

SCHOOL DISTRICT

OF

MANASQUAN

**MANASQUAN BOARD OF EDUCATION
MANASQUAN, NEW JERSEY**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**ANNUAL COMPEHENSIVE
FINANCIAL REPORT**

OF THE

MANASQUAN BOARD OF EDUCATION

MANASQUAN, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

PREPARED BY

**MANASQUAN BOARD OF EDUCATION
FINANCE DEPARTMENT**

MANASQUAN SCHOOL DISTRICT

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INTRODUCTORY SECTION

MANASQUAN BOARD OF EDUCATION

Central Administration Offices, 169 Broad Street, Manasquan, NJ 08736
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732.528.8803 – FAX: 732.223.7422

February 11, 2022

Honorable President and
Members of the Board of Education
Manasquan School District
Manasquan, New Jersey

Dear Board Members/Citizens:

It is with pleasure that we submit the Comprehensive Annual Financial Report (CAFR) of the Manasquan School District for the fiscal year ended June 30, 2021. This CAFR includes the District's Basic Financial Statement prepared in accordance with Governmental Accounting Standards Board Statement 34. The District adopted this financial reporting model as required by the State in 2003. This model is supposed to provide the users of this document with more useful financial and statistical information relying on and including all disclosures made by the District. To the best of our knowledge and belief, data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

- The Introductory Section contains a Table of Contents, Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the School District.
- The Financial Section begins with the Independent Auditor's Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information.
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the School District, generally presented on a multi-year basis.
- The Single Audit Section – The District is required to undergo an annual audit in conformity with the provisions of the Single Audit Act of 1986, as amended, the U.S. Office of Management and Budget Circular Title II U.S. *CFR*, Part 200, "Audits of States, Local Governments and Non-Profit Organizations", and the State Treasury Circular Letter NJ OMB 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Information related to this single audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulation, contracts and

grants, along with findings and questioned costs, if any, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

The Manasquan School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds of the District are included in this report. The Manasquan Board of Education and its two schools constitute the District's reporting entity.

The District continues to maintain a high quality of education. The District provides a full range of programs and services appropriate to grades Pre K -12.

Supervising district-wide goals is a district superintendent, a school business administrator/board secretary, a supervisor of special services, a director of technology and human resources, a high school principal, two vice principals, an elementary school principal, one vice principal, Director of Curriculum & Instruction, Director of School Counseling Services and Supervisors.

The Board of Education is comprised of twelve members. Manasquan holds nine positions on the Board, these members are usually elected for three year terms. We currently have 9 three year term members. The Sending Districts fill the other three positions and are appointed to one year terms according to the agreement filed with the County Office. The Manasquan Board of Education usually meets on the third or fourth Tuesday of each month except when district functions or holidays interfere with that schedule. The actual schedule is posted on our website for the year. During its agenda and action meetings the Board determines district goals and priorities and conducts the business of the Board of Education. These meetings begin at 6:00 p.m.

The PTO's are highly active in the District and provide community support for a variety of programs and activities for the children.

To maintain effective communications, the District has a website that is updated frequently. Information about the budget is posted on the website during the budget review process. Meetings are held and offers to present materials on the budget are available to all community and civic groups within the district.

Each of the schools in the district strive to meet the district-wide goals by employing best practices in instruction and focusing on student achievement, while maintaining a unique personality that makes up the particular school. All curricula in our district have been aligned to the New Jersey Student Learning Standards.

Manasquan Elementary School

Manasquan Elementary School holds classes for students in Kindergarten through Eighth Grade. Integrated Pre-School classes are also offered for both three-year olds and four-year olds. Grades 6-8 operate as a departmentalized middle school and Grades Preschool – Grade 5 operate as an elementary school with self-contained classes. Two cafeterias are in operation with Grades 5-8 assigned lunch periods in the Cafetorium and Grades K-4 assigned lunch periods in our original

Cafeteria. The use of both facilities allows all students to eat at what would be considered a normal lunch hour.

Manasquan Elementary School is comprised primarily of Manasquan students, but receives a small number of students on a tuition basis. Overall, our school is in very good condition, especially after the completion of an addition to create middle school classrooms, an additional computer lab, a Multi-purpose Cafetorium, upgrades to our HVAC system, and most recently, as a result of a referendum project, the complete renovation of our Media Center that includes the creation of a new STEAM Lab. In addition, our back sports fields were realigned, sodded, and a new playground unit was added.

With regards to technology, interactive whiteboards are installed in every classroom. Every teacher is provided with a Dell laptop and classrooms are equipped with connections for projection. Two computer labs, as well as two additional mobile labs equipped with Dell laptops, are available for our students. A mobile iPad cart was funded by a donation from our PTO for classroom use and iPads have been purchased for learning centers in every K-5 classroom and ESL classes. Document scanners, video cameras and digital cameras are also available for faculty use with their students. Furthermore, a Student Mobile technology initiative has been implemented, providing 1:1 Dell tablets to all of our middle school students in Grades 5-8. With regards to our STEAM Lab, an additional classroom set of tablets and iPads are available for student projects and activities as well as a wide variety of STEM manipulatives. Overall, the district is a Windows 10 Microsoft Active Directory computer environment using MS Office 365.

Additional technological advances include increased usage of our Genesis Student Data Management System and our school website, hosted by Blackboard. Our school website also includes a virtual "E-backpack" for school notices and information. Eighth grade students continue to participate in multi-media digital storytelling, in which they have an opportunity to engage in this project-based learning experience utilizing video and sound-editing software. STEAM units have also been added to our Technology Education curriculum in every grade level, as well as the inclusion of STEAM Enrichment rotation classes, including Technology and Engineering Design and STEM Enrichment. The Genesis Parent Portal is utilized for student attendance, real-time gradebook access, electronic report card and interim report distribution, all significantly reducing postal mailings. Furthermore, in order to provide teachers with more opportunities to assess individual student skills and track academic progress in order to plan for more targeted, individualized instruction, the on-line testing program, IXL is administered to students in language arts and mathematics. IXL is also utilized to provide additional practice for on-line testing in order to further prepare our students for the state-mandated NJSLA test beginning in Grade 3. We have also utilized i-Ready assessment and instructional tools to determine student math proficiency as well as differentiate instruction in the mathematics classrooms in grades K-6. In addition, the Canvas Learning Management System is utilized by our middle school teachers with their students to connect all digital teaching and learning tools in one place. We have also begun the process of utilizing the Microsoft Teams online platform for our students in Grades K-5. During periods of student absence during the Covid-19 pandemic, our teachers used Canvas and MS Teams as their online platforms, in addition to a variety of web-based instructional resources to minimize the impact on student learning.

Currently, our K-5 language arts program, Houghton-Mifflin's Journeys, is implemented with curriculum alignment to the NJ Student Learning Standards for English Language Arts. In order to enhance differentiation of instruction, more time has been designated for Guided Reading lessons with the assistance of the school's Reading Specialist, who works collaboratively with the classroom teachers on implementing a balanced literacy program. The language arts program was

further expanded by the implementation of the Wilson Foundations Program in Grades K-3 and additional formative assessment opportunities using the Fountas & Pinnell Benchmark Assessment Program. With regards to mathematics, to assure alignment to the NJ Student Learning Standards, the Ready Math program is implemented with an extensive differentiation component. Furthermore, a Basic Skills Program has been established for students in Grades K-8 in both language arts and mathematics. Our science program, Pearson Interactive Science, has been adopted for use in Grades K-6, with the inclusion of StemScopes and other digital resources in Grades 7 & 8. Our curriculum is aligned to the Next Generation Science Standards and the NJ Student Learning Standards. A school-wide STEAM initiative across all grade levels, K-8, has been implemented that includes instructional access for all students in our fully-equipped STEAM Lab.

With regards to our school's Guidance Department, the Second Step Character Education Program was continued in Grades 3-5, with classroom lessons relating to tolerance, respect, and anti-bullying initiatives. Important life skills such as conflict resolution, stress management and coping skills are also an integral part of the program. The guidance program, Naviance is also implemented to provide a learning style inventory and career awareness activities for middle school students and our middle school cyberbullying program was also maintained. In Grades K-3, the Kelso's Choice Program remains in place to help our youngest students begin to learn conflict resolution and coping skills. Our school also implements the suicide prevention program, Hazelden Lifelines Trilogy. Furthermore, an active Intervention & Referral Services Team (I&RS) and Child Study Team (CST) both support students, teachers, and parents to promote the academic, behavioral, and social success of our students. In addition, a Summer Skills Program is offered for all students to provide skill refinement in mathematics and language arts, as well as an Extended School Program (ESY) for classified students identified by our Child Study Team and an ESL program to serve our English Language Learners. In addition, school-wide anti-bullying, respect, and violence awareness programs and assemblies are presented during every school year. Our parents are also provided with the availability of a Before and After Care Program, the Warrior Clubhouse, for their children.

In addition to our academic program and our athletic teams (soccer, basketball, baseball, softball, tennis, field hockey, cross-country, and wrestling team), our students also participate in a wide variety of extracurricular activities including Chorus, Band, Student Council, National Junior Honor Society, Drama Club, Cheerleading, School Yearbook, School Newspaper, Mathematics Club, Environmental Club, Middle School Art Club, Elementary School Art Club, STEAM Club, Road Runners Fitness Club, Video Production Club and a Peer Helper Program. A variety of PTO-sponsored after-school enrichment activities are also offered (such as Chess, Robotics, Orchestra, Rock Shop, Kids Art, Yoga, Mad Science, Lego Bricks for Kids, and Hip Hop), as well as opportunities for participation in chorus and band competitions. In addition to our school's commitment to differentiation of instruction to meet the academic needs of all of our students, subject area Honors Classes have been established in Grades 7&8.

Despite the challenges of the pandemic, students were provided with a variety of opportunities and programs to participate in. Field Days for Grades 5-7 and Grades K-4 were implemented and enjoyed by all. Our Fifth Graders once again did an outstanding job with their virtual Wax Museum, portraying famous people throughout history. During Read Across America, our 8th grade students performed and presented a film celebrating the love of reading, and our Drama Club put on a full-scale production of Mary Poppins. Band and Chorus concerts took place outdoors under a tent and were enjoyed by our students and families alike.

The Manasquan Elementary School Parent-Teacher Organization also continues to remain very active, organizing such events as an Art Appreciation Program, a Science Fair, Book Fairs, an Organic Garden, and a Summer Enrichment Program. In addition to our outdoor classroom and amphitheater area for Grades Preschool – Grade 4, outside tables are present for middle school students in order to create a second area for outdoor classroom activities.

Manasquan High School

Manasquan High School is a four-year comprehensive public high school that serves students in the ninth through twelfth grade for the Manasquan School District, in Monmouth County, New Jersey. In addition, the high school also serves students from Avon-by-the-Sea, Belmar, Brielle, Lake Como, Sea Girt, Spring Lake and Spring Lake Heights, who attend Manasquan High School as part of sending/receiving relationships with their respective districts. The current location of Manasquan High School opened in 1931. The school community celebrates the long history and tradition of the past, while continuing to innovate the current academic programs and facilities. Most recently a new state of the art science lab addition opened in the Fall of 2018. The Manasquan School Community is committed to providing a preeminent education to all students, preparing them for success and to be global citizens in the 21st Century.

Manasquan High School believes in the potential and promise of all students. The school schedule operates a flexible “drop and rotate schedule”, for the purpose of increased rigor and student engagement in the classroom. MHS offers students the opportunity to experience a career-focused academy model centered on subject area elective courses. Through participation in one or more of MHS’s five academies, students can earn college credits and/or develop important vocational skills, in areas of finance, health careers, public safety, engineering and performing arts. The entire academic program is supported by its 1:1 technology initiative, providing teachers the opportunities to design instructional activities previously unavailable to students. Manasquan HS most recently invested in providing Project Lead the Way engineering courses as a part of the Engineering Academy.

Students from the class of 2021 were accepted into some of the most prestigious colleges and universities. Ninety-five percent of students planned to attend 4 or 2-year post-secondary school. The Career and Counseling Department uses SCOIR with students to guide through the college & career planning process, including required testing and financial aid resources. MHS administers the PSAT to 9th, 10th & 11th graders annually to prepare students for SAT testing and provide merit scholarship opportunities for students.

In addition, comprehensive services are provided by the Manasquan High School Child Study Team to at-risk students and students with disabilities. MHS offers a complete English Language Learner program, a Freshman Transition program, student mentoring/tutoring through PEERS, and guided college & career guidance through SCOIR. MHS Life Skills program completed its 5th year, blending academic, daily living, personal/social, and occupational skills into integrated lessons designed to help students learn to function independently in society.

Manasquan High School offers a wide array of extracurricular clubs and activities, from honor societies to civic organizations and the performing arts. Over 85% of our students participate in extra-curricular activities, as Manasquan High School offers 29 varsity sports and 40 clubs and activities. Each year, hundreds of students participate in Squan-a-Thon, a 12-hour dance-a-thon to benefit children with cancer. In addition, the MHS Robotics Team has earned distinction competing in the FIRST Tech Challenge, designing, building, testing, and programming robots to perform a series of tasks.

In addition to a motivated and active Big Blue Booster Club, MHS partners with a variety of community stakeholders such as the MHS Endowment & Alumni Foundation and the Manasquan Athletic Hall of Fame. The administration facilitates 8th Grade Open House, Freshman Orientation, and fine & performing arts shows to welcome the community to our halls and showcase the best of our programs. MHS continues to value communication with parents through Genesis Parent Portal, the Canvas LMS, and Honeywell Instant Alert System. Manasquan High School embraces the challenge of the celebration our past, planning for today and preparing our students for the future.

Special Education

The Special Education program is an integral part of each school. In the 2020-2021 school year the number of educationally disabled students in the district was 150 High School students, 90 Elementary School students, 8 Pre-School Disabled students and 30 Out of District students (11 Manasquan, 19 Sending Districts). Of the 248 In District students most were placed in general education classes with In-Class Resource supports and services. In addition, Manasquan High School has four Learning Language Disabled teachers instructing Learning and Language Disabilities classes and one teacher dedicated to the Life Skills program. The Life Skills program continues to address the students' needs of functional academic, social, and vocational skills. Furthermore, Manasquan Elementary School offers a Multiply Disabled class that accepts students from other districts due to the comprehensive nature of the program. There is also an in-house Integrated Preschool program that operates two classes, a 3 year old half day class and a 4 year old full day class. These classes provide preschool instruction and related services to preschoolers with disabilities, as well as to typically developing preschoolers who attend on a tuition basis.

New Jersey Student Learning Standards

Throughout the 2020-2021 school year, the Manasquan School District ensured that our curriculum was rigorous, aligned to the standards, and engaged students in authentic learning as well as critical thinking. Teachers reviewed and updated existing curriculum, revised courses as needed to meet the newly updated New Jersey Student Learning Standards, and wrote new curriculum for the implementation of several new courses. In June of 2021, teachers were trained in all components of the district's curriculum template before beginning. This training emphasized the connections between each component (Essential Questions, Unit Goals, Objectives, Tasks, Activities, Resources & Assessments) as well as their link to NJSLA standards. In the template, teachers were to connect their content area instructional practices and activities to the ELA, Math standards so as to demonstrate various interdisciplinary connections in specific units, individual lessons and various assessments. Teachers were also trained in the new mandates related to LGBTQ/Disabled Persons Contributions in the areas of English and Social Studies.

All teachers were also trained in Microsoft Teams, a platform that the Director of Curriculum and Instruction chose to employ as a means to 1) provide virtual professional development in curriculum writing 2) edit/revise/develop existing and new curriculum documents 3) collaborate with colleagues and administrators so as to develop a meaningful, interactive process during (and beyond) the curriculum writing process. The MT platform serves as a development platform where the district Canvas page serves as the portal for all final Board-approved curriculum documents.

After the curriculum writing training and during the summer, curricula was written and/or revised in grades K-12. Teachers in Grades 6-8 revised curriculum so as to reflect the adoption of our newly adopted

math program, Ready Math. Teachers also examined the District Evidence Statement Analysis reports which identified the standards with which students struggled. Teachers and administrators then examined the curriculum to ensure that all topics were being sufficiently addressed as well as the order in which they were being taught.

The high school continued the four-year transition to a new “drop-and-rotate” schedule. Curriculum and pacing charts continued to be reviewed for year-long classes in a drop/rotate schedule. Each department continued the evaluation of its courses during department meetings and PLC meetings.

All curriculum was approved by the Board of Education before the start of the 2020-2021 school year.

Staff Development

During the 2020-2021 school year, Manasquan School District continued to ensure that every teacher received the professional development he/she needed to grow as educators.

All staff members attended the state-mandated trainings which were presented by administrators or content experts at faculty meetings. Staff members are also provided with access to Safe Schools’ online programs/training in July 2020. Staff members viewed videos pertinent to relevant district issues, safety and wellness trainings related to the CoVID pandemic and topics required by the state (Child Abuse: Mandatory Reporting; FERPA; Health Emergencies; Bloodborne Pathogens; Child Abuse: Identification and Intervention; Asthma Awareness; Coronavirus Awareness; Coronavirus: Managing Stress and Anxiety; making Schools Safe for Transgender Students; Making Schools Safe for LGBTQ Students; Bullying: Recognition & Response; Sexual Harassment: Student Issues and Responses; Student Mental Health; Threat Assessment; Active Shooter; Discrimination Awareness in the Workplace; Playground Supervision; Stress Management).

Master teachers were also given time to create video “learning modules” that focused on “best practices” in virtual instruction. Lisa Kukoda, the district’s Technology Coach, also worked with her staff so as to provide workshops on implementing Microsoft Teams into virtual instruction and providing teachers with technical training on how to “live stream” their classes.

At the beginning of the school year all teachers were trained on the District evaluation instrument, and the forms used by the district. The district’s creation and adoption of a Reflective Practice Protocol for highly effective teachers was introduced at a district meeting. Additional meetings were held for interested teachers to outline the process and expectations. Within departments and grade levels, teachers examined their previous year’s SGOs to determine how to make the data more useful, to ensure the rigor was adequate, and that teaching strategies met the needs of all learners in order for them to meet their target goals. Many teachers revised and/or changed their SGOs to better accommodate all learners while maintaining rigorous, high expectations.

In addition, also in September 2020, teachers new to the district received training on our evaluation model, a district-created tool, the online platform, and the observation policies established by the state and district as well as TeachNJ. In August 2020 all new hires attended a three-day New Teacher Induction Program. This program, run by teachers and administrators, welcomed the new hires to the district, introduced them to our expectations through modeling, time with department/grade level colleagues, discussions with administrators, and town and building tours. Those individuals who were first year teachers worked with a mentor. Logs were kept by both parties, meetings were held and together they

met with the Director of Curriculum & Instruction to ensure that their needs and the requirements outlined by the state were being met.

The half-day in-service on September 8th was devoted to teachers working with virtual trainers from Learning Sciences (Introduction to the Virtual Learner). The afternoon session was devoted to Microsoft Teams livestreaming training and Safety care training for Special Education teachers. Learning Services virtual trainings continued on ½ day in-service days on November 16th and December 7th.

The District undertook an initiative to explore equity and inclusion as they relate to all matters in the educational process. The district hosted two virtual speakers during its full-day in-service on January 29th- Dr. Robin-harden Daniels (Introduction to Culturally responsive Practices: Culture and Race) and Michelle Meyer-Shipp. The workshops focused on matters of equity, inclusion and SEL topics. The professional development was employed as a means to start discussing equity in our current programs and curricula.

Our elementary school continued its work with Foundations. Deanne Opatosky, Balanced Literacy Consultant, continued to provide collaborative writing workshops for our teachers both in-district and at our neighboring sending schools with whom we have developed a consortium. The elementary school also began training on the Guided Math Program. Teachers in grades K-6 received professional development throughout the year on our new math program, Ready Math.

Technology

Throughout the district, technology integration and building 21st century skills remains a focus. Technology is used to enrich instruction and curriculum, increase productivity, and to enhance communication.

All classrooms are equipped with multi-media equipment including projectors and audio, most with interactive white boards. All faculty and students in grades 5-12 are issued 2-in-1 Windows laptop devices permitting them to be mobile throughout the school buildings and use at home. Our wireless network throughout all areas of the school buildings support wireless-n and wireless-ac standards, and allow for high-speed network and internet connections from all classrooms and offices.

All administrators, teachers and support staff have access to computers, printers, networked copiers, e-mail, work-order systems, and the Internet within their work areas. The district continues its migration to more cloud computing and storage, leveraging the Microsoft Azure platform for, among others, Exchange online cloud-based email and OneDrive for cloud file storage. The district has and will continue to emphasize technology training in district in-service programs for all staff.

The District continues to leverage technology in physical security, including the complete overhaul of external door access control and monitoring in the entire elementary school and a phase one transition in the high school.

Personnel

The district employed 246 people during the 2020-2021 school year. The certificated staff numbered 180 and educational support personnel 66.

Pupil Enrollment

The district completed the 2019-2020 fiscal year with an Average Daily Enrollment of 1465.48 which is 29.35 students less than 2018-2019 enrollment. The following details the changes in the student enrollment of the district over the last 20 years. The table presents the actual historical pupil enrollment as of June 30 of each year:

FISCAL YEAR	ENROLLMENT JUNE 30	PERCENTAGE CHANGE
2001-02	1664.5	4.850%
2002-03	1726.3	3.713%
2003-04	1726.5	0.012%
2004-05	1723.1	-0.197%
2005-06	1720.6	-0.145%
2006-07	1712.3	-0.482%
2007-08	1702.0	-0.602%
2008-09	1712.3	0.605%
2009-10	1698.6	-0.800%
2010-11	1696.8	-0.106%
2011-12	1666.1	-1.809%
2012-13	1593.0	-4.388%
2013-14	1635.4	2.662%
2014-15	1598.9	-2.166%
2015-16	1579.8	-1.263%
2016-17	1560.2	-1.240%
2017-18	1504.6	-3.560%
2018-19	1494.8	-0.651%
2019-20	1465.5	-1.960%
2020-21	1507.8	2.89%

2. ECONOMIC CONDITION AND OUTLOOK:

The population of families with school age children is relatively stable in Manasquan; however, the total school enrollment has increase by 42.30. Any future changes in the population served could be due to continued home sales or changes resulting from expansion and/or development in Manasquan post Superstorm Sandy. It appears that any differences in the High School enrollment may be due to our Sending/Receiving relationships with the seven surrounding towns, either through development, population shifts or both.

