

**Comprehensive Annual
Financial Report**

of the

City of Somers Point Board of Education

Somers Point, New Jersey

For the Fiscal Year Ended June 30, 2020

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Introductory Section



SOMERS POINT
SCHOOL DISTRICT
the learning starts here!™

SOMERS POINT SCHOOL DISTRICT

ADMINISTRATION OFFICES

121 West New York Avenue
Somers Point, New Jersey 08244

Phone: (609) 927-2053 ~ Fax: (609) 927-7351 ~ www.sptsd.org

Michelle CarneyRay-Yoder, Ed. D., Superintendent Ext: 3211
Michele D. Roemer, Ed.D., Interim Business Administrator/ Board Secretary Ext: 3220

January 8, 2021

Honorable President and
Members of the Board of Education
City of Somers Point School District
County of Atlantic, New Jersey

Dear Board Members:

The comprehensive annual financial report of the City of Somers Point School 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. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds 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 (CAFR) is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the 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 District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, OMB Circular Uniform Guidance and NJ OMB 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES

The City of Somers Point School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The City of Somers Point Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2019-2020 fiscal year with an enrollment of 853, which is 31 students less than the previous year's enrollment (count includes out-of-district placements as well as 74 Pre-3 and Pre-4 Year old students).

The following details the changes in the student enrollment of the District over the last seven years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2019-2020	853	-3.60%
2018-2019	884	-5.00%
2017-2018	924	-1.02%
2016-2017	944	-4.00%
2015-2016	963	-1.00%
2014-2015	986	-5.00%
2013-2014	1,036	-3.00%

2. ECONOMIC CONDITION AND OUTLOOK

The Somers Point School District, along with many districts in the area, continues to feel the impact of the closing of casinos in the Atlantic City area. As a result, enrollments are down, and the number of children qualifying for free and reduced lunch is close to 56%.

Costs to meet increases of students with special needs are also on the rise. We now have six self-contained classrooms. The Special Services Department, along with the Superintendent and Board have made it a goal to bring as many students back into the district. This has proven to be most cost effective, as well as educationally prudent for our students.

3. MAJOR INITIATIVES

The Somers Point Board of Education focused on three major initiatives during the 2019/2020 school year:

1. The continued Implementation of programs to address issues related to climate and culture in the school district.
2. Continuation of facility upgrades, including the balance of funds from the 2016 Referendum
3. Maintaining smaller class sizes at the lower elementary grades.

4. INTERNAL ACCOUNTING CONTROLS

Management of the City of Somers Point School 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 also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District's management.

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

5. BUDGETARY CONTROLS

In addition to internal accounting controls, the City of Somers Point School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

6. ACCOUNTING SYSTEM AND REPORTS

The City of Somers Point School District's accounting records reflect accounting principals as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements," Note 1.

7. CASH MANAGEMENT

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

8. RISK MANAGEMENT

Our Board of Education is a member of the Atlantic and Cape May Counties School Business Officials Joint Insurance Funds (ACCASBOJIF). This Fund was formed under the provision of N.J.S.A. 18A: 18B1-10.

The ACCASBOJIF provides members with a long-term alternative to the conventional insurance marketplace and is a means of stabilizing the otherwise cyclical nature of insurance expenditures. The Fund provides the following coverage:

1. Property, including buildings, contents, inland marine, crime, boiler and machinery, and auto physical damage; as well as premise/pollution insurance
2. General Liability, including school board legal liability
3. Automobile Liability
4. Workers' Compensation

The Fund provides coverage to its members either directly or through the commercial insurance market, through one or more of the following vehicles: excess insurance, reinsurance or an excess property and casualty joint insurance fund.

The Fund's Mission Statement is as follows: "The ACCASBOJIF is committed to uniting local school districts in a joint effort to better manage their risks and assure fiscal stability by providing cost-effective, comprehensive insurance coverage and minimizing losses through pro-active membership involvement in claims management and loss prevention activities."

Fidelity bonds are covered through an outside insurance carrier as required by the state statutes.

9. OTHER INFORMATION

A) **Independent Audit** – State statutes require an annual audit by independent certified public accounts or registered municipal accountants. The accounting firm of Ford-Scott, and Associates, L.L.C., CPAs, is appointed by the Board on an annual basis. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996, OMB Circular Uniform Guidance and NJ OMB 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the financial statements and combining the individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

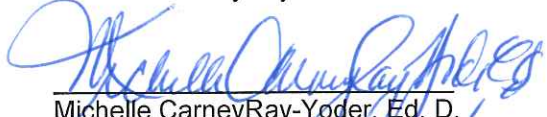
10. ACKNOWLEDGEMENTS

We would like to express our appreciation to the members of the City of Somers Point Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district, while at the same time, striving to provide the children of Somers Point with the highest quality education possible and contributing full support to the development and maintenance of our financial operation.

Sincere appreciation is offered to the business office staff for their knowledge and continued support in the various business elements and functionalities within the educational environment. Each staff member of the business office proved dedication and support to the district throughout this year.


Respectfully submitted,

Michelle CarneyRay-Yoder



Michelle CarneyRay-Yoder, Ed. D.
Superintendent of Schools

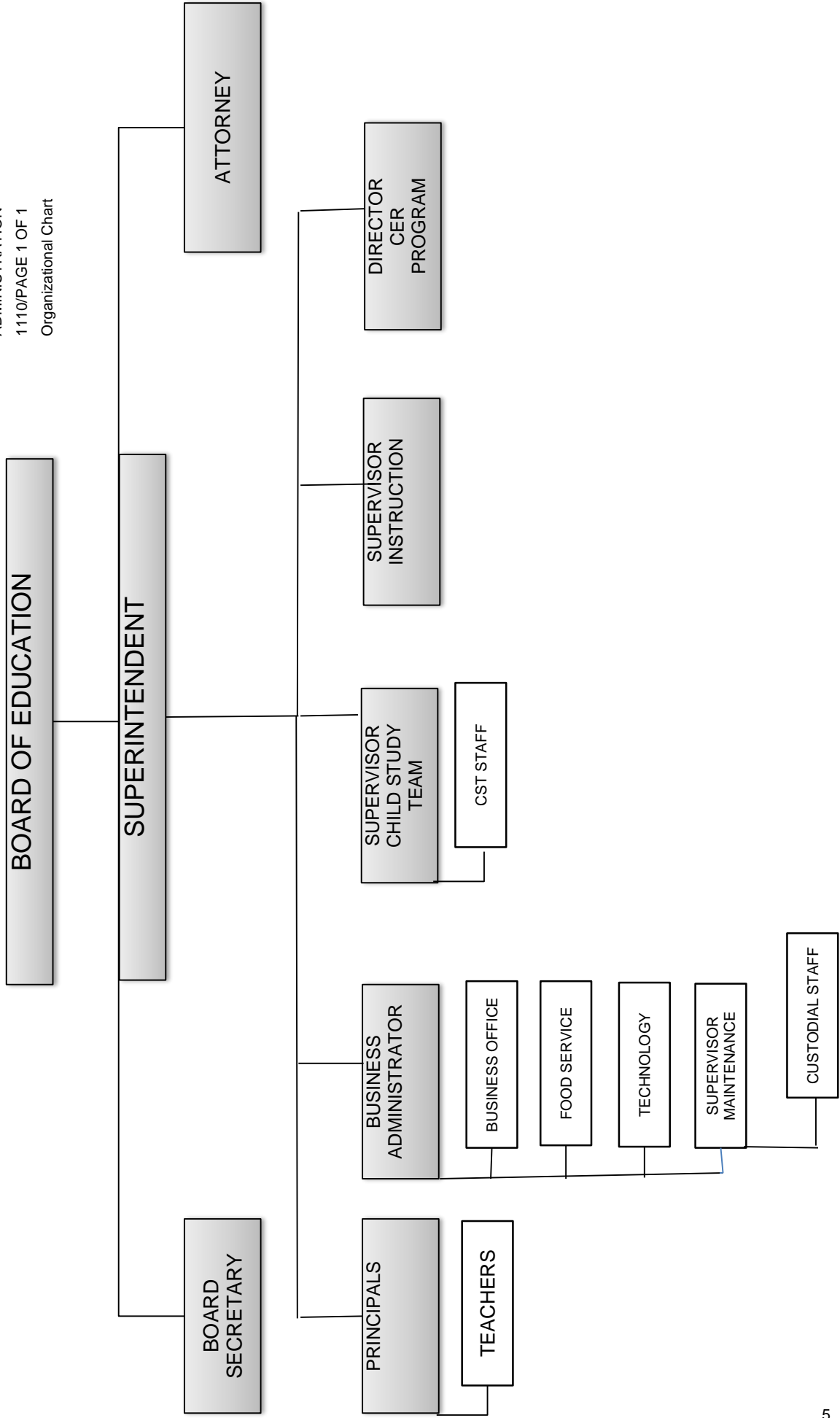
Michele D. Roemer



Michele D. Roemer, Ed.D.
Interim Business Administrator / Board Secretary

1110 ORGANIZATIONAL CHART

ADMINISTRATION
1110/PAGE 1 OF 1
Organizational Chart



SOMERS POINT SCHOOL DISTRICT
COUNTY OF ATLANTIC, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2020

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Staci Endicott, President	2022
Courtney Laut, Vice President	2021
John Conover	2020
Dr. Kathleen Dalton	2020
Jenna DeCicco	2022
Dr. Alice Myers	2022
Sarah Platt	2021
Heather Samuelson	2021
Michael Sweeder	2020

OTHER OFFICIALS

Michelle CarneyRay-Yoder, Ed.D., Superintendent

Michele D. Roemer, Ed.D., Interim Business Administrator/ Board Secretary

**SOMERS POINT SCHOOL DISTRICT
CONSULTANTS AND ADVISORS**

ARCHITECT

Faridy, Veisz, Hopkins & Duthie, PC
1515 Lower Ferry Road
Trenton, NJ 08628

AUDIT FIRM

Ford, Scott, & Associates, L.L.C.
Certified Public Accountants
1535 Haven Avenue
Ocean City, NJ 08226-0538

ATTORNEY

Louis J. Greco, Esquire
800 Route 50 Suite 2B
Mays Landing, NJ 08330

BOND COUNSEL

Wilentz, Goldman & Spitzer, P.A.
90 Woodbridge Center, Suite 900
Woodbridge, NJ 07095

RISK MANAGEMENT CONSULTANT

Dennis Brown
Glenn Insurance Agency
500 East Absecon Boulevard
Absecon, NJ 08201

OFFICIAL DEPOSITORY

Ocean First Bank
1001 Asbury Avenue
Ocean City, NJ 08226

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Financial Section



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

www.ford-scott.com

Independent Auditor's Report

Honorable President and
Members of the Board of Education
City of Somers Point School District
County of Atlantic
Somers Point, New Jersey

Report on 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 the City of Somers Point School District, County of Atlantic, State of New Jersey, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Somers Point School District, County of Atlantic, State of New Jersey, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2021 on our consideration of the City of Somers Point School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Somers Point School District's internal control over financial reporting and compliance.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia
Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

January 8, 2021

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Required Supplementary Information – Part I

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED**

The discussion and analysis of Somers Point School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2020 are as follows:

- In total, net position increased \$210,459.19, which represents a 5% increase from 2019.
- General revenues accounted for \$16,492,099.74 of total revenue or 70% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$7,213,685.65 or 30% of total revenues of \$23,705,785.39.
- Total assets of governmental activities decreased by \$259,493.81 as cash and cash equivalents increased by \$170,935.97, receivables increased by \$301,227.30, inventory decreased \$1,948.88 and capital assets decreased by \$729,708.20. The decrease in capital assets is due to depreciation on completed construction projects.
- The School District had \$23,705,785.39 in expenses; only \$7,213,685.65 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes and state aid) of \$16,492,099.74 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$19,072,654.37 in revenues and \$17,904,761.95 in expenditures. The General Fund's fund balance increased \$1,167,892.42 from 2019.

Using this Comprehensive Annual Financial Report (CAFR)

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School district, presenting both an aggregate view of the School district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School district's most significant funds with all other non-major funds presented in total in one column. In the case of Somers Point School District, the General Fund is by far the most significant fund.

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**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District, as a whole looks at all financial transactions and asks the question, "How did we do financially during 2020?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all position and liabilities 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 School District's net position and changes in that position. This change in net position is important because it tells the reader that, for the school district as a whole, the financial position of the School district has improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

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

- **Governmental Activities** - All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- **Business-Type Activity** - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The CER enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transaction. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

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

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Net position may serve over time as a useful indicator of a government's financial position.

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

Table 1 provides a summary of the School District's net position for 2020 and 2019.

**Table 1
Net Position**

	<u>2020</u>	<u>2019</u>
Assets		
Current and Other Assets	\$ 3,137,560.73	2,667,346.34
Capital Assets	16,928,823.11	17,658,531.31
Total Assets	<u>20,066,383.84</u>	<u>20,325,877.65</u>
Deferred Outflows of Resources		
Deferred Outflows Related to Pensions	540,833.00	926,738.00
Liabilities		
Long-Term Liabilities	14,350,950.74	15,204,533.18
Other Liabilities	265,326.74	287,427.30
Total Liabilities	<u>14,616,277.48</u>	<u>15,491,960.48</u>
Deferred Inflows of Resources		
Deferred Inflows Related to Pensions	1,502,393.00	1,482,568.00
Net Position		
Invested in Capital Assets, Net of Debt	6,715,823.11	6,805,531.31
Restricted	2,336,524.70	1,490,675.17
Unrestricted	(4,563,801.45)	(4,018,119.31)
Total Net Position	<u>\$ 4,488,546.36</u>	<u>4,278,087.17</u>

The District's combined net position was \$4,488,546.36 on June 30, 2020. This was a 5% increase from the prior year.

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**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

Table 2 shows changes in net position for fiscal year 2020 and 2019.

**Table 2
Changes in Net Position**

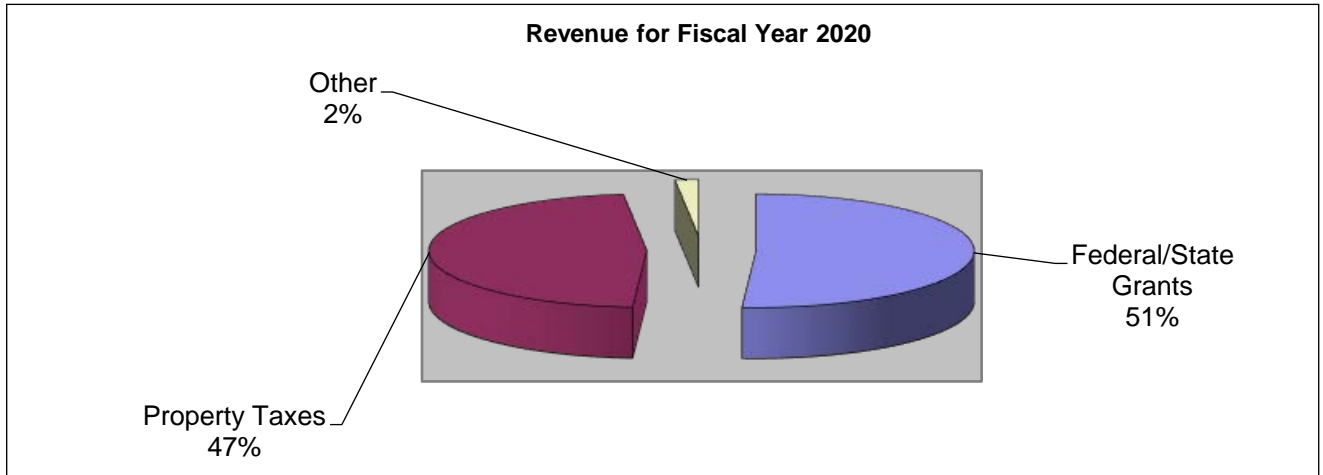
	<u>2020</u>	<u>2019</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 562,448.33	436,726.69
Operating Grants and Contributions	6,651,237.32	6,972,275.80
General Revenues:		
Property Taxes	10,939,306.00	10,788,328.00
Grants and Entitlements	5,462,044.01	5,948,647.17
Other	90,749.73	30,252.36
Total Revenues	<u>23,705,785.39</u>	<u>24,176,230.02</u>
Program Expenses		
Instruction	13,316,196.15	14,562,457.69
Support Services:		
Tuition	245,129.91	275,808.64
Related Services - Pupils and Instructional Staff	4,133,515.29	4,336,995.63
General Administration, School Administration	1,441,932.88	1,530,764.04
Maintenance of Facilities	2,466,805.16	406,949.85
Pupil Transportation	327,565.53	556,965.41
Business and Other Support Services	654,820.49	592,874.95
Interest on Debt	338,995.00	247,076.00
Food Service Program	343,257.25	431,000.19
CER Program	221,331.50	199,162.99
Special Items	5,777.04	
Total Expenses	<u>23,495,326.20</u>	<u>23,140,055.39</u>
Increase/(Decrease) in Net Position	<u>\$ 210,459.19</u>	<u>1,036,174.63</u>

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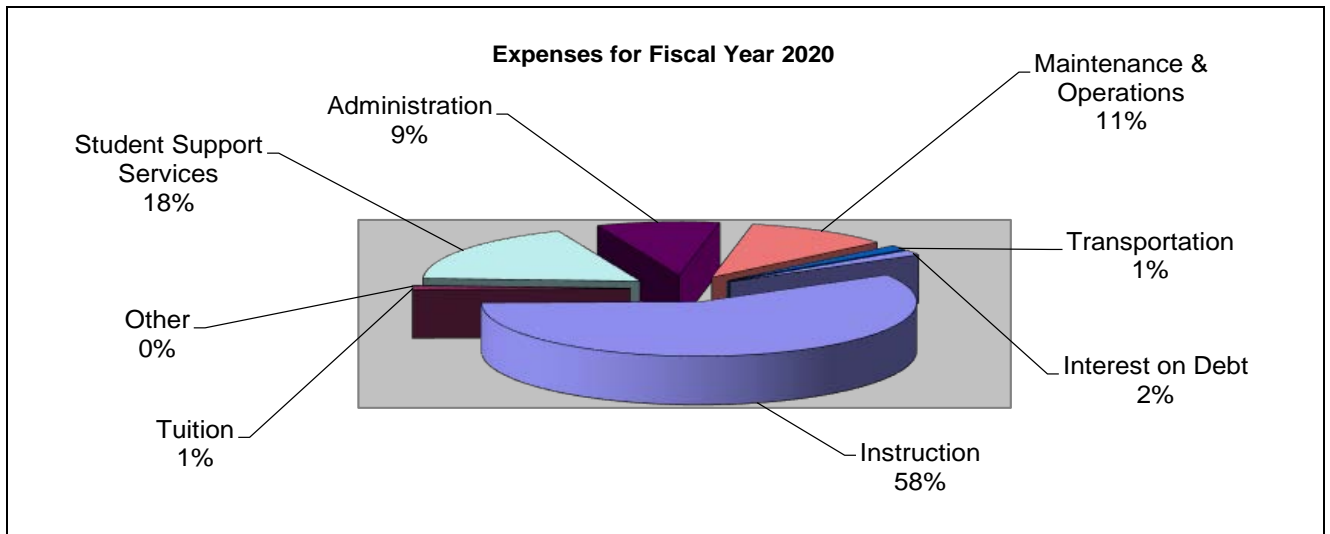
**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

Governmental Activities

The District's total revenues were \$23,158,841.75 for the year ended June 30, 2020. Property taxes made up 47 percent of revenues for governmental activities for the City of Somers Point School District for fiscal year 2020. Federal, state, and local grants accounted for 51 percent of the revenue. Local revenue and charges for service make up 2 percent of the revenue.



The total cost of all program and services was \$22,930,737.45. Instruction comprises 58 percent of District expenses.



**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

Business-Type Activities

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

- Expenses exceeded revenues before investment income by \$18,028.86.
- Charges for services represent \$252,297.33 of revenue. This represents amounts paid by patrons for daily food service and childcare.
- For the food service operation, federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$294,262.56.

