

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

River Vale, New Jersey

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

**Prepared by
Business Office**

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INTRODUCTORY SECTION



RIVER VALE PUBLIC SCHOOLS

Kelly Ippolito
School Business Administrator/
Board Secretary
609 Westwood Avenue
River Vale, NJ 07675-5730

KIppolito@rivervaleschools.com
Telephone: 201 / 358 - 4003
Fax: 201 / 358 - 2489

February 1, 2023

Honorable President and
Members of the Board of Education
River Vale School District
County of Bergen
River Vale, New Jersey 07675

Dear Board Members:

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

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the district's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon including the Management Discussion and Analysis. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Uniform Guidance, and the state Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

REPORTING ENTITY AND ITS SERVICES: The River Vale School District is an independent reporting entity within the criteria adopted by the GASB. All funds of the district are included in this report. The River Vale Board of Education and all its schools constitute the district's reporting entity.

REPORTING ENTITY AND ITS SERVICES (Continued)

The district provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular education, as well as special education for handicapped youngsters. The district completed the 2021/2022 fiscal year with an enrollment of 1,016 students, which is a decrease of 40 students from the previous year's enrollment.

The following details the changes in the student enrollment of the district.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2021-2022	1,016	-4.00%
2020-2021	1,056	-4.26%
2019-2020	1,103	-1.61%
2018-2019	1,120	-2.41%
2017-2018	1,147	-1.39%
2016-2017	1,163	-1.44%
2015-2016	1,180	-3.59%
2014-2015	1,224	-4.7%
2013-2014	1,285	-.01%
2012-2013	1,293	-2.2%

ECONOMIC CONDITION AND OUTLOOK: River Vale Township comprises a land area of 4.5 square miles and is located in the northeastern part of Bergen County. River Vale is a suburban community consisting of mainly single-family homes and, additionally, has three (3) condominium developments. The Fairways at Edgewood LLC, has removed an existing maintenance building and 9 holes of the existing golf course and construct 225 market rate units (193 townhomes and 32 quadplex units) and 24 affordable rental units in a three-story building. All of the total 193 townhouse units are proposed with three bedrooms. Of the 32 quadplex units, 16 are two bedroom and 15 are three bedroom. Of the 24 affordable units, 4 are one bedroom, 15 are two bedroom and 5 are three bedroom. The School District's most recent demographic study was presented in December 2015 by Whitehall Associates, Inc.

GENERAL EDUCATIONAL GOALS: The River Vale School District is a Pre-K-8 type II district which is made up of three schools: Roberge and Woodside (grades Pre-K-5) and Holdrum (grades 6-8).

The district continues to attract excellent teachers. More than half of the teachers are tenured. More than half are on the MA+ level. Enrollment for the 2021/2022 school year was 1,016 students including out-of-district special education placements. Enrollment for 2022/2023 is expected to continue to decline slightly. Homerooms average eighteen (18) students and reading/math groups have a lower faculty/student ratio.

The goals of the district are to provide learning opportunities to help each student grow and develop intellectually, emotionally, physically, and socially. The school system emphasizes a sound and basic curriculum. There are gifted and talented programs, special education and resource centers, and computer labs & media centers in each of the schools. In addition, the schools provide extensive curricular offerings in world language, instrumental and vocal music, visual arts, computer literacy, library services and physical education.

A continuing goal of the district is to “*Focus on meaningful innovation as the key to addressing 21st Century Skills needed for success in a changing world.*” This includes:

Commitment to Digital Citizenship and Increased Student Access to Technology: With much appreciated support from the River Vale Educational Fund and the River Vale PTA, the district is excited to continue their ongoing technology initiatives! Increased access to the right grade-level technology amplifies learning, increases engagement, and enables our classrooms to be more technology-driven, real-work oriented, and reflective of the evolving world our students live in.

Beginning in the 2014/2015 school year, the River Vale School District underwent a significant transformation in terms of increasing student access to technology as a dynamic instructional tool by making the decision to purchase the learning management system, *Canvas*, which was also being used at our sending regional high school, Pascack Valley. Canvas is an important tool that transformed the way students and teachers communicate and accomplish learning goals.

In the 2015/2016 school year, all 8th graders were provided a district-owned laptop that they could take home, giving teachers the opportunity to continue transforming and modernizing instructional practices, and students the opportunity to engage more fully in critical thinking, collaboration, accessing information, and creating new products. In the 2015/2016 school year, all 6th and 7th graders received laptops that stay at school for an *in-school* 1:1 initiative, all students in grades 3-5 received their own Chromebook for an *in-class* 1:1 initiative, and students in grades K-2 were given increased access to Chromebooks and tablets.

The River Vale School District considers itself to be a leader in supporting K-8 students with applicable and age-appropriate technology. As of the 2017/2018 school year, all students in grades 6-8 have a Chromebook or laptop they get to take home for the school year, all students in grades 2-5 have an in-school Chromebook initiative, which means they get their own device, but it stays in school, and all students in grades K-1 have their own device that stays in schools which equates to the District having a 1:1 initiative grades K-8.

Educate 2B Mindfulness Program: Thanks to a generous donation from the River Vale Educational Fund, the district's *Educate 2B Mindfulness Program* provided over 40 staff members an innovative and important way to help address mental health for all students in the district.

Being a "Leading" School District: In addition to being a member of the New Jersey Department of Education's *InnovateNJ* program, a state-wide program aimed at supporting innovation by fostering sharing and collaboration between districts, the River Vale School District is also a member of *EdLeader21*, a national consortium focused on integrating vital 21st century skills into the classroom.

This is an important time in public education, and our district needs to be a leader in terms of what a great education should look like for all children in New Jersey.

In River Vale, we are committed to providing students a rich and balanced education that focuses on the important 21st century skills needed for success in an increasingly complex, global world. This is an exciting time in education for our district, and together we will remain "Committed to Excellence" to our students!

Each member of the seven-member school board is elected to a three-year term and represents a cross-section of the community.

The Superintendent of Schools, under the direction of the Board of Education, has consulted with teaching staff members, pupils, parents and other residents in the formation of the educational goals of this district and has invited comments at public meetings relative to the goals. These educational goals were then adopted by the Board. The school-level goals address the needs of the pupils of this district and constitute the foundation on which the instructional program is anchored.

The performance of River Vale students on these standardized assessment measures continues to be well above state and national averages in all content areas.

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

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

INTERNAL ACCOUNTING CONTROLS: (Continued)

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

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

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

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

DEBT ADMINISTRATION: At June 30, 2022, the District's long-term debt issue is for \$33,325,000 of general obligation bonds to provide funding for the school referendum.

CASH MANAGEMENT: The school district primarily invests in the New Jersey Cash Management Fund due to the higher interest rates that are offered. The school district also invests in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA).

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

OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci, & Bliss, LLP, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related U.S. Uniform Guidance and State Treasury Circular Letter 15-08 OMB. The auditor's report on the basic financial statements is included in the financial section of this report. The auditor's reports relate specifically to the single audit are included in the single audit section of this report.

ACKNOWLEDGMENTS:

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

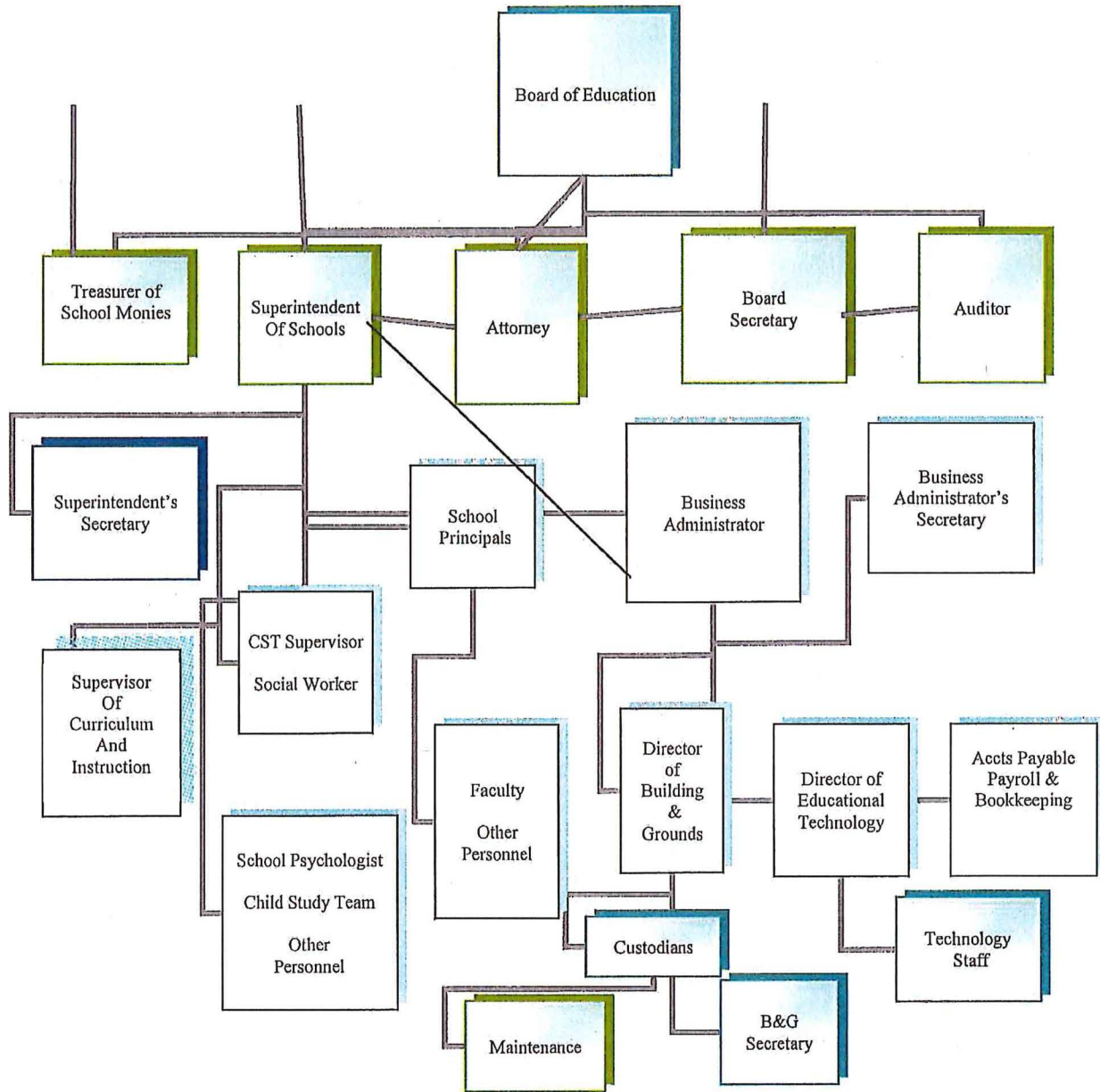
Respectfully submitted,



Kelly Ippolito
School Business Administrator/Board Secretary

RIVER VALE BOARD OF EDUCATION

ORGANIZATION CHART



RIVER VALE BOARD OF EDUCATION
RIVER VALE, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2022

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Steven Rosini, President	2023
Patrice Pintarelli, Vice President	2023
Cheryl Berkowitz, Trustee	2024
Deborah Rothenberg, Trustee	2022
Jason Schlereth, Trustee	2023
Virginia Senande, Trustee	2022
Arthur White, Trustee	2024

Other Officials

Melissa Signore, Superintendent of Schools

Kelly Ippolito, School Business Administrator/Board Secretary

Gennaro Rotella, Treasurer of School Monies

**RIVER VALE BOARD OF EDUCATION
RIVER VALE, NEW JERSEY**

Consultants and Advisors

As of June 30, 2022

Architect

LAN Associates
445 Godwin Avenue, Suite 1
Midland Park, NJ 07432

Audit Firm

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

Attorney

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

Official Depository

Capital One Bank
553 Broadway Ave.
Westwood, NJ 07675

Risk Manager

Burton Agency
P.O. Box 270
Westwood, New Jersey 07675

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 VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
River Vale Board of Education
River Vale, 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 River Vale 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 River Vale 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 River Vale 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 River Vale 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 River Vale 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 River Vale 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 River Vale Board of Education’s basic financial statements. The accompanying schedule of expenditures of federal awards 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 River Vale 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 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.

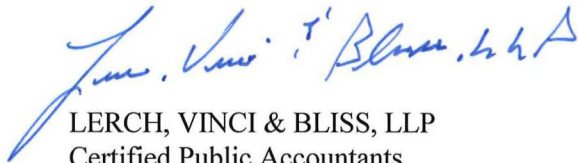
Other Information

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.

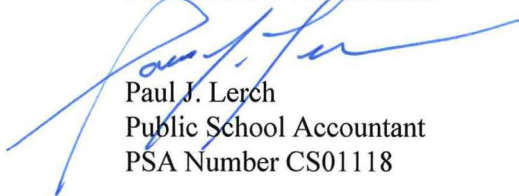
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, 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 1, 2023 on our consideration of the River Vale 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 River Vale 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 River Vale Board of Education’s internal control over financial reporting and compliance.



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



Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
February 1, 2023

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

**RIVER VALE BOARD OF EDUCATION
RIVER VALE, NEW JERSEY**

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

This discussion and analysis of the River Vale Board of Education's financial performance provides an overview of its financial activities for the fiscal year ended June 30, 2022. The intent of this is to look at the District's financial performance as a whole; readers should also review the basic financial statements and the notes to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2022 are as follows:

- District-Wide - Overall revenues were \$31,145,924. General revenues accounted for \$24,571,246, or 78 percent, of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$6,574,678 or 21 percent of the total revenues.
- District-Wide - The School District had \$28,088,480 in expenses; only \$6,574,678 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$24,571,246 were adequate to provide for these programs.
- Fund Financials - As of the close of the current fiscal year, the River Vale Board of Education's governmental funds reported combined ending fund balances of \$41,206,970, an increase of \$31,248,285 in comparison with the prior year's fund balance.
- Fund Financials - At the end of June 30, 2022, unassigned fund balance (budgetary basis) for the General Fund was \$909,316, a decrease of \$330,627 from the balance of \$1,239,943 from June 30, 2021.

RIVER VALE BOARD OF EDUCATION

Management's Discussion and Analysis (continued) For the 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 supplementary 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 River Vale Board of Education's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the River Vale Board of Education, reporting the River Vale Board of Education's operation in more detail than the district-wide statements.
 - The governmental fund statements tell how basic services such as regular and special education were financed in short term as well as what remains for future spending.
 - Proprietary fund statements offer short and long-term financial information about the activities the River Vale Board of Education operates like a business.
 - Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others to whom the resources belong.

Figure A-1 summarizes the major features of the River Vale Board of Education's financial statements, including the portion of the River Vale Board of Education'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.

RIVER VALE BOARD OF EDUCATION

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

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

	District-Wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular and special education and building maintenance	Instances in which the District administers resources on behalf of parties outside of the government.
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Fund Net Position Statement of Cash Flows
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability and deferred inflows/outflows information	All assets, deferred outflows, liabilities and deferred inflows, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.

District-wide Statements

District-wide. The District-wide financial statements are designed to provide readers with a broad overview of the River Vale Board of Education’s finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the River Vale Board of Education’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. However, when assessing 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 the school buildings and other facilities.

The statement of activities presents information showing how the government’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

RIVER VALE BOARD OF EDUCATION

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

District-wide Statements (Continued)

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

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

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).

The District has two kinds of funds:

Governmental funds. The District's basic services are included in the governmental funds, which generally focus on near-term inflows and outflows of spendable resources and the balances of spendable resources at year-end. Consequently, the governmental fund 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 a reconciliation at the bottom of the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances to facilitate this comparison between governmental funds and governmental activities.

The District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and Debt Service Fund. A budgetary comparison statement has been provided for the General Fund, Special Revenue Fund and Debt Service Fund.

RIVER VALE BOARD OF EDUCATION

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

Fund Financial Statements (Continued)

Proprietary Funds. The District maintains one type of Proprietary Fund, Enterprise Funds, which is used to report the activity of the Food Service Fund. Proprietary Funds provide the same type of information as the district-wide financial statements and is presented as business-type activities in the district-wide financial statements.

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.

DISTRICT-WIDE FINANCIAL ANALYSIS OF THE RIVER VALE BOARD OF EDUCATION 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.

Table A-1 provides a summary of the school district's net position for fiscal years 2022 and 2021. Net position for 2022 and 2021 were \$25,487,116 and \$22,429,672, respectively.

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide regular and special education, transportation, maintenance and administration services. 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.