3. MAJOR INITIATIVES:

2021-2022 Board Goals

Goal 1: Path Forward

The Manasquan School District is proud to be able to have maintained a safe and healthy in-person learning environment during the entirety of the 2020-2021 school year. However, due to conditions outside of our control, the Board of Education recognizes that many students will be returning to a more normal school environment this year having lost instructional time and/or experienced varying degrees of stress and trauma because of the pandemic. In an effort to address any learning loss and the social well-being of all students, the Board of Education will implement and monitor programs and initiatives targeted at remediating learning loss and the any pandemic-related social/emotional issues. The Board of Education will establish a committee of educators chaired by the Director of School Counseling Services, Lesley Kenney, that will be tasked with identifying and implementing effective programs and interventions to address the academic and social/emotional needs of students. The committee will report to the Board of Education in the Fall of 2021 to report on progress and recommend any additional interventions.

Goal 2: Student Achievement

The Board of Education, to increase rigor and relevance in the Elementary School, will continue the process of fulfilling requirements to achieve National Blue Ribbon School Recognition. The federally funded National Blue Ribbon Schools program celebrates school excellence, turnaround stories, and closing student achievement gaps. The developed committee, consisting of Principal Megan Manetta, Principal Jaclyn Puleio, and Director of Curriculum & Instruction Richard Coppola, will lead this effort and report to the Superintendent of Schools. The developed committee will conduct a review of the current elementary school master schedule to provide time for targeted, student-specific remediation or enrichment and provide the Board with a report of the progress in Fall 2021 and Spring 2022 detailing the aggregation of data collected toward the achievement of fulfilling requirements for nomination.

Goal 3: Facilities

The Board of Education has entered into a shared services agreement with the Borough of Manasquan to construct a multi-purpose athletic facility on the campus of Manasquan High School. This construction is expected to begin during the summer of 2021 and continue throughout the 2021-2022 school year. The Board of Education will task the Superintendent of Schools with monitoring the progress of construction to ensure adherence to the construction schedule so that the project is completed on time and under budget. The Superintendent and Board's construction manager will provide regular updates to the Board of Education at public meetings throughout the year.

4. INTERNAL ACCOUNTING CONTROLS:

Management of the district is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the district are protected from loss, theft or misuse; and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally-accepted accounting principles (GAAP). The internal control system 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 awards, the district also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws, regulation, contracts and grants related to those programs. This internal control system is also subject to periodic evaluation by the district management.

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

5. BUDGETARY CONTROLS:

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, special revenue funds 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 reservations of fund balance at fiscal year end.

6. CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provision of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the ACT.

7. RISK MANAGEMENT:

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, fidelity bonds and worker's compensation. A schedule of insurance coverage is found in J-20.

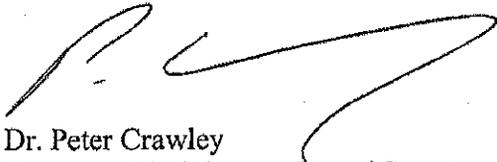
8. OTHER INFORMATION:

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Robert A. Hulsart and Company, CPA's was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996, as amended and the related OMB Circular Title 2 U.S. *CFR*, Part 200 and the New Jersey OMB Circular NJ OMB 15-08. The Auditor's Report on the basic financial statements and as well as both the required and other supplementary information is included in the financial section of this report. The Auditor's reports related specifically to the single audit are included in the single audit section of this report.

9. ACKNOWLEDGMENTS:

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'P. Crawley', with a large, sweeping flourish extending to the right.

Dr. Peter Crawley
Business Administrator/Board Secretary

MANASQUAN BOARD OF EDUCATION
MANASQUAN, NEW JERSEY

**ROSTER OF OFFICIALS
JUNE 30, 2021**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Eugene Cattani Jr.	2023
Fred Sorino	2022
Bruce Bolderman	2023
Donna Bossone	2021
Martin J. Burns	2021
Michele Cartaya (Lake Como)	2021
Terence Hoverter	2023
Dennis Ingoglia (Brielle)	2021
Joseph A. Loffredo, Jr.	2022
Anne McGarry (Spring Lake Heights)	2021
Thomas Pellegrino	2022
M. Alexis Pollock	2021

Other Officials

Frank Kasyan, Ed.D., Superintendent of Schools

Jesse Place, Assistant Superintendent of Schools

Pete Crawley, Ed.D., School Business Administrator/Board Secretary

Patricia A. Christopher, Treasurer

**MANASQUAN BOARD OF EDUCATION
CONSULTANTS AND ADVISORS**

2020-2021

AUDIT FIRM

Robert A. Hulsart & Company
2807 Hurley Pond Road
Wall, New Jersey 07719

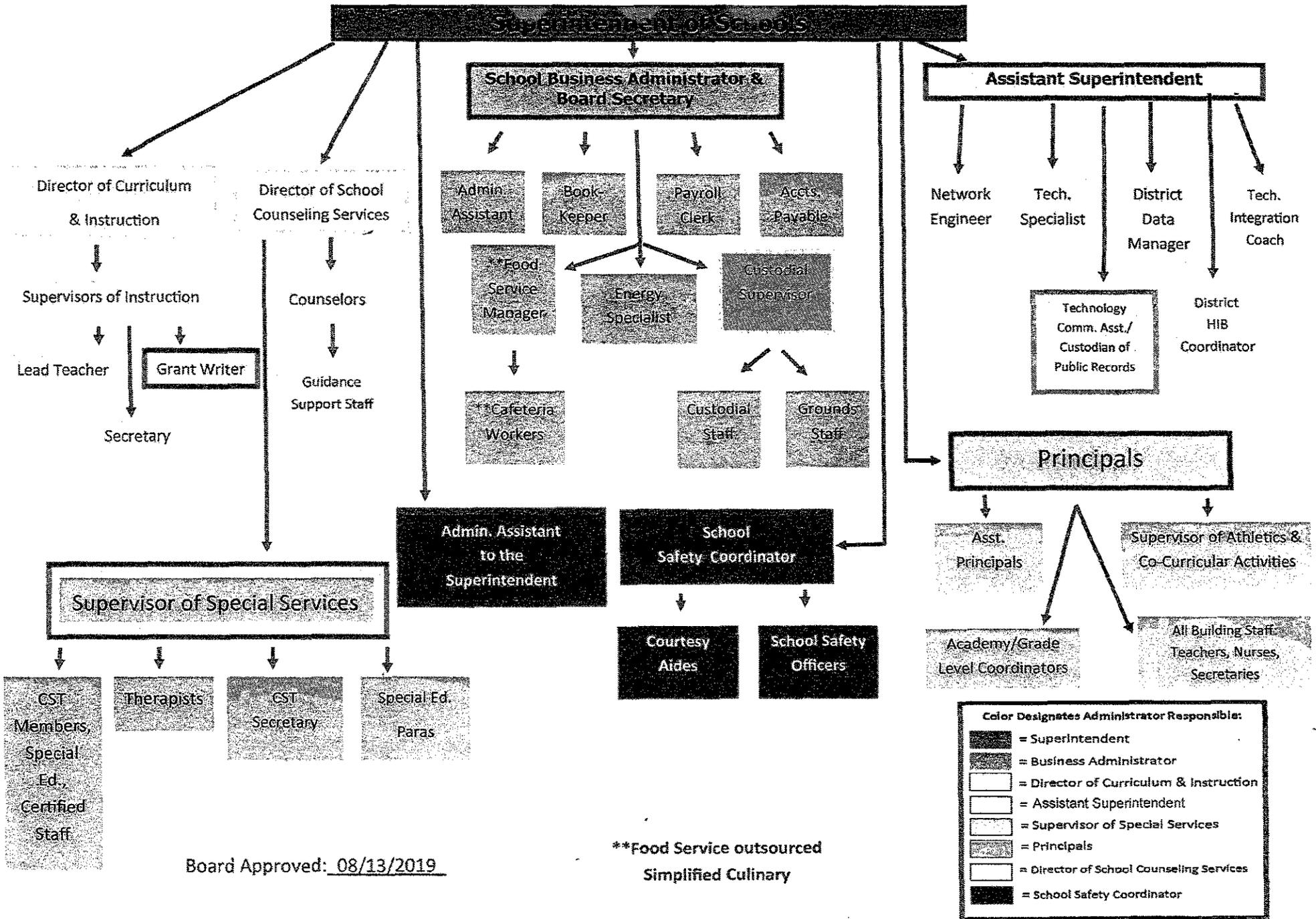
ATTORNEY

Kenney, Gross & Kovats, LLP
130 Maple Avenue
Red Bank, NJ 07701

OFFICIAL DEPOSITORY

Manasquan Bank
Landmark Place
Wall, New Jersey 08736

MANASQUAN SCHOOL DISTRICT ORGANIZATIONAL CHART



Board Approved: 08/13/2019

****Food Service outsourced
Simplified Culinary**

FINANCIAL SECTION

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
ROBERT A. HULSART, JR., C.P.A., P.S.A.
RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

Telecopier:
(732) 280-8888
e-mail:
rah@monmouth.com

2807 Hurley Pond Road • Suite 100
P.O. Box 1409
Wall, New Jersey 07719-1409
(732) 681-4990

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Manasquan School District
County of Monmouth
Manasquan, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Manasquan School District, in the County of Monmouth, State of New Jersey, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Manasquan School District, in the County of Monmouth, State of New Jersey, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Required Supplementary Information identified in the table of contents be presented to supplement the basic financial statements. Such information, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Manasquan School District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Requirements* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the schedule of federal awards and the schedule of state financial assistance as required by NJ OMB 15-08 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of state financial assistance as required by NJ OMB 15-08 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

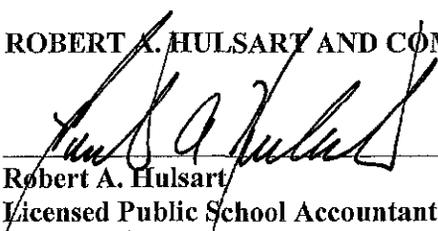
The introductory and statistical sections have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 11, 2022 on our consideration of the Manasquan Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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 Manasquan Board of Education's internal control over financial reporting and compliance.

Respectfully submitted,

ROBERT A. HULSART AND COMPANY



Robert A. Hulsart
 Licensed Public School Accountant
 No. 322
 Robert A. Hulsart and Company
 Wall Township, New Jersey

February 11, 2022

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

**MANASQUAN PUBLIC SCHOOL DISTRICT
BOROUGH OF MANASQUAN**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

UNAUDITED

The discussion and analysis of Manasquan Public School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2021 are as follows:

- ◆ General revenues accounted for \$40,107,447 in revenue or 96.0% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$1,665,985 or 4.0% to total revenues of \$41,773,432.
- ◆ Total Net Position of governmental activities increased by \$1,901,921 as cash and cash equivalents, and receivables increased by \$4,035,189, accounts payable and long-term liabilities increased by \$1,136,869 and capital assets decreased by \$127,102; Net Pension changes accounted for the remaining \$869,297.
- ◆ The School District had \$39,871,511 in expenses; only \$1,665,985 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes and tuition) of \$40,107,447 were adequate to provide for these programs.
- ◆ The General Fund had \$34,164,552 revenues and \$34,497,879 in expenditures. The General Fund's balance increased \$4,639,048 from 2020. This increase was anticipated by the Board of Education due primarily to proceeds from the Borough and Loan Proceeds, which will be used to fund future capital outlay expenditures.

Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Manasquan Public School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Positions* and *Statement of Activities* provide information about the activities of the whole School district, presenting both an aggregate view of the School district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Manasquan Public school district, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Positions and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School district as a whole looks at all financial transactions and asks the question, "How did we do financially during 2020-2021?" The Statement of Net Position and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in that position. This change in net position is important because it tells the reader that, for the school district as a whole, the financial positions of the School district has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- ◆ **Governmental Activities** – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- ◆ **Business-Type Activities** – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major (all) funds begins with Schedule B-1. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School district's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School district's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

The School District as a Whole

Table 1 provides a summary of the School District's net position for 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Assets		
Current and other assets	\$ 10,714,340	\$ 6,652,533
Capital assets, net	30,533,523	30,680,150
Total Assets	<u>\$41,247,863</u>	<u>\$37,332,683</u>
Deferred Outflow of Resources	<u>\$1,537,043</u>	<u>\$1,903,563</u>
Deferred Inflow of Resources	<u>\$2,402,327</u>	<u>\$2,352,190</u>
Liabilities		
Long-term liabilities	\$31,010,390	\$30,978,226
Other liabilities	4,077,790	2,973,085
Total Liabilities	<u>\$35,088,180</u>	<u>\$33,951,311</u>
Net Position		
Invested in capital assets, net of debt	\$5,911,178	\$6,970,150
Restricted	6,016,448	5,158,041
Unrestricted	(6,633,227)	(9,195,446)
Total Net Position	<u>\$5,294,399</u>	<u>\$2,932,745</u>

Table 2 shows the changes in net position from fiscal year 2021 to 2020.

	<u>2021</u>	<u>2020</u>
Revenues		
Program revenues		
Charges for services	\$ 881,489	\$1,302,820
Operating grants and contributions	1,375,805	575,825
General revenues		
Property taxes	17,386,376	16,756,430
Grants and entitlements	6,821,388	5,459,732
Other	15,899,683	9,658,870
Total Revenues	<u>42,364,741</u>	<u>33,753,677</u>
Program Expenses		
Instruction	13,158,122	12,397,911
Support services		
Pupils and instructional staff	4,618,581	4,384,625
General administration, school administration, business	13,536,918	12,354,065
Operations and maintenance of Facilities	2,638,846	2,402,821
Pupil Transportation	378,543	525,307
Interest on debt	690,813	704,941
Food service/Surf Team/Aftercare	584,216	558,057
Capital Outlay	3,817,479	5,028,456
Other	1,032,209	1,010,526
Total Expenses	<u>40,455,727</u>	<u>39,366,709</u>
Inc./(Dec.) in Net Assets	<u>\$ 1,909,014</u>	<u>(5,613,032)</u>

Business-Type Activities

Revenues for the District's business-type activities (food service and surf team) were comprised of charges for services and federal and state reimbursements.

- ◆ Food service revenue was greater than expenditures by \$15,523.
- ◆ Charges for services represent \$151,784 of revenue. This represents amount paid by patrons for daily food services.
- ◆ Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities was \$428,021.
- ◆ The Surf Team is partially supported by a parent group. The current year revenues and expenditures plus the beginning balance left net assets of \$0.
- ◆ The Before and After Care Program is supported by participant revenues. The current year revenues and expenditures left a net asset of \$4,557.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions. Comparisons to 2020 have been shown below.

	Total Cost of Services 2021	Net Cost of Services 2021
Instruction	\$13,158,122	\$12,659,683
Support services		
Pupils and instructional staff	4,618,581	3,526,035
General administration, school administration, business	13,536,918	13,536,918
Operation and maintenance of facilities	2,638,846	2,638,846
Pupil transportation	378,543	378,543
Interest and fiscal charges	690,813	690,813
Capital Outlay	3,817,479	3,742,479
Other	<u>1,032,209</u>	<u>1,032,209</u>
Total Expenses	<u>\$ 39,871,511</u>	<u>38,205,526</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration and business include expenses associated with administrative and financial supervision of the District including all employee benefits, workers compensation and social security.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective working condition.

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Extracurricular activities includes expenses related to student activities provided by the School district which are designed to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District.

Other includes unallocated depreciation and amortization.

The School District's Funds

Information about the School District's major funds starts with Schedule B-2. These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) had total revenues of \$36,801,057 and expenditures of \$41,022,766. The net change in fund balance for the year was made up of the General Fund, an increase of \$4,639,048 due to financing sources for the field house project. The debt service fund balance had a decrease of \$19,185. Capital projects activity decreased by \$3,890,833 due to project expenditures in 2020-2021.

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 financial management. The following schedules present a summary of the revenues of the governmental funds (excluding capital projects) for the fiscal year ended June 30, 2021, and the amount and percentage of increases and decreases in relation to prior year revenues.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>
Local Sources	\$29,464,965	80.01%	\$1,734,651
State Sources	6,782,660	18.43%	1,330,435
Federal Sources	<u>553,432</u>	<u>1.56%</u>	<u>68,331</u>
Total Revenue	<u>\$36,801,057</u>	<u>100.00%</u>	<u>\$3,133,417</u>

The increase in Local Sources of \$1,734,651 was attributed to an increase in tuition revenues.

The increase in State Sources of \$1,330,435 was attributed to changes in the on-behalf pension.

The increase in Federal Sources of \$68,331 was attributed to normal fluctuations.

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

Expenditures	Amount	Percent of Total	Increase/ (Decrease) from 2019
Current:			
Instruction	\$13,083,088	31.89%	662,810
Undistributed expenditures	21,224,029	51.74%	1,686,059
Capital outlay	5,029,266	12.26%	652,256
Debt service:			
Principal	715,215	1.74%	27,173
Interest	971,168	2.37%	457,049
Total Expenditures	\$41,022,766	100.00%	3,485,347

The increase in Current - Instruction of \$662,810 was attributed to an increase in salaries.

The increase in Current-Undistributed Expenditures of \$1,686,059 was primarily attributed to the TPAF non-paid pension contribution.

The increase of \$652,256 in capital outlay was based on project expenditures.

The increase in debt service of \$484,222 is in accordance with the districts bond schedule, and also bond proceeds.

General Fund Budgeting Highlights

The School district's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2021, the School District amended its General Fund budget as needed. The School district uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

- ◆ Staffing changes based on student needs.
- ◆ Additional costs for student transportation both in regular education and special education.
- ◆ Changes in appropriations to prevent budget overruns.

Capital Assets

At the end of the fiscal year 2021, the School District had \$30,533,522 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2021 balances compared to 2020 and 2019.

Table 4
Capital Assets (Net of Depreciation) at June 30,

	2021	2020	2019
Land	\$1,068,000	\$1,068,000	\$1,068,000
Infrastructure	121,193	37,137	38,619
Site Improvements	2,100,315	2,230,308	2,350,896
Buildings	26,808,763	26,901,706	27,701,780
Machinery and Equipment	435,251	442,999	369,892
Totals Capital Assets	\$30,533,522	\$30,680,150	\$31,529,187

Overall capital assets decreased \$146,628 from fiscal year 2021 to fiscal year 2020. This decrease was due primarily due to annual depreciation.

Debt Administration

At June 30, 2021, the School district had \$31,010,390 outstanding debt. Of this amount \$763,437 is for compensated absences, \$23,155,000 for bonds payable, \$973,180 for capital leases, \$494,165 for loans payable, and \$5,624,608 for pension liability.

For the Future

The Manasquan Public School District is in very good financial condition presently. A concern is the decline in enrollment growth of the district with the increased reliance on local property taxes. However, future finances are not without challenges as the community continues to grow and state funding is limited.

Manasquan is primarily a residential community, with very few ratables; thus the burden of taxes is placed primarily on homeowners. The Manasquan School District has and will continue to look for ways to relieve this burden.

In conclusion, the Manasquan Public School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School district's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Dr. Peter Crawley, School Business Administrator/Board Secretary at Manasquan Board of Education, 169 Broad Street, Manasquan, NJ 08736.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS – A

MANASQUAN SCHOOL DISTRICT**STATEMENT OF NET POSITION**

Exhibit A-1

JUNE 30, 2021

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ 3,898,681	45,759	3,944,440
Receivables, Net	4,971,989	44,114	5,016,103
Inventory		3,162	3,162
Restricted Assets:			
Cash and Cash Equivalents	1,750,635		1,750,635
Capital Assets Not Depreciated	1,068,000		1,068,000
Capital Assets, Net	29,405,482	60,041	29,465,523
Total Assets	<u>41,094,787</u>	<u>153,076</u>	<u>41,247,863</u>
<u>Deferred Outflow of Resources</u>			
Contribution to Pension Plan	<u>1,537,043</u>		<u>1,537,043</u>
<u>Deferred Inflow of Resources</u>			
Pension Deferrals	<u>2,402,327</u>		<u>2,402,327</u>
<u>Liabilities</u>			
Accounts Payable	280,368		280,368
Accrued Interest	347,492		347,492
Deferred Revenue	3,449,930		3,449,930
Noncurrent Liabilities:			
Due Within One Year	1,630,471		1,630,471
Due Beyond One Year	29,379,919		29,379,919
Total Liabilities	<u>35,088,180</u>	<u>-</u>	<u>35,088,180</u>
<u>Net Position</u>			
Invested in Capital Assets, Net of Related Debt	5,851,137	60,041	5,911,178
Restricted For:			
Other Purposes	6,016,448		6,016,448
Unrestricted	<u>(6,726,262)</u>	<u>93,035</u>	<u>(6,633,227)</u>
Total Net Position	<u>\$ 5,141,323</u>	<u>153,076</u>	<u>5,294,399</u>

The accompanying notes to financial statements are an integral part of this statement.