Governmental Activities

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

Table 3

	<u>Total Cost of Services 2020</u>	<u>Net Cost of Services 2020</u>	<u>Total Cost of Services 2019</u>	<u>Net Cost of Services 2019</u>
Instruction	\$ 13,316,196.15	8,992,946.32	14,562,457.69	9,775,551.48
Support Services:				
Tuition	245,129.91	245,129.91	275,808.64	275,808.64
Pupils and Instructional Staff	4,133,515.29	2,466,537.09	4,336,995.63	2,929,312.97
General Administration, School				
Administration, Business				
Operations and Maintenance				
of Facilities	4,563,558.53	4,113,500.80	2,530,588.84	2,106,383.86
Pupil Transportation	327,565.53	327,565.53	556,965.41	556,965.41
Interest and Fiscal Charges	338,995.00	112,155.00	247,076.00	59,868.00
Total Expenses	<u>\$ 22,924,960.41</u>	<u>16,257,834.65</u>	<u>22,509,892.21</u>	<u>15,703,890.36</u>

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

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

General administration, school administration, and business include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities 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, as well as to and from school activities, as provided by State law.

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

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

"Other" includes special schools and unallocated depreciation.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$21,895,187.75 and expenditures were \$21,392,564.22. The net increase in fund balance for the year was \$487,184.07.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2020, and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenue	Amount	Percent of Total	Increase (Decrease) from 2019	Percent of Increase (Decrease)
Local Sources	\$ 11,112,982.98	50.8%	269,827.36	2%
State Sources	9,773,333.78	44.6%	493,759.99	5%
Federal Sources	1,008,870.99	4.6%	61,479.76	6%
Total	<u>\$ 21,895,187.75</u>	<u>100.0%</u>	<u>825,067.11</u>	<u>4%</u>

The following schedule represents a summary of general fund, special revenue fund, capital projects fund and debt service fund expenditures for the fiscal year ended June 30, 2020, and the percentage of increases and decreases in relation to prior year amounts.

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2019	Percent of Increase (Decrease)
Current expense:				
Instruction	\$ 7,769,496.34	36.3%	(48,818.58)	-0.6%
Undistributed expenditures	11,920,107.53	55.7%	60,048.23	0.5%
Capital Outlay	686,444.35	3.2%	(931,395.16)	-135.7%
Debt Service	982,895.00	4.6%	(10,680.00)	-1.1%
Transfer to Charter Schools	33,621.00	0.2%	11,628.00	34.6%
Total	<u>\$ 21,392,564.22</u>	<u>100.0%</u>	<u>(919,217.51)</u>	<u>-4.3%</u>

Changes in expenditures were the results of varying factors. The current expense of undistributed expenditures is attributed to tuition, transportation and health benefits.

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**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

General Fund Budgeting Highlights

As further explained in the Notes to the Financial Statements, annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the County office. Transfers of appropriations may be made by Board resolution at any time during the fiscal year. The District is permitted to encumber funds throughout the year for purchases ordered but not yet received. Any open encumbrances as of June 30th carry over to the next fiscal year and are added to the appropriation reflected in the certified budget.

After adjusting total revenue reported on Exhibit C-1 for the Reimbursed TPAF Social Security Contribution and On-behalf Payments, which are not budgeted, the District's actual revenue was more than the budget by approximately \$226,294.07. The added revenue is from approximately \$130,788.60 more state and federal aid that was not budgeted, and \$71,935.00 more tuition received from individuals and other LEAs. Again, after adjusting for the Reimbursed TPAF Social Security Contribution and On-behalf Payments, actual revenues were more than actual expenditures by approximately \$1,167,958.68. Audit exhibit C-1 does not include current year depreciation expense.

Capital Assets

At the end of the fiscal year 2020, the School District had \$16,897,565.76 invested in land, building and machinery and equipment. Table 4 shows fiscal year 2020 balances compared to 2019.

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

	<u>2020</u>	<u>2019</u>
Land and Land Improvements	\$ 71,296.76	63,578.80
Building and Building Improvements	16,670,226.20	17,415,043.79
Machinery and Equipment	156,042.80	179,908.72
Total	<u>\$ 16,897,565.76</u>	<u>17,658,531.31</u>

Overall capital assets decreased \$729,708.20 from fiscal year 2019 to fiscal year 2020. The decrease in capital assets is primarily due to current year depreciation. For more detailed information, please refer to the Notes to the Financial Statements.

Debt Administration

At June 30, 2020, the School District had \$10,657,580.74 of outstanding debt. Of this amount, \$444,580.74 is for compensated absences and \$10,213,000.00 of serial bonds relating to several capital improvement projects.

**Table 5
Bonded Outstanding Debt at June 30**

	<u>2020</u>	<u>2019</u>
2011 School Bonds	\$ 1,653,000.00	1,893,000.00
2016 School Bonds	8,560,000.00	8,960,000.00
Total	<u>\$ 10,213,000.00</u>	<u>10,853,000.00</u>

At June 30, 2020, the School District's remaining legal debt margin available was \$23,790,186. For more detailed information, please refer to the Notes to the Financial Statements.

**SOMERS POINT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED (CONTINUED)**

For the Future

The Somers Point School District is in good financial condition presently. The School District is proud of its community support of the public schools.

The District continues to provide quality education programs while continuing to stabilize the tax rate in Somers Point. In conclusion, the Somers Point School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

Contacting the School District's Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Michele D. Roemer, Ed.D., Interim Business Administrator at Somers Point School District, 121 West New York Avenue, Somers Point, New Jersey 08244.

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Basic Financial Statements

DISTRICT – WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business – type activities of the District.

CITY OF SOMERS POINT SCHOOL DISTRICT
Statement of Net Position
June 30, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 607,534.60	10,768.91	618,303.51
Receivables, Net	452,632.95	13,316.48	465,949.43
Inventory		2,439.62	2,439.62
Restricted Assets:			
Capital Reserve Account	1,000,100.00		1,000,100.00
Maintenance Reserve Account	1,050,768.17		1,050,768.17
Capital Assets, Net			
Land & Construction in Progress	53,918.95		53,918.95
Depreciable assets, net of depreciation	16,843,646.81	31,257.35	16,874,904.16
Total Assets	<u>20,008,601.48</u>	<u>57,782.36</u>	<u>20,066,383.84</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	540,833.00		540,833.00
Total Deferred Outflows of Resources	<u>540,833.00</u>	<u>-</u>	<u>540,833.00</u>
LIABILITIES			
Accounts Payable	149,496.87	450.00	149,946.87
Payable to State Government	23,590.00		23,590.00
Payable to Federal Government	21.61		21.61
Payable to Local Government	387.00		387.00
Unearned Revenue	44,293.26		44,293.26
Accrued Interest	47,088.00		47,088.00
Noncurrent Liabilities			
Due Within One Year	660,000.00		660,000.00
Due Beyond One Year	9,997,580.74		9,997,580.74
Net Pension Liability	3,693,370.00		3,693,370.00
Total Liabilities	<u>14,615,827.48</u>	<u>450.00</u>	<u>14,616,277.48</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	1,502,393.00		1,502,393.00
NET POSITION			
Net Investment in Capital Assets	6,684,565.76	31,257.35	6,715,823.11
Restricted for:			
Other Purposes	2,336,524.70		2,336,524.70
Unrestricted	(4,589,876.46)	26,075.01	(4,563,801.45)
Total Net Position	<u>\$ 4,431,214.00</u>	<u>57,332.36</u>	<u>4,488,546.36</u>

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2020

Function/Programs	Expenses	Indirect Expense Allocation	Program Revenue			Net (Expense) Revenue and Changes in Net Assets	
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities
Governmental Activities:							
Instruction:							
Regular	\$ 5,495,063.89	2,471,779.33	83,311.00	1,769,285.21		(6,114,247.01)	(6,114,247.01)
Special Education	3,301,204.12	1,297,304.95		2,279,983.69		(2,318,525.38)	(2,318,525.38)
Other Special Instruction	508,781.88	242,061.98		190,669.93		(560,173.93)	(560,173.93)
Support Services:							
Tuition	211,508.91					(211,508.91)	(211,508.91)
Student & Instruction Related Services	3,080,700.50	1,052,814.79		1,666,978.20		(2,466,537.09)	(2,466,537.09)
School Administrative Services	619,623.14	316,379.68		187,364.39		(748,638.43)	(748,638.43)
General Administrative Services	393,291.09	112,638.97		75,869.83		(430,060.23)	(430,060.23)
Plant Operation and Maintenance	2,139,804.48	327,000.68		80,527.98		(2,386,277.18)	(2,386,277.18)
Pupil Transportation	327,565.53					(327,565.53)	(327,565.53)
Central Services	444,460.01	210,360.48		106,295.53		(548,524.96)	(548,524.96)
Unallocated Benefits	6,030,340.86	(6,030,340.86)				-	-
Interest on Long-Term Debt	338,995.00		226,840.00			(112,155.00)	(112,155.00)
Transfer to Charter Schools	33,621.00		310,151.00			(33,621.00)	(33,621.00)
Total Governmental Activities	<u>22,924,960.41</u>	<u>-</u>	<u>310,151.00</u>	<u>6,356,974.76</u>	<u>-</u>	<u>(16,257,834.65)</u>	<u>(16,257,834.65)</u>
Business-Type Activities:							
Food Service	343,257.25		27,040.11	294,262.56		(21,954.58)	(21,954.58)
Community Education Recreation Program	221,331.50		225,257.22			3,925.72	3,925.72
Total Business-Type Activities	<u>564,588.75</u>	<u>-</u>	<u>252,297.33</u>	<u>294,262.56</u>	<u>-</u>	<u>(18,028.86)</u>	<u>(18,028.86)</u>
Total Primary Government	\$ 23,489,549.16	\$ -	\$ 562,448.33	\$ 6,651,237.32	\$ -	\$ (16,257,834.65)	\$ (16,275,863.51)

General Revenues:

Property Taxes, Levied for General Purposes, Net	\$ 10,188,990.00					10,188,990.00
Taxes Levied for Debt Service	750,316.00					750,316.00
Federal and State Aid not Restricted	5,462,044.01					5,462,044.01
Miscellaneous Income	90,365.98					90,749.73
Transfers	(15,439.46)					15,439.46
Extraordinary Items:						
Loss on Disposal of Assets	(5,777.04)					(5,777.04)
Total General Revenues, Special Items, Extraordinary Items and Transfers	<u>16,470,499.49</u>					<u>16,486,322.70</u>
Change in Net Assets	212,664.84					210,459.19
Net Position - Beginning	4,218,549.16					4,278,087.17
Net Position - Ending	<u>\$ 4,431,214.00</u>					<u>\$ 4,488,546.36</u>

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

FUND FINANCIAL STATEMENTS

The individual Fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

CITY OF SOMERS POINT SCHOOL DISTRICT
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	\$ 435,536.53	-	168,119.98	3,878.09	607,534.60
Receivables from Other Governments	181,425.34	254,989.00			436,414.34
Interfunds Receivable	165,970.38			4,996.52	170,966.90
Other Accounts Receivable	14,000.00	2,218.61			16,218.61
Restricted Cash and Cash Equivalents	2,050,868.17				2,050,868.17
Total Assets	<u>2,847,800.42</u>	<u>257,207.61</u>	<u>168,119.98</u>	<u>8,874.61</u>	<u>3,282,002.62</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	55,800.87	93,696.00			149,496.87
Payable to State Government		23,590.00			23,590.00
Payable to Federal Government		21.61			21.61
Payable to Local Government	387.00				387.00
Interfunds Payable		165,970.38	4,996.52		170,966.90
Unearned Revenue		44,293.26			44,293.26
Total Liabilities	<u>56,187.87</u>	<u>327,571.25</u>	<u>4,996.52</u>	<u>-</u>	<u>388,755.64</u>
Fund Balances:					
Nonspendable:					
None	-				-
Restricted for:					
Excess Surplus - Current Year	434,843.53				434,843.53
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	350,000.00				350,000.00
Debt Service				8,874.61	8,874.61
Capital Projects			149,573.46		149,573.46
Committed to:					
Maintenance Reserve	528,928.17				528,928.17
Capital Reserve	1,000,100.00				1,000,100.00
Assigned to:					
Designated by BOE for Subsequent Expenditures	22,653.00				22,653.00
Maintenance Reserve Designated by BOE for Subsequent Expenditures	521,840.00				521,840.00
Other Purposes			13,550.00		13,550.00
Unassigned:					
General Fund	(66,752.15)				(66,752.15)
Special Revenue Fund		(70,363.64)			(70,363.64)
Total Fund Balances	<u>2,791,612.55</u>	<u>(70,363.64)</u>	<u>163,123.46</u>	<u>8,874.61</u>	<u>2,893,246.98</u>
Total Liabilities and Fund Balances	<u>\$ 2,847,800.42</u>	<u>257,207.61</u>	<u>168,119.98</u>	<u>8,874.61</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 \$26,680,400.98 and the accumulated depreciation is \$9,782,835.22.	16,897,565.76
Long - term liabilities, including bonds and capital leases payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(10,657,580.74)
Pension Liabilities Net of Deferred Outflows & Inflows	(4,654,930.00)
Interest on long-term debt in the statement of activities is accrued, regardless of when due.	(47,088.00)
Net position of governmental activities	<u>\$ 4,431,214.00</u>

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
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	\$ 10,188,990.00			750,316.00	10,939,306.00
Tuition From Other LEAs Within the State	39,293.00				39,293.00
Tuition from Individuals	20,700.00				20,700.00
Other Tuition	23,318.00				23,318.00
Unrestricted Miscellaneous Revenues	40,492.47	44,876.99	4,996.52		90,365.98
Total Local Sources	10,312,793.47	44,876.99	4,996.52	750,316.00	11,112,982.98
State Sources	8,724,329.30	822,164.48		226,840.00	9,773,333.78
Federal Sources	35,531.60	973,339.39			1,008,870.99
Total Revenues	<u>19,072,654.37</u>	<u>1,840,380.86</u>	<u>4,996.52</u>	<u>977,156.00</u>	<u>21,895,187.75</u>
EXPENDITURES					
Current:					
Regular Instruction	4,583,424.09				4,583,424.09
Special Education Instruction	1,587,407.50	1,174,908.89			2,762,316.39
Other Special Instruction	423,755.86				423,755.86
Support Services:					
Tuition	211,508.91				211,508.91
Student & Instruction Related Serv.	1,873,205.73	711,993.71			2,585,199.44
School Administrative Services	570,337.60				570,337.60
General Administrative Services	366,580.78				366,580.78
Plant Operation and Maintenance	1,437,056.97				1,437,056.97
Pupil Transportation	309,116.00				309,116.00
Central Services	409,966.97				409,966.97
Employee Benefits	6,030,340.86				6,030,340.86
Debt Service:					
Principal				640,000.00	640,000.00
Interest and Other Charges				342,895.00	342,895.00
Capital Outlay	53,000.22	-	633,444.13		686,444.35
Transfer to Charter Schools	33,621.00				33,621.00
Total Expenditures	<u>17,889,322.49</u>	<u>1,886,902.60</u>	<u>633,444.13</u>	<u>982,895.00</u>	<u>21,392,564.22</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,183,331.88</u>	<u>(46,521.74)</u>	<u>(628,447.61)</u>	<u>(5,739.00)</u>	<u>502,623.53</u>
OTHER FINANCING SOURCES (USES)					
Transfer to Cover Deficit - CER Program	(15,439.46)				(15,439.46)
Transfer in		-		4,996.52	4,996.52
Transfer out	-		(4,996.52)		(4,996.52)
Total Other Financing Sources and Uses	<u>(15,439.46)</u>	<u>-</u>	<u>(4,996.52)</u>	<u>4,996.52</u>	<u>(15,439.46)</u>
Net Changes in Fund Balance	1,167,892.42	(46,521.74)	(633,444.13)	(742.48)	487,184.07
Fund Balance - July 1	1,623,720.13	(23,841.90)	796,567.59	9,617.09	2,406,062.91
Fund Balance - June 30	<u>\$ 2,791,612.55</u>	<u>(70,363.64)</u>	<u>163,123.46</u>	<u>8,874.61</u>	<u>2,893,246.98</u>

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2020

Total Net Change in Fund Balance - Governmental Funds (from B-2)	\$	487,184.07
<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, on 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 current fiscal year.</p>		
Depreciation expense	(802,626.49)	
Capital Outlay	82,131.86	
Loss on Disposal of Assets	<u>(5,777.04)</u>	(726,271.67)
<p>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long - term liabilities in the statement of net assets and is not reported in the statement of activities.</p>		
Bonds Payable	<u>640,000.00</u>	640,000.00
<p>Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of of employee contributions is reported as pension expense.</p>		
District pension contributions - PERS		
Cost of benefits earned net of employee contributions	<u>10,157.00</u>	10,157.00
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations and sick pay) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.</p>		
		(202,304.56)
<p>In the statement of activities, interest on long - term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is a deduction in the reconciliation.</p>		
		3,900.00
Change in Net Position of Governmental Activities	\$	<u><u>212,664.84</u></u>

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Proprietary Funds
Statement of Net Position
June 30, 2020

	Business-Type Activities - Enterprise Fund		
	Non Major Fund	Non Major Fund	Totals
	Food Service	CER Program	
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 10,768.91	0.00	10,768.91
Accounts Receivable	4,246.85	9,069.63	13,316.48
Inventories	2,439.62		2,439.62
Total Current Assets	<u>17,455.38</u>	<u>9,069.63</u>	<u>26,525.01</u>
Noncurrent Assets:			
Furniture, Machinery & Equipment	150,848.00		150,848.00
Less: Accumulated Depreciation	(119,590.65)		(119,590.65)
Total Noncurrent Assets	<u>31,257.35</u>	<u>-</u>	<u>31,257.35</u>
Total Assets	<u>48,712.73</u>	<u>9,069.63</u>	<u>57,782.36</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	-	450.00	450.00
Total Current Liabilities	<u>-</u>	<u>450.00</u>	<u>450.00</u>
Noncurrent Liabilities:			
None	-	-	-
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>450.00</u>	<u>450.00</u>
NET POSITION			
Net Investment in Capital Assets	31,257.35	-	31,257.35
Unrestricted	17,455.38	8,619.63	26,075.01
Total Net Position	<u>\$ 48,712.73</u>	<u>8,619.63</u>	<u>57,332.36</u>

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2020

	Business-Type Activities - Enterprise Fund		
	Non Major Fund	Non Major Fund	Totals
	Food Service	CER Program	Enterprise
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 18,434.74		18,434.74
Daily Sales - Non-reimbursable Programs	7,098.87		7,098.87
Participant Fees		225,257.22	225,257.22
Other Income	1,506.50		1,506.50
Total Operating Revenue	<u>27,040.11</u>	<u>225,257.22</u>	<u>252,297.33</u>
Operating Expenses:			
Cost of Sales - Reimbursable Programs	154,536.57		154,536.57
Cost of Sales - Non-reimbursable Programs	3,508.30		3,508.30
Salaries and Benefits	104,524.54	200,251.11	304,775.65
Management Fee	49,248.36		49,248.36
Other Purchased Professional Services		12,770.28	12,770.28
Supplies and Materials	15,138.98	6,459.35	21,598.33
Miscellaneous	12,863.97	1,850.76	14,714.73
Depreciation	3,436.53		3,436.53
Total Operating Expenses	<u>343,257.25</u>	<u>221,331.50</u>	<u>564,588.75</u>
Operating Income (Loss)	<u>(316,217.14)</u>	<u>3,925.72</u>	<u>(312,291.42)</u>
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	4,045.11		4,045.11
Federal Sources:			
National School Lunch Program	178,859.06		178,859.06
National School Breakfast Program	58,998.51		58,998.51
After School Snack Program	13,053.78		13,053.78
Food Distribution Program	39,306.10		39,306.10
Interest and Investment Income	285.61	98.14	383.75
Total Nonoperating Revenues (Expenses)	<u>294,548.17</u>	<u>98.14</u>	<u>294,646.31</u>
Income (Loss) before Contributions & Transfers	<u>(21,668.97)</u>	<u>4,023.86</u>	<u>(17,645.11)</u>
Other Financing Sources/(Uses):			
Transfer to Cover Deficit		15,439.46	15,439.46
Total Other Financing sources	<u>-</u>	<u>15,439.46</u>	<u>15,439.46</u>
Changes in Net Position	(21,668.97)	19,463.32	(2,205.65)
Total Net Position - Beginning	<u>70,381.70</u>	<u>(10,843.69)</u>	<u>59,538.01</u>
Total Net Position - Ending	<u>\$ 48,712.73</u>	<u>8,619.63</u>	<u>57,332.36</u>