RIVER VALE BOARD OF EDUCATION

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

DISTRICT-WIDE FINANCIAL ANALYSIS OF THE RIVER VALE BOARD OF EDUCATION AS A WHOLE (Continued)

Table A-1
Statement of Net Position
As of June 30, 2022 and 2021

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Assets						
Current and Other Assets	\$ 43,504,512	\$ 10,335,190	\$ 5,952	\$ 4,099	\$ 43,510,464	\$ 10,339,289
Capital Assets	<u>23,583,785</u>	<u>19,245,200</u>	<u>3,056</u>	<u>-</u>	<u>23,586,841</u>	<u>19,245,200</u>
Total Assets	<u>67,088,297</u>	<u>29,580,390</u>	<u>9,008</u>	<u>4,099</u>	<u>67,097,305</u>	<u>29,584,489</u>
Total Deferred Outflows of Resources	<u>419,475</u>	<u>407,856</u>	<u>-</u>	<u>-</u>	<u>419,475</u>	<u>407,856</u>
Total Assets and Deferred Outflows of Resources	<u>67,507,772</u>	<u>29,988,246</u>	<u>9,008</u>	<u>4,099</u>	<u>67,516,780</u>	<u>29,992,345</u>
Liabilities						
Other Liabilities	2,325,537	381,065			2,325,537	381,065
Long-Term Liabilities	<u>37,443,689</u>	<u>5,032,999</u>	<u>-</u>	<u>-</u>	<u>37,443,689</u>	<u>5,032,999</u>
Total Liabilities	<u>39,769,226</u>	<u>5,414,064</u>	<u>-</u>	<u>-</u>	<u>39,769,226</u>	<u>5,414,064</u>
Total Deferred Inflows of Resources	<u>2,260,438</u>	<u>2,148,609</u>	<u>-</u>	<u>-</u>	<u>2,260,438</u>	<u>2,148,609</u>
Total Liabilities and Deferred Inflows of Resources	<u>42,029,664</u>	<u>7,562,673</u>	<u>-</u>	<u>-</u>	<u>42,029,664</u>	<u>7,562,673</u>
Net Position:						
Net Invested in Capital Assets	25,605,013	18,918,368	3,056		25,608,069	18,918,368
Restricted	4,245,266	8,739,902			4,245,266	8,739,902
Unrestricted	<u>(4,372,171)</u>	<u>(5,232,697)</u>	<u>5,952</u>	<u>4,099</u>	<u>(4,366,219)</u>	<u>(5,228,598)</u>
Total Net Position	<u>\$ 25,478,108</u>	<u>\$ 22,425,573</u>	<u>\$ 9,008</u>	<u>\$ 4,099</u>	<u>\$ 25,487,116</u>	<u>\$ 22,429,672</u>

RIVER VALE BOARD OF EDUCATION

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

DISTRICT-WIDE FINANCIAL ANALYSIS OF THE RIVER VALE BOARD OF EDUCATION AS A WHOLE (Continued)

Governmental activities. Governmental activities increased the District's net position by \$3,052,535. Key elements of this increase are as follows:

Table A-2
Changes in Net Position
For the Fiscal Years Ended June 30, 2022 and 2021

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues						
Charges for Services	\$ 141,632	\$ 60,873	\$ 12,886	\$ 25	\$ 154,518	\$ 60,898
Operating Grants and Contributions	6,413,102	8,583,355	7,058		6,420,160	8,583,355
Capital Grants and Contributions	-	59,626			-	59,626
General Revenues						
Property Taxes	24,290,434	23,409,896			24,290,434	23,409,896
Other	280,812	133,689	-	11	280,812	133,700
Total Revenues	<u>31,125,980</u>	<u>32,247,439</u>	<u>19,944</u>	<u>36</u>	<u>31,145,924</u>	<u>32,247,475</u>
Expenses						
Instruction						
Regular	12,532,920	14,410,133			12,532,920	14,410,133
Special Education	3,457,580	3,569,347			3,457,580	3,569,347
Other Instruction	1,047,043	978,042			1,047,043	978,042
School Sponsored Activities and Ath.	262,095	204,361			262,095	204,361
Support Services						
Student and Instruction Related Serv.	3,657,856	4,279,542			3,657,856	4,279,542
Attendance and Social Work	130,305	136,034			130,305	136,034
Educational Media/School Library	263,760	294,785			263,760	294,785
General Administrative Services	1,255,106	693,937			1,255,106	693,937
School Administrative Services	586,428	999,130			586,428	999,130
Plant Operations and Maintenance	2,674,242	3,367,557			2,674,242	3,367,557
Pupil Transportation	400,854	289,116			400,854	289,116
Central Services	1,217,788	1,441,212			1,217,788	1,441,212
Non Major			15,035	25	15,035	25
Interest on Long-Term Debt	587,468	14,403	-	-	587,468	14,403
Total Expenses	<u>28,073,445</u>	<u>30,677,599</u>	<u>15,035</u>	<u>25</u>	<u>28,088,480</u>	<u>30,677,624</u>
Change in Net Position	3,052,535	1,569,840	4,909	11	3,057,444	1,569,851
Net Position, Beginning of Year	<u>22,425,573</u>	<u>20,855,733</u>	<u>4,099</u>	<u>4,088</u>	<u>22,429,672</u>	<u>20,859,821</u>
Net Position, End of Year	<u>\$ 25,478,108</u>	<u>\$ 22,425,573</u>	<u>\$ 9,008</u>	<u>\$ 4,099</u>	<u>\$ 25,487,116</u>	<u>\$ 22,429,672</u>

RIVER VALE BOARD OF EDUCATION

Management’s Discussion and Analysis (continued)

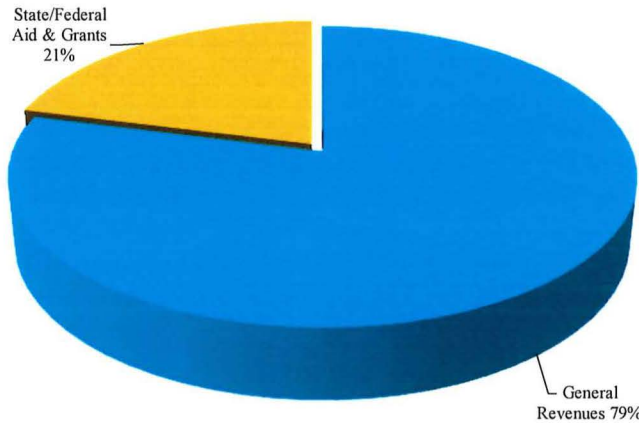
For the Fiscal Year Ended June 30, 2022

DISTRICT-WIDE FINANCIAL ANALYSIS OF THE RIVER VALE BOARD OF EDUCATION AS A WHOLE (Continued)

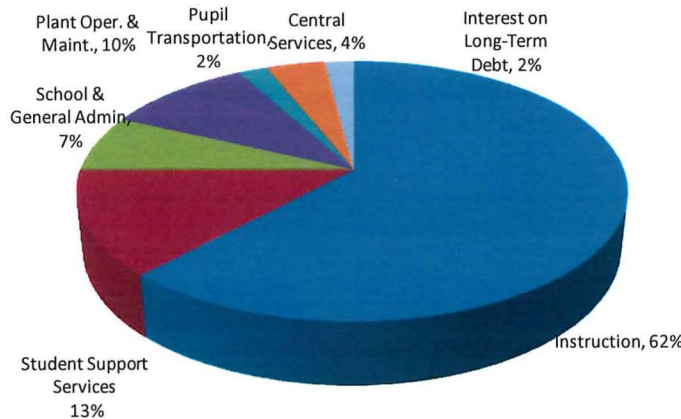
Governmental activities. The District’s total governmental revenues were \$31,125,980. The general share of the revenues, that included property taxes, interest and miscellaneous revenue, amounted to \$24,571,246, or 79% of total revenues. Funding from restricted state and federal sources amounted to \$6,413,102, or 21%. Charges for services amounted to \$141,632, or less than 1%.

The District’s total governmental expenses were \$28,073,445 and are predominantly related to instruction and support services. Instruction totaled \$17,299,638 (62%), student and other support services totaled \$10,186,339 (36%) and interest on long-term debt total \$587,468 (2%) of total expenses. (See Table A-3.)

**Table A-3 Revenues by Source- Governmental Activities
For Fiscal Year 2022**



**Table A-3 Expenses by Type- Governmental Activities
For Fiscal Year 2022**



RIVER VALE BOARD OF EDUCATION

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

**DISTRICT-WIDE FINANCIAL ANALYSIS OF THE RIVER VALE BOARD OF
EDUCATION AS A WHOLE (Continued)**

**Table A-4
Total and Net Cost of Governmental Activities
For the Fiscal Years Ended June 30, 2022 and 2021**

<u>Functions/Programs</u>	<u>Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Governmental Activities				
Instruction				
Regular	\$ 12,532,920	\$ 14,410,133	\$ 9,498,057	\$ 9,585,922
Special Education	3,457,580	3,569,347	1,698,429	1,807,016
Other Instruction	1,047,043	978,042	708,073	609,601
School Sponsored Activities and Athletics	262,095	204,361	160,499	136,101
Support Services			-	
Student and Instruction Related Svcs.	3,657,856	4,279,542	3,013,748	3,412,685
Attendance and Social Work	130,305	136,034	130,305	124,604
Educational Media/School Library	263,760	294,785	263,760	268,567
General Administrative Services	1,255,106	693,937	348,174	917,212
School Administrative Services	586,428	999,130	1,222,152	660,988
Plant Operations and Maintenance	2,674,242	3,367,557	2,544,034	3,036,173
Pupil Transportation	400,854	289,116	263,491	151,162
Central Services	1,217,788	1,441,212	1,080,521	1,249,311
Interest on Long-Term Debt	587,468	14,403	587,468	14,403
Total Governmental Activities	<u>\$ 28,073,445</u>	<u>\$ 30,677,599</u>	<u>\$ 21,518,711</u>	<u>\$ 21,973,745</u>

Business-Type Activities

The cost of Business-Type Activities for the fiscal year ended June 30, 2022 was \$15,035. These costs were funded by operating grants and charges for services (Detailed on Table A-2). The operations resulted in an increase in net position of \$4,909. The increase in the net position is attributable to food service revenues exceeding expenses.

RIVER VALE BOARD OF EDUCATION

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

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

As the District completed the year, its governmental funds reported a combined fund balance of \$41,206,970. At June 30, 2021 the fund balance was \$9,958,685. The increase was a result of the issuance of \$33,325,000 of Bonds.

The District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$32,189,324 and expenditures were \$34,967,043.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound fiscal management. The following schedule presents a summary of the governmental fund revenues for the fiscal year ended June 30, 2022 and 2021.

	Fiscal Year Ended <u>June 30, 2022</u>	Fiscal Year Ended <u>June 30, 2021</u>	Amount of Increase <u>(Decrease)</u>	Percent Change
Local Sources	\$ 24,724,378	\$ 23,604,458	\$ 1,119,920	4.74%
State Sources	6,853,954	5,425,262	1,428,692	26.33%
Federal Sources	<u>610,992</u>	<u>347,984</u>	<u>263,008</u>	75.58%
 Total Revenues	 <u>\$ 32,189,324</u>	 <u>\$ 29,377,704</u>	 <u>\$ 2,811,620</u>	 9.57%

The following schedule represents a summary of general fund, special revenue fund, capital projects fund, and debt service fund expenditures for the fiscal year ended June 30, 2022 and 2021.

	Fiscal Year Ended <u>June 30, 2022</u>	Fiscal Year Ended <u>June 30, 2021</u>	Amount of Increase <u>(Decrease)</u>	Percent Change
Instruction	\$ 18,450,682	\$ 17,090,331	\$ 1,360,351	7.96%
Support Services	9,879,341	10,129,307	(249,966)	-2.47%
Capital Outlay	5,262,017	793,147	4,468,870	563.44%
Debt Service				
Principal	810,970	897,708	(86,738)	-9.66%
Interest	<u>564,033</u>	<u>26,956</u>	<u>537,077</u>	1992.42%
 Total Expenditures	 <u>\$ 34,967,043</u>	 <u>\$ 28,937,449</u>	 <u>\$ 6,029,594</u>	 20.84%

RIVER VALE BOARD OF EDUCATION

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

Budgetary Highlights

The District's budget is prepared according to New Jersey law and is based on the budgetary basis of accounting on the basis of cash receipts, disbursement and encumbrances. The primary funds are the General Fund and Special Revenue Fund (grants and restricted aid).

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent overexpenditures in specific line item accounts. Several of these revisions bear notation.

- Salary accounts were adjusted to reflect: changes in staff assignments; retirements, resignations and the resulting new hires; program adjustments necessitated by student population changes.
- An unanticipated increase in federal IDEA (Individuals with Disabilities Education Act) funding allowed the District to offset some out of district special education tuition costs. This allowed budgeted general fund tuition costs to be transferred to other special education related accounts.
- Tuition for special education students is budgeted based on the existing and known incoming students at the time the budget is submitted. Students move into and out of the District during the summer as well as the school year, which necessitates transferring funds to the appropriate account to pay these special education costs.
- Effective September 1, 2002, the district opened a behavioral disabilities class which services both in-district resident students, as well as out-of-district placements from surrounding school districts. The District's initiative in opening the aforementioned special education program has enabled the district to significantly reduce both special education tuition costs as well as associated special education transportation costs.
- Effective September 1, 2004, the district opened an integrated pre-school class which services both general education and special education students ages 3 and 4. The District's initiative in opening the aforementioned special education program has enabled the district to significantly reduce both special education tuition costs as well as associated special education transportation costs.
- Special education costs increased significantly for occupational and physical therapy and Applied Behavioral Analysis.
- Property, liability, and medical insurances were renewed at higher rates. While adequately budgeted for, it should be noted that this represents a national trend in all major areas of the insurance industry.
- TPAF, which is the state's contribution to the pension fund and social security is neither a revenue item nor an expenditure item to the district but is required to be reflected in the financial statements.

RIVER VALE BOARD OF EDUCATION

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

Capital Assets. The River Vale Board of Education's investment in capital assets for its governmental and business type activities as of June 30, 2022 amounts to \$23,586,841 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and building improvements, and machinery and equipment.

The major capital asset event during the current fiscal year was the start of the school board referendum project.

Table A-4
Capital Assets
(net of depreciation) at June 30, 2022 and 2021

	Governmental Activities		Business-Type Activities		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$ 31,805	\$ 31,805			\$ 31,805	\$ 31,805
Construction in Progress	5,354,705	122,065			5,354,705	122,065
Land Improvements	1,127,339	1,127,339			1,127,339	1,127,339
Buildings and Building Improvements	28,272,963	28,272,963			28,272,963	28,272,963
Machinery, Equipment and Vehicles	<u>2,796,068</u>	<u>2,866,939</u>	<u>\$ 18,654</u>	<u>\$ 15,258</u>	<u>2,814,722</u>	<u>2,882,197</u>
Total	37,582,880	32,421,111	18,654	15,258	37,601,534	32,436,369
Less: Accumulated Depreciation	<u>13,999,095</u>	<u>13,175,911</u>	<u>15,598</u>	<u>15,258</u>	<u>14,014,693</u>	<u>13,191,169</u>
Total	<u>\$ 23,583,785</u>	<u>\$ 19,245,200</u>	<u>\$ 3,056</u>	<u>\$ -</u>	<u>\$ 23,586,841</u>	<u>\$ 19,245,200</u>

Additional information on River Vale Board of Education's capital assets can be found in the Notes of this report.

Debt Administration. As of June 30, 2022 the school district had long-term debt and outstanding long-term liabilities in the amount of \$37,443,689 as stated in Table A-5.

Table A-5
Outstanding Long-Term Liabilities

	<u>2022</u>	<u>2021</u>
Serial Bonds, Net of Premiums	\$ 33,325,000	
Capital Financing Agreements	100,457	\$ 211,427
Compensated Absences Payable	877,418	785,964
Net Pension Liability	<u>3,139,810</u>	<u>4,035,608</u>
Total	<u>\$ 37,442,685</u>	<u>\$ 5,032,999</u>

RIVER VALE BOARD OF EDUCATION

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

Debt Administration (Continued)

The District's issued \$33,325,000 in School District Bonds on July 27, 2021. These bonds were issued in order to permanently finance expenditures related to the 2021 referendum for various capital improvement projects. The compensated absences represent the District's liability for unused accrued sick leave and unused vacation. The net pension liability represents the District's proportionate share of the unfunded pension liability of the State of New Jersey's Public Employees Retirement System Pension Fund.

Moody's Investors Service has assigned an Aa2 enhanced rating to the River Vale Board of Education's \$33.325 million General Obligation School Bonds. These bonds are secured by New Jersey's Chapter 72 program. The Aa2 rating on this issue reflects: Chapter 72's highly liquid reserve that by statute is perpetually sized at 1.5% of New Jersey school district related indebtedness; significant ability to regenerate the fund in the case of a draw; and, Moody's anticipation that program mechanics will govern timely bond repayment in the case of a defaulting issuer. Additional information on this program follows:

Chapter 72 Is A Constitutionally Created Fund Located In The State's Fund For Support Of Free Public Schools

The Chapter 72 reserves, authorized in 1980 (NJ 18A:56-19), to make scheduled debt service payments for a defaulting issuer are carved from the State of New Jersey's larger constitutionally created Fund for Support of Free Public Schools. Chapter 72 assets currently valued at \$62 million are recalculated annually, to comply with the statutory requirement that the reserve equal exactly 1.5% of the \$4.1 billion of outstanding school related debt. Currently, Chapter 72 assets comprise 41% of the Fund.

Additional information on River Vale Board of Education's long-term debt can be found in Note 3 of this report.

FOR THE FUTURE

Currently, the District is in superior financial condition. Everyone associated with the River Vale School District is grateful for the community support of the schools. A major concern is the financial support required to maintain appropriate class sizes and services. This, in an environment of flat state aid support, means an ever-increasing reliance on local property taxes.

In conclusion, the River Vale School District has committed itself to financial and educational excellence. Its system for financial planning, budgeting, and internal financial controls is audited annually and it plans to continue to manage its finances in order to meet the many challenges ahead.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

If you have questions about this report or need additional information, contact the School Business Administrator at the River Vale Board of Education, 609 Westwood Ave., River Vale, NJ 07675.