MANASOUAN SCHOOL DISTRICT

Exhibit A-2

Sheet 1 of 2

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2021

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Functions/Programs</u>						
Governmental Activities:						
Instruction:						
Regular	\$ 9,049,929			(9,049,929)		(9,049,929)
Special Education	3,035,443		498,439	(2,537,004)		(2,537,004)
Other Special Instruction	139,950			(139,950)		(139,950)
Other Instruction	932,800			(932,800)		(932,800)
Support Services:						
Tuition	718,314	718,314		-		-
Student & Instruction Related Services	3,900,267		374,232	(3,526,035)		(3,526,035)
General Administrative Services	690,576			(690,576)		(690,576)
School and Business Administrative Services	1,763,824			(1,763,824)		(1,763,824)
Plant Operations and Maintenance	2,638,846			(2,638,846)		(2,638,846)
Pupil Transportation	378,543			(378,543)		(378,543)
Capital Outlay	3,817,479		75,000	(3,742,479)		(3,742,479)
Unallocated Benefits	11,082,518			(11,082,518)		(11,082,518)
Interest on Long-Term Debt	690,813			(690,813)		(690,813)
Unallocated Depreciation	1,032,209			(1,032,209)		(1,032,209)
Total Governmental Activities	<u>39,871,511</u>	<u>718,314</u>	<u>947,671</u>	<u>(38,205,526)</u>	<u>-</u>	<u>(38,205,526)</u>
Business-Type Activities:						
Enterprise Funds	584,216	163,175	428,134		7,093	7,093
Total Business-Type Activities	<u>584,216</u>	<u>163,175</u>	<u>428,134</u>	<u>-</u>	<u>7,093</u>	<u>7,093</u>
Total Primary Government	<u>40,455,727</u>	<u>881,489</u>	<u>1,375,805</u>	<u>(38,205,526)</u>	<u>7,093</u>	<u>(38,198,433)</u>

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

MANASQUAN SCHOOL DISTRICT

Exhibit A-2

Sheet 2 of 2

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2021

	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purpose, Net				15,962,397		15,962,397
Taxes Levied for Debt Service				1,423,979		1,423,979
Tuition				10,718,842		10,718,842
Federal and State Aid Not Restricted				6,821,388		6,821,388
Miscellaneous Income				208,466		208,466
Debt Proceeds				4,972,375		4,972,375
Total General Revenues, Special Items and Transfers				<u>40,107,447</u>	<u>-</u>	<u>40,107,447</u>
Change in Net Position				1,901,921	7,093	1,909,014
Net Position - Beginning				2,786,762	145,983	2,932,745
Prior Period Adjustment				<u>452,640</u>		<u>452,640</u>
Net Position - Ending				<u>\$ 5,141,323</u>	<u>153,076</u>	<u>5,294,399</u>

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

FUND FINANCIAL STATEMENTS – B

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Assets					
Cash and Cash Equivalents-Restricted	\$ 402,375	350,806	979,143	18,311	1,750,635
Cash and Cash Equivalents-Unrestricted	3,898,681				3,898,681
Interfund Receivable	33,407				33,407
Accounts Receivable	5,815	45,429		113,493	164,737
Receivables from Other Governments	4,773,845				4,773,845
Total Assets	\$ 9,114,123	396,235	979,143	131,804	10,621,305
Liabilities and Fund Balance					
Liabilities:					
Accounts Payable	\$ 121,566	959			122,525
Interfund Payable		33,407	113,493		146,900
Payroll Deductions and Withholdings	10,943	-	-		10,943
Deferred Revenue	3,438,867	11,063			3,449,930
Total Liabilities	3,571,376	45,429	113,493	-	3,730,298
Fund Balance:					
Restricted For:					
Maintenance Reserve	1,400				1,400
Capital Reserve Account	135,557				135,557
Student Activity Funds		290,130			290,130
Scholarship Funds		60,676			60,676
Unemployment Funds	142,763				142,763
Assigned To:					
Designated for Subsequent Years Expenditures - by the Board of Education	31,211				31,211
Designated for Subsequent Years Expenditures - Excess Surplus	80,501				80,501
Other Purposes	4,276,756				4,276,756
Unassigned:					
Capital Projects			865,650		865,650
Debt Service				131,804	131,804
General Fund	874,559				874,559
Total Fund Balances	5,542,747	350,806	865,650	131,804	6,891,007
Total Liabilities and Fund Balance	\$ 9,114,123	396,235	979,143	131,804	

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 \$47,250,063 and the accumulated depreciation is \$16,777,121. 30,473,482

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. (31,010,390)

Deferred outflow of resources - contributions to the pension plan 1,537,043

Deferred inflow of resources - acquisition of assets applicable to future reporting periods (2,402,327)

Accrued Interest (347,492)

Net Position of Governmental Activities **\$ 5,141,323**

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

MANASQUAN SCHOOL DISTRICT

Exhibit B-2

Sheet 1 of 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>					
Local Sources:					
Local Tax Levy	\$ 15,962,397			1,423,979	17,386,376
Tuition Charges	11,437,156				11,437,156
Shared Services/Athletic Jointure	24,000				24,000
Miscellaneous - Restricted	30,368	454,603	5,815		490,786
Miscellaneous - Unrestricted	126,647				126,647
Total Local Sources	<u>27,580,568</u>	<u>454,603</u>	<u>5,815</u>	<u>1,423,979</u>	<u>29,464,965</u>
State Sources	6,545,256			237,404	6,782,660
Federal Sources	38,728	514,704			553,432
Total Revenues	<u>34,164,552</u>	<u>969,307</u>	<u>5,815</u>	<u>1,661,383</u>	<u>36,801,057</u>
<u>Expenditures</u>					
Current:					
Regular Instruction	8,974,895				8,974,895
Special Education Instruction	2,537,004	498,439			3,035,443
Other Special Instruction	139,950				139,950
Other Instruction	932,800				932,800
Support Services and Undistributed Costs:					
Tuition	718,314				718,314
Student and Instruction Related Services	3,526,035	374,232			3,900,267
General Administrative Services	690,576				690,576
School and Other Administrative Services	1,763,824				1,763,824
Plant Operations and Maintenance	2,401,527				2,401,527
Security	237,319				237,319
Pupil Transportation	378,543				378,543
Unallocated Benefits	11,133,659				11,133,659
Debt Service:					
Principal				715,215	715,215
Interest and Other Charges				971,168	971,168
Capital Outlay	1,063,433	75,000	3,890,833		5,029,266
Total Expenditures	<u>34,497,879</u>	<u>947,671</u>	<u>3,890,833</u>	<u>1,686,383</u>	<u>41,022,766</u>

MANASQUAN SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Exhibit B-2
Sheet 2 of 2

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>(333,327)</u>	<u>21,636</u>	<u>(3,885,018)</u>	<u>(25,000)</u>	<u>(4,221,709)</u>
Other Financing Sources and Uses:					
Other Financing Sources\Uses - Transfer from Capital Projects			(5,815)	5,815	-
Other Financing Sources - Bond Proceeds From Borough	4,182,375				4,182,375
Other Financing Sources - Loan Proceeds	790,000				790,000
Total Other Financing Sources and Uses	<u>4,972,375</u>	<u>-</u>	<u>(5,815)</u>	<u>5,815</u>	<u>4,972,375</u>
Total Excess (Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources and Uses	<u>4,639,048</u>	<u>21,636</u>	<u>(3,890,833)</u>	<u>(19,185)</u>	<u>750,666</u>
Net Change in Fund Balances	<u>4,639,048</u>	<u>21,636</u>	<u>(3,890,833)</u>	<u>(19,185)</u>	<u>750,666</u>
Fund Balance - July 1	780,229		4,756,483	150,989	5,687,701
Prior Period Adjustment	123,470	329,170			452,640
Fund Balance, July 1, Restated	<u>903,699</u>	<u>329,170</u>	<u>4,756,483</u>	<u>150,989</u>	<u>6,140,341</u>
Fund Balance - June 30	<u>\$ 5,542,747</u>	<u>350,806</u>	<u>865,650</u>	<u>131,804</u>	<u>6,891,007</u>

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

MANASQUAN SCHOOL DISTRICTRECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURESAND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Exhibit B-3

TO THE STATEMENT OF ACTIVITIESFOR THE YEAR ENDED JUNE 30, 2021

Total Net Change in Fund Balances - Governmental Funds (From B-2)	\$ 750,666
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:	
Capital Outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.	
Depreciation Expense	(1,032,209)
Capital Outlay	905,108
Liquidation of noncurrent liabilities are reflected in this fund's financial statements as an expense (use of current financial resources) but are not reported in the statement of activities.	1,021,895
Generally expenditures recognized in this fund's financial statements are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when they are incurred. (Compensated Absences)	(75,034)
Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position	(366,520)
Pension related deferrals	(50,137)
Change in Net Pension Liability	467,798
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental fund, interest is reported when due.	280,354
Change in Net Position of Governmental Activities (A-2)	<u>\$ 1,901,921</u>

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

MANASQUAN SCHOOL DISTRICT

Exhibit B-4

STATEMENT OF NET POSITIONPROPRIETARY FUNDSJUNE 30, 2021

	Enterprise Fund Totals
	<hr/>
<u>Assets</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 45,759
Accounts Receivable:	
Federal	38,782
State	4,882
Other	450
Inventories	3,162
Total Current Assets	<hr/> 93,035 <hr/>
Noncurrent Assets:	
Furniture, Machinery & Equipment	472,668
Less: Accumulated Depreciation	<hr/> (412,627) <hr/>
Total Noncurrent Assets	<hr/> 60,041 <hr/>
Total Assets	<hr/> \$ 153,076 <hr/>
 <u>Net Position</u>	
Invested in Capital Assets Net of Related Debt	\$ 60,041
Unrestricted	<hr/> 93,035 <hr/>
Total Net Position	<hr/> \$ 153,076 <hr/>

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

MANASQUAN SCHOOL DISTRICT

Exhibit B-5

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITIONPROPRIETARY FUNDSJUNE 30, 2021

	<u>Enterprise Fund Totals</u>
Operating Revenues:	
Charge for Services:	
Daily Sales-Non-Reimbursable Programs	\$ 131,051
Fees	11,391
Catering	20,733
Total Operating Revenues	<u>163,175</u>
Operating Expenses:	
Cost of Sales-Reimbursable Programs	37,716
Cost of Sales-Non-Reimbursable Programs	150,866
Salaries	249,714
Employee Benefits	29,890
Worker's Compensation	5,955
Cost of Supplies	23,274
General Liability Insurance	21,479
Management Fees	21,000
Miscellaneous	24,797
Depreciation	19,525
Total Operating Expenses	<u>584,216</u>
Operating Income (Loss)	(421,041)
Nonoperating Revenues (Expenses):	
Interest Revenue	113
State Sources:	
State School Lunch Program	18,404
State School Lunch Program - Extra Subsidy	425
Federal Sources:	
National School Lunch Program	374,777
HHFKA Lunch Program	7,474
Food Distribution Program	26,941
Total Nonoperating Revenues (Expenses)	<u>428,134</u>
Change in Net Position	7,093
Total Net Position - Beginning	<u>145,983</u>
Total Net Position - Ending	<u>\$ 153,076</u>

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

MANASQUAN SCHOOL DISTRICT

Exhibit B-6

STATEMENT OF CASH FLOWSPROPRIETARY FUNDSJUNE 30, 2021

	<u>Enterprise Fund Totals</u>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 163,175
Payments to Employees	(249,714)
Payments to Suppliers	(316,881)
Net Cash Provided (Used by) Operating Activities	<u>(403,420)</u>
Cash Flows from Noncapital Financing Activities:	
State Sources	18,829
Federal Sources	382,251
Net Cash Provided (Used by) Noncapital Financing Activities	<u>401,080</u>
Cash Flows from Investing Activities:	
Interest Received	<u>113</u>
Net Increase (Decrease) in Cash & Cash Equivalents	(2,227)
Balances - Beginning of Year	<u>47,986</u>
Balances - End of Year	<u>\$ 45,759</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income	\$ (421,041)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used by) Operating Activities	
Depreciation	19,525
Federal Commodities	26,941
(Increase)/Decrease in Accounts Receivable	(30,668)
(Increase)/Decrease in Inventories	<u>1,823</u>
Net Cash Provided (Used by) Operating Activities	<u>\$ (403,420)</u>

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

NOTES TO FINANCIAL STATEMENTS

BOARD OF EDUCATION
MANASQUAN SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

NOTE 1: Summary of Significant Accounting Policies

The financial statements of the Board of Education (Board) of the Manasquan School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

A. Reporting Entity:

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Government Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds and account groups of the District over which the Board exercises operating control. The operations of the District include an elementary and a high school located in Manasquan Borough. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore the District is not includable in any other reporting entity on the basis of such criteria.

The District receives high school students from Brielle, Sea Girt, Spring Lake, Spring Lake Heights, Lake Como and Belmar on a tuition basis which represent about 70% of the high school students.

B. Government-Wide Financial Statements

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-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 government. 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.

NOTE 1: Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges 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 and other items not properly included among program revenues are reported instead as general revenues.

In regards to the fund financial statements, the School District segregates transaction related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Fiduciary funds are reported by fund type.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Proprietary and fiduciary fund financial statements also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. County tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met. The Unemployment Trust Fund recognizes employer and employee contributions in the period in which contributions are due.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to apply current liabilities. The District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for long-term pension and compensated absences, which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual includes Intergovernmental revenues, and the county tax levy. In general, other revenues are recognized when cash is received.

NOTE 1: Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for food sales and for services provided to other governmental entities. Principles operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

D. Fund Accounting:

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. Each fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

Governmental Fund Types

General Fund: The general fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund.

Special Revenue Fund: The District accounts for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes in the special revenue funds.

Capital Projects Fund: the capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Debt Service Fund: The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

NOTE 1: Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued):

Proprietary Fund Type

Enterprise Fund: To account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent of the District is that the costs of providing goods or services to the District on a continuing basis be financed or recovered primarily through user charges.

Fiduciary Fund Types

Trust and Agency Funds: The trust and agency funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District.

Unemployment Compensation Trust Fund: The trust fund is used to account for assets held under the terms of a formal trust agreement. The District reimburses the costs of unemployment benefits paid by the New Jersey Department of Labor.

Agency Funds (Payroll and Student Activities Fund): Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

E. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. Budgets are prepared using the modified accrual basis of accounting; the legal level of budgetary control is established at line item accounts 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. 6A:23-2.2(g)1. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2021 were insignificant.

The Public School Education Act of 1975 limits the annual increase of any district's net current expense budget. The Commissioner of Education certifies the allowable amount for each district but may grant a higher level of increase if he determines that the sums so provided would be insufficient to meet the identified goals and needs of the district or that an anticipated enrollment increase requires additional funds.

The Commissioner must also review every proposed local school district budget for the next school year. He examines every item of appropriations for current expenses and budgeted capital outlay to determine their adequacy in relation to the identified needs and goals of the district. If, in his view, they are insufficient, the Commissioner must order remedial action. If necessary, he is authorized to order changes in the local district budget.

NOTE 1: Summary of Significant Accounting Policies (Continued)

E. Budgets/Budgetary Control (Continued):

Once a budget is approved, it can be amended by transfers or additional appropriation of fund balances by approval of a majority of the members of the Board. Amendments are presented to the Board at their regular meetings. Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year-end as dictated by law. Individual transfers were not material in relation to the original appropriations. All uncommitted budget appropriations lapse at year-end.

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 generally accepted accounting principles with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in 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.

F. Encumbrances:

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 reservations of 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.

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as deferred revenues at fiscal year end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

G. Short-Term Interfund Receivables/Payables:

Short-Term interfund receivables/payables represents amounts that are owed, other than charges for good or services rendered to/from a particular fund in the District and that are due within one year.

H. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods, are recorded as an expenditure during the year of purchase. The value of inventories remaining at the end of the fiscal year is not included on the balance sheet.

NOTE 1: Summary of Significant Accounting Policies (Continued)**H. Inventories and Prepaid Expenses (Continued)**

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2021.

I. Capital Assets and Depreciation

The District's property, buildings and improvements, equipment, vehicles, furniture and fixtures with useful lives of five years or more are stated at historical or estimated historical cost and are reported in the government-wide financial statements. Proprietary Fund capital assets are reported in its respective fund.

The District contracted with an outside service company during the 2021 fiscal year to provide a report with a comprehensive detail of capital assets and depreciation. The report included capital assets purchased during the 2020-2021 fiscal year and prior with a historical cost of \$2,000 or more. Accumulated depreciation prior to fiscal year 2021, fiscal year 2021 depreciation expense, total accumulated depreciation and book values were also provided. The district upgraded for subsequent years with its in-house system. The costs of normal maintenance and repairs that do not add to the asset value or materially extend the useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings and Improvements	20 – 50
Equipment and Vehicles	5 – 20
Furniture and Fixtures	5 – 20

Capital asset activity for the year ended June 30, 2021 was as follows:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Balance</u> <u>June 30, 2021</u>
Governmental Activities:				
Land	\$ 1,068,000	_____	_____	1,068,000
Depreciable Assets:				
Infrastructure	47,207	86,401		133,608
Land Improvements	3,670,575	3,900		3,674,475
Buildings	39,257,297	741,389		39,998,686
Machinery/Equipment	<u>2,302,417</u>	<u>73,417</u>	_____	<u>2,375,834</u>
Total	<u>45,277,496</u>	<u>905,107</u>	_____	<u>46,182,603</u>

NOTE 1: Summary of Significant Accounting Policies (Continued)**I. Capital Assets and Depreciation (Continued)**

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Balance</u> <u>June 30, 2021</u>
Less: Accumulated Depreciation:				
Infrastructure	10,069	2,346		12,415
Land Improvements	1,440,267	133,893		1,574,160
Buildings	12,355,592	834,332		13,189,924
Equipment	<u>1,938,984</u>	<u>61,638</u>	_____	<u>2,000,622</u>
Total Accumulated Depreciation	<u>15,744,912</u>	<u>1,032,209</u>	_____	<u>16,777,121</u>
Net Depreciable Assets	<u>29,532,584</u>	<u>(127,102)</u>	_____	<u>29,405,482</u>
Governmental Activities Capital Assets (Net)	<u>\$ 30,600,584</u>	<u>(127,102)</u>	_____	<u>30,473,482</u>
Business-Type Activities:				
Equipment	\$ 472,668			472,668
Less: Accumulated Depreciation:				
Equipment	<u>393,102</u>	<u>19,525</u>	_____	<u>412,627</u>
Business-Type Capital Assets (Net)	<u>\$ 79,566</u>	<u>(19,525)</u>	_____	<u>60,041</u>

Accumulated depreciation was allocated to governmental activities as follows:

	<u>Prior Years' Accumulated Depreciation</u>	<u>Current Year Depreciation Expense</u>	<u>Total Accumulated Depreciation</u>
Unallocated	<u>\$ 15,744,912</u>	<u>1,032,209</u>	<u>16,777,121</u>

NOTE 1: Summary of Significant Accounting Policies (Continued)

J. Compensated Absences

District employees are permitted, within certain limitations, to accrue vacation and sick leave in varying amounts under the Districts personnel policies and may be paid at a later date according to contractual agreements.

The liability for vested compensated absences of the governmental fund types is recorded in the government-wide financial statements as a non-current liability. Governmental funds report only matured compensated absences payable to currently terminating employees and are included in wages and benefits payable

K. Deferred Revenue

Deferred revenue in the general and special revenue funds represent cash which has been received but not yet earned. Deferred revenue in the general fund represents monies received for fiscal year 2021. See Note 1(F) regarding the special revenue fund.

L. Fund Equity

The governmental fund financial statements report reserved fund balance for amounts not available for appropriation or legally restricted for specified purposes. The general fund reserve for restricted purposes includes net assets relating to capital reserve (See Note 15).

M. Net Position

Net position represents the difference between the summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified into the following three components:

Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

Restricted – Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

NOTE 1: Summary of Significant Accounting Policies (Continued)

Fund Balance

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted – The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed – The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) if employed to previously commit those amounts.

Assigned – The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education.

Unassigned – The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order; committed, assigned, then unassigned.

NOTE 2: Cash and Cash Equivalents and Investments

Cash and cash equivalents for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

Investments are stated at cost, which approximates market. The District classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

Deposits

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments

New Jersey statutes permit the District to purchase the following types of securities:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or any United States Bank for cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds or other obligations of the school district.

NOTE 2: Cash and Cash Equivalents and Investments (Continued)**Investments (Continued)**

As of June 30, 2021, cash and cash equivalents and investments of the District consisted of the following:

	Cash and Cash Equivalents
Checking, Money Market Accounts And Certificate of Deposit	<u>\$ 5,695,992</u>

During the period ended June 30, 2021, the District did not hold any investments. The carrying amount of the District's cash and cash equivalents at June 30, 2021 was \$5,695,992 and the bank balance was \$6,764,226. Of the bank balance, \$250,000 was covered by federal depository insurance and \$6,514,226 was covered by a collateral pool maintained by the banks as required by New Jersey statutes.

Credit Risk Categories

All bank deposits and investments as of the balance sheet date are classified as to credit risk by the following two categories described below:

FDIC	\$ 250,000
GUDPA	<u>6,514,226</u>
	<u>\$ 6,764,226</u>

NOTE 3: General Long-Term Debt

During the fiscal year ended June 30, 2021, the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balance June 30, 2020</u>	<u>Additions</u>	<u>Adj.</u>	<u>Deletions</u>	<u>Balance June 30, 2021</u>	<u>Long-Term Portion</u>	<u>2021-22 Payment</u>
Pension Liability	\$ 6,092,406			(467,798)	5,624,608	5,624,608	
Compensated Absences Payable	688,403	75,034			763,437	763,437	
Capital Leases Payable	1,279,860	7,010	(76,072)	(237,618)	973,180	731,659	241,521
Loans Payable	654,380			(160,215)	494,165	160,215	333,950
Bonds Payable	<u>23,710,000</u>			<u>(555,000)</u>	<u>23,155,000</u>	<u>22,100,000</u>	<u>1,055,000</u>
	<u>\$ 32,425,049</u>	<u>82,044</u>	<u>(76,072)</u>	<u>(1,420,631)</u>	<u>31,010,390</u>	<u>29,379,919</u>	<u>1,630,471</u>

NOTE 3: General Long-Term Debt (Continued)**A. Bonds Payable**

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are of general obligation bonds.

1. Community Disaster Loan for Hurricane Sandy for \$951,656 at interest of 1.375% with a balance of \$494,165 maturing July 17, 2023.
2. 2013 refunding bonds for an addition to the elementary school for \$5,550,000 at interest from 3% to 5% with a balance of \$2,475,000 maturing on January 15, 2025.
3. 2017 Referendum bonds for \$20,680,000 at interest from 2% to 3% with a balance of \$20,680,000 maturing on July 1, 2044.

Principal and interest due on serial bonds outstanding is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year Ending June 30,			
2021-2022	\$ 1,217,418	667,157	1,884,575
2022-2023	1,254,650	626,423	1,881,073
2023-2024	1,287,097	583,727	1,870,824
2024-2025	1,110,000	552,169	1,662,169
2025-2026	950,000	517,087	1,467,087
2026-27 to 2030-31	4,750,000	2,254,126	7,004,126
2031-32 to 2035-36	4,750,000	1,605,750	6,355,750
2036-37 to 2040-41	4,730,000	893,550	5,623,550
2041-42 to 2044-45	<u>3,600,000</u>	<u>216,000</u>	<u>3,816,000</u>
	<u>\$ 23,649,165</u>	<u>7,915,989</u>	<u>31,565,154</u>

Schedule of Bonds/Loans Payable

<u>Description</u>	<u>Date</u>	<u>Interest Rate</u>	<u>Balance June 30, 2021</u>
Community Disaster Loan	2014-2015	1.375%	\$ 494,165
Refunding Bonds	04-30-13	3% to 5%	2,475,000
2017 Referendum	07-10-19	2% to 3%	<u>20,680,000</u>
			<u>\$ 23,649,165</u>

B. Bonds Authorized But Not Issued

As of June 30, 2021, the Board had no authorized but not issued bonds.

NOTE 3: General Long-Term Debt (Continued)**C. Capital Leases Payable:**

The District has a lease with Manasquan Bank for the field turf, textbooks and equipment. This capital lease is for a term of five years. The following is a schedule of the future minimum lease payments under the capital lease, and the present value of the net minimum lease payments at June 30, 2021.

Year Ended	
<u>June 30</u>	<u>Amount</u>
2022	\$ 265,227
2023	258,621
2024	254,623
2025	248,292
2026	<u>678</u>
	1,027,441
Less: Amount Representing Interest	<u>(54,261)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 973,180</u>

Summary of Leases

Field turf lease at 2.40% maturing 2022-23 with a balance of \$277,884 at 6/30/20.

