

BRICK TOWNSHIP
BOARD OF EDUCATION
OF OCEAN COUNTY

BRICK TOWNSHIP BOARD OF EDUCATION
Brick, New Jersey

COMPREHENSIVE ANNUAL FINANCIAL REPORT
Fiscal Year Ended June 30, 2020

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

Of the

Brick Township Board of Education
of Ocean County

Brick, New Jersey

For the Fiscal Year Ended June 30, 2020

Prepared by

Brick Township Board of Education
Finance Department

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INTRODUCTORY SECTION



December 28, 2020

Honorable President and
Members of the Board of Education
Brick Township School District
101 Hendrickson Avenue
Brick, NJ 08724
County of Ocean, New Jersey

Dear Board Members and Constituents of Brick Township:

The comprehensive annual financial report of the Brick Township School District (District) for the fiscal year ended June 30, 2020, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and result of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections as follows:

The Introductory section includes this transmittal letter, the Management Discussion and Analysis, the District's organizational chart and a list of principal officials.

The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon.

The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The Single Audit Section - The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

REPORTING ENTITY AND ITS SERVICES

The Brick Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report.

The Brick Township Board of Education and all its schools constitute the District's Reporting entity and it does not have any nor is it considered a component unit.

The School District provides a full range of high level educational services appropriate to grade levels Pre-K through 12 and is one of the largest districts in New Jersey. The District includes two high schools - Brick Township High School (built 1958) and Brick Township Memorial High School (built 1978), two middle schools - Lake Riviera Middle School (built 1966) and Veterans Memorial Middle School (built 1970), and eight elementary schools – Drum Point Elementary School (built 1961), Emma Havens Young Elementary School (built 1966), Herbertsville Elementary School (built 1949), Lanes Mill Elementary School (built 1964), Midstreams Elementary School (built 1959), Osbornville Elementary School (built 1938), Veterans Memorial Elementary School (built 1970) and Warren H. Wolf Elementary School (built 1996). All schools provide services for regular students as well as special education for handicapped youngsters. The District completed the 2019-20 fiscal year with an average daily enrollment of 8,430 students, which is 30 students below the previous year's average daily enrollment. The following details the changes in the student enrollment of the District over the last ten years:

Fiscal Year	Average Daily Enrollment	Percent Change
2019-20	8,430	-0.5%
2018-19	8,470	-1.6%
2017-18	8,606	-1.1%
2016-17	8,698	-1.6%
2015-16	8,839	-4.4%
2014-15	9,251	-2.7%
2013-14	9,515	-4.7%
2012-13	9,666	-3.5%
2011-12	9,714	-3.5%
2010-11	10,071	-1.9%

You may notice the above enrollment numbers are different than the numbers presented in statistical item J-18. The chart above shows average daily enrollment whereas J-18 shows actual enrollment on October 15, 2019 as reported on our New Jersey state required Application for State School Aid (ASSA) Report.

Our District's enrollment has been declining over the last ten years. We expect the enrollment to remain stable for the next few years.

ECONOMIC CONDITION AND OUTLOOK

Local, state and federal economic conditions continue to create a relatively uncertain economic environment for all entities, including the school district. In October 2012, the community was devastated by Superstorm Sandy which caused significant damage to the shore areas of our community. Not all the lost ratables have returned to the tax rolls as the recovery process is remains ongoing. On the positive side, there are businesses inside of Brick Township's borders that have remained stable in the current economic climate including some nationally known companies. Brick Township School District continues to receive all

tax levy monies through Brick Township on time and in full and this is expected to continue indefinitely.

The district remains concerned about future state aid allocation. State aid receipts to our school district are expected to decline over the next five years. Currently, the district is working with legislators, attorneys and other impacted districts to change to state aid formula to be more equitable in multiple categories. Because this challenge is ongoing and the outcome is uncertain at this time, the district is planning for future potential state aid reductions by looking for alternate revenue sources and evaluating ways to restructure programs to reduce expenses.

Brick Township school district has 12 schools ranging from 24 to 82 years old. Given the age of the buildings, the schools are in satisfactory condition. The district continually does improvements to infrastructure, HVAC, security, roofs, parking lots and other needed areas using the various funding sources available including tax levy, lease purchase, state grant and debt service funding.

The international pandemic caused many uncertainties in 2019-20. The district transitioned to all remote learning on March 16, 2020 and remained virtual for the remainder of the school year. The financial differences during the school year were unpredictable with savings in some areas (for example, overtime and medical costs) and exponential increases in other areas (for example, technology and personal protective equipment). The district worked hard to have a robust virtual educational program for all students. Not having gone through a pandemic in our recent history leaves many factors unknown, including the needs of our students when they return to full time, in person learning. Those costs remain unknown at this time but the district aggressively pursues all grant opportunities. Multiple pandemic related grants are expected in the next year to help defray increased and new costs.

Additional information about our district can be found in the District's Management Discussion and Analysis.

MAJOR INITIATIVES

The Brick Township School District continues to advance capital projects. Parking lots and roofs continue to be priorities. Security measures continue to be evaluated and improvements planned. Additional personnel were hired to increase the security presence in all twelve of our schools.

Prior to the pandemic, planned technology infrastructure updates were made using not only district funds, but maximized Federal E-Rate funds. The switch to all remote learning in March 2020 required updates to equipment including Chromebooks for teachers and students, laptops for support staff, and updates to classroom equipment to support hybrid/ virtual learning. The district also purchased hotspots to service families without internet access.

We continue to maximize purchasing power by entering into lease purchase agreements. The District's administration closely monitors the cost of operations and continues to look for new funding sources in order to maintain quality educational services and facilities.

The District is taking the necessary steps to sell our oldest building, The Laurelton School. The building has been unoccupied since 2008 and is beyond reasonable repair.

During the 2019-20 fiscal year, the district opened a health center within one of our buildings. This center services the districts insured employees as well as their families. The center is designed to help improve the health of our employees and their dependents while trying to defray the rising costs of health insurance. The center has been well received by employees, their dependents and the community.

INTERNAL ACCOUNTING CONTROLS

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

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

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

BUDGETARY CONTROLS

In addition to internal accounting controls, the District maintains budgetary controls. The legal level of budgetary control is established at line-item accounts within each fund. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District's Board of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount, as amended for the fiscal year, is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2020.

ACCOUNTING SYSTEM AND REPORTS

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

FINANCIAL INFORMATION AT FISCAL YEAR-END

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.

DEBT ADMINISTRATION

At June 30, 2020, the District's outstanding debt issues included \$4,709,000 of general obligation bonds. Annual payments on the outstanding debt are made timely and the district works with a financial advisor to continuously search for opportunities to refund existing debt at a savings to the district.

OTHER INFORMATION

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Jump, Perry and Company, LLP was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and fund financial statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

ACKNOWLEDGMENTS

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

Respectfully submitted,

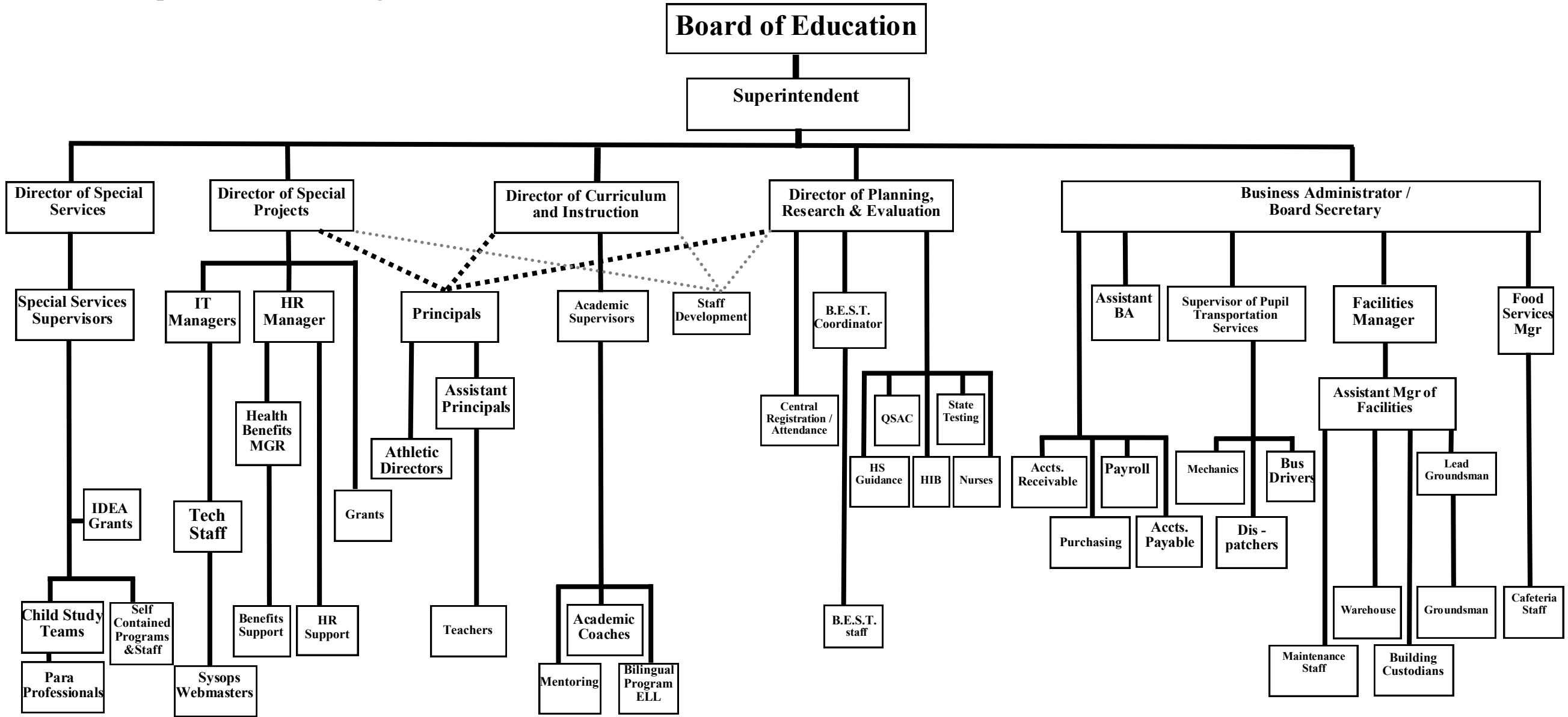


Thomas G. Farrell, Ed.D.
Superintendent of Schools



James W. Edwards, Jr., CPA
Business Administrator/
Board Secretary

Brick Township Public Schools Organizational Chart



Brick Township Board of Education
Brick Township, New Jersey

Roster of Officials
June 30, 2020

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Stephanie Wohlrab, President	2021
Melita Gagliardi, Vice President	2022
Jessica Clayton	2020
Maria Foster	2020
Daisy Haffner	2022
Victoria Pakala	2021
Nicole Siebert	2021

Other Officials

Thomas G. Farrell, Ed.D., Superintendent

James W. Edwards, Jr., CPA, School Business Administrator/Board Secretary

Richard M. Larsen, Treasurer

Brick Township Board of Education
Consultants and Advisors

Audit Firm

Kathryn Perry, CPA
Jump, Perry and Company, L.L.P.
12 Lexington Avenue
Toms River, New Jersey 08753

Attorney

Montenegro, Thompson, Montenegro & Genz
531 Burnt Tavern Road
Brick, New Jersey 08724

Official Depositories

OceanFirst Bank
321 Chambers Bridge Road
Brick, New Jersey 08723

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Brick Township Board of Education
County of Ocean
Brick, New Jersey

Report of the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Brick Township Board of Education in the County of Ocean, State of New Jersey, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 School District'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 School District'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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Brick Township Board of Education in the County of Ocean, State of New Jersey as of June 30, 2020 and the respective changes in financial position and, where applicable, cash flows thereof for the year 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 management's discussion and analysis and budgetary comparison information, and the schedules related to accounting and reporting for pensions and post-retirement benefits, as listed 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 Brick Township Board of Education's basic financial statements. The introductory section, combining fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and is also not a required part of the basic financial statements.

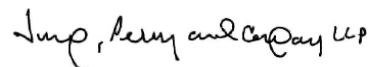
The combining fund financial statements and schedules and the schedule of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information 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 fund financial statements and schedules and the schedule of expenditures of federal and state awards are fairly stated, in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected 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 them.


Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2020 on our consideration of the Brick Township Board of Education in the County of Ocean, State of New Jersey internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Brick Township Board of Education in the County of Ocean, State of New Jersey internal control over financial reporting and compliance.

Respectfully Submitted,



Jump, Perry and Company L.L.P.
Toms River, New Jersey



Kathryn Perry, Partner
Licensed Public School Accountant
No. CS 20CS00226400

December 28, 2020

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Brick Township Board of Education
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020

Unaudited

The discussion and analysis of Brick Township Board of Education's financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to look at the School Board'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 Board's financial performance.

Financial Highlights

Key financial highlights for June 30, 2020 are as follows:

Net position totaled \$2,205,127, which represents a 126.96 percent increase from June 30, 2019.

General revenues accounted for \$148,064,975 in revenue or 88.22 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$19,777,893 or 11.78 percent of total revenues of \$167,842,868.

Total assets increased by \$9,912,600 as current assets increased by \$8,195,134 and capital assets, net increased by \$1,717,466.

The School Board had \$157,457,866 in expenses; only \$19,777,893 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$148,064,975 were adequate to provide for these programs.

Among major funds, the General Fund had \$155,993,604 in revenues and \$149,491,435 in expenditures and transfers. The General Fund's balance increased \$6,502,169 over June 30, 2019. The General Fund's balance is \$15,233,714.

Using this Comprehensive Annual Financial Report (CAFR)

The annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Brick Township Board of Education 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 Position and Statement of Activities provide information about the activities of the School Board, presenting both an aggregate view of the School Board's finances and longer-term view of those finances. Fund financial statements provide the next level of detail. For government funds, these statements tell how services were financed in the short term as well as what remains for future spending. The fund financial statements also look at the School Board's most significant funds with all other non-major funds presented in total in one column. In the case of Brick Township Board of Education, the General Fund is by far the most significant.

Reporting the School Board as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position and Statement of Activities provide information about the activities of the entire School District and are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector business.

These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in net position. The change in net position is important because it informs the reader that, for the School District as a whole, the financial position of the School District has improved or worsened. The causes of the change may be the result of many factors, some financial and some not. Non-financial factors include, but are not limited to, the District's property tax base, current laws in New Jersey restricting revenue growth, facility conditions, and required educational programs. In the Statement of Net Position and the Statement of Activities, the School Board is divided into two kinds of activities:

Governmental Activities - All of the School Board's programs and services are reported here including, 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 Funds and Extended School Time Fund are reported as business activities.

Reporting the School Board's Most Significant Funds

Fund Financial Statement

The Analysis of the School Board's major funds begins with Exhibit B-1. Fund financial reports provide detailed information about the School Board's major funds. The School Board's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

The School Board's activities are reported in governmental funds, which focus on how money flows into and out of the funds and balances left at year-end available for spending in the future years. These funds are reported using a modified accrual accounting method 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 Board's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship between governmental activities (reported in the Statement of Net Position 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.

The School Board as a Whole

The Statement of Net Position provides the financial perspective of the School Board as a whole.

Table 1 provides a summary comparison of the School Board's net position for June 30, 2020 and 2019.

Table 1

Net Position as of June 30, 2020 and June 30, 2019

	June 30, 2020			June 30, 2019		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets:						
Current and other assets	\$ 26,221,959	\$ 469,873	\$ 26,691,832	\$ 17,743,297	\$ 753,401	\$ 18,496,698
Capital assets, net	49,639,361	425,093	50,064,454	47,985,797	361,191	48,346,988
Total assets	75,861,320	894,966	76,756,286	65,729,094	1,114,592	66,843,686
Deferred outflow of resources	<u>7,325,209</u>	<u>467,567</u>	<u>7,792,776</u>	<u>10,217,298</u>	<u>652,168</u>	<u>10,869,466</u>
Liabilities:						
Current liabilities	10,833,410	160,382	10,993,792	9,130,123	130,558	9,260,681
Long-term liabilities outstanding	52,344,012	2,612,947	54,956,959	57,181,281	2,807,024	59,988,305
Total liabilities	63,177,422	2,773,329	65,950,751	66,311,404	2,937,582	69,248,986
Deferred inflow of resources	<u>15,409,594</u>	<u>983,590</u>	<u>16,393,184</u>	<u>15,645,399</u>	<u>998,642</u>	<u>16,644,041</u>
Net position:						
Net investment in capital assets	43,994,266	425,093	44,419,359	39,285,020	361,191	39,646,211
Restricted	13,731,921	-	13,731,921	7,623,511	-	7,623,511
Unrestricted	(53,126,674)	(2,819,479)	(55,946,153)	(52,918,942)	(2,530,655)	(55,449,597)
Total Net Position	\$ 4,599,513	\$ (2,394,386)	\$ 2,205,127	\$ (6,010,411)	\$ (2,169,464)	\$ (8,179,875)

The unrestricted net position is a negative balance due to the unfunded liabilities for compensated absences and PERS pension. The District expects to be able to fund these liabilities as they come due yearly.

The School Board's combined net position was \$2,205,127 on June 30, 2020. This is a change of 126.96% from the previous year.

Table 2 provides a comparison analysis of School Board's changes in net position from fiscal years June 30, 2020 and 2019.

Table 2

Changes in Net Position

	June 30, 2020			June 30, 2019		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues						
Program revenues:						
Charges for services	\$ 284,704	\$ 1,541,986	\$ 1,826,690	\$ 254,185	\$ 2,272,137	\$ 2,526,322
Operating and capital grants and contributions	16,407,240	1,543,963	17,951,203	15,455,972	1,841,612	17,297,584
General revenues:						
Property taxes	113,091,233	-	113,091,233	109,258,129	-	109,258,129
Federal and state aid	33,493,791	-	33,493,791	36,319,621	-	36,319,621
Investment earnings	55,900	2,779	58,679	516,877	1,854	518,731
Miscellaneous	1,421,272	-	1,421,272	1,093,248	-	1,093,248
Total revenues	164,754,140	3,088,728	167,842,868	162,898,032	4,115,603	167,013,635
Expenses						
Instructional services	63,319,321	-	63,319,321	64,792,960	-	64,792,960
Support services	90,753,640	3,313,650	94,067,290	89,872,649	3,958,904	93,831,553
Interest on long-term liabilities	71,255	-	71,255	31,769	-	31,769
Total expenses	154,144,216	3,313,650	157,457,866	154,697,378	3,958,904	158,656,282
Change in net position	10,609,924	(224,922)	10,385,002	8,200,654	156,699	8,357,353
Net position - beginning	(6,010,411)	(2,169,464)	(8,179,875)	(14,211,065)	(2,326,163)	(16,537,228)
Net position (deficit) - ending	\$ 4,599,513	\$ (2,394,386)	\$ 2,205,127	\$ (6,010,411)	\$ (2,169,464)	\$ (8,179,875)

The tax levy increase was due in general to cover increased costs in salaries and benefits, utilities and the debt service. The Federal and State aid-restricted decreased due to the decrease in grants available.

Regular instructional costs increased due to contractual increases in salary and benefits as well as program maintenance and enhancements.

Other support services increased primarily due to the additional other purchased professional services from the Special Revenue Fund.

Expenses for Fiscal Year June 30, 2020

Business-Type Activities

Revenues for the District's business-type activities (food service program and extended school program) were comprised of charges for services and royalties.

Total Enterprise Fund expenses exceeded revenues by \$224,922.

Charges for services represent \$1,541,986 of revenue. This represents the amount paid by patrons and parents for daily food service and extended school program charges.

Federal and state reimbursements for meals, including interest, payments for free and reduced lunches and donated commodities was \$1,543,963.

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 costs of services and the net cost of services. The net cost shows the financial burden that was placed on the School District's taxpayers by each of these functions.

Table 3

Governmental Activities

	<u>2020</u>		<u>2019</u>	
	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Instruction	\$ 63,319,321	\$ 58,276,123	\$ 64,792,960	\$ 60,198,601
Support Services:				
Pupils and Instructional Staff	33,493,318	21,876,822	32,818,224	21,755,756
General Administration, School Administration, Business Operation and Maintenance of Facilities	48,470,951	48,470,951	47,506,181	47,506,181
Pupil Transportation	8,789,371	8,757,121	9,561,664	9,508,334
Interest and Fiscal Charges	<u>71,255</u>	<u>71,255</u>	<u>31,769</u>	<u>31,769</u>
Total Expenses	<u>\$ 154,144,216</u>	<u>\$ 137,452,272</u>	<u>\$ 154,710,798</u>	<u>\$ 139,000,641</u>

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

Extracurricular activities includes expenses related to student activities provided by the District which are designed to provide opportunities for students to participate in school and public events for the purpose of motivation, enjoyment, skill improvement, school spirit and leadership. Approximately 90% of the student population participates in 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.

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

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

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

The School Board's Funds

The School Board uses funds to control and manage money for particular purposes. The Fund's basic financial statements allow the School Board to demonstrate its stewardship over and accountability for resources received from the Township of Brick, State of New Jersey and other entities. These statements also allow the reader to obtain more insight into the financial workings of the School Board, and assess further the School Board's overall financial health.

As the School Board completed the fiscal year ended June 30, 2020, it reported a combined fund balance of \$15,087,527, which is an increase of \$6,432,615. The Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds, Exhibit B-2, presents the reader with a detailed explanation of the increase in fund balance for the fiscal year.

The following schedule presents a summary of General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund revenues for the fiscal year ended June 30, 2020.

<u>Revenue</u>	<u>2020 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2019</u>	<u>Percent of Increase/ (Decrease)</u>
Local Sources	\$ 114,853,109	69.72 %	\$ 3,728,678	3.36 %
State Sources	45,182,569	27.42	(2,069,027)	(4.38)
Federal Sources	<u>4,718,462</u>	<u>2.86</u>	<u>194,465</u>	<u>4.30</u>
Total	<u>\$ 164,754,140</u>	<u>100.00 %</u>	<u>\$ 1,854,116</u>	<u>3.28 %</u>

The following schedule presents a summary of General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2020.

<u>Expenditures</u>	<u>2020 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2019</u>	<u>Percent of Increase/ (Decrease)</u>
Current Expenditures:				
Instruction	\$ 60,948,404	38.50 %	\$ (1,583,208)	(2.53)%
Undistributed				
Expenditures	88,927,990	56.17	1,468,500	1.68
Capital Outlay	5,309,027	3.35	639,432	13.69
Debt Service:				
Principal	2,972,835	1.88	(2,270,093)	(43.30)
Interest	<u>163,269</u>	<u>0.10</u>	<u>(261,236)</u>	<u>(61.54)</u>
Total	<u>\$ 158,321,525</u>	<u>100.00 %</u>	<u>\$ (2,006,605)</u>	<u>(1.25)%</u>

General Fund Budgeting Highlights

The School Board's budget is prepared according to New Jersey law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the School Board revises its budget as it attempts to take into consideration unexpected changes in revenue and expenditures.

Significant Budget Transfers and Variations:

- TPAF, which is the state's contribution to the pension fund, is an "on-behalf" revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts for changes in the personnel budget during the 19-20 year.
- Fewer staff received routine medical service producing a large variance in health costs
- Fewer supplies were needed for instruction due to the switch to remote learning in March.
- Most areas of Transportation saw decreases in expenditures because regular services were not provided due to New Jersey's state-wide stay at home order from March through June 2020.

A schedule showing the School Board's original and final budget compared with actual operating results is provided in Section C of the CAFR, entitled Budgetary Comparison Schedules. The School Board generally did better than had been budgeted in its General Fund. The most significant reason for this was the International pandemic that forced the school district to close its buildings and convert to fully remote learning.

The General Fund finished the fiscal year approximately \$8,850,386 better than had been budgeted in terms of expenditures. Revenue-wise, the General Fund fared about \$804,670 better than expected. Both these amounts have been adjusted for the non-budgeted amounts reflected in the comparison schedule for reimbursed TPAF social security contributions and on-behalf TPAF post-retirement medical contributions.

The General Fund has restricted a portion of its Fund Balance. The restricted Fund Balance items are as follows:

Excess Surplus - Designated for Subsequent Year	
Expenditures	\$ 1,860,191
Capital Reserve	4,716,402
Excess Surplus - Current Year	6,387,451

These restricted reserves are regulated as to their use by the State of New Jersey. Therefore, the Board places funds in the reserves in combination with the future financial needs of the District.

The expenditures were less due to cost containment by the Board even after the salary and benefit increases. General supplies were purchased at better prices than expected due to the school board joining other schools in cooperative bidding. The district also joined a co-op for energy consumption, which was done after the budget was struck. Through efforts made in finding jointures with other local districts, and increase students on district owned vehicles the district transportation costs were lowered for special needs students.

The revenue situation arose primarily because of tuition received from out of district students.

The excesses will be carried forward into the beginning fund balance from the 2019-2020 fiscal year and will be used to reduce the local tax levy for the 2021-2022 fiscal year.

