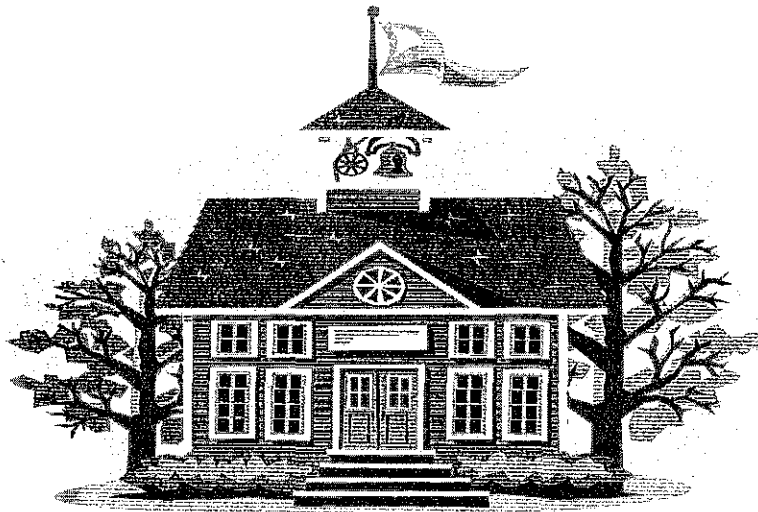


SCHOOL DISTRICT

OF

BELMAR



**BELMAR BOARD OF EDUCATION
BELMAR, NEW JERSEY**

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

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

OF THE

BELMAR BOARD OF EDUCATION

BELMAR, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

PREPARED BY

**BELMAR BOARD OF EDUCATION
BUSINESS ADMINISTRATOR/BOARD SECRETARY
MICHAEL BARDSLEY**

BELMAR SCHOOL DISTRICT

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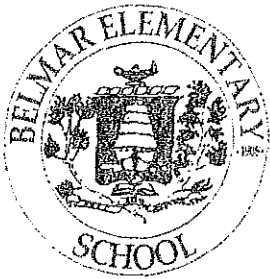
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INTRODUCTORY SECTION



BELMAR BOARD OF EDUCATION

1101 MAIN STREET, BELMAR, NEW JERSEY 07719

JIMMY ALVAREZ
SUPERINTENDENT
732-681-8888

MICHAEL BARDSLEY, CPA
BUSINESS ADMINISTRATOR/
BOARD SECRETARY
732-681-2388

February 11, 2022

Honorable President and
Members of the Board of Education
Borough of Belmar School District
County of Monmouth
Belmar, New Jersey 07719

Dear Board Members:

The comprehensive annual financial report for the Belmar Borough School District for the fiscal year ending June 30, 2021, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rest with the management of the Belmar 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 is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the districts organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, and 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 Title 2 U.S. Code of Federal Regulations, Part 200, "Audits of State and Local Governments" and the State Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control and structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS' SERVICES - Borough of Belmar School District is an independent reporting entity within the criteria adopted by GASB as established by NCGA Statement No.3. All funds and account groups for the district are included in this report. The Belmar Board of Education and the Belmar Elementary School constitute the district's reporting entity.

The district provides a full range of educational services appropriate to grade levels Pre-K through eight. Students in grades nine through twelve are assigned by board policy to Manasquan, Asbury Park, Red Bank Regional, Marine Academy of Science and Technology, High Tech High School, Allied Health and Science Academy, Class Academy, Communications High School and the Academy High School Charter School. The district provides a comprehensive

special education program for all preschool through eighth grade students. The district also provides for the educational needs of all resident students of Lake Como in grades Pre-K through eight and in the area of special education. The district completed the 2019/20 fiscal year with an average enrollment of 483, which is 11 students more than the previous year's average enrollment. The following details the changes in student enrollment of the district over the last ten years:

<u>Average Daily Enrollment</u>		
<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2020/2021	466	(3.5)
2019/2020	483	2.3
2018/2019	472	(8.7)
2017/2018	517	(4.0)
2016/2017	539	(2.5)
2015/2016	553	3.9
2014/2015	532	(3.6)
2013/2014	552	(2.8)
2012/2013	568	2.1
2011/2012	556	0.7