Equipment lease at 2.60% maturing 2024-25 with a balance of \$617,000 at 6/30/20.

Textbooks lease at 2.60% maturing 2024-25 with a balance of \$72,000 at 6/30/20.

Copiers lease at 5.66% maturing 2023-24 with a balance of \$6,296 at 6/30/20.

NOTE 4: Pension Plans

Description of Plans – All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teacher's Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Teachers' Pension and Annuity Fund (TPAF) – The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

NOTE 4: Pension Plans (Continued)

Public Employees' Retirement System (PERS) – The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Vesting and Benefit Provisions – The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provide for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provision of the System.

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 contribution. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Significant Legislation - During the year ended June 30, 1997, legislation was enacted Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997), changed the asset valuation method from market related value to full-market value. This legislation also contains a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the Districts' normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits, accordingly, the pension costs for TPAF and PERS were reduced.

Funding Policy – The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 7.20% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

NOTE 4: Pension Plans (Continued)

Legislation enacted during 1993 provides early retirement incentives for certain members of TPAF and PERS who met certain age and service requirements and who applied for retirement between certain dates in the 1994 fiscal year. The early retirement incentives included: (a) an additional five years of service credit for employees at least age 50 with a minimum of 25 years of service; (b) free health benefits for employees at least 60 years old with at least 20 years of service; and (c) an additional \$500 per month for two years for employees at least age 60 with 10 years but less than 20 years of service. The Board will assume the increased cost for the early retirement as it affects their districts.

During the year ended June 30, 2021, the State of New Jersey contributed \$4,557,684 to the TPAF for normal and post-retirement medical benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$958,347 during the year ended June 30, 2021 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts have been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditure in accordance with GASB 24.

Three-Year Trend Information for PERS

Year	Annual	Percentage	Net
<u>Funding</u>	<u>Cost (APC)</u>	<u>of APC</u>	<u>Pension</u>
		<u>Contributed</u>	<u>Obligation</u>
6/30/21	\$ 407,187	100%	0
6/30/20	337,547	100%	0
6/30/19	323,157	100%	0

Three-Year Trend Information for TPAF (Paid On-Behalf of the District)

Year	Annual	Percentage	Net
<u>Funding</u>	<u>Cost (APC)</u>	<u>of APC</u>	<u>Pension</u>
		<u>Contributed</u>	<u>Obligation</u>
6/30/21	\$ 4,557,684	100%	0
6/30/20	3,506,275	100%	0
6/30/19	3,315,358	100%	0

Public Employees' Retirement System (PERS)**Plan Description**

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division).

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.

NOTE 4: Pension Plans (Continued)

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
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 tiers 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 tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more 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 10 years of service credit and have not reached the service retirement age for the respective tier.

Basis of Presentation

The schedule of employer allocations and the schedule of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Allocation Methodology and Reconciliation to Financial Statements

GASB Statement No. 68, *Accounting and Financial Reporting for Pension*, 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 in the schedule of employer allocations and applied to amounts presented in the schedule of pension amounts by employer based on the ratio of the contributions of an individual employer to the total contributions to PERS during the measurement period July 1, 2019 through June 30, 2020. Employer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of pension amounts by employer may result in immaterial differences. Contributions from employers are recognized when due, based on statutory requirements.

NOTE 4: Pension Plans (Continued)**Allocation Methodology and Reconciliation to Financial Statements (Continued)**

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarially 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 presented for each group in the schedule of employer allocations are applied to amounts presented in the schedule of pension amount by employer. The allocation percentages for each group of June 30, 2020 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2020.

A special funding situation exists for certain Local employers of the Public Employees' Retirement System. The State of New Jersey, as a nonemployer, is required to pay the additional costs incurred by Local employers under Chapter 366, P.L. 2001. This legislation established the Prosecutors Part of the PERS which provides enhanced retirement benefits for Prosecutors enrolled in the PERS. The State is liable for the increased pension costs to a County that resulted from the enrollment of Prosecutors in the Prosecutors Part. The June 30, 2020 State special funding situation net pension liability amount of \$128.2 million is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The State special funding situation pension expense of \$11 million, for the fiscal year ending June 30, 2020, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2020. The pension expense is deemed to be a State administrative expense due to the special funding situation.

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. 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. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

NOTE 4: Pension Plans (Continued)

For the year ended June 30, 2021, the District recognized pension expense of \$388,625. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 102,415	19,891
Changes of Assumptions	182,469	2,355,077
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	192,254	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	671,280	27,359
District Contributions Subsequent to the Measurement Date	<u>388,625</u>	<u> </u>
Total	<u>\$ 1,537,043</u>	<u>2,402,327</u>

\$388,625 reported as deferred outflows of resources related to pensions resulting from school district, project contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2021, the plan measurement date is June 30, 2020) will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2021	\$ (700,237)
2022	(638,403)
2023	(364,831)
2024	(147,531)
2025	<u>(31,908)</u>
	<u>\$ (1,882,910)</u>

Additional Information

Collective balances at December 31, 2020 and 2019 are as follows:

	<u>Dec. 31, 2020</u>	<u>Dec. 31, 2019</u>
Collective Deferred Outflows of Resources	\$ 1,537,043	1,903,563
Collective Deferred Inflows of Resources	2,402,327	2,352,190
Collective Net Pension Liability	5,624,608	6,092,406
District's Proportion	.03422%	.03358%

NOTE 4: Pension Plans (Continued)**Components of Net Pension Liability**

The components of the collective net pension liability of the participating employers as of June 30, 2020 were as follows:

	2020		
	<u>State</u>	<u>Local</u>	<u>Total</u>
Total Pension Liability	\$ 28,272,160,382	39,432,792,871	67,704,953,253
Plan Fiduciary Net Position	<u>6,048,192,857</u>	<u>22,997,176,445</u>	<u>29,045,369,302</u>
Net Pension Liability	<u>\$ 22,223,967,525</u>	<u>16,435,616,426</u>	<u>38,659,583,951</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	21.39%	58.32%	42.90%

The collective total pension liability for the June 30, 2020 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:

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%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Medial Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

NOTE 4: Pension Plans (Continued)

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan 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 rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. 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 78% 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 to determine the total pension liability.

NOTE 4: Pension Plans (Continued)**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

The following presents the collective net pension liability of the participating employers as of June 30, 2020, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>2020</u>		
	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
School District's Proportionate Share Of the Net Pension Liability	<u>\$7,080,443</u>	<u>5,624,608</u>	<u>4,389,292</u>

Teachers Pensions and Annuity Fund (TPAF)**Plan Description**

The State of New Jersey, Teacher's Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contribution, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division).

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, member's beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

<u>Tier</u>	<u>Definition</u>
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

NOTE 4: Pension Plans (Continued)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 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 tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Basis of Presentation

The Schedule of employers and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of TPAF and the State as an employer/nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of TPAF or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of TPAF to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Allocation Methodology

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, 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 employer and nonemployer allocation percentages presented in the schedule of employer and nonemployer allocation and applied to, presented in the schedule of pension amount by employer and nonemployer are based on the ratio of the State's actual contributions made as an employer and nonemployer adjusted for unpaid early retirement incentives to total contributions to TPAF during the year ended June 30, 2020. Employer and nonemployer allocation percentages have been rounded for presentation purposes, therefore amounts presented in the schedule of pension amounts by employer and nonemployer may result in immaterial differences.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. State legislation had 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. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, State's pension contribution was less than the actuarial determined amount.

NOTE 4: Pension Plans (Continued)**Special Funding Situation**

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

Components of Net Pension Liability

The components of the net pension liability of the State as of June 30, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Total Pension Liability	\$ 87,522,678,686	84,215,846,719
Plan Fiduciary Net Position	<u>21,529,179,998</u>	<u>22,696,734,276</u>
Net Pension Liability	<u>\$ 65,993,498,688</u>	<u>61,519,112,443</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.60%	26.95%

State Proportionate Share of Net Pension Liability Attributable to District

	<u>2020</u>	<u>2019</u>
District's Liability	<u>\$ 75,389,238</u>	<u>69,666,035</u>
District's Proportion	.11424%	.11324%

NOTE 4: Pension Plans (Continued)

The total pension liability for the June 30, 2020 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:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55 - 4.45%
	Based on years of service
Thereafter	2.75 - 5.65%
	Based on years of service
Investment Rate of Return	7.00%

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-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2020 are summarized in the following table:

NOTE 4: Pension Plans (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

Discount Rate

The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.21% as of June 30, 2020 based on 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. 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 made based on 78% 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 projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

NOTE 4: Pension Plans (Continued)**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the State as of June 30, 2020 calculated using the discount rate as disclosed above as well as what the State's net pension liability would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>2020</u>		
	<u>At 1% Decrease (4.40%)</u>	<u>At Current Discount Rate (5.40%)</u>	<u>At 1% Increase (6.40%)</u>
School District's Proportionate Share Of the Net Pension Liability	\$ 0	0	0
State of New Jersey's Proportionate Share Of the District's Net Pension Liability	<u>88,553,489</u>	<u>75,389,238</u>	<u>64,458,537</u>
	<u>\$ 88,553,489</u>	<u>75,389,238</u>	<u>64,458,537</u>

NOTE 5: Post-Retirement Benefits**General Information about the OPEB Plan****Plan description and benefits provided**

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefit for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other than Pension*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A. 52:14-17.32f. According to N.J.S.A. 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). 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.

NOTE 5: Post-Retirement Benefits (Continued)

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

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

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 20, 2019, with was rolled forward to June 30, 2020. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Total Nonemployer OPEB Liability	\$67,809,962,608		
Inflation rate	2.50%		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:			
Through 2026	1.55 – 4.45% based on service years	2.00% - 6.00% based on service years	3.25% - 15.25% based on service years
Thereafter	1.55 – 4.45% based on service years	3.00% - 7.00% based on service years	Applied to all future years

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP), “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. 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-2020. 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-2020.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

(a) Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

NOTE 5: Post-Retirement Benefits (Continued)***(b) Discount Rate***

The discount rate for June 30, 2020 was 2.21%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the State of New Jersey's proportionate share of the total Non-Employer OPEB Liability associated with the School District:

	Total OPEB Liability
Balances at June 30, 2019	\$ 46,689,894
Changes for the Year:	
Service Cost	1,994,836
Interest	1,681,719
Difference Between Expected and Actual Experience	12,997,678
Changes in Assumptions or Other Inputs	13,874,645
Benefit Payments	(1,322,340)
Member Contributions	<u>40,080</u>
Balance at June 30, 2020	<u>\$ 75,956,512</u>

There were no changes in benefit terms between the June 30, 2019 measurement date and the June 30, 2020 measurement date.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.50% percent in 2019 to 2.21% percent in 2020.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the State for school board retirees, as well as what the State's total OPEB liability for school board would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
State of New Jersey's Proportionate Share Of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 91,569,496</u>	<u>75,956,512</u>	<u>63,748,662</u>

NOTE 5: Post-Retirement Benefits (Continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the State, as well as what the State's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
State of New Jersey's Proportionate Share Of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 61,314,658</u>	<u>75,956,512</u>	<u>93,391,706</u>

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the year ended June 30, 2020, the Board of Education recognized OPEB expense of \$3,750,578 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

In accordance with GASBS No. 75, the Manasquan Board of Education proportionate share of school retirees OPEB is zero; there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows or resources. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 11,532,177	10,272,453
Changes in Proportion	827,090	563,965
Changes of Assumptions or Other Inputs	<u>12,919,952</u>	<u>8,667,068</u>
Total	<u>\$ 25,279,219</u>	<u>19,503,486</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	
2022	\$ (679,498)
2023	(679,498)
2024	(679,498)
2025	(679,498)
2026	(679,498)
Thereafter	<u>(2,378,243)</u>
	<u>\$ (5,775,733)</u>

NOTE 6: Compensated Absences

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the right to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

In the district-wide *Statement of Net Position*, the liabilities whose average maturities are greater than one year should be reported in two components – the amount due within one year and the amount due in more than one year.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2021 no liability existed for compensated absences in the Food Service Fund.

NOTE 7: Capital Reserve Account

A capital Reserve account was established by the Borough of Manasquan Board of Education by inclusion of \$508 on July 1, 2001 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account 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. 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-5.1(d) 7*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Beginning Balance, July 1, 2020	\$ 93,669
Add: Interest Earned	888
Budgeted Increase	75,000
Less: Withdrawal Per Board Resolution	<u>34,000</u>
Balance June 30, 2021	<u>\$ 135,557</u>

NOTE 8: Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property and Liability Insurance – The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

New Jersey Unemployment Compensation Insurance – 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 the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District’s expendable trust fund for the current year and previous year:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Reimbursed</u>	<u>Balance</u>
2020-2021	\$ 30,368	11,075	142,763
2019-2020	26,327	13,730	123,470
2018-2019	28,752	30,525	110,873

NOTE 9: Tuition Adjustments

Regulations specify that tuition adjustments for any given school year shall be remitted/ received in the two following years after the tuition rate is certified. These adjustments have not been reflected on the June 30, 2021 financial statements.

NOTE 10: Economic Dependency

The District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the District’s programs and activities.

NOTE 11: Operating Leases

The District had no operating leases as of June 30, 2021.

NOTE 12: Contingent Liabilities

The Board is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect of the financial position of the District.

NOTE 13: 4% Calculation of Excess Surplus

2020-21 Total General Fund Expenditures Per the ACFR	\$ 34,497,879
Decreased by:	
On-Behalf TPAF Pension & Social Security	(5,516,031)
Adjusted 2020-21 General Fund Expenditures	<u>\$ 28,981,848</u>
4% of Adjusted 2020-21 General Fund Expenditures	\$ 1,159,274
Increased by: Allowable Adjustment	<u>153,373</u>
Maximum Unassigned Fund Balance	<u>\$ 1,312,647</u>

Section 2

Total General Fund – Fund Balances @ 6-30-21	\$ 5,605,600
Decreased by:	
Other Reserves	(279,720)
Encumbrances	(4,276,756)
Reserved for Excess Surplus – Designated for Subsequent Years Expenditures	(80,501)
Assigned Fund Balance – Designated for Subsequent Years Expenditures	<u>(140,211)</u>
Total Unassigned Fund Balance	<u>\$ 828,412</u>
Reserve Fund Balance – Excess Surplus	<u>\$ 0</u>

Section 3

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	\$ 80,501
Reserved Fund Balance – Excess Surplus 2020-2021	<u>0</u>
	<u>\$ 80,501</u>

Detail of Allowable Adjustments

Extraordinary Aid	<u>\$ 153,373</u>
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Detail of Other Restricted Fund Balance

Reserve for Unemployment Fund	\$ 142,763
Capital Reserve	135,557
Maintenance Reserve	<u>1,400</u>
Total Other Reserved Fund Balance	<u>\$ 279,720</u>

NOTE 14: Fund Balance Appropriated

General Fund – Of the \$5,605,600 General Fund fund balance at June 30, 2021; \$135,557 has been reserved in the Capital Reserve Account; \$1,400 has been reserved for maintenance reserve; \$80,501 is Designated for Subsequent Years Expenditures – Excess Surplus; \$140,211 is Designated for Subsequent Years Expenditures by the BOE; \$142,763 is reserved for unemployment; Excess Surplus for 2020-2021 is \$0; \$828,412 is unassigned; and \$4,276,756 is reserved for Encumbrances.

NOTE 15: Calculation of Excess Surplus

In accordance with *N.J.S.A. 18A:7F-7*, as amended, the designation for Reserved Fund Balance – 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 reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. There is excess fund balance at June 30, 2021 of \$0.

NOTE 16: FEMA Community Disaster Loan (CDL)

The School District applied for and received a CDL in response to the devastating effects on the property tax ratable base of the municipality due to Superstorm Sandy in October 2012. The District was approved for \$4,719,338 total loan and chose to withdraw \$3,033,599 as a reduction of tax levy assessed for the 2013-2014, 2014-2015 and 2015-2016 school years. This loan was subject to FEMA review in 2016 and was partially cancelled based upon FEMA's calculation of the revenue loss that the District experienced over a specified period. On October 30, 2017, the District was informed by FEMA that \$2,081,943 would be cancelled from the original loan leaving a balance of \$951,656. The balance of the loan will be paid off over five years beginning in the 2018-2019 school year. On October 8th, 2021, FEMA advised the District that the existing balance on that date was cancelled (see Note 20).

NOTE 17: Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at June 30, 2021.

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 33,407	
Special Revenue Fund		33,407
Capital Projects		113,493
Debt Service Fund	<u>113,493</u>	<u> </u>
	<u>\$ 146,900</u>	<u>146,900</u>

The interfund receivable in the general fund is due to the special revenue fund awaiting Federal and State reimbursements. The interfund due to debt service from capital projects is for interest earned on capital projects funds. It is anticipated that these interfunds will be liquidated in 2021-2022.

NOTE 18: COVID-19

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, was first detected in China and has since spread to other countries, including the United States, and to each state within the United States, including New Jersey, has been declared a Public Health Emergency of International Concern by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. The outbreak of COVID-19 across the United States has caused the federal government to declare a national state of emergency. The State has likewise declared a state of emergency. While the potential impact on the State cannot be predicted at this time, the continued spread of the outbreak could have a material adverse effect on the finances of the State and the Board of Education (collectively, the "Affected Entities").

The degree of any such impact to the Affected Entities' respective operations and finances, is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the Affected Entities and their respective economies.

NOTE 19: Shared Services Agreement

On February 23, 2021, the Board of Education entered into a shared services agreement with the Borough of Manasquan providing for the construction of a field house and other related improvements on the High School property. The project cost was estimated at \$5,925,000, which was financed by the issuance of \$5,020,000 of bonds or notes by the Borough.

Future payments on the debt will be established with the Board of Education paying \$116,000 in the first two fiscal years with \$260,000 in each fiscal year thereafter until the debt is extinguished or modified.

NOTE 20: Subsequent Events

On October 8, 2021, the District was notified by the Federal Emergency Management Agency that the United States Congress had passed the Extending Governmental Funding and Delivering Emergency Assistance Act (P.L. 117-43) canceling all remaining Community Disaster Loan repayments as of September 20, 2021. The balance owed by the District as of that date, \$331,712 was cancelled in full.

NOTE 21: Prior Period Adjustment/Restatement of Fund Balance and Net Position

Net position as of July 1, 2020, has been restated as follows for the implementation of GASB Statement No. 84, *Fiduciary Funds*.

Net Position as Previously Reported At June 30, 2020	\$ 2,786,762
Prior Period Adjustment – Implementation of GASB 84:	
Restricted Fund Balance – Unemployment	123,470
Restricted Fund Balance – Student Activities	266,648
Restricted Fund Balance – Scholarship	<u>62,522</u>
Total Prior Period Adjustment	<u>452,640</u>
Net Position as Restated, July 1, 2020	<u>\$ 3,239,402</u>

Fund Balance in the General Fund and the Special Revenue Fund as of July 1, 2020, has been restated as follows for the implementation of GASB Statement No. 84, *Fiduciary Funds*.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Fund Balance as Previously Reported at June 30, 2020	\$ 780,229	
Prior Period Adjustments:		
Implementations of GASB 84:		
Restricted Fund Balance - Unemployment	123,470	
Restricted Fund Balance – Student Activities		266,648
Restricted Fund Balance – Scholarship		<u>62,522</u>
Total Prior Period Adjustment	<u>123,470</u>	<u>329,170</u>
Fund Balance as Restated, July 1, 2020	<u>\$ 903,699</u>	<u>329,170</u>

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

BUDGETARY COMPARISON SCHEDULES – C

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 1 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 15,962,397		15,962,397	15,962,397	-
Tuition From Other LEA's	11,488,775		11,488,775	11,226,863	(261,912)
Tuition From Individuals	152,290		152,290	210,293	58,003
Athletic Jointure/Business Office Shared Services	24,000		24,000	24,000	-
Miscellaneous Revenues - Unrestricted	49,133		49,133	117,803	68,670
Other Restricted Miscellaneous Revenues				30,368 *	30,368
Interest	50		50	8,844	8,794
Total Local Sources	<u>27,676,645</u>	<u>-</u>	<u>27,676,645</u>	<u>27,580,568</u>	<u>(96,077)</u>
State Sources:					
Extraordinary Aid	120,000		120,000	273,373	153,373
Special Education Categorical Aid	601,923		601,923	579,538	(22,385)
Transportation Aid	76,841		76,841	76,841	-
Security Aid	83,868		83,868	83,868	-
Adjustment Aid	20,596		20,596	20,596	-
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)			-	1,087,097	1,087,097
On-Behalf T.P.A.F Pension Contributions - Normal Cost (Non-Budgeted)			-	3,404,124	3,404,124
On-Behalf T.P.A.F Non-Contributory Insurance			-	64,768	64,768
On-Behalf T.P.A.F Pension Contributions - Long-Term Disability			-	1,695	1,695
TPAF Social Security Contribution Reimbursed			-	958,347	958,347
Total State Sources	<u>903,228</u>	<u>-</u>	<u>903,228</u>	<u>6,550,247</u>	<u>5,647,019</u>
Federal Sources:					
Medicaid Reimbursement	26,182		26,182	38,728	12,546
Total Revenues	<u>28,606,055</u>	<u>-</u>	<u>28,606,055</u>	<u>34,169,543</u>	<u>5,563,488</u>

