365	22,835		225				91,425
Travel									-
Supplies and Materials	\$ 1,026	112,788	-	-	1,950	-	-	-	115,764
Textbooks									-
Student Co-Curricular and Athletics									-
Miscellaneous									-
<b>Total Instruction</b>	<b>1,026</b>	<b>205,971</b>	<b>25,970</b>	<b>-</b>	<b>213,994</b>	<b>-</b>	<b>37,157</b>	<b>24,000</b>	<b>508,118</b>
<b>Support Services</b>									
Salaries of Other Professional Staff		30,357		\$ 7,528					37,885
Salaries of Non-Instructional Aides					29,292				29,292
Personnel Services - Employee Benefits									-
Purchased Prof./Educational Services				10,000		\$ 21,956			31,956
Rental									-
Transportation									-
Travel				2,261		485			2,746
General Supplies	-	10,992	-	-	8,262	-	-	-	19,254
Scholarship Awards									-
Miscellaneous Expenditures									-
<b>Total Support Services</b>	<b>-</b>	<b>41,349</b>	<b>-</b>	<b>19,789</b>	<b>37,554</b>	<b>22,441</b>	<b>-</b>	<b>-</b>	<b>121,133</b>
<b>Facilities Acquisition and Construction Services</b>									
Instructional Equipment									-
Non-Instructional Equipment					181,490				181,490
<b>Total Facilities Acquisition and Construction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>181,490</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>181,490</b>
<b>Total Expenditures</b>	<b>1,026</b>	<b>247,320</b>	<b>25,970</b>	<b>19,789</b>	<b>433,038</b>	<b>22,441</b>	<b>37,157</b>	<b>24,000</b>	<b>810,741</b>
Excess of Revenues over Expenses	-	-	-	-	-	-	-	-	-
Fund Balance, July 1,	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	<u>Title I</u>	<u>Title II A</u>	<u>Title III</u>	<u>Title III Immigrant</u>	<u>Add. Spec Ed. Related Services</u>	<u>Page 3 Total</u>
REVENUES						
Local						
Federal	\$ 1,000	\$ 68,225	\$ 30,944	\$ 2,238	\$ 211,975	\$ 314,382
Total Revenues	\$ 1,000	\$ 68,225	\$ 30,944	\$ 2,238	\$ 211,975	\$ 314,382
EXPENDITURES						
Instruction						
Salaries of Teachers			\$ 16,686			\$ 16,686
Other Salaries for Instruction						-
Purchased Prof./Educational Services						-
Other Purchased Professional Services						-
Tuition					\$ 211,975	211,975
Travel						-
Supplies and Materials	\$ 1,000	-	2,382	\$ 2,238	-	5,620
Student Co-Curricular and Athletics						-
Miscellaneous	-	-	-	-	-	-
Total Instruction	1,000	-	19,068	2,238	211,975	234,281
Support Services						
Salaries of Other Professional Staff		\$ 45,182				45,182
Salaries of Non-Instructional Aides						-
Personnel Services - Employee Benefits		23,043	7,509			30,552
Purchased Prof./Educational Services			3,895			3,895
Rental						-
Transportation						-
Travel			472	-	-	472
General Supplies	-	-	-	-	-	-
Scholarship Awards						-
Miscellaneous Expenditures	-	-	-	-	-	-
Total Support Services	-	68,225	11,876	-	-	80,101
Facilities Acquisition and Construction Services						
Instructional Equipment						-
Non-Instructional Equipment	-	-	-	-	-	-
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-
Total Expenditures	1,000	68,225	30,944	2,238	211,975	314,382
Excess of Revenues over Expenses	-	-	-	-	-	-
Fund Balance, July 1, as Restated	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

NOT APPLICABLE

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

	<u>Balance, July 1, 2021</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance, June 30, 2022</u>
<b>ELEMENTARY SCHOOLS</b>				
Hawes	\$ 10,292	\$ 10,517	\$ 12,219	\$ 8,590
Orchard	11,624	9,044	18,516	2,152
Ridge	3,728	49,051	49,206	3,573
Somerville	17,166	31,610	30,794	17,982
Travell	1,344	6,602	6,871	1,075
Willard	17,804	26,780	24,948	19,636
Total Elementary Schools	<u>61,958</u>	<u>133,604</u>	<u>142,554</u>	<u>53,008</u>
<b>MIDDLE SCHOOLS</b>				
Benjamin Franklin	35,027	64,300	62,123	37,204
George Washington	27,180	38,532	30,462	35,250
Total Junior High School	<u>62,207</u>	<u>102,832</u>	<u>92,585</u>	<u>72,454</u>
<b>HIGH SCHOOL</b>				
Ridgewood High School	144,615	505,148	487,535	162,228
Athletic Accounts	3,455	127,637	131,068	24
Total Senior High School	<u>148,070</u>	<u>632,785</u>	<u>618,603</u>	<u>162,252</u>
Total All Schools	<u>\$ 272,235</u>	<u>\$ 869,221</u>	<u>\$ 853,742</u>	<u>\$ 287,714</u>

**CAPITAL PROJECTS FUND**



**RIDGEWOOD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Issue Project Title</u>	<u>Modified Appropriation</u>	<u>Prior Years</u>	<u>Expenditures to Date</u>		<u>Cancelled</u>	<u>Balance, June 30, 2022</u>
			<u>Current Year</u>			
<b><u>Capital Leases</u></b>						
2020-2021 Capital Lease - Computer Equipment	\$ 940,418	\$ 852,687	\$ 87,731		-	-
2021-2022 Capital Lease - Computer Equipment	<u>940,159</u>	<u>-</u>	<u>857,617</u>		<u>-</u>	<u>\$ 82,542</u>
	<u>\$ 1,880,577</u>	<u>\$ 852,687</u>	<u>\$ 945,348</u>		<u>\$ -</u>	<u>\$ 82,542</u>
<b><u>Reconciliation to GAAP</u></b>						
Project Balances, June 30, 2022 - Budgetary						<u>\$ 82,542</u>
Fund Balance, June 30, 2022 - GAAP						<u>\$ 82,542</u>
<b><u>Recapitulation of Fund Balance</u></b>						
Restricted for Capital Projects						
Reserve for Encumbrances						\$ 82,395
Capital Lease Reserve						<u>147</u>
Total Fund Balance - Restricted for Capital Projects						<u>\$ 82,542</u>

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

<b>Revenues and Other Financing Sources</b>	
Capital Lease Proceeds	\$ 940,000
Interest	<u>159</u>
Total Revenues and Other Financing Sources	<u>940,159</u>
<b>Expenditures and Other Financing Uses</b>	
Professional Services	27,225
Supplies and Materials	<u>918,123</u>
Total Expenditures and Other Financing Uses	<u>945,348</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(5,189)
Fund Balance, Beginning of Year	<u>87,731</u>
Fund Balance - End of Year	<u>\$ 82,542</u>
Reconciliation to GAAP Basis	
Fund Balance, June 30, 2022 - Budgetary Basis	<u>\$ 82,542</u>
Fund Balance, June 30, 2022 - GAAP Basis	<u>\$ 82,542</u>

**RIDGEWOOD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
BUDGETARY BASIS  
2020-2021 CAPITAL LEASE - COMPUTER EQUIPMENT  
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Capital Lease Proceeds	\$ 940,000		\$ 940,000	\$ 940,000
Interest	418	-	418	418
	<u>940,418</u>	<u>-</u>	<u>940,418</u>	<u>940,418</u>
<b>Total Revenues</b>				
<b>EXPENDITURES AND OTHER FINANCING SOURCES</b>				
Professional Services	100,760		100,760	100,760
Supplies and Materials	707,283	\$ 87,731	795,014	795,014
Equipment	44,644	-	44,644	44,644
	<u>852,687</u>	<u>87,731</u>	<u>940,418</u>	<u>940,418</u>
<b>Total Expenditures and other Financing Sources</b>				
Excess of Revenues over Expenditures	<u>\$ 87,731</u>	<u>\$ (87,731)</u>	<u>\$ -</u>	<u>\$ -</u>

## Additional Project Information:

NJ DOE Project Number	N/A
SDA Project Number	N/A
Grant Number	N/A
Grant Notification Date	N/A
Grant Amount	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 940,000
Additional Authorized Cost	\$ 418
Revised Authorized Cost	\$ 940,418

## Percentage Increase (Decrease) over Original Authorized

Cost	0.04%
Percentage Completion	100.00%
Original Target Completion Date	06/30/2021
Revised Target Completion Date	06/30/2021