BASIC FINANCIAL STATEMENTS

RIVER VALE BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2022

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 43,182,607	\$ 4,448	\$ 43,187,055
Receivables, net			
Receivables from Other Governments	293,850	1,504	295,354
Other	28,055		28,055
Capital Assets, Not Being Depreciated	5,386,510		5,386,510
Capital Assets, Being Depreciated, Net	<u>18,197,275</u>	<u>3,056</u>	<u>18,200,331</u>
 Total Assets	 <u>67,088,297</u>	 <u>9,008</u>	 <u>67,097,305</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>419,475</u>	-	<u>419,475</u>
 Total Deferred Outflows of Resources	 <u>419,475</u>	 -	 <u>419,475</u>
 Total Assets and Deferred Outflows of Resources	 <u>67,507,772</u>	 <u>9,008</u>	 <u>67,516,780</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	2,278,700		2,278,700
Accrued Interest Payable	27,995		27,995
Unearned Revenue	1,000		1,000
Intergovernmental Payable	17,842		17,842
Noncurrent Liabilities			
Due Within One Year	1,725,457		1,725,457
Due Beyond One Year	<u>35,718,232</u>	-	<u>35,718,232</u>
 Total Liabilities	 <u>39,769,226</u>	 -	 <u>39,769,226</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>2,260,438</u>	-	<u>2,260,438</u>
 Total Deferred Inflows of Resources	 <u>2,260,438</u>	 -	 <u>2,260,438</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>42,029,664</u>	 -	 <u>42,029,664</u>
NET POSITION			
Net Investment in Capital Assets	18,136,017	3,056	18,139,073
Restricted for			
Capital Projects	2,539,290		2,539,290
Maintenance	759,616		759,616
Other Purposes	946,360		946,360
Unrestricted	<u>3,096,825</u>	<u>5,952</u>	<u>3,102,777</u>
 Total Net Position	 <u>\$ 25,478,108</u>	 <u>\$ 9,008</u>	 <u>\$ 25,487,116</u>

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 12,532,920	\$ 56,211	\$ 2,978,652		\$ (9,498,057)		\$ (9,498,057)
Special Education	3,457,580		1,759,151		(1,698,429)		(1,698,429)
Other Instruction	1,047,043		338,970		(708,073)		(708,073)
School Sponsored Activities and Athletics	262,095	85,421	16,175		(160,499)		(160,499)
Support Services							
Student and Instruction Related Services	3,657,856		644,108		(3,013,748)		(3,013,748)
Attendance and Social Work	130,305				(130,305)		(130,305)
Educational Media/School Library	263,760				(263,760)		(263,760)
School Administrative Services	586,428		238,254		(348,174)		(348,174)
General Administrative Services	1,255,106		32,954		(1,222,152)		(1,222,152)
Plant Operations and Maintenance	2,674,242		130,208		(2,544,034)		(2,544,034)
Pupil Transportation	400,854		137,363		(263,491)		(263,491)
Central Services	1,217,788		137,267		(1,080,521)		(1,080,521)
Interest on Long-Term Debt	587,468	-	-	-	(587,468)	-	(587,468)
Total Governmental Activities	<u>28,073,445</u>	<u>141,632</u>	<u>6,413,102</u>	<u>-</u>	<u>(21,518,711)</u>	<u>-</u>	<u>(21,518,711)</u>
Business-Type Activities							
Food Service	15,035	12,886	7,058		-	\$ 4,909	4,909
Non-Major	-	-	-	-	-	-	-
Total Business-Type Activities	<u>15,035</u>	<u>12,886</u>	<u>7,058</u>	<u>-</u>	<u>-</u>	<u>4,909</u>	<u>4,909</u>
Total Primary Government	<u>\$ 28,088,480</u>	<u>\$ 154,518</u>	<u>\$ 6,420,160</u>	<u>\$ -</u>	<u>(21,518,711)</u>	<u>4,909</u>	<u>(21,513,802)</u>
General Revenues							
Taxes							
Property Taxes Levied for General Purposes					23,030,163		23,030,163
Property Taxes Levied for Debt Services					1,260,271		1,260,271
Interest on Deposits					79,660	-	79,660
Miscellaneous Income					201,152	-	201,152
Total General Revenues					<u>24,571,246</u>	<u>-</u>	<u>24,571,246</u>
Change in Net Position					3,052,535	4,909	3,057,444
Net Position, Beginning of Year					<u>22,425,573</u>	<u>4,099</u>	<u>22,429,672</u>
Net Position, End of Year					<u>\$ 25,478,108</u>	<u>\$ 9,008</u>	<u>\$ 25,487,116</u>

FUND FINANCIAL STATEMENTS

RIVER VALE BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2022

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	10,354,331	122,489	31,940,210	765,577	43,182,607
Due from Other Funds	166,394		5,470,000	1,004	5,637,398
Other Receivables	28,055				28,055
Receivables from Other Governments	50,624	243,226	-	-	293,850
Total Assets	<u>10,599,404</u>	<u>365,715</u>	<u>37,410,210</u>	<u>766,581</u>	<u>49,141,910</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	189,272	168,750	1,864,487		2,222,509
Accrued Salaries and Wages Payable	8,072				8,072
Payroll Deductions and Withholdings Payable	9,788				9,788
Employee Flex Spending Deposits Payable	14,916				14,916
Unemployment Employee Contributions Payable	23,415				23,415
Due to Other Funds	4,770,000	74,476	92,922	700,000	5,637,398
Due to Other Governments	17,842				17,842
Unearned Revenue	1,000	-	-	-	1,000
Total Liabilities	<u>5,034,305</u>	<u>243,226</u>	<u>1,957,409</u>	<u>700,000</u>	<u>7,934,940</u>
Fund Balance					
Restricted:					
Excess Surplus	387,955				387,955
Capital Reserve	2,539,290				2,539,290
Maintenance Reserve	759,616				759,616
Emergency Reserve	250,000				250,000
Capital Projects			35,452,801		35,452,801
Debt Service Reserve				66,581	66,581
Unemployment Compensation Reserve	757,290				757,290
Co-Curricular Student Activities		122,489			122,489
Assigned:					
Year-End Encumbrances	91,406				91,406
Unassigned Fund Balance	779,542	-	-	-	779,542
Total Fund Balances	<u>5,565,099</u>	<u>122,489</u>	<u>35,452,801</u>	<u>66,581</u>	<u>41,206,970</u>
Total Liabilities and Fund Balances	<u>\$ 10,599,404</u>	<u>\$ 365,715</u>	<u>\$ 37,410,210</u>	<u>\$ 766,581</u>	<u>\$ 49,141,910</u>

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

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

Total Fund Balances (Exhibit B-1) \$ 41,206,970

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$37,582,880 and the accumulated depreciation is \$13,999,095. 23,583,785

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is: (27,995)

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

Deferred Outflows of Resources	\$ 419,475	
Deferred Inflows of Resources	(2,260,438)	
		(1,840,963)

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

General Obligation Bonds Payable, Including Unamortized Premium	33,326,004	
Capital Financing Agreements Payable	100,457	
Compensated Absences	877,418	
Net Pension Liability	3,139,810	
		(37,443,689)

Net Position of Governmental Activities (Exhibit A-1) \$ 25,478,108

RIVER VALE 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>
REVENUES					
Local Sources					
Local Property Tax Levy	\$ 23,030,163			\$ 1,260,271	\$ 24,290,434
Tuition	56,211				56,211
Interest on Deposits	16,241			63,419	79,660
Miscellaneous	201,152	\$ 96,921	-	-	298,073
Total - Local Sources	23,303,767	96,921	-	1,323,690	24,724,378
State Sources	6,853,954				6,853,954
Federal Sources	-	610,992	-	-	610,992
Total Revenues	30,157,721	707,913	-	1,323,690	32,189,324
EXPENDITURES					
Current					
Regular Instruction	13,223,210	161,500			13,384,710
Special Education Instruction	3,421,484	240,658			3,662,142
Other Instruction	1,005,883	117,180			1,123,063
School-Sponsored Activities and Athletics	191,002	89,765			280,767
Support Services					
Student and Instruction Related Services	3,784,267	103,154			3,887,421
Attendance and Social Work	130,043				130,043
Educational Media/School Library	264,156				264,156
School Administrative Services	643,581				643,581
General Administrative Services	1,282,881				1,282,881
Plant Operations and Maintenance	1,944,683				1,944,683
Pupil Transportation	400,854				400,854
Central Services	1,325,722				1,325,722
Debt Service					
Principal	110,970			700,000	810,970
Interest and Other Charges	5,920			558,113	564,033
Capital Outlay	29,377	-	\$ 5,232,640	-	5,262,017
Total Expenditures	27,764,033	712,257	5,232,640	1,258,113	34,967,043
Excess (Deficiency) of Revenues Over/ (Under) Expenditures	2,393,688	(4,344)	(5,232,640)	65,577	(2,777,719)
Other Financing Sources and (Uses)					
Bond Proceeds			33,325,000		33,325,000
Note Proceeds			700,000		700,000
Premium on Bonds			1,004		1,004
Transfers In			6,770,000	1,004	6,771,004
Transfers Out	(6,770,000)	-	(1,004)	-	(6,771,004)
Total Other Financing Sources and Uses	(6,770,000)	-	40,795,000	1,004	34,026,004
Net Change in Fund Balances	(4,376,312)	(4,344)	35,562,360	66,581	31,248,285
Fund Balance, Beginning of Year	9,941,411	126,833	(109,559)	-	9,958,685
Fund Balance, End of Year	\$ 5,565,099	\$ 122,489	\$ 35,452,801	\$ 66,581	\$ 41,206,970

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

**RIVER VALE 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) **\$ 31,248,285**

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

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

Capital Outlay	\$ 5,262,017	
Depreciation Expense	<u>(923,432)</u>	
		4,338,585

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

Increase in Compensated Absences, Net	(91,454)	
Decrease in Pension Expense	<u>795,588</u>	
		704,134

Repayment of bond and financing agreement principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities. Including the issuance of serial bonds.

Debt Issued:		
Serial Bonds	(33,326,004)	
Temporary Notes	(700,000)	
Principal Repayments:		
Temporary Notes	700,000	
Capital Leases	<u>110,970</u>	
		(33,215,034)

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

Decrease in Accrued Interest		<u>(23,435)</u>
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Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 3,052,535**

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

		<u>Business- Type Activities</u>
		<u>Non-Major Food Service</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$	4,448
Intergovernmental Receivable		
Federal		<u>1,504</u>
Total Current Assets		<u>5,952</u>
Capital Assets		
Equipment		18,654
Less: Accumulated Depreciation		<u>(15,598)</u>
Total Capital Assets, Net		<u>3,056</u>
Total Assets		<u>9,008</u>
NET POSITION		
Net Investment in Capital Assets		3,056
Unrestricted		<u>5,952</u>
Total Net Position	\$	<u>9,008</u>

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

**RIVER VALE 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</u>
	<u>Non-Major Food Service</u>
OPERATING REVENUE	
Charges for Services	
Miscellaneous Fees	\$ 12,886
Total Operating Revenues	<u>12,886</u>
OPERATING EXPENSES	
Cost of Sales	12,054
Supplies and Materials	2,641
Depreciation	<u>340</u>
Total Operating Expenses	<u>15,035</u>
Operating Income/(Loss)	<u>(2,149)</u>
NONOPERATING REVENUE	
Interest	-
Federal Sources	
Special Milk Program	<u>7,058</u>
Total Nonoperating Revenues	<u>7,058</u>
Change in Net Position	4,909
Total Net Position, Beginning of Year	<u>4,099</u>
Total Net Position, End of Year	<u>\$ 9,008</u>

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

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

	Business- Type Activities
	<u>Non-Major Food Service</u>
Cash Flows from Operating Activities	
Cash Received from Customers	\$ 12,886
Cash Payments to Suppliers for Goods and Services	<u>(14,695)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(1,809)</u>
Cash Flows from Noncapital Financing Activities	
Cash Received from State and Federal Subsidy Reimbursements	<u>5,554</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>5,554</u>
Cash Flows from Investing Activities	
Purchase of Fixed Assets	<u>(3,396)</u>
Net Cash Provided by (Used for) Investing Activities	<u>(3,396)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	349
Cash and Cash Equivalents, Beginning of Year	<u>4,099</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 4,448</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities	
Operating Income (Loss)	<u>\$ (2,149)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used for Operating Activities	
Depreciation	<u>340</u>
Total Adjustments	<u>340</u>
Net Cash (Used for) Operating Activities	<u><u>\$ (1,809)</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

**RIVER VALE 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 River Vale Board of Education (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of seven elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade eight (8) 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 River Vale Board of Education this includes general operations, food service and student related activities of the District.

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

B. New Accounting Standards

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements

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

District-Wide Financial Statements

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

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

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

Fund Financial Statements

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

The *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 non-major proprietary fund which is organized to be self-supporting through user charges:

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

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. All assets, all liabilities and all deferred outflows/inflows of resources associated with these 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, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

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

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

1. Cash, Cash Equivalents and Investments

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

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

2. Receivables

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

**RIVER VALE 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)

3. Inventories

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

4. Capital Assets

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

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	45-50
Building Improvements	20
Machinery and Equipment	5-20

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has one item which arise only under the accrual basis of accounting that qualify for reporting in this category. The 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.

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

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. 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. 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.

RIVER VALE 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. *Long-Term Obligations*

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

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

10. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

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

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

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

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

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

**RIVER VALE 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)

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

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

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

Co-Curricular 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.

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

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

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

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

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.

**RIVER VALE 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

1. *Program Revenues*

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

2. *Property Taxes*

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

3. *Tuition Revenues and Expenditures*

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

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

**RIVER VALE 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)

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 \$1,616,855. The increase was funded by the additional appropriation of state aid, grant awards, student activity revenues and the reappropriation of prior year general fund encumbrances.

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

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

B. Capital Reserve

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

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve (Continued)

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

Balance, July 1, 2021		\$ 7,301,046
Increased by:		
Interest Earnings	\$ 8,244	
Deposits Approved by Board Resolution	<u>2,000,000</u>	
		<u>2,008,244</u>
		9,309,290
Decreased by:		
Withdrawals Approved in District Budget		<u>6,770,000</u>
Balance, June 30, 2022		<u>\$ 2,539,290</u>

The June 30, 2022 LRFPP balance of uncompleted capital projects is \$40,795,494. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan.

C. 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	\$ 562,077
Increased by:	
Deposits Approved by Board Resolution	<u>197,539</u>
Balance, June 30, 2022	<u>\$ 759,616</u>

The June 30, 2022 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$759,616.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Emergency Reserve

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

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

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

Balance, July 1, 2021	<u>\$ 250,000</u>
Balance, June 30, 2022	<u>\$ 250,000</u>

E. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 4% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2022 is \$387,955. Of this amount, \$387,955 will be designated and 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.

**RIVER VALE 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)

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 \$43,187,055 and bank and brokerage firm balances of the Board's deposits amounted to \$43,963,663. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

Insured	\$ 43,903,159
Uninsured and Collateralized	<u>60,504</u>
	<u>\$ 43,963,663</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 \$60,504 of the Board's bank balances were exposed to custodial credit risk.

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department but not in the Board's name	<u>\$ 60,504</u>
	<u>\$ 60,504</u>

Investments

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

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

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

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

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

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

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

B. Receivables

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Food Service Fund</u>	<u>Total</u>
Receivables:				
Intergovernmental				
Federal		\$ 243,226	\$ 1,504	\$ 244,730
State	\$ 50,624	-	-	50,624
Gross Receivables	50,624	243,226	1,504	295,354
Less: Allowance for Uncollectibles	-	-	-	-
Net Total Receivables	<u>\$ 50,624</u>	<u>\$ 243,226</u>	<u>\$ 1,504</u>	<u>\$ 295,354</u>

**RIVER VALE 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:

	<u>Total</u>
General Fund	
Prepayments of Preschool Tuition	\$ <u>1,000</u>
 Total Unearned Revenue for Governmental Funds	 \$ <u>1,000</u>

D. Capital Assets

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

	<u>Balance, July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2022</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 31,805			\$ 31,805
Construction in Progress	<u>122,065</u>	<u>\$ 5,232,640</u>	<u>-</u>	<u>5,354,705</u>
Total Capital Assets, Not Being Depreciated	<u>153,870</u>	<u>5,232,640</u>	<u>-</u>	<u>5,386,510</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	28,272,963			28,272,963
Machinery and Equipment	2,866,939	29,377	\$ (100,248)	2,796,068
Land Improvements	<u>1,127,339</u>	<u>-</u>	<u>-</u>	<u>1,127,339</u>
Total Capital Assets Being Depreciated	<u>32,267,241</u>	<u>29,377</u>	<u>(100,248)</u>	<u>32,196,370</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(10,658,560)	(688,279)		(11,346,839)
Machinery and Equipment	(2,080,607)	(190,541)	100,248	(2,170,900)
Land Improvements	<u>(436,744)</u>	<u>(44,612)</u>	<u>-</u>	<u>(481,356)</u>
Total Accumulated Depreciation	<u>(13,175,911)</u>	<u>(923,432)</u>	<u>100,248</u>	<u>(13,999,095)</u>
Total Capital Assets, Being Depreciated, Net	<u>19,091,330</u>	<u>(894,055)</u>	<u>-</u>	<u>18,197,275</u>
Governmental Activities Capital Assets, net	<u>\$ 19,245,200</u>	<u>\$ 4,338,585</u>	<u>\$ -</u>	<u>\$ 23,583,785</u>

**RIVER VALE 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)

	<u>Balance, July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2022</u>
Business-Type Activities:				
Food Service Fund				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 15,258	\$ 3,396	-	\$ 18,654
Total Capital Assets Being Depreciated	<u>15,258</u>	<u>3,396</u>	<u>-</u>	<u>18,654</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	<u>(15,258)</u>	<u>(340)</u>	<u>-</u>	<u>(15,598)</u>
Total Accumulated Depreciation	<u>(15,258)</u>	<u>(340)</u>	<u>-</u>	<u>(15,598)</u>
Total Capital Assets, Being Depreciated, Net	<u>-</u>	<u>3,056</u>	<u>-</u>	<u>3,056</u>
Business-Type Activities Capital Assets, Net	<u>\$ -</u>	<u>\$ 3,056</u>	<u>\$ -</u>	<u>\$ 3,056</u>

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

Governmental activities:	
Instruction	
Regular	\$ 20,750
Total Instruction	<u>20,750</u>
Support Services	
Students and Instructional Related Services	85,828
General Administrative Services	10,269
School Administrative Services	44,278
Plant Operations and Maintenance	<u>762,307</u>
Total Support Services	<u>902,682</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 923,432</u>
Business-Type activities:	
Food Service Fund	<u>\$ 340</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 340</u>

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

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

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Bond Referendum Project	\$ 5,347,311	\$ 33,448,183
Total		<u>\$ 33,448,183</u>

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	\$ 74,476
General Fund	Capital Projects Fund	91,918
Capital Projects	General Fund	4,770,000
Debt Service	Capital Projects Fund	1,004
Capital Projects	Debt Service Fund	<u>700,000</u>
		<u>\$ 5,637,398</u>

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

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

Interfund Transfers

	<u>Transfer In:</u>		
	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
Transfer Out:			
General Fund	\$ 6,770,000		\$ 6,770,000
Capital Projects	<u>-</u>	<u>\$ 1,004</u>	<u>1,004</u>
Total Transfers Out	<u>\$ 6,770,000</u>	<u>\$ 1,004</u>	<u>\$ 6,771,004</u>

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

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. 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:

\$430,540, fiscal year 2018 Agreement for the acquisition of a boiler and generator for a term of 5 years due in annual principal installments of \$86,817 through July, 2022 interest at 2.91%	\$ 86,817
\$126,983, fiscal year 2018 Agreement for the acquisition of copiers of 5 years due in annual principal installments of \$13,640 through December, 2022 interest at 3.36%	<u>13,640</u>
Total	<u>\$ 100,457</u>

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

Governmental Activities:

Fiscal Year Ending <u>June 30,</u>	<u>Capital Agreements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2023	<u>\$ 100,457</u>	<u>\$ 2,657</u>	<u>\$ 103,114</u>
Total	<u>\$ 100,457</u>	<u>\$ 2,657</u>	<u>\$ 103,114</u>

G. Long-Term Debt

General Obligation Bonds

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

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt (Continued)

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

\$32,325,000, 2021 Bonds, due in annual installments of \$1,625,000 to \$3,325,000 through June 15, 2046, interest at 1.00% to 2.250% \$33,325,000

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,	Serial Bonds		Total
	Principal	Interest	
2023	1,625,000	616,381	2,241,381
2024	1,130,000	600,131	1,730,131
2025	1,140,000	588,831	1,728,831
2026	1,165,000	577,431	1,742,431
2027	1,185,000	565,781	1,750,781
2028-2042	20,540,000	5,579,869	26,119,869
2043-2044	3,215,000	252,263	3,467,263
2045-2046	<u>3,325,000</u>	<u>112,500</u>	<u>3,437,500</u>
Total	<u>\$ 33,325,000</u>	<u>\$ 8,893,187</u>	<u>\$ 42,218,187</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:

3% of Equalized Valuation Basis (Municipal)	\$ 64,043,649
Less: Net Debt Issued and Authorized But Not Issued	<u>33,326,442</u>
Remaining Borrowing Power	<u>\$ 30,717,207</u>

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

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds Payable		\$ 33,325,000		\$ 33,325,000	\$ 1,625,000
Deferred Amounts:				-	
Add: Unamortized Original Issue Premium	-	1,004	-	1,004	-
Total Bonds Payable	-	33,326,004	-	33,326,004	1,625,000
Capital Financing Agreements	\$ 211,427		\$ 110,970	100,457	100,457
Compensated Absences	785,964	91,454		877,418	
Net Pension Liability	4,035,608	-	895,798	3,139,810	-
Governmental Activities Long-Term Liabilities	<u>\$ 5,032,999</u>	<u>\$ 33,417,458</u>	<u>\$ 1,006,768</u>	<u>\$ 37,443,689</u>	<u>\$ 1,725,457</u>

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

I. Short-Term Debt

The Board's short-term activity for the fiscal year ended June 30, 2022 was as follows:

Bond Anticipation Notes

The Board issues Bond Anticipation Notes ("Project Notes") to permanently finance Capital Projects. The Board's short-term debt activity for the fiscal year ended June 30, 2022 was as follows:

<u>Purpose</u>	<u>Rate %</u>	<u>Maturity Date</u>	<u>Balance, July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance, June 30, 2022</u>
School Board Referendum Project	0.2988%	12/1/2021	\$ -	\$ 700,000	\$ 700,000	\$ -

State law requires that bond anticipation notes issued for capital purposes be converted to long-term obligations within five years after the original issue date; provided however that notes are not renewed beyond the third anniversary date of the originals unless an amount of such notes equal to the first legally payable installment of the bonds such notes were issued in anticipation of are paid and retired in each subsequent year.