Capital Assets and Debt Administration

Capital Assets. At the end of the fiscal year June 30, 2020, the School Board had \$50,064,454 invested in land, buildings, and machinery and equipment.

Table 4

Capital Assets (Net of Depreciation) at June 30, 2020 and June 30, 2019

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 5,718,560	\$ 5,718,560	\$ -	\$ -	\$ 5,718,560	\$ 5,718,560
Construction in Progress	917,117	1,096,576	-	-	917,117	1,096,576
Building and Improvements	38,814,380	36,857,623	-	-	38,814,380	36,857,623
Machinery and Equipment	4,189,304	4,313,038	425,093	361,191	4,614,397	4,674,229
Total	\$ 49,639,361	\$ 47,985,797	\$ 425,093	\$ 361,191	\$ 50,064,454	\$ 48,346,988

During the current fiscal year, \$5,246,675 of capital assets were capitalized as additions. Increases in capital assets were offset by depreciation expense for the year.

Debt Administration. The District's long-term liabilities are as follows for the governmental and business-type activities :

	June 30, 2020	June 30, 2019
Bonds Payable (net)	\$ 4,709,000	\$ 6,741,847
Capital Leases payable	936,095	1,958,930
Pension Liability-PERS	42,073,673	45,457,536
Compensated Absences payable	<u>6,904,598</u>	<u>5,829,992</u>
Total long-term liabilities	\$ <u>54,623,366</u>	\$ <u>59,988,305</u>

For more detailed information, please refer to the Capital Assets and Long-term debt notes in the basic financial statements.

Economic Factors and Next Year's Budget

For the 2019-2020 school year, the School Board was able to sustain its budget through the local tax levy, state education aid and local revenue sources. Approximately 30.28% of the School Board's revenue is from federal, state and local aid (restricted and not restricted), while 69.72% of total revenue is from local sources.

The \$(53,126,674) in unrestricted net position for all governmental activities represents the accumulated results of all past years' operations. It means that if the School Board had to pay off all bills today, including all of the School Board's non-capital liabilities (compensated absences, etc.), the School Board would have that much in value.

The 2019-2020 budget was adopted in March 2019 based in part on the state education aid the School Board anticipated receiving. Due to the economic condition in the State of New Jersey funding from the State for the current year remained below the previous year. Any future increases based on the enrollment formula, originally formulated to allocate state education aid amongst school boards, will be minimal. Future decreases in local revenue and state education aid will place additional burden on the Township of Brick for increased aid.

The School Board anticipates a slight increase in enrollment for the 2020-2021 fiscal year. If the School Board were to experience a significant increase in enrollment with no appreciable increase in state aid for future budgets, the School Board will be faced with the following alternatives: (a) reduce programs and services, (b) increase local tax levy or (c) seek alternative sources of funding.

Contacting the School School Board's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or need additional information, you may contact the School Business Administrator/Board Secretary at Brick Township Board of Education, 101 Hendrickson Avenue, Brick, NJ, 08724.

BASIC FINANCIAL STATEMENTS

BRICK TOWNSHIP BOARD OF EDUCATION
Statement of Net Position
June 30, 2020

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 16,983,852	\$ 311,573	\$ 17,295,425
Receivables - state	1,520,620	7,398	1,528,018
Receivables - other governments	1,595,712	77,429	1,673,141
Receivables - other	602,785	14,507	617,292
Inventory	-	58,966	58,966
Restricted cash - Capital Reserve	4,716,402	-	4,716,402
Restricted cash - at fiscal agent	802,588	-	802,588
Capital assets, non-depreciable	6,635,677	-	6,635,677
Capital assets, depreciable, net	43,003,684	425,093	43,428,777
Total assets	<u>75,861,320</u>	<u>894,966</u>	<u>76,756,286</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows-PERS	7,325,209	467,567	7,792,776
Total deferred outflows of resources	<u>7,325,209</u>	<u>467,567</u>	<u>7,792,776</u>
LIABILITIES			
Accounts payable	4,730,960	14,739	4,745,699
Other liabilities	5,825,274	26	5,825,300
Payable to state government	37,577	-	37,577
Payable to federal government	65,140	-	65,140
Unearned revenue	141,888	145,617	287,505
Interest Payable	32,571	-	32,571
Noncurrent liabilities:			
Due within one year	2,796,763	-	2,796,763
Due beyond one year	49,547,249	2,612,947	52,160,196
Total liabilities	<u>63,177,422</u>	<u>2,773,329</u>	<u>65,950,751</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows-PERS	15,409,594	983,590	16,393,184
Total deferred inflows of resources	<u>15,409,594</u>	<u>983,590</u>	<u>16,393,184</u>
NET POSITION			
Net investment in capital assets	43,994,266	425,093	44,419,359
Restricted for:			
Special Revenue	(191,760)		(191,760)
Debt service	45,573	-	45,573
Capital projects	4,716,402	-	4,716,402
Other purposes	9,161,706	-	9,161,706
Unrestricted	(53,126,674)	(2,819,479)	(55,946,153)
Total Net Position	<u>\$ 4,599,513</u>	<u>\$ (2,394,386)</u>	<u>\$ 2,205,127</u>

BRICK TOWNSHIP BOARD OF EDUCATION
Statement of Activities
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction	\$ 63,319,321	\$ 252,454	\$ 4,790,744	\$ -	\$ (58,276,123)	\$ -	\$ (58,276,123)
Support services and undistributed costs:							
Instruction	5,572,507	-	1,926,077	-	(3,646,430)	-	(3,646,430)
Attendance	1,081,430	-	-	-	(1,081,430)	-	(1,081,430)
Health services	1,319,209	-	-	-	(1,319,209)	-	(1,319,209)
Other support services	14,822,455	-	-	-	(14,822,455)	-	(14,822,455)
Educational media services	783,891	-	-	-	(783,891)	-	(783,891)
Instruction staff training	223,407	-	-	-	(223,407)	-	(223,407)
General administrative services	1,373,236	-	-	-	(1,373,236)	-	(1,373,236)
School administrative services	4,830,355	-	-	-	(4,830,355)	-	(4,830,355)
Information technology	1,782,308	-	-	-	(1,782,308)	-	(1,782,308)
Allowed maintenance for school facilities	1,985,373	-	-	-	(1,985,373)	-	(1,985,373)
Other operation & maintenance of plant	5,642,877	-	-	-	(5,642,877)	-	(5,642,877)
Care & upkeep of grounds	772,492	-	-	-	(772,492)	-	(772,492)
Student transportation services	8,789,371	32,250	-	-	(8,757,121)	-	(8,757,121)
Unallocated employee benefits	32,084,310	-	-	-	(32,084,310)	-	(32,084,310)
Non-budgeted expenditures	9,690,419	-	9,690,419	-	-	-	-
Interest on long-term debt	71,255	-	-	-	(71,255)	-	(71,255)
Total governmental activities	154,144,216	284,704	16,407,240	-	(137,452,272)	-	(137,452,272)
Business-type activities:							
Bricks extended school time	628,987	631,790	-	-	-	2,803	2,803
Food service	2,684,663	910,196	1,543,963	-	-	(230,504)	(230,504)
Total business-type activities	3,313,650	1,541,986	1,543,963	-	-	(227,701)	(227,701)
Total primary government	\$ 157,457,866	\$ 1,826,690	\$ 17,951,203	\$ -	(137,452,272)	(227,701)	(137,679,973)
General revenues:							
Taxes:							
Property taxes levied for general purpose					111,168,721	-	111,168,721
Taxes levied for debt service					1,922,512	-	1,922,512
Federal and state aid					33,493,791	-	33,493,791
Miscellaneous income					1,421,272	-	1,421,272
Investment earnings					55,900	2,779	58,679
Total general revenues					148,062,196	2,779	148,064,975
Change in net position					10,609,924	(224,922)	10,385,002
Net position—beginning					(6,010,411)	(2,169,464)	(8,179,875)
Net positions—ending					\$ 4,599,513	\$ (2,394,386)	\$ 2,205,127

BRICK TOWNSHIP BOARD OF EDUCATION
Balance Sheet
Governmental Funds
June 30, 2020

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 16,938,279	\$ -	\$ -	\$ 45,573	\$ 16,983,852
Capital reserve account	4,716,402	-	-	-	4,716,402
Cash held in trust	802,588	-	-	-	802,588
Due from other funds	652,799	-	-	-	652,799
Receivables from state	1,513,044	7,576	-	-	1,520,620
Receivables from federal	-	1,595,712	-	-	1,595,712
Receivables from other	597,501	5,284	-	-	602,785
Total assets	<u>25,220,613</u>	<u>1,608,572</u>	<u>-</u>	<u>45,573</u>	<u>26,874,758</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	4,375,667	688,886	-	-	5,064,553
Due to other funds	-	652,799	-	-	652,799
Payable to federal government	-	65,140	-	-	65,140
Payable to state government	-	37,577	-	-	37,577
Other liabilities	5,611,232	214,042	-	-	5,825,274
Unearned revenue	-	141,888	-	-	141,888
Total liabilities	<u>9,986,899</u>	<u>1,800,332</u>	<u>-</u>	<u>-</u>	<u>11,787,231</u>
Fund Balances:					
Restricted for:					
Capital reserve account	4,716,402	-	-	-	4,716,402
Excess surplus - current year	6,387,451	-	-	-	6,387,451
Excess surplus -- designated for Subsequent year's expenditures	1,860,191	-	-	-	1,860,191
Special revenue fund	-	(191,760)	-	-	(191,760)
Debt service fund	-	-	-	45,573	45,573
Capital projects fund	-	-	-	-	-
Assigned to:					
Designated by the BOE for subsequent year's expenditure:	1,078,033	-	-	-	1,078,033
Other purposes	914,064	-	-	-	914,064
Unassigned to:					
General fund	277,573	-	-	-	277,573
Total Fund balances	<u>15,233,714</u>	<u>(191,760)</u>	<u>-</u>	<u>45,573</u>	<u>15,087,527</u>
Total liabilities and fund balances	<u>\$ 25,220,613</u>	<u>\$ 1,608,572</u>	<u>\$ -</u>	<u>\$ 45,573</u>	

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 \$158,742,427 and the accumulated depreciation is \$109,103,064.

49,639,361

Deferred outflows related to the PERS pension plan

7,325,209

Deferred inflows related to the PERS pension plan

(15,409,594)

Bond premiums are being amortized over the life of the related bonds. The amortization is not recorded in the funds.

-

Interest expense relating to this fiscal period but not paid until next year is shown on balances sheet as liability.

(32,571)

Long-term liabilities, including bonds payable net of bond premium, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 9)

(52,010,419)

Net Position of governmental activities

\$ 4,599,513

BRICK TOWNSHIP BOARD OF EDUCATION
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local sources:					
Local tax levy	\$ 111,168,721	\$ -	\$ -	\$ 1,922,512	\$ 113,091,233
Tuition charges	252,454	-	-	-	252,454
Transportation charges	32,250	-	-	-	32,250
Interest income	-	-	-	-	-
Interest Earned on Capital Reserve Funds	55,900	-	-	-	55,900
Miscellaneous	1,374,177	47,094	-	1	1,421,272
Total - Local sources	112,883,502	47,094	-	1,922,513	114,853,109
State sources	42,792,011	2,158,886	-	231,672	45,182,569
Federal sources	318,091	4,400,371	-	-	4,718,462
Total revenues	155,993,604	6,606,351	-	2,154,185	164,754,140
EXPENDITURES					
Current:					
Regular instruction	37,086,215	4,790,744	-	-	41,876,959
Special education instruction	13,471,470	-	-	-	13,471,470
Other special instruction	5,599,975	-	-	-	5,599,975
Undistributed - current:					
Instruction	5,572,507	-	-	-	5,572,507
Attendance	1,081,430	-	-	-	1,081,430
Health services	1,319,209	-	-	-	1,319,209
Other support services	12,838,596	1,926,077	-	-	14,764,673
Educational media services	783,891	-	-	-	783,891
Instruction staff training	223,407	-	-	-	223,407
General administrative services	897,404	-	-	-	897,404
School administrative services	4,826,260	-	-	-	4,826,260
Information technology	1,782,308	-	-	-	1,782,308
Allowed maintenance for school facilities	1,985,373	-	-	-	1,985,373
Other operation & maintenance of plant	5,060,480	-	-	-	5,060,480
Care and upkeep of grounds	772,492	-	-	-	772,492
Security	191,900	-	-	-	191,900
Student transportation services	8,433,031	-	-	-	8,433,031
Unallocated employee benefits	31,543,206	-	-	-	31,543,206
Non-budgeted expenditures	9,690,419	-	-	-	9,690,419
Debt service:					
Principal	1,022,835	-	-	1,950,000	2,972,835
Interest and other charges	-	-	-	163,269	163,269
Capital outlay	5,309,027	-	-	-	5,309,027
Total expenditures	149,491,435	6,716,821	-	2,113,269	158,321,525
Excess (Deficiency) of revenues over expenditures	6,502,169	(110,470)	-	40,916	6,432,615
Net change in fund balances	6,502,169	(110,470)	-	40,916	6,432,615
Fund balance—July 1	8,731,545	(81,290)	-	4,657	8,654,912
Fund balance—June 30	\$ 15,233,714	\$ (191,760)	\$ -	\$ 45,573	\$ 15,087,527

**BRICK TOWNSHIP BOARD OF EDUCATION
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Year Ended June 30, 2020**

Total net change in fund balances - governmental funds (from B-2)		\$ 6,432,615
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>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.</p>		
	Depreciation expense	(3,494,458)
	Capital outlays	5,148,022
		1,653,564
<p>In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net position will differ from the change in fund balance by the cost of the asset removed.</p>		
	Accumulated depreciation on capital assets sold or retired during the fiscal year ended June 30, 2020	143,177
	Cost basis of capital assets sold or retired during the fiscal year ended June 30, 2020	(143,177)
		-
<p>In the Statement of Activities, the PERS pension expense is the amount paid plus net change in the Deferred Outflows, Deferred Inflows and pension liability as reported by the State of New Jersey</p>		
		524,547
<p>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>		
		1,950,000
<p>In the Statement of Activities, the principal payments on capital leases are recorded as a reduction in the long-term liability. In the governmental funds, the payments is an expenditure.</p>		
		1,022,835
<p>In the Statement of Activities, the interest expense is accrued based on when due regardless of when paid. In the governmental funds the interest expense is reported when paid.</p>		
		9,167
<p>In the Statement of Activities, the amortization of bond premiums is recorded as a reduction to interest expense.</p>		
		82,847
<p>In the Statement of Activities certain expenses, e.g., compensated absences are measured by amounts incurred during the year. In governmental funds expenditures for these items are reported in the amount of financial resources used.</p>		
		(1,065,651)
Change in net position of governmental activities		\$ 10,609,924

BRICK TOWNSHIP BOARD OF EDUCATION
Proprietary Funds
Statement of Net Position
June 30, 2020

	<u>Enterprise Fund</u>		
	<u>Brick's Extended School Time</u>	<u>Food Service</u>	<u>Total</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 82,267	\$ 229,306	\$ 311,573
Accounts receivable:			
State	-	7,398	7,398
Federal	-	77,429	77,429
Other	14,507	-	14,507
Inventories	-	58,966	58,966
Total current assets	<u>96,774</u>	<u>373,099</u>	<u>469,873</u>
Noncurrent assets:			
Equipment	-	1,339,263	1,339,263
Accumulated depreciation	-	(914,170)	(914,170)
Total noncurrent assets	<u>-</u>	<u>425,093</u>	<u>425,093</u>
Total assets	<u>96,774</u>	<u>798,192</u>	<u>894,966</u>
Deferred Outflows of Resources			
Pension deferrals	<u>77,928</u>	<u>389,639</u>	<u>467,567</u>
Liabilities and Fund Equity:			
Current liabilities:			
Accounts payable	120	14,619	14,739
Unearned liabilities	65,757	79,860	145,617
Other liabilities	26	-	26
	<u>65,903</u>	<u>94,479</u>	<u>160,382</u>
Non-current liabilities:			
Net pension liability	420,736	2,103,684	2,524,420
Compensated absences	12,268	76,259	88,527
Total liabilities	<u>498,907</u>	<u>2,274,422</u>	<u>2,773,329</u>
Deferred Inflow of Resources			
Pension deferrals	<u>163,931</u>	<u>819,659</u>	<u>983,590</u>
Net Position:			
Net investment in capital assets	-	425,093	425,093
Restricted for other purposes	-	-	-
Unrestricted net position	<u>(488,136)</u>	<u>(2,331,343)</u>	<u>(2,819,479)</u>
Total fund equity	<u>(488,136)</u>	<u>(1,906,250)</u>	<u>(2,394,386)</u>
Total liabilities and fund equity	<u>\$ 10,771</u>	<u>\$ 368,172</u>	<u>\$ 378,943</u>

BRICK TOWNSHIP BOARD OF EDUCATION
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2020

	Enterprise Fund		
	Brick's Extended School Time	Food Service	Total
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	\$ -	\$ 571,571	\$ 571,571
Daily sales - non-reimbursable programs	-	315,466	315,466
Before / After Care	631,748	-	631,748
Miscellaneous	42	-	42
Catering	-	23,159	23,159
Total operating revenues	<u>631,790</u>	<u>910,196</u>	<u>1,541,986</u>
Operating expenses:			
Cost of sales - reimbursable program	-	-	-
Cost of sales - non-reimbursable programs	-	877,371	877,371
Salaries	432,077	1,069,958	1,502,035
Employee benefits	86,366	676,045	762,411
Purchased property service	-	10,698	10,698
Other purchased professional services	3,086	14,903	17,989
Travel	1,085	-	1,085
Miscellaneous	1,655	937	2,592
Supplies	9,221	-	9,221
Rent	82,569	-	82,569
Snacks	12,928	-	12,928
Depreciation	-	34,751	34,751
Total operating expenses	<u>628,987</u>	<u>2,684,663</u>	<u>3,313,650</u>
Operating income (loss)	<u>2,803</u>	<u>(1,774,467)</u>	<u>(1,771,664)</u>
Nonoperating revenues (expenses):			
State sources:			
State school lunch program	-	27,162	27,162
State school breakfast program	-	-	-
Federal sources:			
National school lunch program	-	766,460	766,460
National school breakfast program	-	323,929	323,929
Special milk program	-	-	-
Summer food service program for children	-	214,537	214,537
Food distribution program	-	202,569	202,569
Interest and investment revenue	2,779	-	2,779
Miscellaneous revenue	-	9,306	9,306
Total nonoperating revenues (expenses)	<u>2,779</u>	<u>1,543,963</u>	<u>1,546,742</u>
Income (loss) before contributions & transfers	<u>5,582</u>	<u>(230,504)</u>	<u>(224,922)</u>
Capital contributions	-	-	-
Transfers in (out)	-	-	-
Change in net position	<u>5,582</u>	<u>(230,504)</u>	<u>(224,922)</u>
Total net position—beginning	<u>(493,718)</u>	<u>(1,675,746)</u>	<u>(2,169,464)</u>
Total net position—ending	<u>\$ (488,136)</u>	<u>\$ (1,906,250)</u>	<u>\$ (2,394,386)</u>

BRICK TOWNSHIP BOARD OF EDUCATION
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2020

	Enterprise Fund		
	Brick's Extended School Time	Food Service	Total
Cash Flows from Operating Activities:			
Receipts from Daily Sales	\$ -	\$ 917,861	\$ 917,861
Receipts from Catering Before / After Care	-	23,159	23,159
	630,918	-	630,918
Payments to Employees	(517,436)	(1,773,006)	(2,290,442)
Payments to Suppliers	54,779	(772,113)	(717,334)
Payments for Other Expenditures	(101,323)	(26,538)	(127,861)
Net Cash Provided by (Used in) Operating Activities	66,938	(1,630,637)	(1,563,699)
Cash Flow from Noncapital Financing Sources:			
State Sources	-	22,514	22,514
Federal Sources	-	1,361,979	1,361,979
Interest Earned	2,779	-	2,779
Miscellaneous income	-	9,306	9,306
Net Cash Provided by (Used in) Non-Capital Financing Activities	2,779	1,393,799	1,396,578
Cash Flows from Capital and Related Financing Activities:			
Purchases of equipment	-	(98,653)	(98,653)
Net Cash Provided by (Used in) capital and related financing activities	-	(98,653)	(98,653)
Net increase (decrease) in cash and cash equivalents	69,717	(335,491)	(265,774)
Cash and cash equivalents, July 1	12,550	564,797	577,347
Cash and cash equivalents, June 30	82,267	229,306	311,573
Operating income (loss)	2,803	(1,774,467)	(1,771,664)
Adjustments to reconcile operating income (loss) to cash provided by (used in) operating activities:			
Depreciation expense	-	34,751	34,751
Food Distribution Program	-	202,569	202,569
Transfer	-	-	-
Change in assets and liabilities:			
Increase (decrease) in Compensated Absences Payable	8,056	899	8,955
(Increase) decrease in inventory	-	(37,666)	(37,666)
(Increase) decrease in accounts receivable	(689)	3,704	3,015
(Increase) decrease in deferred outflows	30,767	153,834	184,601
Increase (decrease) in unearned revenue	64,000	27,120	91,120
Increase (decrease) in net pension liability	(33,839)	(169,193)	(203,032)
Increase (decrease) in other liabilities	(183)	-	(183)
Increase (decrease) in deferred inflows	(2,509)	(12,543)	(15,052)
Increase (decrease) in accounts payable	(1,468)	(59,645)	(61,113)
Net cash provided by (used in) operating activities	\$ 66,938	\$ (1,630,637)	\$ (1,563,699)

BRICK TOWNSHIP BOARD OF EDUCATION
Statement of Fiduciary Net Position
June 30, 2020

	<u>Fiduciary Funds</u>	<u>Agency Funds</u>	<u>Total Fund</u>
ASSETS			
Cash and cash equivalents	\$ 2,233,045	\$ 1,175,094	\$ 3,408,139
Intergovernmental accounts receivable	-	-	-
Interfund receivable	-	-	-
Total assets	<u>2,233,045</u>	<u>1,175,094</u>	<u>3,408,139</u>
LIABILITIES			
Accounts payable	-	-	-
Payroll deductions and withholdings	-	949,775	949,775
Payable to student groups	-	225,319	225,319
Interfund payable	-	-	-
Other current liabilities	-	-	-
Total liabilities	<u>-</u>	<u>1,175,094</u>	<u>1,175,094</u>
NET POSITION			
Held in trust for unemployment claims and other purposes	2,221,916	-	2,221,916
Held in trust for scholarships	11,129	-	11,129
Total net position	<u>2,233,045</u>	<u>-</u>	<u>2,233,045</u>
Total liabilities and net position	<u>\$ 2,233,045</u>	<u>\$ 1,175,094</u>	<u>\$ 3,408,139</u>

BRICK TOWNSHIP BOARD OF EDUCATION
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2020

	<u>Scholarship Trust</u>	<u>Unemployment Compensation Trust</u>	<u>Total</u>
ADDITIONS			
Contributions:			
Plan member	\$ -	\$ 147,830	\$ 147,830
Other	-	-	-
Total Contributions	<u>-</u>	<u>147,830</u>	<u>147,830</u>
Investment earnings:			
Net increase (decrease) in fair value of investments	-	-	-
Interest	257	46,091	46,348
Dividends	-	-	-
Less investment expense	-	-	-
Net investment earnings	<u>257</u>	<u>46,091</u>	<u>46,348</u>
Total additions	<u>257</u>	<u>193,921</u>	<u>194,178</u>
DEDUCTIONS			
Quarterly contribution reports	-	-	-
Unemployment claims	-	102,903	102,903
Scholarships awarded	1,000	-	1,000
Refunds of contributions	-	-	-
Administrative expenses	-	-	-
Total deductions	<u>1,000</u>	<u>102,903</u>	<u>103,903</u>
Change in net position	(743)	91,018	90,275
Net Position—beginning of the year	<u>11,872</u>	<u>2,130,898</u>	<u>2,142,770</u>
Net Position—end of the year	<u>\$ 11,129</u>	<u>\$ 2,221,916</u>	<u>\$ 2,233,045</u>

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

1. Summary of Significant Accounting Policies

The financial statements of the Board of Education (the "Board") of Brick Township ("District") have been prepared in conformity with accounting principles generally accepted in the United States of America ("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 Brick Township Board of Education is a Type II district located in the county of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year staggered terms. The purpose of the District is to educate students in grades K-12. The Brick Township Board of Education had an approximate enrollment of 8,382 students at June 30, 2020.

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 Governmental 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 district-wide financial statements include all funds and account groups of the District over which the Board exercises operating control. The operations of the District include elementary schools, a junior and senior high school located in Brick Township. 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.