2) ECONOMIC CONDITIONS AND OUTLOOK: Belmar is a seashore community that has been undergoing a transformation on the oceanfront and on Main Street. Longstanding business properties have been sold and are currently being redeveloped as single family homes. Many of these homes are valued at over two million dollars. This transition will further limit the availability of housing for low income families as the other properties in Belmar continue to increase in value exceeding what low income families can afford. Belmar has a shopping area made up of independent stores and restaurants. The town is in the process of starting a redevelopment of the downtown area and redeveloping the seaport area. Some older structures are being replaced with mixed business/residential use buildings. With the new homes being built on the oceanfront and the rise of real estate prices in the town, the tax base for the community has increased. There are no major industries located in Belmar, therefore, the majority of the residents work outside the community. The largest employers are the Board of Education and Municipal government.

3) MAJOR INITIATIVES: During the 2019-20 school year, the public voted and passed a Bond Referendum to help with major upgrades to the auditorium, heating and air conditioning system to include air condition in all classrooms, remove asbestos flooring and replace it and the replacement of windows in the 1993 wing of the school. The bond was issued in July of 2020 in which will help fund these projects. Our district continues to embrace 21st century learning by providing opportunities for students to have access to the most up to date technology. We recently purchased 40 ViewSonic ViewBoard Interactive Touch Panels for each of the instructional spaces in the school. These panels deliver incredible interactive capabilities for 21st century classrooms. Featuring 65 inch touchscreens, ViewBoard displays let multiple users write, edit, and draw on screen for dynamic presentations and creative brainstorming. Each room will also have a Touch Screen Chromebook that will enable the teacher to control the panel from wherever they are in the room or to share their screen so all of the students can see what the teacher is modeling. Our 1:1 Chromebook initiative has increased in scope to grades prek-8. As teachers become increasingly skilled in a spectrum of instructional technology applications, students' level of engagement and investment in their learning grows exponentially. In an ongoing effort to ensure excellence in teaching and learning, curriculum has been aligned with the New Jersey Learning Standards for all

content areas and related arts. Since we began our guided math initiative 18-19 SY, our math teachers continue to present to other teachers in the building during monthly PLCs during the 19-20SY. Additionally, our teachers are collaborating with teachers from our sending districts on Math and ELA strategies. Additionally, our school implemented RTI and PBSIS in which teachers have and are currently receiving PD on both.

4) INTERNAL ACCOUNTING CONTROLS: Management of the district is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the district are protected from loss, theft or misuse and to ensure that adequate accounting data is 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 reasonably, 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 require estimates and judgments by management.

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

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the district maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project length budgets are approved for the capital improvements accounted for in the capital project's 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 a year end are canceled or included as reappropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2021.

6) ACCOUNTING SYSTEM AND REPORTS: The district's accounting records reflect generally accepted accounting principles, and are promulgated by the Government Accounting Standards Board (GASB). The accounting system of the district is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.

7) DEBT ADMINISTRATION: As of June 30, 2021, the district's outstanding debt was \$10,278,328, this debt will be fully paid in July, 2041. Bonds in the amount of \$3,370,000 were issued in August, 2003 to fund the local share of the capital project that was passed by referendum in March, 2003 and partially funded by the State of New Jersey, Economic Development Authority. The proceeds of the bonds along with the grant from the State of New Jersey was used to complete \$5,600,000 in renovations to the Belmar Elementary School. These bonds were refunded in 2012 saving the district 7.65% net present value or \$193,192 over the remaining life of the refunded bonds. In March of 2020

a bond in the amount of \$9,678,328 was passed and issued in July of 2020 to fund the local share of capital projects. The payments of this new bond will start in July 2021.

8) CASH MANAGEMENT: The investment policy of the 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 which requires it to deposit public funds in public depositories protected from loss under the provisions of the Government Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Government Units from loss of funds on deposit with a failed banking institution in New Jersey. The law requires government units to deposit public funds only in public depositories located in New Jersey, where the funds are secure in accordance with the Act.