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

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 provided traditional health coverage with the State Employee Health Benefit Program.

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

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

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

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

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

Fiscal Year Ended <u>June 30,</u>	<u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Interest</u> <u>Earnings</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2022		\$ 61,492	\$ 1,498	\$ 41,285	\$ 757,290
2021		60,874	1,840	57,665	755,792
2020		41,748	9,205	27,012	753,953

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.

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

NOTE 4 OTHER INFORMATION (Continued)

C. Federal Arbitrage Regulations

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

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

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

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

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

The following represents the membership tiers for PERS:

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

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

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

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

The following represent the membership tiers for TPAF:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon 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.

**RIVER VALE 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.

**RIVER VALE 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	\$ 310,394	\$ 3,894,257	\$ 44,656
2021	270,721	2,763,185	38,121
2020	255,461	2,068,851	36,174

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2022, 2021 and 2020 the District contributed \$0, \$0 and \$1,243, respectively for PERS and the State contributed \$799, \$800 and \$919, 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 \$807,423 during the fiscal year ended June 30, 2022 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

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

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

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

At June 30, 2022, the District reported in the statement of net position (accrual basis) a liability of \$3,139,810 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 .02650 percent, which was an increase of .00176 percent from its proportionate share measured as of June 30, 2020 of .02474 percent.

**RIVER VALE 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 \$485,194 for PERS. The pension contribution made by the District during the current 2021/2022 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2022 with a measurement date of the prior fiscal year end of June 30, 2021. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2022 for contributions made subsequent to the measurement date. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 49,519	\$ 22,477
Changes of Assumptions	16,352	1,117,793
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		827,108
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>353,604</u>	<u>293,060</u>
Total	<u>\$ 419,475</u>	<u>\$ 2,260,438</u>

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

Year Ending <u>June 30,</u>	<u>Total</u>
2023	\$ (767,335)
2024	(515,863)
2025	(343,196)
2026	(221,763)
2027	7,194
Thereafter	<u>-</u>
	<u>\$ (1,840,963)</u>

**RIVER VALE 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.

**RIVER VALE 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%

**RIVER VALE 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:

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>4,275,785</u>	\$ <u>3,139,810</u>	\$ <u>2,175,775</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.

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

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

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

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

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

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$1,055,234 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 \$44,845,469. 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, 2022, the State's share of the net pension liability attributable to the District was .09328 percent, which was an increase of .00062 percent from its proportionate share measured as of June 30, 2020 of .09266 percent.

**RIVER VALE 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.

**RIVER VALE 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)

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.

**RIVER VALE 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:

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 53,059,681</u>	<u>\$ 44,845,469</u>	<u>\$ 37,946,047</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.

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.

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

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

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

Plan Membership

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

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

Measurement Focus and Basis of Accounting

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

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

**RIVER VALE 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)

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.

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 \$909,865, \$865,939 and \$767,506, 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.

**RIVER VALE 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

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.

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$2,685,535. 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 \$48,411,098. 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 and June 30, 2020, the state’s share of the OPEB liability attributable to the District was 0.08 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.

**RIVER VALE 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)

Actuarial Assumptions (Continued)

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

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.

**RIVER VALE 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)

Changes in the Total OPEB Liability

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

	Total OPEB Liability <u>(State Share 100%)</u>
Balance, June 30, 2020 Measurement Date	\$ <u>54,522,818</u>
Changes Recognized for the Fiscal Year:	
Service Cost	2,330,897
Interest on the Total OPEB Liability	1,255,835
Changes of Benefit Terms	(51,528)
Differences Between Expected and Actual Experience	(8,737,545)
Changes of Assumptions	47,761
Gross Benefit Payments	(989,246)
Contributions from the Member	<u>32,106</u>
Net Changes	\$ <u>(6,111,720)</u>
Balance, June 30, 2021 Measurement Date	\$ <u><u>48,411,098</u></u>

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

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

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

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

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

	1% Decrease <u>(1.16%)</u>	Current Discount Rate <u>(2.16%)</u>	1% Increase <u>(3.16%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>57,988,896</u>	\$ <u>48,411,098</u>	\$ <u>40,869,157</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>39,188,941</u>	\$ <u>48,411,098</u>	\$ <u>60,795,773</u>

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

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

NOTE 5 INFECTIOUS DISEASE OUTBREAK – COVID-19 RECENT DEVELOPMENTS

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

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

Since the pandemic began, the federal government had enacted rescue legislation to address the pandemic and alleviate its economic and health effects, including significant support for education. The legislation includes various forms of financial relief including direct stimulus payments and various other forms of economic relief, including extended unemployment benefits, continued eviction and foreclosure moratoriums, an increase in the child tax credit, an increase in food and housing aid, assistance grants to restaurants and bars, and other small business grants and loans. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. Federal aid for public education has been provided under three 5 separate laws: The Coronavirus Aid, Relief, and Economic Security Act in March 2020 (CARES Act), and the Coronavirus Response and Relief Supplemental Appropriations Act in December 2020 (CRRSA) and the American Rescue Plan Act in March 2021 (ARP). The Elementary and Secondary School Emergency Relief (ESSER) Fund is the main source of funding for public elementary and secondary education under each law. The School District has been awarded up to \$1,071,250 to address certain expenses incurred as a result of the pandemic. Because of the evolving nature of the outbreak and federal, state and local responses, the Board cannot predict how the outbreak will impact the financial condition or operations of the Board, or if there will be any impact on the assessed values of property within the School District or deferral of tax payments to municipalities. The School District cannot predict costs associated with this or any other potential infectious disease outbreak including whether there will be any reduction in State funding or an increase in operational costs incurred to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease. To date the School District has not been materially and adversely affected financially due to the virus.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

**RIVER VALE BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
REVENUES					
Local Sources					
Property Taxes	\$ 23,030,163		\$ 23,030,163	\$ 23,030,163	
Interest on Deposits				6,500	\$ 6,500
Interest on Capital Reserve	12,000		12,000	8,244	(3,756)
Interest - Restricted for Unemployment	-			1,497	1,497
Tuition (Pre-K)	24,000		24,000	35,818	11,818
Tuition from Others				20,393	20,393
Building Rental	103,055		103,055	117,535	14,480
Miscellaneous	26,953	-	26,953	83,617	56,664
Total - Local Sources	23,196,171	-	23,196,171	23,303,767	107,596
State Sources					
Special Education Aid	734,191	-	734,191	734,191	-
Transportation Aid	126,476	-	126,476	126,476	-
Security Aid	86,869	-	86,869	86,869	-
Extraordinary Aid		\$ 298,645	298,645	310,873	12,228
Nonpublic School Transportation Aid				11,020	11,020
On-behalf TPAF Payments -					
Pension Contribution (Non-Budget)				3,840,079	3,840,079
NCGI Premium (Non-Budget)				54,178	54,178
Post Retirement Medical Benefits (Non-Budget)				909,856	909,856
Long-Term Disability Insurance Contributions (Non-Budget)				799	799
Reimbursed TPAF Social Security Payments (Non-Budget)	-	-	-	807,423	807,423
Total - State Sources	947,536	298,645	1,246,181	6,881,764	5,635,583
Total Revenues	24,143,707	298,645	24,442,352	30,185,531	5,743,179
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	635,939	-	635,939	625,530	10,409
Grades 1-5	3,970,634	(104,434)	3,866,200	3,835,310	30,890
Grades 6-8	3,237,089	(10,887)	3,226,202	3,109,319	116,883
Instruction - Home					
Salaries of Teachers	15,000	-	15,000	10,689	4,311
Purchased Professional - Educational Services	8,000	-	8,000	590	7,410
Total Instruction - Regular	7,866,662	(115,321)	7,751,341	7,581,438	169,903
Regular Programs - Undistributed Instruction					
Purchased Professional-Educational Services	150,376	-	150,376	134,540	15,836
Other Purchased Services	201,292	3,847	205,139	65,820	139,319
General Supplies	510,508	(81,877)	428,631	295,108	133,523
Textbooks	8,700	-	8,700	1,587	7,113
Other Objects	2,650	40	2,690	1,275	1,415
Total Regular Programs	873,526	(77,990)	795,536	498,330	297,206

**RIVER VALE BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Learning and/or Language Disabilities					
Salaries of Teachers	\$ 196,529	\$ 18,914	\$ 215,443	\$ 215,439	\$ 4
Other Salaries for Instruction	178,174	79,056	257,230	255,037	2,193
Purchased Professional - Educational Services	2,500	(500)	2,000	-	2,000
General Supplies	3,000	1,575	4,575	3,616	959
Total Learning and/or Language Disabilities	380,203	99,045	479,248	474,092	5,156
Resource Room					
Salaries of Teachers	1,007,337	(70,076)	937,261	931,884	5,377
Other Salaries for Instruction	-	2,595	2,595	2,594	1
Purchased Professional-Educational Services	15,000	(8,595)	6,405	-	6,405
General Supplies	5,260	(2,162)	3,098	2,128	970
Textbooks	800	(130)	670	-	670
Total Resource Room	1,028,397	(78,368)	950,029	936,606	13,423
Preschool Disabilities - Part Time					
Salaries of Teachers	82,836	9,214	92,050	92,028	22
Other Salaries for Instruction	78,919	(12,080)	66,839	65,892	947
Purchased Professional - Educational Services	2,500	-	2,500	-	2,500
General Supplies	1,233	-	1,233	40	1,193
Total Preschool Disabilities - Part Time	165,488	(2,866)	162,622	157,960	4,662
Total Special Education	1,574,088	17,811	1,591,899	1,568,658	23,241
Basic Skills/Remedial					
Salaries of Teachers	374,754	170,368	545,122	545,026	96
Purchased Professional - Educational Services	4,000	(45)	3,955	-	3,955
General Supplies	-	162	162	162	-
Textbooks	800	628	1,428	1,427	1
Total Basic Skills/Remedial	379,554	171,113	550,667	546,615	4,052
Bilingual Education					
Salaries of Teachers	49,702	2,300	52,002	51,802	200
Purchased Professional - Educational Services	5,500	-	5,500	-	5,500
Other Purchased Services	500	-	500	-	500
General Supplies	50	75	125	74	51
Textbooks	250	50	300	288	12
Total Bilingual Education	56,002	2,425	58,427	52,164	6,263
School Sponsored Co/Extra Curricular Activities					
Salaries	72,573	425	72,998	64,234	8,764
Total School Sponsored Co/Extra Curricular Activities	72,573	425	72,998	64,234	8,764
School Sponsored Athletics - Instruction					
Salaries	66,015	-	66,015	65,121	894
Purchased Services	7,210	-	7,210	7,046	164
Supplies and Materials	2,724	-	2,724	2,329	395
Total School Sponsored Athletics - Instruction	75,949	-	75,949	74,496	1,453
Total - Instruction	10,898,354	(1,537)	10,896,817	10,385,935	510,882

**RIVER VALE BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State-Special	\$ 1,223,696	\$ (160,929)	\$ 1,062,767	\$ 732,309	\$ 330,458
Tuition to APSSD Within the State	129,794	26,058	155,852	144,406	11,446
Total Undistributed Expenditures - Instruction	<u>1,353,490</u>	<u>(134,871)</u>	<u>1,218,619</u>	<u>876,715</u>	<u>341,904</u>
Attendance and Social Work Services					
Salaries	91,082	397	91,479	88,826	2,653
Purchased Professional and Technical Services	500	-	500	250	250
Other Purchased Services	13,848	220	14,068	14,068	-
Total Attendance and Social Work Services	<u>105,430</u>	<u>617</u>	<u>106,047</u>	<u>103,144</u>	<u>2,903</u>
Health Services					
Salaries	249,325	9,076	258,401	253,143	5,258
Salaries for Instruction	19,300	13,429	32,729	2,850	29,879
Other Salaries	3,843	93	3,936	3,936	-
Purchased Professional and Technical Services	88,660	70,759	159,419	138,174	21,245
Other Purchased Services	3,600	-	3,600	710	2,890
Supplies and Materials	1,170	100	1,270	942	328
Total Health Services	<u>365,898</u>	<u>93,457</u>	<u>459,355</u>	<u>399,755</u>	<u>59,600</u>
Speech, OT, PT & Related Services					
Salaries	145,623	(5,363)	140,260	139,101	1,159
Purchased Professional - Educational Services	467,880	26,270	494,150	460,360	33,790
Supplies and Materials	2,650	749	3,399	643	2,756
Total Speech, OT, PT and Related Services	<u>616,153</u>	<u>21,656</u>	<u>637,809</u>	<u>600,104</u>	<u>37,705</u>
Other Support Services - Students - Extra. Service					
Salaries	577,956	(8,894)	569,062	511,278	57,784
Purchased Professional - Educational Services	35,000	22,443	57,443	12,375	45,068
Supplies and Materials	2,100	(1,860)	240	-	240
Total Other Support Svcs.-Students-Extra. Service.	<u>615,056</u>	<u>11,689</u>	<u>626,745</u>	<u>523,653</u>	<u>103,092</u>
Guidance					
Salaries of Other Professional Staff	413,520	-	413,520	404,225	9,295
Other Purchased Professional & Technical Services	5,000	(2,873)	2,127	2,119	8
Supplies and Materials	3,310	18	3,328	1,069	2,259
Total Guidance	<u>421,830</u>	<u>(2,855)</u>	<u>418,975</u>	<u>407,413</u>	<u>11,562</u>
Child Study Team					
Salaries of Other Professional Staff	415,234	-	415,234	400,770	14,464
Salaries of Secretarial and Clerical Assistants	69,039	-	69,039	67,134	1,905
Purchased Professional-Educational Services	7,500	4,075	11,575	11,300	275
Other Purchased Prof. and Technical Services	70,000	-	70,000	66,469	3,531
Other Purchased Services	21,450	2,157	23,607	21,155	2,452
Supplies and Materials	5,000	(1,350)	3,650	949	2,701
Total Child Study Team	<u>588,223</u>	<u>4,882</u>	<u>593,105</u>	<u>567,777</u>	<u>25,328</u>

**RIVER VALE BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Improvement of Inst. Serv.					
Salaries of Supervisors of Instruction	\$ 124,989	\$ 3,000	\$ 127,989	\$ 127,836	\$ 153
Salaries of Other Professional Staff	45,500	-	45,500	8,619	36,881
Purchased Professional-Educational Services	50,500	(3,000)	47,500	21,241	26,259
Other Purchased Services	4,500	-	4,500	543	3,957
Supplies and Materials	3,000	60	3,060	3,059	1
Other Objects	2,000	(60)	1,940	1,054	886
Total Improvement of Inst. Serv.	<u>230,489</u>	<u>-</u>	<u>230,489</u>	<u>162,352</u>	<u>68,137</u>
Educational Media Services/School Library					
Salaries	215,395	-	215,395	191,686	23,709
Other Purchased Services	14,504	(119)	14,385	8,025	6,360
Supplies and Materials	7,497	22	7,519	6,397	1,122
Total Educational Media Services/School Library	<u>237,396</u>	<u>(97)</u>	<u>237,299</u>	<u>206,108</u>	<u>31,191</u>
Instructional Staff Training Services					
Other Salaries	1,750	1,055	2,805	2,805	-
Purchased Professional - Educational Services	15,000	-	15,000	13,205	1,795
Other Purchased Prof and Tech Services	8,000	-	8,000	465	7,535
Other Purchased Services	9,750	1,000	10,750	4,113	6,637
Supplies and Materials	2,050	-	2,050	-	2,050
Other Objects	500	-	500	-	500
Total Instructional Staff Training Services	<u>37,050</u>	<u>2,055</u>	<u>39,105</u>	<u>20,588</u>	<u>18,517</u>
Support Services General Administration					
Salaries	261,420	2,400	263,820	263,545	275
Legal Services	16,000	20,250	36,250	20,062	16,188
Audit Fees	10,000	47,545	57,545	30,098	27,447
Architectural/Engineering Services	-	17,705	17,705	1,200	16,505
Other Purchased Professional Services	14,000	28,825	42,825	38,542	4,283
Communications/Telephone	29,792	6,400	36,192	34,111	2,081
BOE Other Purchased Services	5,000	-	5,000	669	4,331
Miscellaneous Purchased Services	44,166	47,057	91,223	76,546	14,677
General Supplies	10,000	375	10,375	2,883	7,492
Judgements Against the School	101,825	(21,355)	80,470	865	79,605
BOE Membership Dues and Fees	18,967	-	18,967	6,059	12,908
Miscellaneous Expenditures	12,550	-	12,550	11,973	577
Total Support Services General Administration	<u>523,720</u>	<u>149,202</u>	<u>672,922</u>	<u>486,553</u>	<u>186,369</u>
Support Services School Administration					
Salaries of Principals/Asst. Principals	550,677	(8,739)	541,938	540,146	1,792
Salaries of Other Professional Staff	29,701	1,284	30,985	30,985	-
Salaries of Secretarial and Clerical Assistants	205,914	3,304	209,218	208,042	1,176
Other Purchased Services	13,699	2,571	16,270	12,257	4,013
Supplies and Materials	14,924	(1,650)	13,274	6,839	6,435
Other Objects	11,645	884	12,529	10,968	1,561
Total Support Services School Administration	<u>826,560</u>	<u>(2,346)</u>	<u>824,214</u>	<u>809,237</u>	<u>14,977</u>