B. Basis of Presentation, Basis of Accounting:

The School District's basic financial statements consist of District-wide statements, including a Statement of Net Position and a Statement of Activities, and Fund Financial Statements which provide a more detailed level of financial information. The Statement of Net Position includes the reporting of assets, deferred outflows, liabilities and deferred inflows. Items not meeting that definition of assets and liabilities have been classified as deferred outflows or deferred inflows. The deferred outflows are reported under assets and deferred inflows are reported under liabilities on the Statement of Net Position.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

1. **Summary of Significant Accounting Policies (Cont'd)**

B. Basis of Presentation, Basis of Accounting (Cont'd):

Basis of Presentation

The School District has employees that are enrolled in a defined benefit plan operated by the State of New Jersey which creates deferred outflows and inflows.

District-Wide Statements: The District-wide financial statements (A-1 and A-2) include the Statement of Net Position and the Statement of Activities. These Statements include the financial activities of the overall District, except for fiduciary activities. All interfund activity, excluding the fiduciary funds, has been eliminated in the Statement of Activities. Individual funds are not displayed but the statements distinguish governmental activities, generally financed in whole or in part with fees charged to external customers.

The Statement of Net Position presents the financial condition of the governmental and business-type activity of the District at fiscal year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements: During the fiscal year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in Governmental Accounting Standards. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

1. **Summary of Significant Accounting Policies (Cont'd)**

B. Basis of Presentation, Basis of Accounting (Cont'd):

Basis of Presentation (Cont'd):

The District reports the following governmental funds:

General Fund - The General Fund is the general operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment, which are classified in the Capital Outlay subfund.

As required by the the NJDOE, the District includes budgeted capital outlay in this Fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, District taxes and appropriated Fund Balance. Expenditures are those that result in the acquisition of or additions to Capital Assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by Board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for all proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

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). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

1. **Summary of Significant Accounting Policies (Cont'd)**

B. Basis of Presentation, Basis of Accounting (Cont'd):

Basis of Presentation (Cont'd):

The District reports the following proprietary funds:

Food Service Enterprise Fund- The food service fund accounts for all revenues and expenses pertaining to cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

After School Care Enterprise Fund-The after school care fund accounts for all revenues and expenses pertaining to after care operations. The after care fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fund type:

Fiduciary Funds - Fiduciary funds of the District include the unemployment compensation and private purpose scholarship trust funds and agency funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurements of results of operations. The following is a description of the fiduciary funds of the District.

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.

Trust Funds- The unemployment compensation and private purpose scholarship funds are accounted for in essentially the same manner as governmental funds. The unemployment compensation fund is used to account for contributions from employees and interest earned on the balance as well as payments to the State for reimbursement of unemployment claims. The private purpose scholarship fund is utilized to provide scholarships to students and to account for the related transactions.

Agency Funds (Payroll and Student Activity 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.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

1. **Summary of Significant Accounting Policies (Cont'd)**

B. Basis of Presentation, Basis of Accounting (Cont'd):

Basis of Accounting:

Basis of Accounting determines when transactions are recorded in the financial records and reported on the financial statements.

District-Wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. The flow of economic resources measurement focus is used for the government-wide financial statements, proprietary funds and fiduciary funds. Differences in the accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Ad Valorem (Property) Taxes are susceptible to accrual as, under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "Accounts Receivable". The County Board of Taxation is responsible for the assessment of taxes and the Township Tax Collector is responsible for collection of taxes. Assessments are certified and taxes are levied on January 1; taxes are due February 1, May 1, August 1 and November 1. Unpaid taxes are considered delinquent the following January 1 and are then subject to lien.

Governmental Fund Financial Statements: Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds, proceeds of general long-term debt and acquisitions under capital releases are reported as other financing sources.

The financial statements of the 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.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

1. Summary of Significant Accounting Policies (Cont'd)

C. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue, and Debt Service Funds. The budgets are submitted to the County Office and are not voted upon in the annual school election. Budgets are prepared using the modified accrual basis of accounting, except for Special Revenue 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:23A-16.2(f).

All budget amendments/transfers must be approved by Board resolution. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally-authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances, and unexpected grant appropriation, lapse at the end of each fiscal year. The Capital Project Fund presents the remaining project appropriations compared to current-year expenditures.

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 legally mandated revenue recognition of the last state aid payment for budgetary purposes only and 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.

Exhibit C-3 presents a reconciliation of the General Fund revenues and Special Revenue Fund revenues and expenditures from the budgetary basis of accounting as presented in the Budgetary Comparison Schedules - General and Special Revenue Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types. Note that the District does not report encumbrances outstanding at year-end as expenditures in the General Fund since the General Fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payment.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

1. **Summary of Significant Accounting Policies (Cont'd)**

D. Encumbrance Accounting:

Under Encumbrance Accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve and 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 unearned 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.

E. Cash, Cash Equivalents and Investments

Cash and cash equivalents 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. 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.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:2037 provides a list of permissible investments that may be purchased by New Jersey school districts

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

F. Assets, Liabilities, and Equity:

Interfund Transactions:

Transfers between Governmental and Business-Type activities on the District-wide statements are reported in the same manner as general revenues.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

1. **Summary of Significant Accounting Policies (Cont'd)**

F. Assets, Liabilities, and Equity: (cont'd)

Interfund Transactions:

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as Interfund transfers. Interfund transfers are reported as other financing sources/uses in Governmental Funds and after non-operating revenues/expenses to the funds that initially paid for them are not presented on the financial statements.

Inventories:

Inventories and prepaid expenses, which benefit future periods are recorded as an expenditure during the year of purchase.

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

Deferred Outflows/Inflows of Resources:

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time.

Capital Assets:

The District has an established formal system of accounting for its Capital Assets. Purchased or constructed Capital Assets are reported at cost. Donated Capital Assets are valued at their acquisition value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The District does not possess any infrastructure. The capitalization threshold used by school districts in the State of New Jersey is \$2,000.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

1. Summary of Significant Accounting Policies (Cont'd)

F. Assets, Liabilities, and Equity: (Cont'd)

Capital Assets:(Cont'd)

All reported Capital Assets except for Land and Construction in Progress are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Building and Improvements	20-50 years
Furniture and Equipment	5-20 years
Vehicles	8 years

Compensated Absences:

The Districts accounts for Compensated Absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Board. 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 the employee is accrued as the employees earn the rights 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.

Unearned Revenue:

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measureable and the School District is eligible to realize the revenue.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

1. **Summary of Significant Accounting Policies (Cont'd)**

F. Assets, Liabilities, and Equity (Cont'd):

Accrued Liabilities and Long-Term Obligations:

All Payables, Accrued Liabilities, and Long-Term Obligations are reported on the District-wide financial statements. In general, governmental fund payables are accrued liabilities that, once incurred are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, contractually-required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the straightline method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Net Position:

Net Position represent the difference between assets and liabilities. Net Position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net Position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted Net Position are available.

Fund Balance Reserves:

Governmental Accounting Standards established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five categories, as defined below:

Nonspendable - includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.

Restricted - includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

1. Summary of Significant Accounting Policies (Cont'd)

F. Assets, Liabilities, and Equity (Cont'd):

Fund Balance Reserves (Cont'd):

Committed - includes amounts that can be used only for the specific purposes imposed by a formal action of the government's highest level of decision-making authority. The District's highest level of decision-making authority is the Board of Education (the "Board") and formal action is taken by resolution of the Board at publicly held meetings. Once committed, amounts cannot be used for other purposes unless the Board revises or changes the specified use by taking the same action (resolution) taken to originally commit these funds.

Assigned - amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

Unassigned - includes all spendable amounts not contained in the other classifications

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. For the unrestricted fund balance, the District first spends committed funds, then assigned funds, and finally, unassigned funds.

Revenues - Exchange and Nonexchange Transactions:

Revenue resulting from Exchange Transactions, in which each party gives and receives essentially equal value, is recorded on the actual accrual basis when the Exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District available means within sixty days of the fiscal year-end.

Nonexchange Transactions, in which the District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from Nonexchange Transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, and tuition.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

1. Summary of Significant Accounting Policies (Cont'd)

F. Assets, Liabilities, and Equity (Cont'd):

Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service, before and after care program and supplemental services. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Enterprise Fund. All items not meeting this definition are reported as nonoperating revenues and expenses.

Allocation of Indirect Expenses:

The District reports all Direct Expenses by function in the Statement of Activities. Direct Expenses are those that are clearly identifiable with a function. Indirect Expenses are allocated to functions but are reported separately in the Statement of Activities. Employee Benefits, including the employer's share of Social Security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the Indirect Expense column of the Statement of Activities. Depreciation expense that could not be attributable to a specific function is considered an Indirect Expense and is reported separately in the Statement of Activities. Interest on long-term debt is considered an Indirect Expense and is reported separately on the Statement of Activities.

Extraordinary and Special Items:

Extraordinary Items are transactions or events that are unusual in nature and infrequent in occurrence. Special Items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

Management Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

G. Comparative Data and Reclassifications

Comparative data for the prior year have been presented in certain sections of the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

1. Summary of Significant Accounting Policies (Cont'd)

H. GASB Pronouncements

Recently Issued Accounting Pronouncements to be implemented in future years

Statement No. 84, *Fiduciary Activities* in January 2017. This Statement establishes standards of accounting and financial reporting for fiduciary activities. The requirements of this Statement are effective for periods beginning after December 15, 2019. Management has not yet determined the impact of this Statement on the financial statements.

Statement No. 87, *Leases* in June 2017. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement are effective for periods beginning after June 15, 2021, and all reporting periods thereafter. Management has not yet determined the impact of this Statement on the financial statements.

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Management does not expect this Statement to have a material impact on the School District's financial statements.

Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. Statement No. 90 is effective for reporting periods beginning after December 15, 2019. Management has not yet determined the potential impact on the School District's financial statements.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

1. Summary of Significant Accounting Policies (Cont'd)

H. GASB Pronouncements (Cont'd)

Statement No. 91, *Conduit Debt Obligations*, The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Statement No. 91 is effective for reporting periods beginning after December 15, 2021. Management has not yet determined the potential impact on the School District's financial statements.

Statement No. 92, *Omnibus 2020*, The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Statement No. 92 is effective for reporting periods beginning after June 15, 2021. Management has not yet determined the potential impact on the School District's financial statements.

Statement No. 93, *Replacement of Interbank Offered Rates*, Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an IBOR. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of Statement No. 93 are effective for reporting periods beginning after June 15, 2020. Management has not yet determined the potential impact on the School District's financial statements.

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). Statement No. 94 is effective for reporting periods beginning after June 15, 2022, and all reporting periods thereafter. Management has not yet determined the potential impact on the School District's financial statements.

Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. The requirements of Statement No. 95 are effective immediately.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

1. Summary of Significant Accounting Policies (Cont'd)

H. GASB Pronouncements (Cont'd)

Statement No. 96, *Subscription-Based Information Technology Arrangements*, This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). Statement No. 96 is effective for reporting periods beginning after June 15, 2022, and all reporting periods thereafter. Management has not yet determined the potential impact on the School District's financial statements.

2. Capital Reserve Account

A Capital Reserve Account was established by the Brick Township Board of Education 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 or by transfer by Board Resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A District may also appropriate additional amounts when the excess 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 01, 2019 to June 30, 2020 fiscal year is as follows:

Beginning Balance July 01, 2019	\$ 2,188,405
Add:	
Increase per Resolution	2,472,097
Interest Earnings	<u>55,900</u>
Ending Balance, June 30, 2020	<u>\$ 4,716,402</u>

The June 30, 2020 LRFP balance of local support costs of uncompleted Capital Projects is greater than the capital reserve balance.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

3. Transfers to Capital Outlay

During the year ending June 30, 2020, the District had no transfers from the Capital Projects Account for underspending of the DOE approved facilities projects.

4. Deposits and Investments

The Board of Education considers petty cash, change funds, cash in banks, certificates of deposit and deposits with the New Jersey Cash Management Fund as Cash and Cash Equivalents.

Deposits

The Board's deposits are insured through the Federal Deposit Insurance Corporation ("FDIC") or New Jersey's Governmental Unit Deposit Protection Act. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to maintain additional collateral in the amount of 5% of the average public deposits and to deposit these amounts with the Federal Reserve Bank for all deposits not covered by the FDIC.

	Type	Carrying Value
Deposits		
	Demand Deposits	<u>\$ 26,222,554</u>
Total Deposits		<u><u>\$ 26,222,554</u></u>

The District's Cash & Cash Equivalents are Reported as Follows:

Governmental Activities	\$ 22,502,842
Business-Type Activities	311,573
Fiduciary Funds	<u>3,408,139</u>
Total Cash & Cash Equivalents	<u><u>\$ 26,222,554</u></u>

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

4. Deposits and Investments (Cont'd)

Custodial Credit Risk Related to Deposits

Custodial Credit Risk is the Risk that, in the event of a bank failure, the Board's deposit might not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$ 250,000 of governmental deposits in each insured depository is protected by FDIC. Public funds owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

At June 30, 2020, the Board's bank balances of \$26,715,008 were exposed to Custodial Credit Risk as follows:

	<u>2020</u>
FDIC Insured	\$ 250,000
GUDPA Protected	<u>26,465,008</u>
	<u>\$ 26,715,008</u>

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located, Local Government investment pools, and agreements or the repurchase of fully-collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2020, the Board had no investments.

Credit Risk

State law limits investments as noted above (N.J.S.A. 18A:20-37). The District has an investment policy that further limits its investment choices.

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

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

5. Receivables

Receivables at June 30, 2020 consisted of state aid, accrued interest, interfund, intergovernmental, and other. All Receivables are considered collectible in full. A summary of the principal items of intergovernmental receivable follows:

	Governmental Fund Financial Statements	District-Wide Financial Statements
State Aid	\$ 1,520,620	\$ 1,528,018
Federal Aid	1,595,712	1,673,141
Other	602,785	617,292
Interfunds	<u>652,799</u>	<u>-</u>
	4,371,916	3,818,451
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>
Total Receivables, Net	<u>\$ 4,371,916</u>	<u>\$ 3,818,451</u>

6. Interfund Balances and Transfers

The Special Revenue Fund owed the General Fund \$652,799 at June 30, 2020 for cash advances.

7. Inventory

As of June 30, 2020, the District had the following inventory:

Food	\$ 49,531
Supplies	<u>9,435</u>
	<u>\$ 58,966</u>

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

8. Capital Assets

Capital Assets consisted of the following at June 30, 2020.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets Not Being Depreciated				
Land	\$ 5,718,560	\$ -	\$ -	\$ 5,718,560
Construction in Progress	<u>1,096,576</u>	<u>4,200,323</u>	<u>(4,379,782)</u>	<u>917,117</u>
Total Capital Assets Not Being Depreciated	<u>6,815,136</u>	<u>4,200,323</u>	<u>(4,379,782)</u>	<u>6,635,677</u>
Capital Assets Being Depreciated				
Site Improvements	15,260,508	2,133,898	(103,757)	17,290,649
Building and Building Improvements	108,275,288	2,520,302	-	110,795,590
Machinery and Equipment	<u>23,386,650</u>	<u>673,281</u>	<u>(39,420)</u>	<u>24,020,511</u>
Totals at Historical Cost	<u>146,922,446</u>	<u>5,327,481</u>	<u>(143,177)</u>	<u>152,106,750</u>
Less Accumulated Depreciation for:				
Site Improvements	(6,633,851)	(658,655)	103,757	(7,188,749)
Building and Building Improvements	(80,044,322)	(2,038,788)	-	(82,083,110)
Machinery and Equipment	<u>(19,073,612)</u>	<u>(797,015)</u>	<u>39,420</u>	<u>(19,831,207)</u>
Total Accumulated Depreciation	<u>(105,751,785)</u>	<u>(3,494,458)</u>	<u>143,177</u>	<u>(109,103,066)</u>
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>41,170,661</u>	<u>1,833,023</u>	<u>-</u>	<u>43,003,684</u>
Government Activity Capital Assets, Net	<u>\$ 47,985,797</u>	<u>\$ 6,033,346</u>	<u>\$ (4,379,782)</u>	<u>\$ 49,639,361</u>
Business-Type Activities:				
Capital Assets Being Depreciated:				
Equipment	\$ 1,264,784	98,653	(24,174)	\$ 1,339,263
Less Accumulated Depreciation	<u>(903,593)</u>	<u>(34,751)</u>	<u>24,174</u>	<u>(914,170)</u>
Enterprise Fund Capital Assets, Net	<u>\$ 361,191</u>	<u>\$ 63,902</u>	<u>\$ -</u>	<u>\$ 425,093</u>

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

8. Capital Assets (Cont'd)

Depreciation expense was charged to functions as follows:

Regular Instruction	\$ 2,370,917
Student and Instruction Related Services	57,782
General Administration Services	479,927
Transportation	356,340
Operations and Maintenance	<u>229,492</u>
Total	<u>\$ 3,494,458</u>

9. Long-Term Obligations

A. Long-Term Obligation Activity:

Changes in Long-Term Obligations for the year ended June 30, 2020, are as follows:

	<u>Balance July 01, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2020</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities:</u>					
Bonds Payable	\$ 6,659,000	\$ -	\$ (1,950,000)	\$ 4,709,000	\$ 1,885,000
Add: Bond Premiums	<u>82,847</u>	<u>-</u>	<u>(82,847)</u>	<u>-</u>	<u>-</u>
Total Bonds Payable	6,741,847	-	(2,032,847)	4,709,000	1,885,000
PERS Pension liability	42,730,084	-	(3,180,831)	39,549,253	-
Compensated Absences Payable	5,750,420	1,656,364	(257,120)	7,149,664	333,593
Capital Lease/Purchase Agreements	<u>1,958,930</u>	<u>-</u>	<u>(1,022,835)</u>	<u>936,095</u>	<u>578,170</u>
	<u>\$ 57,181,281</u>	<u>\$ 1,656,364</u>	<u>\$ (6,493,633)</u>	<u>\$ 52,344,012</u>	<u>\$ 2,796,763</u>
<u>Business-Type Activities:</u>					
Compensated Absences Payable	\$ 79,572	\$ 8,955	\$ -	\$ 88,527	\$ -
PERS Pension liability	<u>2,727,452</u>	<u>-</u>	<u>(203,032)</u>	<u>2,524,420</u>	<u>-</u>
	<u>\$ 2,807,024</u>	<u>\$ 8,955</u>	<u>\$ (203,032)</u>	<u>\$ 2,612,947</u>	<u>\$ -</u>

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. PERS pension liability, compensated absences payable and capital lease/purchase agreements are liquidated by the general fund.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

9. Long-Term Obligations (Cont'd)

A. Long-Term Obligation Activity (Cont'd):

Interest paid on debt issued by the District is exempt from federal income tax. Because of this, bondholders are willing to accept a lower interest rate than they would taxable debt. The District temporarily reinvests the proceeds of such debt in higher-yielding taxable securities, especially during construction projects. The Federal Tax Code refers to this as arbitrage.

Earnings in excess of the yield on the debt issue are rebated to the Federal Government based on requirements in the Internal Revenue Code. Arbitrage rebate payable represents amounts due to the Internal Revenue Service for interest earned on unspent bond proceeds that exceeds legally-allowable returns.

Rebatable arbitrage liabilities related to the District debt are not recorded in governmental funds. There is no recognition in the Balance Sheet or Income Statement until rebatable amounts are due and payable to the Federal Government.

The District currently has no bond proceed funds invested subjecting them to arbitrage.

B. Debt Service Requirements:

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

On July 25, 2007, the District issued \$4,439,000 general obligation bonds at interest rates varying from 4.10% to 4.352% for various construction and renovation projects. The final maturity of these bonds is July 15, 2022. The bonds will be paid from property taxes. The bonds may be called after July 15, 2018.

On March 30, 2010, the District issued \$2,400,000 general obligation bonds at interest rates varying from 2.25% to 3.5% for various construction and renovation projects. The final maturity of these bonds is March 1, 2025. The bonds will be paid from property taxes. The bonds may be called after March 1, 2020.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

9. Long-Term Obligations (Cont'd)

B. Debt Service Requirements: (Cont'd)

On May 30, 2019, the District issued \$3,985,000 refunding bonds at interest rates varying from 2.0% to 3.0% for the purpose of refunding \$3,930,000 of outstanding callable principal bonds that were dated August 26, 2009. The refunded bonds were redeemed on July 1, 2019. The refunding created a savings of approximately \$120,000. The final maturity of these bonds is February 1, 2022. The bonds will be paid from property taxes.

Debt Service Requirements on serial bonds payable at June 30, 2020 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 1,885,000	\$ 149,159	\$ 2,034,159
2022	1,865,000	87,946	1,952,946
2023	574,000	27,273	601,273
2023	190,000	13,238	203,238
2024	195,000	6,825	201,825
	<u>\$ 4,709,000</u>	<u>\$ 284,441</u>	<u>\$ 4,993,441</u>

C. Bonds Authorized But Not Issued

As of June 30, 2020, the District had no authorized but not issued bonds.

D. Capital Leases/Purchase Agreements

The District is leasing equipment, buses and textbooks under capital leases. The capital leases do not exceed five years. The following is a schedule of the remaining future minimum lease payments under the capital leases and the present value of the net minimum lease payments at June 30, 2020:

Year ending June 30,	
2021	\$ 599,436
2022	233,863
2023	<u>138,859</u>
Total minimum lease payments	972,158
Less: Amounts representing interest	<u>(36,063)</u>
Present value of lease payments	<u>\$ 936,095</u>

The original value of the capitalized leases is included in Machinery and Equipment for \$5,582,796 and the amortization of the leased equipment is included with depreciation expense.

E. Loans Payable

No loans payable at June 30, 2020.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

10. Pension Plans

A. 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). For additional information about PERS, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/financial-reports.shtml.

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

The following represents the membership tiers for PERS:

<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 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

10. Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Contributions - 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 2019, the State's pension contribution was less than the actuarial determined amount. The District's PERS pension contribution was \$2,260,474 for June 30, 2020.

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 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.

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At

June 30, 2019 the School District reported a liability of \$42,073,673 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using update procedure to roll forward the total pension liability from an actuarial valuation as of July 1, 2018, to the measurement date of June 30, 2019. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2019. The School District's proportion measured as of June 30, 2019, was .2335028587%, which was an increase of .0026309086% from its proportion measured as of June 30, 2018.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

10. Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

For the year ended June 30, 2020, the School District recognized full accrual pension expense of \$3,917,409 in the government-wide financial statements consisting of employer contributions of \$2,271,295 and non-employer contributions of \$1,646,114. This pension expense was based on the pension plans June 30, 2019 measurement date. At June 30, 2019, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience	\$ 755,167	\$ 185,863
Changes of assumptions	4,201,211	14,603,639
Net difference between projected and actual earnings on pension plan investments	-	664,149
Changes in proportion and differences between District contributions and proportionate share of contributions	575,925	939,535
District contributions subsequent to the measurement date	<u>2,260,474</u>	<u>-</u>
Total	<u>\$ 7,792,777</u>	<u>\$ 16,393,186</u>

\$2,260,474 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2019-2020 total salaries for PERS employees multiplied by an employer contribution rate. The payable is due on April 1, 2021 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2020	\$ (1,256,978)
2021	(4,077,613)
2022	(3,641,071)
2023	(1,709,671)
2024	(175,549)
Thereafter	-
Total	<u>\$ (10,860,882)</u>

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

10. Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	-	5.21
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
Net Difference between projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	5.00	5.00
June 30, 2015	5.00	5.00
June 30, 2016	5.00	5.00
June 30, 2017	5.00	5.00
June 30, 2018	5.00	5.00
June 30, 2019	5.00	5.00

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.21, 5.63, 5.48, 5.57, 5.72 and 6.44 years for the 2019, 2018, 2017, 2016, 2015 and 2014 amounts, respectively.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

10. Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Actuarial Assumptions - The collective total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following 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%
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Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

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

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

10. Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) 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 ranged 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 real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00 %	4.67 %
Cash Equivalents	5.00 %	2.00 %
U.S. Treasuries	5.00 %	2.68 %
Investment Grade Credit	10.00 %	4.25 %
High Yield	2.00 %	5.37 %
Private Credit	6.00 %	7.92 %
Real Assets	2.50 %	9.31 %
Real Estate	7.50 %	8.33 %
U.S. Equity	28.00 %	8.26 %
Non-U.S. Developed Markets Equity	12.50 %	9.00 %
Emerging Markets Equity	6.50 %	11.37 %
Private Equity	12.00 %	10.85 %

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

10. Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Discount Rate

The discount rate used to measure the total pension liability was 6.28% as of June 30, 2018. 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 3.50% as of June 30, 2019, based on 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 the contribution rate in the most recent fiscal year. State employer contributed 70% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. 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 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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, 2019 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:

	1% Decrease (5.28%)	Current Discount Rate (6.28%)	1% Increase (7.28%)
District's proportionate share of the net pension liability	53,515,605	42,073,673	32,971,553

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2020 and 2019:

	<u>6/30/20</u>	<u>6/30/19</u>
Collective Deferred Outflows of Resources	3,149,522,616	4,684,852,302
Collective Deferred Inflows of Resources	7,645,087,574	7,646,736,226
Collective Net Pension Liability	18,143,832,135	19,689,501,539
School District's Portion	.2335028587%	.2308719501%

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

10. Pension Plans (Cont'd)

B. Teachers' Pension and Annuity (TPAF)

Plan Description - The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit plan with a special-funding situation, by which a State of New Jersey (the State) is responsible to fund 100% of the employer contributions, 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). For additional information about TPAF, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/financial-reports.shtml.