MANASQUAN SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Expenditures:					
Regular Programs - Instruction:					
Preschool-Salaries of Teachers	93,845	14,329	108,174	108,173	1
Kindergarten - Salaries of Teachers	279,530	(24,634)	254,896	254,896	-
Grades 1-5 - Salaries of Teachers	1,460,999	127,078	1,588,077	1,588,075	2
Grades 6-8 - Salaries of Teachers	1,286,205	87,852	1,374,057	1,374,056	1
Grades 9-12 - Salaries of Teachers	4,986,933	5,231	4,992,164	4,992,163	1
Total Regular Programs - Instruction	<u>8,107,512</u>	<u>209,856</u>	<u>8,317,368</u>	<u>8,317,363</u>	<u>5</u>
Regular Programs - Home Instruction:					
Salaries	10,000	(9,775)	225	225	-
Purchased Professional/Educational Services	10,000	3,376	13,376	13,335	41
Total Regular Programs - Home Instruction	<u>20,000</u>	<u>(6,399)</u>	<u>13,601</u>	<u>13,560</u>	<u>41</u>
Regular Programs - Undistributed Instruction:					
Purchased Technical Services	96,062	(7,420)	88,642	88,455	187
Other Purchased Services	37,788	(2,500)	35,288	33,936	1,352
General Supplies	353,571	69,193	422,764	408,529	14,235
Textbooks	127,661	(16,552)	111,109	108,508	2,601
Miscellaneous Expenditures		160	160	160	-
Other Objects	2,300	2,696	4,996	4,384	612
Total Regular Programs - Undistributed Instruction	<u>617,382</u>	<u>45,577</u>	<u>662,959</u>	<u>643,972</u>	<u>18,987</u>
Total Regular Programs - Instruction	<u>8,744,894</u>	<u>249,034</u>	<u>8,993,928</u>	<u>8,974,895</u>	<u>19,033</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 3 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Special Education Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	440,643	(26,160)	414,483	414,483	-
Other Salaries For Instruction	13,462	(13,462)	-	-	-
Travel	1,500	(505)	995	971	24
General Supplies	3,000	1,729	4,729	4,569	160
Total Learning and/or Language Disabilities	<u>458,605</u>	<u>(38,398)</u>	<u>420,207</u>	<u>420,023</u>	<u>184</u>
Multiple Disabilities:					
Salaries of Teachers	64,010	66,190	130,200	130,200	-
Other Salaries for Instruction	121,097	55,024	176,121	176,120	1
Total Multiple Disabilities	<u>185,107</u>	<u>121,214</u>	<u>306,321</u>	<u>306,320</u>	<u>1</u>
Resource Room/Center:					
Salaries of Teachers	1,719,408	(137,444)	1,581,964	1,581,964	-
Other Salaries Instruction	89,971	(7,443)	82,528	82,527	1
Total Resource Room/Center	<u>1,809,379</u>	<u>(144,887)</u>	<u>1,664,492</u>	<u>1,664,491</u>	<u>1</u>
Pre-School Disabilities-Full-Time:					
Salaries of Teachers	35,330	51,532	86,862	86,862	-
Other Salaries For Instruction	84,783	(34,556)	50,227	50,226	1
Supplies	7,629	7,629	7,629	8,503	(874)
Total Pre-School Disabilities-Full-Time	<u>120,113</u>	<u>24,605</u>	<u>144,718</u>	<u>145,591</u>	<u>(873)</u>
Home Instruction					
Salaries of Teachers	15,000	(14,820)	180	180	-
Purchased Professional Educational Services	1,651	(1,252)	399	399	-
Total Home Instruction	<u>16,651</u>	<u>(16,072)</u>	<u>579</u>	<u>579</u>	<u>-</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 4 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Total Special Education - Instruction	<u>2,589,855</u>	<u>(53,538)</u>	<u>2,536,317</u>	<u>2,537,004</u>	<u>(687)</u>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	215,858	(207,983)	7,875	7,875	-
General Supplies	200		200	200	-
Total Basic Skills/Remedial - Instruction	<u>216,058</u>	<u>(207,983)</u>	<u>8,075</u>	<u>8,075</u>	<u>-</u>
Bilingual Education - Instruction:					
Salaries of Teachers	131,225	650	131,875	131,875	-
General Supplies	100	(100)	-	-	-
Total Bilingual Education - Instruction	<u>131,325</u>	<u>550</u>	<u>131,875</u>	<u>131,875</u>	<u>-</u>
School Sponsored Co-Curricular Activities - Instruction:					
Salaries	223,414	(33,120)	190,294	190,292	2
Cleaning, Repair and Maintenance	3,710	(3,710)	-	-	-
Purchased Services (300-500 Series)	1,150	(1,009)	141	141	-
Supplies and Materials	4,229	2,504	6,733	6,550	183
Other Objects	435	2,474	2,909	2,909	-
Miscellaneous	2,200	(2,200)	-	-	-
Fund Transfers to Cover Deficit (Custodial Funds)		30,000	30,000	30,000	-
Total School Sponsored Co-Curricular	<u>235,138</u>	<u>(5,061)</u>	<u>230,077</u>	<u>229,892</u>	<u>185</u>
School Sponsored Co-Curricular Athletics - Instruction					
Salaries	594,890	(34,171)	560,719	560,718	1
Cleaning, Repair and Maintenance		5,851	5,851	5,851	-
Purchased Services (300-500 Series)	72,662	(17,614)	55,048	52,072	2,976
Travel	1,200	(880)	320	284	36
Supplies and Materials	38,997	16,604	55,601	55,133	468
Other Objects	2,395	(1,045)	1,350	1,350	-
Miscellaneous	8,000	(4,500)	3,500	3,500	-
Transfers to Cover Deficit (Custodial Funds)	28,100	(4,090)	24,010	24,000	10
Total School Sponsored Co-Curr. Athletics - Instruction	<u>746,244</u>	<u>(39,845)</u>	<u>706,399</u>	<u>702,908</u>	<u>3,491</u>
Total Distributed Expenditures	<u>12,663,514</u>	<u>(56,843)</u>	<u>12,606,671</u>	<u>12,584,649</u>	<u>22,022</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-1

Sheet 5 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEA's Within State - Regular	32,000	104,612	136,612	135,681	931
Tuition to County Vocational School:					
Regular	120,870	(9,005)	111,865	107,905	3,960
Special	28,625	(110)	28,515	22,845	5,670
Tuition to Special Services Districts		54,826	54,826	54,826	-
Tuition to Private Schools for the Disabled - Within State	629,545	(269,027)	360,518	357,185	3,333
Tuition-State Facilities	89,614	(46,361)	43,253	39,872	3,381
Total Instruction	<u>900,654</u>	<u>(165,065)</u>	<u>735,589</u>	<u>718,314</u>	<u>17,275</u>
Attendance & Social Work:					
Salaries	<u>62,659</u>	<u>74</u>	<u>62,733</u>	<u>62,732</u>	<u>1</u>
Health Services:					
Salaries	237,755	(21,602)	216,153	216,152	1
Purchased Professional/Technical Services	5,620	3,898	9,518	7,015	2,503
Other Purchased Services (400-500 Series)	6,652	280	6,932	6,677	255
Supplies and Materials	2,950	3,448	6,398	5,662	736
Other Objects	370	98	468	467	1
Total Health Services	<u>253,347</u>	<u>(13,878)</u>	<u>239,469</u>	<u>235,973</u>	<u>3,496</u>
Other Support Services Students Related Services:					
Salaries	254,825	(8,114)	246,711	246,710	1
Purchased Professional Educational Services	38,000	(10,310)	27,690	25,005	2,685
Supplies and Materials	7,153	(5,049)	2,104	2,103	1
Total Other Support Services Students Related Services	<u>299,978</u>	<u>(23,473)</u>	<u>276,505</u>	<u>273,818</u>	<u>2,687</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 6 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Other Support Services Students Extraordinary Services:					
Salaries	323,783	(11,936)	311,847	311,846	1
Total Other Support Srvs. Students Extraordinary Srvs.	<u>323,783</u>	<u>(11,936)</u>	<u>311,847</u>	<u>311,846</u>	<u>1</u>
Other Support Services Students - Regular Services:					
Salaries of Other Professional Staff	686,261	(20,995)	665,266	665,264	2
Salaries of Secretarial & Clerical Assistants	81,770	(1,145)	80,625	80,625	-
Purchased Professional/Educational Services	1,490		1,490	1,445	45
Purchased Professional/Technical Services	72,678	(11,026)	61,652	60,104	1,548
Cleaning, Repair and Maintenance Services		1,000	1,000	1,000	-
Other Purchased Services	2,295	(731)	1,564	1,564	-
Other-Travel	1,000	(155)	845	845	-
Supplies and Materials	6,300	(2,091)	4,209	4,205	4
Other Objects	570	(550)	20	15	5
Total Other Support Srvs. Students - Regular Services	<u>852,364</u>	<u>(35,693)</u>	<u>816,671</u>	<u>815,067</u>	<u>1,604</u>
Other Support Services Students - Special:					
Salaries of Other Professional Staff	588,663		588,663	588,660	3
Salaries of Secretarial & Clerical Assistants	79,108	988	80,096	78,075	2,021
Other Purchased Professional Educational Services	7,098	305	7,403	7,258	145
Other Purchased Professional/Technical Services	17,000	(5,370)	11,630	11,629	1
Travel	3,200	(395)	2,805	2,112	693
Misc. Purchased Services (400-500 Series)	2,995	38	3,033	3,032	1
Supplies and Materials	1,500	12,980	14,480	13,061	1,419
Other Objects	1,100	(105)	995	995	-
Total Other Support Services Students - Special	<u>700,664</u>	<u>8,441</u>	<u>709,105</u>	<u>704,822</u>	<u>4,283</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-1

Sheet 7 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Improvement of Instructional Services:					
Salaries of Supervisors of Instruction	485,437	(58,055)	427,382	427,312	70
Salaries of Other Professional Staff	98,730	(4,444)	94,286	94,285	1
Salaries of Secretarial & Clerical Assistants	12,977	170	13,147	13,145	2
Other Purchased Services (400-500 Series)		132	132	131	1
Travel	2,700	(500)	2,200	1,795	405
Supplies and Materials	300	3,202	3,502	3,314	188
Other Objects	2,200	(119)	2,081	1,759	322
Total Improvement of Instructional Services	<u>602,344</u>	<u>(59,614)</u>	<u>542,730</u>	<u>541,741</u>	<u>989</u>
Educational Media/School Library:					
Salaries	153,850	1,888	155,738	155,738	-
Salaries of Technology Coordinators	387,570	38	387,608	387,606	2
Other Purchased Services (400-500 Series)	20,127	1,748	21,875	21,244	631
Travel	3,500	(3,500)	-	-	-
Supplies and Materials	7,355	4,911	12,266	11,299	967
Other Objects	1,725	(1,348)	377	376	1
Total Educational Media/School Library	<u>574,127</u>	<u>3,737</u>	<u>577,864</u>	<u>576,263</u>	<u>1,601</u>
Staff Training:					
Purchased Professional Educational Services	2,200	(932)	1,268		1,268
Other Purchased Services	6,000	(200)	5,800	3,399	2,401
Supplies and Materials	600	(41)	559	299	260
Other Objects		75	75	75	-
Total Staff Training	<u>8,800</u>	<u>(1,098)</u>	<u>7,702</u>	<u>3,773</u>	<u>3,929</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-1

Sheet 8 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Support Services - General Administration:					
Salaries	310,226	1,153	311,379	311,378	1
Legal Services	86,235	(1,183)	85,052	61,185	23,867
Audit Fees	12,500		12,500	12,500	-
Architectural/Engineering Services	5,000	(5,000)	-		-
Other Purchased Services	2,595	905	3,500	3,500	-
Purchased Technical Services	25,210	5,324	30,534	30,534	-
Communications/Telephone	94,490	(11,174)	83,316	82,836	480
Travel	5,700	(2,973)	2,727	2,371	356
Miscellaneous Purchased Services	69,539	9,421	78,960	78,959	1
General Supplies	12,000	(1,407)	10,593	10,593	-
Judgments Against the School District	80,000		80,000	80,000	-
Miscellaneous Expenditures	6,380	(372)	6,008	5,865	143
Membership Dues and Fees	11,000		11,000	10,855	145
Total Support Services - General Administration	<u>720,875</u>	<u>(5,306)</u>	<u>715,569</u>	<u>690,576</u>	<u>24,993</u>
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	808,294	34,473	842,767	842,766	1
Salaries of Other Professional Staff	52,364	(37,945)	14,419	14,419	-
Salaries of Secretarial & Clerical Assistants	315,315	(14,148)	301,167	301,166	1
Purchased Professional & Technical Services	2,500		2,500	2,429	71
Other Purchased Services (400-500 Series)	57,517	(4,315)	53,202	51,604	1,598
Travel	3,200	(2,568)	632	500	132
Supplies & Materials	17,700	20,241	37,941	36,958	983
Other Objects	10,400	(2,851)	7,549	7,376	173
Total Support Services - School Administration	<u>1,267,290</u>	<u>(7,113)</u>	<u>1,260,177</u>	<u>1,257,218</u>	<u>2,959</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 9 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Support Services - Central Services:					
Salaries of Business Office	439,011	985	439,996	439,994	2
Other Purchased Professional Services	1,100	25	1,125	1,125	-
Purchased Technical Services	16,825	23,235	40,060	39,522	538
Travel	3,050	(3,050)	-	-	-
Other Purchased Services (400-500 Series)		1,864	1,864	1,864	-
Supplies	10,500	4,749	15,249	14,908	341
Miscellaneous Expenditures	1,200	1,803	3,003	3,003	-
Total Support Services - Central Services	<u>471,686</u>	<u>29,611</u>	<u>501,297</u>	<u>500,416</u>	<u>881</u>
Administrative Information Technology					
Personal Services Salaries	6,190		6,190	6,190	-
Total Administration Information Technology	<u>6,190</u>	<u>-</u>	<u>6,190</u>	<u>6,190</u>	<u>-</u>
Required Maintenance for School Facilities:					
Cleaning, Repair and Maintenance Services	84,415	271,267	355,682	266,348	89,334
General Supplies		39	39		39
Total Required Maintenance for School Facilities	<u>84,415</u>	<u>271,306</u>	<u>355,721</u>	<u>266,348</u>	<u>89,373</u>
Other Operations & Maintenance of Plant:					
Salaries	796,562	47,174	843,736	843,732	4
Salaries of Non-Instructional Aides	115,114	(677)	114,437	114,436	1
Cleaning, Repair & Maintenance Services	100,343	31,672	132,015	129,087	2,928
Other Purchased Property Services	11,700	2,611	14,311	14,309	2
Insurance	172,598	2,586	175,184	175,184	-
Travel		145	145	145	-
General Supplies	67,648	65,665	133,313	130,413	2,900
Energy (Electricity)	334,712	(82,067)	252,645	224,927	27,718
Other Objects	3,366	30,340	33,706	33,697	9
Energy (Natural Gas)	175,460	(22,462)	152,998	132,450	20,548
Total Other Operations and Maintenance of Plant	<u>1,777,503</u>	<u>74,987</u>	<u>1,852,490</u>	<u>1,798,380</u>	<u>54,110</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 10 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Care and Upkeep of Grounds:					
Salaries	187,552	(14,687)	172,865	172,863	2
Cleaning, Repair and Maintenance Services	7,724	133,774	141,498	141,121	377
General Supplies	23,690	(384)	23,306	22,815	491
Total Care and Upkeep of Grounds	<u>218,966</u>	<u>118,703</u>	<u>337,669</u>	<u>336,799</u>	<u>870</u>
Total Operations & Maintenance	<u>2,080,884</u>	<u>464,996</u>	<u>2,545,880</u>	<u>2,401,527</u>	<u>144,353</u>
Security:					
Salaries	202,880	1,867	204,747	204,745	2
Purchased Professional and Technical Services	45,049	(18,082)	26,967	17,935	9,032
Cleaning, Repair & Maintenance		1,850	1,850	1,832	18
Travel	500		500	395	105
General Supplies	2,500	9,950	12,450	12,412	38
Total Security	<u>250,929</u>	<u>(4,415)</u>	<u>246,514</u>	<u>237,319</u>	<u>9,195</u>
Student Transportation:					
Salaries for Pupil Transportation - Between Home/School - Special Education	17,211	75	17,286	17,285	1
Contracted Services - Other Than Between Home/School - Vendors	196,477	(82,517)	113,960	82,111	31,849
Contracted Services - Between Home/School - Joint Agreements	3,500	8,549	12,049	12,049	-
Contracted Services Regular - ESCs & CTSA's	205,868	(76,724)	129,144	115,831	13,313
Contracted Services Special - ESCs & CTSA's	223,970	(91,104)	132,866	126,447	6,419
Contracted Services Aid-In-Lieu Non-Public	6,000	26,493	32,493	24,820	7,673
Total Student Transportation	<u>653,026</u>	<u>(215,228)</u>	<u>437,798</u>	<u>378,543</u>	<u>59,255</u>

MANASQUAN SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Unallocated Benefits:					
Social Security Contributions	394,900	14,562	409,462	407,187	2,275
Other Retirement Contributions-PERS	381,858	6,768	388,626	388,625	1
Unemployment Compensation			-	11,075	(11,075)
Workmen's Compensation	164,444	(2,937)	161,507	161,506	1
Health Benefits	4,178,177	(54,863)	4,123,314	4,035,440	87,874
Tuition Reimbursement	108,000	(49,380)	58,620	53,023	5,597
Other Employee Benefits	424,964	160,174	585,138	560,772	24,366
Total Unallocated Benefits	<u>5,652,343</u>	<u>74,324</u>	<u>5,726,667</u>	<u>5,617,628</u>	<u>109,039</u>
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)			-	1,087,097	(1,087,097)
On-Behalf T.P.A.F Pension Contributions - Normal Cost (Non-Budgeted)			-	3,404,124	(3,404,124)
On-Behalf T.P.A.F Non-Contributory Insurance			-	64,768	(64,768)
On-Behalf T.P.A.F Pension Contributions - Long-Term Disability			-	1,695	(1,695)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)			-	958,347	(958,347)
Total On-Behalf Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,516,031</u>	<u>(5,516,031)</u>
Total Personal Services - Employee Benefits	<u>5,652,343</u>	<u>74,324</u>	<u>5,726,667</u>	<u>11,133,659</u>	<u>(5,406,992)</u>
Total Undistributed Expenditures	<u>15,681,943</u>	<u>38,364</u>	<u>15,720,307</u>	<u>20,849,797</u>	<u>(5,129,490)</u>
Total General Current Expense	<u>28,345,457</u>	<u>(18,479)</u>	<u>28,326,978</u>	<u>33,434,446</u>	<u>(5,107,468)</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-1
Sheet 12 of 13

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Capital Outlay:					
Instruction					
Equipment - Grades 6-8		1,102	1,102	1,102	-
Equipment - Grades 1-5		1,102	1,102	1,102	-
Equipment - Grades 9-12		6,750	6,750	6,750	-
Equipment - Plant Services		48,000	48,000	46,921	1,079
Equipment- Maintenance	34,000		34,000	34,000	-
Equipment - Central Services		4,234	4,234	4,234	-
Total Regular Programs - Instruction	<u>34,000</u>	<u>61,188</u>	<u>95,188</u>	<u>94,109</u>	<u>1,079</u>
Facilities Acquisition & Construction Services:					
Lease Purchase Agreements - Principal	190,904	28,000	218,904	218,904	-
Interest on Lease Purchase Agreements	57,535	(34,080)	23,455	20,392	3,063
Construction Services	700,000	4,188,455	4,888,455	702,919	4,185,536
Assessment for Debt Service on SDA Funding	27,109		27,109	27,109	-
Total Facilities Acquisition & Construction Services	<u>975,548</u>	<u>4,182,375</u>	<u>5,157,923</u>	<u>969,324</u>	<u>4,188,599</u>
Total Capital Outlay	<u>1,009,548</u>	<u>4,243,563</u>	<u>5,253,111</u>	<u>1,063,433</u>	<u>4,189,678</u>
Total Expenditures	<u>29,355,005</u>	<u>4,225,084</u>	<u>33,580,089</u>	<u>34,497,879</u>	<u>(917,790)</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>(748,950)</u>	<u>(4,225,084)</u>	<u>(4,974,034)</u>	<u>(328,336)</u>	<u>4,645,698</u>
Other Financing Sources/Uses:					
Loan Proceeds	790,000		790,000	790,000	-
Bond Proceeds from Borough of Manasquan		4,182,375	4,182,375	4,182,375	-
Total Other Financing Sources/Uses	<u>790,000</u>	<u>4,182,375</u>	<u>4,972,375</u>	<u>4,972,375</u>	<u>-</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources/Uses	<u>41,050</u>	<u>(42,709)</u>	<u>(1,659)</u>	<u>4,644,039</u>	<u>4,645,698</u>

MANASQUAN SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Fund Balance, July 1	838,091		838,091	838,091	-
Prior Period Adjustment			-	123,470	** 123,470
Fund Balances, July 1, Restated	<u>838,091</u>	<u>-</u>	<u>838,091</u>	<u>961,561</u>	<u>123,470</u>
Fund Balance, June 30	<u>\$ 879,141</u>	<u>(42,709)</u>	<u>836,432</u>	<u>5,605,600</u>	<u>4,769,168</u>
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				\$ 135,557	
Maintenance Reserve				1,400	
Unemployment Compensation				142,763	
Assigned Fund Balance:					
Reserved for Encumbrances				4,276,756	
Designated for Subsequent Years Expenditures - Excess Surplus				80,501	
Designated for Subsequent Years Expenditures - BOE				140,211	
Unassigned Fund Balance				<u>828,412</u>	
				5,605,600	
Reconciliation to Governmental Funds Statement (GAAP):					
Final State Audit Payments not Recognized on GAAP Basis				<u>(62,853)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 5,542,747</u>	

*Includes interest earnings and other receipts on the unemployment compensation account.