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2020

	Business-Type Activities - Enterprise Fund		
	Non Major Fund	Non Major Fund	Totals
	Food Service	CER Program	Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 31,418.55	202,339.59	233,758.14
Payments to Employees		(199,801.11)	(199,801.11)
Payments for Purchased Contracted Services		(13,295.28)	(13,295.28)
Payments for Suppliers	(298,565.74)	(8,310.11)	(306,875.85)
Net Cash Provided by (Used for) Operating Activities	<u>(267,147.19)</u>	<u>(19,066.91)</u>	<u>(286,214.10)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	3,315.03		3,315.03
Federal Sources	272,019.26		272,019.26
Transfer from/(to) Other Funds		15,439.46	15,439.46
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>275,334.29</u>	<u>15,439.46</u>	<u>290,773.75</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
None	-	-	-
Net Cash (Used for) Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Interest and Investment Income	285.61	98.14	383.75
Net Cash Provided by (Used for) Investing Activities	<u>285.61</u>	<u>98.14</u>	<u>383.75</u>
Net Increase (Decrease) in Cash and Cash Equivalents	8,472.71	(3,529.31)	4,943.40
Balance - Beginning of Year	<u>2,296.20</u>	<u>3,529.31</u>	<u>5,825.51</u>
Balance - End of Year	<u><u>10,768.91</u></u>	<u><u>0.00</u></u>	<u><u>10,768.91</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	(316,217.14)	3,925.72	(312,291.42)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation and Net Amortization	3,436.53		3,436.53
Federal Commodities	39,306.10		39,306.10
Decrease in Inventory	1,948.88		1,948.88
(Decrease) in Unearned Revenue		(13,848.00)	(13,848.00)
Decrease (Increase) in Accounts Receivable	4,378.44	(9,069.63)	(4,691.19)
(Decrease) Increase in Accounts Payable		(75.00)	(75.00)
Total Adjustments	<u>49,069.95</u>	<u>(22,992.63)</u>	<u>26,077.32</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (267,147.19)</u>	<u>(19,066.91)</u>	<u>(286,214.10)</u>

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Fiduciary Funds
Statement of Fiduciary Net Position
For the Year Ended June 30, 2020

	Unemployment Compensation	Agency Fund
ASSETS		
Cash and Cash Equivalents	\$ 162,686.54	94,382.62
Interfund Receivable	16,575.80	-
Total Assets	179,262.34	94,382.62
LIABILITIES		
Payable to Student Groups		77,605.83
Accounts Payable	35,087.37	-
Interfund Payable - Agency	-	16,575.80
Payroll Deductions & Withholding		200.99
Total Liabilities	35,087.37	94,382.62
NET POSITION		
Held in Trust for Unemployment Claims and Other Purposes	\$ 144,174.97	

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2020

	Unemployment Compensation
ADDITIONS	
Contributions:	
Plan Member	\$ 17,274.53
Total Contributions	17,274.53
Investment Earnings:	
Interest	1,819.03
Net Investment Earnings	1,819.03
Total Additions	19,093.56
DEDUCTIONS	
Unemployment Claims	55,931.99
Total Deductions	55,931.99
Changes in Net Assets	(36,838.43)
Net Position - Beginning of the Year	181,013.40
Net Position - End of the Year	\$ 144,174.97

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

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Somers Point School District 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 financial statements of the Board of Education (Board) of the City of Somers Point School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. REPORTING ENTITY

The City of Somers Point School District is a Type II district located in the County of Atlantic, 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 terms. The purpose of the district is to educate students in grades K-8. The City of Somers Point School District had an enrollment at June 30, 2020 of 853 students.

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 whether:

- the organization is legally separate (can sue or be sued in their own name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is a fiscal dependency by the organization on the District

Based on the aforementioned criteria, the District has no component units.

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general and special revenue activities are classified as governmental activities. The District's Food Service and CER program is classified as business-type activities.

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts—invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities (food service). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, interest income, etc.).

- a. The District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. GASBS No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria are applied to proprietary funds.

The following fund types are used by the District:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District.

- a. **General Fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Special Revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.
- c. **Capital Projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. 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.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

- d. **Debt Service** funds are 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.

Fund Balances – Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

2. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District:

- a. **Enterprise Funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs. The District operates a CER fund to provide a Community Education Program for the students of the District and a food service fund to provide a child nutrition program for the students of the district. At the April 30, 2020 board meeting the positions of the CER director and secretary were abolished effective June 30, 2020.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position, and is reported using accounting principles similar to proprietary funds.

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.), and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

All fund internal activity is eliminated when carried to the Government-Wide statements.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents:

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:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

NJSA 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.

2. Investments:

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund.

3. Inventories:

Inventories in the general fund consist of expendable supplies held for the District’s use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first –out method. As of June 30, 2020, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Food and Supplies	\$	2,439.62
	\$	<u>2,439.62</u>

The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

4. Capital Assets:

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and equipment	5-10 years
Improvements	10-20 years
Infrastructure Assets	50-65 years

Infrastructure assets include roads, parking lots, underground pipe, etc. The District includes all infrastructure assets as depreciable assets in the financial statements.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

5. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount 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. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

6. Expenditures:

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

7. Compensated Absences:

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as both an expenditure and a fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Financial Statements as a Governmental Activity.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

8. Interfund Activity:

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

9. 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 for approval and, as long as the District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the voters have an opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools.

Significant transfers approved by the Board of Education during the fiscal year were as follows:

Regular Programs - Instruction	
Preschool - Salaries of Teachers	\$ (85,434.20)
Grades 1 - 5 Salaries of Teachers	106,904.12
Regular Programs - Undistributed Instruction	
General Supplies	77,445.36
Special Education - Instruction	
Learning and/or Language Disabilities - Salaries of Teachers	(59,162.00)
Multiple Disabilities - Salaries of Teachers	(60,436.30)
Multiple Disabilities - Purchased Services	150,500.00
Resource Room/Resource Center - Salaries of Teachers	213,602.88
Preschool Disabilities Full Time - Salaries of Teachers	(75,081.24)
Bilingual Education - Instruction	
Salaries of Teachers	88,869.00
Undistributed Expenditures -	
Tuition to Other LEAs-Within the State-Regular	(122,887.00)
Tuition to CSSD & Regional Day Schools	222,164.00
Tuition to Private Schools for the Disabled - Within State	(55,585.52)
Other Support Serv. Students-Extraordinary Serv.-Purchased Professional	(178,519.16)
Central Services - Salaries	57,231.55
Required Maint. School Fac. - Cleaning, Repair & Maintenance	212,045.04
Custodial Services - Salaries	(53,435.58)
Unallocated Benefits - Social Security Contributions	(64,918.10)
Unallocated Benefits - Other Employee Benefits	(84,891.44)

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 payments 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.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

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.

10. Tuition Receivable:

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined. The final cost is based on agreements with the sending districts with a negotiated amount up to the final cost as determined by State of New Jersey.

11. Tuition Payable:

Tuition charges for the fiscal years 2019/20 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

12. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those results.

13. Allocation of Costs:

In the government-wide statement of activities, the District has allocated unallocated benefits to various programs based on the budgetary expenditures by program.

14. Pensions:

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 Public Employee Retirement System (PERS) and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the TPAF and PERS. 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.

F. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

In January 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 84, "Fiduciary Activities". This statement, which is effective for fiscal periods after December 31, 2020, will have an effect on the District's financial reporting.

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87 "Leases". This statement, which is effective for fiscal periods beginning after December 31, 2022, may have an effect on the District's financial reporting.

In June 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 89, "Accounting for Interest Cost Incurred Before the End of a Construction Period". This statement, which is effective for fiscal periods beginning after December 31, 2021, will not have any effect on the District's financial reporting.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

In May 2019, the Governmental Accounting Standards Board (GASB) issued Statement No. 91, "Conduit Debt Obligations". This statement is effective for fiscal periods beginning after December 31, 2022, will not have any effect on the District's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 93, "Replacement of Interbank Offered Rates". This statement, which is effective for fiscal periods beginning after December 31, 2022, and all reporting periods thereafter, will not have any effect on the District's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". This statement, which is effective for fiscal years beginning after December 31, 2023, and all reporting periods thereafter, will not have any effect on the District's financial reporting.

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, "Subscription Based Information Technology Arrangements". This statement, which is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter, will not have any effect on the District's financial reporting.

In June 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 97, "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32". This statement, which is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter, will not have any effect on the District's financial reporting.

NOTE 2 – CASH AND CASH EQUIVALENTS

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The district's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2020, \$135,141.31 of the government's bank balance of \$3,547,338.76 was exposed to custodial credit risk.

NOTE 3 – RECEIVABLES

Receivables at June 30, 2020, consisted of accounts (rent, tuition, and fees), accrued interest, interfund, intergovernmental, and property taxes. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	District Wide Financial Statements
State Aid	\$ 197,261.34	198,291.36
Federal Aid	239,153.00	240,726.20
Other	16,218.61	26,931.87
Gross Receivables	452,632.95	465,949.43
Less: Allowance for Uncollectibles		
Total Receivables, Net	\$ 452,632.95	465,949.43

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

NOTE 4 – INTERFUND TRANSFERS AND BALANCES

Transfers between funds are used to (1) move investment income earned in the Capital Projects Fund that is required to be expended in the Debt Service Fund; (2) repay expenses paid by another fund.

The following interfund balances remained on the fund financial statements at June 30, 2020.

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 165,970.38	
Debt Service Fund	4,996.52	
Special Revenue Fund		165,970.38
Capital Projects Fund		4,996.52
Unemployment Fund	16,575.80	
Agency Fund		16,575.80
	<u>\$ 187,542.70</u>	<u>187,542.70</u>

The general fund receivable is comprised of \$165,970.38 owed from the Special Revenue Fund for cash flow purposes. The debt service fund receivable is comprised of \$4,996.52 owed from the Capital Projects Fund for interest not turned over by June 30th. The Unemployment Fund receivable is comprised of \$16,575.80 owed from the Agency Fund for employee contributions not turned over by June 30th.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020, was as follows:

	Beginning Balance	Additions	Deletions/ Adjustments	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 27,012.00			27,012.00
Construction in Progress	253,800.00	26,906.95	(253,800.00)	26,906.95
Total capital assets not being depreciated	<u>280,812.00</u>	<u>26,906.95</u>	<u>(253,800.00)</u>	<u>53,918.95</u>
Capital assets being depreciated:				
Land Improvements	165,531.00	13,943.09		179,474.09
Buildings and building improvements	25,596,364.31	249,716.28	(6,081.10)	25,839,999.49
Equipment	561,642.91	45,365.54		607,008.45
Total capital assets being depreciated at historical cost	<u>26,323,538.22</u>	<u>309,024.91</u>	<u>(6,081.10)</u>	<u>26,626,482.03</u>
Less accumulated depreciation for:				
Land Improvements	(128,964.20)	(6,225.13)		(135,189.33)
Buildings and improvements	(8,435,120.52)	(761,863.78)	304.06	(9,196,680.24)
Equipment	(416,428.07)	(34,537.58)		(450,965.65)
Total capital assets being depreciated, net of accumulated depreciation	<u>17,343,025.43</u>	<u>(493,601.58)</u>	<u>(5,777.04)</u>	<u>16,843,646.81</u>
Governmental activity capital assets, net	<u>17,623,837.43</u>	<u>\$ (466,694.63)</u>	<u>\$ (259,577.04)</u>	<u>16,897,565.76</u>
Business-type activities:				
Capital assets being depreciated:				
Equipment	168,148.00		(3,500.00)	164,648.00
Less accumulated depreciation	(133,454.12)	(3,436.53)	3,500.00	(133,390.65)
Enterprise Fund capital assets, net	<u>\$ 34,693.88</u>	<u>(3,436.53)</u>	<u>-</u>	<u>31,257.35</u>

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

Depreciation expense is charged to governmental functions as follows:

Regular Instruction	\$ 273,560.73
Special Education	164,868.30
Other Special Instruction	25,291.78
Student & Instruction Related Service	154,297.11
School Administrative Services	34,040.48
General Administrative Services	21,879.30
Plant Operations and Maintenance	85,770.46
Pupil Transportation	18,449.53
Central Services	24,468.80
	<u>\$ 802,626.49</u>

NOTE 6 – LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2020 are as follows:

	<u>Balance July 1, 2019</u>	<u>Issues or Additions</u>	<u>Payments or Expenditures</u>	<u>Balance June 30, 2020</u>	<u>Amounts Due Within One Year</u>
Compensated Absences	\$ 242,276.18	202,304.56		444,580.74	
Bonds Payable	10,853,000.00		640,000.00	10,213,000.00	660,000.00
Net Pension Liability	<u>4,109,257.00</u>	<u>1,285,888.00</u>	<u>1,701,775.00</u>	<u>3,693,370.00</u>	
	<u>\$ 15,204,533.18</u>	<u>1,488,192.56</u>	<u>2,341,775.00</u>	<u>14,350,950.74</u>	<u>660,000.00</u>

Compensated absences have been liquidated in the General Fund.

Bonds Payable

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

At June 30, 2020, bonds payable consisted of the following issues:

\$3,443,000 School Bonds dated February 15, 2011, due in annual installments beginning February 15, 2011 through February 15, 2026, bearing interest at variable rates from 2.00% to 4.00% per annum. The balance remaining as of June 30, 2020 is \$1,653,000.00.

\$9,235,000 School Bonds dated December 13, 2016, due in annual installments beginning December 1, 2018 through December 1, 2036, bearing interest at variable rates from 2.50% to 3.50% per annum. The balance remaining as of June 30, 2020 is \$8,560,000.00.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

Debt service requirements on serial bonds payable at June 30, 2020 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 660,000.00	323,170.00	983,170.00
2022	680,000.00	301,820.00	981,820.00
2023	695,000.00	278,695.00	973,695.00
2024	715,000.00	255,020.00	970,020.00
2025	725,000.00	230,670.00	955,670.00
2026-2030	2,888,000.00	829,470.00	3,717,470.00
2031-2035	2,750,000.00	404,662.50	3,154,662.50
2036-2037	1,100,000.00	37,950.00	1,137,950.00
	<u>\$ 10,213,000.00</u>	<u>2,661,457.50</u>	<u>12,874,457.50</u>

NOTE 7 – PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF)

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

Public Employees' Retirement System (PERS)

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

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established as of 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.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a 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.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5.50% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 7.5% and the PERS rate is 7.5% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2020, 2019 and 2018 were \$1,623,969.00, \$1,417,144.00 and \$1,064,493.00, respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2020, 2019, and 2018 were \$199,809.00, \$208,119.00 and \$190,611.00 respectively, equal to the required contributions for each year.

During the fiscal years ended June 30, 2020, 2019, and 2018, the State of New Jersey contributed \$602,463.00, \$642,814.00 and \$686,553.00, respectively, to the TPAF for post-retirement medical benefits on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$573,862.56, \$564,564.18 and \$552,068.72, during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund statements and schedules as revenues and expenditures in accordance in GASB Standards.

For the DCRP, members contribute at a uniform rate of 5.5% of their base salary. Employers are required to contribute at a set rate of 3.0% of base salary. There were employees enrolled in the DCRP for the year ended June 30, 2020.

Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Teacher's Pension and Annuity Fund (TPAF) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PERS active member rate increase from 8.5% to 10%. For fiscal year 2013, the member contribution rates increased in October 2012. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS and TPAF from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS and TPAF to $\frac{1}{60}$ th from $\frac{1}{55}$ th, and it provided that new members of PERS and TPAF have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS and TPAF will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. The law also requires the State to make its full pension contribution, defined a $\frac{1}{7}$ th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS and TPAF with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

NOTE 8 – PUBLIC EMPLOYEES RETIREMENT SYSTEM

At June 30, 2020, the District reported a liability of \$3,693,370.00 for its proportionate share of the net pension liability. 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 that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the District's proportion was 0.02049767510%, which was a decrease of 1.79% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized pension expense of \$189,226.00. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 66,291.00	16,316.00
Changes of assumptions	368,797.00	1,281,957.00
Net difference between projected and actual earnings on pension plan investments		58,301.00
Changes in proportion and differences between District contributions and proportionate share of contributions	105,745.00	145,819.00
District contributions subsequent to the measurement date	199,382.00	
Total	\$ 740,215.00	\$ 1,502,393.00

\$199,382.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (June 30, 2019) will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. 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,		
2019	\$	114,619.00
2020		353,508.00
2021		324,055.00
2022		153,617.00
2023		15,761.00
Total	\$	961,560.00

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

Actuarial Assumptions

The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following assumptions, applied to all period in the measurement:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	
Through 2026	2.00% - 6.00% (based on years of service)
Thereafter	3.00% - 7.00% (based on years of service)
Investment rate of return:	7.00%

Pre-retirement mortality rates were based on the RP-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 Disable 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.

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 ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflations. 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:

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
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%
US 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 6.28% 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 made based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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 District's proportionate share of the net pension liability to changes in the discount rate.

The following presents the collective net pension liability of the participated 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 (5.68%)	Current Discount Rate (6.28%)	1% Increase (7.28%)
District's proportionate share of the net pension liability	\$ 4,432,656	3,693,370	3,071,140.38

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

NOTE 9 – TEACHERS PENSIONS AND ANNUITY FUND (TPAF)

At June 30, 2020, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	-
State's proportionate share of the net position liability associated with the District		43,314,073.00
Total	\$	43,314,073.00

The net pension liability was measured as of June 30, 2019 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2019, the District's proportion was 0.00%, which was no change from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized pension expense of \$2,554,780.00 and revenue of \$2,554,780.00 for support provided by the State. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to TPAF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 849,402.00	150,573.00
Changes of assumptions	6,160,896.00	12,113,308
Net difference between projected and actual earnings on pension plan investments		115,302.00
Changes in proportion and differences between District contributions and proportionate share of contributions		1,828,678.00
District contributions subsequent to the measurement date	1,419,061.00	
Total	\$ 8,429,359.00	14,207,861.00

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

\$1,419,061.00 reported as deferred outflows of resources related to pensions resulting from district contributions subsequent to the measurement date (June 30, 2019) will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. 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,	
2019	\$ (257,741.00)
2020	(666,348.00)
2021	(596,617.00)
2022	(1,150,897.00)
2023	(2,253,122.00)
Thereafter	<u>(2,272,838.00)</u>
Total	<u>\$ (7,197,563.00)</u>

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation 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 period included in the measurement:

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary increases	
Through 2026	1.55% - 4.55% (based on years of service)
Thereafter	2.75% - 5.65% (based on years of service)
Investment rate of return	7.00%

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.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

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 ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic 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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return.
Risk Mitigation Services	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%
US 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.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 5.60% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (4.60%) or 1-percentage point higher (6.60%) than the current rate:

	1% Decrease (4.60%)	Current Discount Rate (5.60%)	1% Increase (6.60%)
District's proportionate share of the net pension liability	\$ -	-	-

Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued TPAF financial report.

NOTE 10 – OTHER POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

The State of New Jersey Provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 year of service or on a disability retirement. Under the provision of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents. In Fiscal Year 2019, the State paid PRM benefits for 153,893 State and local retirees.

The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2019, the State contributed \$1.908 billion to pay for pay-as-you-go PRM benefit costs incurred by covered retirees. The State's "pay-as-you-go" contributions have remained consistent with Fiscal Year 2018 amounts. The State has appropriated \$1.612 billion in Fiscal Year 2020 as the State's contribution to fund pay-as-you-go PRM costs.

In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2019 total State OPEB liability to provide these benefits is \$76.0 billion, a decrease of \$14.5 billion or 16 percent from the \$90.5 billion liability recorded in Fiscal Year 2018.

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

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

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

Total OPEB Liability

The State, a non-employer 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 GASBS No. 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/board of trustees. Note that actual numbers will be published in the NJ State CAFR at <https://www.nj.gov/treasury/omb/cafr.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:

Inflation rate – 2.50%

Salary Increases –

TPAF - 1.55% - 3.05% based on years of service.
PERS – 2.00% - 6.00% based on years of service

Mortality Rates –

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), AND "General" (PERS) 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

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%.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

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.

The discount rates as of June 30, 2017, 2018, and 2019 are 3.58%, 3.87%, and 3.50%, respectively.

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 and July 1, 2014 – June 30, 2018 for TPAF and PERS, respectively.