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. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following 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

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 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

10. Pension Plans (Cont'd)

B. Teachers' Pension and Annuity (TPAF) (Cont'd)

Contributions - 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 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 2019, the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A. 18A:66-33*. Therefore, the School District is 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 School District does 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 School District.

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2019 was \$373,837,589. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2018. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2019, the State proportionate share of the TPAF net pension liability attributable to the School District was .6091442718%, which was a decrease of .0004652717% from its proportion measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the State of New Jersey recognized a pension expense in the amount of \$13,738,873 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2019 measurement date.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

10. Pension Plans (Cont'd)

B. Teachers' Pension and Annuity (TPAF) (Cont'd)

Actuarial Assumptions - The collective total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following 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-2019.

The actuarial assumptions used in the July 1, 2018 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, 2019) 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 ranged 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 real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2019 are summarized in the following table:

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

10. Pension Plans (Cont'd)

B. Teachers' Pension and Annuity (TPAF) (Cont'd)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00 %	4.67 %
Cash Equivalents	5.00 %	2.00 %
U.S. Treasuries	5.00 %	2.68 %
Investment Grade Credit	10.00 %	4.25 %
High Yield	2.00 %	5.37 %
Private Credit	6.00 %	7.92 %
Real Assets	2.50 %	9.31 %
Real Estate	7.50 %	8.33 %
U.S. Equity	28.00 %	8.26 %
Non-U.S. Developed Markets Equity	12.50 %	9.00 %
Emerging Markets Equity	6.50 %	11.37 %
Private Equity	12.00 %	10.85 %

Discount Rate - The discount rate used to measure the total pension liability was 5.60% as of June 30, 2019. 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 3.50% as of June 30, 2019 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 based on 70% 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 2054. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2054 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

10. Pension Plans (Cont'd)

B. Teachers' Pension and Annuity (TPAF) (Cont'd)

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, 2019 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:

	1% Decrease (4.60%)	Current Discount Rate (5.60%)	1% Increase (6.60%)
State's proportionate share of the net pension liability	441,901,579	373,837,589	319,017,371

Pension Plan Fiduciary Net Position - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Defined Contribution Retirement Plan (DCRP)

The Defined Contribution Retirement Plan is a cost-sharing multiple-employer defined contribution pension plan which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A.43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential not later than the fifth business day after the date on which the employee is paid for that pay period.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

10. Pension Plans (Cont'd)

Defined Contribution Retirement Plan (DCRP) (Cont'd)

The District's contributions to the DCRP for June 30, 2020 were \$47,319. There was \$4,594 as a liability for unpaid contributions at June 30, 2020.

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the School District.

11. 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 Pensions*. 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.

The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits are the responsibility of the individual local education employers.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

11. Post-Retirement Benefits (cont'd)

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey 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.

Employees covered by benefit terms

At June 30, 2018, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	148,051
Active plan members	<u>216,892</u>
Total	<u><u>364,943</u></u>

Total Nonemployer OPEB Liability

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education. Note that actual numbers will be published in the NJ State's CAFR (<https://www.nj.gov/treasury/omb/publications/archives.shtml>).

Actuarial assumptions and other imputes

The total OPEB liability in the June 30, 2019 actuarial valuation reported by the State in the State's most recently issued CAFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

11. Post-Retirement Benefits (Cont'd)

Actuarial assumptions and other imputes (cont'd)

Inflation Rate	2.50%
Salary Increases through 2026	PERS 2.00%-6.00% PFRS 3.25%-15.25% TPAF 1.55%-3.05%
Salary Increases after 2026	PERS 3.00%-7.00% PFRS 3.25%-15.25% TPAF 1.55%-3.05%
Discount Rate	3.50%
Healthcare Cost Trend Rates	4.5%-5.7%
Retirees' Share of Benefit Related Costs	1.5% of projected health insurance premiums for retirees

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-2019. 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-2019. 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-2019

The actuarial assumptions used in the June 30, 2018 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.

Changes in the Total OPEB Liability reported by the State of New Jersey

Balance at June 30, 2018	\$ 46,110,832,982
Changes for the year:	
Service cost	1,734,404,850
Interest on the total OPEB liability	1,827,787,206
Differences between expected and actual experience	(7,323,140,818)
Changes in assumptions	622,184,027
Gross benefit payments by the state	(1,280,958,373)
Contributions from members	<u>37,971,171</u>
Net changes	<u>(4,381,751,937)</u>
Balance at June 30, 2019	<u>\$ 41,729,081,045</u>

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

11. Post-Retirement Benefits (Cont'd)

Discount rate

The discount rate for June 30, 2019 was 3.50%. 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.

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the June 30, 2019 total OPEB liability of the State for school board retirees, as well as the State's total OPEB liability for the school district calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (2.87%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB Liability of the State for School Retirees	\$49,298,534,898	\$41,729,081,045	\$35,716,321,820
Total OPEB Liability of the State Associated with the School District for School Retirees	\$362,897,796	\$307,177,307	\$262,916,006

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Sensitivity of the total OPEB liability to changes in healthcare cost trend rates

The following presents the June 30, 2019 total OPEB liability of the State for school board retirees, as well as the State's total OPEB liability for the school district calculated using a health care cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

11. Post-Retirement Benefits (Cont'd)

Sensitivity of the total OPEB liability to changes in healthcare cost trend rates (cont'd)

	<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
Total OPEB Liability of the State for School Retirees	\$34,382,902,820	\$41,729,081,045	\$51,453,912,586
Total OPEB Liability of the State Associated with the School District for School Retirees	\$253,100,401	\$307,177,307	\$378,764,026

OPEB Expense 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 \$5,096,857 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 GASB 75 and in which there is a special funding situation.

In accordance with GASB 75, the Brick Township Board of Education's 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 of resources. At June 30, 2019, 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>
Differences between expected and actual experience	\$ -	\$(10,484,965,300)
Changes of assumptions	-	(8,481,529,343)
Contributions made in fiscal year ending 2019 after June 30, 2018 measurement date	-	-
Total	<u>\$ -</u>	<u>\$(18,966,494,643)</u>

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

11. Post-Retirement Benefits (Cont'd)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Cont'd)

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:	
2020	\$ (2,546,527,182)
2021	(2,546,527,182)
2022	(2,546,527,182)
2023	(2,546,527,182)
2024	(2,546,527,182)
Thereafter	<u>(6,233,858,733)</u>
Total	<u>\$ (18,966,494,643)</u>

12. Deferred Compensation

The Board offers its employees a Deferred Compensation Plan created in accordance with Internal Revenue Code Section 403(b). The Plan, which is administered by OMNI, permits participants to defer a portion of their salary until future years. Amounts deferred under the Plan are not available to employees until termination, retirement, death or unforeseeable emergency.

13. Risk Management

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

Self Insurance Plan - The district is self insured with respect to workers' compensation claims and employee health benefits. The district's plans are designed to be self-sustaining through actuarially determined premiums established annually to cover expected claims, administration, and a margin for unexpected losses or expenses. The district purchases commercial insurance for employee health benefit claims in excess of an annual stop loss deductible of \$300,000 per person. The claims liability of \$5,563,789 reported in the governmental fund financial statements at June 30, 2020 is based on the requirements of GASB Statement Nos. 10 and 30 which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount can be reasonably estimated.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

13. Risk Management (cont'd)

Self Insurance Plan (cont'd)

Claim liabilities, including incurred but not reported (IBNR) claims, are based on the estimated ultimate cost of settling the claims (including the effects of inflation and other societal and economic factors), using past experience adjusted for current trends, and any other factors that would modify past experience. Expenses and liabilities are estimated through a case-by-case review of all claims and the application of historical experience for outstanding claims.

Joint Insurance Pool - The District is a member of the New Jersey Schools Insurance Group Joint Insurance Fund. The Fund provides its members with coverage for Property, Comprehensive General Liability, Boiler and Machinery, Crime, Automobile and Environmental Impairment Liability. Contributions to the Fund, including a reserve for contingencies are based on actuarial assumptions. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. There have been no significant changes in insurance coverage from the prior year.

The Fund publishes its own financial report for the fiscal year ended June 30, 2020, which can be obtained from:

New Jersey Schools Insurance Group
6000 Midlantic Drive
Suite 300 North
Mount Laurel, NJ 08054

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 to 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 trust fund for the current and the previous two years:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019 / 2020	\$ -	\$ 193,920	\$ (102,902)	\$ 2,221,916
2018 / 2019	-	183,031	(122,943)	2,130,898
2017 / 2018	-	151,494	(26,723)	2,070,810

14. Contingent Liabilities

Grant Programs

The school district participates in federal awards and state financial assistance grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

15. Construction Commitments

The school district has entered into several construction contracts which include HVAC and roof projects. As of June 30, 2020, the school district had outstanding construction contracts totaling \$1,371,951 that will be financed from operating funds.

<u>Project</u>	<u>Commitments</u>
HVAC	\$ 57,830
Roof	1,314,121
Total	<u>\$ 1,371,951</u>

16. Fund Balances

General Fund - Of the \$15,233,714 General Fund balance at June 30, 2020, \$914,064 of encumbrances is assigned to other purposes, \$4,716,402 is restricted for capital reserve, \$- is restricted for maintenance reserve, \$- is restricted for the emergency reserve, \$1,860,191 is restricted for excess surplus for subsequent year expenditures, \$1,078,033 has been classified as assigned fund balance designated for subsequent year expenditures, \$6,387,451 is restricted for excess surplus and \$277,573 is unassigned.

17. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c.73 (S1701), the designation for Restricted 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 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. The excess surplus balance at June 30, 2020 is \$6,387,451.

18. Uncertain Tax Positions

The school district had no unrecognized tax benefits at June 30, 2020. The school district files tax returns in the U.S. federal jurisdiction and New Jersey. The school district has no open year prior to June 30, 2017.

19. Subsequent Events

Management has evaluated subsequent events through December 28, 2020, the date the financial statements were available to be issued.

The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on the School District's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on the School District's customers, employees and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may

Brick Township Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2020

20. Tax Abatement

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

21. Economic Dependency

Economic Dependency - The School 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, could have an effect on the School District's programs and activities.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

**BRICK TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2020**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 111,168,721	-	111,168,721	111,168,721	-
Tuition from Individuals	-	-	-	-	-
Tuition from other LEAs within state	120,000	-	120,000	235,847	115,847
Tuition from other Govt sources within state	-	-	-	16,607	16,607
Transportation Fees from Individuals	-	-	-	13,328	13,328
Transportation Fees from Other LEAs	35,000	-	35,000	18,922	(16,078)
Interest earned on capital reserve funds	15	15	-	55,900	55,900
Interest Income	-	-	-	-	-
Rents and Royalties	390,800	(600)	391,400	170,284	(221,116)
Sale of Property	15,000	-	15,000	19,821	4,821
Private Contributions	-	-	-	1,000	1,000
Miscellaneous	978,444	585	977,859	1,183,072	205,213
Total - local sources	112,707,980	-	112,707,980	112,883,502	175,522
State sources:					
Transportation aid	4,922,064	-	4,922,064	4,922,064	-
Extraordinary aid	900,000	-	900,000	1,497,567	597,567
Other state aids	-	-	-	-	-
Special education categorical aid	5,784,673	-	5,784,673	5,784,673	-
Equalization aid	9,463,269	-	9,463,269	9,463,269	-
Categorical security aid	1,672,094	-	1,672,094	1,672,094	-
Adjustment aid	9,558,603	-	9,558,603	9,558,603	-
Non-public transportation aid	-	-	-	-	-
TPAF - LTDI (on-behalf - Non-budgeted)	-	-	-	8,129	8,129
TPAF - post retirement medical (on-behalf - Non-budgeted)	-	-	-	5,096,857	5,096,857
Teacher's pension and annuity fund (on-behalf - Non-budgeted)	-	-	-	13,738,837	13,738,837
TPAF social security (reimbursed - Non-budgeted)	-	-	-	4,585,433	4,585,433
Total state sources	32,300,703	-	32,300,703	56,327,526	24,026,823
Federal Sources:					
Medicaid Reimbursement	286,510	-	286,510	318,091	31,581
Total federal sources	286,510	-	286,510	318,091	31,581
Total revenues	145,295,193	-	145,295,193	169,529,119	24,233,926
EXPENDITURES:					
Current Expenditures:					
Regular Programs - Instruction:					
Preschool/Kindergarten - Salaries of teachers	1,680,153	97,021	1,777,174	1,706,090	71,084
Grades 1-5 - Salaries of teachers	11,649,260	(360,287)	11,288,973	11,147,929	141,044
Grades 6-8 - Salaries of teachers	8,683,623	(56,841)	8,626,782	8,393,434	233,348
Grades 9-12 - Salaries of teachers	13,036,785	(9,680)	13,027,105	12,838,905	188,200
Regular Programs - Home Instruction:					
Salaries of teachers	77,000	(3,206)	73,794	30,480	43,314
Purchased professional-educational services	65,000	(28,445)	36,555	30,846	5,709
Regular Programs - Undistributed Instruction:					
Other salaries for instruction	-	19,247	19,247	19,246	1
Purchased professional-educational services	1,123,210	-	1,123,210	745,146	378,064
Purchased professional technical services	71,000	10,287	81,287	58,288	22,999
Other purchased services (400-500 series)	1,843,483	(43,496)	1,799,987	1,693,202	106,785
General supplies	1,452,890	349,888	1,802,778	1,346,911	455,867
Textbooks	71,139	(41)	71,098	64,830	6,268
Other objects	46,380	(4,266)	42,114	33,743	8,371
TOTAL REGULAR PROGRAMS - INSTRUCTION	39,799,923	(29,819)	39,770,104	38,109,050	1,661,054

**BRICK TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2020**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of teachers	\$ 2,039,416	\$ 100,813	\$ 2,140,229	\$ 2,057,484	\$ 82,745
Other salaries for instruction	409,387	7,353	416,740	401,576	15,164
Other Purch. Serv. (400-500 series)	1,500	(1,500)	-	-	-
General supplies	21,350	54,748	76,098	76,025	73
	<u>2,471,653</u>	<u>161,414</u>	<u>2,633,067</u>	<u>2,535,085</u>	<u>97,982</u>
Learning and/or Language Disabilities:					
Salaries of teachers	397,836	1,029	398,865	370,782	28,083
Other salaries for instruction	125,098	(73,972)	51,126	51,125	1
Other purchased services (400-500 series)	2,000	(1,150)	850	850	-
General supplies	12,750	(1,526)	11,224	10,852	372
	<u>537,684</u>	<u>(75,619)</u>	<u>462,065</u>	<u>433,609</u>	<u>28,456</u>
Behavioral Disabilities:					
Salaries of teachers	795,526	149,479	945,005	945,003	2
Other salaries for instruction	35,057	(2,494)	32,563	32,562	1
Other Purch. Serv. (400-500 series)	3,200	2,911	6,111	6,071	40
General supplies	20,400	11,915	32,315	32,230	85
	<u>854,183</u>	<u>161,811</u>	<u>1,015,994</u>	<u>1,015,866</u>	<u>128</u>
Multiple Disabilities:					
Salaries of teachers	8,768,073	(949,634)	7,818,439	7,757,037	61,402
Other salaries for instruction	311,858	(8,508)	303,350	286,567	16,783
Other Purch. Serv. (400-500 series)	-	-	-	-	-
General supplies	48,750	(490)	48,260	48,260	-
	<u>9,128,681</u>	<u>(958,632)</u>	<u>8,170,049</u>	<u>8,091,864</u>	<u>78,185</u>
Total Resource Room/Resource Center					
Disabilities-Autism:					
Salaries of teachers	235,535	(59,242)	176,293	176,293	-
Other salaries for instruction	28,939	34,085	63,024	62,328	696
Other purchased services (400-500 series)	25,000	(25,000)	-	-	-
General supplies	21,000	2,194	23,194	23,100	94
	<u>310,474</u>	<u>(47,963)</u>	<u>262,511</u>	<u>261,721</u>	<u>790</u>
Total Disabilities-Autism					
Preschool Disabilities - Full Time					
Salaries of teachers	499,251	130,262	629,513	627,057	2,456
Other salaries for instruction	351,439	(12,093)	339,346	333,498	5,848
Other Purch. Serv. (400-500 series)	-	-	-	-	-
General supplies	17,625	13,013	30,638	30,594	44
	<u>868,315</u>	<u>131,182</u>	<u>999,497</u>	<u>991,149</u>	<u>8,348</u>
Total Preschool Disabilities - Full Time					
Home Instruction:					
Salaries of teachers	50,000	33,659	83,659	79,749	3,910
Purchased Prof Ed Services	65,000	8,000	73,000	62,427	10,573
	<u>115,000</u>	<u>41,659</u>	<u>156,659</u>	<u>142,176</u>	<u>14,483</u>
Total Home Instruction					
TOTAL SPECIAL EDUCATION - INSTRUCTION					
	<u>14,285,990</u>	<u>(586,148)</u>	<u>13,699,842</u>	<u>13,471,470</u>	<u>228,372</u>
Basic Skills/Remedial - Instruction					
Salaries of teachers	2,266,068	146,252	2,412,320	2,353,071	59,249
Other Purch. Serv. (400-500 series)	-	-	-	-	-
General Supplies	6,600	-	6,600	5,615	985
	<u>2,272,668</u>	<u>146,252</u>	<u>2,418,920</u>	<u>2,358,686</u>	<u>60,234</u>
Total Basic Skills/Remedial - Instruction					
Bilingual Education - Instruction					
Salaries of teachers	1,102,665	78,053	1,180,718	1,180,718	-
Other Salaries for Instruction	29,089	900	29,989	29,989	-
General Supplies	2,600	-	2,600	2,581	19
	<u>1,134,354</u>	<u>78,953</u>	<u>1,213,307</u>	<u>1,213,288</u>	<u>19</u>
Total Bilingual Education - Instruction					

BRICK TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Spon. Cocurricular Activities - Instruction					
Salaries	\$ 243,746	\$ 5,000	\$ 248,746	\$ 241,995	\$ 6,751
Purchased services(300-500 series)	34,705	(5,000)	29,705	18,245	11,460
Supplies and materials	44,369	1,473	45,842	37,528	8,314
Other objects	3,175	-	3,175	2,180	995
Total School-Spon. Cocurricular Actvts. - Instruction	325,995	1,473	327,468	299,948	27,520
School-Spon. Athletics - Instruction					
Salaries	1,370,435	19,058	1,389,493	1,363,954	25,539
Purchased services (300-500 series)	227,463	(5,000)	222,463	151,963	70,500
Supplies and materials	175,045	(1,504)	173,541	148,584	24,957
Other objects	79,914	(4,941)	74,973	63,552	11,421
Total School-Spon. Cocurricular Actvts. - Instruction	1,852,857	7,613	1,860,470	1,728,053	132,417
Total Instruction	59,671,787	(381,676)	59,290,111	57,180,495	2,109,616
Undistributed Expenditures - Instruction:					
Tuition to other LEAs within the state - regular	90,000	24,418	114,418	71,211	43,207
Tuition to other LEAs within the state - special	325,000	11,828	336,828	265,282	71,546
Tuition to Co. Voc. School Distr. - regular	320,450	(7,000)	313,450	296,550	16,900
Tuition to CSSD & Reg Day School	643,774	(6,278)	637,496	423,218	214,278
Tuition to Priv. Sch. For Handic. in state	5,111,136	(816,136)	4,295,000	4,219,939	75,061
Tuition to Priv. Sch. For Handic. Out of state	-	220,973	220,973	220,973	-
Tuition - State Facilities	49,606	-	49,606	49,606	-
Tuition - Other	14,146	12,000	26,146	25,728	418
Total Undistributed Expenditures - Instruction:	6,554,112	(560,195)	5,993,917	5,572,507	421,410
Undist. Expend. - Attendance and Social Work					
Salaries	1,028,295	61,824	1,090,119	1,079,356	10,763
Supplies and materials	3,086	(19)	3,067	2,074	993
Total Undistributed Expenditures - Attendance and Social Work	1,031,381	61,805	1,093,186	1,081,430	11,756
Undist. Expend. - Health Services					
Salaries	1,224,377	67,827	1,292,204	1,251,617	40,587
Purchased professional and technical services	44,000	-	44,000	29,333	14,667
Other Purchd. Serv. (400-500 series)	13,335	(5,000)	8,335	5,366	2,969
Supplies and materials	33,675	6,405	40,080	32,893	7,187
Total Undistributed Expenditures - Health Services	1,315,387	69,232	1,384,619	1,319,209	65,410
Undist. Expend. - Other Support Serv - Students Related Service					
Salaries	2,543,887	129,416	2,673,303	2,652,654	20,649
Purchased professional - educational services	141,850	(14,901)	126,949	37,971	88,978
Supplies and materials	17,095	3,257	20,352	19,959	393
Total Undist. Expend. - Other Support Serv - Students Related Service	2,702,832	117,772	2,820,604	2,710,584	110,020
Undist. Expend. - Other Support Services - Students - Extraordinary Services					
Salaries	2,392,578	417,416	2,809,994	2,767,205	42,789
Purchased Prof. Ed. Services	1,060,500	(58,057)	1,002,443	669,619	332,824
Supplies and materials	12,250	2,330	14,580	10,673	3,907
Other objects	170,000	36,277	206,277	206,276	1
Total Undist. Expend. - Other Support Services Students - Extraordinary	3,635,328	397,966	4,033,294	3,653,773	379,521
Undist. Expend. - Other Support Serv Students-Regular					
Salaries of other professional staff	1,495,431	48,414	1,543,845	1,506,664	37,181
Salaries of secretarial and clerical assistants	191,950	4,804	196,754	196,749	5
Other salaries	6,240	-	6,240	2,210	4,030
Other purchased services (400-500 series)	23,820	1,125	24,945	12,745	12,200
Supplies and materials	9,400	(152)	9,248	5,578	3,670
Other objects	13,307	-	13,307	12,358	949
Total Undist. Expend. - Other Support Serv - Students-Regular	1,740,148	54,191	1,794,339	1,736,304	58,035
Undist. Expend. - Other Support Serv - Students-Special					
Salaries of other professional staff	2,905,998	(382,397)	2,523,601	2,477,630	45,971
Salaries of secretarial and clerical assistants	358,958	2,673	361,631	357,779	3,852
Purchased Prof. Ed. Services	266,930	87,747	354,677	182,765	171,912
Misc Purchases Services (400-500 series O/than Residential Costs)	202,954	(46,694)	156,260	121,501	34,759
Supplies and materials	60,510	20,525	81,035	76,320	4,715
Other objects	-	500	500	500	-
Total Undist. Expend. - Other Supp Services - Students-Special	3,795,350	(317,646)	3,477,704	3,216,495	261,209