**RIVER VALE BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Central Services					
Salaries	\$ 450,122	\$ 1,226	\$ 451,348	\$ 451,348	
Purchased Professional Services	-	3,325	3,325	2,350	\$ 975
Purchased Technical Services	10,794	11,950	22,744	334	22,410
Misc. Purchased Services	22,948	189	23,137	14,746	8,391
Supplies and Materials	10,000	-	10,000	9,877	123
Interest on Lease Purchase Agreements	6,975	-	6,975	5,812	1,163
Miscellaneous Expenditures	4,325	-	4,325	1,615	2,710
Total Central Services	<u>505,164</u>	<u>16,690</u>	<u>521,854</u>	<u>486,082</u>	<u>35,772</u>
Admin. Info. Tech.					
Salaries	289,630	4,820	294,450	293,961	489
Purchased Professional Services	16,223	59,048	75,271	75,236	35
Purchased Technical Services	27,484	(7,595)	19,889	18,910	979
Other Purchased Services	12,244	(59)	12,185	4,687	7,498
Supplies and Materials	2,400	96,939	99,339	95,744	3,595
Other Objects	1,550	9,933	11,483	5,209	6,274
Total Admin. Info. Tech.	<u>349,531</u>	<u>163,086</u>	<u>512,617</u>	<u>493,747</u>	<u>18,870</u>
Required Maintenance for School Facilities					
Salaries	135,568	-	135,568	130,397	5,171
Cleaning, Repair and Maintenance Service	113,400	26,400	139,800	69,263	70,537
Lead Testing of Drinking Water	3,000	-	3,000	2,200	800
General Supplies	35,000	2,500	37,500	29,175	8,325
Total Required Maintenance for School Facilities	<u>286,968</u>	<u>28,900</u>	<u>315,868</u>	<u>231,035</u>	<u>84,833</u>
Custodial Services					
Salaries	119,758	1,676	121,434	121,434	-
Salaries of Non-Instructional Aides	87,966	24,450	112,416	95,492	16,924
Other Salaries	773,834	(1,676)	772,158	768,183	3,975
Purchased Professional and Technical Services	28,210	2,485	30,695	26,030	4,665
Cleaning, Repair, and Maintenance Services	111,701	6,815	118,516	50,030	68,486
Rental of Land & Bldg. Other Than Leas Purchase Agree.	2,000	7,814	9,814	3,556	6,258
Other Purchased Property Services	21,250	-	21,250	19,381	1,869
Insurance	179,670	2,239	181,909	181,909	-
Miscellaneous Purchased Services	20,900	36,171	57,071	32,795	24,276
General Supplies	120,200	-	120,200	44,414	75,786
Energy (Natural Gas)	132,500	(11,814)	120,686	64,930	55,756
Energy (Electricity)	249,000	(52,026)	196,974	146,050	50,924
Other Objects	10,000	-	10,000	5,187	4,813
Total Custodial Services	<u>1,856,989</u>	<u>16,134</u>	<u>1,873,123</u>	<u>1,559,391</u>	<u>313,732</u>
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Service	14,000	-	14,000	3,517	10,483
General Supplies	10,000	-	10,000	3,325	6,675
Total Care and Upkeep of Grounds	<u>24,000</u>	<u>-</u>	<u>24,000</u>	<u>6,842</u>	<u>17,158</u>

**RIVER VALE BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Security					
Purchased Professional and Technical Services	\$ 3,900	\$ 3,000	\$ 6,900	\$ 1,294	\$ 5,606
Cleaning, Repair and Maintenance Service	12,000	(2,100)	9,900	4,903	4,997
General Supplies	6,800	(372)	6,428	866	5,562
	<u>22,700</u>	<u>528</u>	<u>23,228</u>	<u>7,063</u>	<u>16,165</u>
Student Transportation Services					
Contracted Services-Aid in Lieu of Pymts-Non-Public Schools					
	30,000	8,000	38,000	33,500	4,500
Contracted Services (Between Home and School) - Vendors					
	160,000	(8,000)	152,000	148,608	3,392
Contracted Services (Other Than Between Home and School) - Vendors					
	23,210	(1,200)	22,010	13,460	8,550
Contracted Services (Spec. Ed. Students) - Joint Agreement					
	255,000	-	255,000	205,286	49,714
	<u>468,210</u>	<u>(1,200)</u>	<u>467,010</u>	<u>400,854</u>	<u>66,156</u>
Employee Benefits - Unallocated					
Social Security Contributions	280,000	21,001	301,001	299,067	1,934
Other Retirement Contributions - PERS	275,913	34,953	310,866	310,866	-
Other Retirement Contributions - Regular	67,500	(472)	67,028	44,656	22,372
Workmen's Compensation	131,724	(15,540)	116,184	52,881	63,303
Health Benefits	2,890,310	(71,482)	2,818,828	2,412,908	405,920
Tuition Reimbursement	29,900	-	29,900	7,664	22,236
Other Employee Benefits	108,800	(13,570)	95,230	91,224	4,006
Unused Sick Payment to Terminated / Retired Staff	20,240	13,570	33,810	33,810	-
	<u>3,804,387</u>	<u>(31,540)</u>	<u>3,772,847</u>	<u>3,253,076</u>	<u>519,771</u>
On-behalf TPAF Payments -					
Pension Contribution				3,840,079	(3,840,079)
NCGI Premium (Non-Budget)				54,178	(54,178)
Post Retirement Medical Benefits (Non-Budget)				909,856	(909,856)
Long-Term Disability Insurance Contributions (Non-Budget)				799	(799)
Reimbursed TPAF Social Security Payments (Non-Budget)					
	-	-	-	807,423	(807,423)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,612,335</u>	<u>(5,612,335)</u>
Total On-behalf TPAF Pension Payments					
	<u>13,239,244</u>	<u>335,987</u>	<u>13,575,231</u>	<u>17,213,824</u>	<u>(3,638,593)</u>
Total Undistributed Expenditures					
	<u>24,137,598</u>	<u>334,450</u>	<u>24,472,048</u>	<u>27,599,759</u>	<u>(3,127,711)</u>
Total Current Expenditures					

**RIVER VALE BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
CAPITAL OUTLAY					
Interest Deposit to Capital Reserve	\$ 12,000	\$ -	\$ 12,000		\$ 12,000
Equipment					
Admin. Info. Tech.		17,203	17,203	\$ 17,202	1
Operations & Maintenance	-	12,221	12,221	12,175	46
Total Undistributed Expenditures - Instruction	12,000	29,424	41,424	29,377	12,047
Total Equipment	12,000	29,424	41,424	29,377	12,047
Facilities Acquisition and Construction Services					
Other Purchased Professional and Technical Services		800	800		800
Lease Purchase Agreements - Principal	84,366	-	84,366	84,366	-
Assessment for Debt Service on SDA Funding	50,531	-	50,531	50,531	-
Total Facilities Acquisition and Construction Svcs.	134,897	800	135,697	134,897	800
Total Capital Outlay	146,897	30,224	177,121	164,274	12,847
Total Expenditures - General Fund	24,284,495	364,674	24,649,169	27,764,033	(3,114,864)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(140,788)	(66,029)	(206,817)	2,421,498	2,628,315
Other Financing Sources/(Uses)					
Transfer from Capital Reserve to Capital Projects	(6,770,000)	-	(6,770,000)	(6,770,000)	-
Total Other Financing Sources	(6,770,000)	-	(6,770,000)	(6,770,000)	-
Net Change in Fund Balance	(6,910,788)	(66,029)	(6,976,817)	(4,348,502)	2,628,315
Fund Balances, Beginning of Year	10,314,175	-	10,314,175	10,314,175	-
Fund Balances, End of Year	\$ 3,403,387	\$ (66,029)	\$ 3,337,358	\$ 5,965,673	\$ 2,628,315

RIVER VALE BOARD OF EDUCATION
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
Recapitulation					
Restricted Fund Balance:					
Excess Surplus				\$ 658,755	
Capital Reserve				2,539,290	
Maintenance Reserve				759,616	
Emergency Reserve				250,000	
Unemployment Compensation Reserve				757,290	
Assigned Fund Balance					
Year-End Encumbrances				91,406	
Unassigned Fund Balance				909,316	
				5,965,673	
Reconciliation to Governmental Funds Statements (GAAP)					
State Aid Public			\$ 89,701		
Extraordinary Aid Payment			310,873		
				400,574	
Fund Balances Per Governmental Funds (GAAP)				\$ 5,565,099	

**RIVER VALE BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>			<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Adjustments</u>	<u>Final</u>		<u>Final to Actual</u>
REVENUES					
Intergovernmental					
Local		\$ 101,265	\$ 101,265	\$ 96,921	\$ (4,344)
Federal	\$ 162,962	1,150,916	1,313,878	610,992	(702,886)
Total Revenues	<u>162,962</u>	<u>1,252,181</u>	<u>1,415,143</u>	<u>707,913</u>	<u>(707,230)</u>
EXPENDITURES					
Instruction					
Salaries		10,000	10,000	10,000	-
Tuition	139,832	223,447	363,279	254,721	108,558
General Supplies		618,573	618,573	254,617	363,956
Co-Curricular/Extra-Curricular Activities	-	89,765	89,765	89,765	-
Total Instruction	<u>139,832</u>	<u>941,785</u>	<u>1,081,617</u>	<u>609,103</u>	<u>472,514</u>
Support Services					
Purchased Professional/Educational Services	20,130	310,654	330,784	100,412	230,372
General Supplies	3,000	(258)	2,742	2,742	-
Total Support Services	<u>23,130</u>	<u>310,396</u>	<u>333,526</u>	<u>103,154</u>	<u>230,372</u>
Total Expenditures	<u>162,962</u>	<u>1,252,181</u>	<u>1,415,143</u>	<u>712,257</u>	<u>702,886</u>
Net Change in Fund Balance	-	-	-	(4,344)	(4,344)
Fund Balances, Beginning of Year	<u>126,833</u>	<u>-</u>	<u>126,833</u>	<u>126,833</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 126,833</u>	<u>\$ -</u>	<u>\$ 126,833</u>	<u>\$ 122,489</u>	<u>\$ (4,344)</u>
Recapitulation of Fund Balance					
Restricted Fund Balances					
Student Activities				<u>\$ 122,489</u>	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

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

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

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

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

		General Fund		Special Revenue Fund
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	(C-1)	\$ 30,185,531	(C-2)	\$ 707,913
Difference - Budget to GAAP				
State Aid payment and Extraordinary Aid (2020/2021) recognized for GAAP statements, not recognized for budgetary statements		372,764		
State Aid payments and Extraordinary Aid (2021/2022) recognized for budgetary purposes, not recognized for GAAP statements		<u>(400,574)</u>		<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures	(B-2)	<u>\$ 30,157,721</u>	(B-2)	<u>\$ 707,913</u>
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	(C-1)	<u>\$ 27,764,033</u>	(C-2)	<u>\$ 712,257</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	(B-2)	<u>\$ 27,764,033</u>	(B-2)	<u>\$ 712,257</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

**RIVER VALE 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)	.02650%	.02474%	0.02626%	0.02579%	0.02677%	0.02783%	0.02804%	0.02752%	0.02743%
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 3,139,810</u>	<u>\$ 4,035,608</u>	<u>\$ 4,732,145</u>	<u>\$ 5,078,572</u>	<u>\$ 6,232,396</u>	<u>\$ 8,241,189</u>	<u>\$ 6,293,457</u>	<u>\$ 5,152,885</u>	<u>\$ 5,242,077</u>
District's Covered Payroll	<u>\$ 1,911,052</u>	<u>\$ 1,849,973</u>	<u>\$ 1,770,233</u>	<u>\$ 1,809,116</u>	<u>\$ 1,743,573</u>	<u>\$ 1,734,025</u>	<u>\$ 1,866,029</u>	<u>\$ 1,836,183</u>	<u>\$ 1,882,947</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	164.30%	218.14%	267.32%	280.72%	357.45%	475.26%	337.26%	280.63%	278.40%
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.

**RIVER VALE BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

Last Nine Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 310,394	\$ 270,721	\$ 255,461	\$ 256,560	\$ 248,026	\$ 247,200	\$ 241,032	\$ 226,888	\$ 206,666
Contributions in Relation to the Contractually Required Contribution	<u>310,394</u>	<u>270,721</u>	<u>255,461</u>	<u>256,560</u>	<u>248,026</u>	<u>247,200</u>	<u>241,032</u>	<u>226,888</u>	<u>206,666</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	<u>\$ 2,019,504</u>	<u>\$ 1,911,052</u>	<u>\$ 1,849,973</u>	<u>\$ 1,770,233</u>	<u>\$1,809,116</u>	<u>\$1,743,573</u>	<u>\$ 1,734,025</u>	<u>\$1,866,029</u>	<u>\$ 1,836,183</u>
Contributions as a Percentage of Covered Payroll	15.37%	14.17%	13.81%	14.49%	13.71%	14.18%	13.90%	12.16%	11.26%

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.

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

Teachers Pension and Annuity Fund

Last Nine Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	-	-	-	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 44,845,469</u>	<u>\$ 61,016,475</u>	<u>\$ 57,676,492</u>	<u>\$ 58,052,253</u>	<u>\$ 61,697,988</u>	<u>\$ 71,350,794</u>	<u>\$ 55,506,801</u>	<u>\$ 51,226,575</u>	<u>\$ 49,439,450</u>
Total	<u>\$ 44,845,469</u>	<u>\$ 61,016,475</u>	<u>\$ 57,676,492</u>	<u>\$ 58,052,253</u>	<u>\$ 61,697,988</u>	<u>\$ 71,350,794</u>	<u>\$ 55,506,801</u>	<u>\$ 51,226,575</u>	<u>\$ 49,439,450</u>
District's Covered Payroll	<u>\$ 10,690,979</u>	<u>\$ 10,607,084</u>	<u>\$ 10,294,021</u>	<u>\$ 9,894,490</u>	<u>\$ 9,664,566</u>	<u>\$ 9,369,586</u>	<u>\$ 9,194,904</u>	<u>\$ 9,186,308</u>	<u>\$ 8,961,183</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

**RIVER VALE 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.

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

Postemployment Health Benefit Plan

Last Five Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability					
Service Cost	\$ 2,330,897	\$ 1,282,861	\$ 1,258,818	\$ 1,457,312	\$ 1,746,924
Interest on Total OPEB Liability	1,255,835	1,189,141	1,460,927	1,523,146	1,318,863
Differences Between Expected and Actual Experience	(8,737,545)	9,862,958	(6,058,007)	(2,363,678)	-
Changes of Assumptions	47,761	9,959,445	494,252	(4,243,670)	(5,490,916)
Gross Benefit Payments	(989,246)	(949,197)	(1,017,571)	(988,839)	(927,976)
Contribution from the Member	32,106	28,770	30,164	34,176	34,170
Changes of Benefit Terms	(51,528)	-	-	-	-
Net Change in Total OPEB Liability	(6,111,720)	21,373,978	(3,831,417)	(4,581,553)	(3,318,935)
Total OPEB Liability - Beginning	<u>54,522,818</u>	<u>33,148,840</u>	<u>36,980,257</u>	<u>41,561,810</u>	<u>44,880,745</u>
Total OPEB Liability - Ending	<u>\$ 48,411,098</u>	<u>\$ 54,522,818</u>	<u>\$ 33,148,840</u>	<u>\$ 36,980,257</u>	<u>\$ 41,561,810</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>48,411,098</u>	<u>54,522,818</u>	<u>33,148,840</u>	<u>36,980,257</u>	<u>41,561,810</u>
Total OPEB Liability - Ending	<u>\$ 48,411,098</u>	<u>\$ 54,522,818</u>	<u>\$ 33,148,840</u>	<u>\$ 36,980,257</u>	<u>\$ 41,561,810</u>
District's Covered-Employee Payroll	<u>\$ 12,602,031</u>	<u>\$ 12,457,057</u>	<u>\$ 12,064,254</u>	<u>\$ 11,703,606</u>	<u>\$ 11,408,139</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.

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

Changes in Benefit Terms:

None.