**RIDGEWOOD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
BUDGETARY BASIS  
2021-2022 CAPITAL LEASE - COMPUTER EQUIPMENT  
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Capital Lease Proceeds		\$ 940,000	\$ 940,000	\$ 940,000
Interest	-	159	159	159
	<u>-</u>	<u>940,159</u>	<u>940,159</u>	<u>940,159</u>
<b>Total Revenues</b>	<b>-</b>	<b>940,159</b>	<b>940,159</b>	<b>940,159</b>
<b>EXPENDITURES AND OTHER FINANCING SOURCES</b>				
Professional Services		27,225	27,225	30,505
Supplies and Materials	-	830,392	830,392	909,654
	<u>-</u>	<u>857,617</u>	<u>857,617</u>	<u>940,159</u>
<b>Total Expenditures and other Financing Sources</b>	<b>-</b>	<b>857,617</b>	<b>857,617</b>	<b>940,159</b>
<b>Excess of Revenues over Expenditures</b>	<b>\$ -</b>	<b>\$ 82,542</b>	<b>\$ 82,542</b>	<b>\$ -</b>
 <b>Additional Project Information:</b>				
NJ DOE Project Number		N/A		
SDA Project Number		N/A		
Grant Number		N/A		
Grant Notification Date		N/A		
Grant Amount		N/A		
Bond Authorization Date		N/A		
Bonds Authorized		N/A		
Bonds Issued		N/A		
Original Authorized Cost		\$ 940,000		
Additional Authorized Cost		\$ 159		
Revised Authorized Cost		\$ 940,159		
 <b>Percentage Increase (Decrease) over Original Authorized</b>				
Cost		0.02%		
Percentage Completion		91.22%		
Original Target Completion Date		06/30/2022		
Revised Target Completion Date		06/30/2022		

**ENTERPRISE FUND**

**NOT APPLICABLE**

**FIDUCIARY FUNDS**

**NOT APPLICABLE**

**LONG-TERM DEBT**

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

86	<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance July 1, 2021</u>	<u>Retired</u>	<u>Balance June 30, 2022</u>
	Additions and Renovations to Various Schools (Refunded 2003 Bonds Maturing 2/15/2016 to 2/15/2028)	June 1, 2011	\$ 3,475,000	2/15/23 2/15/24-2/15/27 2/15/28	\$ 230,000 235,000 230,000	3.25% 4.00% 4.00%	\$ 1,630,000	\$ 230,000	\$ 1,400,000
	School Refunding Bonds	November 1, 2016	32,860,000	3/15/23 3/15/24 3/15/25 3/15/26 3/15/27 3/15/28 3/15/29 3/15/30 3/15/31 3/15/32 3/15/33 3/15/34 3/15/35	1,680,000 1,780,000 1,860,000 1,975,000 2,050,000 2,175,000 2,275,000 2,370,000 2,465,000 2,610,000 2,755,000 2,745,000 2,735,000	4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 3.00%	31,105,000	1,630,000	29,475,000



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

66

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance July 1, 2021</u>	<u>Retired</u>	<u>Balance June 30, 2022</u>
Energy Savings Improvement Bonds	November 1, 2016	\$ 6,660,000	11/15/22	\$ 305,000	2.00%			
			11/15/23	210,000	3.00%			
			11/15/24	225,000	3.00%			
			11/15/25	240,000	3.00%			
			11/15/26	255,000	3.00%			
			11/15/27	270,000	3.00%			
			11/15/28	290,000	4.00%			
			11/15/29	310,000	4.00%			
			11/15/30	330,000	3.00%			
			11/15/31	355,000	4.00%			
			11/15/32	380,000	4.00%			
			11/15/33	405,000	4.00%			
			11/15/34	430,000	4.00%			
			11/15/35	460,000	4.00%			
						<u>\$ 4,760,000</u>	<u>\$ 295,000</u>	<u>\$ 4,465,000</u>
						<u>\$ 37,495,000</u>	<u>\$ 2,155,000</u>	<u>\$ 35,340,000</u>
							Paid by General Fund	\$ 295,000
							Paid by Debt Service Fund	<u>1,860,000</u>
								<u>\$ 2,155,000</u>

**RIDGEWOOD BOARD OF EDUCATION  
LONG-TERM DEBT  
CAPITAL LEASES AND LEASE PURCHASE AGREEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Purpose</u>	<u>Interest Rate Payable</u>	<u>Amount of Original Issue</u>	<u>Balance, July 1, 2021 (Restated)</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Balance, June 30, 2022</u>
<u>Capital Financing Agreements</u>						
Technology Equipment - 2017-2018	1.7300%	\$ 915,000	\$ 186,702		\$ 186,702	-
Technology Equipment - 2018-2019	2.8970%	900,000	366,708		180,736	\$ 185,972
Technology Equipment - 2019-2020	2.0619%	940,000	567,428		185,296	382,132
Technology Equipment - 2020-2021	1.0190%	940,000	749,669		183,663	566,006
Technology Equipment - 2021-2022	1.0190%	940,000		\$ 940,000	191,142	748,858
48 Konica Digital Copier	4.2270%	541,878	421,994	-	107,144	314,850
			2,292,501	940,000	1,034,683	2,197,818
<u>Lease Payable</u>						
30-38 Oak Street Lease	2.5000%	202,128	-	202,128	30,575	171,553
			<u>\$ 2,292,501</u>	<u>\$ 1,142,128</u>	<u>\$ 1,065,258</u>	<u>\$ 2,369,371</u>

RIDGEWOOD BOARD OF EDUCATION  
LONG-TERM DEBT  
DEBT SERVICE FUND BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Adjustments/ Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local Sources					
Local Tax Levy	\$ 3,459,251		\$ 3,459,251	\$ 3,459,251	
State Sources					
State Aid Type II	<u>134,499</u>	<u>-</u>	<u>134,499</u>	<u>134,499</u>	<u>-</u>
Total Revenues	<u>3,593,750</u>	<u>-</u>	<u>3,593,750</u>	<u>3,593,750</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Principal on Bonds	1,438,750	\$ 797,800	2,236,550	1,860,000	\$ 376,550
Interest on Bonds	<u>2,155,000</u>	<u>(797,800)</u>	<u>1,357,200</u>	<u>1,278,600</u>	<u>78,600</u>
Total Expenditures	<u>3,593,750</u>	<u>-</u>	<u>3,593,750</u>	<u>3,138,600</u>	<u>455,150</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	455,150	455,150
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>\$ 455,150</u>	<u>\$ 455,150</u>

## STATISTICAL SECTION

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

### Contents

### Exhibits

#### **Financial Trends**

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

J-1 to J-5

#### **Revenue Capacity**

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

J-6 to J-9

#### **Debt Capacity**

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

J-10 to J-13

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

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

J-14 and J-15

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. J-16 to J-20

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

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

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
		(Restated)					(Restated)	(Restated)	(Restated)	
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 46,132,466	\$ 46,434,486	\$ 47,460,901	\$ 50,296,485	\$ 48,026,214	\$ 52,024,622	\$ 53,460,402	\$ 54,281,797	\$ 54,875,869	\$ 55,088,671
Restricted	5,262,133	5,271,884	4,818,989	2,446,640	6,721,461	3,154,358	3,367,381	7,448,522	8,869,817	12,719,771
Unrestricted (Deficit)	277,381	479,002	(21,862,874)	(18,159,172)	(18,984,086)	(19,296,734)	(17,463,586)	(16,121,838)	(12,268,824)	(5,587,234)
<b>Total Governmental Activities Net Position</b>	<b>\$ 51,671,980</b>	<b>\$ 52,185,372</b>	<b>\$ 30,417,016</b>	<b>\$ 34,583,953</b>	<b>\$ 35,763,589</b>	<b>\$ 35,882,246</b>	<b>\$ 39,364,197</b>	<b>\$ 45,608,481</b>	<b>\$ 51,476,862</b>	<b>\$ 62,221,208</b>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 200,056	\$ 182,963	\$ 165,869	\$ 157,906	\$ 161,011	\$ 168,572	\$ 155,576	\$ 165,766	\$ 127,413	\$ 167,922
Unrestricted (Deficit)	(262,802)	(177,875)	(127,338)	(52,385)	(75,778)	169,197	140,996	208,728	(250,328)	432,130
<b>Total Business-Type Activities Net Position</b>	<b>\$ (62,746)</b>	<b>\$ 5,088</b>	<b>\$ 38,531</b>	<b>\$ 105,521</b>	<b>\$ 85,233</b>	<b>\$ 337,769</b>	<b>\$ 296,572</b>	<b>\$ 374,494</b>	<b>\$ (122,915)</b>	<b>\$ 600,052</b>
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ 46,332,522	\$ 46,617,449	\$ 47,626,770	\$ 50,454,391	\$ 48,187,225	\$ 52,193,194	\$ 53,615,978	\$ 54,447,563	\$ 55,003,282	\$ 55,256,593
Restricted	5,262,133	5,271,884	4,818,989	2,446,640	6,721,461	3,154,358	3,367,381	7,448,522	8,869,817	12,719,771
Unrestricted (Deficit)	14,579	301,127	(21,990,212)	(18,211,557)	(19,059,864)	(19,127,537)	(17,322,590)	(15,913,110)	(12,519,152)	(5,155,104)
<b>Total District Net Position</b>	<b>\$ 51,609,234</b>	<b>\$ 52,190,460</b>	<b>\$ 30,455,547</b>	<b>\$ 34,689,474</b>	<b>\$ 35,848,822</b>	<b>\$ 36,220,015</b>	<b>\$ 39,660,769</b>	<b>\$ 45,982,975</b>	<b>\$ 51,353,947</b>	<b>\$ 62,821,260</b>

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

Note 2 - Net position at June 30, 2019 is restated to reflect the reclassification of expenditures/expenses between the Governmental and Business Type Activities.