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

Balance at 6/30/18	\$ 46,110,832,982.00
Changes for the year:	
Service cost	1,734,404,850.00
Interest	1,827,787,206.00
Differences between Expected & Actual Experiences	(7,323,140,818.00)
Changes in assumptions or other inputs	622,184,027.00
Contributions: Member	37,971,171.00
Benefit payments	<u>(1,280,958,373.00)</u>
Net changes	<u>(4,381,751,937.00)</u>
Balance at 6/30/19	<u>\$ 41,729,081,045.00</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.87% in 2018 to 3.50% in 2019.

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

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

	<u>1% Decrease (2.50%)</u>	<u>Discount Rate (3.50%)</u>	<u>1% Increase (4.50%)</u>
Total OPEB Liability (School Retirees)	49,298,534,898.00	41,729,081,045.00	35,716,321,820.00

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

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

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	34,382,902,820.00	41,729,081,045.00	51,453,912,586.00

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 \$730,398.00 determined by the State as the total OPEB liability for benefits provided through a defined 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 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 employees' OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (10,484,965,300.00)
Changes of assumptions		(8,481,529,343.00)
Changes in proportion and differences between District contributions and proportionate share of contributions		(1,921,145,183.00)
Contributions subsequent to the measurement date	1,190,373,242.00	
Total	\$ 1,921,145,183.00	\$ (20,887,639,826.00)

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

Year ended June 30,	
2020	\$ (2,546,527,182.00)
2021	(2,546,527,182.00)
2022	(2,546,527,182.00)
2023	(2,546,527,182.00)
2024	(2,546,527,182.00)
Thereafter	(6,233,858,733.00)
Total	\$ (18,966,494,643.00)

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

(Contributions made after June 30, 2018 are reported as deferred outflow of resources but are not amortized in the expense.)

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

NOTE 11 – COMPENSATED ABSENCES

The liability for vested compensated absences for the governmental fund types is recorded in current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability of compensated absences.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2020, no liability existed for compensated absences in the Food Service Fund and Community Education Recreation Program.

NOTE 12 – DEFERRED COMPENSATION

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Lincoln Investments	NY Life
Equitable Insurance	Siracusa Insurance

NOTE 13 – CAPITAL RESERVE ACCOUNT

A capital reserve account was established by City of Somers Point Board of Education by the inclusion of \$100.00 on September 21, 2000 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.

Beginning balance, July 1, 2019	\$ 100.00
Board Transfer	1,000,000.00
Ending balance, June 30, 2020	\$ 1,000,100.00

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the department, a district may deposit funds into the capital reserve account at any time upon board resolution through the transfer of undesignated, unreserved general fund balance or of excess undesignated, unreserved general fund balance that is anticipated in the budget certified for taxes. 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 LRFP.

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

NOTE 14 – MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the City of Somers Point Board of Education for the accumulation of funds for use as required maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The activity of the Maintenance reserve for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

Beginning balance, July 1, 2019	\$	774,309.17
Deposits:		
Board Transfer		450,000.00
Withdrawals:		
2019-20 Budget		(105,800.00)
Board Resolutions		(67,741.00)
Ending balance, June 30, 2020	\$	1,050,768.17

NOTE 15 – RISK MANAGEMENT

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

Property and Liability Insurance - The District maintains insurance coverage for property, liability and surety bonds through the Atlantic & Cape May Counties Association of School Business Officials Joint Insurance Fund (ACCASBOJIF). A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due 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 expendable trust fund for the current and prior year:

Fiscal Year	Interest on Investments	Employee Contributions	Board Contribution	Amount Reimbursed	Ending Balance
2019-2020	\$ 1,819.03	17,274.53		55,931.99	144,174.97
2018-2019	503.94	17,988.53		9,103.28	181,013.40
2017-2018	259.83	18,665.85		19,978.71	171,624.21

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**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

NOTE 16 – COMMITMENTS

The District does not have encumbrance policy for the fiscal year end to determine significant encumbrances. All encumbrances are classified as either Assigned Fund Balance in the General Fund and Special Revenue Fund. Significant encumbrances at June 30th are as follows:

Fund	Amount
General Fund Encumbered Orders	\$ 39,942.95
Special Revenue Fund Encumbered Orders	35,953.32
Capital Projects Encumbered Orders	13,550.00
	\$ 89,446.27

NOTE 17 – CONTINGENT LIABILITIES

Federal and State Grants

The District participates in a number of federal and state grant programs. The grant programs are subject to program compliance audits by the grantors or their representatives. The 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 would result in the disallowance of program expenditures.

NOTE 18 – ECONOMIC DEPENDENCY

The District receives support from federal government and from the state government. A significant reduction in the level of support, if this were to occur, would have an effect on the District's programs and activities.

NOTE 19 – LITIGATION

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the best judgment of the District's management, the outcome of any present legal proceedings will not have any adverse material effect on the accompanying financial statements.

NOTE 20 – FUND BALANCE APPROPRIATED

General Fund – Of the \$2,791,612.55 General Fund fund balance, at June 30, 2020, \$39,942.95 is reserved for encumbrances, but not reflected as committed on the balance sheet since the unassigned balance is negative; \$784,843.53 is reserved as excess surplus in accordance with NJSA 18A:7F-7 (\$350,000.00 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2020), \$1,000,100.00 has been reserved in the Capital Reserve Account; \$1,050,768.17 has been reserved in the Maintenance Reserve Account; \$22,653.00 is designated by BOE for subsequent expenditures; and (\$66,752.15) is classified and Unassigned, after adjusting for the encumbrance amount of \$39,942.95.

NOTE 21 – CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7 as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount of budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2020 is \$434,843.53.

**CITY OF SOMERS POINT SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

NOTE 22 – DEFICIT FUND BALANCES

The District has a deficit unassigned fund balance of (\$70,363.64) in the Special Revenue Fund as of June 30, 2020 as reported in the fund statements (modified accrual basis). *N.J.S.A. 18A:22-44.2* provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last payment as revenue, for budget purposes only, in the current school budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school district cannot recognize the June state aid payments on the GAAP financial statements until the year the state records the payable. Due to the timing difference of recording the last state aid payment, the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties. The District deficit in the Special revenue fund in the GAAP fund statements of (\$70,363.64) is equal to the last state aid payment for that fund.

NOTE 23 – SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred through January 8, 2021, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements.

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Required Supplementary Information – Part II

Budgetary Comparison Schedules

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Lev	\$ 10,188,990.00		10,188,990.00	10,188,990.00	-
Tuition From Other LEAs Within the State	11,376.00		11,376.00	39,293.00	27,917.00
Tuition from Individuals			-	20,700.00	20,700.00
Other Tuition			-	23,318.00	23,318.00
Unrestricted Miscellaneous Revenues	16,922.00		16,922.00	40,492.47	23,570.47
Total Local Sources	<u>10,217,288.00</u>	<u>-</u>	<u>10,217,288.00</u>	<u>10,312,793.47</u>	<u>95,505.47</u>
State Sources:					
Categorical Special Education Aid	568,696.00		568,696.00	568,696.00	-
Equalization Aid	4,964,991.00		4,964,991.00	4,964,991.00	-
Categorical Security Aid	114,624.00		114,624.00	114,624.00	-
Categorical Transportation Aid	142,184.00		142,184.00	142,184.00	-
Extraordinary Aid			-	132,441.00	132,441.00
TPAF Post Retirement Pension (On-Behalf - Non-Budgeted)			-	602,463.00	602,463.00
TPAF Pension (On-Behalf - Non-Budgeted)			-	1,623,969.00	1,623,969.00
TPAF Long-Term Disability Insurance (On-Behalf - Non-Budgeted)			-	1,165.00	1,165.00
Reimbursed TPAF Social Security Contributions (non-budgeted)			-	573,862.56	573,862.56
Total State Sources	<u>5,790,495.00</u>	<u>-</u>	<u>5,790,495.00</u>	<u>8,724,395.56</u>	<u>2,933,900.56</u>
Federal Sources:					
Medical Assistance Program (SEMI)	37,184.00		37,184.00	35,531.60	(1,652.40)
Total Federal Sources	<u>37,184.00</u>	<u>-</u>	<u>37,184.00</u>	<u>35,531.60</u>	<u>(1,652.40)</u>
Total Revenues	<u>\$ 16,044,967.00</u>	<u>-</u>	<u>16,044,967.00</u>	<u>19,072,720.63</u>	<u>3,027,753.63</u>

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
REGULAR PROGRAMS - INSTRUCTION					
Preschool - Salaries of Teachers	\$ 117,828.00	(85,434.20)	32,393.80	24,139.17	8,254.63
Kindergarten - Salaries of Teachers	331,210.00	22,494.58	353,704.58	342,996.32	10,708.26
Grades 1 - 5 Salaries of Teachers	1,907,052.00	106,904.12	2,013,956.12	1,988,630.14	25,325.98
Grades 6 - 8 Salaries of Teachers	1,802,128.00	3,366.37	1,805,494.37	1,769,135.06	36,359.31
Regular Programs - Home Instruction					
Salaries of Teachers	23,500.00		23,500.00	3,849.37	19,650.63
Purchased Professional - Educational Services	28,000.00	(9,000.00)	19,000.00	2,066.12	16,933.88
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	111,847.00	2,104.86	113,951.86	113,951.86	-
Other Purchased Services (400-500 series)	209,339.00	(19,824.97)	189,514.03	131,644.25	57,869.78
General Supplies	237,076.01	77,445.36	314,521.37	206,240.80	108,280.57
Textbooks	2,500.00		2,500.00		2,500.00
Other Objects	670.00	1,079.00	1,749.00	771.00	978.00
TOTAL REGULAR PROGRAMS - INSTRUCTION	4,771,150.01	99,135.12	4,870,285.13	4,583,424.09	286,861.04
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities					
Salaries of Teachers	59,162.00	(59,162.00)	-		-
Other Salaries for Instruction	18,161.00	(18,161.00)	-		-
General Supplies	1,000.00		1,000.00		1,000.00
Total Learning and/or Language Disabilities	78,323.00	(77,323.00)	1,000.00	-	1,000.00
Multiple Disabilities					
Salaries of Teachers	310,810.00	(60,436.30)	250,373.70	248,010.47	2,363.23
Other Salaries for Instruction	105,728.00	(12,160.06)	93,567.94	54,946.92	38,621.02
Purchased Services (300-500 series)		150,500.00	150,500.00	104,323.20	46,176.80
General Supplies	4,000.00		4,000.00	3,060.08	939.92
Total Multiple Disabilities	\$ 420,538.00	77,903.64	498,441.64	410,340.67	88,100.97

CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Resource Room/Resource Center					
Salaries of Teachers	\$ 833,582.00	213,602.88	1,047,184.88	1,012,198.39	34,986.49
Other Salaries for Instruction	11,000.00	(5,458.10)	5,541.90	3,031.25	2,510.65
General Supplies	2,950.00		2,950.00	2,239.54	710.46
Total Resource Room/Resource Center	<u>847,532.00</u>	<u>208,144.78</u>	<u>1,055,676.78</u>	<u>1,017,469.18</u>	<u>38,207.60</u>
Preschool Disabilities - Full-Time					
Salaries of Teachers	159,993.00	(75,081.24)	84,911.76	84,472.42	439.34
Other Salaries for Instruction	39,654.00	34,808.00	74,462.00	74,462.00	-
General Supplies	1,000.00		1,000.00	663.23	336.77
Total Preschool Disabilities - Full-Time	<u>200,647.00</u>	<u>(40,273.24)</u>	<u>160,373.76</u>	<u>159,597.65</u>	<u>776.11</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>1,547,040.00</u>	<u>168,452.18</u>	<u>1,715,492.18</u>	<u>1,587,407.50</u>	<u>128,084.68</u>
Basic Skills/Remedial - Instruction					
Salaries of Teachers	19,595.00	25,609.44	45,204.44	45,162.94	41.50
Total Basic Skills/Remedial - Instruction	<u>19,595.00</u>	<u>25,609.44</u>	<u>45,204.44</u>	<u>45,162.94</u>	<u>41.50</u>
Bilingual Education - Instruction					
Salaries of Teachers	139,424.00	88,869.00	228,293.00	227,347.76	945.24
Total Bilingual Education - Instruction	<u>139,424.00</u>	<u>88,869.00</u>	<u>228,293.00</u>	<u>227,347.76</u>	<u>945.24</u>
School-Spon. Co/Extra-curr. Activities - Instruction					
Salaries	59,790.00		59,790.00	47,232.94	12,557.06
Supplies & Materials	1,000.00		1,000.00		1,000.00
Total School-Spon. Cocurricular Activities - Inst.	<u>60,790.00</u>	<u>-</u>	<u>60,790.00</u>	<u>47,232.94</u>	<u>13,557.06</u>
School-Sponsored Athletics - Instruction					
Salaries	44,810.00		44,810.00	42,620.00	2,190.00
Purchased Services (300-500 series)	500.00		500.00		500.00
Supplies & Materials	5,000.00		5,000.00	4,811.97	188.03
Other Objects	5,000.00		5,000.00	3,455.00	1,545.00
Total School-Spon. Cocurricular Athletics - Inst.	<u>\$ 55,310.00</u>	<u>-</u>	<u>55,310.00</u>	<u>50,886.97</u>	<u>4,423.03</u>

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Summer School - Instruction					
Salaries of Teachers	\$ 52,500.00		52,500.00	48,706.50	3,793.50
Other Salaries for Instruction	7,000.00		7,000.00	4,418.75	2,581.25
General Supplies	5,000.00	(773.55)	4,226.45	4,226.45	4,226.45
Total Summer School - Instruction	64,500.00	(773.55)	63,726.45	53,125.25	10,601.20
TOTAL INSTRUCTION	6,657,809.01	381,292.19	7,039,101.20	6,594,587.45	444,513.75
UNDISTRIBUTED EXPENDITURES					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs-Within the State-Regular	228,139.00	(122,887.00)	105,252.00	81,806.43	23,445.57
Tuition to Other LEAs-Within the State-Special	18,000.00	2,538.00	20,538.00	20,538.00	-
Tuition to CSSD & Regional Day Schools	180,360.00	222,164.00	402,524.00	96,664.00	305,860.00
Tuition to Private Schools for the Disabled - Within State	81,683.00	(55,585.52)	26,097.48	12,500.48	13,597.00
Tuition - Other	38,213.00	(38,213.00)	-	-	-
Total Undistributed Expenditures - Instruction	546,395.00	8,016.48	554,411.48	211,508.91	342,902.57
Undistributed Expend. - Attend. & Social Work Salaries	40,000.00	(13,699.95)	26,300.05	25,204.97	1,095.08
Other Purchased Services (400-500)	685.00		685.00	60.64	624.36
Total Undist. Expend. - Attend. & Social Worker	40,685.00	(13,699.95)	26,985.05	25,265.61	1,719.44
Undistributed Expend. - Health Services					
Salaries	189,324.00	331.90	189,655.90	186,561.62	3,094.28
Purchased Professional and Technical Services	1,031.00	700.00	1,731.00	1,731.00	-
Supplies & Materials	5,000.00	1,505.58	6,505.58	5,380.58	1,125.00
Total Undistributed Expend. - Health Services	\$ 195,355.00	2,537.48	197,892.48	193,673.20	4,219.28

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undist. Expend. - Other Support Serv. Students - Speech, OT, PT & Related Services Salaries	\$ 230,286.00	(20,841.52)	209,444.48	209,063.40	381.08
Purchased Professional - Educational Services Supplies & Materials	104,895.00	(1,278.85)	103,616.15	101,974.90	1,641.25
Total Undist. Expend. - Other Support Services Student - Speech, OT, PT & Related Services	<u>345,181.00</u>	<u>(19,325.40)</u>	<u>325,855.60</u>	<u>323,833.27</u>	<u>2,022.33</u>
Undist. Expend. - Other Support Serv. Students - Extraordinary Services Salaries	173,852.00	(897.66)	172,954.34	172,954.34	-
Purchased Professional - Educational Services Total Undist. Expend. - Other Support Services Students - Extraordinary Services	<u>270,500.00</u>	<u>(178,519.16)</u>	<u>91,980.84</u>	<u>76,547.00</u>	<u>15,433.84</u>
	<u>444,352.00</u>	<u>(179,416.82)</u>	<u>264,935.18</u>	<u>249,501.34</u>	<u>15,433.84</u>
Undist. Expend. - Guidance Salaries of Other Professional Staff	260,086.00	2,643.18	262,729.18	262,548.68	180.50
Purchased Professional - Educational Services Other Purchased Prof. & Tech. Services	18,341.00	500.00	500.00	125.00	375.00
Supplies & Materials	950.00	(836.50)	17,504.50	11,810.00	5,694.50
Total Undist. Expend. - Other Support Services Students - Regular	<u>279,377.00</u>	<u>2,306.68</u>	<u>281,683.68</u>	<u>275,433.68</u>	<u>6,250.00</u>
Undist. Expend. - Child Study Teams Salaries of Other Professional Staff	389,478.00	(33,473.56)	356,004.44	326,037.32	29,967.12
Salaries of Secretarial and Clerical Assistants	54,185.00	2,038.90	56,223.90	56,223.90	-
Purchased Professional - Educational Services Other Purchased Professional & Tech. Services	82,750.00	5,300.00	88,050.00	34,427.50	53,622.50
Other Purchased Professional & Tech. Services	7,126.00	(2,401.00)	4,725.00	4,725.00	-
Other Purchased Services (400-500 series) Supplies & Materials	7,236.00	1,052.52	8,288.52	4,603.41	3,685.11
Supplies & Materials	6,213.56	265.72	6,479.28	6,440.20	39.08
Other Objects	2,256.00		2,256.00	1,056.00	1,200.00
Total Undist. Expend. - Child Study Teams	<u>\$ 549,244.56</u>	<u>(27,217.42)</u>	<u>522,027.14</u>	<u>433,513.33</u>	<u>88,513.81</u>

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undist. Expend. - Improvement of Inst. Services					
Salaries Supervisor of Instruction	\$ 89,830.00	(1,050.14)	88,779.86	88,779.86	-
Salaries of Other Professional Staff	15,000.00	(81.17)	14,918.83	8,151.00	6,767.83
Salaries of Secretaries and Clerical Assistants	33,556.00	3,887.13	37,443.13	23,762.75	13,680.38
Other Salaries	39,557.00	790.84	40,347.84	40,347.84	-
Other Purchased Services (400-500 series)	27,352.00	(7,792.00)	19,560.00	13,636.00	5,924.00
Supplies & Materials	6,000.00		6,000.00	138.69	5,861.31
Total Undist. Expend. - Improvement of Inst. Serv.	211,295.00	(4,245.34)	207,049.66	174,816.14	32,233.52
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	159,644.00	(5,365.86)	154,278.14	151,398.95	2,879.19
Purchased Professional and Technical Services	4,635.00	(991.90)	3,643.10	3,156.00	487.10
Other Purchased Services (400-500 series)	53,050.00	(14,000.00)	39,050.00	35,900.26	3,149.74
Supplies & Materials	5,000.00	(1,000.00)	4,000.00	3,618.10	381.90
Total Undistributed Expenditures - Educational Media Services - School Library	222,329.00	(21,357.76)	200,971.24	194,073.31	6,897.93
Undist. Expend. - Instructional Staff Training Serv.					
Other Purchased Services (400-500 series)	5,300.00		5,300.00	2,995.85	2,304.15
Supplies & Materials	2,350.00		2,350.00	100.00	2,250.00
Total Undistributed Expenditures - Instructional Staff Training Services	7,650.00	-	7,650.00	3,095.85	4,554.15
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	190,289.00	3,051.00	193,340.00	193,339.90	0.10
Legal Services	33,300.00		33,300.00	29,367.50	3,932.50
Audit Fees	25,715.00	(400.00)	25,315.00	22,300.00	3,015.00
Other Purchased Professional Services		33,208.29	33,208.29		33,208.29
Purchased Technical Services	18,060.00	1,741.24	19,801.24	17,660.42	2,140.82
Communications/Telephone	92,140.00	(16,000.00)	76,140.00	75,921.65	218.35
BOE Other Purchased Services	600.00		600.00		600.00
Misc. Purch Services (400-500 series)(Other than 530&585)	12,025.00	2,985.04	15,010.04	14,477.59	532.45
General Supplies	2,500.00	1,173.72	3,673.72	3,673.72	-
BOE In-House Training/Meeting Supplies	3,000.00	(500.00)	2,500.00	360.65	2,139.35
Miscellaneous Expenditures	2,600.00	400.00	3,000.00	2,693.50	306.50
BOE Membership Dues and Fees	8,425.00		8,425.00	6,785.85	1,639.15
Total Undistributed Expenditures - Support Services - General Administration	\$ 388,654.00	25,659.29	414,313.29	366,580.78	47,732.51