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

10) OTHER INFORMATION: Independent Audit-State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Robert A. Hulsart & Company, CPAs and Registered Municipal Accountants conducted the annual audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Title 2 U.S. Code of Federal Regulations, Part 200 and State Treasury Circular Letter 15-08 OMB. The auditor’s report on the general purpose financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the single audit report of this report.

11) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Belmar Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contribute their full support to the development and maintenance of our financial operation. Please refer to the Management’s Discussion and Analysis for the Fiscal Year for a review of the financial status of the district.

Respectfully submitted,

David Hallman
Superintendent/Principal

Michael Bardsley
Board Secretary/School Business Administrator

BELMAR BOARD OF EDUCATIONBELMAR, NEW JERSEYROSTER OF OFFICIALSJUNE 30, 2021

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Cherie Adams, President	2022
Aileen Byrne-Fahy, Vice-President	2022
Antoinette Raucci-Aumack	2022
Kimberly Chek	2020
Mark Furey	2020
Rebecca Herbert	2020
Kristin Karr	2021
Michele Lomas	2021
Mark Preston	2021
Michele Cartaya (Sending district representative)	2021
<u>Other Officials</u>	
David Hallman, Superintendent/Principal	
Michael Bardsley, CPA, School Business Administrator/Board Secretary	
Eileen F. Ertle, Treasurer of School Monies	
Michael Gross, Board Attorney	

BELMAR BOARD OF EDUCATION**CONSULTANT AND OFFICIALS****JUNE 30, 2021****AUDIT FIRM**

Robert A. Hulsart and Company
2807 Hurley Pond Road
P.O. Box 1409
Wall, New Jersey 07719