**Represents unemployment fund net position as of June 30, 2020.

MANASQUAN SCHOOL DISTRICT

Exhibit C-2

Sheet 1 of 2

BUDGETARY COMPARISON SCHEDULE

SPECIAL REVENUE FUND

JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources	\$ 403,619	(281,190)	122,429	454,603	332,174
Federal Sources:					
Title I, Part A		81,623	81,623	77,871	3,752
Title IIA, Part A		20,295	20,295	16,809	3,486
Title IV, Part A		11,368	11,368	1,734	9,634
IDEA Part B, Basic		289,336	289,336	289,336	-
IDEA Part B, Preschool		7,717	7,717	7,717	-
Perkins Secondary		21,559	21,559	18,499	3,060
Educational Stabilization Fund (CARES Act)		21,815	21,815	21,815	-
Digital Divide		50,787	50,787	50,787	-
Coronavirus Relief Fund		30,136	30,136	30,136	-
Total Federal Sources	<u>-</u>	<u>534,636</u>	<u>534,636</u>	<u>514,704</u>	<u>19,932</u>
Total Revenues	<u>403,619</u>	<u>253,446</u>	<u>657,065</u>	<u>969,307</u>	<u>352,106</u>
Expenditures:					
Instruction:					
Salaries of Teachers		84,960	84,960	84,960	-
Other Purchased Services		289,336	289,336	289,336	-
General Supplies	403,619	(258,186)	145,433	123,083	22,350
Other Objects		1,060	1,060	1,060	-
Total Instruction	<u>403,619</u>	<u>117,170</u>	<u>520,789</u>	<u>498,439</u>	<u>22,350</u>

MANASQUAN SCHOOL DISTRICT

Exhibit C-2

Sheet 2 of 2

BUDGETARY COMPARISON SCHEDULE

SPECIAL REVENUE FUND

JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Support Services:					
Salaries		1,500	1,500		1,500
Other Salaries for Instruction		11,722	11,722	10,372	1,350
Employee Benefits		13,902	13,902	13,302	600
Purchased Technical Services		10,614	10,614	8,669	1,945
Other Purchased Services		23,539	23,539	20,288	3,251
Other Objects		959	959		959
Scholarships Awarded			-	44,050	(44,050)
Student Activities			-	277,551	(277,551)
Total Support Services	<u>-</u>	<u>62,236</u>	<u>62,236</u>	<u>374,232</u>	<u>(311,996)</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment		75,000	75,000	75,000	-
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Total Expenditures	<u>403,619</u>	<u>254,406</u>	<u>658,025</u>	<u>947,671</u>	<u>(289,646)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(960)</u>	<u>(960)</u>	<u>21,636</u>	<u>641,752</u>
Fund Balance, July 1					
Prior Period Adjustment				329,170	
Fund Balance, July 1 (Restated)				<u>329,170</u>	
Fund Balance, June 30				<u>\$ 350,806</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 60,676	
Student Activities				<u>290,130</u>	
Total Fund Balance				<u>\$ 350,806</u>	

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

MANASQUAN SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit C-3

BUDGETARY COMPARISON SCHEDULE

NOTE TO RSI

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<u>Sources/Inflows of Resources</u>		
Actual Amounts (Budgetary Basis) "Revenue" from Budgetary Comparison Schedule	\$ 34,169,543	969,307
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures, and the Related Revenue is Recognized		
State Aid Payment Recognized for GAAP Statements in the Current Year, Previously Recognized for Budgetary Purposes	57,862	
State Aid Payment Recognized for Budgetary Purposes, Not Recognized for GAAP Statements Until the Subsequent Year.	<u>(62,853)</u>	
Total Revenue as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 34,164,552</u>	<u>969,307</u>
<u>Uses/Outflows of Resources</u>		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 34,497,879	947,671
Differences - Budget to GAAP:		
Encumbrances for Supplies and Equipment Ordered but not Received are reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes		
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 34,497,879</u>	<u>947,671</u>

REQUIRED SUPPLEMENTARY INFORMATION – PART III

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING
FOR PENSIONS (GASB 68) – L**

MANASQUAN SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE

Exhibit L-1

NET PENSION LIABILITY - PERS

LAST EIGHT FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability (Asset)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 5,624,608	6,092,406	6,166,182	7,211,282	8,349,338	6,630,465	5,009,555	5,685,786
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	-	-	-	-	-	-	-	-
Total	<u>\$ 5,624,608</u>	<u>6,092,406</u>	<u>6,166,182</u>	<u>7,211,282</u>	<u>8,349,338</u>	<u>6,630,465</u>	<u>5,009,555</u>	<u>5,685,786</u>
District's Covered-Employee Payroll	\$ 2,654,635	2,439,847	2,282,233	2,203,234	2,088,171	1,885,241	1,893,025	1,836,640
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	47.20%	40.05%	37.01%	30.55%	25.01%	28.43%	37.79%	32.30%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	42.90%	42.04%	40.45%	36.78%	31.20%	38.21%	42.74%	40.71%

MANASQUAN SCHOOL DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS - PERS

Exhibit L-2

LAST EIGHT FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 337,547	323,157	296,574	259,057	259,057	231,784	226,913	226,075
Contributions in Relation to the Contractually Required Contribution	<u>337,547</u>	<u>323,157</u>	<u>296,574</u>	<u>259,057</u>	<u>259,057</u>	<u>231,784</u>	<u>226,913</u>	<u>226,075</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>-</u>						
District's Covered-Employee Payroll	\$ 2,654,635	2,439,847	2,282,233	2,203,234	2,088,171	1,885,241	1,893,025	1,836,940
Contributions as a Percentage of Covered-Employee Payroll	12.72%	13.24%	12.99%	11.76%	12.41%	12.29%	11.99%	12.31%

MANASQUAN SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE

NET PENSION LIABILITY - TPAF

LAST EIGHT FISCAL YEARS

Exhibit L-3

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability (Asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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>75,389,238</u>	<u>69,666,035</u>	<u>70,646,796</u>	<u>76,015,774</u>	<u>90,257,822</u>	<u>67,221,830</u>	<u>62,231,640</u>	<u>57,010,446</u>
Total	<u>\$ 75,389,238</u>	<u>69,666,035</u>	<u>70,646,796</u>	<u>76,015,774</u>	<u>90,257,822</u>	<u>67,221,830</u>	<u>62,231,640</u>	<u>57,010,446</u>
District's Covered-Employee Payroll	\$ 13,327,184	12,672,652	11,978,183	12,061,371	11,291,785	11,512,471	10,797,761	10,782,970
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	17.68%	18.19%	16.96%	15.87%	12.51%	17.13%	17.35%	18.91%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

MANASQUAN SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS
TEACHER'S PENSION AND ANNUITY FUND (TPAF)
LAST TEN FISCAL YEARS

L-4

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

MANASQUAN SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PART III

L-5

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Public Employee’s Retirement System (PERS)

Changes in Benefit Terms – None

Changes in Assumptions – The discount rate changed from 6.28% as of June 30, 2019, to 7.00% as of June 30, 2020, in accordance with Paragraph 44 of GASB Statement No. 67.

Teachers’ Pension and Annuity Fund (TPAF)

Changes in Benefit Terms – None

Changes in Assumption – The discount rate changed from 5.60% as of June 30, 2019, to 5.40% as of June 30, 2020, in accordance with Paragraph 44 of GASB Statement No. 67.

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING
FOR OPEB (GASB 75) - M**

MANASQUAN SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

Exhibit M-1

LAST FIVE FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>State's OPEB Liability Attributable to the District</u>					
Service Cost	\$ 1,994,836	1,866,091	2,047,025	2,470,756	*
Interest	1,681,719	2,013,862	2,190,008	1,893,637	*
Benefit Payments	(1,322,340)	(1,433,241)	(1,359,990)	(1,384,564)	*
Member Contributions	40,080	42,485	47,003	50,983	*
Difference between Expected and Actual Experience	12,997,678	(7,355,905)	(6,004,195)		*
Change of Assumptions	13,874,645	696,150	(5,836,491)	(7,888,479)	*
Net Change in Total OPEB Liability	<u>29,266,618</u>	<u>(4,170,558)</u>	<u>(8,916,640)</u>	<u>(4,857,667)</u>	*
 Total Attributable OPEB Liability - Beginning	 <u>46,689,894</u>	 <u>50,860,452</u>	 <u>59,777,092</u>	 <u>64,634,759</u>	 *
 Total Attributable OPEB Liability - Ending	 <u>\$ 75,956,512</u>	 <u>46,689,894</u>	 <u>50,860,452</u>	 <u>59,777,092</u>	 <u>64,634,759</u>
 District's Covered Payroll	 \$ 15,981,819	 15,112,499	 14,260,416	 14,264,605	 13,379,956
 District's Contribution	 None	 None	 None	 None	 None
 State's Proportionate Share of OPEB Liability as a Percentage of its Covered-Employee Payroll	 475.27%	 308.95%	 356.65%	 419.06%	 483.07%

* - Information not available

Source: GASB 75 report on State of New Jersey Health Benefits Program; District Records.

Note: This schedule is required by GASB 75 to show information for a 10 year period. However, information is only currently available for two years. Additional years will be presented as they become available.

MANASQUAN SCHOOL DISTRICTNOTES TO REQUIRED SUPPLEMENTARY INFORMATIONFOR THE FISCAL YEAR ENDED JUNE 30, 2021

Exhibit M-2

Change of Benefit Terms

None

Difference Between Expected and Actual Experience

The change in the liability from June 30, 2019 to June 30, 2020 is due to changes in the census, claims and premiums experience.

Changes of Assumptions

The Discount Rate changed from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020.

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL SCHEDULES – D

N/A

SPECIAL REVENUE FUND – E

MANASQUAN SCHOOL DISTRICT

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Alumni Donation</u>	<u>Manasquan Bank Scoreboard</u>	<u>NJSBAIG Safety Grant</u>	<u>Borough of Manasquan Security</u>	<u>Digital Divide</u>	<u>Perkins Secondary</u>
Revenues:						
Federal Sources					50,787	18,499
Local Revenues	16,000	75,000	13,284	7,082		
Total Revenues	<u>16,000</u>	<u>75,000</u>	<u>13,284</u>	<u>7,082</u>	<u>50,787</u>	<u>18,499</u>
Expenditures:						
Instruction:						
Salaries of Teachers	-		13,284	7,082		
Other Purchased Services						
General Supplies	16,000				50,787	4,562
Other Objects						
Total Instruction	<u>16,000</u>	<u>-</u>	<u>13,284</u>	<u>7,082</u>	<u>50,787</u>	<u>4,562</u>
Support Services:						
Personal Services - Salaries						10,372
Personal Services - Employee Benefits						896
Purchased Professional Educational Services						2,669
Other Purchased Services						
Scholarships Awarded						
Student Activities						
Total Support Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,937</u>
Facilities Acquisition and Construction Services:						
Instructional Equipment		75,000				
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>16,000</u>	<u>75,000</u>	<u>13,284</u>	<u>7,082</u>	<u>50,787</u>	<u>18,499</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1						
Prior Period Adjustment						
Fund Balance, July 1 (Restated)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

*Represents scholarship fund net position as of June 30, 2020 per Exhibit H-2.

**Represents the student activity fund ending balance as of June 30, 2020 for payable to student groups per Exhibit H-3.

MANASQUAN SCHOOL DISTRICT

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Title I</u>	<u>Title IIA</u>	<u>Title IV</u>	<u>I.D.E.A Flow-Thru Part B</u>	<u>I.D.E.A. Flow-Thru Preschool</u>	<u>CARES Act</u>	<u>CRFG Grant</u>	<u>Scholarship Fund</u>	<u>Student Activity</u>	<u>Totals</u>
Revenues:										
Federal Sources	77,871	16,809	1,734	289,336	7,717	21,815	30,136			514,704
Local Revenues								42,204	301,033	454,603
Total Revenues	<u>77,871</u>	<u>16,809</u>	<u>1,734</u>	<u>289,336</u>	<u>7,717</u>	<u>21,815</u>	<u>30,136</u>	<u>42,204</u>	<u>301,033</u>	<u>969,307</u>
Expenditures:										
Instruction:										
Salaries of Teachers	64,594									84,960
Other Purchased Services				289,336						289,336
General Supplies	871		1,734		6,178	12,815	30,136			123,083
Other Objects					1,060					1,060
Total Instruction	<u>65,465</u>	<u>-</u>	<u>1,734</u>	<u>289,336</u>	<u>7,238</u>	<u>12,815</u>	<u>30,136</u>	<u>-</u>	<u>-</u>	<u>498,439</u>
Support Services:										
Personal Services - Salaries										10,372
Personal Services - Employee Benefits	12,406									13,302
Purchased Professional Educational Services		6,000								8,669
Other Purchased Services		10,809			479	9,000				20,288
Scholarships Awarded								44,050		44,050
Student Activities									277,551	277,551
Total Support Services	<u>12,406</u>	<u>16,809</u>	<u>-</u>	<u>-</u>	<u>479</u>	<u>9,000</u>	<u>-</u>	<u>44,050</u>	<u>277,551</u>	<u>374,232</u>
Facilities Acquisition and Construction Services:										
Instructional Equipment										75,000
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,000</u>
Total Expenditures	<u>77,871</u>	<u>16,809</u>	<u>1,734</u>	<u>289,336</u>	<u>7,717</u>	<u>21,815</u>	<u>30,136</u>	<u>44,050</u>	<u>277,551</u>	<u>947,671</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,846)</u>	<u>23,482</u>	<u>21,636</u>
Fund Balance, July 1										
Prior Period Adjustment								62,522	266,648	329,170
Fund Balance, July 1 (Restated)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,522</u>	<u>266,648</u>	<u>329,170</u>
Fund Balance, June 30	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,676</u>	<u>290,130</u>	<u>350,806</u>

*Represents scholarship fund net position as of June 30, 2020 per Exhibit H-2

**Represents the student activity fund ending balance as of June 30, 2020 for payable to student groups

CAPITAL PROJECTS FUND – F

MANASQUAN SCHOOL DISTRICTCAPITAL PROJECTS FUND

Exhibit F-1

SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGESIN FUND BALANCE - BUDGETARY BASISFOR THE YEAR ENDED JUNE 30, 2021Revenues and Other Financing Sources

Interest Earned on Bond Proceeds	\$ 5,815
Total Revenues	<u>5,815</u>

Expenditures and Other Financing Uses

Legal Services	7,468
Architectural/Engineering Services/Professional Services	383,466
Construction Services	3,499,899
Total Expenditures	<u>3,890,833</u>

Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,885,018)
---	-------------

Other Financing (Uses):

Interest due Debt Service	(5,815)
Total Other Financing (Uses)	<u>(5,815)</u>

Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Uses	(3,890,833)
---	-------------

Fund Balance - Beginning	<u>4,756,483</u>
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Fund Balance - Ending	<u>\$ 865,650</u>
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MANASQUAN SCHOOL DISTRICT

Exhibit F-1a

CAPITAL PROJECTS FUNDSCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,AND PROJECT STATUS - BUDGETARY BASISREFERENDUM #2FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<u>Revenues and Other Financing Sources</u>				
Bond Proceeds	\$ 8,647,000		8,647,000	8,647,000
Total Revenues	<u>8,647,000</u>	<u>-</u>	<u>8,647,000</u>	<u>8,647,000</u>
<u>Expenditures and Other Financing Uses</u>				
Salaries	16,920		16,920	16,920
Legal Services	21,150	7,468	28,618	28,618
Other Purchased Professional and Technical Services	998,096	383,466	1,381,562	1,521,763
Construction Services	2,836,661	3,499,899	6,336,560	7,062,009
Other Objects	17,690		17,690	17,690
Total Expenditures	<u>3,890,517</u>	<u>3,890,833</u>	<u>7,781,350</u>	<u>8,647,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 4,756,483</u>	<u>(3,890,833)</u>	<u>865,650</u>	<u>-</u>
<u>Additional Project Information</u>				
Project Number		Referendum #2		
Grant Date		N/A		
Note Authorization Date		9/9/17		
Authorized Note		\$ 413,600		
Notes Issued		413,600		
Original Authorized Cost		413,600		
Additional Authorized Cost		<u>8,233,400</u>		
Revised Authorized Cost		<u>8,647,000</u>		
Percentage Increase Over Original Authorized Cost		0%		
Percentage Completion		70%		
Original Target Completion Date		8/30/20		
Revised Target Completion Date		8/30/20		

PROPRIETARY FUNDS – G

MANASQUAN SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION

Exhibit G-1

ENTERPRISE FUNDS

JUNE 30, 2021

	Business-Type Activities - Enterprise Funds			Totals
	Food Service	Aftercare Program	Surf Team	
<u>Assets</u>				
Current Assets:				
Cash and Cash Equivalents	\$ 41,202	4,557		45,759
Accounts Receivable:				
Federal	38,782			38,782
State	4,882			4,882
Other	450			450
Inventories	3,162			3,162
Total Current Assets	<u>88,478</u>	<u>4,557</u>	<u>-</u>	<u>93,035</u>
Noncurrent Assets:				
Furniture, Machinery & Equipment	472,668			472,668
Less: Accumulated Depreciation	(412,627)			(412,627)
Total Noncurrent Assets	<u>60,041</u>	<u>-</u>	<u>-</u>	<u>60,041</u>
Total Assets	<u>\$ 148,519</u>	<u>4,557</u>	<u>-</u>	<u>153,076</u>
<u>Net Position</u>				
Invested in Capital Assets net of Related Debt	\$ 60,041			60,041
Unrestricted	88,478	4,557		93,035
Total Net Position	<u>\$ 148,519</u>	<u>4,557</u>	<u>-</u>	<u>153,076</u>

MANASQUAN SCHOOL DISTRICT

Exhibit G-2

COMBINING STATEMENT OF REVENUES, EXPENSES ANDCHANGES IN FUND NET POSITIONENTERPRISE FUNDSJUNE 30, 2021

	Business-Type Activities - Enterprise Funds			Totals
	Food Service	Aftercare Program	Surf Team	
Operating Revenues:				
Charge for Services:				
Daily Sales-Non-Reimbursable Programs	\$ 131,051			131,051
Fees		11,391		11,391
Catering	20,733			20,733
Total Operating Revenues	<u>151,784</u>	<u>11,391</u>	<u>-</u>	<u>163,175</u>
Operating Expenses:				
Cost of Sales-Reimbursable Programs	37,716			37,716
Cost of Sales-Non-Rembursable Programs	150,866			150,866
Salaries	230,139	19,575		249,714
Employee Benefits	29,890			29,890
Worker's Compensation	5,955			5,955
Cost of Supplies	23,274			23,274
General Liability Insurance	21,479			21,479
Management Fees	21,000			21,000
Miscellaneous	24,532	191	74	24,797
Depreciation	19,525			19,525
Total Operating Expenses	<u>564,376</u>	<u>19,766</u>	<u>74</u>	<u>584,216</u>
Operating Income (Loss)	(412,592)	(8,375)	(74)	(421,041)
Nonoperating Revenues (Expenses):				
Interest Revenue	94	19		113
State Sources:				
State School Lunch Program	18,404			18,404
State School Lunch Program - Extra Subsidy	425			425
Federal Sources:				
National School Lunch Program	374,777			374,777
HHFKA Lunch Program	7,474			7,474
Food Distribution Program	26,941			26,941
Total Nonoperating Revenues (Expenses)	<u>428,115</u>	<u>19</u>	<u>-</u>	<u>428,134</u>
Change in Net Position	15,523	(8,356)	(74)	7,093
Total Net Position - Beginning	<u>132,996</u>	<u>12,913</u>	<u>74</u>	<u>145,983</u>
Total Net Position - Ending	<u>\$ 148,519</u>	<u>4,557</u>	<u>-</u>	<u>153,076</u>

MANASQUAN SCHOOL DISTRICT

Exhibit G-3

COMBINING STATEMENT OF CASH FLOWSENTERPRISE FUNDSJUNE 30, 2021

	Business-Type Activities - Enterprise Funds			Totals
	Food Service	Aftercare Program	Surf Team	
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 151,784	11,391		163,175
Payments to Employees	(230,139)	(19,575)		(249,714)
Payments to Suppliers	(316,616)	(191)	(74)	(316,881)
Net Cash Provided (Used by) Operating Activities	<u>(394,971)</u>	<u>(8,375)</u>	<u>(74)</u>	<u>(403,420)</u>
Cash Flows from Noncapital Financing Activities:				
State Sources	18,829			18,829
Federal Sources	382,251			382,251
Net Cash Provided (Used by) Noncapital Financing Activities	<u>401,080</u>	<u>-</u>	<u>-</u>	<u>401,080</u>
Cash Flows from Investing Activities:				
Interest Received	94	19		113
Net Increase (Decrease) in Cash & Cash Equivalents	6,203	(8,356)	(74)	(2,227)
Balances - Beginning of Year	34,999	12,913	74	47,986
Balances - End of Year	<u>\$ 41,202</u>	<u>4,557</u>	<u>-</u>	<u>45,759</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income	\$ (412,592)	(8,375)	(74)	(421,041)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used by) Operating Activities				
Depreciation	19,525			19,525
Federal Commodities	26,941			26,941
(Increase)/Decrease in Accounts Receivable	(30,668)			(30,668)
(Increase)/Decrease in Inventories	1,823			1,823
Net Cash Provided (Used by) Operating Activities	<u>\$ (394,971)</u>	<u>(8,375)</u>	<u>(74)</u>	<u>(403,420)</u>

FIDUCIARY FUND – H

MANASQUAN SCHOOL DISTRICT

Exhibit H-1

TRUST AND AGENCY FUNDCOMBINING STATEMENT OF FIDUCIARY NET POSITIONJUNE 30, 2021

	<u>Staff Account</u>	<u>Totals June 30, 2021</u>
Assets:		
Cash and Cash Equivalents	<u>\$ 917</u>	<u>917</u>
Total Assets	<u>\$ 917</u>	<u>917</u>
Liabilities:		
Due to Functions	<u>\$ 917</u>	<u>917</u>
Total Liabilities	<u>\$ 917</u>	<u>917</u>

LONG-TERM DEBT – I

MANASQUAN SCHOOL DISTRICT

Exhibit I-1

GENERAL LONG-TERM DEBT ACCOUNT GROUP

SCHEDULE OF LONG-TERM DEBT GROUP

JUNE 30, 2021

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Annual Date</u>	<u>Maturities Amount</u>	<u>Interest Rate</u>	<u>Beginning Balance July 1, 2020</u>	<u>Paid</u>	<u>Ending Balance June 30, 2021</u>
Refunding Issue of 2013 Addition to Elementary School	4-30-13	\$ 5,550,000	1-15-22 1-15-23 1-15-24 1-15-25	\$ 580,000 615,000 645,000 635,000	5.000% 3.000%	\$ 3,030,000	555,000	2,475,000
2017 Referendum	7/10/2019	20,680,000	7-1-21-24 7-1-25-39 7-1-40 7-1-41-44	475,000 950,000 930,000 900,000	2.000% 2.5%-3% 3.000%	20,680,000		20,680,000
Community Disaster Loan	2014/2015	3,033,599	7-18-21 7-18-22 7-18-23	162,418 164,650 167,097	1.375%	654,380	160,215	494,165
						<u>\$ 24,364,380</u>	<u>715,215</u>	<u>23,649,165</u>

MANASQUAN SCHOOL DISTRICT

GENERAL LONG-TERM DEBT ACCOUNT GROUP

Exhibit I-2

STATEMENT OF OBLIGATIONS UNDER CAPITAL LEASES

JUNE 30, 2021

<u>Series</u>	<u>Interest Payable</u>	<u>Amount of Original Issue</u>	<u>Beginning Balance July 1, 2020</u>	<u>Adjustment</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2021</u>
Ricoh Copiers	6.00%	\$ 7,010	\$ 76,072	(76,072)	7,010	714	6,296
Textbooks	2.60%	90,000	90,000			18,000	72,000
Equipment Lease	2.60%	700,000	700,000			83,000	617,000
Field Lease	2.40%	675,000	413,788			135,904	277,884
			<u>\$ 1,279,860</u>	<u>(76,072)</u>	<u>7,010</u>	<u>237,618</u>	<u>973,180</u>