BRICK TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Improv of Instruct Serv - Other Sup Serv - Instr					
Salaries of supervisor of instruction	\$ 960,461	\$ 23,787	\$ 984,248	\$ 922,217	\$ 62,031
Salaries of professional staff	509,014	(5,638)	503,376	456,405	46,971
Sal Sec. & Clerical Asst.	114,242	8,581	122,823	112,324	10,499
Other Salaries	20,000	(413)	19,587	234	19,353
Other purchased services (400-500)	36,900	(350)	36,550	21,107	15,443
Supplies and materials	2,500	-	2,500	2,498	2
Other objects	700	5,955	6,655	6,655	-
Total Undist. Expend. - Improv of Instruct Serv - Other Sup Serv - Instr	1,643,817	31,922	1,675,739	1,521,440	154,299
Undist. Expend. - Educational Media Services/School Library					
Salaries	690,715	35,515	726,230	715,275	10,955
Other purchased services (400-500)	16,696	(1,411)	15,285	15,285	-
Supplies and materials	30,830	527	31,357	29,517	1,840
Other objects	25,654	(1,226)	24,428	23,814	614
Total Undist. Expend. - Educational Media Services/School Library	763,895	33,405	797,300	783,891	13,409
Undist. Expend. - Instruction Staff Training Services					
Salaries of other professional staff	93,810	2,000	95,810	95,810	-
Other Salaries	9,408	30,000	39,408	27,933	11,475
Other purchased services (400-500)	236,100	405	236,505	99,209	137,296
Supplies and materials	750	-	750	455	295
Total Undist. Expend. - Instruction Staff Training Services	340,068	32,405	372,473	223,407	149,066
Undist. Expend. - Support Service - General Administration					
Salaries	300,434	(34,552)	265,882	265,882	-
Legal services	355,030	38,751	393,781	374,143	19,638
Audit Fees	43,500	-	43,500	43,500	-
Architectural/Engineering Services	39,252	98,843	138,095	2,895	135,200
Other purchased professional services	60,000	(45,100)	14,900	-	14,900
Purchased technical services	-	-	-	-	-
Communications/Telephone	29,940	3,309	33,249	32,713	536
BOE Other purchased services	3,972	170	4,142	3,474	668
Other purchased services (400-500 series)	51,665	22,528	74,193	63,000	11,193
General supplies	8,875	2,930	11,805	10,149	1,656
Judgements Agst. School Dist.	57,670	12,951	70,621	70,621	-
Miscellaneous expenditures	11,140	845	11,985	5,697	6,288
BOE membership dues and fees	25,330	-	25,330	25,330	-
Total Undist. Expend. - Support Service - General Administration	986,808	100,675	1,087,483	897,404	190,079
Undist. Expend. - Support Service - School Administration					
Salaries of principals/Assistant principals	3,207,684	11,775	3,219,459	3,097,416	122,043
Salaries of other professional staff	629,838	2,948	632,786	632,785	1
Salaries of secretarial and clerical assistants	997,675	22,150	1,019,825	993,238	26,587
Other purchased services (400-500 series)	27,355	(4,590)	22,765	21,821	944
Supplies and materials	74,000	12,334	86,334	54,280	32,054
Other objects	3,294	24,742	28,036	26,720	1,316
Total Undist. Expend. - Support Service - School Administration	4,939,846	69,359	5,009,205	4,826,260	182,945
Undistributed Expenditures - Central Services					
Salaries	1,041,445	3,384	1,044,829	978,292	66,537
Misc. Purchased Services	103,367	9,443	112,810	93,271	19,539
Supplies and materials	22,465	11,558	34,023	25,022	9,001
Miscellaneous expenditures	17,547	254	17,801	17,385	416
Total Undist. Expend. - Central Services	1,184,824	24,639	1,209,463	1,113,970	95,493
Undist.- Admin. Info. Technology					
Salaries	649,793	18,138	667,931	666,575	1,356
Other Purchased Services	834	(474)	360	114	246
Supplies and materials	750	-	750	749	1
Other objects	-	900	900	900	-
Total Undist. Expend - Admin. Info. Technology	651,377	18,564	669,941	668,338	1,603
TOTAL CENT. SVCS. & ADMIN IT	1,836,201	43,203	1,879,404	1,782,308	97,096
Undist. Expend. - Allowed Maintenance for School Facilities					
Salaries	1,091,663	(66,861)	1,024,802	1,001,756	23,046
Cleaning, repair and maintenance services	512,664	85,933	598,597	581,431	17,166
Travel	-	4,465	4,465	4,465	-
General supplies	397,214	21,286	418,500	391,528	26,972
Other objects	11,321	(5,127)	6,194	6,193	1
Total Undist. Expend. - Allowed Maintenance for School Facilities	2,012,862	39,696	2,052,558	1,985,373	67,185

BRICK TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Other Operation & Maintenance of Plant					
Salaries	\$ 2,872,680	\$ (69,803)	\$ 2,802,877	\$ 2,650,844	\$ 152,033
Purchased professional and technical services	70,300	(507)	69,793	65,623	4,170
Cleaning, repair and maintenance services	53,582	3,979	57,561	32,924	24,637
Other purchased property services	246,991	(25,000)	221,991	193,413	28,578
Insurance	545,959	24,622	570,581	570,579	2
Misc Purchased Services	5,584	3,607	9,191	3,414	5,777
General supplies	243,960	(6,188)	237,772	236,375	1,397
Energy (natural gas)	784,116	(113,000)	671,116	593,125	77,991
Energy (electricity)	921,068	(194,817)	726,251	714,183	12,068
Total Undist Expend-Other Operation & Maint Of Plant	5,744,240	(377,107)	5,367,133	5,060,480	306,653
Undist. Expend. - Care & Upkeep of Grounds					
Salaries	637,154	(15,000)	622,154	490,389	131,765
Cleaning, repair and maintenance services	139,800	39,428	179,228	131,188	48,040
General supplies	130,864	(36)	130,828	126,645	4,183
Other objects	25,430	-	25,430	24,270	1,160
Total Undist Expend-Care & Upkeep of Grounds	933,248	24,392	957,640	772,492	185,148
Security					
Salaries	268,300	-	268,300	176,860	91,440
General supplies	1,000	-	1,000	-	1,000
Other objects	31,849	(1,321)	30,528	15,040	15,488
Total Security	301,149	(1,321)	299,828	191,900	107,928
Undist. Expend. - Student Transportation Services					
Salaries of non-instructional aides	781,773	92,664	874,437	836,747	37,690
Salaries-pupil transport(between home & school)-Regular	2,874,536	175,225	3,049,761	3,003,942	45,819
Salaries-pupil transport (between home & school)-Special	1,055,405	(99,543)	955,862	926,807	29,055
Salaries-pupil transport(other than home & school)-Regular	242,024	350	242,374	169,006	73,368
Cleaning, repair and maintenance services	75,142	2,741	77,883	46,390	31,493
Rental Payments - School Busses	209,935	-	209,935	209,935	-
Contract Svc (btw home & Sch.) - Joint Agreements	595,470	-	595,470	424,709	170,761
Contract Svc (Spl. Ed. Students) - ESCs & CTAs	2,069,861	119,350	2,189,211	2,012,894	176,317
Contract Svc - Aid in Lieu Pymts - NonPub Sch	95,000	-	95,000	60,290	34,710
Travel	-	10,320	10,320	4,229	6,091
General supplies	3,000	-	3,000	2,578	422
Misc Purchased Serv - Transportation	227,325	6,566	233,891	201,768	32,123
Transportation supplies	856,260	(69,124)	787,136	530,536	256,600
Other objects	15,800	(10,000)	5,800	3,200	2,600
Total Undist. Expend. - Student Transportation Services	9,101,531	228,549	9,330,080	8,433,031	897,049
UNALLOCATED EMPLOYEE BENEFITS					
Social security contributions	1,607,563	-	1,607,563	1,444,216	163,347
Other Retirement contributions -PERS	2,459,209	(200,062)	2,259,147	2,119,448	139,699
Workmen's compensation	1,666,207	-	1,666,207	1,596,481	69,726
Health benefits	27,639,480	191,796	27,831,276	25,720,912	2,110,364
Tuition reimbursement	82,900	(47,342)	35,558	35,558	-
Other employee benefits	308,165	323,053	631,218	626,591	4,627
TOTAL UNALLOCATED EMPLOYEE BENEFITS	33,763,524	267,445	34,030,969	31,543,206	2,487,763
ON-BEHALF CONTRIBUTIONS:					
On-behalf TPAF LTDI (non-budgeted)	-	-	-	8,129	(8,129)
On-behalf TPAF OPEB (post retirement med) (non-budgeted)	-	-	-	5,096,857	(5,096,857)
On-behalf TPAF pension contributions (non-budgeted)	-	-	-	13,738,837	(13,738,837)
Reimbursed TPAF social security contributions (non-budgeted)	-	-	-	4,585,433	(4,585,433)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	23,429,256	(23,429,256)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	33,763,524	267,445	34,030,969	54,972,462	(20,941,493)
TOTAL UNDISTRIBUTED EXPENDITURES	83,141,727	315,748	83,457,475	100,740,750	(17,283,275)
TOTAL GENERAL CURRENT EXPENDITURES	142,813,514	(65,928)	142,747,586	157,921,245	(15,173,659)

BRICK TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
CAPITAL OUTLAY					
Interest	\$ 15	\$ (15)	\$ -	\$ -	\$ -
Equipment					
Regular Programs - Instruction:					
Grades 9-12	-	5,607	5,607	5,606	1
Special Education - Instruction:					
School - Sponsored and other instructional program	49,461	19,875	69,336	41,325	28,011
Undistributed expenditures - Instruction	22,000	8,234	30,234	19,254	10,980
Undistributed expenditures-Support services-Related & Extra	9,000	28,726	37,726	3,904	33,822
Undistributed expenditures - Req. Maint. Schl. Facilities	27,000	60,900	87,900	87,900	-
Undistributed expenditures - Custodial services	15,100	6,188	21,288	20,565	723
Undistributed expenditures - Care and upkeep of grounds	35,000	58,692	93,692	93,667	25
Undistributed expenditures - Student Trans - Non Inst. Equip	523,000	-	523,000	493,200	29,800
Total Equipment	<u>680,561</u>	<u>188,222</u>	<u>868,783</u>	<u>765,421</u>	<u>103,362</u>
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	201,921	44,812	246,733	235,787	10,946
Construction Services	4,422,422	250,351	4,672,773	4,227,232	445,541
Supplies & Materials	16,000	-	16,000	3,060	12,940
Other Objects	22,000	77,527	99,527	77,527	22,000
Assessment for Debt Service on SDA Funding	77,527	(77,527)	-	-	-
Interest deposit to Capital Reserve	-	-	-	-	-
Total Facilities Acquisition and Construction Services	<u>4,739,870</u>	<u>295,163</u>	<u>5,035,033</u>	<u>4,543,606</u>	<u>491,427</u>
TOTAL CAPITAL OUTLAY	<u>5,420,446</u>	<u>483,370</u>	<u>5,903,816</u>	<u>5,309,027</u>	<u>594,789</u>
TOTAL EXPENDITURES	<u>148,233,960</u>	<u>417,442</u>	<u>148,651,402</u>	<u>163,230,272</u>	<u>(14,578,870)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,938,767)</u>	<u>(417,442)</u>	<u>(3,356,209)</u>	<u>6,298,847</u>	<u>(9,655,056)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures & Other Financing Sources (Uses)	<u>(2,938,767)</u>	<u>(417,442)</u>	<u>(3,356,209)</u>	<u>6,298,847</u>	<u>(9,655,056)</u>
Fund Balance, July 1	12,050,881	-	12,050,881	12,050,881	-
Fund Balance, June 30	<u>\$ 9,112,114</u>	<u>\$ (417,442)</u>	<u>\$ 8,694,672</u>	<u>18,349,728</u>	<u>\$ (9,655,056)</u>
Recapitulation:					
Reserve for encumbrances				914,064	
Legally restricted-designated for subsequent year's expenditures				1,078,033	
Capital reserve				4,716,402	
Other purposes				-	
Excess surplus-designated for subsequent years				1,860,191	
Excess surplus				<u>6,387,451</u>	
Unrestricted/undesignated fund balance for budget purposes				<u>3,393,587</u>	
Reconciliation to governmental funds statements (GAAP)					
Fund balance per governmental funds (Budgetary)				18,349,728	
Unexpended Purchase Agreement Proceeds				-	
Last state aid payment not recognized on GAAP basis				<u>(3,116,014)</u>	
Fund balance per governmental funds (GAAP) - B-1				<u>15,233,714</u>	
Fund balance per governmental funds (GAAP) - B-1				<u>\$ 15,233,714</u>	

BRICK TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
Special Revenue Fund
For the Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local sources	\$ 63,629	(200)	\$ 63,429	\$ 50,596	\$ (12,833)
State sources	2,491,958	(77,977)	2,413,981	2,367,259	(46,722)
Federal sources	5,946,273	-	5,946,273	4,428,513	(1,517,760)
Total Revenues	8,501,860	(78,177)	8,423,683	6,846,368	(1,577,315)
EXPENDITURES					
Instruction:					
Salaries of teachers	1,614,298	(24,574)	1,589,724	1,309,149	280,575
Other salaries/instruction	327,259	(14,975)	312,284	312,284	-
Purchased services	-	-	-	-	-
Tuition	2,451,956	-	2,451,956	2,395,347	56,609
Purchased professional services	472,950	(6,347)	466,603	433,734	32,869
Other purchased services	215,179	-	215,179	-	215,179
Technology	-	-	-	-	-
General supplies	409,334	(23,192)	386,142	363,734	22,408
Tuition	-	-	-	-	-
Textbooks	-	-	-	-	-
Miscellaneous/Other objects	-	-	-	-	-
Total Instruction	5,490,976	(69,088)	5,421,888	4,814,248	607,640
Support services:					
Other support services					
students - special:					
Other professional					
staff salaries	366,584	(37,734)	328,850	272,008	56,842
Secretarial/Clerical	-	-	-	-	-
salaries	-	-	-	-	-
Professional development	-	-	-	-	-
Other salaries	228,803	27,547	256,350	221,592	34,758
Other purchased services	2,500	-	2,500	2,483	17
Purchased technical services	-	-	-	-	-
Employee benefits	888,054	(27,790)	860,264	830,783	29,481
Purchased professional and technical services	240,453	(14,316)	226,137	192,240	33,897
Nursing services	-	-	-	-	-
Miscellaneous purchased services	156,402	(33,133)	123,269	111,879	11,390
Purchased Property Service	-	-	-	-	-
General supplies	836,474	89,410	925,884	255,278	670,606
Miscellaneous/other objects	200,854	(119,038)	81,816	44,814	37,002
Total other support services -					
students - special	2,920,124	(115,054)	2,805,070	1,931,077	873,993
Facilities acquisition and const. serv.:					
Regular programs instruction	90,760	105,965	196,725	101,043	95,682
Non-instructional equipment	-	-	-	-	-
Total facilities acquisition and const. serv.	90,760	105,965	196,725	101,043	95,682
Total expenditures	8,501,860	(78,177)	8,423,683	6,846,368	1,577,315
Other financing sources (uses)					
Transfer in from general fund	-	-	-	-	-
Contribution to whole school reform	-	-	-	-	-
Total outflows	8,501,860	(78,177)	8,423,683	6,846,368	1,577,315
Excess (deficiency) of revenues					
Over (under) expenditures	\$ -	-	\$ -	\$ -	\$ -
Reconciliation to governmental funds statements (GAAP)					
Last state aid payment not recognized on GAAP basis				(191,760)	
Fund balance per governmental funds (GAAP)				\$ (191,760)	

**BRICK TOWNSHIP BOARD OF EDUCATION
Required Supplementary Information
Budget-to-GAAP Reconciliation
Note to Required Supplementary Information
For the Year Ended June 30, 2020**

Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

		General Fund		Special Revenue Fund
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	\$ 169,529,119	[C-2]	\$ 6,846,368
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		-		(129,547)
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(13,738,837)		-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes		3,319,336		81,290
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(3,116,014)		(191,760)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	\$ 155,993,604	[B-2]	\$ 6,606,351
 Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 163,230,272	[C-2]	\$ 6,846,368
Differences - budget to GAAP				
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(13,738,837)		-
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.		-		(129,547)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	\$ 149,491,435	[B-2]	\$ 6,716,821

REQUIRED SUPPLEMENTARY INFORMATION - PART III

BRICK TOWNSHIP BOARD OF EDUCATION
Required Supplementary Information
Schedule of the District's Proportionate Share of Net Pension Liability-PERS
For the Year Ended June 30, 2020

Last 10 Fiscal Years*

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
District's proportion of the net pension liability	0.24281786%	0.23962634%	0.24165583%	0.2334156167%	0.2338736940%	0.2308719501%	0.2335028587%
District's proportionate share of the net pension liability	46,407,318	44,864,605	54,246,891	\$ 69,131,011	\$ 54,442,058	\$ 45,457,536	\$ 39,549,253
District's covered-employee payroll	-	18,401,024	18,231,444	18,368,456	16,801,593	16,473,110	15,925,147
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%	243.82%	297.55%	411.46%	330.49%	285.45%	248.34%
Plan fiduciary net position as a percentage of the total pension liability	48.72%	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%

The amounts presented were determined as of the fiscal year-end that occurred one year before the District's fiscal year end.

* The schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled governments should present information for those years for which information is available.

**BRICK TOWNSHIP BOARD OF EDUCATION
Required Supplementary Information
Schedule of the District Contributions-PERS
For the Year Ended June 30, 2020**

Last 10 Fiscal Years*

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Contractually required contributions	1,975,445	2,077,592	2,073,631	\$ 2,096,297	\$ 2,196,434	\$ 2,306,145	\$ 2,279,975
Contributions in relation to the contractually required contribution	<u>(1,975,445)</u>	<u>(2,077,592)</u>	<u>(2,073,631)</u>	<u>(2,041,860)</u>	<u>(2,197,588)</u>	<u>(2,331,041)</u>	<u>(2,233,210)</u>
Contribution deficiency (excess)	-	-	-	54,437	(1,154)	(24,896)	46,765
District's covered-employee payroll	18,401,024	18,231,444	18,368,456	16,801,593	16,473,110	15,925,147	15,709,088
Contributions as a percentage of covered-employee payroll	0.00%	11.40%	11.29%	12.48%	13.07%	14.00%	14.51%

* The schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled governments should present information for those years for which information is available.

BRICK TOWNSHIP BOARD OF EDUCATION
Required Supplementary Information
Schedule of the District's Proportionate Share of Net Pension Liability-TPAF
For the Year Ended June 30, 2020

Last 10 Fiscal Years*

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
State's proportion of the net pension liability	100.00%	100.00%	100.00%	0.6145579%	0.61755655%	0.60960954%	0.60914427%
State's proportionate share of the net pension liability	\$ 305,658,329	\$ 332,170,325	\$ 383,522,122	\$ 483,450,406	\$ 416,378,891	\$ 387,820,497	\$ 373,837,589
District's covered-employee payroll	71,030,336	71,582,504	73,154,680	64,729,167	65,847,094	63,482,832	65,163,454
Proportionate share of the net pension liability as a percentage of District's covered-employee payroll	430.32%	464.04%	524.26%	746.88%	632.34%	610.91%	573.69%
Plan fiduciary net position as a percentage of the total pension liability	33.76%	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%

The District has a special funding situation as is not required to make any payments for this liability therefore it is not recorded on the CAFR.

The amounts presented were determined as of the fiscal year-end that occurred one year before the District's fiscal year end.

* The schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled governments should present information for those years for which information is available.

BRICK TOWNSHIP BOARD OF EDUCATION
Required Supplementary Information
Schedule of Changes in the Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2020
(Unaudited)

Last 10 Fiscal Years*

	<u>2018</u>	<u>2019</u>	<u>2020</u>
State's proportion of the OPEB liability associated with the District			
Service cost	\$ 15,916,068	\$ 13,223,989	\$ 11,546,632
Interest cost	12,512,501	14,467,822	13,523,936
Differences between expected and actual experiences	-	(32,400,553)	(55,763,994)
Changes in assumptions	(51,820,984)	(39,296,773)	4,580,039
Member contributions	337,135	316,472	279,514
Gross benefit payments	<u>(9,155,672)</u>	<u>(9,156,740)</u>	<u>(9,429,427)</u>
Net change in total OPEB liability	(32,210,952)	(52,845,783)	(35,263,300)
Total State Share of OPEB liability - beginning	<u>427,497,342</u>	<u>395,286,390</u>	<u>342,440,607</u>
Total State Share of OPEB liability - ending	<u>\$ 395,286,390</u>	<u>\$ 342,440,607</u>	<u>\$ 307,177,307</u>
District's covered employee payroll	<u>\$ 89,159,296</u>	<u>\$ 88,502,474</u>	<u>\$ 86,584,889</u>
Total State's OPEB liability as a percentage of covered employee payroll	443%	387%	355%

* The schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled governments should present information for those years for which information is available.

Brick Township Board of Education

Notes to Required Supplementary Information - Part III

For the Year Ended June 30, 2020

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None .

Changes in Assumptions - The discount rate changed from 4.86% as of June 30, 2018, to 5.60% as of February 11, 1923.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None .

Changes in Assumptions - The discount rate changed from 5.66% as of June 30, 2018, to 6.28% as of February 11, 1923.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None .

Changes in Assumptions - The discount rate changed from 3.87% as of June 30, 2018, to 3.50% as of June 30, 2019.

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules
Not Applicable

E. Special Revenue Fund

BRICK TOWNSHIP BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2020

	<u>Non Public Security</u>	<u>Title I FY 2020</u>	<u>Preschool Expansion Education Aid FY 2020</u>	<u>Non Public Textbooks</u>
Revenues:				
Local sources	\$ -	\$ -	\$ -	\$ -
State sources	63,600	-	1,983,063	21,414
Federal sources	-	1,262,418	-	-
Total revenues	<u>63,600</u>	<u>1,262,418</u>	<u>1,983,063</u>	<u>21,414</u>
Expenditures:				
Instruction:				
Salaries of teachers	-	655,681	632,370	-
Other salaries/instruction	-	-	312,284	-
Purchased professional services	-	48,327	-	-
Other purchased services	-	-	-	-
General supplies	-	257,383	47,219	21,414
Total instruction	<u>-</u>	<u>961,391</u>	<u>991,873</u>	<u>21,414</u>
Support services:				
Other support services - students - special:				
Other professional staff salaries	22,755	61,242	121,629	-
Secretarial/Clerical salaries	-	-	-	-
Professional Development	-	-	-	-
Other salaries	-	-	153,906	-
Other purchased services	-	-	2,483	-
Purchased technical services	-	-	-	-
Employee benefits	1,741	209,545	593,640	-
Miscellaneous purchased services	-	17,058	45,720	-
General supplies	-	13,182	15,375	-
Total other support services - students - special	<u>24,496</u>	<u>301,027</u>	<u>932,753</u>	<u>-</u>
Equipment:				
Regular programs instruction	39,104	-	58,437	-
Non-instructional equipment	-	-	-	-
Total equipment	<u>39,104</u>	<u>-</u>	<u>58,437</u>	<u>-</u>
Total expenditures	<u>\$ 63,600</u>	<u>\$ 1,262,418</u>	<u>\$ 1,983,063</u>	<u>\$ 21,414</u>

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BRICK TOWNSHIP BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2020

(Continued from prior page)

	<u>Title II Part A</u>	<u>IDEA Part B FY 2020</u>	<u>Title III FY 2020</u>	<u>IDEA Preschool FY 2020</u>
Revenues:				
Local sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	<u>358,132</u>	<u>2,393,801</u>	<u>60,508</u>	<u>100,332</u>
Total revenues	<u><u>358,132</u></u>	<u><u>2,393,801</u></u>	<u><u>60,508</u></u>	<u><u>100,332</u></u>
Expenditures:				
Instruction:				
Salaries of teachers	-	-	21,098	-
Tuition	-	2,295,015	-	100,332
Purchased professional services	42,596	98,786	-	-
Other purchased services	-	-	-	-
General supplies	<u>-</u>	<u>-</u>	<u>3,642</u>	<u>-</u>
Total instruction	<u><u>42,596</u></u>	<u><u>2,393,801</u></u>	<u><u>24,740</u></u>	<u><u>100,332</u></u>
Support services:				
Other support services - students - special:				
Other professional staff salaries	28,369	-	2,450	-
Other salaries	47,686	-	20,000	-
Employee benefits	12,754	-	9,040	-
Purchased professional and technical se	160,421	-	3,270	-
Miscellaneous purchased services	49,101	-	-	-
General supplies	<u>17,205</u>	<u>-</u>	<u>1,008</u>	<u>-</u>
Total other support services - students - special	<u><u>315,536</u></u>	<u><u>-</u></u>	<u><u>35,768</u></u>	<u><u>-</u></u>
Equipment:				
Regular programs instruction	-	-	-	-
Non-instructional equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total equipment	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Total expenditures	<u><u>\$ 358,132</u></u>	<u><u>\$ 2,393,801</u></u>	<u><u>\$ 60,508</u></u>	<u><u>\$ 100,332</u></u>

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BRICK TOWNSHIP BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2020

(Continued from prior page)

	Chapter 192 Comp Ed FY 2020	Non Public Home Instruct. FY 2020	Chapter 193 Supp FY 2020	Chapter 193 Exam FY 2020	Chapter 193 Speech FY 2020
Revenues:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	125,004	2,535	50,187	35,311	30,988
Federal sources	-	-	-	-	-
Total revenues	<u>125,004</u>	<u>2,535</u>	<u>50,187</u>	<u>35,311</u>	<u>30,988</u>
Expenditures:					
Instruction:					
Salaries of teachers	-	-	-	-	-
Purchased services	-	-	-	-	-
Tuition	-	-	-	-	-
Purchased professional services	125,004	2,535	50,187	35,311	30,988
Other purchased services	-	-	-	-	-
General supplies	-	-	-	-	-
Textbooks	-	-	-	-	-
Total instruction	<u>125,004</u>	<u>2,535</u>	<u>50,187</u>	<u>35,311</u>	<u>30,988</u>
Support services:					
Other support services - students - special:					
Other professional staff salaries	-	-	-	-	-
Other salaries	-	-	-	-	-
Other purchased services	-	-	-	-	-
Purchased technical services	-	-	-	-	-
Employee benefits	-	-	-	-	-
Purchased property services	-	-	-	-	-
General supplies	-	-	-	-	-
Miscellaneous/Other objects	-	-	-	-	-
Total other support services - students - special	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Equipment:					
Regular programs instruction	-	-	-	-	-
Non-instructional equipment	-	-	-	-	-
Total equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 125,004</u>	<u>\$ 2,535</u>	<u>\$ 50,187</u>	<u>\$ 35,311</u>	<u>\$ 30,988</u>

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BRICK TOWNSHIP BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2020

(Continued from prior page)