ATTORNEY

Michael Gross
130 Maple Ave
Red Bank, NJ 07701

OFFICIAL DEPOSITORY

Ocean First Bank
Rt. 71
Spring Lake, NJ 07762

INSURERS

CBIZ Insurance Services, Inc.
219 South Street
New Providence, NJ 07974

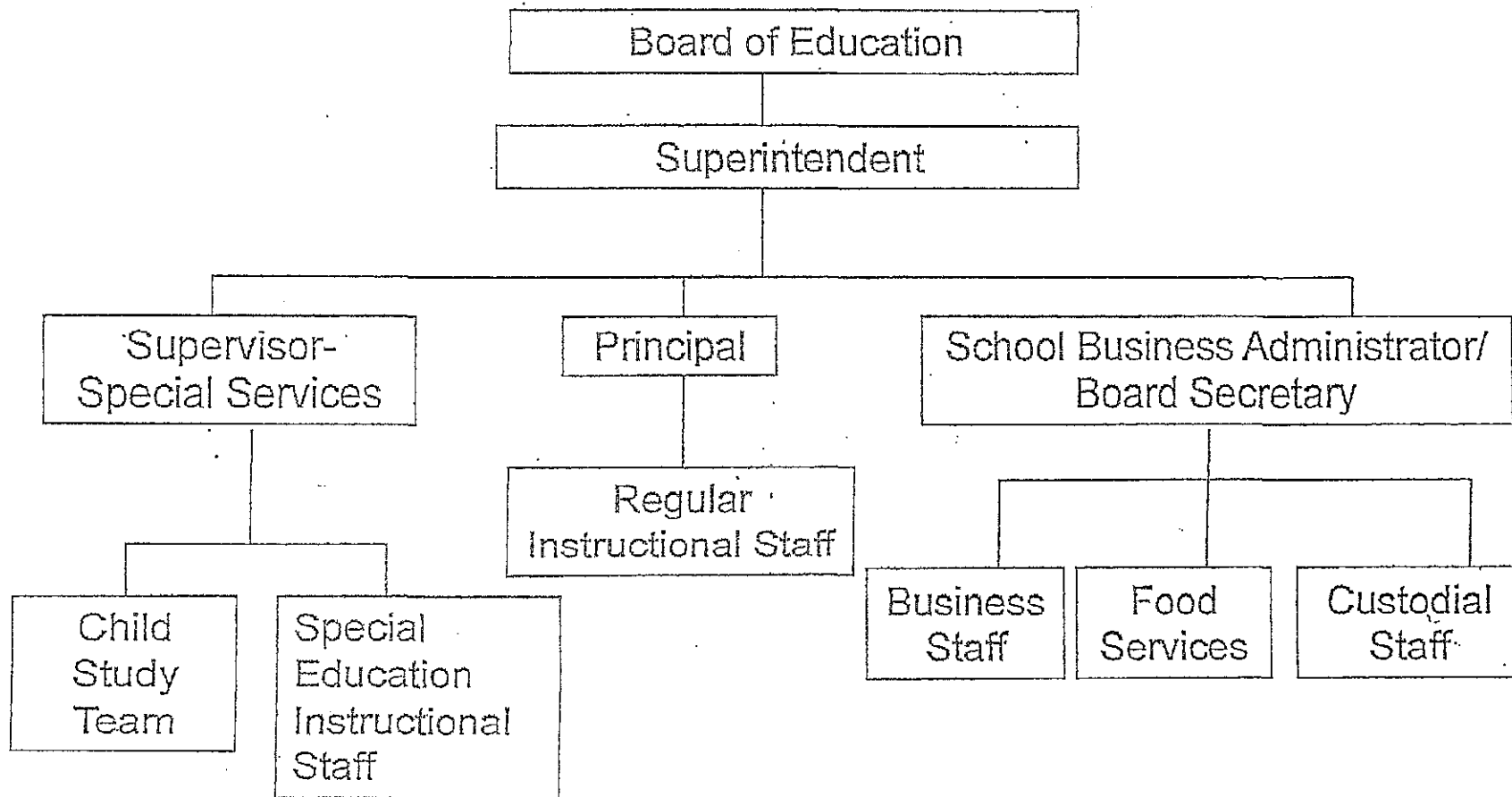
ARCHITECT

Spiezle Architectural Group, Inc
1395 Yardville Hamilton Square Road, Suite 2A
Hamilton, NJ 08691

BELMAR BOARD OF EDUCATION

ORGANIZATIONAL CHART

(UNIT CONTROL)



FINANCIAL SECTION

Robert A. Hulsart and Company

CERTIFIED PUBLIC ACCOUNTANTS

8.

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

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RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 11, 2022 on our consideration of the Belmar Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Belmar Board of Education's internal control over financial reporting and compliance.

Respectfully submitted,

ROBERT A. HULSART AND COMPANY



Robert A. Hulsart
Licensed Public School Accountant
No. 322

Robert A. Hulsart and Company
Wall Township, New Jersey

February 11, 2022

REQUIRED SUPPLEMENTARY INFORMATION
PART I

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

UNAUDITED

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

Financial Highlights

Key financial highlights for 2020-2021 are as follows:

- ◆ General revenues accounted for \$12,257,298 in revenue. Program specific revenues for operating grants and contributions, and capital grants and contributions accounted for \$4,010,712 for total revenue of \$16,268,010.
- ◆ The School District had \$19,231,649 in expenses; only \$4,010,712 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$12,257,298 were adequate to provide for these programs. Bond proceeds of \$9,484,440 also offset capital projects expenses.
- ◆ The General Fund had \$13,958,942 in revenues and \$12,578,532 in expenditures. Other financing uses included transfer to the Preschool Fund of \$19,524. Overall, the General Fund's balance increased from 2020 by \$1,360,886.

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 Belmar Borough Public School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net 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. In the case of Belmar Borough Public school district, the General Fund is by far the most significant fund.

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 2020-2021?” The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year’s revenues and expenses regardless of when cash is received or paid.

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

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

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

Reporting the School District’s Most Significant Funds

Fund Financial Statements

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 transactions. However, these fund financial statements focus on the School district’s most significant funds.

Governmental Funds

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

The School District as a Whole

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

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

Table I
Net Position

	<u>2021</u>	<u>2020</u>
Total Assets	<u>\$ 13,658,708</u>	<u>6,922,494</u>
Deferred Outflow of Resources	<u>309,636</u>	<u>252,941</u>
Deferred Inflow of Resources	<u>494,429</u>	<u>494,268</u>
Total Liabilities	<u>11,807,104</u>	<u>2,136,488</u>
Total Net Position	<u>\$ 1,666,811</u>	<u>4,544,679</u>

Business-Type Activities

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

- ◆ Enterprise Fund revenues were \$98.
- ◆ Changes in Net Position was \$55,986.
- ◆ Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities were \$515,049.