Changes of Assumptions

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

SCHOOL LEVEL SCHEDULES

(General Fund)

NOT APPLICABLE

SPECIAL REVENUE FUND

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

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	IDEA Basic	IDEA Preschool	ARP IDEA Basic	ARP IDEA Preschool	ESEA Title II	ESSER II CRRSA Act	Learning Acceleration	Mental Health	FCC Emerg Connectivity	IACE Grant	BC Audubon Society	Student Activities	Total
REVENUES													
Intergovernmental													
Local										\$ 10,000	\$ 1,500	\$ 85,421	\$ 96,921
Federal	\$ 181,442	\$ 13,621	\$ 44,533	\$ 3,804	\$ 23,775	\$ 142,567	\$ 6,250	\$ 45,000	\$ 150,000	-	-	-	610,992
Total Revenues	\$ 181,442	\$ 13,621	\$ 44,533	\$ 3,804	\$ 23,775	\$ 142,567	\$ 6,250	\$ 45,000	\$ 150,000	\$ 10,000	\$ 1,500	\$ 85,421	\$ 707,913
EXPENDITURES													
Instruction													
Salaries										10,000			10,000
Tuition	178,700	13,621	44,533	3,804		14,063					1,500		254,721
General Supplies						103,117			150,000				254,617
Co-Curricular/Extra-Curricular Activities	-	-	-	-	-	-	-	-	-	-	-	89,765	89,765
Total Instruction	178,700	13,621	44,533	3,804	-	117,180	-	-	150,000	10,000	1,500	89,765	609,103
Support Services													
Purchased Professional/Educational Services					23,775	25,387	6,250	45,000					100,412
General Supplies	2,742	-	-	-	-	-	-	-	-	-	-	-	2,742
Total Support Services	2,742	-	-	-	23,775	25,387	6,250	45,000	-	-	-	-	103,154
Total Expenditures	181,442	13,621	44,533	3,804	23,775	142,567	6,250	45,000	150,000	10,000	1,500	89,765	712,257
Net Change in Fund Balances	-	-	-	-	-	-	-	-	-	-	-	(4,344)	(4,344)
Fund Balances, Beginning of Year	-	-	-	-	-	-	-	-	-	-	-	126,833	126,833
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 122,489	\$ 122,489

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

NOT APPLICABLE

**RIVER VALE BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Balance, July 1, <u>2021</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2022</u>
SCHOOLS				
Roberge Elementary	\$ 20,496	\$ 1,827	\$ 7,028	\$ 15,295
Woodside Elementary	20,614	4,577	8,524	16,667
Holdrum Middle School	85,414	34,484	29,372	90,526
Merchant Account	309	44,533	44,841	1
Total All Schools	<u>\$ 126,833</u>	<u>\$ 85,421</u>	<u>\$ 89,765</u>	<u>\$ 122,489</u>

CAPITAL PROJECTS FUND

**RIVER VALE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Issue/Project Title</u>	<u>Appropriation</u>	<u>Expenditures To Date</u>		<u>Transfer Out</u>	<u>Balance June 30, 2022</u>
		<u>Prior Years</u>	<u>Current Year</u>		
Facilities Acquisitions and Construction Services at Holdrum, Woodside and Roberge Schools*	\$ 19,646,038	\$ 19,645,090			\$ 948
Roberge Upgrade 2 Gang Bathrooms and 2 Staff Bathrooms	238,805	239,405			(600)
Technology Project **	301,518	302,252			(734)
Emergency Generator Project	650,000	643,554			6,446
Fiscal Year 2021 School Bond Referendum - Proposal #1 and #2 Various Upgrades and Renovations	<u>40,795,494</u>	<u>114,671</u>	<u>\$ 5,232,640</u>	-	<u>35,448,183</u>
87 Total	<u>\$ 61,631,855</u>	<u>\$ 20,944,972</u>	<u>\$ 5,232,640</u>	<u>\$ -</u>	<u>\$ 35,454,243</u>
Project Balances, June 30, 2022					\$ 35,454,243
Less: Debt Authorized But Not Issued					<u>(1,442)</u>
Fund Balance, GAAP Basis					<u>\$ 35,452,801</u>
Reconciliation to Governmental Funds Statements (GAAP):					
Fund Balance, Budgetary Basis					<u>\$ 35,452,801</u>
Fund Balance Per Governmental Funds (GAAP)					<u>\$ 35,452,801</u>
Analysis of Restricted Fund Balance					
Year End Encumbrances					\$ 14,188,722
Restricted Fund Balance					<u>21,264,079</u>
Fund Balance Per Governmental Funds (GAAP)					<u>\$ 35,452,801</u>

* - Modified Appropriation for transfer from Capital Reserve \$800,000.

** Modified Appropriation for interest earning.

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

Revenues and Other Financing Sources

Revenues:

Other Financing Sources:

Bond Proceeds	33,325,000
Note Proceeds	700,000
Premium on Bonds	1,004
Transfer from Capital Reserve	<u>6,770,000</u>

Total Revenues and Other Financing Sources	<u>40,796,004</u>
--	-------------------

Expenditures and Other Financing Uses

Legal Services	38,733
Architectural/Engineering Services	1,332,553
Construction Services	3,496,316
Audit Services	20,000
Other Professional Services	271,559
Miscellaneous	73,479
Transfer to Debt Service	<u>1,004</u>

Total Expenditures and Other Financing Uses	<u>5,233,644</u>
---	------------------

Excess (Deficiency) of Revenue and Other Financing Sources and (Uses) Over/(Under) Expenditures and Other Financing Uses	35,562,360
---	------------

Fund Balance, Beginning of Year	<u>(109,559)</u>
---------------------------------	------------------

Fund Balance, End of Year - Budgetary Basis	<u>\$ 35,452,801</u>
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Fund Balance, End of Year - GAAP Basis	<u>\$ 35,452,801</u>
--	----------------------

**RIVER VALE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
IMPROVEMENTS TO THE MIDDLE SCHOOL AND ELEMENTARY SCHOOLS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grants	\$ 6,115,052		\$ 6,115,052	\$ 6,115,052
Bond Proceeds	12,834,000		12,834,000	12,834,948
Transfer from Capital Reserve	800,000		800,000	800,000
	<u>19,749,052</u>	<u>-</u>	<u>19,749,052</u>	<u>19,750,000</u>
Expenditures and Other Financing Uses				
Construction Services	19,645,090		19,645,090	19,646,038
Transfer Out	103,962		103,962	103,962
	<u>19,749,052</u>	<u>-</u>	<u>19,749,052</u>	<u>19,750,000</u>
Excess (deficiency) or Revenues over (under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Additional project information:				
Project Number	4430-050-01-0393-00	Add: Authorized		
	4430-060-01-0395-00	Debt Not		
	4430-070-01-0394-00	Issued	<u>948</u>	
Grant Date	11/9/2001		<u>\$ 948</u>	
Bond Authorization Date	9/27/2000			
Bonds Authorized	\$ 12,834,948			
Bonds Issued	12,834,000			
Original Authorized Cost	18,950,000			
Additional Authorized Cost	800,000			
Revised Authorized Cost	19,750,000			
Percentage Increase over Original Authorized Cost	4.00%			
Percentage completion	100%			
Original target completion date	9/1/2004			
Revised target completion date	12/1/2005			

**RIVER VALE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
ROBERGE ELEMENTARY SCHOOL - UPGRADE 2 GANG BATHROOMS AND 2 STAFF BATHROOMS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
SDA Grant Proceeds	\$ 95,280		\$ 95,280	\$ 95,280
Transfer from Capital Reserve	1,085		1,085	1,085
Transfer from Capital Outlay	142,440		142,440	142,440
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	238,805	-	238,805	238,805
Expenditures and Other Financing Uses				
Professional Services	23,005		23,005	23,005
Construction Services	216,400		216,400	215,800
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	239,405	-	239,405	238,805
Excess (deficiency) or Revenues over (under) Expenditures	<u>\$ (600)</u>	<u>\$ -</u>	<u>\$ (600)</u>	<u>\$ -</u>
Additional project information:				
Project Number	DOE Project #	4430-060-14-1001		
	SDA Project #	4430-060-14-G1GS		
	Grant #	G5-4920		
Grant Date	3/5/2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 292,200			
Reduced Authorized Cost	(53,395)			
Revised Authorized Cost	238,805			
Percentage Decrease over Original Authorized Cost	-18.27%			
Percentage completion	100.00%			
Original target completion date	Dec 2014			
Revised target completion date	June 2015			

**RIVER VALE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
TECHNOLOGY PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Lease Proceeds	\$ 294,500		\$ 294,500	\$ 294,500
Interest Earnings	7,018		7,018	7,018
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	301,518	-	301,518	301,518
	<hr/>	<hr/>	<hr/>	<hr/>
Expenditures and Other Financing Uses				
Equipment	294,792		294,792	294,500
Transfer Out - General Fund	7,460		7,460	7,018
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	302,252	-	302,252	301,518
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) or Revenues over (under) Expenditures	\$ (734)	\$ -	\$ (734)	\$ -
	<hr/>	<hr/>	<hr/>	<hr/>
Additional project information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 294,500			
Additional Authorized Cost	7,018			
Revised Authorized Cost	301,518			
Percentage Increase over Original Authorized Cost	2.38%			
Percentage completion	100%			
Original target completion date	June 2019			
Revised target completion date	June 2021			

**RIVER VALE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
EMERGENCY GENERATOR PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	\$ 650,000	-	\$ 650,000	\$ 650,000
Total Revenues	<u>650,000</u>	<u>-</u>	<u>650,000</u>	<u>650,000</u>
Expenditures and Other Financing Uses				
Professional Services	12,596	-	12,596	17,780
Construction Services	630,958	-	630,958	632,220
Total Expenditures	<u>643,554</u>	<u>-</u>	<u>643,554</u>	<u>650,000</u>
Excess (deficiency) or Revenues over (under) Expenditures	<u>\$ 6,446</u>	<u>\$ -</u>	<u>\$ 6,446</u>	<u>\$ -</u>
Additional project information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 650,000			
Additional Authorized Cost	N/A			
Revised Authorized Cost	N/A			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	September 2019			
Revised target completion date	June 2022			

**RIVER VALE BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
FISCAL YEAR 2021 BOND REFERENDUM - PROPOSAL #1 AND #2 - VARIOUS UPGRADES AND
RENOVATIONS TO ALL DISTRICT SCHOOLS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds		\$ 33,325,000	\$ 33,325,000	\$ 33,325,494
Note Proceeds		700,000	700,000	700,000
Transfer from Capital Reserve		6,770,000	6,770,000	6,770,000
Total Revenues	-	40,795,000	40,795,000	40,795,494
Expenditures and Other Financing Uses				
Other Professional Services	\$ 13,171	403,771	416,942	1,275,031
Architectural/Engineering Services	101,500	1,332,553	1,434,053	3,520,463
Construction Services		3,496,316	3,496,316	36,000,000
Transfer Out		-	-	
Total Expenditures	114,671	5,232,640	5,347,311	40,795,494
Excess (deficiency) or Revenues over (under) Expenditures	<u>\$ (114,671)</u>	<u>\$ 35,562,360</u>	35,447,689	<u>\$ -</u>
Additional project information:				
Project Number	4430-050-20-1000	Add: Authorized		
	4430-060-20-1000	Debt Not		
	4430-070-20-1000	Issued	494	
Grant Date	N/A		<u>\$ 35,448,183</u>	
Bond Authorization Date	8/11/2021			
Bonds Authorized	\$ 33,325,494			
Bonds Issued	33,325,000			
Original Authorized Cost	40,795,494			
Additional Authorized Cost	-			
Revised Authorized Cost	40,795,494			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	13.11%			
Original target completion date	6/30/2024			
Revised target completion date	6/30/2024			

PROPRIETARY FUNDS

NOT APPLICABLE

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

RIVER VALE BOARD OF EDUCATION
 LONG-TERM DEBT
 SCHEDULE OF SERIAL BONDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2021</u>	<u>Increased</u>	<u>Balance, June 30, 2022</u>
School District Bonds - 2021	8/11/2021	\$ 33,325,000	6/15/2023	\$ 1,625,000	1.000 %			
			6/15/2024	1,130,000	1.000			
			6/15/2025	1,140,000	1.000			
			6/15/2026	1,165,000	1.000			
			6/15/2027	1,185,000	1.000			
			6/15/2028-6/15/2042	20,540,000	2.000			
			6/15/2043-6/15/2044	3,215,000	2.125			
			6/15/2045-6/15/2046	3,325,000	2.250	\$ -	\$ 33,325,000	\$ 33,325,000
						<u>\$ -</u>	<u>\$ 33,325,000</u>	<u>\$ 33,325,000</u>

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

CAPITAL FINANCING AGREEMENTS

<u>Description</u>	<u>Interest Rate</u>	<u>Amount of Original Obligation</u>	<u>Balance, July 1, 2021</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance, June 30, 2022</u>
Boiler and Generator Project - 2018	2.910%	\$ 430,540	\$ 171,183		\$ 84,366	\$ 86,817
Copiers - 2018	3.360%	126,983	40,244	-	26,604	13,640
Total			<u>\$ 211,427</u>	<u>\$ -</u>	<u>\$ 110,970</u>	<u>\$ 100,457</u>

**RIVER VALE BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local Sources					
Local Property Tax Levy	\$ -	560,271	\$ 560,271	\$ 1,260,271	700,000
Interest on Deposits	-	-	-	63,419	63,419
Total Revenues	<u>-</u>	<u>560,271</u>	<u>560,271</u>	<u>1,323,690</u>	<u>763,419</u>
EXPENDITURES					
Regular Debt Service					
Principal				700,000	(700,000)
Interest	-	560,271	560,271	558,113	2,158
Total Expenditures	<u>-</u>	<u>560,271</u>	<u>560,271</u>	<u>1,258,113</u>	<u>(697,842)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	65,577	65,577
Other Financing Sources:					
Transfers In	-	-	-	1,004	1,004
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,581</u>	<u>66,581</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,581</u>	<u>\$ 66,581</u>

STATISTICAL SECTION

This part of the River Vale 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 district's financial performance and well-being have changed over time.

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

J-16 to J-20

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

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

	2013	2014	2015	2016	Fiscal Year Ended June 30,		2019	2020	2021	2022
					2017	2018				
Governmental Activities										
Net Investment in Capital Assets	\$ 11,598,974	\$ 13,275,640	\$ 13,584,567	\$ 14,277,535	\$ 15,262,477	\$ 16,285,030	\$ 17,400,881	\$ 18,233,200	\$ 18,918,368	\$ 18,136,017
Restricted	641,463	1,055,866	2,484,162	3,256,802	4,094,443	5,162,107	5,292,572	7,037,414	8,739,902	4,245,266
Unrestricted	1,921,197	(4,342,704)	(4,364,121)	(4,320,483)	(4,889,344)	(5,064,138)	(4,783,153)	(4,414,881)	(5,232,697)	3,096,825
Total Governmental Activities Net Position	\$ 14,161,634	\$ 9,988,802	\$ 11,704,608	\$ 13,213,854	\$ 14,467,576	\$ 16,382,999	\$ 17,910,300	\$ 20,855,733	\$ 22,425,573	\$ 25,478,108
Business-Type Activities										
Net Investment in Capital Assets	\$ 1,270	\$ 880	\$ 491	\$ 153						\$ 3,056
Restricted										
Unrestricted	6,350	5,515	6,825	3,035	\$ 4,560	\$ 5,038	\$ 7,100	\$ 4,088	\$ 4,099	5,952
Total Business-Type Activities Net Position	\$ 7,620	\$ 6,395	\$ 7,316	\$ 3,188	\$ 4,560	\$ 5,038	\$ 7,100	\$ 4,088	\$ 4,099	\$ 9,008
District-Wide										
Net Investment in Capital Assets	\$ 11,600,244	\$ 13,276,520	\$ 13,585,058	\$ 14,277,688	\$ 15,262,477	\$ 16,285,030	\$ 17,400,881	\$ 18,233,200	\$ 18,918,368	\$ 18,139,073
Restricted	641,463	1,055,866	2,484,162	3,256,802	4,094,443	5,162,107	5,292,572	7,037,414	8,739,902	4,245,266
Unrestricted	1,927,547	(4,337,189)	(4,357,296)	(4,317,448)	(4,884,784)	(5,059,100)	(4,776,053)	(4,410,793)	(5,228,598)	3,102,777
Total District Net Position	\$ 14,169,254	\$ 9,995,197	\$ 11,711,924	\$ 13,217,042	\$ 14,472,136	\$ 16,388,037	\$ 17,917,400	\$ 20,859,821	\$ 22,429,672	\$ 25,487,116

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

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

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

	2013		2014		2015		2016		Fiscal Year Ended June 30,		2019		2020		2021		2022			
									2017	2018										
Expenses																				
Governmental Activities																				
Instruction																				
Regular	\$	10,096,119	\$	10,345,903	\$	12,155,828	\$	12,956,831	\$	14,660,861	\$	14,844,590	\$	13,879,320	\$	13,398,018	\$	14,410,133	\$	12,532,920
Special Education		2,231,290		2,573,541		3,012,413		2,833,926		3,307,958		3,197,258		3,289,415		3,292,070		3,569,347		3,457,580
Other Instruction		672,031		619,745		777,249		826,581		735,632		778,351		831,455		801,974		978,042		1,047,043
School Sponsored Activities and Athletics		124,146		136,012		165,731		187,152		195,003		197,371		192,072		178,731		204,361		262,095
Support Services:																				
Student & Instruction Related Services		2,444,437		2,661,439		2,969,688		3,101,326		3,520,859		3,755,883		3,613,041		3,543,222		4,279,542		3,657,856
Attendance and Social Work		200,410		98,199		95,684		101,908		93,463		115,397		89,686		92,537		136,034		130,305
Educational Media/School Library		297,026		275,962		245,608		252,636		281,046		404,105		372,292		276,629		294,785		263,760
School Administrative Services		1,192,633		1,183,983		1,191,048		1,315,095		1,398,509		1,389,406		1,292,720		1,270,239		999,130		586,428
General Administration		724,425		619,558		609,048		630,874		627,090		683,631		685,570		796,618		693,937		1,255,106
Central Services		1,095,091		1,299,740		1,068,917		1,175,357		1,274,128		1,283,092		1,265,156		1,210,459		1,441,212		2,674,242
Plant Operations and Maintenance		2,078,059		2,275,527		2,220,141		2,213,141		2,263,671		2,176,186		2,537,756		2,373,660		3,367,557		400,854
Pupil Transportation		397,901		390,519		435,775		391,112		351,882		384,269		398,892		301,420		289,116		1,217,788
Interest on Long-Term Debt		229,357		211,850		196,130		166,924		135,810		106,258		80,291		54,290		14,403		587,468
Total Governmental Activities Expenses		21,782,925		22,691,978		25,143,260		26,152,863		28,845,912		29,315,797		28,527,666		27,589,867		30,677,599		28,073,445
Business-Type Activities:																				
Food Service		22,039		19,770		16,722		21,783		20,537		19,648		16,579		19,980		25		15,035
Park Academy		4,899		4,013		2,151		3,446		3,436		1,107		952		331		-		-
Total Business-Type Activities Expense		26,938		23,783		18,873		25,229		23,973		20,755		17,531		20,311		25		15,035
Total District Expenses	\$	21,809,863	\$	22,715,761	\$	25,162,133	\$	26,178,092	\$	28,869,885	\$	29,336,552	\$	28,545,197	\$	27,610,178	\$	30,677,624	\$	28,088,480
Program Revenues																				
Governmental Activities:																				
Charges for Services:																				
Instruction (Tuition)	\$	20,260	\$	27,350	\$	17,801	\$	18,785	\$	20,155	\$	31,540	\$	34,867	\$	25,617	\$	7,500	\$	56,211
School-Sponsored Activities and Athletics																		53,373		85,421
Operating Grants and Contributions		2,655,210		2,940,129		2,778,294		5,183,923		5,921,273		7,968,230		8,471,792		6,956,169		8,583,355		6,413,102
Capital Grants and Contributions		221,010		100,000		22,260		304,130		298		-		2,975		150,000		59,626		
Total Governmental Activities Program Revenues		2,896,480		3,067,479		2,818,355		5,506,838		5,941,726		7,999,770		8,509,634		7,131,786		8,703,854		6,554,734