	Non-Public Nursing FY 2020	Non-Public Technology FY 2020	Local Grants FY 2020	COPS FY 2020	Total 2020
Revenues:					
Local sources	\$ -	\$ -	\$ 50,596	\$ -	\$ 50,596
State sources	40,007	15,150	-	-	2,367,259
Federal sources	-	-	-	253,322	4,428,513
Total revenues	<u>40,007</u>	<u>15,150</u>	<u>50,596</u>	<u>253,322</u>	<u>6,846,368</u>
Expenditures:					
Instruction:					
Salaries of teachers	-	-	-	-	1,309,149
Other salaries/instruction	-	-	-	-	312,284
Purchased services	-	-	-	-	-
Tuition	-	-	-	-	2,395,347
Purchased professional services	-	-	-	-	433,734
Other purchased services	-	-	-	-	-
General supplies	381	15,150	18,545	-	363,734
Textbooks	-	-	-	-	-
Total instruction	<u>381</u>	<u>15,150</u>	<u>18,545</u>	<u>-</u>	<u>4,814,248</u>
Support services:					
Other support services - students - special:					
Other professional staff salaries	35,563	-	-	-	272,008
Secretarial/Clerical salaries	-	-	-	-	-
Professional Development NP	-	-	-	-	-
Other salaries	-	-	-	-	221,592
Other purchased services	-	-	-	-	2,483
Purchased technical services	-	-	-	-	-
Employee benefits	4,063	-	-	-	830,783
Purchased professional and technical serv	-	-	28,549	-	192,240
Nursing Svcs	-	-	-	-	-
Miscellaneous purchased services	-	-	-	-	111,879
Purchased property services	-	-	-	-	-
General supplies	-	-	-	208,508	255,278
Miscellaneous/Other objects	-	-	-	44,814	44,814
Total other support services - students - special	<u>39,626</u>	<u>-</u>	<u>28,549</u>	<u>253,322</u>	<u>1,931,077</u>
Equipment:					
Regular programs instruction	-	-	3,502	-	101,043
Non-instructional equipment	-	-	-	-	-
Total equipment	<u>-</u>	<u>-</u>	<u>3,502</u>	<u>-</u>	<u>101,043</u>
Total expenditures	<u>\$ 40,007</u>	<u>\$ 15,150</u>	<u>\$ 50,596</u>	<u>\$ 253,322</u>	<u>\$ 6,846,368</u>

BRICK TOWNSHIP BOARD OF EDUCATION
Special Revenue Fund
Schedule of Preschool Education Aid Expenditures
Preschool - Education Expansion
Budgetary Basis
For the Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 632,370	\$ 632,370	\$ -
Other Salaries for Instruction	312,284	312,284	-
Purchased Professional & Technical Services	-	-	-
Other Purchased Services (400-500 series)	-	-	-
Tuition to Other LEAs Within the State - Regular	-	-	-
General Supplies	47,219	47,219	-
Other Objects	-	-	-
Total instruction	<u>991,873</u>	<u>991,873</u>	<u>-</u>
Support services:			
Salaries of Program Directors	75,553	75,553	-
Salaries of Supervisors of Instruction	-	-	-
Salaries of Other Professional Staff	46,076	46,076	-
Salaries of Sec. And Clerical Assistants	34,678	34,678	-
Other Salaries	119,228	119,228	-
Salaries of Community Parent Involvement Spec.	-	-	-
Salaries of Master Teachers	45,720	45,720	-
Personal Services - Employee Benefits	601,221	593,640	7,581
Purchased Educational Services - Contracted Pre-K	-	-	-
Purchased Professional - Educational Services	-	-	-
Other Purchased Professional Services	2,500	2,483	17
Cleaning, Repair, and Maintenance Services	-	-	-
Purchased Technical Services	-	-	-
Rentals	-	-	-
Contr. Serv.-Trans. (Bet. Home & Sch.)	-	-	-
Contr. Serv.-Trans. (Wrap Around Services)	-	-	-
Contr. Serv.-Trans. (Field Trips)	-	-	-
Travel	-	-	-
Other Purchased Services (400-500 series)	-	-	-
Supplies & Materials	15,571	15,375	196
Other Objects	-	-	-
Total support services	<u>940,547</u>	<u>932,753</u>	<u>7,794</u>
Facilities acquisition and cont. serv:			
Instructional equipment	63,359	58,437	4,922
Noninstructional Equipment	-	-	-
Total Facilities acquisition and cont. serv.	<u>63,359</u>	<u>58,437</u>	<u>4,922</u>
Contribution to Charter Schools	<u>-</u>	<u>-</u>	<u>-</u>
Transfer to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 1,995,779</u>	<u>\$ 1,983,063</u>	<u>\$ 12,716</u>

CALCULATION OF BUDGET & CARRYOVER

Total 2019-20 PreK/ECPA Aid Allocation	\$ 1,917,600
Add: Actual PreK/ECPA Aid Carryover June 30, 2019	78,179
Add: Budgeted Transfer From General Fund	-
Total Funds Available for 2019-20 Budget	<u>1,995,779</u>
Less: 2018-19 Budgeted PreK/ECPA (Including prior year budgeted carryover)	<u>(1,995,779)</u>
Available & Unbudgeted Funds as of June 30, 2020	-
Add: June 30, 2020 Unexpended PreK Aid	12,716
2019 - Actual Carryover - PreK Aid	<u>\$ 12,716</u>
2019-20 PreK Aid Carryover Budgeted in 2021-FY	<u>\$ -</u>

F. Capital Projects Fund
Not Applicable

G. Proprietary Funds
See B-4 through B-6

H. Fiduciary Funds

BRICK TOWNSHIP BOARD OF EDUCATION
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020

	Trust		Agency		Total Fund
	Unemployment Compensation Trust	Scholarship Trust	Student Activity	Payroll	
ASSETS					
Cash and cash equivalents	\$ 2,221,916	\$ 11,129	\$ 225,319	\$ 949,775	\$ 3,408,139
Intergovernmental Accounts Receivable	-	-	-	-	-
Interfund receivable	-	-	-	-	-
Total assets	<u>2,221,916</u>	<u>11,129</u>	<u>225,319</u>	<u>949,775</u>	<u>3,408,139</u>
LIABILITIES					
Accounts payable	-	-	-	-	-
Payroll deductions and withholdings	-	-	-	949,775	949,775
Payable to student groups	-	-	225,319	-	225,319
Interfund payable	-	-	-	-	-
Due to County Office	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>225,319</u>	<u>949,775</u>	<u>1,175,094</u>
NET POSITION					
Held in trust for unemployment claims and other purposes	2,221,916	-	-	-	2,221,916
Designated for future payments	-	11,129	-	-	11,129
Total net position	<u>2,221,916</u>	<u>11,129</u>	<u>-</u>	<u>-</u>	<u>2,233,045</u>
Total liabilities and net position	<u>\$ 2,221,916</u>	<u>\$ 11,129</u>	<u>\$ 225,319</u>	<u>\$ 949,775</u>	<u>\$ 3,408,139</u>

BRICK TOWNSHIP BOARD OF EDUCATION
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2020

	Scholarship Trust	Unemployment Compensation Trust	Total
ADDITIONS			
Contributions:			
Plan member	\$ -	\$ 147,830	\$ 147,830
Other	-	-	-
Total Contributions	<u>-</u>	<u>147,830</u>	<u>147,830</u>
Investment earnings:			
Net increase (decrease) in fair value of investments	-	-	-
Interest	257	46,091	46,348
Dividends	-	-	-
Less investment expense	-	-	-
Net investment earnings	<u>257</u>	<u>46,091</u>	<u>46,348</u>
Total additions	<u>257</u>	<u>193,921</u>	<u>194,178</u>
DEDUCTIONS			
Quarterly contribution reports	-	-	-
Unemployment claims	-	102,903	102,903
Scholarships awarded	1,000	-	1,000
Refunds of contributions	-	-	-
Administrative expenses	-	-	-
Total deductions	<u>1,000</u>	<u>102,903</u>	<u>103,903</u>
Change in net position	(743)	91,018	90,275
Net position—beginning of the year	<u>11,872</u>	<u>2,130,898</u>	<u>2,142,770</u>
Net position—end of the year	<u>\$ 11,129</u>	<u>\$ 2,221,916</u>	<u>\$ 2,233,045</u>

BRICK TOWNSHIP BOARD OF EDUCATION
Student Activity Agency Fund
Schedule of Receipts and Disbursements
For the Year Ended June 30, 2020

	<u>Balance July 1, 2019</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance June 30, 2020</u>
ELEMENTARY SCHOOLS:	\$ 17,725	\$ 16,968	\$ 17,328	\$ 17,365
MIDDLE SCHOOLS:				
Veteran memorial Middle School	35,071	47,449	49,049	33,471
Lake Riviera Middle School	56,878	19,497	15,903	60,472
Total Middle Schools	91,949	66,946	64,952	93,943
HIGH SCHOOLS:				
Brick Township High School	75,911	81,637	108,499	49,049
Brick Memorial High School	66,869	175,463	177,370	64,962
Total High Schools	142,780	257,100	285,869	114,011
Total All Schools	\$ 252,454	\$ 341,014	\$ 368,149	\$ 225,319

**BRICK TOWNSHIP BOARD OF EDUCATION
Payroll Agency Fund
Schedule of Receipts and Disbursements
For the Year Ended June 30, 2020**

	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2020</u>
ASSETS:				
Cash and Cash Equivalents	\$ 248,775	\$ 143,853,841	\$ 143,152,841	\$ 949,775
LIABILITIES:				
Net salary and wages	-	51,003,232	51,003,232	-
Payroll deductions and withholdings	248,775	92,850,609	92,149,609	949,775
Total Liabilities	\$ 248,775	\$ 143,853,841	\$ 143,152,841	\$ 949,775

I. Long-Term Debt

BRICK TOWNSHIP BOARD OF EDUCATION
Long-Term Debt
Statement of Serial Bonds
June 30, 2020

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest rate</u>	<u>Balance July 1, 2019</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2020</u>
School Bonds Series 2007	7/25/2007	\$ 4,439,000	7/15/2020	400,000	4.10%				
			7/15/2021	400,000	4.125%				
			7/15/2022	389,000	4.125%	1,589,000	-	400,000	1,189,000
School Bond Series 2010	3/30/2010	2,400,000	3/1/2021	170,000	3.125%				
			3/1/2022	180,000	3.250%				
			3/1/2023	185,000	3.250%				
			3/1/2024	190,000	3.375%				
			3/1/2025	195,000	3.500%	1,085,000	-	165,000	920,000
School Bond Series 2019	5/30/2019	3,985,000	2/1/2021	1,315,000	3.000%				
			2/1/2022	1,285,000	3.000%	3,985,000	-	1,385,000	2,600,000
						<u>\$ 6,659,000</u>	<u>\$ -</u>	<u>\$ 1,950,000</u>	<u>\$ 4,709,000</u>

**Brick Township Board of Education
Long-Term Debt
Statement of Obligations Under Capital Lease
June 30, 2020**

<u>Series</u>	<u>Date of Lease</u>	<u>Amount of Original Lease Principal</u>	<u>Interest Rate</u>	<u>Amount Outstanding June 30, 2019</u>	<u>Issued Current Year</u>	<u>Cancelled Current Year</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2020</u>
Instruction Materials	07/16/15	2,715,000	1.250%	455,182	-	-	455,182	-
Technology Improvements	07/14/16	1,774,500	1.295%	717,183	-	-	356,284	360,899
Equipment - 5 buses	08/10/17	450,000	2.262%	272,590	-	-	88,839	183,751
Equipment lease	07/31/18	643,296	3.18%	513,975	-	-	122,530	391,445
				\$ 1,958,930	\$ -	\$ -	\$ 1,022,835	\$ 936,095

BRICK TOWNSHIP BOARD OF EDUCATION
Budgetary Comparison Schedule
Debt Service Fund
For the Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,922,512	\$ -	\$ 1,922,512	\$ 1,922,512	\$ -
Miscellaneous	-	-	-	1	1
Issuance of refunding bonds	-	-	-	-	-
State Sources:					
Debt Service Aid Type II	231,672	-	231,672	231,672	-
	<u>231,672</u>	<u>-</u>	<u>231,672</u>	<u>-</u>	<u>-</u>
Total - State Sources	231,672	-	231,672	231,672	1
	<u>231,672</u>	<u>-</u>	<u>231,672</u>	<u>231,672</u>	<u>1</u>
Total Revenues	<u>2,154,184</u>	<u>-</u>	<u>2,154,184</u>	<u>2,154,185</u>	<u>1</u>
EXPENDITURES:					
Regular Debt Service:					
Interest	279,184	(75,000)	204,184	163,269	(40,915)
Redemption of Principal	1,875,000	75,000	1,950,000	1,950,000	-
	<u>2,154,184</u>	<u>-</u>	<u>2,154,184</u>	<u>2,113,269</u>	<u>(40,915)</u>
Total Regular Debt Service	2,154,184	-	2,154,184	2,113,269	(40,915)
	<u>2,154,184</u>	<u>-</u>	<u>2,154,184</u>	<u>2,113,269</u>	<u>(40,915)</u>
Total expenditures	<u>2,154,184</u>	<u>-</u>	<u>2,154,184</u>	<u>2,113,269</u>	<u>(40,915)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	40,916	40,916
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	-	-	-	40,916	40,916
Fund Balance, July 1	4,657	-	4,657	4,657	-
Fund Balance, June 30	<u>\$ 4,657</u>	<u>\$ -</u>	<u>\$ 4,657</u>	<u>\$ 45,573</u>	<u>\$ 40,916</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Restricted to pay off refunding bonds				\$ -	
Legally restricted-designated for subsequent years				-	
Restricted for future years				<u>45,573</u>	
Fund Balance, June 30				<u>\$ 45,573</u>	

STATISTICAL SECTION

**Brick Township School District
Statistical Section**

<u>Contents</u>	<u>Page</u>
<p>Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.</p>	114-118
<p>Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.</p>	119-122
<p>Debt Capacity These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.</p>	123-126
<p>Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.</p>	127-128
<p>Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.</p>	129-133

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

BRICK TOWNSHIP BOARD OF EDUCATION
Net Positions by Component
Last Ten Fiscal Years
UNAUDITED
 (accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 16,342,512	\$ 14,833,112	\$ 20,844,683	\$ 22,396,356.00	\$ 20,569,878.00	\$ 29,265,881.00	\$ 31,814,141	\$ 34,437,847	\$ 39,285,022	\$ 43,994,266
Restricted	6,689,663	8,683,496	3,840,731	4,970,342	6,387,405	3,138,733	8,416,412	4,538,554	7,623,511	13,731,921
Unrestricted	(4,871,543)	(2,280,117)	(927,754)	(2,583,973)	(43,921,970)	(49,488,394)	(57,232,222)	(56,247,972)	(55,992,868)	(53,126,674)
Total governmental activities net position	\$ 18,160,632	\$ 21,236,491	\$ 23,757,660	\$ 24,782,725	\$ (16,964,687)	\$ (17,083,780)	\$ (17,001,669)	\$ (17,271,571)	\$ (9,084,335)	\$ 4,599,513
Business-type activities										
Net investment in capital assets	\$ 337,511	\$ 283,230	\$ 244,078	\$ 221,301	\$ 274,919	\$ 248,681	\$ 271,255	\$ 284,870	\$ 361,191	\$ 425,093
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	(504,215)	(447,360)	(296,003)	(114,899)	(66,518)	4,263	219,570	449,473	543,271	(2,819,479)
Total business-type activities net position	\$ (166,704)	\$ (164,130)	\$ (51,925)	\$ 106,402	\$ 208,401	\$ 252,944	\$ 490,825	\$ 734,343	\$ 904,462	\$ (2,394,386)
District-wide										
Net investment in capital assets	\$ 16,680,023	\$ 15,116,342	\$ 21,088,761	\$ 22,617,657	\$ 20,844,797	\$ 29,514,562	\$ 32,085,396	\$ 34,722,717	\$ 39,646,213	\$ 44,419,359
Restricted	6,689,663	8,683,496	3,840,731	4,970,342	6,387,405	3,138,733	8,416,412	4,538,554	7,623,511	13,731,921
Unrestricted	(5,375,758)	(2,727,477)	(1,223,757)	(2,698,872)	(43,987,888)	(49,484,132)	(57,012,652)	(55,798,499)	(55,449,597)	(55,946,153)
Total district net position	\$ 17,993,928	\$ 21,072,361	\$ 23,705,735	\$ 24,889,127	\$ (16,755,686)	\$ (16,830,837)	\$ (16,510,844)	\$ (16,537,228)	\$ (8,179,873)	\$ 2,205,127

Source: CAFR Schedule A-1 and District records.

GASB No. 54 was implemented in the 2011 fiscal year, which required a change in the presentation of fund balance. This required presentation did not impact any of the balances from prior years.

GASB No. 63 was implemented in the 2013 fiscal year, which required a changed in language from net assets to net position for full accrual funds. This required presentation did not impact any of the balances from prior years.

BRICK TOWNSHIP BOARD OF EDUCATION
Changes in Net Position
Last Ten Fiscal Years
UNAUDITED
(modified accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities										
Current:										
Regular instruction	\$ (40,505,411)	\$ (36,980,094)	\$ (39,408,727)	\$ (45,079,395)	\$ (43,264,150)	\$ (43,762,280)	\$ (44,741,909)	\$ (69,009,257)	\$ (64,792,958)	\$ (63,319,321)
Special schools instruction	(18,269,265)	(17,884,234)	(16,464,372)	(14,892,723)	(14,667,193)	(19,833,867)	(15,158,693)	-	-	-
Other special instruction	(1,813,471)	(1,852,818)	(2,728,366)	(4,050,935)	(4,407,574)	(2,635,402)	(5,083,714)	-	-	-
Other instruction	(1,711,024)	(1,871,812)	(2,606,214)	-	-	(2,052,664)	-	-	-	-
Support services and undistributed costs:						(14,966,543)	-	-	-	-
Student and instruction related services:										
Instruction	(6,345,265)	(6,890,904)	(6,208,050)	(6,701,541)	(4,749,964)	(4,970,921)	(5,636,659)	(5,951,201)	(6,386,848)	(5,572,507)
Attendance	-	-	-	(857,370)	(847,297)	-	(913,239)	(1,045,266)	(1,023,176)	(1,081,430)
Health services	-	-	-	(1,468,619)	(1,444,271)	-	(1,347,153)	(1,293,302)	(1,301,565)	(1,319,209)
Other support services	(15,087,085)	(15,067,175)	(14,240,938)	(12,026,911)	(12,219,052)	-	(12,075,534)	(11,933,052)	(12,813,574)	(14,822,455)
Educational media services	-	-	-	(889,297)	(824,435)	-	(825,616)	(860,125)	(893,260)	(783,891)
Instruction staff training	-	-	-	(100,559)	(93,849)	-	(106,342)	(108,687)	(214,288)	(223,407)
General administrative services	(1,351,690)	(1,236,720)	(894,284)	(1,126,020)	(1,109,001)	-	(1,325,065)	(1,816,475)	(1,369,790)	(1,373,236)
Central services	(1,179,359)	-	(1,012,800)	-	-	-	-	-	-	-
School administrative services	(5,147,590)	(5,570,938)	(5,952,072)	(5,341,554)	(5,119,130)	(5,007,152)	(4,942,441)	(5,027,327)	(4,955,827)	(4,830,355)
Other administrative services	-	-	-	-	-	(3,043,045)	-	-	-	-
Admin info technology	(461,342)	(451,181)	(395,239)	(1,460,321)	(1,561,441)	-	(3,385,518)	(1,889,445)	(1,805,191)	(1,782,308)
Allowed maintenance for school facilities	-	-	-	(1,648,471)	(1,651,304)	-	(1,629,807)	(1,911,991)	(1,863,508)	(1,985,373)
Other operation & maintenance of plant	(8,522,322)	(7,497,926)	(7,457,522)	(10,744,816)	(7,677,441)	(8,271,918)	(6,798,443)	(7,051,833)	(7,382,443)	(5,642,877)
Care & upkeep of grounds	-	-	-	(701,718)	(602,440)	-	(691,773)	(750,456)	(729,979)	(772,492)
Student transportation services	(8,751,107)	(8,812,949)	(8,944,765)	(8,923,306)	(8,200,703)	(8,338,630)	(8,882,909)	(9,309,518)	(9,561,664)	(8,789,371)
Business and other support services	-	-	-	-	-	-	-	-	-	-
Unallocated employee benefits	(38,096,439)	(38,287,002)	(42,114,202)	(30,128,587)	(30,716,954)	(46,340,597)	(32,767,299)	(30,703,122)	(29,399,453)	(32,084,310)
Non-budgeted expenditures	-	-	-	(13,981,509)	(9,786,198)	-	(10,143,969)	(10,646,290)	(10,185,513)	(9,690,419)
Special schools	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	(1,192,745)	(881,384)	(747,389)	(661,104)	(651,941)	(798,677)	(1,023,771)	(420,376)	(31,769)	(71,255)
Unallocated depreciation	-	(6,444,954)	(6,337,630)	-	-	-	-	-	-	-
Total governmental activities expenses	(148,434,115)	(150,767,341)	(155,512,570)	(160,784,756)	(149,594,338)	(160,021,696)	(157,379,854)	(159,727,723)	(154,710,796)	(154,144,216)
Business-type activities:										
Food service	\$ (3,283,769)	\$ (3,283,769)	\$ (3,283,769)	\$ (3,709,204)	\$ (3,732,880)	\$ (2,885,669)	\$ (3,777,011)	\$ (2,938,264)	\$ (3,010,849)	\$ (2,684,663)
Child care program	-	-	-	-	-	(915,104)	-	(912,720)	(934,635)	(628,987)
Total business-type activities expense	(3,283,769)	(3,283,769)	(3,283,769)	(3,709,204)	(3,732,880)	(3,800,773)	(3,777,011)	(3,850,984)	(3,945,484)	(3,313,650)
Total district expenses	\$ (151,717,884)	\$ (154,051,110)	\$ (158,796,339)	\$ (164,493,960)	\$ (153,327,218)	\$ (163,822,469)	\$ (161,156,865)	\$ (163,578,707)	\$ (158,656,280)	\$ (157,457,866)
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	\$ -	\$ -	\$ -	\$ -	\$ 18,835	\$ 175,047	\$ 208,405	\$ 374,576	\$ 200,855	\$ 252,454
Pupil transportation	-	-	-	-	-	-	-	48,615	53,330	32,250
Central and other support services	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	15,195,074	15,641,221	18,708,652	18,677,935	14,373,303	19,943,225	14,521,443	15,121,228	15,455,972	16,407,240
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	15,195,074	15,641,221	18,708,652	18,677,935	14,392,138	20,118,272	14,729,848	15,544,419	15,710,157	16,691,944
Business-type activities:										
Charges for services:										
Food service	\$ 2,692,241	\$ 2,634,082	\$ 2,616,649	\$ 2,288,668	\$ 2,185,678	\$ 1,233,354	\$ 1,253,262	\$ 1,303,278	\$ 1,339,357	\$ 910,196
Child care program	-	-	-	-	-	915,721	893,252	912,613	932,780	631,790
Internal Service Fund	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	1,091,457	1,235,975	1,449,150	1,512,888	1,649,152	1,696,146	1,868,130	1,878,503	1,841,612	1,543,963
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	3,783,698	3,870,057	4,065,799	3,801,356	3,834,830	3,845,221	4,014,644	4,094,394	4,113,749	3,085,949
Total district program revenues	\$ 18,978,772	\$ 19,511,278	\$ 22,774,451	\$ 22,479,291	\$ 18,226,968	\$ 23,963,493	\$ 18,744,492	\$ 19,638,813	\$ 19,823,906	\$ 19,777,893
Net (Expense)/Revenue										
Governmental activities	\$ (133,239,043)	\$ (135,126,120)	\$ (136,803,918)	\$ (142,106,821)	\$ (135,202,200)	\$ (139,903,422)	\$ (142,650,006)	\$ (144,183,304)	\$ (139,000,639)	\$ (137,452,272)
Business-type activities	(119,104)	(1,520)	103,615	92,152	101,950	44,448	237,633	243,410	168,265	(227,701)
Total district-wide net expense	\$ (133,358,147)	\$ (135,127,640)	\$ (136,700,303)	\$ (142,014,669)	\$ (135,100,250)	\$ (139,858,974)	\$ (142,412,373)	\$ (143,939,894)	\$ (138,832,374)	\$ (137,679,973)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 97,571,610	\$ 97,935,793	\$ 97,640,346	\$ 96,046,715	\$ 97,622,590	\$ 97,622,590	\$ 101,139,586	\$ 102,405,879	\$ 107,261,323	\$ 111,168,721
Taxes levied for debt service	-	-	-	2,478,978	1,490,506	2,378,131	2,371,799	2,366,062	1,996,806	1,922,512
Unrestricted grants and contributions	33,613,740	37,981,788	39,081,021	41,060,865	39,389,592	37,319,311	37,822,452	38,148,975	36,319,621	33,493,791
Restricted grants and contributions	296,174	-	-	-	-	-	-	-	-	-
Tuition revenue	-	-	-	356,231	269,722	1,780,899	-	-	-	-
Miscellaneous income	2,972,902	2,288,493	2,609,652	3,228,370	3,284,848	1,393,414	1,368,124	944,082	1,093,248	1,421,272
Investment earnings	-	-	-	26,833	21,593	-	30,156	48,404	516,877	55,900
Capital Contributions/(Transfers)	-	-	-	(66,106)	-	-	-	-	-	-
Total governmental activities	134,454,426	138,206,074	139,331,019	143,131,886	142,078,851	140,494,345	142,732,117	143,913,402	147,187,875	148,062,196
Business-type activities:										
Investment earnings	\$ -	\$ -	\$ 2,658	\$ 69	\$ 49	\$ 97	\$ 248	\$ 108	\$ 1,854	\$ 2,779
Transfers	-	-	-	66,175	-	-	-	-	-	-
Total business-type activities	-	-	2,658	66,244	49	97	248	108	1,854	2,779
Total district-wide	\$ 134,454,426	\$ 138,206,074	\$ 139,333,677	\$ 143,198,130	\$ 142,078,900	\$ 140,494,442	\$ 142,732,365	\$ 143,913,510	\$ 147,189,729	\$ 148,064,975
Change in Net Position										
Governmental activities	\$ 1,215,385	\$ 3,079,954	\$ 2,527,100	\$ 1,025,065	\$ 6,876,651	\$ 590,923	\$ 82,111	\$ (269,902)	\$ 8,187,236	\$ 10,609,924
Business-type activities	(119,106)	(1,520)	106,274	158,396	101,999	44,545	237,881	243,518	170,119	(224,922)
Total district	\$ 1,096,279	\$ 3,078,434	\$ 2,633,374	\$ 1,183,461	\$ 6,978,650	\$ 635,468	\$ 319,992	\$ (26,384)	\$ 8,357,355	\$ 10,385,002

Source: CAFR Schedule A-2 and District records.