Governmental Activities

	<u>2021</u>	<u>2020</u>
Instruction	\$ 4,382,765	4,270,341
Support Services:		
Pupils and Instructional Staff	4,854,952	4,736,379
General Administration, School Administration, Business Administration	766,032	773,799
Operation and Maintenance of Facilities	600,273	697,271
Pupil Transportation	466,778	633,098
Interest on Debt	197,780	36,563
Unallocated Benefits	3,211,074	2,790,958
Unallocated Depreciation	360,631	363,739
Other	<u>4,391,364</u>	<u>462,754</u>
 Total Expenses	 <u>\$ 19,231,649</u>	 <u>14,764,902</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 activities involve keeping the school grounds, buildings and equipment in an effective working condition.

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

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

Other includes enterprise, special schools and miscellaneous.

General Fund Budgeting Highlights

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

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

Capital Assets

At the end of the fiscal year 2021, the School District had \$3,454,804 invested in land, buildings, furniture and equipment, and vehicles as follows:

Capital Assets (Net of Depreciation) at June 30, 2021 & 2020

	<u>2021</u>	<u>2020</u>
Land	\$ 481,300	481,300
Building and Improvements	2,715,610	3,053,494
Machinery and Equipment	<u>257,894</u>	<u>190,336</u>
Totals	<u>\$ 3,454,804</u>	<u>3,725,130</u>

Debt Administration

At June 30, 2021 the School district had \$11,331,921 of outstanding debt. Of this amount \$57,768 is for compensated absences. The balance due for the renovation of the school is \$10,278,000. Net pension liability was \$996,153.

For the Future

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

Belmar Borough is primarily a residential community. The majority of the tax levy is raised by residential property taxes.

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

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School district's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Mr. Michael Bardsley, School Business Administrator/Board Secretary at Belmar Borough Board of Education, 1101 Main Street, Belmar, NJ 07719.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS – A

BELMAR SCHOOL DISTRICT**STATEMENT OF NET POSITION**

Exhibit A-1

JUNE 30, 2021

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ 4,861,535	82,615	4,944,150
Receivables, Net	1,335,657	28,222	1,363,879
Inventory		1,739	1,739
Restricted Assets:			
Cash and Cash Equivalents	1,861,103		1,861,103
Cash-Capital Reserve	2,033,033		2,033,033
Capital Assets Not Being Depreciated	481,300		481,300
Capital Assets, Net	2,903,410	70,094	2,973,504
Total Assets	<u>13,476,038</u>	<u>182,670</u>	<u>13,658,708</u>
<u>Deferred Outflow of Resources</u>			
Contribution to Pension Plan	<u>309,636</u>		<u>309,636</u>
<u>Deferred Inflow of Resources</u>			
Pension Deferrals	<u>494,429</u>		<u>494,429</u>
<u>Liabilities</u>			
Deferred Revenue	83,650		83,650
Accounts Payable	188,094	20,725	208,819
Accrued Interest	182,714		182,714
Noncurrent Liabilities:			
Due Within One Year	583,000		583,000
Due Beyond One Year	10,748,921		10,748,921
Total Liabilities	<u>11,786,379</u>	<u>20,725</u>	<u>11,807,104</u>
<u>Net Position</u>			
Invested in Capital Assets, Net of Related Debt	(6,893,290)	70,094	(6,823,196)
Restricted For:			
Capital Projects	3,557,845		3,557,845
Other Purposes	3,894,136		3,894,136
Unrestricted	<u>946,175</u>	<u>91,851</u>	<u>1,038,026</u>
Total Net Position	<u>\$ 1,504,866</u>	<u>161,945</u>	<u>1,666,811</u>