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

Note 4 - Net Position at June 30, 2021 is restated to reflect the implementation of GASB Statement No. 87, "Leases"

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

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019 (Restated)	2020	2021	2022
<b>Expenses</b>										
<b>Governmental Activities</b>										
Instruction										
Regular	\$ 41,066,546	\$ 42,268,110	\$ 49,809,263	\$ 52,476,438	\$ 59,694,002	\$ 60,234,080	\$ 55,317,248	\$ 54,161,384	\$ 60,024,888	\$ 51,831,793
Special Education	9,677,014	10,365,003	12,214,247	20,423,801	22,405,915	22,237,366	21,481,554	21,180,542	22,136,941	19,721,497
Other Special Instruction	1,865,523	1,917,159	2,259,204							
Other Instruction	2,333,329	2,209,523	3,249,504	4,078,298	4,593,792	5,307,856	4,931,423	4,262,453	4,057,750	4,196,910
School Sponsored Activities and Athletics				1,560,774	1,761,876	1,718,793	1,672,880	2,033,520	2,468,142	2,497,556
Support Services:										
Tuition	6,513,811	6,400,731	6,896,926							
Student and Instruction Related Services	16,593,369	17,168,297	20,121,714	19,624,092	21,377,496	21,458,596	20,863,948	21,296,956	22,926,003	21,786,137
School Administrative Services	4,912,473	5,124,205	5,956,806	5,921,747	6,433,802	6,405,997	6,103,999	5,932,010	6,340,651	5,483,087
General Administration Services	996,072	1,030,247	992,004	1,105,974	1,431,937	1,361,502	1,188,610	1,260,916	1,404,133	1,214,503
Central Services	1,557,969	1,647,350	1,802,578	1,500,900	1,678,752	1,539,412	1,634,597	1,707,813	1,771,767	1,571,218
Administration Information Technology	712,561	893,325	1,148,311	1,148,506	1,444,498	1,147,762	1,069,133	1,166,129	1,184,993	1,488,798
Plant Operations And Maintenance	7,760,169	8,829,531	9,002,078	8,907,317	9,519,429	12,395,800	12,613,773	12,552,287	13,051,420	13,464,667
Pupil Transportation	2,831,955	3,096,229	3,214,020	3,420,974	3,390,261	3,707,638	3,455,619	3,150,196	2,898,396	3,458,189
Special Schools	915,697	1,010,334	763,467							
Interest On Long-Term Debt	2,084,878	2,136,514	1,786,823	1,811,652	1,561,651	1,400,202	1,544,586	1,503,626	1,451,652	1,390,339
Unallocated Depreciation	3,478,605									-
<b>Total Governmental Activities Expenses</b>	<b>103,299,971</b>	<b>104,096,558</b>	<b>119,216,945</b>	<b>121,980,473</b>	<b>135,293,411</b>	<b>138,915,004</b>	<b>131,877,370</b>	<b>130,207,832</b>	<b>139,716,736</b>	<b>128,104,694</b>
<b>Business-Type Activities:</b>										
Food Service	1,272,615	1,467,124	1,491,101	1,643,143	1,845,060	1,969,904	2,073,207	1,872,969	356,127	2,470,754
Infant/Toddler Development Program	923,260	716,747	952,967	1,005,800	1,054,794	933,221	1,315,770	1,191,263	977,939	1,032,357
Technology Initiative				58,239	85,159	89,063	67,522	177,570	88,505	58,131
Inclusive Preschool					14,140	30,834	-	-	-	-
<b>Total Business-Type Activities Expense</b>	<b>2,195,875</b>	<b>2,183,871</b>	<b>2,444,068</b>	<b>2,707,182</b>	<b>2,999,153</b>	<b>3,023,022</b>	<b>3,456,499</b>	<b>3,241,802</b>	<b>1,422,571</b>	<b>3,561,242</b>
<b>Total District Expenses</b>	<b>\$ 105,495,846</b>	<b>\$ 106,280,429</b>	<b>\$ 121,661,013</b>	<b>\$ 124,687,655</b>	<b>\$ 138,292,564</b>	<b>\$ 141,938,026</b>	<b>\$ 135,333,869</b>	<b>\$ 133,449,634</b>	<b>\$ 141,139,307</b>	<b>\$ 131,665,936</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services	\$ 1,932,584	\$ 879,643	\$ 689,432	\$ 390,244	\$ 1,541,938	\$ 1,570,131	\$ 2,736,701	\$ 2,743,299	\$ 1,121,858	\$ 2,152,436
Operating Grants and Contributions	12,062,765	1,730,518	1,999,970	28,730,584	39,130,298	40,845,805	33,160,633	30,227,961	42,155,692	30,863,417
Capital Grants And Contributions	1,012,305	177,260	1,815,883	10,828	-	11,027	64,121	77,300	-	885,378
<b>Total Governmental Activities Program Revenues</b>	<b>15,007,654</b>	<b>2,787,421</b>	<b>4,505,285</b>	<b>29,131,656</b>	<b>40,672,236</b>	<b>42,426,963</b>	<b>35,961,455</b>	<b>33,048,560</b>	<b>43,277,550</b>	<b>33,901,231</b>
<b>Business-Type Activities:</b>										
Charges For Services										
Food Service	1,096,927	1,395,639	1,537,697	1,678,546	1,883,039	2,013,836	2,150,930	1,915,025	16,573	2,733,621
Infant/Toddler Development Program	728,458	853,846	939,697	1,012,840	989,001	1,090,435	1,181,341	806,137	813,726	1,454,886
Technology Initiative				96,600	97,890	94,927	98,625	95,950	94,150	94,535
Inclusive Preschool					8,700	55,000		1,620		795
Operating Grants And Contributions	121,800	2,124								
<b>Total Business Type Activities Program Revenues</b>	<b>1,947,185</b>	<b>2,251,609</b>	<b>2,477,394</b>	<b>2,787,986</b>	<b>2,978,630</b>	<b>3,254,198</b>	<b>3,430,896</b>	<b>2,818,732</b>	<b>924,449</b>	<b>4,283,837</b>
<b>Total District Program Revenues</b>	<b>\$ 16,954,839</b>	<b>\$ 5,039,030</b>	<b>\$ 6,982,679</b>	<b>\$ 31,919,642</b>	<b>\$ 43,650,866</b>	<b>\$ 45,681,161</b>	<b>\$ 39,392,351</b>	<b>\$ 35,867,292</b>	<b>\$ 44,201,999</b>	<b>\$ 38,185,068</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (88,292,317)	\$ (101,309,137)	\$ (114,711,660)	\$ (92,848,817)	\$ (94,621,175)	\$ (96,488,041)	\$ (95,915,915)	\$ (97,159,272)	\$ (96,439,186)	\$ (94,203,463)
Business-Type Activities	(248,690)	67,738	33,326	80,804	(20,523)	231,176	(25,603)	(423,070)	(498,122)	722,595
<b>Total District-Wide Net Expense</b>	<b>\$ (88,541,007)</b>	<b>\$ (101,241,399)</b>	<b>\$ (114,678,334)</b>	<b>\$ (92,768,013)</b>	<b>\$ (94,641,698)</b>	<b>\$ (96,256,865)</b>	<b>\$ (95,941,518)</b>	<b>\$ (97,582,342)</b>	<b>\$ (96,937,308)</b>	<b>\$ (93,480,868)</b>