MANASQUAN SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE

Exhibit I-3

DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Fund to Actual</u>
Revenues:					
Local Sources					
Local Tax Levy	\$ 1,423,979	-	1,423,979	1,423,979	-
Debt Service Aid	237,404		237,404	237,404	
Total Revenues	<u>1,661,383</u>	<u>-</u>	<u>1,661,383</u>	<u>1,661,383</u>	<u>-</u>
Expenditures:					
Regular Debt Service Interest	962,170		962,170	962,170	
Redemption of Principal	555,000		555,000	555,000	
Debt Service Principal - CDL Loans	158,042		160,215	160,215	
Redemption of Interest - CDL Loans	11,171		8,998	8,998	
Total Expenditures	<u>1,686,383</u>	<u>-</u>	<u>1,686,383</u>	<u>1,686,383</u>	<u>-</u>
Excess Revenues Over Expenditures	(25,000)	-	(25,000)	(25,000)	-
Other Financing Sources/(Uses):					
Transfer from Capital Projects				5,815	5,815
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,815</u>	<u>5,815</u>
Total Excess Revenues Over Expenditures and Other Financing Sources (Uses)	(25,000)	-	(25,000)	(19,185)	5,815
Fund Balance July 1	<u>150,989</u>	<u></u>	<u>150,989</u>	<u>150,989</u>	<u>-</u>
Fund Balance June 30	<u>\$ 125,989</u>	<u>-</u>	<u>125,989</u>	<u>131,804</u>	<u>5,815</u>

STATISTICAL SECTION

(Unaudited)

**Manasquan Board of Education
Net Position by Component,
Last Ten Fiscal Years**

J-1

Fiscal Year Ending June 30,

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Invested in capital assets, net of related debt	\$ 10,871,682	12,159,569	12,483,066	10,520,497	9,978,019	6,488,240	2,358,528	14,576,521	6,890,584	5,851,137
Restricted	1,595,238	528,550	1,765,962	1,773,033	1,659,785	554,816	385,185	618,453	5,158,041	6,016,448
Unrestricted	(38,284)	22,838	(594,876)	(5,628,782)	(5,861,884)	(2,483,907)	(726,394)	(6,855,041)	(9,261,863)	(6,726,262)
Total governmental activities net position	12,428,636	12,710,957	13,654,152	6,664,748	5,775,920	4,559,149	2,017,319	8,339,933	2,786,762	5,141,323
Business-type activities										
Invested in capital assets, net of related debt	169,502	169,286	166,533	183,013	131,750	112,479	119,538	99,444	79,566	60,041
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	72,550	75,843	62,748	26,448	79,628	100,736	140,060	106,400	66,417	93,035
Total business-type net position	242,052	245,129	229,281	209,461	211,378	213,215	259,598	205,844	145,983	153,076
District-wide										
Invested in capital assets, net of related debt	11,041,184	12,328,855	12,649,599	10,703,510	10,109,769	6,600,719	2,478,066	14,675,965	6,970,150	5,911,178
Restricted	1,595,238	528,550	1,765,962	1,773,033	1,659,785	554,816	385,185	618,453	5,158,041	6,016,448
Unrestricted	34,266	98,681	(532,128)	(5,602,334)	(5,782,256)	(2,383,171)	(586,334)	(6,748,641)	(9,195,446)	(6,633,227)
Total District Net Position	\$ 12,670,688	12,956,086	13,883,433	6,874,209	5,987,298	4,772,364	2,276,917	8,545,777	2,932,745	5,294,399

Source: CAFRE Schedule A-1

**Manasquan Board of Education
Changes in Net Position,
Last Ten Fiscal Years**

Fiscal Year Ending June 30,

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities										
Instruction										
Regular	\$ 7,477,970	7,316,046	7,797,346	8,147,082	7,732,999	7,700,144	7,813,618	8,352,658	8,353,974	9,049,929
Special education	1,753,492	1,916,118	2,131,954	1,947,851	1,979,082	2,115,748	2,518,264	2,735,019	2,886,692	3,035,443
Other special education	139,112	112,527	147,703	511,598	798,855	216,132	191,261	228,571	276,587	139,950
Other instruction	797,543	710,900	706,050	731,633	743,062	732,851	845,467	840,187	880,658	932,800
Support Services										
Tuition	728,556	788,073	721,990	751,334	920,639	741,469	1,039,062	861,843	882,909	718,314
Student & instruction related services	3,213,776	2,971,791	2,833,209	2,900,023	2,993,919	3,437,682	3,393,560	3,479,967	3,501,716	3,900,267
General administrative services	657,133	651,981	611,877	609,263	634,576	1,713,755	620,418	668,808	726,819	690,576
School & Business Administrative Svcs	1,630,154	1,622,452	1,593,831	1,739,955	1,758,684	682,691	1,708,346	1,741,559	1,799,412	1,763,824
Unallocated Benefits	6,223,773	6,965,462	5,765,356	6,441,411	6,883,598	7,689,132	8,165,869	9,103,293	9,827,834	11,082,518
Plant operations and maintenance	2,019,036	2,698,669	1,941,900	2,139,894	2,029,373	2,032,233	2,156,165	2,522,246	2,402,821	2,638,846
Pupil transportation	392,692	392,999	432,476	506,389	554,515	553,740	654,897	631,050	525,307	378,543
FEMA Loan Payable	-	-	-	-	839,651	-	-	-	-	-
Capital Outlay	-	-	-	-	51,245	646,257	2,260,389	-	5,028,456	3,817,479
Special Schools	-	-	-	-	-	-	-	(5,095,419)	-	-
Charter Schools	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	333,738	244,608	258,283	259,874	240,110	239,612	219,914	452,143	704,941	690,813
Unallocated depreciation	827,188	818,422	704,421	681,910	684,889	690,081	710,257	859,620	1,010,526	1,032,209
Total Governmental Activities Expenses	26,194,163	27,210,048	25,646,396	27,368,217	28,845,197	29,191,527	32,297,487	27,381,545	38,808,652	39,871,511
Business-Type Activities:										
Food service	629,346	647,049	704,878	702,665	704,194	742,636	788,855	776,714	558,057	584,216
Surf Team	9,749	2,828	23,462	12,096	-	-	-	-	-	-
Total Business-Type Activities Expense	639,095	649,877	728,340	714,761	704,194	742,636	788,855	776,714	558,057	584,216
Total District Expenses:	26,833,258	27,859,925	26,374,736	28,082,978	29,549,391	29,934,163	33,086,342	28,158,259	39,366,709	40,455,727
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	-	788,073	721,990	751,334	937,639	741,469	1,039,062	861,843	882,909	718,314
Operating grants and contributions	506,399	539,995	425,888	457,252	620,046	576,315	446,380	453,372	497,540	947,671
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities Program Rev.	506,399	1,328,068	1,147,878	1,208,586	1,557,685	1,317,784	1,485,442	1,315,215	1,380,449	1,665,985

**Manasquan Board of Education
Changes in Net Position,
Last Ten Fiscal Years**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-Type Activities:										
Charges for services										
Food service	531,265	528,258	548,519	554,726	600,567	652,406	714,135	638,224	78,285	163,175
Surf Team	11,000	10,000	15,929	11,600	-	-	-	-	-	-
Operating grants and contributions	98,439	113,147	130,662	137,139	105,530	92,000	94,401	83,195	419,911	428,134
Total Business Type Activities Program Rev.	640,704	651,405	695,110	703,465	706,097	744,406	808,536	721,419	498,196	591,309
Total district program revenues	1,147,103	1,979,473	1,842,988	1,912,051	2,263,782	2,062,190	2,293,978	2,036,634	1,878,645	2,257,294
Net (Expense)/Revenue										
Governmental activities	(25,687,764)	(25,881,980)	(24,498,518)	(26,159,631)	(27,287,512)	(28,326,412)	(30,812,045)	(26,066,330)	(37,428,203)	(38,205,526)
Business-type activities	1,609	1,528	(7,533)	(11,296)	1,903	1,770	19,681	(55,295)	(59,861)	7,093
Total District-Wide Net Expense	(25,686,155)	(25,880,452)	(24,506,051)	(26,170,927)	(27,285,609)	(28,324,642)	(30,792,364)	(26,121,625)	(37,488,064)	(38,198,433)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property taxes levied for general purposes, net	12,171,782	12,655,951	12,034,544	12,575,032	12,952,283	14,153,618	14,698,690	15,342,558	15,649,409	15,962,397
Taxes levied for debt service	1,065,700	1,063,883	1,050,500	1,012,458	988,325	666,351	667,100	838,815	1,107,021	1,423,979
Tuition	9,993,759	8,187,640	8,219,829	8,716,281	7,801,435	8,182,853	8,328,696	9,836,276	9,826,992	10,718,842
Unrestricted grants and contributions	2,607,265	3,100,959	4,149,705	3,964,426	4,396,847	3,927,921	4,419,193	5,160,236	5,459,732	6,821,388
Debt Proceeds	-	-	-	-	-	-	-	1,088,600	(412,159)	4,972,375
Investment earnings	926	772	-	-	-	-	-	-	-	-
Miscellaneous income	149,375	165,769	98,897	83,760	44,276	178,898	156,537	122,459	244,037	208,466
Transfers	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	25,988,807	25,174,974	25,553,475	26,351,957	26,183,166	27,109,641	28,270,216	32,388,944	31,875,032	40,107,447
Business-Type Activities:										
Miscellaneous	14	8	11	60	14	67	457	1,541	-	-
Transfers	-	-	-	-	-	-	26,702	-	-	-
Total Business-Type Activities	14	8	11	60	14	67	27,159	1,541	-	-
Total District-Wide	25,988,821	25,174,982	25,553,486	26,352,017	26,183,180	27,109,708	28,297,375	32,390,485	31,875,032	40,107,447
Change in Net Position										
Governmental activities	301,043	(707,006)	1,054,957	192,326	(1,104,346)	(1,216,771)	(2,541,829)	6,322,614	(5,553,171)	1,901,921
Business-type activities	1,623	1,536	(33,219)	(11,236)	1,917	1,837	19,681	(53,754)	(59,861)	7,093
Total District	\$ 302,666	(705,470)	1,021,738	181,090	(1,102,429)	(1,214,934)	(2,522,148)	6,268,860	(5,613,032)	1,909,014

Source: CAFR Schedule A-2

**Manasquan School District
Fund Balances, Governmental Funds
Last Ten Fiscal Years**

J-3

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Reserved	\$ 1,593,851	527,515	1,369,608	1,811,647	1,815,330	1,252,366	661,422	256,884	293,279	4,668,188
Unreserved	568,825	490,658	396,354	373,503	258,374	216,738	449,134	377,790	486,950	874,559
Total General Fund	2,162,676	1,018,173	1,765,962	2,185,150	2,073,704	1,469,104	1,110,556	634,674	780,229	5,542,747
All Other Governmental Funds										
Reserved	-	1,035	-	-	-	1,082,742	6,481,659		3,723,447	
Unreserved, reported in										
Special revenue fund	-	-	19,996	-	-	-	-	-	-	-
Capital projects fund	-	-	-	-	-	2,933,973	262,871	667,701	1,033,036	865,650
Debt service fund	1,387	-	-	-	-	2,798	14,666	21,016	150,988	131,804
Total All Other Governmental Funds	\$ 1,387	1,035	19,996	0	0	4,019,513	6,759,196	688,717	4,907,471	997,454

Source: CAFR Schedule B-1

**Manasquan Board of Education
Changes in Fund Balance, Governmental Funds
Last Ten Fiscal Years**

J-4

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Tax levy	\$ 13,237,482	13,719,834	13,085,044	13,587,490	13,940,608	14,819,969	15,365,790	16,181,373	16,756,430	17,386,376
Tuition charges	9,993,759	8,975,713	8,941,819	9,467,615	8,722,074	8,924,322	9,367,758	10,698,119	10,709,901	11,437,156
Interest earnings	926	772	-	-	-	-	-	-	-	-
Miscellaneous	162,284	219,660	119,934	91,714	107,693	239,994	205,693	181,846	263,983	641,433
State sources	2,634,865	3,162,312	2,897,658	3,128,589	3,735,494	3,988,700	4,399,177	5,127,185	5,452,225	6,782,660
Federal sources	465,890	424,751	1,656,898	1,285,135	1,234,982	454,440	417,240	427,036	485,101	553,432
Total Revenue	26,495,206	26,503,042	26,701,353	27,560,543	27,740,851	28,427,425	29,755,658	32,615,559	33,667,640	36,801,057
Expenditures										
Instruction										
Regular Instruction	7,457,057	7,309,019	7,763,727	8,147,082	7,669,345	7,605,510	7,808,248	8,318,558	8,376,341	8,974,895
Special education instruction	1,753,492	1,916,118	2,131,954	1,947,851	1,979,082	2,568,417	2,518,264	2,735,019	2,886,692	3,035,443
Other special education	139,112	112,527	147,703	511,598	798,855	216,132	191,261	228,571	276,587	139,950
Other school programs	797,543	710,900	706,050	731,633	743,062	732,851	845,467	840,187	880,658	932,800
Support Services:										
Tuition	728,556	788,073	721,990	751,334	920,639	741,469	1,039,062	861,843	882,909	718,314
Student & Instruction related services	3,213,776	2,971,791	2,833,209	2,900,023	2,993,919	3,437,682	3,393,560	3,479,967	3,501,716	3,900,267
General administrative services	657,133	651,981	611,877	609,263	634,576	682,691	620,418	668,808	726,819	690,576
School administrative services	1,216,712	1,622,452	1,593,831	1,739,955	1,758,684	1,713,755	1,708,346	1,741,559	1,799,412	1,763,824
Business administrative services	413,442	-	-	-	-	-	-	-	-	-
Plant operations and maintenance	2,019,036	2,698,669	1,941,900	2,014,574	1,907,333	1,969,194	2,040,438	2,342,008	2,178,751	2,401,527
Security	-	-	-	125,320	122,040	124,979	144,475	180,238	224,070	237,319
Pupil transportation	392,692	392,999	432,476	506,389	554,515	553,740	654,897	631,050	525,307	378,543
Other Support Services	-	-	-	-	-	-	-	-	-	-
Employee Benefits	6,223,773	6,965,462	5,765,356	6,037,358	6,730,677	7,180,125	7,902,590	9,018,350	9,698,986	11,133,659
Food Service	-	-	-	-	-	-	-	-	-	-
Capital outlay	180,989	443,671	252,991	106,517	51,245	1,819,618	4,852,564	8,304,730	4,377,010	5,029,266
Debt service:										
Principal	720,000	745,000	815,000	785,000	770,000	475,000	490,000	649,234	688,042	715,215
Interest and other charges	346,010	319,235	216,569	247,425	218,325	191,350	177,100	250,398	514,119	971,168
Total Expenditures	26,259,323	27,647,897	25,934,633	27,161,322	27,852,297	30,012,513	34,386,690	40,250,520	37,537,419	41,022,766
Excess (Deficiency) of Revenues over (under) Expenditures	235,883	(1,144,855)	766,720	399,221	(111,446)	(1,585,088)	(4,631,032)	(7,634,961)	(3,869,779)	(4,221,709)

**Manasquan Board of Education
 Changes in Fund Balance, Governmental Funds
 Last Ten Fiscal Years**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Financing Sources (Uses)										
Proceeds from borrowing	-	-	-	-	-	-	-	675,000	8,233,400	4,972,375
Capital leases (non-budgeted)	18,736	-	-	-	-	-	-	-	-	-
Temporary Notes	-	-	-	-	-	5,000,000	7,012,268	413,600	-	-
Proceeds from refunding	-	-	-	-	-	-	-	-	-	-
Prior Year Voids	-	-	-	-	-	-	-	-	687	-
Accrued interest	-	-	-	-	-	-	(100)	-	-	-
Transfers in	1,035	-	-	-	-	-	54,840	-	-	-
Transfers out	(1,035)	-	-	-	-	-	(54,840)	-	-	-
Total Other Financing Sources (Uses)	18,736	0	0	0	0	5,000,000	7,012,168	1,088,600	8,234,087	4,972,375
Net Change in Fund Balances	\$ 254,619	(1,144,855)	766,720	399,221	(111,446)	3,414,912	2,381,136	(6,546,361)	4,364,308	750,666
Debt Service as a Percentage of Non-Capital Expenditures	4.060%	3.849%	3.978%	3.801%	3.548%	2.220%	1.940%	2.235%	3.203%	4.111%

Manasquan Board of Education
General Fund Other Local Revenue by Source
Last Ten Fiscal Years
Unaudited

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u> <u>Revenues</u>	<u>Bus. Svcs/</u> <u>CST/ Ath.</u>	<u>Misc.</u>	<u>Total</u>
2012	926	9,993,759	78,800	83,484	10,156,969
2013	772	8,975,713	47,600	172,060	9,196,145
2014	679	8,941,819	17,000	102,255	9,061,753
2015	826	9,467,615	17,000	65,754	9,551,195
2016	778	8,722,074	17,000	43,498	8,783,350
2017	3,202	8,924,322	17,000	155,899	9,100,423
2018	29,879	9,367,758	17,000	83,163	9,497,800
2019	38,569	10,698,119	17,000	39,205	10,792,893
2020	26,486	10,709,902	40,840	63,576	10,840,804
2021	8,383	11,437,157	24,000	117,803	11,587,343

Source: District Records

**Manasquan Board of Education
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Vacant Land	Resid.	Farm Reg.	Qfarm	Com.	Ind.	Apt.	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities #	Net Valuation Taxable	Total Direct Sch. Tax Rate	Est. (Cty. Equal. Val.)
2012	95	2883	0	0	184	12	8	1,741,294,154	131,989,400	1,063,154	1,606,751,754	0.854	78.28
2013	97	2882	0	0	184	12	7	1,656,447,600	134,451,100	0	1,521,996,500	0.860	79.49
2014	135	2859	0	0	186	11	7	1,705,061,000	132,585,500	0	1,572,475,500	0.873	79.65
2015	137	2858	0	0	188	11	7	1,723,847,700	132,717,600	0	1,591,130,100	0.876	80.59
2016	107	2873	0	0	205	11	6	2,112,687,200	136,928,400	0	1,975,758,800	0.753	100.00
2017	89	2890	0	0	205	11	6	1,916,539,375	137,406,800	0	2,055,689,746	0.777	96.30
2018	92	2883	0	0	205	11	6	1,982,950,975	137,544,100	0	2,120,495,075	0.816	93.89
2019	94	2882	0	0	203	11	6	1,998,829,375	137,523,300	1	2,205,974,206	0.838	84.21
2020	102	2877	0	0	202	11	6	2,143,995,000	138,195,700	1	2,005,799,300	0.867	84.21
2021	92	2887	0	0	200	11	6	2,164,934,100	140,915,600	1	2,024,018,500	0.876	81.41

Source: County Abstract of Ratables & Municipal Tax Assesor

Manasquan Board of Education
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	<u>Manasquan Board of Education</u>			<u>Overlapping Debt</u>			Total Direct & Overlapping Tax Rate
	<u>Basic Rate</u>	<u>General Obligation Debt Svc.</u>	<u>Total Direct</u>	<u>Borough of Manasquan</u>	<u>Fire Districts</u>	<u>Monmouth County</u>	
2012	0.788	0.066	0.854	0.368	0.045	0.377	1.644
2013	0.791	0.069	0.860	0.379	0.048	0.388	1.675
2014	0.765	0.066	0.831	0.379	0.048	0.388	1.646
2015	0.790	0.063	0.853	0.384	0.048	0.388	1.673
2016	0.655	0.050	0.705	0.334	0.039	0.303	1.381
2017	0.688	0.032	0.720	0.345	0.042	0.306	1.413
2018	0.693	0.031	0.724	0.352	0.042	0.318	1.436
2019	0.696	0.038	0.734	0.363	0.042	0.318	1.457
2020	0.780	0.054	0.834	0.369	0.044	0.342	1.589
2021	0.788	0.070	0.858	0.379	0.044	0.343	1.624

Source: District Records and Municipal Tax Collector

**Manasquan Board of Education
Principal Property Taxpayers
Current and Ten Years Ago**

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Manasquan Holdings/Acme	3,622,100	1	0.18%	3,141,400	6	0.19%
Sprint Comm Co LP c/o Prop Tax Dept.	3,346,200	2	0.17%	7,532,200		0.46%
SeaBreeze LLC	2,892,500	3	0.14%	3,000,000	7	0.18%
Osprey Realty	2,886,900	4	0.14%	2,822,000	8	0.17%
Giunco Realty	2,829,000	5	0.14%	7,289,200	4	0.26%
S & B Assoc., LP c/o Beachtree	2,744,600	6	0.14%	2,798,200	9	0.17%
293 Beachfront-292 First Avenue, LL	2,593,500	7	0.13%			
Manasquan Village Apartments, LLC	2,500,000	8	0.12%			
149 Main St., LLC C/O Campbell	2,450,000	9	0.12%			
Dana, Ronald B.	2,382,700	10	0.12%	7,994,400	1	0.49%
Leg-it				4,592,900	3	0.28%
308 Properties				3,751,800	5	0.23%
Sabdy , Thomas & Sheila				2,229,100	10	0.13%

Source: Municipal Tax Assesor

**Manasquan Board of Education
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Fiscal Year Ended <u>June 30,</u>	Taxes Levied for <u>the Fiscal Year</u>	<u>Amount</u>	Percentage <u>of Levy</u>	Collections in Subsequent <u>Years</u>
2012	13,237,482.00	13,237,482.00	100.00%	-
2013	13,719,834.00	13,719,834.00	100.00%	-
2014	13,085,044.00	13,085,044.00	100.00%	-
2015	13,587,490.00	13,587,490.00	100.00%	-
2016	13,940,608.00	13,940,608.00	100.00%	-
2017	14,819,969.00	14,819,969.00	100.00%	-
2018	15,365,790.00	15,365,790.00	100.00%	-
2019	16,181,373.00	16,181,373.00	100.00%	-
2020	16,756,430.00	16,756,430.00	100.00%	-
2021	17,386,376.00	17,386,376.00	100.00%	-

Source: District Records including the Certificate and Report of School Taxes (A4F Form)

**Manasquan Board of Education
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years**

Governmental Activities

Fiscal Year Ended June 30,	General Obligation Bonds	Capital Leases	Total District	Percentage Of Personal Income	Per Capita
2012	8,392,000	17,117	8,409,117	2.50%	1345
2013	7,405,000	13,719	7,418,719	2.00%	1164
2014	6,590,000	73,224	6,663,224	2.06%	1157
*2015	7,998,948	173,698	8,172,646	2.52%	1418
*2016	8,068,599	110,776	8,179,375	2.29%	1406
*2017	7,593,599	48,862	7,642,461	2.58%	1314
*2018	5,021,656	20,114	5,041,770	1.65%	854
*2019	4,372,422	644,492	5,016,914	1.64%	858
2020	24,364,380	1,203,788	25,568,168	7.75%	4404
2021	23,649,165	966,885	24,616,050	6.37%	4145

*Includes FEMA Loans

**Manasquan Board of Education
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years**

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
2012	8,392,000	-	8,392,000	0.5223%	1,429.40
2013	7,405,000	-	7,405,000	0.4865%	1,261.28
2014	6,590,000	-	6,590,000	0.4330%	1,144.69
2015	7,998,948	-	7,998,948	0.5027%	1,387.74
2016	8,068,599	-	8,068,599	0.4083%	1,387.54
2017	7,593,599	-	7,593,599	0.3693%	1,305.19
2018	5,021,656	-	5,021,656	0.2368%	850.70
2019	4,372,422	-	4,372,422	0.1982%	747.93
2020	24,364,380	-	24,364,380	1.2147%	4,196.41
2021	23,649,165	-	23,649,165	1.1684%	3,982.68

Need Net Value Taxable from J-6

**Manasquan Board of Education
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2021**

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<u>Governmental Unit</u>			
Debt repaid with property taxes	16,063,478	100.00%	16,063,478
Manasquan Borough			
Other debt			
County of Monmouth Borough's Share	481,238,393	1.820%	8,758,538
Utility Authority- Borough's Share	15,762,438	15.15%	2,388,009
Utility Authority- Sanitary Sewer Rehabilitation			<u>19,489</u>
Subtotal, overlapping debt			11,166,036
Manasquan School District Direct Debt			<u>23,649,165</u>
Total direct and overlapping debt			<u><u>50,878,679</u></u>

Manasquan Board of Education
 Legal Debt Margin Information
 Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2021

Equalized valuation basis

2021	2,024,018,500
2020	2,005,799,300
2019	<u>1,998,829,375</u>
	<u>6,028,647,175</u>

Average equalized valuation of taxable property 2,009,549,058

Debt limit (4% of average)	80,381,962
Net bonded school debt	<u>23,649,165</u>
Legal debt margin	<u>56,732,797</u>

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	48,095,426	47,301,437	46,844,801	46,723,034	47,448,820	51,686,155	55,569,914	79,483,275	79,834,395	80,381,962
Total net debt appl. to limit	<u>8,392,000</u>	<u>7,405,000</u>	<u>6,590,000</u>	<u>7,998,948</u>	<u>8,068,599</u>	<u>7,593,599</u>	<u>5,021,656</u>	<u>4,372,422</u>	<u>24,364,380</u>	<u>23,649,165</u>
Legal debt margin	<u>39,703,426</u>	<u>39,896,437</u>	<u>40,254,801</u>	<u>38,724,086</u>	<u>39,380,221</u>	<u>44,092,556</u>	<u>50,548,258</u>	<u>75,110,853</u>	<u>55,470,015</u>	<u>56,732,797</u>
Total net debt applicable to	17.45%	15.65%	14.07%	17.12%	17.00%	14.69%	9.04%	5.50%	30.52%	29.42%

Source: Abstract of Ratables and District Records CAFR Schedule J-7

**Manasquan Board of Education
Demographic and Economic Statistics
Last Ten Fiscal Years**

Year	Population	Personal Income (thousands of dollars)	* Per Capita Personal Income	Unemployment Rate
2012	5871	342,602,205	58,355	4.9
2013	5871	342,602,205	58,355	5.1
2014	5757	353,629,482	61,426	4.9
2015	5764	362,561,364	62,901	5.1
2016	5815	383,900,485	66,019	4.6
2017	5818	403,827,380	69,410	3.8
2018	5903	420,512,011	71,237	3.9
2019	5846	440,759,170	75,395	3.1
2020	5806	464,352,268	79,978	2.6
2021	5938	490,187,838	82,551	7.8

*=This data is only available for the entire County of Monmouth.