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

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business-Type Activities:										
Charges for Services										
Food Service	\$ 19,804	\$ 17,169	\$ 12,666	\$ 11,318	\$ 11,826	\$ 14,623	\$ 13,149	\$ 12,168	\$ 25	\$ 12,886
Park Academy	1,175	7,865	4,013	2,151	3,446	3,436	1,107	952		
Operating Grants and Contributions	9,594	8,147	5,793	6,279	5,800	7,258	6,938	6,349		7,058
Total Business Type Activities Program Revenues	30,573	33,181	22,472	19,748	21,072	25,317	21,194	19,469	25	19,944
Total District Program Revenues	\$ 2,927,053	\$ 3,100,660	\$ 2,840,827	\$ 5,526,586	\$ 5,962,798	\$ 8,025,087	\$ 8,530,828	\$ 7,151,255	\$ 8,703,879	\$ 6,574,678
Net (Expense)/Revenue										
Governmental Activities	\$ (18,886,445)	\$ (19,624,499)	\$ (22,324,905)	\$ (20,646,025)	\$ (22,904,186)	\$ (21,316,027)	\$ (20,018,032)	\$ (20,458,081)	\$ (21,973,745)	\$ (21,518,711)
Business-Type Activities	3,635	9,398	3,599	(5,481)	(2,901)	4,562	3,663	(842)	-	4,909
Total district-wide net expense	\$ (18,882,810)	\$ (19,615,101)	\$ (22,321,306)	\$ (20,651,506)	\$ (22,907,087)	\$ (21,311,465)	\$ (20,014,369)	\$ (20,458,923)	\$ (21,973,745)	\$ (21,513,802)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, net	\$ 19,881,917	\$ 20,258,781	\$ 20,804,887	\$ 21,175,835	\$ 21,563,660	\$ 21,917,688	\$ 22,280,759	\$ 22,655,917	\$ 23,409,896	\$ 24,290,434
Unrestricted Grants and Contributions				11,300	12,382	12,375	12,366	1,097		
Net Gain(Loss) on Contributed Asset	(1,336)									
Investment Earnings	6,358	14,022	14,063	10,456	15,330	19,941	33,464	113,273	27,716	79,660
Miscellaneous Income	160,702	163,404	123,918	154,637	129,011	149,860	394,997	152,894	105,973	201,152
Total Governmental Activities	20,047,641	20,436,207	20,942,868	21,352,228	21,720,383	22,099,864	22,721,586	22,923,181	23,543,585	24,571,246
Business-Type Activities:										
Transfer to Participating Districts		(147,126)	-	-						
Investment Earnings	154	86	86	46	29	28	39	124	11	
Total Business-Type Activities	154	(147,040)	86	46	29	28	39	124	11	-
Total District-Wide	\$ 20,047,795	\$ 20,289,167	\$ 20,942,954	\$ 21,352,274	\$ 21,720,412	\$ 22,099,892	\$ 22,721,625	\$ 22,923,305	\$ 23,543,596	\$ 24,571,246
Change in Net Position										
Governmental Activities	\$ 1,161,196	\$ 811,708	\$ (1,382,037)	\$ 706,203	\$ (1,183,803)	\$ 783,837	\$ 2,703,554	\$ 2,465,100	\$ 1,569,840	\$ 3,052,535
Business-Type Activities	3,789	(137,642)	3,685	(5,435)	(2,872)	4,590	3,702	(718)	11	4,909
Total District	\$ 1,164,985	\$ 674,066	\$ (1,378,352)	\$ 700,768	\$ (1,186,675)	\$ 788,427	\$ 2,707,256	\$ 2,464,382	\$ 1,569,851	\$ 3,057,444

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

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Restricted	\$ 1,202,168	\$ 1,732,799	\$ 3,297,639	\$ 4,058,596	\$ 4,333,422	\$ 4,907,058	\$ 6,145,276	\$ 8,179,548	\$ 9,009,703	\$ 4,964,951
Committed	991,418	111,222		252,989	866,013	433,214	69,351	403,700		
Assigned	491,864	215,128		159,884	157,805	424,344	337,241	443,635	64,529	91,406
Unassigned	349,155	389,383	361,755	369,795	383,236	406,324	391,227	365,009	867,179	508,742
Total General Fund	\$ 3,034,605	\$ 2,448,532	\$ 3,659,394	\$ 4,841,264	\$ 5,740,476	\$ 6,170,940	\$ 6,943,095	\$ 9,391,892	\$ 9,941,411	\$ 5,565,099
All Other Governmental Funds										
Restricted	\$ 780,535	\$ 801,566	\$ 225,580	\$ 102,963	\$ 372,827	\$ 1,345,598	\$ 491,326	\$ 126,538	\$ 17,274	\$ 35,641,871
Total All Other Governmental Funds	\$ 780,535	\$ 801,566	\$ 225,580	\$ 102,963	\$ 372,827	\$ 1,345,598	\$ 491,326	\$ 126,538	\$ 17,274	\$ 35,641,871

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

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

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Tax Levy	\$ 20,258,781	\$ 20,804,887	\$ 21,175,835	\$ 21,563,660	\$ 21,917,688	\$ 22,280,759	\$ 22,655,917	\$ 23,029,689	\$ 23,409,896	\$ 24,290,434
Tuition Charges	27,350	17,801	18,785	20,155	31,540	34,867	25,617	29,359	7,500	56,211
Interest Earnings	14,022	14,063	10,456	15,330	19,941	33,464	113,273	114,399	27,716	79,660
Miscellaneous	270,404	128,009	163,898	187,308	156,073	407,341	311,894	166,121	159,346	298,073
State Sources	2,717,235	2,413,787	2,880,072	2,986,745	3,328,671	3,748,401	4,316,220	4,530,565	5,425,262	6,853,954
Federal Sources	221,894	382,676	328,343	225,904	313,986	224,497	252,485	322,915	347,984	610,992
Total revenues	23,509,686	23,761,223	24,577,389	24,999,102	25,767,899	26,729,329	27,675,406	28,193,048	29,377,704	32,189,324
Expenditures										
Instruction										
Regular Instruction	9,783,099	9,686,772	9,808,445	10,357,451	10,826,464	11,160,280	11,634,122	11,654,463	12,699,526	13,384,710
Special Education Instruction	2,196,058	2,590,164	2,833,105	2,644,651	2,955,284	2,821,276	3,067,943	3,149,235	3,319,748	3,662,142
Other Instruction	649,412	637,518	661,784	693,230	565,092	600,161	734,994	740,212	881,583	1,123,063
School Sponsored Activities and Athletics	124,146	134,096	165,731	178,420	172,983	176,024	185,496	181,660	189,474	280,767
Support Services:										
Student & Inst. Related Services	2,377,621	2,645,072	2,712,389	2,763,634	2,899,280	3,148,985	3,331,409	3,413,513	3,860,797	3,887,421
Attendance and Social Work	193,460	99,155	95,193	100,647	93,253	103,592	90,095	91,178	124,307	130,043
Educational Media/School Library	287,810	258,142	263,428	252,636	268,072	368,409	361,389	280,412	267,577	264,156
General Administration	734,678	617,850	606,474	610,702	580,032	633,979	665,759	798,855	678,011	643,581
School Administrative Services	1,142,196	1,149,939	1,063,175	1,140,969	1,127,609	1,125,295	1,119,180	1,161,050	924,239	1,282,881
Central Services	1,063,281	1,283,182	1,068,362	1,091,364	1,108,670	1,117,061	1,199,681	1,195,954	1,384,007	1,944,683
Plant Operations and Maintenance	2,041,453	2,254,127	2,171,232	2,115,705	2,079,883	1,999,126	2,464,373	2,363,436	2,601,253	400,854
Pupil Transportation	397,901	390,519	435,775	391,112	351,882	384,269	398,892	301,420	289,116	1,325,722
Capital Outlay	390,908	1,430,373	911,426	454,654	737,044	1,139,885	1,393,716	675,051	793,147	5,262,017
Debt Service:										
Principal	820,247	924,358	936,628	963,575	980,545	984,895	1,019,916	899,544	897,708	810,970
Interest and Other Charges	244,888	224,998	209,366	181,099	147,230	120,380	90,558	63,582	26,956	564,033
Total Expenditures	22,447,158	24,326,265	23,942,513	23,939,849	24,893,323	25,883,617	27,757,523	26,969,565	28,937,449	34,967,043

RIVER VALE 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
Excess (Deficiency) of Revenues over (under) Expenditures	\$ 1,062,528	\$ (565,042)	\$ 634,876	\$ 1,059,253	\$ 874,576	\$ 845,712	\$ (82,117)	\$ 1,223,483	\$ 440,255	\$ (2,777,719)
Other Financing Sources (uses)										
Capital Leases (non-budgeted)	676,573				294,500	557,523				
Bond Proceeds										33,325,000
Premium on Bonds										1,004
Note Proceeds										700,000
Transfers In	1,161	488,862	528	386	384	650,655	116,106	3,866	7,712	6,771,004
Transfers Out	(1,161)	(488,862)	(528)	(386)	(384)	(650,655)	(116,106)	(3,866)	(7,712)	(6,771,004)
Total Other Financing Sources (uses)	<u>676,573</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>294,500</u>	<u>557,523</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,026,004</u>
Net Change in Fund Balances	<u>\$ 1,739,101</u>	<u>\$ (565,042)</u>	<u>\$ 634,876</u>	<u>\$ 1,059,253</u>	<u>\$ 1,169,076</u>	<u>\$ 1,403,235</u>	<u>\$ (82,117)</u>	<u>\$ 1,223,483</u>	<u>\$ 440,255</u>	<u>\$ 31,248,285</u>
Debt Service as a Percentage of Noncapital Expenditures	4.83%	5.02%	4.98%	4.87%	4.67%	4.47%	4.21%	3.66%	3.29%	4.63%

* Noncapital expenditures are total expenditures less capital outlay.

**RIVER VALE SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Ended June 30</u>	<u>Tuition</u>	<u>Interest on Deposits</u>	<u>Donations</u>	<u>E-Rate Rebate</u>	<u>Energy Rebate</u>	<u>Insurance Refund</u>	<u>Rentals</u>	<u>Miscellaneous</u>	<u>Total</u>
2013	\$ 27,350	\$ 12,861	\$ 100,000	\$ 22,575		\$ 7,316	\$ 102,900	\$ 30,613	\$ 303,615
2014	17,801	13,161	300				102,900	20,718	154,880
2015	18,785	9,928		16,226			100,340	38,071	183,350
2016	20,155	14,944		15,727			103,055	10,229	164,110
2017	31,540	19,049	10,000	13,316			103,905	22,639	200,449
2018	34,867	30,638	225,000	14,665	\$ 33,842		103,055	18,435	460,502
2019	25,617	96,818		13,741	12,000		104,555	22,598	275,329
2020	29,359	110,118					103,055	54,796	297,328
2021	7,500	27,463		12,381	1,650		84,050	7,892	140,936
2022	56,211	16,241		36,578			117,535	47,039	273,604

Source: School District's Financial Statements

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2013	\$ 24,311,200	\$ 1,966,807,500		\$ 70,238,400		\$ 13,034,700	\$ 2,074,391,800		\$ 2,074,391,800	\$ 1,984,898,947	\$ 1.510
2014	22,643,800	1,953,627,700		71,333,700		13,034,700	2,060,639,900		2,060,639,900	1,936,930,981	1.018
2015	17,521,400	1,964,593,300		71,228,200		13,034,700	2,066,377,600	\$ 1,351,396	2,067,728,996	1,956,461,720	1.034
2016	15,375,500	1,974,406,900		70,235,800		13,034,700	2,073,052,900	1,344,095	2,074,396,995	2,013,198,179	1.049
2017	15,467,100	1,974,720,200		71,521,600		13,034,700	2,074,743,600	1,333,316	2,076,076,916	2,052,142,618	1.065
2018	14,378,600	1,981,135,500		71,521,600		13,034,700	2,080,070,400	1,342,127	2,081,412,527	2,074,763,194	1.079
2019	14,094,200	1,987,790,600		71,459,800		13,034,700	2,086,379,300	1,348,864	2,087,728,164	2,078,144,276	1.095
2020	14,720,400	1,993,400,600		71,704,400		13,034,700	2,092,860,100	1,325,398	2,094,185,498	2,138,007,357	1.109
2021	35,273,200	1,997,201,900		67,991,100		13,034,700	2,113,500,900	1,353,096	2,114,853,996	2,114,110,802	1.112
2022	34,321,800	2,001,900,800		67,991,100		14,519,600	2,118,733,300	1,311,441	2,120,044,741	2,196,108,614	1.139

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Source: County Abstract of Ratables

^a Tax rates are per \$100, includes local school district and regional school district.

**RIVER VALE BOARD OF EDUCATION
PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUATION
LAST TEN FISCAL YEARS
(Unaudited)**

Calendar Year	<u>Total</u>	<u>Local School District</u>	<u>Regional School District</u>	<u>Municipality (2)</u>	<u>County (1)</u>
2013	\$ 2.229	\$ 0.990	\$ 0.520	\$ 0.500	\$ 0.219
2014	2.272	1.018	0.534	0.500	0.220
2015	2.348	1.034	0.560	0.527	0.227
2016	2.417	1.049	0.581	0.548	0.239
2017	2.488	1.065	0.612	0.562	0.249
2018	2.525	1.079	0.634	0.567	0.245
2019	2.553	1.095	0.634	0.581	0.243
2020	2.613	1.109	0.655	0.595	0.254
2021	2.583	1.112	0.614	0.606	0.251
2022	2.645	1.139	0.633	0.623	0.250

Source: Tax Duplicate, Township of River Vale

(1) Includes County Open Space Tax

(2) Includes Municipal Open Space and Library Tax

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

Taxpayer	2022		2013	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Toll NJ LCC	\$ 22,617,000	1.067%		
Edgewood Country Club, Inc.	17,522,100	0.826%	\$ 25,235,400	1.213%
River Vale Dev LLC % Garden Homes			9,899,100	0.476%
Gal-Ben Associates	7,672,000	0.362%	7,672,000	0.369%
Village on the Green			7,266,400	0.349%
Rivervale Collignon Vil Prty Owr LP	7,266,400	0.343%		
United Water Co of NJ	6,850,600	0.323%	6,850,600	0.329%
688 Westwood Ave LLC c/o V Luppinfo	5,548,200	0.262%	5,548,200	0.267%
Florentine, Inc.	5,187,100	0.245%	5,187,100	0.249%
Lindvale Gardens	4,875,400	0.230%	4,875,400	0.234%
MWD River Vale One LLC			3,222,800	0.155%
Rudd-O'Connor LLC NJ			2,514,600	0.119%
Bear Brook Builders LLC	3,323,900	0.157%		
Powder Hill Holdings LLC	2,514,600	0.119%		
	<u>\$ 83,377,300</u>	<u>2.591%</u>	<u>\$ 78,271,600</u>	<u>3.762%</u>

Source: Municipal Tax Assessor

**RIVER VALE 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	\$ 20,258,781	\$ 20,258,781	100.00%	-
2014	20,804,887	20,804,887	100.00%	-
2015	21,175,835	21,175,835	100.00%	-
2016	21,563,660	21,563,660	100.00%	-
2017	21,917,688	21,917,688	100.00%	-
2018	22,280,759	22,280,759	100.00%	-
2019	22,655,917	22,655,917	100.00%	-
2020	23,029,689	23,029,689	100.00%	-
2021	23,409,896	23,409,896	100.00%	-
2022	24,290,434	24,290,434	100.00%	-

**RIVER VALE 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			
2013	\$ 6,290,000	\$ 676,573	\$ 6,966,573	9,819	\$ 709
2014	5,545,000	497,215	6,042,215	9,863	613
2015	4,780,000	325,587	5,105,587	9,902	516
2016	3,990,000	152,012	4,142,012	10,030	413
2017	3,185,000	270,967	3,455,967	10,049	344
2018	2,385,000	643,595	3,028,595	10,016	302
2019	1,585,000	423,679	2,008,679	9,985	201
2020	790,000	319,135	1,109,135	9,946	112
2021		211,427	211,427	9,840	21
2022	33,325,000	100,457	33,425,457	9,840 *	3,397

Source: District records

Note: * Estimate

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

General Bonded Debt Outstanding					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2013	\$ 6,290,000		\$ 6,290,000	0.30%	\$ 641
2014	5,545,000		5,545,000	0.27%	562
2015	4,780,000		4,780,000	0.23%	483
2016	3,990,000		3,990,000	0.19%	398
2017	3,185,000		3,185,000	0.15%	317
2018	2,385,000		2,385,000	0.11%	238
2019	1,585,000		1,585,000	0.08%	159
2020	790,000		790,000	0.04%	79
2021			-	0.00%	-
2022	33,325,000		33,325,000	1.58%	3,387

Source: District records

RIVER VALE BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2021
(Unaudited)

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Municipal Debt: (1)			
Local and Regional School	\$ 36,481,342	\$ 36,481,342	
Golf Course Utility	13,911,375	13,911,375	
Borough of River Vale	<u>33,854,336</u>	<u>2,035,000</u>	\$ 31,819,336
	<u>\$ 84,247,053</u>	<u>\$ 52,427,717</u>	<u>31,819,336</u>
Overlapping Debt Apportioned to the Municipality:			
Bergen County:			
County of Bergen			16,773,070
Bergen Utilities Authority - Water Pollution (B)			<u>3,114,718</u>
			<u>19,887,788</u>
Total Direct and Overlapping Debt			<u>\$ 51,707,124</u>

Source:

(1) Township of River Vale's 2021 Annual Debt Statement

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

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 61,266,214	\$ 61,266,214	\$ 58,813,253	\$ 58,985,263	\$ 59,966,599	\$ 61,151,919	\$ 61,803,814	\$ 62,613,861	\$ 62,854,569	\$ 64,043,649
Total net debt applicable to limit	6,290,948	6,290,948	4,780,948	3,990,948	3,185,948	2,385,948	1,585,948	790,000		33,326,442
Legal debt margin	<u>\$ 54,975,266</u>	<u>\$ 54,975,266</u>	<u>\$ 54,032,305</u>	<u>\$ 54,994,315</u>	<u>\$ 56,780,651</u>	<u>\$ 58,765,971</u>	<u>\$ 60,217,866</u>	<u>\$ 61,823,861</u>	<u>\$ 62,854,569</u>	<u>\$ 30,717,207</u>
Total net debt applicable to the limit as a percentage of debt limit	10.27%	10.27%	8.13%	6.77%	5.31%	3.90%	2.57%	1.26%	0.00%	52.04%