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

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019 (Restated)	2020	2021	2022
<b>General Revenues And Other Changes In Net Position</b>										
Governmental Activities:										
Property Taxes Levied for:										
General Purposes	\$ 82,949,642	\$ 84,608,635	\$ 86,223,037	\$ 87,947,497	\$ 90,636,248	\$ 91,519,173	\$ 94,279,356	\$ 96,014,943	\$ 97,305,242	\$ 99,241,616
Debt Service	3,200,686	3,239,342	3,214,082	3,313,073	3,323,724	3,265,783	3,164,901	2,869,732	3,017,677	3,459,251
State Aid Restricted						417,813	409,204	134,178	135,122	79,354
Unrestricted Grants And Contributions	5,239,532	12,345,398	23,699,314	436,954	440,918	55,859	4,556			-
Investment Earnings	27,018	13,687	13,391	32,868	18,164	27,426	126,118	165,977	67,503	1,567
Miscellaneous	371,948	1,510,467	1,282,353	1,820,195	1,381,757	1,341,503	741,427	629,114	1,541,118	2,166,021
Transfers							18,726	(497,672)		-
Special Items		105,000				(20,859)	653,578	896,029	1,010,943	-
Total Governmental Activities	<u>91,788,826</u>	<u>101,822,529</u>	<u>114,432,177</u>	<u>93,550,587</u>	<u>95,800,811</u>	<u>96,606,698</u>	<u>99,397,866</u>	<u>100,212,301</u>	<u>103,077,605</u>	<u>104,947,809</u>
Business-Type Activities:										
Investment Earnings	399	96	117	254	235	501	3,132	3,320	713	372
Transfers In/(Out)						20,859	(18,726)	497,672	-	-
Total Business-Type Activities	<u>399</u>	<u>96</u>	<u>117</u>	<u>254</u>	<u>235</u>	<u>21,360</u>	<u>(15,594)</u>	<u>500,992</u>	<u>713</u>	<u>372</u>
Total District-Wide	<u>\$ 91,789,225</u>	<u>\$ 101,822,625</u>	<u>\$ 114,432,294</u>	<u>\$ 93,550,841</u>	<u>\$ 95,801,046</u>	<u>\$ 96,628,058</u>	<u>\$ 99,382,272</u>	<u>\$ 100,713,293</u>	<u>\$ 103,078,318</u>	<u>\$ 104,948,181</u>
<b>Change In Net Position</b>										
Governmental Activities	\$ 3,496,509	\$ 513,392	\$ (279,483)	\$ 701,770	\$ 1,179,636	\$ 118,657	\$ 3,481,951	\$ 3,053,029	\$ 6,638,419	\$ 10,744,346
Business-Type Activities	(248,291)	67,834	33,443	81,058	(20,288)	252,536	(41,197)	77,922	(497,409)	722,967
Total District	<u>\$ 3,248,218</u>	<u>\$ 581,226</u>	<u>\$ (246,040)</u>	<u>\$ 782,828</u>	<u>\$ 1,159,348</u>	<u>\$ 371,193</u>	<u>\$ 3,440,754</u>	<u>\$ 3,130,951</u>	<u>\$ 6,141,010</u>	<u>\$ 11,467,313</u>

Note 1 - The Changes in Net Position for the fiscal year ended June 30, 2019 is restated to reflect the reclassification of expenditures/expenses between the Governmental and Business-Type Activities.

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

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019 (Restated)	2020 (Restated)	2021	2022
General Fund										
Restricted	\$ 4,285,603	\$ 5,271,884	\$ 4,818,989	\$ 4,390,327	\$ 4,637,415	\$ 4,466,451	\$ 5,244,057	\$ 6,294,744	\$ 7,580,797	\$ 13,868,267
Committed	863,807			936,100	208,900	290,930	137,166	118,451		
Assigned	81,909	201,232	57,326	1,532,412	1,349,639	298,823	439,418	867,924	1,045,747	2,924,057
Unassigned	2,131,432	2,121,012	1,757,257	359,127	459,218	472,835	437,229	207,260	2,236,960	2,184,312
Total General Fund	<u>\$ 7,362,751</u>	<u>\$ 7,594,128</u>	<u>\$ 6,633,572</u>	<u>\$ 7,217,966</u>	<u>\$ 6,655,172</u>	<u>\$ 5,529,039</u>	<u>\$ 6,257,870</u>	<u>\$ 7,488,379</u>	<u>\$ 10,863,504</u>	<u>\$ 18,976,636</u>
All Other Governmental Funds										
Reserved										
Unreserved										
Restricted	\$ 112,723	\$ 238,428	\$ 217,185	\$ 1,354,153	\$ 4,898,207	\$ 1,082,373	\$ 173,324	\$ 3,003,778	\$ 3,581,540	\$ 3,487,552
Committed										
Assigned		997,506	980,585							
Unassigned										
Total All Other Governmental Funds	<u>\$ 112,723</u>	<u>\$ 1,235,934</u>	<u>\$ 1,197,770</u>	<u>\$ 1,354,153</u>	<u>\$ 4,898,207</u>	<u>\$ 1,082,373</u>	<u>\$ 173,324</u>	<u>\$ 3,003,778</u>	<u>\$ 3,581,540</u>	<u>\$ 3,487,552</u>

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



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

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Tax Levy	\$ 86,150,328	\$ 87,847,977	\$ 89,437,119	\$ 91,260,570	\$ 93,959,972	\$ 94,784,956	\$ 97,444,257	\$ 98,884,675	\$ 100,322,919	\$ 102,700,867
Tuition	551,917	879,643	689,432	1,188,229	1,541,938	1,570,131	2,123,032	2,124,331	850,131	1,795,021
Interest Earnings	27,018	13,687	13,391							
Miscellaneous	2,924,860	3,124,804	2,142,073	1,620,019	1,954,998	2,187,119	2,064,730	1,892,764	3,186,228	4,207,680
State Sources	15,669,656	12,311,320	13,924,734	13,657,818	16,704,906	18,790,535	21,897,041	22,933,441	27,256,070	34,993,847
Federal Sources	1,672,701	1,297,519	1,256,141	1,377,359	1,294,706	1,277,600	1,325,257	1,343,026	1,945,404	2,303,695
<b>Total Revenue</b>	<b>106,996,480</b>	<b>105,474,950</b>	<b>107,462,890</b>	<b>109,103,995</b>	<b>115,456,520</b>	<b>118,610,341</b>	<b>124,854,317</b>	<b>127,178,237</b>	<b>133,560,752</b>	<b>146,001,110</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	30,930,494	31,968,923	32,726,271	41,966,925	44,795,853	47,820,687	49,267,272	50,279,813	53,362,847	56,838,514
Special Education Instruction	7,038,909	7,462,101	7,638,879	18,151,458	19,168,515	19,722,511	20,291,108	20,456,406	20,582,032	21,087,636
Other Special Instruction	1,352,093	1,417,159	1,450,732							
Other Instruction	1,866,881	1,709,523	1,750,022	3,510,599	3,749,114	4,063,010	4,441,746	4,046,251	3,631,094	4,598,172
School Sponsored Activities and Athletics				1,609,224	1,700,797	1,675,626	1,683,110	1,988,216	2,427,673	2,624,018
<b>Support Services:</b>										
Tuition	6,513,811	6,400,731	6,896,926							
Student & Inst. Related Services	12,843,206	13,209,750	13,762,418	17,516,888	18,128,037	18,892,425	19,586,562	20,676,504	21,220,539	23,394,459
School Administration Services	897,146	896,078	812,902	4,967,525	5,175,251	5,295,387	5,405,831	5,493,359	5,588,874	5,903,488
General Administration Services	3,584,519	3,734,917	3,769,146	1,059,126	1,404,735	1,128,302	1,191,911	1,280,374	1,391,004	1,245,957
Central Services	1,181,180	1,246,810	1,182,702	1,494,132	1,625,937	1,496,184	1,645,760	1,767,869	1,723,209	1,680,803
Administrative Information Technology Services	548,276	679,276	774,375	1,142,986	1,301,853	1,115,710	1,076,304	1,206,649	1,154,290	1,563,388
Plant Operations And Maintenance	8,037,721	8,345,568	8,409,424	8,574,472	9,477,746	9,435,958	9,642,962	9,514,239	9,628,376	10,227,688
Pupil Transportation	2,806,253	2,939,264	3,020,649	3,301,115	3,352,012	3,703,386	3,456,768	3,155,266	2,895,331	3,467,745
Employee Benefits	20,406,898	18,215,072	19,683,350							
Special Schools	915,697	1,010,334	841,165							
Capital Outlay	6,127,501	2,266,611	3,461,864	1,317,861	6,740,799	5,163,118	1,547,590	1,801,809	1,949,512	2,086,089
<b>Debt Service:</b>										
Principal	1,640,000	1,755,000	1,975,000	3,019,821	3,394,979	3,339,836	4,098,633	3,426,623	3,424,025	3,220,258
Interest And Other Charges	2,053,173	2,004,717	1,745,785	1,726,086	1,425,961	1,579,309	1,717,704	1,657,479	1,569,059	1,492,495
<b>Total Expenditures</b>	<b>108,743,758</b>	<b>105,261,834</b>	<b>109,901,610</b>	<b>109,358,218</b>	<b>121,441,589</b>	<b>124,431,449</b>	<b>125,053,261</b>	<b>126,750,857</b>	<b>130,547,865</b>	<b>139,430,710</b>
<b>Excess (Deficiency) Of Revenues</b>										
Over (Under) Expenditures	(1,747,278)	213,116	(2,438,720)	(254,223)	(5,985,069)	(5,821,108)	(198,944)	427,380	3,012,887	6,570,400
<b>Other Financing Sources (Uses)</b>										
Proceeds from Borrowing					6,660,000					
Premium (Discount) on Bonds		(31,800)			1,037,360					
Capital Leases (Non-Budgeted)	725,000	975,000	1,440,000	995,000	1,578,969	900,000		940,000	940,000	940,000
Leases Payable										202,128
Insurance Proceeds										306,616
Proceeds from Refunding		5,300,000			32,860,000					
Payments to Refunded Bond Escrow Agent		(5,206,728)			(33,170,000)					
Special Item		105,000								
Transfers In	1,255		651,330		315,000	98,256	159,524	1,408,884		-
Transfers Out	(1,255)		(651,330)		(315,000)	(119,115)	(140,798)	(1,906,556)		-
<b>Total Other Financing Sources (Uses)</b>	<b>725,000</b>	<b>1,141,472</b>	<b>1,440,000</b>	<b>995,000</b>	<b>8,966,329</b>	<b>879,141</b>	<b>18,726</b>	<b>442,328</b>	<b>940,000</b>	<b>1,448,744</b>
<b>Net Change In Fund Balances</b>	<b>\$ (1,022,278)</b>	<b>\$ 1,354,588</b>	<b>\$ (998,720)</b>	<b>\$ 740,777</b>	<b>\$ 2,981,260</b>	<b>\$ (4,941,967)</b>	<b>\$ (180,218)</b>	<b>\$ 869,708</b>	<b>\$ 3,952,887</b>	<b>\$ 8,019,144</b>
<b>Debt Service As A Percentage Of</b>										
Noncapital Expenditures	3.60%	3.65%	3.50%	4.39%	4.20%	4.12%	4.71%	4.07%	3.88%	3.43%