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

BELMAR SCHOOL DISTRICT

Exhibit A-2

Sheet 1 of 2

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2021

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<u>Functions/Programs</u>						
Governmental Activities:						
Instruction:						
Regular	\$ 2,345,544			(2,345,544)		(2,345,544)
Special Education	1,795,677		1,202,439	(593,238)		(593,238)
Other Instruction	241,544			(241,544)		(241,544)
Support Services:						
Tuition	3,381,777	2,038,967		(1,342,810)		(1,342,810)
Student & Instruction Related Services	1,473,175		723,386	(749,789)		(749,789)
General Administrative Services	519,461			(519,461)		(519,461)
School Administrative Services	246,571			(246,571)		(246,571)
Plant Operations and Maintenance	600,273			(600,273)		(600,273)
Pupil Transportation	466,778			(466,778)		(466,778)
Unallocated Employee Benefits	3,211,074			(3,211,074)		(3,211,074)
Capital Outlay	4,311,133		45,920	(4,265,213)		(4,265,213)
Unallocated Depreciation	360,631			(360,631)		(360,631)
Interest on Long-Term Debt	197,780			(197,780)		(197,780)
Charter Schools	52,022			(52,022)		(52,022)
Special Schools	28,209			(28,209)		(28,209)
Total Government Activities	<u>19,231,649</u>	<u>2,038,967</u>	<u>1,971,745</u>	<u>(15,220,937)</u>	<u>-</u>	<u>(15,220,937)</u>
Business-Type Activities:						
Food Service	459,161	98	515,049		55,986	55,986
Total Business-Type Activities	<u>459,161</u>	<u>98</u>	<u>515,049</u>	<u>-</u>	<u>55,986</u>	<u>55,986</u>
Total Primary Government	<u>19,690,810</u>	<u>2,039,065</u>	<u>2,486,794</u>	<u>(15,220,937)</u>	<u>55,986</u>	<u>(15,164,951)</u>

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

BELMAR SCHOOL DISTRICT

Exhibit A-2

Sheet 2 of 2

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2021

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
General Revenues:			
Taxes:			
Property Taxes, Levied for General Purpose, Net	9,031,115		9,031,115
Taxes Levied for Debt Service	319,800		319,800
Federal and State Aid Not Restricted	2,831,343		2,831,343
Investment Earnings and Miscellaneous Income	75,040	2	75,042
Total General Revenues	<u>12,257,298</u>	<u>2</u>	<u>12,257,300</u>
Change in Net Position	(2,963,639)	55,988	(2,907,651)
Prior Period Adjustment	29,783		29,783
Net Position - Beginning	<u>4,438,722</u>	<u>105,957</u>	<u>4,544,679</u>
Net Position - Ending	<u>\$ 1,504,866</u>	<u>161,945</u>	<u>1,666,811</u>

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

FUND FINANCIAL STATEMENTS – B

BELMAR SCHOOL DISTRICT

Exhibit B-1

BALANCE SHEET**GOVERNMENTAL FUNDS****JUNE 30, 2021**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
Assets				
Cash and Cash Equivalents	\$ 40,109			40,109
Restricted Cash and Cash Equivalents	3,240,732	52,570	5,422,260	8,715,562
Receivables, Net	1,154,986	180,671		1,335,657
Total Assets	\$ 4,435,827	233,241	5,422,260	10,091,328
Liabilities and Fund Balance				
Liabilities:				
Accounts Payable	\$ 23,524	124,461		147,985
Deferred Revenue		83,650		83,650
Payroll Deductions and Withholdings Payable	40,109			40,109
Total Liabilities	63,633	208,111	-	271,744
Fund Balance:				
Restricted for:				
Designated for Subsequent Years Expenditures - Tuition Reserve Budgeted Withdrawal	240,000			240,000
Designated for Subsequent Years Expenditures - Capital Reserve Budgeted Withdrawal	413,100			413,100
Designated for Subsequent Years Expenditures - Excess Surplus	513,831			513,831
Excess Surplus - Current Year	382,142			382,142
Tuition Reserve	250,000			250,000
Maintenance Reserve	450,000			450,000
Capital Reserve Account	1,619,933			1,619,933
Scholarship Fund		704		704
Student Activities		24,426		24,426
Assigned to:				
Other Purposes	26,533		3,531,312	3,557,845
Designated for Subsequent Years Expenditures - BOE	60,037			60,037
Unassigned:				
General Fund	416,618			416,618
Special Revenue Fund				-
Capital Projects			1,890,948	1,890,948
Total Fund Balances	4,372,194	25,130	5,422,260	9,819,584
Total Liabilities and Fund Balance	\$ 4,435,827	233,241	5,422,260	