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Prog Dir	\$ 355,117.00	(1,248.24)	353,868.76	353,868.16	0.60
Salaries of Secretarial and Clerical Assistants	204,795.00	(14,916.54)	189,878.46	189,183.83	694.63
Other Purchased Services (400-500 series)	16,144.00	(158.00)	15,986.00	10,553.76	5,432.24
Supplies & Materials	14,100.00		14,100.00	12,417.85	1,682.15
Other Objects	3,600.00	1,063.00	4,663.00	4,314.00	349.00
Total Undistributed Expenditures - Support Services - School Administration	593,756.00	(15,259.78)	578,496.22	570,337.60	8,158.62
Undist. Expend - Central Services					
Salaries	263,495.00	57,231.55	320,726.55	320,726.55	-
Purchased Technical Services	18,995.00	(2,981.00)	16,014.00	16,014.00	-
Misc. Purchased Services (400-500 series)(O/T 594)	11,359.00	(5,642.94)	5,716.06	5,154.75	561.31
Supplies and Materials	12,400.00	(1,427.22)	10,972.78	10,972.78	-
Miscellaneous Expenditures	6,250.00	(3,850.00)	2,400.00	1,715.00	685.00
Total Undistributed Expenditures - Central Services	312,499.00	43,330.39	355,829.39	354,583.08	1,246.31
Undis. Expend - Admin. Info Technology					
Salaries	39,557.00	791.10	40,348.10	40,348.10	-
Other Purchased Services (400-500 series)	16,226.00	(790.89)	15,435.11	10,984.59	4,450.52
Supplies and Materials	5,950.00		5,950.00	4,051.20	1,898.80
Total Undistributed Expenditures - Administration Information Technology	61,733.00	0.21	61,733.21	55,383.89	6,349.32
Undist. Expend. - Required Maint. School Fac.					
Salaries	209,006.00	(20,178.00)	188,828.00	186,910.10	1,917.90
Cleaning, Repair and Maintenance Service	233,181.58	212,045.04	445,226.62	302,269.20	142,957.42
General Supplies	15,300.00	7,086.32	22,386.32	22,386.32	-
Other Objects	525.00	2,000.00	2,525.00	2,525.00	-
Total Undistributed Expenditures - Allowable Maintenance for School Facilities	\$ 458,012.58	200,953.36	658,965.94	514,090.62	144,875.32

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Custodial Services					
Salaries	\$ 427,905.00	(53,435.58)	374,469.42	368,241.12	6,228.30
Purchased Professional and Technical Services	500.00	(54.14)	445.86	75.00	370.86
Cleaning, Repair and Maintenance Service	4,725.00		4,725.83	2,636.83	2,088.17
Rental of Land & Bldg. Oth. then Lease Pur Agrmt	3,100.00		3,100.00	1,955.00	1,145.00
Other Purchased Property Services	34,800.00		34,800.00	24,715.07	10,084.93
Insurance	137,010.00	(1,824.02)	135,185.98	125,761.00	9,424.98
Other Purchased Services (400-500 series)	3,100.00	3,100.00	3,100.00	2,410.88	689.12
Miscellaneous Purchased Services	17,005.00	(884.46)	16,120.54	6,302.04	9,818.50
General Supplies	55,098.03	(3,604.12)	51,493.91	50,738.81	755.10
Energy (Natural Gas)	64,600.00		64,600.00	39,244.70	25,355.30
Energy (Electricity)	337,000.00	(40,000.00)	297,000.00	238,220.88	58,779.12
Energy (Gasoline)		657.25	657.25	657.24	0.01
Total Undistributed Expenditures - Custodial Services	<u>1,081,743.03</u>	<u>(96,045.07)</u>	<u>985,697.96</u>	<u>860,958.57</u>	<u>124,739.39</u>
Undist. Expend. - Care & Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	31,071.00	(2,392.32)	28,678.68	17,651.76	11,026.92
General Supplies	5,433.27	17,388.73	22,822.00	22,822.00	-
Total Care and Upkeep of Grounds	<u>36,504.27</u>	<u>14,996.41</u>	<u>51,500.68</u>	<u>40,473.76</u>	<u>11,026.92</u>
Undist. Expend. - Security					
Salaries		9,353.00	9,353.00	6,131.25	3,221.75
Cleaning, Repair and Maintenance Services	10,000.00	159.20	10,159.20	10,159.20	-
General Supplies	8,975.00	(12.20)	8,962.80	5,243.57	3,719.23
Total Security	<u>18,975.00</u>	<u>9,500.00</u>	<u>28,475.00</u>	<u>21,534.02</u>	<u>6,940.98</u>
Total Undistributed Expenditures Operations and Maintenance of Plant	<u>1,595,234.88</u>	<u>129,404.70</u>	<u>1,724,639.58</u>	<u>1,437,056.97</u>	<u>287,582.61</u>
Undist. Expend. - Student Transportation Serv.					
Other Purchased Professional and Technical Services	26,000.00		32,500.00	14,629.94	17,870.06
Contr. Serv. - Aid in Lieu Pymts-NonPub Sch	25,000.00	6,500.00	25,000.00	14,175.00	10,825.00
Contr. Serv. - (Oth than Bet Home & Sch)-Vend	33,000.00		33,000.00	15,767.80	17,232.20
Contr. Serv. - (Bet. Home & School) Joint Agrm.	202,000.00	(41,860.43)	160,139.57	129,396.72	30,742.85
Contr. Serv. - (Spc Ed. Students) - Joint Agrmt	200,000.00	(9,400.00)	190,600.00	135,146.54	55,453.46
Total Undistributed Expenditures - Student Transportation Services	<u>\$ 486,000.00</u>	<u>(44,760.43)</u>	<u>441,239.57</u>	<u>309,116.00</u>	<u>132,123.57</u>

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undist. Expend. - Unallocated Benefits					
Social Security Contributions	\$ 224,298.44	(64,918.10)	159,380.34	159,380.34	-
Other Retirement Contributions - PERS	220,000.00	(19,439.57)	200,560.43	200,513.26	47.17
Workmen's Compensation	139,000.00	(13,210.50)	125,789.50	125,761.00	28.50
Health Benefits	2,885,676.00	(34,063.91)	2,851,612.09	2,536,728.38	314,883.71
Tuition Reimbursement	48,000.00		48,000.00	28,718.25	19,281.75
Other Employee Benefits	266,172.00	(84,891.44)	181,280.56	177,780.07	3,500.49
Total Unallocated Benefits	<u>3,783,146.44</u>	<u>(216,523.52)</u>	<u>3,566,622.92</u>	<u>3,228,881.30</u>	<u>337,741.62</u>
On-Behalf Contributions:					
On-behalf TPAF Postretirement Contributions (non-budgeted)	-	-	-	602,463.00	(602,463.00)
On-Behalf TPAF Pension Contribution (non-bud)	-	-	-	1,623,969.00	(1,623,969.00)
On-Behalf TPAF Long-Term Disability Insurance Contribution (non-bud)	-	-	-	1,165.00	(1,165.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	573,862.56	(573,862.56)
Total Personal Services - Unallocated Benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,801,459.56</u>	<u>(2,801,459.56)</u>
TOTAL PERSONAL SERVICES-EMPLOYEE BENEFITS	<u>3,783,146.44</u>	<u>(216,523.52)</u>	<u>3,566,622.92</u>	<u>6,030,340.86</u>	<u>(2,463,717.94)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>10,062,886.88</u>	<u>(330,551.19)</u>	<u>9,732,335.69</u>	<u>11,208,113.82</u>	<u>(1,475,778.13)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>16,720,695.89</u>	<u>50,741.00</u>	<u>16,771,436.89</u>	<u>17,802,701.27</u>	<u>(1,031,264.38)</u>
Equipment:					
Undist. Expend. - Admin Info Tech.	19,500.00		19,500.00	18,935.22	564.78
Total Equipment	<u>19,500.00</u>	<u>-</u>	<u>19,500.00</u>	<u>18,935.22</u>	<u>564.78</u>
Facilities Acquisition and Construction Services Assessment for Debt Service on SDA Funding	34,065.00		34,065.00	34,065.00	-
Total Facilities Acquisition and Construction Services	<u>34,065.00</u>	<u>-</u>	<u>34,065.00</u>	<u>34,065.00</u>	<u>-</u>
TOTAL CAPITAL OUTLAY	<u>53,565.00</u>	<u>-</u>	<u>53,565.00</u>	<u>53,000.22</u>	<u>564.78</u>
Transfer of Funds to Charter Schools	17,334.00	17,000.00	34,334.00	33,621.00	713.00
TOTAL EXPENDITURES	<u>\$ 16,791,594.89</u>	<u>67,741.00</u>	<u>16,859,335.89</u>	<u>17,889,322.49</u>	<u>(1,029,986.60)</u>

**CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ (746,627.89)	(67,741.00)	(814,368.89)	1,183,398.14	1,997,767.03
Other Financing Sources (Use):					
Transfer to Cover Deficit - CER Program			-	(15,439.46)	15,439.46
Total Other Financing Sources (Use)	-	-	-	(15,439.46)	15,439.46
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(746,627.89)	(67,741.00)	(814,368.89)	1,167,958.68	2,013,206.49
Fund Balance July 1	2,164,547.23		2,164,547.23	2,164,547.23	
Fund Balance June 30	\$ 1,417,919.34	(67,741.00)	1,350,178.34	3,332,505.91	2,013,206.49
Recapitulation:					
Nonspendable Fund Balance:					
None					
Restricted Fund Balance:					
Excess Surplus - Designated for Subsequent Year's Expenditures				350,000.00	
Excess Surplus - Current Year				434,843.53	
Committed Fund Balance:					
Maintenance Reserve				528,928.17	
Capital Reserve				1,000,100.00	
Assigned Fund Balance:					
Designated by BOE for Subsequent Expenditures				22,653.00	
Maintenance Reserve Designated for Subsequent Year's Expenditures				521,840.00	
Year-End Encumbrances				39,942.95	
Unassigned Fund Balance				434,198.26	
				3,332,505.91	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP basis				(540,893.36)	
Fund Balance per Governmental Funds (GAAP)				2,791,612.55	

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State Sources	\$ 462,834.00	465,315.00	928,149.00	904,097.92	(24,051.08)
Federal Sources	803,740.00	93,614.00	897,354.00	856,897.89	(40,456.11)
Local Sources		53,126.73	53,126.73	44,876.99	(8,249.74)
Total Revenues	1,266,574.00	612,055.73	1,878,629.73	1,805,872.80	(72,756.93)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	641,213.00	14,516.00	655,729.00	652,563.15	3,165.85
Other Salaries for Instruction	60,398.00	36,685.11	97,083.11	97,083.03	0.08
Purchased Professional and Technical Services	33,062.00	694.00	33,756.00	31,537.39	2,218.61
Other Purchased Services (400-500 series)	272,262.00	(10,391.00)	261,871.00	261,871.00	-
General Supplies	12,270.00	115,587.73	127,857.73	114,054.62	13,803.11
Textbooks	18,201.00	142.00	18,343.00	18,341.32	1.68
Total Instruction	1,037,406.00	157,233.84	1,194,639.84	1,175,450.51	19,189.33
Support Services:					
Salaries of Other Professional Staff	97,800.00	94,038.89	191,838.89	183,706.81	8,132.08
Salaries of Secretarial and Clerical Assistants		35,101.00	35,101.00	35,100.95	0.05
Other Salaries		37,269.00	37,269.00	37,268.50	0.50
Personal Services - Employee Benefits	105,804.00	182,021.00	287,825.00	287,825.00	-
Purchased Professional - Educational Services		52,442.00	52,442.00	33,620.83	18,821.17
Other Purchased Services (400-500 series)		23,165.00	23,165.00	10,583.25	12,581.75
General Supplies	25,564.00	30,785.00	56,349.00	42,316.95	14,032.05
Total Support Services	\$ 229,168.00	454,821.89	683,989.89	630,422.29	53,567.60

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES(cont'd):					
Facilities Acquisitions and Construction Services:					
Instructional Equipment	-	-	-	-	-
Total Facilities Acquisitions and Const. Services:	-	-	-	-	-
Transfers to Charter Schools					
Other Financing Sources (Uses)					
Transfer in from General Fund	-		-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Total Outflows	1,266,574.00	612,055.73	1,878,629.73	1,805,872.80	72,756.93
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	-	-	-	0.00

Notes to the Required Supplementary Information

CITY OF SOMERS POINT SCHOOL DISTRICT
Required Supplementary Information
Budget-to-GAAP Reconciliation
Notes to the Required Supplementary Information
For the Year Ended June 30, 2020

Note A - Explanation of Differences Between Budgetary Inflows and Outflows GAAP Revenue and Expenditures

		General Fund		Special Revenue Fund
Sources / inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	\$ 19,072,720.63	[C-2]	\$ 1,805,872.80
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				
Prior Year				116,983.12
Current Year				(35,953.32)
Prior year final State Aid payments were delayed until July 2019 and is recorded as revenue in current year under GAAP.				
		540,827.10		23,841.90
Final State Aid payments were delayed until July 2020 is recorded as budgetary revenue but are not recognized under GAAP.				
		(540,893.36)		(70,363.64)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	\$ 19,072,654.37	[B-2]	\$ 1,840,380.86
Uses / outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 17,889,322.49	[C-2]	\$ 1,805,872.80
Difference - budget to GAAP:				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for GAAP financial reporting purposes.				
Prior Year				116,983.12
Current Year				(35,953.32)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	\$ 17,889,322.49	[B-2]	\$ 1,886,902.60

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Required Supplementary Information – Part III

CITY OF SOMERS POINT SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employee Retirement System
Last Seven Fiscal Years

	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.0204976751%	0.0208702943%	0.0204391612%	0.0212258028%	0.0207598462%	0.0204353405%	0.0197384249%
District's proportionate of the net pension liability (asset)	\$ 3,693,370	\$ 4,109,257	\$ 4,757,910	\$ 6,286,474	\$ 4,660,169	\$ 3,826,055	\$ 3,772,405
District's covered payroll	\$ 1,437,976	\$ 1,426,032	\$ 1,353,514	\$ 1,418,613	\$ 1,441,882	\$ 1,394,028	\$ 1,420,653
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	256.85%	288.16%	351.52%	443.14%	323.20%	274.46%	265.54%
Plan fiduciary net position as a percentage of the total pension liability	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to show information for a 10 year period. However, information is only currently available for seven years. Additional years will be presented as they become available.

CITY OF SOMERS POINT SCHOOL DISTRICT
Schedule of District Contributions
Public Employee Retirement System
Last Seven Fiscal Years

	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 199,382	\$ 207,592	\$ 189,347	\$ 188,567	\$ 178,479	\$ 168,466	\$ 148,725
Contributions in relation to the contractually required contribution	<u>\$ 199,382</u>	<u>\$ 207,592</u>	<u>\$ 189,347</u>	<u>\$ 188,567</u>	<u>\$ 178,479</u>	<u>\$ 168,466</u>	<u>\$ 148,725</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 1,437,976	\$ 1,426,032	\$ 1,353,514	\$ 1,418,613	\$ 1,441,882	\$ 1,394,028	\$ 1,420,653
Contributions as a percentage of covered-employee payroll	13.87%	14.56%	13.99%	13.29%	12.38%	12.08%	10.47%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to show information for a 10 year period.
However, information is only currently available for seven years.
Additional years will be presented as they become available.

CITY OF SOMERS POINT SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last Seven Fiscal Years

	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	43,314,073	44,832,228	50,602,097	54,356,437	45,267,958	39,510,379	37,827,202
Total	\$ 43,314,073	\$ 44,832,228	\$ 50,602,097	\$ 54,356,437	\$ 45,267,958	\$ 39,510,379	\$ 37,827,202
District's covered payroll	\$ 7,925,247	\$ 7,683,554	\$ 7,211,358	\$ 7,403,055	\$ 7,165,179	\$ 6,906,748	\$ 7,186,899
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to show information for a 10 year period. However, information is only currently available for seven years. Additional years will be presented as they become available.

CITY OF SOMERS POINT SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net OPEB Liability
Public Employee Retirement System and Teachers' Pension and Annuity Fund
Last Four Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's proportion of the net OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net OPEB liability (asset)	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 35,448,919.00</u>	<u>\$ 39,285,304.00</u>	<u>\$ 45,391,716.00</u>	<u>\$ 49,173,103.00</u>
Total	<u>\$ 35,448,919.00</u>	<u>\$ 39,285,304.00</u>	<u>\$ 45,391,716.00</u>	<u>49,173,103.00</u>
District's covered payroll	\$ 9,363,223.00	\$ 9,109,586.00	\$ 8,564,872.00	\$ 8,821,668.00
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%
State's proportionate share of OPEB associated with the District:				
Service Cost	1,342,616.00	1,503,124.00	1,813,242.00	
Interest Cost	1,552,062.00	1,660,841.00	1,438,782.00	
Differences between Expected & Actual	(6,203,690.00)	(3,748,023.00)		
Changes in Assumptions	528,546.00	(4,508,185.00)	(6,020,757.00)	
Member Contributions	32,257.00	36,306.00	38,714.00	
Benefit Payments	(1,088,176.00)	(1,050,475.00)	(1,051,368.00)	
Change in Total Opeb Liability	<u>(3,836,385.00)</u>	<u>(6,106,412.00)</u>	<u>(3,781,387.00)</u>	
State's proportionate share of the net OPEB liability (asset) associated with the District -				
Beginning Balance	<u>39,285,304.00</u>	<u>45,391,716.00</u>	<u>49,173,103.00</u>	
Ending Balance	<u>\$ 35,448,919.00</u>	<u>\$ 39,285,304.00</u>	<u>\$ 45,391,716.00</u>	
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	378.60%	431.25%	529.98%	

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

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

Other Supplementary Information

SPECIAL REVENUE FUND DETAIL STATEMENTS

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2020

	Total Brought Forward (Ex. E-1a)	Title I	Reallocated Title I	Title II Part A	Title III	IDEA Part B Basic	IDEA Preschool	Totals 2020
REVENUES:								
State Sources	\$ 904,097.92	-	-	-	-	-	-	904,097.92
Federal Sources	33,454.13	454,691.94	16,703.00	37,623.30	4,980.70	298,444.90	10,999.92	856,897.89
Local Sources	44,876.99	-	-	-	-	-	-	44,876.99
Total Revenues	982,429.04	454,691.94	16,703.00	37,623.30	4,980.70	298,444.90	10,999.92	1,805,872.80
EXPENDITURES:								
Instruction:								
Salaries of Teachers	355,595.71	269,875.54	-	-	-	27,091.90	8,147.92	652,563.15
Other Salaries for Instruction	88,935.11	-	-	-	-	-	-	97,083.03
Purchased Professional and Technical Services	31,537.39	-	-	-	-	-	-	31,537.39
Other Purchased Services (400-500 series)	-	14,581.00	14,597.00	-	3,209.70	261,871.00	-	261,871.00
General Supplies	81,666.92	-	-	-	-	-	-	114,054.62
Textbooks	18,341.32	-	-	-	-	-	-	18,341.32
Total Instruction	576,076.45	284,456.54	14,597.00	-	3,209.70	288,962.90	8,147.92	1,175,450.51
Support Services:								
Salaries of Other Professional Staff	117,852.69	37,392.40	2,106.00	25,419.72	936.00	-	-	183,706.81
Salaries of Secretarial and Clerical Assistants	17,100.95	18,000.00	-	-	-	-	-	35,100.95
Other Salaries	37,268.50	-	-	-	-	-	-	37,268.50
Personal Services - Employee Benefits	160,543.00	114,563.00	-	-	385.00	9,482.00	2,852.00	287,825.00
Purchased Professional - Educational Services	29,422.50	-	-	4,198.33	-	-	-	33,620.83
Other Purchased Services (400-500 series)	2,298.00	280.00	-	8,005.25	450.00	-	-	10,583.25
General Supplies	41,866.95	-	-	-	-	-	-	42,316.95
Total Support Services	406,352.59	170,235.40	2,106.00	37,623.30	1,771.00	9,482.00	2,852.00	630,422.29
Facilities Acquisition and Constr. Services:								
Instructional Equipment	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Constr. Services	-	-	-	-	-	-	-	-
Contribution to Charter Schools	-	-	-	-	-	-	-	-
Total Outflows	982,429.04	454,691.94	16,703.00	37,623.30	4,980.70	298,444.90	10,999.92	1,805,872.80
Other Financing Sources (Uses)								
Transfer from Operating Budget - PreK	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	-	-	-	-	-	-	0.00