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

<u>Fiscal Year Ended June 30,</u>	<u>Rentals</u>	<u>Transportation</u>	<u>Reimbursements/ Refunds</u>	<u>Miscellaneous Restricted</u>	<u>Miscellaneous Unrestricted</u>	<u>Summer School Tuition and Fees</u>	<u>Adult School and Other Special School Fees</u>	<u>Student Activity Fees</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 442,037	\$ 16,169		\$ 217,516	\$ 119,653	\$ 41,545	\$ 813,197	\$ 302,498		\$ 1,952,615
2014	409,329	32,749		289,969	374,403	56,625	879,643	361,079		2,403,797
2015	282,355	22,750		521,180	59,698	100,940	689,432	308,821	\$ 13,391	1,998,567
2016	329,492	58,413			278,441	38,575	797,985	258,817	32,868	1,794,591
2017	386,446	144,251	\$ 160,391		381,187	34,655		273,551	18,164	1,398,645
2018	407,209		261,231		319,600	65,865		287,598	25,361	1,366,864
2019	247,891	2,673	77,874		723,013			303,645	121,941	1,477,037
2020	301,833		77,117		532,626	73,300		263,206	156,452	1,404,534
2021	271,727		507,636		821,384			211,680	67,503	1,879,930
2022	341,936		45,384	376,938	178,198		1,313,525	251,976	1,408	2,509,365

Source: District Records

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>a</sup>
2013 (b)	\$ 16,795,700	\$ 5,111,925,100	\$ 506,624,400	\$ 88,306,400	\$ 5,723,651,600		\$ 5,723,651,600	\$ 5,968,091,065	\$ 1.535
2014	17,989,100	5,122,760,900	504,096,500	88,306,400	5,733,152,900		5,733,152,900	6,022,176,495	1.560
2015	18,991,800	5,138,526,500	504,214,500	88,306,400	5,750,039,200		5,750,039,200	6,224,840,527	1.590
2016	16,723,800	5,163,336,500	506,142,200	88,156,400	5,774,358,900		5,774,358,900	6,404,608,448	1.592
2017	20,509,500	5,176,844,900	503,089,400	87,624,700	5,788,068,500		5,788,068,500	6,461,282,869	1.654
2018	17,793,600	5,198,029,600	505,395,700	87,624,700	5,808,843,600		5,808,843,600	6,651,451,246	1.678
2019	26,605,500	5,215,426,000	492,242,000	87,624,700	5,821,898,200		5,821,898,200	6,810,324,473	1.699
2020	24,532,000	5,214,285,800	493,934,100	87,624,700	5,820,376,600		5,820,376,600	6,741,842,545	1.724
2021	20,276,800	5,215,465,600	492,469,300	97,837,900	5,826,049,600		5,826,049,600	6,788,081,183	1.763
2022	14,568,000	5,218,453,800	477,567,700	159,646,100	5,870,235,600		5,870,235,600	6,963,795,187	1.782

Source: County Abstract of Ratables

a Tax rates are per \$100

b The Village reassessed real property effective 2013 and 2008

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

<u>Assessment Year</u>		<u>Basic Rate</u>	<u>General Obligation Debt Services</u>	<u>Total District School</u>	<u>Overlapping Rates</u>		<u>Total Direct and Overlapping Tax Rate</u>
					<u>Village of Ridgewood</u>	<u>County of Bergen</u>	
2013	(A)	\$ 1.489	\$ 0.046	\$ 1.535	\$ 0.577	\$ 0.247	\$ 2.359
2014		1.518	0.042	1.560	0.540	0.243	2.343
2015		1.554	0.036	1.590	0.545	0.257	2.392
2016		1.534	0.058	1.592	0.551	0.269	2.412
2017		1.601	0.053	1.654	0.560	0.270	2.484
2018		1.616	0.062	1.678	0.608	0.279	2.565
2019		1.649	0.050	1.699	0.615	0.283	2.597
2020		1.672	0.052	1.724	0.626	0.287	2.637
2021		1.713	0.050	1.763	0.652	0.293	2.708
2022		1.723	0.059	1.782	0.621	0.274	2.677

Source: The Village Tax Duplicate

(A) The Village reassessed real property effective 2013

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

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Taxpayer	2022		2013	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% Total of District Net Assessed Value
Brogan Co % Ridgewood Dayton LLC	\$ 26,719,000	0.46%		
1200 East Ridgewood LLC% Cushman/Wake	23,000,000	0.39%		
Smith, Ken % KS Broad/Onys Mgmt	17,916,100	0.31%		
Chestnut Village LLC	13,886,300	0.24%	N/A	
257 Ridgewood Avenue LLC	13,500,000	0.23%		
MILRIDGE REALTY, LLC	10,250,700	0.17%		
SL OAK MANOR OWNER LLC %601 W ASSOC	9,705,700	0.17%		
Ridgewood Mayflower Rlty % Kriegman & Mit	8,700,600	0.15%		
Chestnut VD Holdings LLC	8,399,700	0.14%		
Cameron Apartments	8,167,200	0.14%		
Total	<u>\$ 140,245,300</u>	<u>2.39%</u>	<u>\$ -</u>	<u>0.00%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	\$ 86,150,328	\$ 86,150,328	100.00%	N/A
2014	87,847,977	87,847,977	100.00%	N/A
2015	89,437,119	89,437,119	100.00%	N/A
2016	91,260,570	91,260,570	100.00%	N/A
2017	93,959,972	93,959,972	100.00%	N/A
2018	94,784,956	94,784,956	100.00%	N/A
2019	97,444,257	97,444,257	100.00%	N/A
2020	98,884,675	98,884,675	100.00%	N/A
2021	100,322,919	100,322,919	100.00%	N/A
2022	102,700,867	102,700,867	100.00%	N/A

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

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		Total District	Population	Per Capita
	General Obligation Bonds	Capital Financing Agreements/Lease Payable			
2013	\$ 48,710,000	\$ 1,662,254	\$ 50,372,254	25,200	\$ 1,999
2014	47,230,000	2,720,676	49,950,676	25,209	1,981
2015	45,255,000	3,137,662	48,392,662	25,284	1,914
2016	43,200,000	3,167,841	46,367,841	25,238	1,837
2017	47,275,000	3,626,831	50,901,831	25,258	2,015
2018	45,120,000	3,341,995	48,461,995	25,165	1,926
2019	42,200,000	2,163,362	44,363,362	25,056	1,771
2020	39,845,000	2,031,739	41,876,739	24,915	1,681
2021	37,495,000	1,897,714	39,392,714	26,202	1,503
2022	35,340,000	2,369,371	37,709,371	26,202 (A)	1,439

Source: District records

(A) -Estimated

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions			
2013	\$ 48,710,000		\$ 48,710,000	0.85%	\$ 1,933
2014	47,230,000		47,230,000	0.82%	1,874
2015	45,255,000		45,255,000	0.79%	1,790
2016	43,200,000		43,200,000	0.75%	1,712
2017	47,275,000	\$ 111,032	47,163,968	0.81%	1,867
2018	45,120,000	111,031	45,008,969	0.77%	1,789
2019	42,200,000	134,641	42,065,359	0.72%	1,679
2020	39,845,000	1	39,844,999	0.68%	1,599
2021	37,495,000		37,495,000	0.64%	1,431
2022	35,340,000	455,150	34,884,850	0.59%	1,331

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.