Source: US Census Bureau, NJ Dept. of Labor and Workforce Development

Manasquan Board of Education
 Principal Employers,
 Current Year and Ten Years Ago

Employer	2021			2012		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment

*No Information Available

**Manasquan Board of Education
Full-Time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years**

	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function/Program									
Instruction									
Regular	110	102	103	101.5	98.5	103	104	107	108
Special education	18	20	22	30	34	30.5	30	32	31
Other special education	2	2	2	2	2	2	2	2	2
Other instruction	11	9	7	7	9	9	9	9	9
Support Services:									
Student & instruction related services	31.3	35	36	41	37	43	42	42.5	43.5
General administration	3	3	3	3	3	4	4	5	5
School administrative services	11.6	9	9	9	11	9	9	9	9
Central services	5	7	5	5	7	7	7	7	7
Administrative Information Technology	2	2	2.5	3.5	3.5	3.5	3.5	3.5	3.5
Plant operations and maintenance	19.1	18	17	16	18	17	19	19.5	21
Total	213.0	207.0	206.5	218.0	223.0	228.0	229.5	236.5	239.0

	2021
Function/Program	
213-100 Health Services	3
216-100 Speech/OT/PT and Related Svcs.	3
217-100 Support Services	5
218-1xx Guidance	9
219-1xx Child Study Team	7
221-1xx Supervisors	5
222-1xx Media Services/Library/Tech	7
230-100 General Administration	4
240-1xx Administration	12
251-100 Business Administration	5
26X-100 Buildings and Grounds	24
266-100 Security	6
1xx-100 Regular Education Teachers	112
2xx-100 Special Education Teachers	32
2xx-106 Special Education Paraprofessionals	11
402-100 Athletic Secretary	1
Total	246.0

Source: District Personnel Records

Manasquan School District
 Operating Statistics
 Last Ten Years

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio		ADE	ADA	% Change in ADE	Student Attendance %
						Elementary	High School				
2012	1666	24,515,369	14,715	6.80%	130	10.8	11.9	1666.10	1576.90	#REF!	94.65%
2013	1593	25,599,996	16,070	9.20%	124	12	13.5	1593.00	1513.00	-4.39%	94.98%
2014	1635	24,227,685	14,818	-7.79%	127	11.3	14.2	1635.40	1566.02	2.66%	95.76%
2015	1599	25,671,645	16,055	8.35%	133.5	9.9	14.3	1599.98	1522.70	-2.17%	95.17%
2016	1580	26,243,926	16,610	3.46%	134.5	9.9	13.5	1579.76	1499.82	-1.26%	94.94%
2017	1560	27,786,562	17,812	7.24%	133.5	10.2	13.5	1560.27	1480.23	-1.23%	94.87%
2018	1505	28,967,272	19,247	8.06%	134	9.1	13.1	1504.62	1431.90	-3.57%	95.17%
2019	1495	32,407,087	21,677	12.62%	139	8.4	12.8	1494.83	1415.35	-0.65%	94.68%
2020	1465	31,693,100	21,634	-0.20%	139	8.4	12.8	1465.48	1409.73	-1.96%	96.20%
2021	1508	0	0	-100.00%	144	8.3	12.2	1507.76	1419.07	2.89%	94.12%

From C-1

Source: District Records

**Manasquan School District
School Building Information
Last Ten Fiscal Years**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
--	------	------	------	------	------	------	------	------	------	------

District Building

Elementary

Manasquan Elementary School

Square Feet	111,800	111,800	111,800	111,800	111,800	111,800	111,800	111,800	111,800	111,800
Capacity (students)	738	738	738	738	738	738	738	738	738	738
Enrollment	682	659	657	622	641	630	585	547	547	547

High School

Manasquan High School

Square Feet	117,156	117,156	117,156	117,156	117,156	117,156	117,156	123,558	130,253	130,253
Capacity (students)	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,832	1,168	1,168
Enrollment	984	934	978	977	939	930	920	948	953	953

Source: District Records, ASSA

**Manasquan School District
 Schedule of Required Maintenance
 Last Ten Fiscal Years**

**Undistributed Expenditures - Required
 Maintenance for School Facilities**

Year	School Facilities	Manasquan	Manasquan
	Project # (s)	High School	Elementary School
2012		189,954	24,356
2013		847,925	152,482
2014		46,101	2,705
2015		72,274	27,302
2016		40,175	43,156
2017		92,005	39,540
2018		119,641	44,638
2019		373,308	78,978
2020		129,948	68,718
2021		125,121	224,440
Total School Facilities		2,036,452	706,315

Source: District Records, CAFR Schedule C-1

**Manasquan School District
Insurance Schedule
June 30, 2021**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Multi-Peril Policy (Incl. Boiler & Machinery)	56,667,731	2,500
General Automobile Liability	5,000,000	1,000
School Board Legal Liability	5,000,000	10,000
Catastrophic Excess Liability	5,000,000	-
Workers' Compensation	3,000,000	-
Flood/Earthquake	35,000,000	
Student Accident Insurance (2)		
Maximum Benefit Blanket Coverage Including Interscholastic Athletics & Football	25,000/Injury	0
Full Excess Plan - Catastrophic	5,000,000/Injury	
Surety Bonds (3)		
Treasurer	250,000	-
Board Secretary/Business Administrator	250,000	-

(1) Boynton & Boynton (SAIF, CHUBB, MOCSSIF, NJSIG)

(2) BMI

(3) Boynton & Boynton (Selective)

SINGLE AUDIT SECTION

Robert A. Hulsart and Company
CERTIFIED PUBLIC ACCOUNTANTS

127.

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
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**INDEPENDENT AUDITOR'S 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**

K-1

Honorable President and Members
of the Board of Education
Manasquan School District
County of Monmouth
Manasquan, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Manasquan Board of Education, County of Monmouth, State of New Jersey as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Manasquan Board of Education, County of Monmouth, State of New Jersey's basic financial statements, and have issued our report thereon dated February 11, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Manasquan Board of Education, County of Monmouth, State of New Jersey's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions of the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Manasquan Board of Education, County of Monmouth, State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of the Manasquan Board of Education, County of Monmouth, and State of New Jersey'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 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 purposes 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Manasquan Board of Education, County of Monmouth, State of New Jersey'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 determination of financial statement amounts. 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*.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

ROBERT A. HULSART AND COMPANY

Robert A. Hulsart

**Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company
Wall Township, New Jersey**

February 11, 2022

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED
BY UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF STATE
FINANCIAL ASSISTANCE AS REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

K-2

Honorable President and Members
of the Board of Education
Manasquan School District
County of Monmouth
Manasquan, New Jersey

Report on Compliance for Each Major State Program

We have audited the Board of Education of the Manasquan School District, County of Monmouth, State of New Jersey's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Board of Education of the Manasquan School District, County of Monmouth, State of New Jersey's major state programs for the year ended June 30, 2021. The Board of Education of the Manasquan School District, County of Monmouth, State of New Jersey's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Board of Education of the Manasquan School District, County of Monmouth, State of New Jersey's major state programs based on our audit of the types of compliance requirements referred to above. 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; and prescribed by the Office of School Finance, Department of Education, State of New Jersey; Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and the U.S. Uniform Guidance and New Jersey OMB's Circular 15-08, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Board of Education of the Manasquan School District, County of Monmouth, State of New Jersey's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the Board of Education of the Manasquan School District, County of Monmouth, State of New Jersey's compliance.

Opinion on Each Major State Program

In our opinion, the Board of Education of the Manasquan School District, County of Monmouth, State of New Jersey's, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Board of Education of the Manasquan School District, County of Monmouth, State of New Jersey's is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Board of Education of the Manasquan School District, County of Monmouth, State of New Jersey's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board of Education of the Manasquan School District, County of Monmouth, and State of New Jersey's 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 a 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 was for the limited purposes described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or, significant deficiencies. 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.

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 the U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

ROBERT A. HULSART AND COMPANY

Robert A. Hulsart

**Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company
Wall Township, New Jersey**

February 11, 2022

MANASOUAN SCHOOL DISTRICT

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Federal Fain Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance June 30, 2020	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years Balances Adjustments	Balance at June 30, 2021		
				From	To							(Accounts Receivable)	Deferred Revenue	Due to Grantor
U.S. Department of Education:														
General Fund:														
Medical Assistance Program (SEMI)	93.778	2005NJ5MAP	N/A	07/01/2020	06/30/2021	\$ 38,728	\$ -	-	38,728	(38,728)	-	-	-	-
Total General Fund							-	-	38,728	(38,728)	-	-	-	-
U.S. Department of Education:														
Passed Through State Department of Education:														
Special Revenue Fund:														
NCLB:														
Title I	84.010	S010A180030	NCLB21	07/01/2020	09/30/2021	81,623			47,067	(77,871)		(50,804)		
Title I	84.010	S010A190030	NCLB20	07/01/2019	06/30/2020	85,125	(26,551)		26,551					
Title IIA	84.367A	S367A180029	NCLB21	07/01/2020	09/30/2021	20,295			16,108	(16,809)		(701)		
Title IIA	84.367A	S367A190029	NCLB20	07/01/2019	06/30/2020	19,567	(1,190)		1,190					
Title III	84.365A	S365A190030	NCLB20	07/01/2019	06/30/2020	1,369	(1,076)		1,076					
Title IV	84.424	S424A180031	NCLB21	07/01/2020	09/30/2021	11,368			1,734	(1,734)				
Title IV	84.424	S424A190031	NCLB20	07/01/2019	06/30/2020	10,020	(114)		114					
CARES Act	84.425D	S425D200027	NA	03/13/2020	09/30/2022	68,354	(46,539)		68,354	(21,815)				
ESSER Digital Divide	84.425D	S425D200027	NA	07/16/2020	10/31/2020	50,787			50,787	(50,787)				
Coronavirus Relief Fund	21.019	STL0040	NA	09/20/2020	12/01/2020	30,136			30,136	(30,136)				
Perkins Secondary	84.048A	V027A200100	NA	07/01/2020	06/30/2021	21,559			5,186	(18,499)		(13,313)		
Special Education Cluster:														
IDEA:														
Part B - Basic	84.027	H027A180100	FT21	07/01/2020	09/30/2021	289,336			289,336	(289,336)				
Preschool	84.173	H173A180114	FT21	07/01/2020	09/30/2021	7,717			7,717	(7,717)				
Total Special Revenue							(75,470)	-	545,356	(514,704)	-	(44,818)	-	-
U.S. Department of Agriculture -														
Passed Through State Department of Education:														
Child Nutrition Cluster:														
National School Lunch Program	10.555	201NF304N1099	N/A	07/01/2019	06/30/2020	50,511	(10,366)		10,366					
National School Lunch Program	10.555	211NJ304N1099	N/A	07/01/2020	06/30/2021	374,777			336,754	(374,777)		(38,023)		
HHFKA Lunch Program	10.555	201NF304N1099	N/A	07/01/2019	06/30/2020	1,956	(213)		213					
HHFKA Lunch Program	10.555	211NJ304N1099	N/A	07/01/2020	06/30/2021	7,474			6,715	(7,474)		(759)		
Food Distribution Program	10.550	211NJ304N1099	N/A	07/01/2020	06/30/2021	26,941			26,941	(26,941)				
Total U.S. Dept. of Agriculture							(10,579)	-	380,989	(409,192)	-	(38,782)	-	-
Total Federal Financial Assistance							\$ (86,049)	-	965,073	(962,624)	-	(83,600)	-	-

See accompanying notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

MANASQUAN SCHOOL DISTRICT

SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Grantor/Program State Department of Education:	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2020				Balance at June 30, 2021				MEMO			
			From	To	Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures Pass Through Funds	Adjustments	Repayment of Prior Year Balances	Intergovernmental (Accounts Receivable)	Deferred Revenue Interfund Payable	Due to Grantor	Budgetary Receivable	Total Cumulative Expenditures
General Fund:																
Extraordinary Aid	20-495-034-5120-044	\$ 127,584	07/01/2019	06/30/2020	\$ (127,584)			127,584								
Extraordinary Aid	21-495-034-5120-044	273,373	07/01/2020	06/30/2021					(273,373)		(273,373)				273,373	
Special Education Categorical Aid	21-495-034-5120-089	579,538	07/01/2020	06/30/2021			534,816		(579,538)				(44,722)	579,538		
Transportation Aid	21-495-034-5120-014	76,841	07/01/2020	06/30/2021			69,157		(76,841)				(7,684)	76,841		
Security Aid	21-495-034-5120-084	83,868	07/01/2020	06/30/2021			75,481		(83,868)				(8,387)	83,868		
Adjustment Aid	21-495-034-5120-085	20,596	07/01/2020	06/30/2021			18,536		(20,596)				(2,060)	20,596		
On-Behalf T.P.A.F. Pension Contributions - Post Retirement Medical (non-budgeted)	21-495-034-5094-001	1,087,097	07/01/2020	06/30/2021			1,087,097		(1,087,097)					1,087,097		
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)	21-495-034-5094-002	3,404,124	07/01/2020	06/30/2021			3,404,124		(3,404,124)					3,404,124		
On-Behalf T.P.A.F. Non-Contributory Insurance	21-495-034-5094-004	64,768	07/01/2020	06/30/2021			64,768		(64,768)					64,768		
On-Behalf T.P.A.F. Pension Contributions - Long Term Disability	21-495-034-5094-004	1,695	07/01/2020	06/30/2021			1,695		(1,695)					1,695		
Reimbursed TPAF S.S. Contr.	21-100-034-5095-003	946,203	07/01/2019	06/30/2020	(46,112)		46,112									
Reimbursed TPAF S.S. Contr.	21-100-034-5095-003	958,347	07/01/2020	06/30/2021			910,937		(958,347)		(47,410)			958,347		
Total General Fund					(173,699)	-	-	6,340,307	(6,550,247)	-	(320,783)	-	-	(62,853)	6,550,247	
Special Revenue Fund:																
N.J. Nonpublic Aid:																
Transportation	20-100-034-5120-066	104	07/01/2019	06/30/2020	104					(104)						
Transportation	21-100-034-5120-066	48	07/01/2020	06/30/2021			48						48			
Exam and Classification	21-100-034-5120-067	911	07/01/2020	06/30/2021			911						911			
Total Special Revenue					104	-	-	959	-	(104)	-	-	959	-		
State Department of Agriculture:																
Enterprise Fund																
National School Lunch Program																
State Share	21-100-034-3360-023	18,829	07/01/2020	06/30/2021			13,947		(18,829)		(4,882)			18,829		
State Share	20-100-034-3360-023	1,465	07/01/2019	06/30/2020	(167)		167									
Total Enterprise Fund					(167)		14,114		(18,829)		(4,882)			18,829		
Total State Financial Assistance					\$ (173,759)	-	-	6,355,380	(6,569,076)	-	(104)	(325,665)	-	959		
Less on Behalf TPAF Pension System Contributions									\$ (4,557,684)							
Total for State Financial Assistance-Major Program Distribution									\$ (2,011,392)							

See accompanying Notes to Schedules of Federal Awards and State Financial Assistance.

BOARD OF EDUCATION

K-5

MANASQUAN SCHOOL DISTRICT**NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE****JUNE 30, 2021****NOTE 1: General**

The accompanying schedules of financial assistance present the activity of all federal and state financial assistance programs of the Board of Education, Manasquan School District. The Board of Education is defined in Note 1(A) to the Board's general-purpose financial statements. All federal and state awards received directly from federal and state 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 of expenditures of awards and financial assistance are presented on 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 bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular 15-08 *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3: Relationship to General Purpose Financial Statements

The general-purpose 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 the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment 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, whereas the GAAP basis does not. The special revenue fund also recognizes one or more state aid June payments in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(4,991) for the general fund and \$(0) for the special revenue fund. See exhibit C-3 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 general purpose financial statements on a GAAP basis as presented on the following page:

NOTE 3: Relationship to General Purpose Financial Statements

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Food Service</u>	<u>Total</u>
<u>State Assistance</u>				
Actual Amounts (Budgetary) "Revenues" from the Schedule of Expenditures of State Financial Assistance	\$ 6,550,247		18,829	6,569,076
Difference – Budget to "GAAP" Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures and the Related Revenue is Recognized				
The Last State Aid Payment Is Recognized as Revenue for Budgetary Purposes, and Differs from GAAP Which does not Recognize This Revenue Until the Subsequent Year When the State Recognizes the Related Expense (GASB 33)				
	<u>(4,991)</u>	—	—	<u>(4,991)</u>
Total State Revenue as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances	<u>\$ 6,545,256</u>	<u>0</u>	<u>18,829</u>	<u>6,564,085</u>

NOTE 3: Relationship to General Purpose Financial Statements (Continued)

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Food Service</u>	<u>Total</u>
<u>Federal Assistance</u>				
Actual Amounts (Budgetary) “Revenues” from the Schedule of Expenditures of Federal Awards	\$ 38,728	514,704	409,192	962,624
Difference – Budget to “GAAP” Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures, and the Related Revenue is Recognized	_____	<u>23,058</u>	_____	<u>23,058</u>
Total Federal Revenue as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances	<u>\$ 38,728</u>	<u>537,762</u>	<u>409,192</u>	<u>985,682</u>

NOTE 4: Relationship to Federal and State Financial Reports

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

NOTE 5: Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2021. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer’s share of social security contributions for TPAF members for the year ended June 30, 2021.

BOROUGH OF MANASQUAN SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

K-6

Part I - Summary of Auditor's Results

Financial Statement Section

Unmodified

(A) Type of auditor's report issued: _____

(B) Internal control over financial reporting:

1) Material weakness(es) identified? _____ Yes No

2) Were reportable condition(s) identified that were not considered to be material weaknesses? _____ Yes No

(C) Noncompliance material to general purpose financial statements noted? _____ Yes No

Federal Awards Section

Internal control over compliance:

1) Material weakness(es) identified? _____ Yes No

2) Reportable condition(s) identified that are not considered to be material weaknesses? _____ Yes None Reported

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

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? _____ Yes No

Identification of major programs:

CFDA Number(s)

Special Education Cluster:

Name of Federal Program or Cluster

21.019	Coronavirus Relief Fund
84.010	Title I
84.027	IDEA Basic (Special Education Cluster)
84.173	IDEA Preschool (Special Education Cluster)
84.367A	Title IIA
84.425D	Digital Divide (ESSER)
84.425D	CARES Act

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

Auditee qualified as low-risk auditee? Yes _____ No

BOROUGH OF MANASQUAN SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Part II - Schedule of Financial Statement Findings

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

Finding: No matters were reported.

Criteria or specific requirement: N/A

Condition: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Views of Responsible Officials and Planned Corrective Actions: N/A

BOROUGH OF MANASQUAN SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Part III - State Financial Assistance Findings and Questioned Costs

This section identifies audit findings required to be reported by section 200.515 paragraph C of Circular 2 CFR 200 and OMB 15-08.

STATE AWARDS

Finding: No matters were reported.

Information on the State Program: N/A

Criteria or specific requirement:

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause:

Recommendation: N/A

Management's response: N/A

BOROUGH OF MANASQUAN SCHOOL DISTRICT

K-6

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

This section identifies audit findings required to be reported by Title 2 U.S. Code of Federal Regulation Part 200 and OMB Circular Letter 15-08.

FEDERAL AWARDS

Not Applicable

BOROUGH OF MANASQUAN SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

K-7

Prior Audit Findings:

None