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2020

	Total Brought Forward (Ex. E-1b)	Title IV	Nonpublic Security	Nonpublic Corrective Speech	Nonpublic Auxiliary Basic Skills	Nonpublic Technology	Total Carried Forward
REVENUES:							
State Sources	\$ 738,277.32		38,974.95	21,874.00	92,443.65	12,528.00	904,097.92
Federal Sources	-	33,454.13					33,454.13
Local Sources	44,876.99						44,876.99
Total Revenues	783,154.31	33,454.13	38,974.95	21,874.00	92,443.65	12,528.00	982,429.04
EXPENDITURES:							
Instruction:							
Salaries of Teachers	267,543.86			21,874.00	66,177.85		355,595.71
Other Salaries for Instruction	88,935.11						88,935.11
Purchased Professional and Technical Services	31,537.39						31,537.39
Other Purchased Services (400-500 series)	-	9,701.63			5,020.90	12,528.00	81,666.92
General Supplies	54,416.39						18,341.32
Textbooks	18,341.32						
Total Instruction	460,774.07	9,701.63	-	21,874.00	71,198.75	12,528.00	576,076.45
Support Services:							
Salaries of Other Professional Staff	95,552.79	12,000.00			10,299.90		117,852.69
Salaries of Secretarial and Clerical Assistants	17,100.95						17,100.95
Other Salaries	37,268.50						37,268.50
Personal Services - Employee Benefits	145,398.00	4,200.00			10,945.00		160,543.00
Purchased Professional - Educational Services	27,060.00	2,362.50					29,422.50
Other Purchased Services (400-500 series)	-	2,298.00					2,298.00
General Supplies	-	2,892.00	38,974.95				41,866.95
Total Support Services	322,380.24	23,752.50	38,974.95	-	21,244.90	-	406,352.59
Facilities Acquisition and Constr. Services:							
Instructional Equipment	-						-
Total Facilities Acquisition and Constr. Services	-	-	-	-	-	-	-
Contribution to Charter Schools							
Total Outflows	783,154.31	33,454.13	38,974.95	21,874.00	92,443.65	12,528.00	982,429.04
Other Financing Sources (Uses)							
Transfer from Operating Budget - PreK	-						-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	-	-	-	-	-	-

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2020

	Total Brought Forward (Ex. E-1c)	Nonpublic Supplementary Instruction	Nonpublic Exam & Class	Nonpublic Textbooks	Nonpublic Nurse	Preschool Education Aid	Preschool Expansion Aid	Total Carried Forward
REVENUES:								
State Sources	-	7,284.86	28,622.00	18,341.32	31,537.39	196,800.00	455,691.75	738,277.32
Federal Sources	-							-
Local Sources	44,876.99							44,876.99
Total Revenues	44,876.99	7,284.86	28,622.00	18,341.32	31,537.39	196,800.00	455,691.75	783,154.31
EXPENDITURES:								
Instruction:								
Salaries of Teachers	-	7,284.86						267,543.86
Other Salaries for Instruction	-					128,548.00	131,711.00	88,935.11
Purchased Professional and Technical Services	-				31,537.39	60,398.00	28,537.11	31,537.39
Other Purchased Services (400-500 series)	-							-
General Supplies	44,876.99			18,341.32			9,539.40	54,416.39
Textbooks	-							18,341.32
Total Instruction	44,876.99	7,284.86	-	18,341.32	31,537.39	188,946.00	169,787.51	460,774.07
Support Services:								
Salaries of Other Professional Staff	-		28,622.00				66,930.79	95,552.79
Salaries of Secretarial and Clerical Assistants	-						17,100.95	17,100.95
Other Salaries	-						37,268.50	37,268.50
Personal Services - Employee Benefits	-					7,854.00	137,544.00	145,398.00
Purchased Professional - Educational Services	-						27,060.00	27,060.00
Other Purchased Services (400-500 series)	-							-
General Supplies	-							-
Total Support Services	-	-	28,622.00	-	-	7,854.00	285,904.24	322,380.24
Facilities Acquisition and Constr. Services:								
Instructional Equipment	-							-
Total Facilities Acquisition and Constr. Services	-	-	-	-	-	-	-	-
Contribution to Charter Schools								
Total Outflows	44,876.99	7,284.86	28,622.00	18,341.32	31,537.39	196,800.00	455,691.75	783,154.31
Other Financing Sources (Uses)								
Transfer from Operating Budget - PreK	-							-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	-	-	-	-	-	-	-

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2020

	Total Brought Forward (Ex. E-1d)	School Beautification	Middle School Beautification	Classroom Library	Library Revitalization	Magic Stem Bins	Emergency Fund Rotary	Total Carried Forward
REVENUES:								
State Sources	-	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-	-
Local Sources	43,243.21	350.00	296.19	51.21	350.00	499.90	86.48	44,876.99
Total Revenues	43,243.21	350.00	296.19	51.21	350.00	499.90	86.48	44,876.99
EXPENDITURES:								
Instruction:								
Salaries of Teachers	-	-	-	-	-	-	-	-
Other Salaries for Instruction	-	-	-	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-	-	-	-
General Supplies	43,243.21	350.00	296.19	51.21	350.00	499.90	86.48	44,876.99
Textbooks	-	-	-	-	-	-	-	-
Total Instruction	43,243.21	350.00	296.19	51.21	350.00	499.90	86.48	44,876.99
Support Services:								
Salaries of Other Professional Staff	-	-	-	-	-	-	-	-
Salaries of Secretarial and Clerical Assistants	-	-	-	-	-	-	-	-
Other Salaries	-	-	-	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-	-	-	-
General Supplies	-	-	-	-	-	-	-	-
Total Support Services	-	-	-	-	-	-	-	-
Facilities Acquisition and Constr. Services:								
Instructional Equipment	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Constr. Services	-	-	-	-	-	-	-	-
Contribution to Charter Schools	-	-	-	-	-	-	-	-
Total Outflows	43,243.21	350.00	296.19	51.21	350.00	499.90	86.48	44,876.99
Other Financing Sources (Uses)								
Transfer from Operating Budget - PreK	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF SOMERS POINT SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2020

	Renaissance School	Shoprite Water	Flexible Seating	Conversation Station	Edible Garden NYA	Technology Grant Jordan	Integrate Arts Fest	Total Carried Forward
REVENUES:								
State Sources								-
Federal Sources	6,113.02	24,480.00	299.95	1,219.97	147.98	9,690.52	1,291.77	43,243.21
Local Sources	6,113.02	24,480.00	299.95	1,219.97	147.98	9,690.52	1,291.77	43,243.21
Total Revenues								
EXPENDITURES:								
Instruction:								
Salaries of Teachers								-
Other Salaries for Instruction								-
Purchased Professional and Technical Services								-
Other Purchased Services (400-500 series)	6,113.02	24,480.00	299.95	1,219.97	147.98	9,690.52	1,291.77	43,243.21
General Supplies								-
Textbooks								-
Total Instruction	6,113.02	24,480.00	299.95	1,219.97	147.98	9,690.52	1,291.77	43,243.21
Support Services:								
Salaries of Other Professional Staff								-
Salaries of Secretarial and Clerical Assistants								-
Other Salaries								-
Personal Services - Employee Benefits								-
Purchased Professional - Educational Services								-
Other Purchased Services (400-500 series)								-
General Supplies								-
Total Support Services								-
Facilities Acquisition and Constr. Services:								
Instructional Equipment								-
Total Facilities Acquisition and Constr. Services								-
Contribution to Charter Schools								
Total Outflows	6,113.02	24,480.00	299.95	1,219.97	147.98	9,690.52	1,291.77	43,243.21
Other Financing Sources (Uses)								
Transfer from Operating Budget - PreK								-
Total Other Financing Sources (Uses)								-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CITY OF SOMERS POINT SCHOOL DISTRICT
 Special Revenue Fund
 Schedule of Preschool Education Aid Expenditures
 Preschool - All Programs
 Budgetary Basis
 For the Year Ended June 30, 2020**

<u>District-Wide Total</u>	<u>Total</u>		
	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 260,259.00	260,259.00	-
Other Salaries for Instruction	88,935.11	88,935.11	-
General Supplies	10,000.00	9,539.40	460.60
Total Instruction	<u>359,194.11</u>	<u>358,733.51</u>	<u>460.60</u>
Support Services:			
Salaries of Other Professional Staff	66,930.89	66,930.79	0.10
Salaries of Secretarial and Clerical Assistants	17,101.00	17,100.95	0.05
Other Salaries	37,269.00	37,268.50	0.50
Personal Services - Employee Benefits	145,398.00	145,398.00	-
Purchased Professional - Educational Services	27,060.00	27,060.00	-
Total Support Services	<u>293,758.89</u>	<u>293,758.24</u>	<u>0.65</u>
Total Expenditures	<u>\$ 652,953.00</u>	<u>652,491.75</u>	<u>461.25</u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2019-20 Preschool Education Aid Allocation	652,953.00
Add: Actual ECPA/PEA Carryover (June 30, 2019)	-
Add: Budgeted Transfer from the General Fund 2019-20	-
Total Preschool Education Aid Funds Available for 2019-20 Budget	<u>652,953.00</u>
Less: 2019-20 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	<u>(652,953.00)</u>
Available & Unbudgeted Preschool Education Aid Funds as June 30, 2020	-
Add: June 30, 2020 Unexpended Preschool Education Aid	<u>461.25</u>
2019-20 Carryover – Preschool Education Aid/Preschool	<u>461.25</u>
2019-20 Preschool Education Aid Carryover Budgeted in 2020-21	<u>-</u>

CAPITAL PROJECTS FUND DETAIL STATEMENTS

The capital projects fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Summary Schedule of Project Expenditures
For the Year Ended June 30, 2020

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Cumulative Transferred to Debt Service Fund	Unexpended Balance June 30, 2020
			Prior Years	Current Year		
New York Avenue, Dawes Avenue and Jordan Road Schools: HVAC Project	10/20/2016	\$ 9,235,000.00	8,438,432.41	633,444.13		163,123.46
		\$ <u>9,235,000.00</u>	<u>8,438,432.41</u>	<u>633,444.13</u>	-	<u>163,123.46</u>

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Summary Schedule of Project Revenues, Expenditures, and
Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2020

Revenues and Other Financing Sources:	
Sale of Bonds	\$ -
Miscellaneous	4,996.52
	<u>4,996.52</u>
Total Revenues	<u>4,996.52</u>
Expenditures and Other Financing Uses:	
Other Purchased Professional and Technical Services	-
Construction Services	584,567.96
Legal Services	-
Architectural/Engineering Services	41,276.17
Other Objects	7,600.00
	<u>633,444.13</u>
Total Expenditures	<u>633,444.13</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(628,447.61)</u>
Other Financing Sources (Uses):	
Transfer Out to the Debt Service Fund	<u>(4,996.52)</u>
Total Other Financing Sources (Uses)	<u>(4,996.52)</u>
Excess (Deficiency) of revenues and other financing sources sources over (under) expenditures and other financing sources (uses)	(633,444.13)
Fund Balance - July 1	<u>796,567.59</u>
Fund Balance - June 30	<u>\$ 163,123.46</u>

CITY OF SOMERS POINT SCHOOL DISTRICT
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
New York Avenue, Dawes Avenue and Jordan Road Schools - HVAC Project
From Inception and for the Year Ended June 30, 2020

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Sale of Bonds	\$ 9,235,000.00		9,235,000.00	9,235,000.00
Miscellaneous	16,849.85	4,996.52	21,846.37	
Total Revenues	9,251,849.85	4,996.52	9,256,846.37	9,235,000.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	5,221.00		5,221.00	151,175.00
Construction Services	7,399,212.42	584,567.96	7,983,780.38	7,388,000.00
Legal Services	57,892.59		57,892.59	69,500.00
Architectural/Engineering Services	748,456.68	41,276.17	789,732.85	653,695.00
Other Objects	227,649.72	7,600.00	235,249.72	972,630.00
Total Expenditures	8,438,432.41	633,444.13	9,071,876.54	9,235,000.00
Excess (deficiency) of revenues over (under) expenditures	813,417.44	(628,447.61)	184,969.83	-
Other Financing Sources (Uses):				
Transfer Out to the Debt Service Fund	(16,849.85)	(4,996.52)	(21,846.37)	
Excess (Deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)	\$ 796,567.59	(633,444.13)	163,123.46	-
Additional Project Information:				
Project Number	4800-060-16-1000/4800-055-16-1000/4800-050-16-1000			
Grant Date	6/9/2016			
Bond Authorization Date	10/20/2016			
Bonds Authorized	9,235,000			
Bonds Issued	9,235,000			
Original Authorized Cost	9,235,000			
Additional Authorized Cost	-			
Revised Authorized Cost	9,235,000			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	98%			
Original Target Completion Date				
Revised Target Completion Date				

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FIDUCIARY FUNDS DETAIL STATEMENTS

Fiduciary Funds are used to account for funds received by the school district for a specific purpose.

Unemployment Compensation Fund - This Trust Fund is an expendable trust fund and limits expenses set aside for this purpose in current and prior budgets and contributions from employee withholding in prior years.

Agency funds are used to account for assets held by the school district as an agent for individuals, private organizations, other governments and/or other funds.

Student Activity Fund - This agency fund is used to account for student funds held at the schools.

Payroll Fund - This agency fund is used to account for the payroll transactions of the school district.

CITY OF SOMERS POINT SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Fiduciary Net Assets
June 30, 2020

	<u>Unemployment Compensation Trust</u>	<u>Agency Funds</u>	<u>Totals</u>
ASSETS			
Cash and Cash Equivalents	\$ 162,686.54	94,382.62	257,069.16
Interfund Receivable	16,575.80		16,575.80
Total Assets	<u>179,262.34</u>	<u>94,382.62</u>	<u>273,644.96</u>
LIABILITIES			
Payable to Student Groups		77,605.83	77,605.83
Accounts Payable	35,087.37		35,087.37
Interfund Payable		16,575.80	16,575.80
Payroll Deductions & Withholding		200.99	200.99
Total Liabilities	<u>35,087.37</u>	<u>94,382.62</u>	<u>129,469.99</u>
NET ASSETS			
Held in Trust for Unemployment Claims and Other Purposes	\$ <u>144,174.97</u>		<u>144,174.97</u>
Total Net Assets			<u>144,174.97</u>
Total Liabilities and Net Assets			<u>273,644.96</u>

CITY OF SOMERS POINT SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Assets
For the Year Ended June 30, 2020

	Unemployment Compensation Trust	Totals
	<u>Trust</u>	<u>Totals</u>
ADDITIONS		
Contributions:		
Plan Member	\$ 17,274.53	17,274.53
Total Contributions	<u>17,274.53</u>	<u>17,274.53</u>
Investments Earnings:		
Interest	1,819.03	1,819.03
Net Investment Earnings	<u>1,819.03</u>	<u>1,819.03</u>
Total Additions	<u>19,093.56</u>	<u>19,093.56</u>
Deductions		
Unemployment Claims	55,931.99	55,931.99
Total Deductions	<u>55,931.99</u>	<u>55,931.99</u>
Change in Net Assets	(36,838.43)	(36,838.43)
Net Assets - Beginning of the Year	<u>181,013.40</u>	<u>181,013.40</u>
Net Assets - End of the Year	<u>\$ 144,174.97</u>	<u>144,174.97</u>

**CITY OF SOMERS POINT SCHOOL DISTRICT
 Student Activity Agency Fund
 Schedule of Receipts and Disbursements
 As of June 30, 2020**

	<u>Balance June 30, 2019</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance June 30, 2020</u>
Elementary Schools:				
Cash and Cash Equivalents	\$ 23,368.34	69,888.49	15,651.00	77,605.83
Total Assets	\$ <u>23,368.34</u>	<u>69,888.49</u>	<u>15,651.00</u>	<u>77,605.83</u>

CITY OF SOMERS POINT SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2020

	<u>Balance</u> <u>June 30, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
ASSETS:				
Cash and Cash Equivalents	\$ -	11,877,127.91	11,860,351.12	16,776.79
Total Assets	<u>-</u>	<u>11,877,127.91</u>	<u>11,860,351.12</u>	<u>16,776.79</u>
LIABILITIES:				
Payroll Deductions & Withholding	-	11,860,552.11	11,860,351.12	200.99
Interfund Payable - Unemployment	-	16,575.80		16,575.80
Total Liabilities	<u>\$ -</u>	<u>11,877,127.91</u>	<u>11,860,351.12</u>	<u>16,776.79</u>

LONG-TERM DEBT SCHEDULES

The long-term debt schedules are used to reflect the outstanding principal balance of the general long-term liabilities of the school district. This includes serial bonds outstanding, the outstanding principal balance on capital leases.

CITY OF SOMERS POINT SCHOOL DISTRICT
Schedule of General Serial Bonds
As of June 30, 2020

Improvement Description	Date of Issue	Amount of Original Issue	Maturities of Bonds				Balance June 30, 2019	Increased	Decreased	Balance June 30, 2020
			Date	Outstanding June 30, 2020	Interest Rate	Amount				
Renovations Project	2/15/2011	\$ 3,443,000	2/15/2021	\$ 250,000	4.000%	\$ 1,893,000.00		240,000.00	1,653,000.00	
			2/15/2022	265,000	4.000%					
			2/15/2023	275,000	4.000%					
			2/15/2024	290,000	4.000%					
			2/15/2025	300,000	4.000%					
			2/15/2026	273,000	4.000%					
Renovations Project	12/13/2016	9,235,000.00	12/1/2020	410,000	2.500%	8,960,000.00		400,000.00	8,560,000.00	
			12/1/2021	415,000	3.000%					
			12/1/2022	420,000	3.000%					
			12/1/2023	425,000	3.000%					
			12/1/2024	425,000	3.000%					
			12/1/2025	425,000	3.000%					
			12/1/2026	540,000	3.000%					
			12/1/2027	550,000	3.000%					
			12/1/2028	550,000	3.000%					
			12/1/2029	550,000	3.000%					
			12/1/2030	550,000	3.000%					
		12/1/2031	550,000	3.000%						
		12/1/2032	550,000	3.100%						
		12/1/2033	550,000	3.200%						
		12/1/2034	550,000	3.250%						
		12/1/2035	550,000	3.300%						
		12/1/2036	550,000	3.500%						
						\$ 10,853,000.00	-	640,000.00	10,213,000.00	

CITY OF SOMERS POINT SCHOOL DISTRICT
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	\$ 750,316.00		750,316.00	750,316.00	-
Total - Local Sources	750,316.00	-	750,316.00	750,316.00	-
State Sources:					
Debt Service Aid Type II	226,840.00		226,840.00	226,840.00	-
Total - State Sources	226,840.00	-	226,840.00	226,840.00	-
Total Revenues	977,156.00	-	977,156.00	977,156.00	-
EXPENDITURES:					
Regular Debt Service:					
Interest on Bonds	342,895.00		342,895.00	342,895.00	-
Redemption of Principal	640,000.00		640,000.00	640,000.00	-
Total Regular Debt Service	982,895.00	-	982,895.00	982,895.00	-
Total Expenditures	982,895.00	-	982,895.00	982,895.00	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,739.00)	-	(5,739.00)	(5,739.00)	-
Other Financing Sources(Uses):					
Operating Transfers In:					
Transfer from Capital Projects	-		-	4,996.52	4,996.52
Excess (Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures	(5,739.00)	-	(5,739.00)	(742.48)	4,996.52
Fund Balance, July 1	9,617.09		9,617.09	9,617.09	-
Fund Balance, June 30	\$ 3,878.09	-	3,878.09	8,874.61	4,996.52

Statistical Section

CITY OF SOMERS POINT SCHOOL DISTRICT
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