**RIDGEWOOD BOARD OF EDUCATION  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
FOR YEAR ENDED DECEMBER 31, 2021  
(Unaudited)**

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
MUNICIPAL DEBT: (1)			
School Purposes	\$ 37,200,000	\$ 37,200,000	
Local Utilities	62,767,707	62,767,707	
Municipal Purposes	<u>64,106,665</u>	<u>-</u>	<u>\$ 64,106,665</u>
	<u>\$ 164,074,372</u>	<u>\$ 99,967,707</u>	<u>64,106,665</u>
 OVERLAPPING DEBT APPORTIONED TO THE MUNICIPALITY			
Bergen County			
County of Bergen (A)			53,855,720
Northwest Bergen County Utilities Authority (B)			<u>82,711</u>
			<u>53,938,431</u>
Total Direct and Overlapping Bonded Debt			<u>\$ 118,045,096</u>

## SOURCE:

(1) Village of Ridgewood 2021 Annual Debt Statement

(A) The debt information for this entity was obtained from the Bergen County Treasurer's office and was apportioned to the Village of Ridgewood by dividing the municipality's 2021 equalized value by the total 2021 equalized value for Bergen County.

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

Source: Village of Ridgewood Chief Financial Officer and Bergen County Treasurer's Office.

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

**Legal Debt Margin Calculation for Fiscal Year 2021**

Equalized Valuation Basis	
2021	\$ 6,900,449,603
2020	6,770,241,480
2019	6,732,074,699
	<u>\$ 20,402,765,782</u>
Average Equalized Valuation of Taxable Property	<u>\$ 6,800,921,927</u>
Debt Limit	\$ 272,036,877
Total Net Debt Applicable to Limit	35,340,000
Legal debt margin	<u>\$ 236,696,877</u>

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt Limit	\$ 253,879,774	\$ 200,299,151	\$ 199,955,909	\$ 247,500,182	\$ 253,282,184	\$ 258,897,167	\$ 264,461,941	\$ 268,429,030	\$ 270,479,613	\$ 272,036,877
Total Net Debt Applicable to Limit	<u>48,710,000</u>	<u>47,230,000</u>	<u>45,255,000</u>	<u>43,200,000</u>	<u>47,275,000</u>	<u>45,120,000</u>	<u>42,200,000</u>	<u>39,845,000</u>	<u>37,495,000</u>	<u>35,340,000</u>
Legal Debt Margin	<u>\$ 205,169,774</u>	<u>\$ 153,069,151</u>	<u>\$ 154,700,909</u>	<u>\$ 204,300,182</u>	<u>\$ 206,007,184</u>	<u>\$ 213,777,167</u>	<u>\$ 222,261,941</u>	<u>\$ 228,584,030</u>	<u>\$ 232,984,613</u>	<u>\$ 236,696,877</u>
Total net debt applicable to the limit as a percentage of debt limit	19.19%	23.58%	22.63%	17.45%	18.66%	17.43%	15.96%	14.84%	13.86%	12.99%

Source: Annual Debt Statements

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

<u>Year Ended December 31,</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2013	25,200	\$ 71,286	5.3%
2014	25,209	73,883	4.0%
2015	25,284	77,323	5.3%
2016	25,238	78,836	3.2%
2017	25,258	81,024	3.1%
2018	25,165	85,191	2.5%
2019	25,056	88,241	2.1%
2020	24,915	91,972	6.3%
2021	26,202	91,972 (A)	4.6%
2022	26,202 (A)	91,972 (A)	N/A

(A) - Estimated

N/A - Not Available

Source: New Jersey State Department of Education



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

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Instruction										
Regular	350	341	344	350	352	352	353	353	353	359
Special education	76	89	82	73	77	77	78	79	79	90
Other special education - suppl/mainstreaming	119	95	101	102	101	102	102	102	102	110
Other Instruction										
Support Services:										
Student & instruction related services	108	95	114	95	108	108	108	108	108	112
General administration	4	2	2	2	2	2	2	2	2	4
School administrative services	54	44	40	40	35	35	35	35	35	43
Central services	20	15	14	14	13	13	13	13	13	15
Administrative Information Technology	19	7	11	11	10	10	10	10	10	14
Plant operations and maintenance	6	3	2	2	3	3	3	3	2	2
Pupil Transportation	1	1	1	1	1	1	1	1	1	1
Special Schools	2	2	2	2	2	2	2	2	2	2
Infant/Toddler Development Center	32	33	33	33	33	33	33	33	31	34
<b>Total</b>	<b>791</b>	<b>727</b>	<b>746</b>	<b>725</b>	<b>737</b>	<b>738</b>	<b>740</b>	<b>741</b>	<b>738</b>	<b>786</b>

Source: District Personnel Records

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

Pupil/Teacher Ratio

Fiscal Year	Enrollment <sup>a</sup>	Operating Expenditures <sup>b</sup>	Cost Per Pupil <sup>c</sup>	Percentage Change	Teaching Staff	Elementary	Middle School	Senior High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2013	5,829	\$ 98,923,084	\$ 16,971	3.90%	432.00	14.0	12.7	13.0	5,751	5,542.3	0.89%	96.37%
2014	5,743	99,235,506	17,279	1.83%	430.10	13.6	12.6	11.1	5,717	5,517.9	-0.59%	96.52%
2015	5,650	102,718,961	18,180	5.21%	426.00	15.5	15.9	15.0	5,650	5,463.0	-1.17%	96.69%
2016	5,655	103,293,950	18,266	0.47%	423.00	13.6	13.2	10.3	5,655	5,478.0	0.09%	96.87%
2017	5,678	109,577,063	19,299	5.65%	426.00	13.8	13.0	13.3	5,659	5,473.0	0.07%	96.71%
2018	5,691	114,349,186	20,093	4.12%	429.00	13.8	13.0	13.3	5,664	5,451.2	0.09%	96.24%
2019	5,676	117,109,630	20,632	2.68%	431.00	13.6	13.0	13.3	5,652	5,449.0	-0.21%	96.41%
2020	5,699	119,864,946	21,033	1.94%	431.00	13.5	13.0	13.6	5,694	5,546.0	0.74%	97.40%
2021	5,582	123,605,269	22,144	5.28%	431.00	13.6	13.0	13.7	5,576	5,447.0	-2.07%	97.69%
2022	5,630	132,631,868	23,558	6.39%	449.00	13.6	13.0	13.7	5,577	5,335.0	0.02%	95.66%

Sources: District records

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

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b><u>District Building</u></b>										
<b><u>Elementary</u></b>										
<b><u>Glen (1959)</u></b>										
Square Feet	27,300	27,300	27,300	27,300	27,300	27,300	27,300	27,300	27,300	27,300
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	42	42	42	42	42	48	66	67	110	71
<b><u>Hawes (1966)</u></b>										
Square Feet	39,765	39,765	39,765	39,765	39,765	39,765	39,765	39,765	39,765	39,765
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	407	407	407	407	423	408	419	408	369	393
<b><u>Orchard (1966)</u></b>										
Square Feet	42,133	42,133	42,133	42,133	42,133	42,133	42,133	42,133	42,133	42,133
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	333	333	333	333	316	308	292	308	321	299
<b><u>Ridge (1960)</u></b>										
Square Feet	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	514	514	514	514	432	442	447	463	447	443
<b><u>Somerville (1950)</u></b>										
Square Feet	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	517	517	517	517	411	416	430	421	375	348
<b><u>Travel (1966)</u></b>										
Square Feet	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800	47,800
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	365	365	365	365	385	389	394	390	353	377
<b><u>Willard (1926)</u></b>										
Square Feet	50,500	50,500	50,500	50,500	50,500	50,500	50,500	50,500	50,500	50,500
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	500	500	500	500	496	491	488	496	485	461
<b><u>Middle School</u></b>										
<b><u>Benjamin Franklin (1954)</u></b>										
Square Feet	190,400	190,400	190,400	190,400	190,400	190,400	190,400	190,400	190,400	190,400
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	738	738	738	738	711	713	686	681	703	698
<b><u>George Washington (1928)</u></b>										
Square Feet	99,600	99,600	99,600	99,600	99,600	99,600	99,600	99,600	99,600	99,600
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	652	652	652	652	732	712	706	676	629	667

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b><u>District Building</u></b>										
<b><u>High School</u></b>										
<b><u>Ridgewood High School</u></b>										
Square Feet	248,286	248,286	248,286	248,286	248,286	248,286	248,286	248,286	248,286	248,286
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	1,663	1,684	1,684	1,684	1,684	1,730	1,746	1,789	1,790	1,774
<b><u>Other</u></b>										
Central Administration (1895)										
Square Feet	32,640	32,640	32,640	32,640	32,640	32,640	32,640	32,640	32,640	32,640

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Number of Schools at June 30, 2022

    Elementary = 7

    Middle School = 2

    Senior High School = 1

    Other = 1

**Source:** District Facilities Office

**Note:** Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of and additions. Enrollment is based on the annual June Enrollment Report.