GASB No. 63 was implemented in the 2013 fiscal year, which required a changed in language from net assets to net position for full accrual funds. This required presentation did not impact any of the balances from prior years.

BRICK TOWNSHIP BOARD OF EDUCATION
Fund Balances - Governmental Funds
Last Ten Fiscal Years
UNAUDITED
(modified accrual basis of accounting)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund										
Restricted	5,003,818	2,408,405	1,862,715	5,099,574	5,587,560	\$ 1,256,311	\$ 6,430,678	\$ 296,121	\$ 4,639,244	\$ 12,964,044
Committed	-	-	-	-	-	11,133	-	-	-	-
Assigned	-	-	-	-	-	3,835,141	1,309,928	3,667,474	3,060,900	1,992,097
Unassigned	<u>2,532,924</u>	<u>4,248,878</u>	<u>4,693,265</u>	<u>457,144</u>	<u>679,293</u>	<u>2,698,070</u>	<u>503,940</u>	<u>830,997</u>	<u>1,031,401</u>	<u>277,573</u>
Total general fund	<u>\$ 7,536,742</u>	<u>\$ 6,657,283</u>	<u>\$ 6,555,980</u>	<u>\$ 5,556,718</u>	<u>\$ 6,266,853</u>	<u>\$ 7,800,655</u>	<u>\$ 8,244,546</u>	<u>\$ 4,794,592</u>	<u>\$ 8,731,545</u>	<u>\$ 15,233,714</u>
All Other Governmental Funds										
Restricted										
Special revenue fund	\$ -	\$ (106,997)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (81,290)	\$ (191,760)
Capital projects fund	1,054,009	57,655,544	1,676,770	(1,016,531)	799,843	1,882,420	375,805	574,958	-	-
Debt service fund	631,836	509,537	301,246	887,299	2	2	1	1	4,657	45,573
Total all other governmental funds	<u>\$ 1,685,845</u>	<u>\$ 58,058,084</u>	<u>\$ 1,978,016</u>	<u>\$ (129,232)</u>	<u>\$ 799,845</u>	<u>\$ 1,882,422</u>	<u>\$ 375,806</u>	<u>\$ 574,959</u>	<u>\$ (76,633)</u>	<u>\$ (146,187)</u>

Source: CAFR Schedule B-1 and District records.

BRICK TOWNSHIP BOARD OF EDUCATION
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
UNAUDITED
(modified accrual basis of accounting)

Fiscal Year Ending June 30,

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Tax levy	\$ 97,571,610	\$ 97,935,793	\$ 97,640,346	\$ 98,525,693	\$ 99,113,096	\$ 100,000,721	\$ 103,511,385	\$ 104,771,941	\$ 109,258,129	\$ 113,091,233
Tuition charges	149,615	284,353	344,633	356,231	269,722	175,047	193,363	374,576	200,855	252,454
Interest earnings	-	-	-	25,775	-	-	29,597	48,032	511,096	-
Interest earned on capital reserve funds	-	-	-	1,058	-	-	-	372	5,781	55,900
Miscellaneous	2,837,591	2,019,572	2,321,390	3,273,879	3,325,276	1,316,081	1,368,957	871,471	1,095,240	1,421,272
Other local revenue	-	-	-	-	-	111,461	15,042	48,615	53,330	32,250
State sources	42,245,015	47,433,378	50,895,793	54,732,272	51,141,494	54,646,750	48,159,430	48,829,416	47,251,596	45,182,569
Federal sources	6,822,744	6,064,558	5,115,343	4,962,017	4,495,074	4,362,558	4,184,465	4,440,787	4,523,997	4,718,462
Total revenue	149,626,575	153,737,654	156,317,505	161,876,925	158,344,662	160,612,618	157,462,798	159,385,210	162,900,024	164,754,140
Expenditures										
Current:										
Regular instruction	36,068,612	37,082,005	38,684,877	45,392,655	43,716,015	40,812,597	42,805,961	43,477,130	42,909,805	41,876,959
Special education instruction	18,269,265	17,884,234	16,464,372	14,855,565	14,647,483	18,799,119	15,158,693	15,513,698	14,069,587	13,471,470
Other special instruction	1,813,471	1,852,818	2,728,366	4,050,935	4,407,574	2,635,402	5,083,714	5,477,245	5,552,220	5,599,975
Other instruction	1,711,024	1,871,812	2,606,214	-	-	2,052,664	-	-	-	-
Support services and undistributed costs:										
Instruction	6,345,265	6,890,904	6,208,050	4,801,541	4,749,964	4,970,921	5,636,659	5,951,201	6,386,848	5,572,507
Attendance	-	-	-	857,370	-	-	913,239	1,045,266	1,023,176	1,081,430
Health services	-	-	-	1,468,619	-	-	1,347,153	1,293,302	1,301,565	1,319,209
Other support services	14,297,937	14,861,709	15,317,115	12,026,911	-	-	12,028,353	11,822,379	12,758,463	14,764,673
Educational media services	-	-	-	889,297	-	-	825,616	860,125	893,260	783,891
Instruction staff training	-	-	-	100,559	-	-	106,342	108,687	214,288	223,407
General administrative services	1,112,886	1,037,250	1,012,800	1,061,766	-	-	936,530	905,081	915,949	897,404
School administrative services	5,505,438	5,873,295	5,952,072	5,341,554	5,119,130	5,003,721	4,939,097	5,019,483	4,951,921	4,826,260
Other administrative	1,351,690	1,236,720	894,284	1,460,321	2,636,359	2,644,380	3,385,518	1,889,445	1,805,181	1,782,308
Information technology	461,342	451,181	395,239	-	-	-	-	-	-	-
Allowed maintenance for school facilities	-	-	-	1,648,471	-	-	1,629,807	1,911,991	1,863,508	1,985,373
Other operation & maintenance of plant	8,522,322	7,497,926	7,457,522	6,713,920	8,209,496	8,079,642	6,074,490	5,696,822	5,613,821	5,060,480
Care & upkeep of grounds	-	-	-	701,718	-	-	591,773	750,456	729,979	772,492
Security	-	-	-	70,468	-	-	82,267	123,253	249,449	191,900
Student transportation services	9,397,315	9,476,625	9,412,322	8,669,599	8,066,125	8,025,144	8,591,943	8,869,955	9,221,793	8,433,031
Business and other support services	-	-	-	-	-	-	-	-	-	-
Unallocated employee benefits	38,978,275	39,342,417	42,122,176	30,909,449	30,606,483	29,567,886	30,894,656	31,318,413	29,344,776	31,543,206
Non-budgeted expenditures	-	-	-	13,981,509	9,786,198	15,318,050	10,143,969	10,646,290	10,185,513	9,690,419
Special schools	-	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	15,857,355	2,476,052	2,251,491	257,450	1,990,000	4,318,454	5,374,296	5,573,475	5,242,928	2,972,835
Interest and other charges	1,573,182	945,068	853,377	778,710	701,253	820,929	663,998	549,773	424,505	163,269
Capital outlay	1,321,391	1,574,196	8,242,678	6,878,942	6,640,466	9,125,635	2,785,949	4,698,041	4,669,595	5,309,027
Total expenditures	162,586,770	150,354,212	160,602,955	162,917,329	156,705,450	167,092,676	160,000,023	163,501,511	160,328,130	158,321,525
Excess (Deficiency) of revenues over (under) expenditures	(12,960,195)	3,383,442	(4,285,450)	(1,040,404)	1,639,212	(6,480,057)	(2,537,225)	(4,116,301)	2,571,894	6,432,615
Other Financing sources (uses)										
Bond issuance	-	-	-	-	-	-	-	-	3,985,000	-
Purchase agreement	-	-	-	-	-	2,715,000	1,774,500	115,500	-	-
Capital leases (non-budgeted)	328,261	219,349	-	-	-	-	-	450,000	643,296	-
Payment on refunded bonds	-	-	-	-	-	-	-	-	(3,930,000)	-
Bond refunding premium	-	-	-	-	-	-	-	-	82,847	-
Transfers in	-	-	-	2,035,487	(208)	545,521	-	-	574,958	-
Transfers out	-	-	-	(2,035,487)	208	(545,521)	-	-	(574,958)	-
Costs of issuance	-	-	-	(66,106)	-	-	-	-	(67,676)	-
Total other financing sources (uses)	328,261	219,349	-	(66,106)	-	2,715,000	1,774,500	565,500	713,467	-
Net change in fund balances	(12,631,934)	3,602,791	(4,285,450)	(1,106,510)	1,639,212	(3,765,057)	(762,725)	(3,550,801)	3,285,361	6,432,615
Debt service as a percentage of noncapital expenditures	10.80%	2.30%	2.00%	0.70%	1.80%	3.30%	3.42%	3.51%	3.37%	1.94%

Source: CAFR Schedule B-2 and District records

BRICK TOWNSHIP BOARD OF EDUCATION
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
UNAUDITED
(modified accrual basis of accounting)

Fiscal Year Ended June 30	Interest Earned	Adult Community School	Rentals	Prior Year Tuition Refunds	Fuel Reimbursements	Miscellaneous	Total
2020	\$ 55,900	\$ -	\$ 170,284	\$ -	\$ -	\$ 1,374,177	\$ 1,600,361
2019	516,877	-	-	-	-	1,061,006	1,577,883
2018	48,404	-	394,556	-	-	55,900	\$ 847,904
2017	30,156	-	425,972	5,796	101,821	751,154	\$ 1,314,899
2016	25,885	-	425,679	-	-	864,517	\$ 1,316,081
2015	21,593	-	505,405	-	18,835	893,010	\$ 1,438,843
2014	26,833	-	473,221	-	21,329	876,321	1,397,704
2013	70,044	-	547,607	-	326,704	1,108,780	2,053,135
2012	72,785	-	372,667	-	377,919	1,132,979	1,956,350
2011	226,090	-	309,922	23,321	374,084	1,893,339	2,826,756

Source: District records

BRICK TOWNSHIP BOARD OF EDUCATION
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
UNAUDITED

Fiscal Year Ended	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (2)	Less: Tax Exempt		Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b
										Property	Net Valuation Taxable		
June 30,													
2020	\$ 164,545,690	\$ 9,070,694,790	\$ 1,200	\$ -	\$ 989,733,398	\$ 22,148,588	\$ 132,059,600	\$ 10,379,183,266	\$ 11,014,859	737,206,100	\$ 9,652,992,025	\$ 10,379,183,266	1.11000
2019	175,733,290	8,977,610,020	1,200	-	996,811,098	21,052,688	132,159,600	10,303,367,896	11,112,562	728,278,000	10,314,480,458	10,314,480,458	1.0630
2018	175,733,290	8,977,610,020	1,200	-	996,811,098	21,052,688	132,159,600	10,303,367,896	11,112,562	728,278,000	10,314,480,458	10,314,480,458	1.06300
2017	165,068,290	8,968,898,232	1,200	-	1,000,883,098	21,052,688	115,832,800	10,271,736,308	10,925,152	727,740,600	9,554,920,860	10,282,661,460	1.02000
2016	185,967,990	8,934,074,602	1,200	-	996,334,548	20,889,288	115,832,800	10,253,100,428	11,079,784	728,257,200	9,535,923,012	10,542,502,272	1.00800
2015	178,891,000	8,925,065,000	-	-	1,005,815,000	20,464,000	116,385,000	10,246,620,000	-	728,833,500	9,517,786,500	10,246,620,000	0.96600
2014	162,326,640	8,926,738,052	-	-	1,025,458,148	20,464,400	115,832,800	10,250,820,040	-	726,141,400	9,524,678,640	10,250,820,040	0.97200
2013	121,555,000	8,903,688,224	-	-	1,027,664,875	20,464,400	116,971,600	10,190,344,099	-	722,741,300	9,467,602,799	10,190,344,099	0.96300
2012	129,397,600	9,289,179,194	-	-	1,047,749,575	20,799,800	124,319,600	10,611,445,769	-	723,957,100	9,887,488,669	10,611,445,769	0.91700
2011	145,746,640	9,300,728,044	-	-	1,060,781,300	20,799,800	124,319,600	10,652,375,384	-	715,290,400	9,937,084,984	10,652,375,384	0.91800

Source: Municipal Tax Assessor
 Ocean County Clerk

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment

^b Tax rates are per \$100
 Revaluation in 2010

BRICK TOWNSHIP BOARD OF EDUCATION
Direct and Overlapping Governments
Last Ten Fiscal Years
UNAUDITED
(rate per \$100 of assessed value)

Year Ended December 31	Brick Township School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rates	General Obligation Debt Service	Total Direct	Brick Twp	Ocean County	
2020	\$ 1.086	\$ 0.024	\$ 1.110	\$ 0.742	\$ 0.444	\$ 2.296
2019	1.069	0.024	1.093	0.723	0.442	2.258
2018	1.039	0.024	1.063	0.714	0.428	2.205
2017	0.996	0.023	1.019	0.695	0.431	2.145
2016	0.984	0.024	1.008	0.700	0.426	2.134
2015	0.952	0.014	0.966	0.691	0.421	2.078
2014	0.950	0.022	0.972	0.672	0.417	2.061
2013	0.940	0.023	0.963	0.636	0.348	1.947
2012	0.891	0.026	0.917	0.635	0.400	1.952
2011	0.892	0.026	0.918	0.636	0.392	1.946

Source: Tax Collector

**BRICK TOWNSHIP BOARD OF EDUCATION
Principal Property Taxpayers
Current Year and Nine Years Ago
UNAUDITED**

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Federal Realty Investment Trust	\$ 63,962,000	1	0.62%	\$ 63,491,800	1	0.60%
JSM LLC	60,375,600	2	0.59%	39,311,100	2	0.37%
Bricktown VF LLC	39,126,500	3	0.38%	39,126,500	3	0.37%
Waterside Holdings Manager LLC	28,000,000	4	0.27%	32,044,400	5	0.30%
Kentwood Construction Co.	25,500,000	5	0.25%	28,043,900	6	0.26%
Centro NP Laurel SQ Owner LLC	25,050,600	6	0.24%	36,129,100	4	0.34%
Bay Harbor Plaza LLC	20,000,000	7	0.19%	N/A	N/A	N/A
Brick Blvd. LLC ETAL	17,782,200	8	0.17%	16,260,900	10	0.15%
Dayton Hudson/Mervyn %Prop. Tx.	17,000,000	9	0.16%	18,150,000	8	0.17%
Lowes Home Center Inc. %D. Beckr	15,763,900	10	0.15%	17,616,700	9	0.17%
Crescent Center Associates	N/A	N/A	N/A	22,883,000	7	0.21%
Total	\$ 312,560,800		3.03%	\$ 313,057,400		2.94%

Source: Municipal Tax Assessor

**BRICK TOWNSHIP BOARD OF EDUCATION
Property Tax Levies and Collections
Last Ten Years
UNAUDITED**

<u>Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>
2020	\$ 113,091,233	\$ 113,091,233	100.00%
2019	109,258,129	109,258,129	100.00%
2018	104,771,941	104,771,941	100.00%
2017	103,511,385	103,511,385	100.00%
2016	100,000,721	100,000,721	100.00%
2015	99,113,096	99,113,096	100.00%
2014	98,525,693	98,525,693	100.00%
2013	97,640,346	97,640,346	100.00%
2012	97,935,793	97,935,793	100.00%
2011	97,571,610	97,571,610	100.00%

Source: District Records

BRICK TOWNSHIP BOARD OF EDUCATION
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
UNAUDITED

Year Ended June 30,	Governmental Activities		Business- Type Activities	Total District	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Leases	Capital Leases			
2020	\$ 4,709,000	\$ 936,095	\$ -	\$ 5,645,095	not available	not available
2019	6,659,000	1,958,930	-	8,617,930	not available	not available
2018	8,484,000	4,678,562	-	13,162,562	0.33%	173.95
2017	10,699,000	7,587,037	-	18,286,037	0.48%	242.15
2016	12,829,000	9,056,833	-	21,885,833	0.61%	291.57
2015	14,884,000	9,853,030	-	24,737,030	0.72%	329.77
2014	16,874,000	1,803,452	-	18,677,452	0.56%	248.89
2013	18,814,000	1,160,642	-	19,974,642	0.63%	266.49
2012	20,759,000	904,349	-	21,663,349	0.68%	289.23
2011	22,939,000	1,979,750	-	24,918,750	0.80%	331.98

BRICK TOWNSHIP BOARD OF EDUCATION
Ratio of Net General Bonded Debt Outstanding
Value and Net Bonded Debt Per Capita
Last Ten Fiscal Years
UNAUDITED

<u>Fiscal Year Ended June 30,</u>	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
2020	\$ 4,709,000	\$ -	\$ 4,709,000	not available	not available
2019	6,659,000	-	6,659,000	not available	not available
2018	8,484,000	-	8,484,000	0.80%	112.12
2017	10,699,000	-	10,699,000	0.10%	141.68
2016	12,829,000	-	12,829,000	0.12%	170.91
2015	14,884,000	-	14,884,000	0.15%	198.42
2014	16,874,000	-	16,874,000	0.16%	224.86
2013	18,814,000	-	18,814,000	0.18%	251.00
2012	20,759,000	-	20,759,000	0.20%	277.16
2011	22,939,000	-	22,939,000	0.22%	305.60

Source: Assessed valuations were provided by the Abstract of Ratables,
County Board of Taxation.
School district population data was provided by the
U.S. Bureau of the Census, Population Division.

** Not Available

BRICK TOWNSHIP BOARD OF EDUCATION
Direct and Overlapping Governmental Activities Debt
As of June 30, 2020
UNAUDITED

Governmental Unit	Debt Outstanding	June 30, 2020 Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Brick Township	\$141,665,536	0%	\$141,665,536
Brick Township MUA	59,427,776	0%	59,427,776
Ocean County	450,942,968	0%	450,942,968
Ocean County Utilities Authority	<u>117,404,255</u>	0%	<u>117,404,255</u>
Subtotal - Overlapping Debt	769,440,535		769,440,535
Brick Township School District	<u>4,709,000</u>	0%	<u>4,709,000</u>
Total Direct and Overlapping Debt	774,149,535		774,149,535

Sources: Ocean County Office of the Treasurer, Brick Township, Brick Township MUA, Ocean County Utilities Authority

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Brick. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

**BRICK TOWNSHIP BOARD OF EDUCATION
Legal Debt Margin Information
Last Ten Fiscal Years
UNAUDITED**

Equalized valuation basis (1)	
2020	\$ 11,370,723,975
2019	11,176,448,526
2018	10,678,590,610
[A]	\$ 33,225,763,111
[A/3]	\$ 11,075,254,370
[B]	443,010,175
[C]	4,709,000
[B-C]	\$ 438,301,175

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 500,797,914	\$ 486,708,395	\$ 468,412,533	\$ 448,160,057	\$ 429,033,181	\$ 419,225,777	\$ 421,655,847	\$ 425,052,307	\$ 433,745,384	\$ 443,010,175
Total net debt applicable to limit (2)	<u>22,939,000</u>	<u>23,362,945</u>	<u>20,726,451</u>	<u>18,514,000</u>	<u>14,884,000</u>	<u>12,829,000</u>	<u>12,529,000</u>	<u>10,399,000</u>	<u>6,741,847</u>	<u>4,709,000</u>
Legal debt margin	<u>\$ 477,858,914</u>	<u>\$ 463,345,450</u>	<u>\$ 447,686,082</u>	<u>\$ 429,646,057</u>	<u>\$ 414,149,181</u>	<u>\$ 406,396,777</u>	<u>\$ 409,126,847</u>	<u>\$ 414,653,307</u>	<u>\$ 427,003,537</u>	<u>\$ 438,301,175</u>
Total net debt applicable to the limit as a percentage of debt limit	4.58%	4.80%	4.42%	4.13%	3.47%	3.06%	2.97%	2.45%	1.55%	1.06%

Sources:
 (1) Equalization valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
 (2) District Records

BRICK TOWNSHIP BOARD OF EDUCATION
Demographic and Economic Statistics
Last Ten Fiscal Years
UNAUDITED

Year	Unemployment Rate ^a	Personal Income ^b	Per Capita Personal Income ^c	School District Population ^d
2020	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A
2018	4.30%	\$ 3,935,289,336	\$ 52,008	\$ 75,667
2017	4.70%	3,789,694,944	50,184	75,516
2016	5.20%	3,558,867,193	47,413	75,061
2015	5.80%	3,458,728,308	46,109	75,012
2014	6.90%	3,330,483,383	44,381	75,043
2013	8.20%	3,191,059,215	42,573	74,955
2012	10.10%	3,183,132,601	42,499	74,899
2011	10.00%	3,112,029,060	41,460	75,061

Source:

^a Unemployment data provided by the NJ Dept of Labor and Workforce Development.

^b Personal income not available by municipality.

^c Per Capita Income not available by municipality.

^d Population information provided by the NJ Dept of Labor and Workforce Development.

**BRICK TOWNSHIP BOARD OF EDUCATION
Principal Employers
Current Year and Nine Years Ago
UNAUDITED**

<u>Employer</u>	<u>2020</u>			<u>2011</u>		
	<u>Employees</u>	<u>Rank [Optional]</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank [Optional]</u>	<u>Percentage of Total Municipal Employment</u>
Meridian Health Care	1,750	1	0.00%	1,400	2	0.00%
Brick Board of Education	1,443	2	0.00%	1,618	1	0.00%
Township of Brick	565	3	0.00%	500	3	0.00%
Walmart	364	4	0.00%	290	4	0.00%
Costco	266	5	0.00%	210	5	0.00%
	<u>4,388</u>		<u>0.00%</u>	<u>4,018</u>		<u>0.00%</u>

Source: Brick Township

Note: Brick Township did not have the required 10 employer data available.