	2011	2012	2013	2014 *	2015	2016	2017	2018	2019	2020
Governmental activities										
Invested in capital assets, net of related debt	3,660,228	7,757,099	7,651,778	7,654,586	7,581,123	7,484,476	679,113	4,512,199	6,770,837	6,684,566
Restricted	3,424,885	866,143	448,518	271,089	1,221,297	1,335,356	1,465,870	1,341,622	1,490,675	2,336,525
Unrestricted	358,980	669,088	770,913	(2,592,048)	(4,038,226)	(4,461,585)	1,578,587	(2,693,482)	(4,042,963)	(4,589,876)
Total governmental activities net position	7,444,092	9,292,330	8,871,209	5,333,627	4,764,194	4,358,248	3,723,570	3,155,339	4,218,549	4,431,214
Business-type activities										
Invested in capital assets, net of related debt					49,770	45,003	41,567	38,130	34,694	31,257
Restricted	1,689	2,141	5,585	16	31,280	61,370	61,357	48,443	24,844	26,075
Unrestricted	1,689	2,141	5,585	16	81,050	106,374	102,924	86,574	59,538	57,332
Total business-type activities net position										
District-wide										
Invested in capital assets, net of related debt	3,660,228	7,757,099	7,651,778	7,654,586	7,630,893	7,529,480	720,680	4,550,329	6,805,531	6,715,823
Restricted	3,424,885	866,143	448,518	271,089	1,221,297	1,335,356	1,465,870	1,341,622	1,490,675	2,336,525
Unrestricted	360,669	671,229	776,498	(2,592,032)	(4,006,946)	(4,400,215)	1,639,944	(2,650,039)	(4,018,119)	(4,563,801)
Total district net position	7,445,752	9,294,471	8,876,794	5,333,643	4,845,244	4,464,621	3,826,494	3,241,913	4,278,087	4,468,546

* as restated

Source: CAFR Schedule A-1

CITY OF SOMERS POINT SCHOOL DISTRICT
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities:										
Instruction:										
Regular	7,073,713	6,644,725	7,124,442	7,080,991	8,270,608	8,452,784	9,189,237	9,263,126	8,748,776	7,966,843
Special education	3,349,398	2,791,730	3,307,683	3,296,418	3,966,027	4,316,931	4,746,136	5,608,193	4,823,343	4,598,509
Other special instruction	361,430	327,018	363,029	385,511	447,895	573,695	660,415	753,213	990,338	750,844
Support Services:										
Tuition	178,645	393,091	361,795	428,506	504,975	354,871	348,844	285,218	253,816	211,509
Student & instruction related services	2,283,288	2,482,682	2,463,182	2,501,100	3,085,494	3,454,182	3,664,563	4,178,232	4,338,996	4,133,515
General administrative services	427,830	400,038	762,021	739,152	808,478	836,546	928,691	964,410	514,119	936,003
School administrative services	669,601	687,089	422,431	417,584	407,635	461,274	477,700	531,410	1,016,645	505,930
Central services	345,635	371,134	372,547	392,303	486,724	534,663	549,162	555,136	592,875	654,820
Plant operations and maintenance	1,247,037	1,680,859	1,987,523	1,593,943	1,772,395	1,987,073	1,990,805	2,195,264	406,950	2,466,805
Pupil transportation	250,453	366,660	392,669	511,432	539,849	428,569	459,261	451,555	556,965	327,566
Food Service	27,884	30,000	29,794	31,193						
Charter Schools	31,523				25,857	39,717	25,417	71,284	21,983	33,621
Interest on long-term debt	90,665	209,236	128,677	142,486	133,231	121,692	371,958	383,956	247,076	338,995
Unallocated depreciation	2,174									
Total governmental activities expenses	16,339,275	16,384,262	17,715,793	17,540,619	20,449,168	21,563,997	23,412,189	25,260,997	22,509,892	22,924,980
Business-type activities:										
Food Service	178,420	169,262	186,048	179,627	390,689	429,714	489,358	443,863	431,000	343,257
Community Education Recreation Program	178,420	169,262	186,048	179,627	174,287	166,005	186,778	166,778	199,163	221,332
Total business-type activities expenses	356,840	338,524	372,096	359,254	564,976	595,719	676,136	610,641	630,163	564,589
Total district expenses	16,517,695	16,553,524	17,907,841	17,720,246	21,014,144	22,159,717	24,088,400	25,891,638	23,140,055	23,489,549
Program Revenues										
Governmental activities:										
Charges for services:										
Operating grants and contributions	1,663,147	982,062	1,392,851	82,948	82,414	139,241	73,054	144,153	211,910	310,151
Capital grants and contributions	206,886	1,720,018		2,791,752	4,854,143	5,590,479	7,050,942	8,473,628	6,594,082	6,356,975
Total governmental activities program revenues	1,870,033	2,741,727	1,462,366	2,874,700	4,936,557	5,729,721	7,123,995	8,617,781	6,808,002	6,667,126
Business-type activities:										
Charges for services:										
Food Service	145,830	169,714	189,492	174,058	57,311	46,036	63,539	41,144	24,553	27,040
Community Education Recreation Program	145,830	169,714	189,492	174,058	178,916	177,734	173,337	168,208	200,263	225,257
Operating grants and contributions	2,015,863	2,911,441	1,651,858	3,048,758	3,954,411	3,963,394	3,941,192	4,044,811	3,781,184	2,942,683
Capital grants and contributions						622,163	631,067	614,162	603,001	546,560
Total business-type activities program revenue	2,015,863	2,911,441	1,651,858	3,048,758	5,568,195	6,351,884	7,755,063	9,231,943	7,409,002	7,213,686

CITY OF SOMERS POINT SCHOOL DISTRICT
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (Expense)/Revenue										
Governmental activities	(14,469,242)	(13,642,535)	(16,253,427)	(14,665,919)	(15,512,611)	(15,834,277)	(16,288,193)	(16,643,216)	(15,703,890)	(16,257,836)
Business-type activities	(32,591)	452	3,444	(5,569)	66,662	26,444	(41,544)	(16,480)	(27,163)	(18,029)
Total district-wide net expense	(14,501,832)	(13,642,083)	(16,249,983)	(14,671,488)	(15,445,949)	(15,807,833)	(16,329,737)	(16,659,695)	(15,731,053)	(16,275,864)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property taxes levied for general purposes, net	7,816,157	8,078,673	8,383,479	8,711,622	8,949,548	9,383,122	9,613,369	9,793,339	9,989,206	10,188,990
Taxes levied for debt service	859,124	459,463	459,919	288,892	299,067	369,202	458,543	732,346	798,122	750,316
Unrestricted grants and contributions	6,867,315	7,035,603	7,016,628	5,729,528	5,661,357	5,661,344	5,663,917	5,651,538	5,948,647	5,462,044
Investment earnings	11,467	1,000	5,252	268	1,724	3,046	10,873	42,776	30,282	90,750
Miscellaneous income	69,588	13,484	8,601	21,707	11,282	2,621	1,888	-	-	(15,439)
Transfers	(97,450)	(97,450)	(24,179)							
Prior Year Receivables Cancelled							(66,981)	61		
Prior Year Payable						(11,004)	(37,988)	(144,946)		(5,777)
Loss on Disposal of Assets										
Special Item - NonCash Equipment										
Total governmental activities	15,623,681	15,490,773	15,849,700	14,752,017	14,943,178	15,428,331	15,653,622	16,075,114	16,767,228	16,470,863
Business-type activities:										
Transfers					14,372	(1,120)				15,439
Special Item - NonCash Equipment							37,988			
Prior Year Payable					(14,372)	(1,120)	37,988			
Total business-type activities										
Total district-wide	(15,623,681)	(15,490,773)	(15,849,700)	(14,752,017)	(14,957,850)	(15,427,211)	(15,691,610)	(16,075,114)	(16,767,228)	(16,486,323)
Changes in Net Position										
Governmental activities	1,154,439	1,848,238	(403,727)	86,098	(669,433)	(405,946)	(634,571)	(668,102)	1,063,337	213,049
Business-type activities	(32,591)	452	3,444	(5,569)	81,034	25,324	(3,556)	(16,480)	(27,163)	(2,589)
Total district	1,121,848	1,848,690	(400,283)	80,529	(488,399)	(380,622)	(638,128)	(684,582)	1,036,175	210,459

Source: CAFR, Schedule A-2

CITY OF SOMERS POINT SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Exhibit J-3

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Restricted	1,015,083	1,044,855	1,205,131	1,132,183	987,797	1,051,756	1,182,270	1,058,022	816,857	784,844
Committed		244,129	250,100	205,100	183,600	183,600	283,600	283,600	668,609	1,529,028
Assigned	288,171	235,784	50,000	50,000	49,900	100,000	-	-	111,009	544,493
Unassigned	(185,754)	(189,216)	(201,929)	63,047	(126,447)	(161,514)	(93,237)	(28,116)	27,245	(66,752)
Reserved										
Unreserved										
Total general fund	1,117,500	1,335,552	1,253,302	1,450,330	1,094,850	1,173,842	1,372,633	1,313,506	1,623,720	2,791,613
All Other Governmental Funds										
Restricted										
Capital Projects Fund	(1,106,277)	6,714	439,529	267,947	96,870	12	7,304,308	722,373	305,821	149,573
Debt Service Fund	844		3,119	3,142	5,823	5,878	7,323	12,984	9,617	8,875
Committed	4,241,083									
Assigned		591,465	5,870							
Unassigned		(27,791)	(34,524)	(30,256)	(30,654)	(30,259)	(23,488)	1,625,534	490,746	13,550
Reserved	(28,172)							(26,673)	(23,842)	(70,364)
Unreserved, reported in:										
Special revenue fund										
Capital projects fund										
Debt service fund										
Permanent fund										
Total all other governmental funds	3,107,476	570,388	413,994	240,833	72,039	(24,370)	7,288,144	2,334,218	782,342	101,634

Source: CAFR Schedule B-1

CITY OF SOMERS POINT SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Tax Levy	8,675,281	8,538,136	8,843,398	9,000,514	9,248,615	9,752,324	10,071,912	10,525,685	10,788,328	10,939,306
Tuition charges	37,226	39,647	69,515	82,948	82,414	139,241	73,054	5,000	24,702	83,311
Interest earnings	11,487	1,000	5,252	268	1,724	3,046	10,767	9,379	7,551	30,311
Miscellaneous Revenue from Local Sources	32,372	13,484	8,601	21,707	11,282	2,621	1,888	33,329	22,595	60,055
State sources	7,006,920	8,729,524	7,591,497	7,590,786	7,791,431	7,967,263	8,311,814	8,741,662	9,279,574	9,773,334
Federal sources	1,523,543	1,008,159	874,178	930,494	1,005,453	925,458	869,206	945,406	947,391	1,008,871
Total revenue	17,286,828	18,329,950	17,392,441	17,626,717	18,140,919	18,789,953	19,338,640	20,260,462	21,070,121	21,895,188
Expenditures										
Instruction:										
Regular instruction	4,806,047	4,876,392	4,738,254	4,884,301	5,150,780	4,829,866	4,959,099	4,786,254	4,679,002	4,583,424
Special education instruction	2,460,873	2,049,202	2,273,266	2,238,596	2,492,599	2,508,340	2,614,097	2,939,729	2,623,887	2,762,316
Other special education instruction	252,552	240,040	241,746	260,998	274,544	324,498	350,231	377,663	515,426	423,756
Support Services:										
Tuition	178,645	288,539	361,795	428,506	504,975	354,871	348,844	285,218	253,816	211,509
Student & instruction related services	1,824,070	1,822,353	1,739,926	1,840,504	1,971,361	2,071,638	2,049,124	2,275,437	2,471,137	2,585,199
General administrative services	331,221	293,638	325,871	317,565	313,859	314,968	313,594	359,864	341,047	366,581
School administrative services	484,299	504,341	510,150	513,662	551,423	512,709	548,767	548,767	572,379	570,338
Central services	248,973	272,421	285,554	276,740	348,008	334,059	334,167	326,415	343,502	409,967
Plant operations and maintenance	1,095,620	1,233,794	1,607,967	1,301,411	1,395,058	1,421,562	1,313,146	1,305,803	1,430,121	1,437,057
Pupil transportation	243,794	269,138	368,407	491,418	511,604	399,667	442,283	435,470	495,517	309,116
Food Service Program	27,884	30,000	29,794	31,193	30,000	30,000	30,000	360,000	628,000	640,000
Unallocated employee benefits	3,728,427	4,010,958	4,507,543	4,387,630	4,546,229	5,170,087	5,237,358	5,693,678	5,952,540	6,030,341
Charter schools	31,523	-	-	-	25,857	39,717	25,417	71,284	21,993	33,621
Capital outlay	591,856	4,297,306	290,149	163,463	270,796	59,305	2,060,941	4,996,356	1,617,840	686,444
Debt service:										
Principal	962,000	295,000	305,000	320,000	330,000	340,000	350,000	360,000	628,000	640,000
Interest and other charges	89,667	164,463	155,763	146,863	137,523	126,083	114,343	511,576	365,575	342,895
Total Expenditures	17,357,452	20,647,585	17,711,185	17,602,850	18,824,616	18,807,369	21,057,368	25,273,514	22,311,782	21,392,564
Excess (Deficiency) of revenues over (under) expenditures	(70,624)	(2,317,635)	(318,744)	23,867	(683,697)	(17,416)	(1,718,728)	(5,013,053)	(1,241,661)	502,624
Other Financing Sources (Uses)										
Transfers in	844	5,870	3,119	233,408	234,348	96,935	109,678	91,579	3,878	4,997
Transfers out	(844)	(5,870)	(3,119)	(233,408)	(234,348)	(96,935)	(109,678)	(91,579)	(3,878)	(20,436)
Capital Leases (non-budgeted)	-	-	136,296	-	159,423	-	90,000	-	-	-
Canceled accounts receivable	-	-	(56,196)	-	-	-	(56,981)	-	(15,439)	-
Bond proceeds	3,443,000	-	-	-	-	-	9,235,000	-	-	-
Prior Year Payable	-	-	-	-	(37,988)	-	(37,988)	-	-	-
Total other financing sources (uses)	3,443,000	-	80,100	23,867	159,423	-	9,230,032	-	(15,439)	(15,439)
Net change in fund balances	3,372,376	(2,317,635)	(238,644)	23,867	(524,274)	(17,416)	7,511,304	(5,013,053)	(1,257,100)	487,184
Debt service as a percentage of noncapital expenditures	6.27%	2.81%	2.64%	2.68%	2.52%	2.49%	2.44%	4.30%	4.80%	4.75%

Source: CAFR Schedule B-2

CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund Other Local Revenue by Source,
Last Ten Fiscal Years
 Unaudited

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u> <u>Revenue</u>	<u>Rentals</u>	<u>Miscellaneous</u>	<u>Totals</u>
2011	9,792.53	37,226.41		32,371.60	79,390.54
2012	1,000.00	39,647.00		13,484.00	54,131.00
2013	3,588.00	69,515.00		8,601.00	81,704.00
2014	245.00	82,948.00		21,707.00	104,900.00
2015	1,664.00	82,414.00		11,282.00	95,360.00
2016	3,521.26	139,241.49		2,620.72	145,383.47
2017	10,766.57	73,053.78		1,888.45	85,708.80
2018	3,652.60	7,718.99		2,837.63	14,209.22
2019	7,340.38	-		11,616.68	18,957.06
2020	30,311.20	9,741.99		439.28	40,492.47

Source: District Records

Exhibit J-6

CITY OF SOMERS POINT SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Regular	O Farm	Commercial	Industrial	Apartment	Total Assessed Value	Less Tax-exempt Property	Public Utilities	Net Valuation Taxable	Total District School Tax Rate	Estimated County Equalized Value
2011	9,424,200	473,997,500			163,589,400		40,905,100	687,916,200		1,796,796	689,712,996	1.218	1,409,648,108
2012	9,416,400	473,012,000			162,959,800		40,397,100	685,785,300		1,918,493	687,703,793	1.265	1,303,189,532
2013	8,351,400	473,381,500			159,401,300		40,372,100	681,506,300		1,521,274	683,027,574	1.263	1,290,761,884
* 2014	11,663,100	814,795,100			290,337,600		71,576,000	1,188,371,800		-	1,188,371,800	0.769	1,180,523,189
2015	10,206,200	808,079,300			288,177,000		71,576,000	1,178,038,500		-	1,178,038,500	0.827	1,169,275,027
2016	10,385,800	804,520,400			285,895,900		71,576,000	1,172,378,100		-	1,172,378,100	0.824	1,124,475,446
2017	9,882,200	802,639,800			274,773,700	7,149,800	71,576,000	1,166,021,500		-	1,166,021,500	0.883	1,120,420,390
2018	10,101,700	797,852,527			269,263,200	7,029,800	62,615,000	1,146,862,227		-	1,146,862,227	0.930	1,104,676,623
2019	8,877,800	790,348,300			270,065,800	7,029,800	62,551,500	1,138,873,200		-	1,138,873,200	0.954	1,129,168,620
2020	9,133,500	789,045,100			265,904,800	6,946,900	61,551,500	1,132,581,800		-	1,132,581,800	0.974	1,141,669,878

* Revalued

Source: County Abstract of Ratables & Municipal Tax Assessor

CITY OF SOMERS POINT SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Fiscal Year Ended June 30,	CITY OF SOMERS POINT SCHOOL DISTRICT			Overlapping Rates				Total Direct and Overlapping Tax Rate	
	Basic Rate	General Obligation Debt Service	Total Direct	County General	County Open Space	County Other	Regional School		Municipal Local Purpose
2011	1.151	0.067	1.218	0.628	0.011	0.102	1.053	1.274	4.286
2012	1.197	0.067	1.265	0.599	0.010	0.099	1.027	1.294	4.294
2013	1.239	0.024	1.263	0.767	0.012	0.102	1.073	1.390	4.607
2014	0.744	0.025	0.769	0.396	0.005	0.070	0.622	0.839	2.701
2015	0.802	0.025	0.827	0.447	0.002	0.042	0.595	0.881	2.794
2016	0.793	0.031	0.824	0.444	0.002	0.053	0.594	0.906	2.823
2017	0.844	0.039	0.883	0.477	0.002	0.054	0.619	0.922	2.957
2018	0.866	0.064	0.930	0.478	0.001	0.051	0.640	0.967	3.067
2019	0.884	0.070	0.954	0.473	0.002	0.058	0.657	0.989	3.133
2020	0.908	0.066	0.974	0.478	0.002	0.059	0.703	1.008	3.224

* Revalued

Source: District Records and Municipal Tax Collector

CITY OF SOMERS POINT SCHOOL DISTRICT
Principal Property Tax Payers,
Current Year and Nine Years Ago

Exhibit J-8

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Village Plaza, LLC	\$ 24,080,000	1	2.13%	\$ 11,900,000	2	1.73%
Sea Aire Apartments, LLC	16,553,333	2	1.46%	9,005,000	4	1.31%
IDA Dev. Assoc.	11,397,100	3	1.01%			
West America, LTD	10,272,000	4	0.91%	5,792,500	5	0.84%
Related Somers Point, LLC	10,244,000	5	0.90%	5,500,000	7	0.80%
American Stores Realty Co, LLC	9,300,000	6	0.82%			
Ocean Heights Manor LLC	8,589,000	7	0.76%			
Somers Point, LLC	7,884,000	8	0.70%			
HPT IHG-2 Properties Trust	7,700,000	9	0.68%			
MP R.E. Fund	6,855,000	10	0.61%			
Brahin/Somers Point Builders				24,407,600	1	3.54%
Scarborough/Harbour Cove				10,783,200	3	1.56%
WWV Associates				5,667,300	6	0.82%
Acme Markets				5,194,800	8	0.75%
Est. of P Kiejdan-Marital Trust				4,567,400	9	0.66%
EQI Financial Partners, LP				4,439,000	10	0.64%
Totals	\$ 112,874,433		9.97%	\$ 87,256,800		12.65%
				District Assessed Value		\$ 689,712,996

Source: District CAFR & Municipal Tax Assessor

**CITY OF SOMERS POINT SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2011	7,816,157.00	7,816,157.00	100%	-
2012	8,606,708.00	8,606,708.00	100%	-
2013	8,843,398.00	8,843,398.00	100%	-
2014	9,000,514.00	9,000,514.00	100%	-
2015	9,248,615.00	9,248,615.00	100%	-
2016	9,752,324.00	9,752,324.00	100%	-
2017	10,071,912.00	10,071,912.00	100%	-
2018	10,525,685.00	10,525,685.00	100%	-
2019	10,788,328.00	10,788,328.00	100%	-
2020	10,939,306.00	10,939,306.00	100%	-

Source: District records including the Certificate and Report of School Taxes (A-4F form)