N/A - Information is not available



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

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>*School Facilities</b>										
Ridgewood High School	\$ 374,705	\$ 355,471	\$ 346,196	\$ 351,787	\$ 493,690	\$ 477,170	\$ 391,537	\$ 286,977	\$ 534,539	\$ 444,186
Benjamin Franklin Middle School	287,346	204,427	199,093	269,770	295,869	365,920	180,005	202,181	377,979	314,089
George Washington Middle School	149,408	141,019	137,340	141,119	216,994	191,417	165,307	160,250	299,476	248,855
Glen Elementary School	41,200	52,398	51,031	38,681	73,316	52,467	45,729	45,675	84,989	70,624
Hawes Elementary School	52,821	89,505	87,170	56,341	72,499	76,423	83,418	67,424	125,248	104,077
Ridge Elementary School	71,565	66,201	64,474	67,726	79,050	91,865	96,435	58,106	109,592	91,067
Somerville Elementary School	102,623	142,082	138,375	96,347	115,136	130,685	131,631	68,110	127,037	105,564
Travel Elementary School	69,120	70,942	69,091	67,726	117,861	91,865	71,580	68,731	128,155	106,493
Orchard Elementary School	58,103	66,450	64,716	59,697	101,684	80,974	69,656	46,270	84,989	70,624
Willard Elementary School	76,213	73,703	71,780	71,551	99,301	97,054	143,221	118,523	221,420	183,993
Education Center	49,259	83,579	81,398	46,246	55,209	62,729	38,942	76,696	143,140	118,945
Total School Facilities	<u>\$1,332,363</u>	<u>\$1,345,777</u>	<u>\$1,310,664</u>	<u>\$1,266,991</u>	<u>\$1,720,609</u>	<u>\$1,718,569</u>	<u>\$1,417,461</u>	<u>\$1,198,943</u>	<u>\$2,236,564</u>	<u>\$ 1,858,517</u>

Source: District Records

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

	<u>Coverage</u>	<u>Deductible</u>
<b>PACKAGE POLICY</b>		
Property	\$ 262,768,595	\$ 5,000
Earthquake/Flood (Outside Zones A N & V)	5,000,000	100,000
Flood (Zones A & V)	1,000,000	500,000
Non-Flood (Zones C & X)	1,000,000	50,000
Automobile	1,000,000	\$1,000/COMP&COLL
Comprehensive General Liability	1,000,000	10,000
Crime (Non-Statutory Bonds)	\$500,000 Per Loss	5,000
Boiler & Machinery	150,000,000	
ENVIRONMENTAL	2,000,000 40,000,000 Group Aggregate	25,000
EDUCATOR'S LEGAL LIABILITY/ EMPLOYMENT PRACTICES	1,000,000	Various
EXCESS UMBRELLA	\$25,000,000 Group Aggregate	
CYBER LIABILITY	Various	
WORKER'S COMPENSATION-Safety National		
Maximum Limit of Indemnity per Occurrence	Statutory	
Employer's Liability Per Occurrence	1,000,000	

**SINGLE AUDIT SECTION**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

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

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

### INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
Board of Education  
Ridgewood Board of Education  
Ridgewood, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ridgewood Board of Education as of and for the fiscal year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Ridgewood Board of Education's basic financial statements and have issued our report thereon dated February 23, 2023.

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

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a significant deficiency.

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

As part of obtaining reasonable assurance about whether the Ridgewood Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 and which are described in the accompanying schedule of findings and questioned costs as item 2022-001.

We also noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Ridgewood Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated February 23, 2023.

### **Ridgewood Board of Education's Response to Finding**

Government Auditing Standards requires the auditor to perform limited procedures on the Ridgewood Board of Education's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The Ridgewood Board of Education's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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



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



Andrew D. Parente  
Public School Accountant  
PSA Number CS00224600

Fair Lawn, New Jersey  
February 23, 2023



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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

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

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

**INDEPENDENT AUDITOR'S REPORT**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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


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


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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ridgewood Board of Education, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Board of Education’s basic financial statements. We have issued our report thereon dated February 23, 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

  
Andrew D. Parente  
Public School Accountant  
PSA Number CS00224600

Fair Lawn, New Jersey  
February 23, 2023



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

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant Period	Award Amount	July 1, 2021		A/R Carryover Amount	Def. Rev. Carryover Amount	Cash Received	Budgetary Expenditures	Cancelled Encumbrances	Accounts Receivable Adjustment	Deferred Revenue Adjustment	June 30, 2022			MEMO GAAP Receivable	
					Accounts Receivable	Unearned Revenue								Accounts Receivable	Unearned Revenue	Due to Grantor		
<b>General Fund</b>																		
U.S. Department of Human Services																		
Passed-through State Department of Education																		
Medicaid Assistance	93.778	2005NJ5MAP	7/1/21-6/30/22	\$ 12,762	-	-	-	-	\$ 12,762	\$ 12,762	-	-	-	-	-	-	-	-
Total General Fund					-	-	-	-	12,762	12,762	-	-	-	-	-	-	-	-
<b>Special Revenue Fund</b>																		
U.S. Department of Education																		
Passed-through State Department of Education																		
I.D.E.A. Part B	84.027A	H027A210100	7/1/21-9/30/22	1,056,163			\$ (51)	\$ 51	1,056,163	1,056,163			\$ (51)	\$ 51				
I.D.E.A. Part B	84.027A	H027A200100	7/1/20-9/30/21	1,095,574	\$ (34,592)	\$ 51	51	(51)	34,541									
I.D.E.A. Preschool	84.173A	H173A210114	7/1/21-9/30/22	39,510					39,510	39,510								
IDEA Basic - ARP	84.027X	H027XA210100	7/1/21-9/30/22	237,383					47,304	82,604				(190,079)	\$ 154,779		\$ (35,300)	
IDEA Preschool - ARP	84.173X	H173XA210114	7/1/21-9/30/22	20,274										(20,274)	20,274			
Total Special Education Cluster (IDEA)					(34,592)	51	-	-	1,177,518	1,178,277				(210,404)	175,104		(35,300)	
Title I Part A	84.010	S010A210030	7/1/20-9/30/21	144,740	(61,473)	9,013			61,473	1,000			\$ (8,013)					
Title II A	84.367A	S367A210029	7/1/21-9/30/22	67,250			(37)	37	40,357	68,225	\$ 938	\$ (938)		(27,868)			(27,868)	
Title II A	84.367A	S367A200029	7/1/20-9/30/21	82,587	(20,495)	37	37	(37)	29,520									
Title III	84.365	S365A210030	7/1/21-9/30/22	28,782			(1,875)	1,875	21,299	30,944			944	(9,358)	657		(8,701)	
Title III	84.365	S365A200030	7/1/20-9/30/21	20,780	(8,913)	1,875	1,875	(1,875)	7,038									
Title III, Immigrant	84.365	S365A210030	7/1/21-9/30/22				(152)	304	152				(152)	(152)			(152)	
Title III, Immigrant	84.365	S365A200030	7/1/20-9/30/21	2,390	(2,390)	2,390	152	(304)	2,238	2,086								
Total Title III Cluster					(11,303)	4,265	-	-	30,575	33,182			792	(9,510)	657		(8,853)	
Teaching American History	84.215X	N/A	9/1/10-8/31/15	999,479		5,383									5,383			
Elementary and Secondary School Emergency Relief (ESSER)																		
Coronavirus Aid, Relief, and Economic Security (CARES) Act																		
CARES Emergency Relief Grant	84.425D	S425D200027	3/13/20-9/30/22	123,856	(15,608)	1,448			15,608	1,026					422			
Elementary and Secondary School Emergency Relief (ESSER II)																		
Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act																		
ESSER II	84.425D	S425D210027	3/13/20-9/30/23	474,421	(474,421)	249,826			413,991	247,320	17,686			(60,430)	20,192		(40,238)	
Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	30,446	(30,446)	30,446			25,970	25,970				(4,476)	4,476			
Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(45,000)	45,000			17,288	19,789				(27,712)	25,211		(2,501)	
Elementary and Secondary School Emergency Relief (ESSER III)																		
American Rescue Plan																		
ESSER III	84.425U	S425U210027	3/13/20-9/30/24	1,066,230						433,038				(1,066,230)	633,192		(433,038)	
Accelerated Learning	84.425U	S425U210027	3/13/20-9/30/24	456,952						22,441				(456,952)	434,511		(22,441)	
Summer Learning and Enrichment Activities	84.425U	S425U210027	3/13/20-9/30/24	40,000										(40,000)	40,000			
Beyond the School Day Activities	84.425U	S425U210027	3/13/20-9/30/24	40,000						37,157				(40,000)	2,843		(37,157)	
Mental Health	84.425U	S425U210027	3/13/20-9/30/24	45,000						24,000				(45,000)	21,000		(24,000)	
Total ESSER Cluster					(565,475)	326,720	-	-	472,857	810,741	17,686			(1,740,800)	1,181,847		(559,375)	
COVID ARP State and Local Fiscal Recovery Fund																		
DOE Special Education Services Additional or Compensatory Spec Ed and Related Services																		
	21.027	SLFRFD0EISES	7/1/21-6/30/22	211,975						211,975				(211,975)			(211,975)	
Coronavirus Relief Fund																		
CARES Act - Bergen County	21.019	C8220COVID19	7/1/20-12/31/20	36,043	(1,269)									(1,269)			(1,269)	
Total Special Revenue Fund					(694,607)	345,469	-	-	1,812,300	2,303,400	18,624	(10,000)	(7,221)	(2,201,826)	1,362,991		(844,640)	
Total Federal Awards					\$ (694,607)	\$ 345,469	\$ -	\$ -	\$ 1,825,062	\$ 2,316,162	\$ 18,624	\$ (10,000)	\$ (7,221)	\$ (2,201,826)	\$ 1,362,991	\$ -	\$ (844,640)	