Legal Debt Margin Calculation for Fiscal Year 2022

	Equalized valuation basis
	2021 \$ 2,186,983,547
	2020 2,089,725,512
	2019 <u>2,127,655,823</u>
	<u>\$ 6,404,364,882</u>
Average equalized valuation of taxable property	<u>\$ 2,134,788,294</u>
Debt limit (3 % of average equalization value)	\$ 64,043,649
Total Net Debt Applicable to Limit	<u>33,326,442</u>
Legal debt margin	<u>\$ 30,717,207</u>

Source: Annual Debt Statements

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

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2013	9,819	\$ 71,773	7.8%
2014	9,863	71,286	4.3%
2015	9,902	73,883	4.0%
2016	10,030	77,323	3.8%
2017	10,049	78,836	3.5%
2018	10,016	81,024	3.0%
2019	9,985	85,191	2.5%
2020	9,946	88,241	8.1%
2021	9,840	91,972 *	5.5%
2022	9,840 *	91,972 *	5.5%

Source: New Jersey State Department of Education

* Estimate

**RIVER VALE BOARD OF EDUCATION
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND TEN YEARS AGO
(Unaudited)**

NOT APPLICABLE

RIVER VALE 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	97	97	97	97	98	98	83	83	83	83
Special education	15	15	15	15	15	15	31	31	31	31
Support Services:										
Student & instruction related services	14	14	14	14	14	14	14	14	14	14
General administration	2	2	2	2	2	2	2	2	2	2
School administrative services	6	6	6	6	6	6	6	6	6	6
Administrative Information Technology	2	2	2	2	2	2	2	2	2	2
Plant operations and maintenance	16	16	16	16	16	16	16	16	17	17
Other support services	5	5	5	5	5	5	5	5	5	5
Total	<u>157</u>	<u>157</u>	<u>157</u>	<u>157</u>	<u>158</u>	<u>158</u>	<u>159</u>	<u>159</u>	<u>160</u>	<u>160</u>

Source: District Personnel Records

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

Teacher/Pupil Ratio

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Elementary	Middle School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2013	1,259	\$ 20,991,115	\$ 16,673	8.07%	127	13:45	11.8	1,293	1,247.6	-2.19%	96.49%
2014	1,285	21,746,536	16,923	1.50%	124	13:45	11.8	1,285	1,122.0	-0.62%	87.32%
2015	1,224	21,885,093	17,880	5.65%	124	13:45	11.8	1,224	1,122.0	-4.75%	91.66%
2016	1,180	22,340,521	18,933	5.89%	124	13:45	11.8	1,180	1,141.8	-3.59%	96.76%
2017	1,163	23,028,504	19,801	4.59%	113	10.86	10.14	1,163	1,114.7	-1.44%	95.85%
2018	1,147	23,638,457	20,609	4.08%	114	10.86	10.14	1,147	1,103.0	-1.38%	96.16%
2019	1,120	25,253,333	22,548	9.41%	114	10.86	10.14	1,120	1,073.5	-2.35%	95.85%
2020	1,104	25,331,388	22,945	1.76%	115	10.86	10.14	1,103	1,070.0	-1.52%	97.01%
2021	1,053	27,219,638	25,850	12.66%	115	10.86	10.14	665	653.8	-39.71%	98.32%
2022	1,016	28,330,023	27,884	7.87%	115	10.86	10.14	1,024	974.2	53.98%	95.14%

Sources: District records

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

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>District Building</u>										
<u>Elementary</u>										
<u>Roberge Elementary</u>										
Square Feet	54,817	57,817	57,817	57,817	57,817	57,817	57,817	57,817	57,817	57,817
Capacity (students)	407	407	407	407	407	407	407	407	407	407
Enrollment				382	379	388	361	338	301	313
<u>Woodside Elementary</u>										
Square Feet	46,273	46,273	46,273	46,273	46,273	46,273	46,273	46,273	46,273	46,273
Capacity (students)	454	454	454	454	454	454	454	454	454	454
Enrollment ^a				344	348	357	350	353	343	347
<u>Middle School</u>										
Square Feet	62,133	62,133	62,133	62,133	62,133	62,133	62,133	62,133	62,133	62,133
Capacity (students)	363	363	363	363	363	363	363	363	363	363
Enrollment				454	436	402	409	413	409	356

Number of Schools at June 30, 2022

Elementary = 2

Middle School = 1

Senior High School = None

Other = None

Source: District Records

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
School Facilities										
Roberge Elementary School	\$ 88,851	\$ 97,818	\$ 88,691	\$ 104,673	\$ 111,777	\$ 99,546	\$ 94,283	\$ 105,995	\$ 203,171	\$ 80,360
Woodside Elementary School	84,313	119,010	70,982	83,773	89,460	54,601	95,206	128,738	272,541	64,315
Holdrum Middle School	<u>76,927</u>	<u>81,177</u>	<u>95,311</u>	<u>112,486</u>	<u>120,121</u>	<u>108,911</u>	<u>76,544</u>	<u>73,450</u>	<u>168,165</u>	<u>86,359</u>
Grand Total	<u>\$ 250,091</u>	<u>\$ 298,005</u>	<u>\$ 254,984</u>	<u>\$ 300,932</u>	<u>\$ 321,358</u>	<u>\$ 263,058</u>	<u>\$ 266,033</u>	<u>\$ 308,183</u>	<u>\$ 643,877</u>	<u>\$ 231,035</u>

Source: District Records

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

	Coverage	Deductible
SCHOOL PACKAGE POLICY - National Union Fire Ins. Co.		
Northeast Bergen County School Board Insurance Group		
PROPERTY - Blanket Buildings and Contents	\$ 41,445,184	\$ 5,000
FLOOD:	5,000,000	50,000
Within Special Flood Zones "A & V"	1,000,000	500,000
EARTHQUAKE	5,000,000	50,000
BOILER AND MACHINERY	40,632,534	5,000
GENERAL LIABILITY		
Per Occurrence	1,000,000	2,500
Aggregate	2,000,000	
COMMERCIAL AUTOMOBILE LIABILITY	1,000,000	2,500
Comprehensive		1,000
Collision		1,000
COMMERCIAL UMBRELLA- National Union Fire Ins. Co.	9,000,000	
Excess Umbrella (Unshared) - Starstone/Markel	30,000,000	
EXCESS UMBRELLA - Fireman's Fund (Shared with 50% of Group) - Aggregate	25,000,000 25,000,000	
WORKER'S COMPENSATION - Safety National		
Per Occurrence	Statutory	
Indemnity Employers Liability	1,000,000	
ENVIRONMENTAL - Chubb/ACE		
Per Occurrence	2,000,000	15,000/25,000
Aggregate	4,000,000	
Group Aggregate	20,000,000	
CRIME COVERAGE - (Non Statutory Bonds)		
Employee Theft - Employee	100,000	5,000
Computer Fraud	100,000	1,000
Employee Theft - Per Loss	500,000	100,000
Forgery or Alteration	100,000	1,000
Funds Transfer Fraud	100,000	1,000
EDUCATORS LEGAL LIABILITY - XL Catlin		
Educators Legal Agg	1,000,000.00	10,000
Employment Practices Agg	1,000,000.00	25,000
Policy Aggregate	1,000,000.00	
CYBER LIABILITY - XL Catlin		
1st Party/3rd Party	1,000,000/2,000,000	25,000/15,000
Policy Aggregate	6,000,000	
ACCIDENTAL DEATH & DISMEMBRMENT - Gerber Life Ins.		
Principal Sum (AD&D)	100,000	
INDIVIDUAL BONDS - Selective Ins. Co.		
School Business Admin/Board Secretary	150,000	
Treasurer of School Monies	300,000	

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 VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
River Vale Board of Education
River Vale, 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 River Vale 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 River Vale Board of Education's basic financial statements and have issued our report thereon dated February 1, 2023

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the River Vale 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 River Vale Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the River Vale Board of Education's internal control.

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

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

Report on Compliance and Other Matters

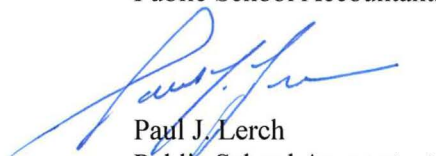
As part of obtaining reasonable assurance about whether the River Vale Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have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

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 River Vale 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 River Vale 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



Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
February 1, 2023



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
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CHRISTOPHER VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA

**REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE 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
River Vale Board of Education
River Vale, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the River Vale Board of Education’s compliance with the types of compliance requirements identified as subject to audit in the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the River Vale Board of Education’s major state programs for the fiscal year ended June 30, 2022. The River Vale Board of Education’s major 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 River Vale 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 state programs for the fiscal year ended June 30, 2022.

Basis for Opinion on Each Major 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 New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards, 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 River Vale 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 state program. Our audit does not provide a legal determination of the River Vale 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 River Vale Board of Education's 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 River Vale 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, 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 River Vale Board of Education's compliance with the requirements of each major 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, 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 River Vale 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 River Vale 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 New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the River Vale 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 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 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 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.

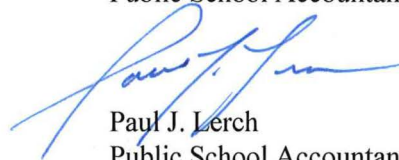
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Report on 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 River Vale 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 1, 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 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 state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.



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



Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
February 1, 2023

RIVER VALE 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 A.L. Number	FAIN Number	Grant Period	Award Amount	Balance, July 1, 2021		Unearned Revenue Carryover Amount	Accounts Receivable Carryover Amount	Cash Received	Budgetary Expenditures	Balance, June 30, 2022		Memo GAAP Receivable
					Unearned Revenue	Accounts Receivable					(Account Receivable)	Unearned Revenue	
U.S. Department of Agriculture													
Passed-through State Department													
of Agriculture													
Special Milk Program	10.556	191NJ304N1099	7/1/21-6/30/22	\$ 7,058	-	-	-	-	\$ 5,554	\$ 7,058	\$ (1,504)	-	\$ (1,504)
Total U.S. Department of Agriculture/Child Nutrition Cluster					-	-	-	-	5,554	7,058	(1,504)	-	(1,504)
U.S. Department of Education													
Passed-through State Department													
of Education													
I.D.E.A. Part B, Basic	84.027A	H027A180100	7/1/20-9/30/21	236,793	\$ 60,572	\$ (63,306)	\$ (60,572)	\$ 60,572	2,734				
I.D.E.A. Part B, Basic	84.027A	H027A190100	7/1/21-9/30/22	229,427	-	-	60,572	(60,572)	181,060	181,442	(108,939)	\$ 108,557	(382)
I.D.E.A. Part B, Preschool	84.173A	H173A190114	7/1/21-9/30/22	13,621	-	-	-	-	13,621	13,621	-	-	-
ARP I.D.E.A. Part B, Basic	84.027X	H027X210100	7/1/21-9/30/22	44,533	-	-	-	-	44,533	44,533	-	-	-
ARP I.D.E.A. Part B, Preschool	84.173X	H173X210114	7/1/21-9/30/22	3,804	-	-	-	-	3,804	3,804	-	-	-
Total Special Education Cluster (IDEA)					60,572	(63,306)	-	-	245,752	243,400	(108,939)	108,557	(382)
NCLB Title II	84.367A	S367A190029	7/1/21-9/30/22	23,775	-	-	-	-	23,653	23,775	(122)	-	(122)
Elementary and Secondary School Emergency Relief Fund (ESSER):													
ESSER II - Coronavirus Response and Relief Supplem. Appropriations	84.425D	S425D200027	3/13/20-9/30/23	218,841	218,841	(218,841)	-	-	49,845	142,567	(168,996)	76,274	(92,722)
ESSER II - Learning Acceleration	84.425D	S425D200027	3/13/20-9/30/23	25,000	25,000	(25,000)	-	-	6,250	6,250	(18,750)	18,750	-
ESSER II - Mental Health	84.425D	S425D200027	3/13/20-9/30/23	45,000	45,000	(45,000)	-	-	45,000	45,000	-	-	-
ESSER III - Non-Title I	84.425U	S425U210027	3/13/20-9/30/24	437,682	-	-	-	-	-	-	(437,682)	437,682	-
ESSER III - Accelerated Learning Coach and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	86,622	-	-	-	-	-	-	(86,622)	86,622	-
ESSER III - Evidence Based Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000	-	-	-	-	-	-	(40,000)	40,000	-
ESSER III - Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000	-	-	-	-	-	-	(40,000)	40,000	-
ESSER III - NJTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000	-	-	-	-	-	-	(45,000)	45,000	-
Total Elementary and Secondary School Emergency Relief Fund Cluster (ESSER)					288,841	(288,841)	-	-	101,095	193,817	(837,050)	744,328	(92,722)
Total U.S. Department of Education					349,413	(352,147)	-	-	370,500	460,992	(946,111)	852,885	(93,226)
Federal Communications Commission (FCC)													
FCC Emergency Connectivity Fund Program	32.009	N/A	7/1/21-6/30/22	150,000	-	-	-	-	-	150,000	(150,000)	-	(150,000)
Total Federal Awards					\$ 349,413	\$ (352,147)	\$ -	\$ -	\$ 376,054	\$ 618,050	\$ (1,097,615)	\$ 852,885	\$ (244,730)

Note: Not subject to Federal Single Audit in accordance with U.S. Uniform Guidance.

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

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2021		Cash Received	Budgetary Expenditures	Balance, June 30, 2022		Memo	
				(Accounts Receivable)	Unearned Revenue			(Accounts Receivable)	Unearned Revenue	GAAP Receivable	Cumulative Total Expenditures
State Department of Education											
General Fund											
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	\$ 578,377	\$ (54,146)		\$ 54,146					
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	734,191			664,687	\$ 734,191	\$ (69,504)		\$	734,191
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	86,869	(8,133)		8,133					
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	86,869	-	-	78,645	86,869	(8,224)	-	-	86,869
Total State Aid Public Cluster							<u>821,060</u>				
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	126,476	(11,840)		11,840					
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	126,476			114,503	126,476	(11,973)			126,476
Nonpublic School Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	11,600	(11,600)	-	11,600					
Nonpublic School Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	11,020				11,020	(11,020)	\$ -	\$ (11,020)	11,020
Total Transportation Aid Cluster							<u>137,496</u>				
Extraordinary Aid	21-495-034-5120-044	7/1/20-6/30/21	298,645	(298,645)		298,645					
Extraordinary Aid	22-495-034-5120-044	7/1/21-6/30/22	310,873				310,873	(310,873)			310,873
On-Behalf TPAF Social Security Aid	22-495-034-5094-003	7/1/21-6/30/22	807,423			767,819	807,423	(39,604)		(39,604)	807,423
TPAF Pension Benefit Contributions	22-495-034-5094-002	7/1/21-6/30/22	3,840,079			3,840,079	3,840,079				3,840,079
TPAF Pension - NCGI Premium	22-495-034-5094-004	7/1/21-6/30/22	54,178			54,178	54,178				54,178
TPAF - Post-Retirement Medical	22-495-034-5094-001	7/1/21-6/30/22	909,856			909,856	909,856				909,856
TPAF - Long-Term Disability Insurance Contributions	22-495-034-5094-004	7/1/21-6/30/22	799	-	-	799	799	-	-	-	799
School Security Grant	20E00301	7/1/20-6/30/21	59,626	(59,626)	-	59,626					
Total General Fund				<u>(443,990)</u>	<u>-</u>	<u>6,874,556</u>	<u>6,881,764</u>	<u>(451,198)</u>	<u>-</u>	<u>(50,624)</u>	<u>6,881,764</u>
Total State Financial Assistance Subject to Single Audit Determination				<u>(443,990)</u>	<u>-</u>	<u>6,874,556</u>	<u>6,881,764</u>	<u>(451,198)</u>	<u>-</u>	<u>(50,624)</u>	<u>6,881,764</u>
State Financial Assistance											
Not Subject to Major Program Determination											
General Fund											
TPAF Pension Benefit Contributions	22-495-034-5094-002	7/1/21-6/30/22	3,840,079			(3,840,079)	(3,840,079)				(3,840,079)
TPAF Pension - NCGI Premium	22-495-034-5094-004	7/1/21-6/30/22	54,178			(54,178)	(54,178)				(54,178)
TPAF - Post Retirement Medical	22-495-034-5094-001	7/1/21-6/30/22	909,856			(909,856)	(909,856)				(909,856)
TPAF - Long-Term Disability Insurance Contributions	22-495-034-5094-004	7/1/21-6/30/22	799	-	-	(799)	(799)	-	-	-	(799)
Total State Financial Assistance Subject to Major Program Determination				<u>\$ (443,990)</u>	<u>\$ -</u>	<u>\$ 2,069,644</u>	<u>\$ 2,076,852</u>	<u>\$ (451,198)</u>	<u>\$ -</u>	<u>\$ (50,624)</u>	<u>\$ 2,076,852</u>

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**RIVER VALE 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 River Vale 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 \$27,810 for the general fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 6,853,954	\$ 6,853,954
Special Revenue Fund	\$ 610,992	-	610,992
Food Service Fund	7,058	-	7,058
	<u> </u>	<u> </u>	<u> </u>
Total Financial Assistance	\$ <u>618,050</u>	\$ <u>6,853,954</u>	\$ <u>7,472,004</u>

**RIVER VALE 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 \$807,423 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 \$3,894,257, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$909,856 and TPAF Long-Term Disability Insurance in the amount of \$799 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2022.

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

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

**RIVER VALE 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

- | | |
|--|-------------------------------------|
| A) Type of auditors' report issued: | Unmodified
_____ |
| B) Internal control over financial reporting: | |
| 1) Material weakness(es) identified? | _____ yes <u> X </u> no |
| 2) Were significant deficiencies identified that were
not considered to be material weaknesses? | _____ yes <u> X </u> none |
| C) Noncompliance material to basic financial
statements noted? | _____ yes <u> X </u> no |

Federal Awards Section

Not Applicable

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

Part I – Summary of Auditor’s Results

State Awards Section

Internal Control over compliance:

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

2) Were significant deficiencies identified that were not considered to be material weaknesses? _____ yes X none

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

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

Identification of major programs:

<u>State Grant/Project Number</u>	<u>Name of State Program</u>
22-495-034-5094-003	On-Behalf TPAF Social Security Aid
22-495-034-5120-089	Special Education Aid
22-495-034-5120-084	Security Aid

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

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

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

Part 2 - Schedule of Financial Statement Findings

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

There are none.

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

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

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

CURRENT YEAR FEDERAL AWARDS

Not applicable.

CURRENT YEAR STATE AWARDS

There are none.

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

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

STATUS OF PRIOR YEAR FINDINGS

There were none.