CITY OF SOMERS POINT SCHOOL DISTRICT
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Bond Anticipation Notes (BANs)	Business-Type Activities	Total District	Percentage of Personal Income	Per Capita Personal Income
	General Obligation Bonds	Certificates of Participation	Capital Leases						
2011	4,546,000			-		4,546,000	0.90%	40,824	
2012	4,251,000			-		4,251,000	0.98%	41,828	
2013	3,946,000		90,006			4,036,006	1.05%	42,454	
2014	3,626,000		45,427			3,671,427	1.19%	43,590	
2015	3,296,000		119,423			3,415,423	1.30%	44,345	
2016	2,956,000		90,556			3,046,556	1.48%	45,191	
2017	11,841,000		119,986			11,960,986	0.39%	46,549	
2018	11,481,000		60,948			11,541,948	0.42%	48,668	
2019	10,853,000		-			10,853,000	0.45%	48,668	
2020	10,213,000		-			10,213,000	0.48%	48,668	

Source: District CAFR Schedules I-1, I-2

CITY OF SOMERS POINT SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years

Exhibit J-11

Fiscal Year Ended June 30,	Governmental Activities			Percentage of Actual Taxable Value of Property	Per Capita Personal Income
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2011	4,546,000	-	4,546,000	0.66%	40,824
2012	4,251,000	-	4,251,000	0.62%	41,828
2013	3,946,000	-	3,946,000	0.58%	42,454
2014	3,626,000	-	3,626,000	0.31%	43,590
2015	3,296,000	-	3,296,000	0.28%	44,345
2016	2,956,000	-	2,956,000	0.25%	45,191
2017	11,841,000	-	11,841,000	1.02%	46,549
2018	11,481,000	-	11,481,000	1.00%	48,668
2019	10,853,000	-	10,853,000	0.95%	48,668
2020	10,213,000	-	10,213,000	0.90%	48,668

CITY OF SOMERS POINT SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt,
As of December 31, 2019

Exhibit J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
City of Somers Point	\$ 14,959,700	100.00%	\$ 14,959,700
Other Debt			
Mainland Regional High School District	28,005,000	38.55%	10,795,315
County of Atlantic	148,362,089	3.53%	5,244,228
Subtotal, Overlapping Debt			30,999,243
City of Somers Point School District Direct Debt			<u>10,213,000</u>
Total Direct and Overlapping Debt			<u>\$ 41,212,243</u>

Sources:
 County of Atlantic
 Mainland Regional High School District
 Annual Debt Statement - City of Somers Point

CITY OF SOMERS POINT SCHOOL DISTRICT
 Legal Debt Margin Information,
 Last Ten Fiscal Years

Exhibit J-13

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	46,299,146	42,042,019	40,057,390	37,566,756	36,317,722	34,788,181	34,417,011	33,856,323	33,793,921	34,003,186
Total net debt applicable to limit	4,546,000	4,251,000	3,946,000	3,626,000	3,296,000	2,956,000	11,841,000	11,481,000	10,853,000	10,213,000
Legal debt margin	41,753,146	37,791,019	36,111,390	33,940,756	33,021,722	31,832,181	22,576,011	22,375,323	22,940,921	23,790,186
Total net debt applicable to the limit as a percentage of debt limit	9.82%	10.11%	9.85%	9.65%	9.08%	8.50%	34.40%	33.91%	32.12%	30.04%

	2019	2018	2017
Equalized valuation basis	\$ 1,145,401,991	1,134,496,218	1,120,420,390
	\$ 3,400,318,599		
Average equalized valuation of taxable property	\$ 1,133,439,533		
Debt limit (3% of average)	34,003,186		
Net bonded school debt	10,213,000		
Legal debt margin	\$ 23,790,186		

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

CITY OF SOMERS POINT SCHOOL DISTRICT
Demographic and Economic Statistics,
Last Ten Fiscal Years

Exhibit J-14

<u>Fiscal Year Ended June 30,</u>	<u>Population (a)</u>	<u>Personal Income (thousands of dollars) (b)</u>	<u>Per Capita Personal Income (c)</u>	<u>Unemployment Rate</u>
2011	10,790	440,490,960	40,824	12.8%
2012	10,786	451,156,808	41,828	12.8%
2013	10,770	457,229,580	42,454	9.4%
2014	10,733	467,851,470	43,590	10.7%
2015	10,651	472,318,595	44,345	9.0%
2016	10,528	475,770,848	45,191	7.6%
2017	10,399	484,063,051	46,549	7.3%
2018	10,306	501,572,408	48,668	5.9%
2019	10,229	497,824,972	48,668	5.0%
2020	10,174	495,148,232	48,668	Not Available

Source:

- (a) U.S. Bureau of Census - Population Estimates
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (c) Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Census

**CITY OF SOMERS POINT SCHOOL DISTRICT
Principal Employers,
Current Year and Ten Years Ago**

Exhibit J-15

Employer	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
INFORMATION NOT AVAILABLE						
		1				
		2				
		3				
		4				
		5				
		6				
		7				
		8				
		9				
Totals	-			-		Not Available

CITY OF SOMERS POINT SCHOOL DISTRICT
Full-Time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

Exhibit J-16

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function/Program										
Instruction:										
Regular instruction	89	86	92	92	96	96	96	89	91	91
Special education instruction	18	22	24	25	32	32	32	25	30	31
Support Services:										
Student & instruction related services	31	34	30	31	23	23	23	28	27	27
General administrative services	2	3	2	2	2	2	2	2	2	2
School administrative services	5	7	8	8	9	9	9	14	14	9
Business administrative services	4	1	4	4	4	4	4	4	4	4
Plant operations and maintenance	13	13	13	12	16	16	14	12	12	13
Puppl transportation					4	4	-			
Total	162	166	173	174	186	186	180	174	180	177

Source: District Personnel Records

CITY OF SOMERS POINT SCHOOL DISTRICT
 Operating Statistics,
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	% Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary School	Middle School	High School				
2011	1,052	15,682,406	14,907	1.24%	107	1:19	1:20	1,053	994	-3.66%	94.40%	
2012	1,100	15,890,816	14,446	-3.09%	107	1:19	1:20	1,100	1,038	4.46%	94.36%	
2013	1,060	16,960,273	16,000	10.76%	116	1:19	1:20	1,080	1,015	-1.82%	93.98%	
2014	1,038	16,972,524	16,351	2.19%	113	1:11	1:8	1,096	1,059	1.48%	96.62%	
2015	984	18,060,440	18,354	12.25%	113	1:11	1:8	1,003	954	-8.49%	95.11%	
2016	963	18,242,265	18,943	3.21%	114	1:11	1:5	972	923	-3.09%	94.96%	
2017	942	18,506,667	19,646	3.71%	116	1:9	1:9	951	906	-2.16%	95.27%	
2018	924	19,334,298	20,925	6.51%	112	1:7	1:10	921	874	-3.15%	94.90%	
2019	884	19,678,374	22,261	6.39%	101	1:14	1:13	884	835	-4.02%	94.46%	
2020	853	15,021,365	17,610	-20.89%	102	1:8.2	1:8.1	865	797	-2.15%	92.14%	

Source: District records, ASSA and Schedules J-12, J-14

CITY OF SOMERS POINT SCHOOL DISTRICT
School Building Information,
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>District Buildings</u>										
<u>Elementary</u>										
New York Avenue School										
Square Feet	13,841	13,841	13,841	13,841	13,841	13,841	13,841	10,000	10,000	10,000
Capacity (students)	150	150	150	150	150	150	150	150	150	150
Enrollment	81	95	80	79	72	74	70	72	72	74
Dawes Avenue School										
Square Feet	54,525	54,525	54,525	54,525	54,525	54,525	54,525	64,546	64,546	64,546
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	371	381	411	403	354	354	333	337	386	337
<u>Elementary/Middle School</u>										
Jordan Road School										
Square Feet	83,592	83,592	83,592	83,592	83,592	83,592	83,592	90,397	90,397	90,397
Capacity (students)	950	950	950	950	950	950	950	950	950	950
Enrollment	600	624	569	556	558	535	539	515	426	442

Number of Schools at June 30, 2020
 Elementary - 2
 Middle - 1

Source: District Records, ASSA, SRS, LRFP

CITY OF SOMERS POINT SCHOOL DISTRICT
General Fund
Schedule of Required Maintenance for School Facilities,
Last Ten Fiscal Years
(Unaudited)

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities	Project # (s)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
New York Avenue School	N/A	35,507	36,764	186,558	84,400	68,270	85,900	83,667	28,110	28,683	91,543
Dawes Avenue School	N/A	55,174	71,764	247,596	121,824	138,951	150,834	104,004	96,733	140,591	154,444
Jordan Road School	N/A	50,792	66,314	209,167	127,052	144,482	161,728	101,858	131,216	137,973	268,104
Total School Facilities		141,473	174,842	643,321	333,276	351,703	398,462	289,529	256,059	307,247	514,091
Other Facilities											
Grand Total		141,473	174,842	643,321	333,276	351,703	398,462	289,529	256,059	307,247	514,091

Source: District Records

CITY OF SOMERS POINT SCHOOL DISTRICT
Insurance Schedule
For the Fiscal Year Ended June 30, 2020
(Unaudited)

Exhibit J-20

Company	Type of Coverage	Amount of Coverage	Deductible
ACCASBOJIF	School Package Policy - ACCASBOJIF:		
	Property, Inland Marine and Auto and		
	Physical Damages	\$ 175,000,000	\$ 500
	Boiler and Machinery	125,000,000	1,000
	Crime	500,000	500
	General and Automobile Liability	20,000,000	None
	Workers' Compensation	Statutory	None
	Educator's Legal Liability	20,000,000	None
	Pollution Legal Liability	3,000,000	25,000
	Cyber Liability	2,000,000	10,000
	Violent Malicious Acts	1,000,000	15,000
Disaster Management Services	2,000,000	15,000	
Selective Insurance Company	Board Secretary Surety Bond	250,000	

Source: District Records

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Single Audit Section



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

www.ford-scott.com

**K-1 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 Board of Education
City of Somers Point School District
County of Atlantic
Somers Point, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States 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, each major fund, and the aggregate remaining fund information of the City of Somers Point School District, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Somers Point School District's basic financial statements, and have issued our report thereon dated January 8, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Somers Point School Districts' control over financial reporting (internal control) to determine the 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 City of Somers Point School Districts' internal control. Accordingly, we do not express an opinion on the effectiveness of District's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

January 8, 2021



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

www.ford-scott.com

K-2 Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance required by *Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards (Uniform Guidance)*, and New Jersey OMB's Circular 15-08

The Honorable President and
Members of Board of Education
City of Somers Point School District
Somers Point, New Jersey
County of Atlantic

Report on Compliance for Each Major Federal and State Program

We have audited the City of Somers Point School District, County of Atlantic, State of New Jersey compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2020. The City of Somers Point School District'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 major programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Somers Point School District'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; Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; and New Jersey OMB 15-08. Those standards, the Uniform Guidance and NJ OMB 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 program occurred. An audit includes examining, on a test basis, evidence about the City of Somers Point School District'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 program. However, our audit does not provide a legal determination of the City of Somers Point School District's compliance.

Opinion on Each Major Program

In our opinion, the City of Somers Point School District 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 the City of Somers Point School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Somers Point School District'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 program and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ 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 the City of Somers Point School District'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 or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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.

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 NJ OMB 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedules of Expenditures of Federal Awards Required by the Uniform Guidance and Expenditures of State Financial Assistance Required by NJ OMB 15-08

We have audited the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund of the City of Somers Point School District as of and for the year ended June 30, 2020, and have issued our report thereon dated January 8, 2021, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by the Uniform Guidance and NJ Circular 15-08 and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditure of federal awards and state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia
Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

January 8, 2021

SOMERS POINT SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year Ended June 30, 2020

Federal Award Title	Federal Number	Grant or State Number	Grant Period From	Grant Period To	Program or Activity Amount	Balance June 30, 2019	Conveyer/Amount	Cash Received	Budgetary Expenditures			(MEMO) Payments to Sub-Recipients	Repayment of Prior Period Balances	Accounts Payable (Receivable)	Balance June 30, 2020	Data Element	
									Pass Through	Direct	Total						
U.S. Department of Education																	
Passed Through State Department of Education:																	
Medical Assistance Program (SEMI)																	
General Fund:	93.778	2009JAMAP	7/1/2019	6/30/2020	35,531.60	-	-	35,531.60	-	-	(35,531.60)	-	-	-	-	-	-
Total General Fund																	
Special Revenue Fund:																	
Title I Cluster:																	
Title I - Part A	84.010A	S010A190030	7/1/2019	6/30/2017	544,367.00	143.02	-	-	-	-	-	(148.02)	-	-	-	-	-
Title I - Part B	84.010A	S010A190030	7/1/2019	6/30/2019	520,762.00	201.00	-	-	-	-	-	(208.76)	-	-	-	-	-
Title I - Part A	84.010A	S010A190030	7/1/2019	6/30/2020	482,443.00	(2,407.00)	2,407.00	-	-	-	(454,691.94)	(0.06)	A	(162,053.00)	-	-	-
Reallocated Title I	84.010A	S010A190030	7/1/2019	9/30/2019	26,720.00	(218.00)	218.00	-	-	-	(16,703.00)	-	-	(10,385.00)	-	-	-
Total Title I Cluster	84.010A	S010A190030	2/1/2020	6/30/2020	16,703.00	(2,266.20)	301,568.00	-	-	-	(471,394.94)	(0.06)	-	(172,462.00)	-	-	-
Special Education Cluster:																	
IDEA - Part B, Preschool	84.027A	H037A190100	7/1/2019	6/30/2020	208,446.00	-	-	286,609.00	(286,444.90)	-	(286,444.90)	(0.10)	A	(11,946.00)	-	-	-
IDEA - Part B, School	84.173A	H173A190114	7/1/2019	6/30/2019	11,000.00	(61.00)	61.00	-	-	-	(10,999.92)	(0.08)	A	(3,666.00)	-	-	-
Total Special Education Cluster	84.173A	H173A190114	7/1/2019	6/30/2020	11,000.00	(61.00)	293,694.00	-	-	-	(399,444.82)	(0.18)	-	(15,612.00)	-	-	-
Elementary and Secondary Education Act (ESEA):																	
Title I - Part A	84.367A	S367A190029	7/1/2019	6/30/2020	74,846.00	-	-	7,466.00	(37,623.30)	-	(37,623.30)	0.30	A	(30,137.00)	-	-	-
Title I - Part B	84.367A	S367A190029	7/1/2019	6/30/2020	60,696.00	(11,834.00)	-	-	-	-	(4,980.70)	0.30	A	-	-	-	-
Title II	84.368A	S368A190030	7/1/2019	6/30/2020	14,459.00	(519.00)	-	-	-	-	(4,980.70)	0.30	A	-	-	-	-
Title III	84.368A	S368A190030	7/1/2019	6/30/2020	35,891.00	(519.00)	-	-	-	-	(33,454.13)	0.13	A	(21,652.00)	-	-	21.61
Title IV	84.424A	S424A190031	7/1/2019	6/30/2020	29,362.00	(6,960.00)	-	-	-	-	(6,960.00)	-	-	-	-	-	-
Total Elementary and Secondary Education Act (ESEA)	84.424A	S424A190031	7/1/2019	6/30/2020	29,362.00	(13,313.00)	-	-	-	-	(76,058.13)	21.74	-	(51,198.00)	-	-	21.61
Total Special Revenue Fund																	
Total Federal Financial Awards																	
U.S. Department of Education																	
Passed Through State Department of Education:																	
Enterprise Fund:																	
Food Distribution Program	10.555	201NJ04N1099	7/1/2019	6/30/2020	39,306.10	-	-	39,306.10	(39,306.10)	-	-	-	-	-	-	-	-
Child Nutrition Cluster:																	
School Breakfast Program	10.553	191NJ04N1099	7/1/2019	6/30/2020	63,472.40	(4,745.44)	-	4,745.44	-	-	-	-	-	-	-	-	-
National School Lunch Program	10.553	201NJ04N1099	7/1/2019	6/30/2020	58,996.51	(16,697.13)	-	58,996.51	(59,996.51)	-	-	-	-	(607.20)	-	-	-
National School Lunch Program	10.555	191NJ04N1099	7/1/2019	6/30/2020	178,859.06	(178,859.06)	-	178,859.06	(178,859.06)	-	-	-	-	(866.00)	-	-	-
National Snack Program	10.555	191NJ04N1099	7/1/2019	6/30/2020	17,674.93	(1,268.54)	-	1,268.54	-	-	-	-	-	(0.00)	-	-	-
Total Child Nutrition Cluster	10.555	201NJ04N1099	7/1/2019	6/30/2020	13,059.78	(22,661.11)	-	13,059.78	(13,059.78)	-	-	-	-	(0.00)	-	-	-
Total Enterprise Fund																	
Total Federal Financial Awards																	
U.S. Department of Education																	
Passed Through State Department of Education:																	
Enterprise Fund:																	
Food Distribution Program	10.555	201NJ04N1099	7/1/2019	6/30/2020	39,306.10	(44,321.31)	-	97,050.96	(1,182,646.94)	-	-	21.90	A	(358.80)	450.00	-	21.61
Total Federal Financial Awards																	
(A) Transfer to General Fund																	
(B) Prior Year PO cancelled																	

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

SOMERS POINT SCHOOL DISTRICT
Notes to the Schedules of Financial Assistance
June 30, 2020

K-5

Note 1: General

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

Note 2: Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10% de minimis indirect cost rate.

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes the payments are not recognized until the subsequent budget year due to the state deferral and recording of the last two state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$66.26) for the General Fund and \$34,508.06 for the Special Revenue Fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	Federal	State	On-Behalf Payments	Total
General Fund	\$ 35,531.60	8,724,395.56	(2,227,597.00)	6,532,330.16
Special Revenue Fund	856,897.89	904,097.92		1,760,995.81
Debt Service Fund	-	226,840.00		226,840.00
Food Service Fund	290,217.45	4,045.11		294,262.56
Total Financial Assistance	\$ 1,182,646.94	9,859,378.59	(2,227,597.00)	8,814,428.53

The On-Behalf Pension Contributions made for the district by the State of New Jersey are recognized as revenue in the basic financial statements, but are not considered in the major program determination.

SOMERS POINT SCHOOL DISTRICT
Notes to the Schedules of Financial Assistance
June 30, 2020

K-5

Note 4: Relationship to Federal and State Financial Reports

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

Note 5: Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2020. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2020.

Note 6: Adjustments

Both favorable and unfavorable differences incurred as a result of final grant payments being rounded by the grantor and are included in the schedule(s) of financial assistance in a column entitled "Adjustments."

**SOMERS POINT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020**

K-6

Section I - Summary of Auditor's Results

Financial Statement

Type of auditor's report issued		<u>Unmodified</u>		
Internal control over financial reporting:				
• Material weakness(es) identified?	_____	yes	_____ X _____	no
• Significant deficiency(ies) identified?	_____	yes	_____ X _____	none reported
Noncompliance material to financial statements noted?	_____	yes	_____ X _____	no

Federal Awards

Internal Control over major programs:				
• Material weakness(es) identified?	_____	yes	_____ X _____	no
• Significant deficiency(ies) identified?	_____	yes	_____ X _____	none reported
Type of auditor's report issued on compliance major programs			<u>Unmodified</u>	
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	_____	yes	_____ X _____	no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____	_____	Special Education Cluster:
84.027A	H027A190100	I.D.E.A. Part B, Basic
84.173A	H173A190114	I.D.E.A. Part B, Preschool
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dollar Threshold used to distinguish between type A and type B programs:	\$ <u>750,000</u>
Auditee qualified as low-risk auditee?	_____ X _____ yes _____ no

SOMERS POINT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)

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Section I - Summary of Auditor's Results

State Awards

Internal Control over major programs:

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

- Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report issued on
compliance major programs

Unmodified

Any audit findings disclosed that are required to
be reported in accordance with NJOMB Circular Letter 15-08

_____ yes X no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
	State Aid - Public Cluster:
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education Categorical Aid
495-034-5120-084	Security Aid
495-034-5120-086	Preschool Education Aid

Dollar Threshold used to distinguish between type A and
type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 X yes _____ no

**SOMERS POINT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020
(CONTINUED)**

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II. Financial Statement Findings

There are none

III. Federal Awards and State Financial Assistance Findings and Questioned Costs

FEDERAL AWARDS:

Our audit disclosed no material Findings or Questioned Costs.

STATE AWARDS:

Our audit disclosed no material Findings or Questioned Costs.

Status of Prior Year Findings

None