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

RIDGEWOOD BOARD OF EDUCATION  
SCHEDULE OF EXPENDITURE OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2021			Cash Received	Budgetary Expenditures	Accounts Receivable Adjustment	Deferred Revenue Adjustment	Refund of Prior Years' Balances	June 30, 2022			MEMO	
				(Accounts Receivable)	Deferred Revenue	Due to Grantor						Accounts Receivable	Deferred Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
<b>General Fund</b>																
<b>State Department of Education</b>																
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	\$ 3,896,003				\$ 3,551,809	\$ 3,896,003				\$ (344,194)			\$ 3,896,003	
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	3,018,996	\$ (255,289)			255,289					-				
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	447,742				408,186	447,742				(39,556)			447,742	
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	447,742	(37,861)			37,861					-				
Total State Aid Public Cluster				(293,150)			4,253,145	4,343,745				(383,750)			4,343,745	
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	620,535				565,714	620,535				(54,821)			620,535	
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	620,535	(52,473)			52,473					-				
Additional Non Public Transportation Aid	22-495-034-5120-014	7/1/21-6/30/21	57,628					57,628				(57,628)		\$ (57,628)	57,628	
Additional Non Public Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	48,554	(48,554)			48,554					-				
Total State Aid Transportation Cluster				(101,027)			666,741	678,163				(112,449)		(57,628)	678,163	
Extraordinary Aid	22-495-034-5120-044	7/1/21-6/30/22	3,010,867					3,010,867				(3,010,867)			3,010,867	
Extraordinary Aid	21-495-034-5120-044	7/1/20-6/30/21	2,842,192	(2,842,192)			2,842,192					-				
On-Behalf TPAF Pension Benefits	22-495-034-5094-002	7/1/21-6/30/22	18,419,614				18,419,614	18,419,614				-			18,419,614	
On-Behalf TPAF - Pension - NCGI Premium	22-495-034-5094-004	7/1/21-6/30/22	259,875				259,875	259,875				-			259,875	
On-Behalf TPAF - Post Retirement Medical Contributions	22-495-034-5094-001	7/1/21-6/30/22	4,364,284				4,364,284	4,364,284				-			4,364,284	
On-Behalf TPAF - Long-Term Disability Insurance	22-495-034-5094-004	7/1/21-6/30/22	4,986				4,986	4,986				-			4,986	
Reimbursed TPAF Social Security Contr.	22-495-034-5094-003	7/1/21-6/30/22	3,716,222				3,531,805	3,716,222				(184,417)		(184,417)	3,716,222	
Total General Fund				(3,236,369)			34,342,642	34,797,756				(3,691,483)		(242,045)	34,797,756	
<b>Special Revenue Fund</b>																
<b>N.J. Nonpublic Aid:</b>																
<b>Handicapped Services</b>																
Examination & Classification	20-100-034-5120-066	7/1/19-6/30/20	8,732			\$ 1,547								\$ 1,547		
Examination & Classification	21-100-034-5120-066	7/1/20-6/30/21	6,133			6,133					\$ 6,133					
Total Handicapped Aid						7,680					6,133			1,547		
Total Special Revenue Fund						7,680					6,133			1,547		
<b>Debt Service Fund</b>																
Debt Service Aid	22-495-034-5120-017	7/1/21-6/30/22	134,499				134,499	134,499							134,499	
Total State Financial Subject to Single Audit Determination				\$ (3,236,369)	\$ -	\$ 7,680	\$ 34,477,141	\$ 34,932,255	\$ -	\$ -	\$ 6,133	\$ (3,691,483)	\$ -	\$ 1,547	\$ (242,045) \$ 34,932,255	
<b>Less Amounts Not Subject to Single Audit:</b>																
On-Behalf TPAF Pension Benefits	22-495-034-5094-002	7/1/21-6/30/22	18,419,614				(18,419,614)	(18,419,614)							(18,419,614)	
On-Behalf TPAF - Pension - NCGI Premium	22-495-034-5094-004	7/1/21-6/30/22	259,875				(259,875)	(259,875)							(259,875)	
On-Behalf TPAF - Post Retirement Medical Contributions	22-495-034-5094-001	7/1/21-6/30/22	4,364,284				(4,364,284)	(4,364,284)							(4,364,284)	
On-Behalf TPAF - Long-Term Disability Insurance	22-495-034-5094-004	7/1/21-6/30/22	4,986				(4,986)	(4,986)							(4,986)	
Total State Financial Assistance Utilized for Calculation to Determine Major Programs				\$ (3,236,369)	\$ -	\$ 7,680	\$ 11,428,382	\$ 11,883,496	\$ -	\$ -	\$ 6,133	\$ (3,691,483)	\$ -	\$ 1,547	\$ (242,045) \$ 11,883,496	

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

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

**NOTE 1 GENERAL**

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

**NOTE 2 BASIS OF ACCOUNTING**

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

**NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$261,623 for the general fund and an increase of \$95,506 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 12,762	\$ 34,859,348	\$ 34,872,110
Special Revenue Fund	2,290,933		2,290,933
Debt Service Fund	-	134,499	134,499
	<hr/>	<hr/>	<hr/>
Total Awards Financial Assistance	<u>\$ 2,303,695</u>	<u>\$ 34,993,847</u>	<u>\$ 37,297,542</u>

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

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

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

**NOTE 5 OTHER INFORMATION**

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$3,716,222 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2022. The amount reported as TPAF Pension System Contributions in the amount of \$18,679,489, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$4,364,284 and TPAF Long-Term Disability Insurance in the amount of \$4,986 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2022.

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

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

**NOTE 7 DE MINIMIS INDIRECT COST RATE**

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

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

*Part I – Summary of Auditor’s Results*

**Financial Statement Section**

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

1) Were material weakness(es) identified?      yes   X   no

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

Noncompliance material to the basic financial statements noted?   X   yes      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 weakness(es)?      yes   X   none reported

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

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

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>FAIN Number</u>	<u>Name of Federal Program or Cluster</u>
<u>84.425D</u>	<u>S425D200027</u>	<u>CARES ESSER Program Cluster</u>
<u>84.425D</u>	<u>S425D210027</u>	<u>CRRSA ESSER Program Cluster</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>ARP ESSER Program Cluster</u>
<u>21.027</u>	<u>SLFRFDOEISES</u>	<u>Additional or Comp. Spec. Ed. and Related Services</u>

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

Auditee qualified as low-risk auditee?   X   yes      no



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

*Part 2 – Schedule of Financial Statement Findings*

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

**Finding 2022-001**

Our audit revealed that taxes levied and appropriations budgeted in the Debt Service Fund included principal and interest for ESIP bonds which are appropriated and paid from the General Fund.

**Criteria or specific requirement:**

Internal controls over annual budgeting procedures.

**Condition**

Debt Service Fund taxes levied included principal and interest for the ESIP bonds which are budgeted and paid in the General Fund for fiscal years 2022 and 2023.

**Context**

Debt Service taxes levied in the Debt Service Fund exceeded the required Debt Service Fund principal and interest by \$445,150 and \$459,150 in fiscal years ending June 30, 2022 and 2023, respectively.

**Effect**

Taxes levied in the Debt Service Fund exceeded the debt service requirements in fiscal years 2022 and 2023.

**Cause**

ESIP bond debt service payments were budgeted in both the General and Debt Service Funds for fiscal years 2022 and 2023.

**Recommendation**

The Debt Service Fund budget include only appropriations for principal and interest for the District's long term debt related to the 2011 and 2016 refunding bonds.

**View of Responsible Officials and Planned Corrective Action**

Management has reviewed this finding and indicated it will review and revise its procedures to ensure corrective action is taken.

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

*Part 3 – Schedule of Federal and State Award Findings and Questioned Costs (Cont'd)*

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

**CURRENT YEAR FEDERAL AWARDS**

There are none.

**CURRENT YEAR STATE AWARDS**

There are none.



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

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

**STATUS OF PRIOR YEAR FINDINGS**

There were none.