**BRICK TOWNSHIP BOARD OF EDUCATION
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years
UNAUDITED**

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Instruction										
Regular	478	510	527	545	543	540	542	539	522	559
Special education	293	314	345	332	340	327	320	312	317	271
Support services										
Student and Instruction Related Services	262	244	221	215	227	229	222	228	229	226
General Administrative	3	4	4	4	4	4	4	4	5	4
School Administrative	60	60	63	61	65	65	67	70	73	73
Central Services	17	18	17	17	18	17	16	17	18	18
Administrative Information Technology	9	10	8	8	7	7	8	7	7	8
Plant Operations & Maintenance	114	119	123	118	117	118	112	101	115	111
Pupil Transportation	145	150	140	151	156	156	151	151	156	142
Other Support Services	4	4	4	4	4	6	6	6	4	4
Food service	58	61	60	55	56	58	58	58	56	56
Total	1,443	1,494	1,512	1,510	1,537	1,527	1,506	1,493	1,501	1,472

Source: District Personnel Records

**BRICK TOWNSHIP BOARD OF EDUCATION
Operating Statistics
Last Ten Fiscal Years
UNAUDITED**

Pupil/Teacher Ratio

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Elementary	Middle School	High School	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
2011	10,071	143,834,842	14,282	9.29%	830	11:1	11:1	11:1	10,076	9,503	2.06%	94.31%
2012	9,714	145,358,896	14,964	4.77%	838	19:1	18:1	13:1	9,784	9,247	-2.90%	94.51%
2013	9,666	149,255,409	15,441	3.19%	851		district average 12.9:1		9,559	9,036	-2.29%	94.53%
2014	9,515	155,002,227	16,290	5.50%	893		district average 12.2:1		9,312	8,820	-2.58%	95.71%
2015	9,251	147,373,731	15,931	-2.21%	867		district average 11.7:1		9,141	8,650	-1.84%	94.63%
2016	9,047	152,827,656	16,893	6.04%	823		district average 11.0:1		8,839	8,369	-3.30%	94.68%
2017	8,753	157,175,428	17,957	6.31%	877		district average 11.0:1		8,698	8,222	-1.60%	94.53%
2018	8,654	158,350,485	18,298	1.89%	872		district average 11.3:1		8,606	8,150	-1.06%	94.70%
2019	8,467	149,991,102	17,715	-3.19%	824		district average 11:1		8,470	7,987	-1.58%	94.30%
2020	8,382	149,876,394	17,881	-2.28%	771		district average 11:1		8,440	8,129	-0.35%	96.32%

Source: District Records, School Register Summary

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**BRICK TOWNSHIP BOARD OF EDUCATION
School Building Information
Last Ten Fiscal Years
UNAUDITED**

<u>District Building</u>	<u>Square Feet</u>	<u>Enrollment per Building</u>									
		<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Brick Twp High School	207,400	1,327	1,274	1,282	1,289	1,369	1,469	1,471	1,475	1,533	1,522
Brick Twp Memorial High School	228,340	1,453	1,456	1,437	1,501	1,579	1,659	1,662	1,747	1,820	1,843
Warren H. Wolf Elementary School (Brick Community Primary Learning Ctr)	58,000	288	428	354	328	271	194	199	173	544	562
Drum Point Road School	52,720	483	439	421	431	455	481	483	524	472	492
Emma Havens Young School	68,701	766	786	763	766	824	876	873	924	884	912
Herbertsville Elementary School	26,924	226	250	244	229	218	224	222	241	226	252
Lake Riviera Middle School	91,964	941	937	947	967	992	957	959	975	994	1,056
Lanes Mill Elementary School	54,770	550	567	560	564	516	567	575	601	521	520
Midstreams Elementary School	34,690	481	472	473	453	504	523	526	530	475	517
Osbornville Elementary School	37,200	400	375	393	437	421	445	443	423	298	300
Veterans Memorial Elementary School	54,357	617	607	636	708	702	713	712	671	577	636
Veterans Memorial Middle School	98,942	1,008	1,031	1,096	1,102	1,093	1,143	1,149	1,173	1,217	1,303
Administration Building	6,475	-	-	-	-	-	-	-	-	-	-
Laurelton School	14,900	-	-	-	-	-	-	-	-	-	-
Educational Enrichment Center	20,400	-	-	-	-	-	-	-	-	153	156

Source: District Facilities Office

**BRICK TOWNSHIP BOARD OF EDUCATION
Schedule of Required Maintenance
Last Ten Years
UNAUDITED**

**Undistributed Expenditures - required
Maintenance For School Facilities
11-000-261-XXX**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Brick Twp High School	\$ 392,656	\$ 368,556	\$ 378,144	\$ 322,335	\$ 307,057	\$ 355,083	\$ 363,837	\$ 245,187	\$ 212,000	\$ 246,392
Brick Twp Memorial High School	318,682	299,121	306,903	261,608	249,209	350,732	359,486	312,648	270,330	314,185
Brick Community Primary Learning Center	97,327	91,353	93,730	79,897	76,110	73,251	83,251	65,305	56,466	65,626
Drum Point Road School	76,299	71,616	73,479	62,635	59,666	56,808	56,808	49,539	42,834	49,783
Emma Havens Young School	118,209	110,953	113,839	97,038	92,439	89,580	89,580	77,352	66,882	77,732
Herbertsville Elementary School	55,468	52,063	53,418	45,534	43,376	40,518	40,518	31,574	27,300	31,729
Lake Riviera Middle School	233,890	219,534	225,245	192,002	182,902	179,023	192,023	146,446	126,624	147,166
Lanes Mill Elementary School	79,348	74,477	76,415	65,137	62,050	59,192	61,192	50,872	43,986	51,121
Midstreams Elementary School	79,046	74,194	76,124	64,890	61,814	58,955	60,934	49,653	42,932	49,897
Osbornville Elementary School	81,168	76,185	78,168	66,631	63,473	60,614	62,614	52,979	45,808	53,240
Veterans Memorial Elementary School	110,527	103,743	106,442	90,732	86,432	83,573	85,573	71,109	61,484	71,459
Veterans Memorial Middle School	207,021	194,313	199,369	169,945	161,890	165,450	175,450	152,217	131,615	152,966
Administration Building	34,991	32,843	33,698	28,724	27,363	26,563	25,619	7,339	6,346	7,375
Laurelton School	2,801	2,629	2,697	2,299	2,190	1,190	1,190	1,190	1,029	-
Educational Enrichment Center	29,821	27,991	28,719	24,480	23,320	22,820	25,820	20,717	17,913	20,818
Warehouse	17,573	16,494	16,923	14,426	13,742	12,414	12,414	11,221	9,702	7,859
Garage/ Transportation	12,761	11,978	12,289	10,476	9,979	8,652	8,652	7,821	6,762	7,403
Maintenance Building	10,843	10,177	10,442	8,901	8,479	8,151	8,151	7,367	6,370	1,708
Grounds	2,440	2,290	2,350	2,003	1,908	1,881	1,881	1,700	1,470	11,276
Special Services Building	2,886	2,709	2,780	2,369	2,257	1,930	1,930	1,744	1,508	1,753
Technology Training Center	9,147	8,586	8,809	7,509	7,153	5,826	5,826	5,266	4,553	5,292
BTHS Athletic Facilities	6,769	6,353	6,518	5,556	5,293	4,966	4,966	4,489	1,326	1,541
BMHS Athletic Facilities	2,588	2,429	2,493	2,125	2,024	1,697	1,697	1,534	3,881	4,510
VMMS Athletic Facilities	3,113	2,921	2,997	2,555	2,434	2,107	2,107	1,904	1,646	1,914
Grand Total	<u>\$ 1,985,374</u>	<u>\$ 1,863,508</u>	<u>\$ 1,911,991</u>	<u>\$ 1,629,807</u>	<u>\$ 1,552,560</u>	<u>\$ 1,670,976</u>	<u>\$ 1,731,519</u>	<u>\$ 1,377,170</u>	<u>\$ 1,190,767</u>	<u>\$ 1,382,745</u>

*School Facilities as defined under EFCFA
(NJAC 6A:26-1.2 and NJAC 6:24-1.3)

BRICK TOWNSHIP BOARD OF EDUCATION
Insurance Schedule
For the Year Ended June 30, 2020
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Property and Grounds		
Real and Personal Property Flood (non Flood zones)	\$327,978,284	\$5,000
Comprehensive General Liability		
Bodily Injury and Property Damage	16,000,000	
Products and Completed Operations	16,000,000	
Sexual Abuse	16,000,000	
Personal Injury and Advertising Injury	16,000,000	
Employee Benefits Liability	16,000,000	1,000
Premises Medical Payments	10,000.00 per accident 5,000.00 per person	
Terrorism	1,000,000	
Automobile		
Bodily Injury and Property Damage	16,000,000	1,000
Uninsured / Underinsured Motorists - Private Passenger	1,000,000.00	
Uninsured / Underinsured Motorists - All Other Vehicles	15,000.00 per person 30,000.00 per accident 5,000.00 damage	
Personal Injury Protection	250,000.00	
Medical Payments	10,000.00 private 5,000.00 all others	
Terrorism	1,000,000.00	
Crime Coverage		
Employee Dishonesty with Faithful Performance	500,000.00	1,000
Theft, Disappearance and Destruction - Loss of Money	100,000.00	500
Forgery or Alteration	100,000.00	500
Computer Fraud	500,000.00	1,000
Public Official Bonds		
Business Administrator	550,000	1,000
Treasurer	550,000	
Educators Legal Liability	\$1,000,000 Cov A	15,000
Workers Comp	Statutory	

SINGLE AUDIT SECTION

INDEPENDENT AUDITORS' 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*

Honorable President and
Members of the
Brick Township Board of Education
County of Ocean
Brick, New Jersey 08723

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, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Brick Township Board of Education in the County of Ocean, State of New Jersey, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Brick Township Board of Education basic financial statements, and have issued our report thereon dated December 28, 2020.

Internal Control Over Financial Reporting

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

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

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

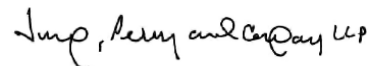
Compliance and Other Matters

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

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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Jump, Perry and Company, L.L.P.
Toms River, New Jersey



Kathryn Perry, Partner
Licensed Public School Accountant
No. CS 20CS00226400

December 28, 2020

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND
NEW JERSEY OMB CIRCULAR 04-04 AND/OR 15-08**

Honorable President and
Members of the Board of Education
Brick Township Board of Education
County of Ocean
Brick, New Jersey 08723

Report on Compliance for Each Major Federal and State Program

We have audited Brick Township School District's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey OMB Circular 15-08 that could have a direct and material effect on each of Brick Township Board of Education's major federal programs for the year ended June 30, 2020. Brick Township Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Brick Township Board of Education's major federal and 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 the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, the Uniform Guidance and the New Jersey OMB 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 federal and state program occurred. An audit includes examining, on a test basis, evidence about Brick Township Board of Education'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 federal and state program. However, our audit does not provide a legal determination of Brick Township Board of Education's compliance.

Opinion on Each Major Federal and State Program

In our opinion, Brick Township Board of Education 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 federal and state programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Brick Township Board of Education 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 Brick Township Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and 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 federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the New Jersey OMB 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 Brick Township Board of Education'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 federal and state program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and 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.

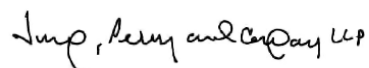
Report on Internal Control Over Compliance (continued)

Our consideration of internal control over compliance was for the limited purpose 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 over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

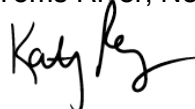
Purpose of this Report

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

Respectfully submitted,



Jump, Perry and Company, L.L.P.
Toms River, New Jersey



Kathryn Perry, Partner
Licensed Public School Accountant
No. CS 20CS00226400

December 28, 2020

BRICK TOWNSHIP BOARD OF EDUCATION
Schedule of Expenditures of Federal Awards, Schedule A
For the Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Period	Award Amount	Balance at June 30, 2019	Carryover Amount	Cash Received	Budgetary Expenditures	Repayment of Prior years' Balances	Deferred Revenue at June 30, 2020	(Accounts Receivable) at June 30, 2020	Due to Grantor at June 30, 2020
U.S. Department of Agriculture											
Passed-through State Department of Education:											
Enterprise Fund:											
Child Nutrition Cluster:											
National School Lunch Program	10.555	7/1/18-6/30/19	1,132,041	\$ (92,895)	\$ -	\$ 92,895	\$ -	\$ -	\$ -	\$ -	\$ -
National School Lunch Program	10.555	7/1/19-6/30/20	766,460	-	-	766,460	(766,460)	-	-	-	-
Special Milk Program	10.556	7/1/18-6/30/19	285	(29)	-	29	-	-	-	-	-
School breakfast program	10.553	7/1/18-6/30/19	480,187	(41,558)	-	41,558	-	-	-	-	-
School breakfast program	10.553	7/1/19-6/30/20	323,929	-	-	323,929	(323,929)	-	-	-	-
Summer Food Service Program for Children	10.559	7/1/19-6/30/20	214,537	-	-	137,108	(214,537)	-	-	(77,429)	-
Total Child Nutrition Cluster				(134,482)	-	1,361,979	(1,304,926)	-	-	(77,429)	-
Food donation Program	10.565	7/1/19-6/30/20	202,569	-	-	202,569	(202,569)	-	-	-	-
Total Enterprise Fund				(134,482)	-	1,564,548	(1,507,495)	-	-	(77,429)	-
U.S. Department of Education											
Passed-through State Department of Education:											
Special Revenue Fund:											
Special Education Cluster											
I.D.E.A. Part B Preschool	84.173	9/1/18-8/31/19	10,063	(9,498)	-	9,498	-	-	-	-	-
I.D.E.A. Part B Preschool	84.173	9/1/19-8/31/20	-	-	-	82,874	(100,332)	-	-	(17,458)	-
I.D.E.A. Part B Basic Regular	84.027	9/1/18-8/31/19	2,501,561	(324,896)	-	324,896	-	-	-	-	-
I.D.E.A. Part B Basic Regular	84.027	9/1/19-8/31/20	-	-	-	1,667,307	(2,393,801)	-	-	(726,494)	-
Subtotal of Special Education Cluster				(334,394)	-	2,084,575	(2,494,133)	-	-	(743,952)	-
Title I	84.010	7/1/18-6/30/19	1,266,128	(174,024)	-	174,024	-	-	-	-	-
Title I	84.010	7/1/19-6/30/20	1,392,987	-	-	852,178	(1,262,418)	-	-	(410,240)	-
Title II - Part A	84.367A	7/1/18-6/30/19	397,881	(43,133)	-	43,133	-	-	-	-	-
Title II - Part A	84.367A	7/1/19-6/30/20	468,901	-	-	181,088	(358,132)	-	-	(177,044)	-
Title III	84.365	9/1/18-8/31/19	62,698	(5,640)	-	5,640	-	-	-	-	-
Title III	84.365	9/1/19-8/31/20	83,787	-	-	49,354	(60,508)	-	-	(11,154)	-
COPS	16.710	10/1/18-9/30/20	469,281	-	-	-	(253,322)	-	-	(253,322)	-
Total Special Revenue Fund				(557,191)	-	3,389,992	(4,428,513)	-	-	(1,595,712)	-
U.S. Department of Education											
General Fund:											
Medicaid	93.778	7/1/19-6/30/20	318,091	-	-	318,091	(318,091)	-	-	-	-
Total General Fund				-	-	318,091	(318,091)	-	-	-	-
Total Expenditures of Federal Financial Awards				\$ (691,673)	\$ -	\$ 5,272,631	\$ (6,254,099)	\$ -	\$ -	\$ (1,673,141)	\$ -

See accompanying notes to schedules of expenditures.

BRICK TOWNSHIP BOARD OF EDUCATION
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Year Ended June 30, 2020

State Grantor/ Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2019	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Deferred Revenue at June 30, 2020	(Accounts Receivable) at June 30, 2020	Due to Grantor at June 30, 2020	MEMO	
											Budgetary Receivable	Total Expenditures
State Department of Agriculture:												
Enterprise Fund:												
National School Lunch Program (State Share)	19-100-010-3350-023	7/1/18-6/30/19	28,370	\$ (2,750)	\$ 2,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
National School Lunch Program (State Share)	20-100-010-3350-023	7/1/19-6/30/20	27,162	-	19,764	(27,162)	-	-	(7,398)	-	-	27,162
Total Enterprise Fund				(2,750)	22,514	(27,162)	-	-	(7,398)	-	-	27,162
State Department of Education:												
General Fund:												
Special Education Aid	20-495-034-5120-089	7/1/19-6/30/20	5,784,673	-	5,206,205	(5,784,673)	-	-	-	-	(578,468)	5,784,673
Extraordinary Aid	19-495-034-5120-011	7/1/18-6/30/19	1,373,308	(1,373,308)	1,373,308	-	-	-	-	-	-	-
Extraordinary Aid	20-495-034-5120-011	7/1/19-6/30/20	1,497,567	-	-	(1,497,567)	-	-	(1,497,567)	-	-	1,497,567
Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	4,922,064	-	4,429,857	(4,922,064)	-	-	-	-	(492,207)	4,922,064
Equalization Aid	20-495-034-5120-078	7/1/19-6/30/20	9,463,269	-	8,516,942	(9,463,269)	-	-	-	-	(946,327)	9,463,269
Security Aid	20-495-034-5120-084	7/1/19-6/30/20	1,672,094	-	1,504,684	(1,672,094)	-	-	-	-	(167,210)	1,672,094
Adjustment Aid	20-495-034-5120-085	7/1/19-6/30/20	9,558,603	-	8,626,801	(9,558,603)	-	-	-	-	(931,802)	9,558,603
Non-Public Transportation Aid	19-495-034-5120-014	7/1/18-6/30/19	150,441	(150,441)	150,441	-	-	-	-	-	-	-
On-Behalf TPAF Pension Contribution	20-100-034-5095-002	7/1/19-6/30/20	13,738,837	-	13,738,837	(13,738,837)	-	-	-	-	-	13,738,837
On-Behalf TPAF Post-Retirement Medic	20-100-034-5095-001	7/1/19-6/30/20	5,096,857	-	5,096,857	(5,096,857)	-	-	-	-	-	5,096,857
On-Behalf TPAF Long-Term Disability II	20-100-034-5095-004	7/1/19-6/30/20	8,129	-	8,129	(8,129)	-	-	-	-	-	8,129
Reimbursed TPAF Social Security Contributions	19-495-034-5095-002	7/1/18-6/30/19	4,628,467	(14,932)	14,932	-	-	-	-	-	-	-
Reimbursed TPAF Social Security Contributions	20-495-034-5095-002	7/1/19-6/30/20	4,585,433	-	4,569,956	(4,585,433)	-	-	(15,477)	-	-	4,585,433
Total General Fund				(1,538,681)	53,237,149	(56,327,526)	-	-	(1,513,044)	-	(3,116,014)	56,327,526
Special Revenue Fund:												
Preschool Expansion Education Aid	19-495-034-5120-086	7/1/18-6/30/19	690,965	(3,112)	81,290	(78,178)	-	-	-	-	-	78,178
Preschool Expansion Education Aid	20-495-034-5120-086	7/1/19-6/30/20	1,995,779	-	1,816,734	(1,904,885)	-	12,716	-	-	(191,760)	1,904,885
Chapter 192-Comp Ed	19-100-034-5120-067	7/1/18-6/30/19	-	-	-	-	-	-	-	-	-	-
Chapter 192-Comp Ed	20-100-034-5120-067	7/1/19-6/30/20	125,004	-	111,444	(125,004)	-	-	(13,560)	-	-	125,004
Chapter 193-support	20-100-034-5120-066	7/1/19-6/30/20	50,187	-	46,630	(50,187)	-	-	(3,557)	-	-	50,187
Chapter 193-exam	19-100-034-5120-066	7/1/18-6/30/19	55,339	1,638	-	-	(1,638)	-	-	-	-	-
Chapter 193-exam	20-100-034-5120-066	7/1/19-6/30/20	62,793	-	56,513	(35,311)	-	-	-	21,202	-	35,311
Chapter 193-speech	20-100-034-5120-066	7/1/19-6/30/20	33,722	-	30,348	(30,988)	-	-	(640)	-	-	30,988
Chapter 192-transportation	19-100-034-5120-067	7/1/18-6/30/19	15,708	15,708	-	-	(15,708)	-	-	-	-	-
Chapter 192-transportation	20-100-034-5120-067	7/1/19-6/30/20	15,784	-	14,205	-	-	-	-	14,205	-	-
Nonpublic Technology	20-100-034-5120-373	7/1/19-6/30/20	15,264	-	15,264	(15,150)	-	-	-	114	-	15,150
Nonpublic Technology	19-100-034-5120-373	7/1/18-6/30/19	15,912	76	-	(76)	-	-	-	-	-	-
Nonpublic Textbooks	20-100-034-5120-064	7/1/19-6/30/20	22,349	-	22,349	(21,414)	-	-	-	935	-	21,414
Nonpublic Textbooks	19-100-034-5120-064	7/1/18-6/30/19	23,603	33	-	(33)	-	-	-	-	-	-
Nonpublic Nursing	19-100-034-5120-066	7/1/18-6/30/19	42,874	2,476	-	-	(2,476)	-	-	-	-	-
Nonpublic Nursing	20-100-034-5120-066	7/1/19-6/30/20	41,128	-	41,128	(40,007)	-	-	-	1,121	-	40,007
Nonpublic Home Instruction	20-100-034-512c-067	7/1/19-6/30/20	2,535	-	-	(2,535)	-	-	(2,535)	-	-	2,535
Nonpublic Security Aid	19-100-034-5120-509	7/1/18-6/30/19	63,388	2,912	-	-	(2,912)	-	-	-	-	-
Nonpublic Security Aid	20-100-034-5120-509	7/1/19-6/30/20	63,600	-	63,600	(63,600)	-	-	-	-	-	63,600
Total Special Revenue Fund				19,731	2,299,505	(2,367,259)	(22,843)	12,716	(20,292)	37,577	(191,760)	2,367,259
Debt Service Fund:												
Debt Service Aid	20-100-034-5120-017	7/1/19-6/30/20	231,672	-	231,672	(231,672)	-	-	-	-	-	231,672
Total Debt Service				-	231,672	(231,672)	-	-	-	-	-	231,672
Total State Expenditures Subject to Single Audit Determination				(1,521,700)	55,790,840	(58,953,619)	(22,843)	12,716	(1,540,734)	37,577	(3,307,774)	58,953,619
State Expenditures Not Subject to Major Program Determination												
General Fund:												
On-Behalf TPAF Pension Contribution	20-100-034-5095-002	7/1/19-6/30/20	13,738,837	-	13,738,837	(13,738,837)	-	-	-	-	-	-
On-Behalf TPAF Post-Retirement Medic	20-100-034-5095-001	7/1/19-6/30/20	5,096,857	-	5,096,857	(5,096,857)	-	-	-	-	-	-
On-Behalf TPAF Long-Term Disability II	20-100-034-5095-004	7/1/19-6/30/20	8,129	-	8,129	(8,129)	-	-	-	-	-	-
Total State Expenditures Not Subject to Major Program Determination				-	18,843,823	(18,843,823)	-	-	-	-	-	-
Total Expenditures of State Awards Subject to Major Program Determination				\$ (1,521,700)	\$ 36,947,017	\$ (40,109,796)	\$ (22,843)	\$ 12,716	\$ (1,540,734)	\$ 37,577	\$ (3,307,774)	\$ 58,953,619

See accompanying notes to schedules of expenditures.

Brick Township Board of Education

Notes to Schedules of Awards and Financial Assistance

June 30, 2020

1. General

The accompanying schedules of expenditures of awards present the activity of all federal and state awards of the Board of Education, Brick Township 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 and state awards passed through other government agencies are included on the schedules of expenditures of federal and state awards.

2. Basis of Accounting

The accompanying schedules of expenditures of federal and state awards 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.

3. Relationship to Basic Financial Statements

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules 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 last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003, c.97.(A3521). 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.

Brick Township Board of Education

Notes to Schedules of Awards and Financial Assistance (continued)

June 30, 2020

3. Relationship to General Purpose Financial Statements (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(13,535,515) for the general fund, \$(236,569) for the special revenue fund and \$- for the food service fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the GAAP basis of accounting for the general and special revenue fund. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 318,091	42,792,011	43,110,102
Special Revenue Fund	4,400,371	2,158,886	6,559,257
Debt Service Fund	-	231,672	231,672
Food Service Fund	<u>1,507,495</u>	<u>27,162</u>	<u>1,534,657</u>
Total awards and financial assistance	\$ <u>6,225,957</u>	<u>45,209,731</u>	\$ <u>51,435,688</u>

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.

5. Other

TPAF Social Security Contributions of \$3,917,409 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, 2020.

The amount reported as TPAF Pension Contributions, LTDI and OPEB of \$18,843,823 represent the amounts paid by the state on behalf of the district for the year ended June 30, 2020. The TPAF pension and post retirement/medical benefits expenditures are not subject to New Jersey OMB Circular 15-08.

6. Indirect Costs

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

Brick Township Board of Education
Schedule of Findings and Questioned Costs

June 30, 2020

Section I - Summary of Auditor's Results
Financial Statement Section

Type of auditor's report issued: Unmodified opinion

Internal control over financial reporting:

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

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

Noncompliance material to general-purpose financial statements noted? _____ yes X no

Federal Awards Section

Internal Control over major programs:

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

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

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

Any audit findings disclosed that are required to be reported in accordance with section .516(a) of the Uniform Guidance? _____ yes X no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.027	Special Education-Grants to States (IDEA, Part B)
84.173	Special Education-Preschool Grants (IDEA Preschool)

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

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

Brick Township Board of Education
 Schedule of Findings and Questioned Costs (continued)

June 30, 2020

Section I - Summary of Auditor's Results (continued)

State Awards Section

Dollar threshold used to distinguish between type A and type B programs: \$1,203,294

Auditee qualified as low-risk auditee? yes no

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

Internal Control over major programs:

1) Material weakness(es) identified? yes no

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

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08? yes no

Identification of major programs:

GMIS Number(s)	Name of State Program
State Aid	
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education Cateorical Aid
495-034-5120-084	Security Aid
495-034-5120-085	Adjustment Aid
495-034-5120-086	Preschool Education Aid

Brick Township Board of Education
Schedule of Finding and Questioned Costs (continued)

June 30, 2020

Section II - Financial Statement Findings - N/A

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs -
N/A

Brick Township Board of Education
Summary Schedule of Prior Audit Findings
June 30, 2020

Summary Schedule of Prior Audit Findings - N/A