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 \$12,028,070 and the accumulated depreciation is \$8,643,360.	3,384,710
Deferred outflow of resources - contributions to the pension plan	309,636
Deferred inflow of resources - acquisition of assets applicable to future reporting periods	(494,429)
Accrued Interest	(182,714)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(11,331,921)
Net Position of Governmental Activities	\$ 1,504,866

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

BELMAR SCHOOL DISTRICT

**Exhibit B-2
Sheet 1 of 2**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>					
Local Sources:					
Local Tax Levy	\$ 9,031,115			319,800	9,350,915
Tuition Charges	2,038,967				2,038,967
Miscellaneous	57,517	256,731			314,248
Total Local Sources	11,127,599	256,731	-	319,800	11,704,130
State Sources	2,812,133	912,996			3,725,129
Federal Sources	19,210	819,541			838,751
Total Revenues	13,958,942	1,989,268	-	319,800	16,268,010
<u>Expenditures</u>					
Current:					
Regular Instruction	2,357,189				2,357,189
Special Education Instruction	593,238	1,202,439			1,795,677
Other Instruction	241,544				241,544
Support Services and Undistributed Costs:					
Tuition	3,381,777				3,381,777
Student and Instruction Related Services	749,789	723,386			1,473,175
General Administrative Services	519,461				519,461
School Administrative Services	246,571				246,571
Plant Operations and Maintenance	600,273				600,273
Pupil Transportation	466,778				466,778
Unallocated Benefits	3,276,665				3,276,665
Debt Service:					
Principal				290,000	290,000
Interest and Other Charges				29,800	29,800
Capital Outlay	65,016	45,920	4,102,215		4,213,151
Special Schools	28,209				28,209
Transfer of Funds to Charter Schools	52,022				52,022
Total Expenditures	12,578,532	1,971,745	4,102,215	319,800	18,972,292

BELMAR SCHOOL DISTRICT

**Exhibit B-2
Sheet 2 of 2**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,380,410</u>	<u>17,523</u>	<u>(4,102,215)</u>	<u>-</u>	<u>(2,704,282)</u>
Other Financing Sources Uses:					
Transfer to Special Revenue Fund - Preschool	(19,524)	19,524			-
Bond Proceeds			9,484,440		9,484,440
Total Other Financing Sources Uses	<u>(19,524)</u>	<u>19,524</u>	<u>9,484,440</u>	<u>-</u>	<u>9,484,440</u>
Total Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources Uses	<u>1,360,886</u>	<u>37,047</u>	<u>5,382,225</u>	<u>-</u>	<u>6,780,158</u>
Net Change in Fund Balances	<u>1,360,886</u>	<u>37,047</u>	<u>5,382,225</u>	<u>-</u>	<u>6,780,158</u>
Fund Balance - July 1	<u>3,011,308</u>	<u>(41,700)</u>	<u>40,035</u>		<u>3,009,643</u>
Prior Period Adjustment		29,783			
Fund Balance - June 30	<u>\$ 4,372,194</u>	<u>25,130</u>	<u>5,422,260</u>	<u>-</u>	<u>9,789,801</u>

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

BELMAR SCHOOL DISTRICT**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES****AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS** Exhibit B-3**TO THE STATEMENT OF ACTIVITIES****FOR THE YEAR ENDED JUNE 30, 2021**

Total Net Change in Fund Balances - Governmental Funds (From B-2)	\$ 6,780,158
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:	
Capital Outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Capital Outlay	95,578
Depreciation Expense	(360,631)
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.	290,000
Bond Proceeds increase the amount of long-term liabilities in the statement of net position and is not reported in the statement of activities	(9,678,000)
In the statement of activities, certain operating expenses, e.g. compensated absences (vacations) 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).	11,645
Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position	56,695
Pension related deferrals	(161)
Change in net pension liability	9,057
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental fund, interest is reported when due.	(167,980)
Change in Net Position of Governmental Activities	<u>\$ (2,963,639)</u>

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

BELMAR SCHOOL DISTRICT**STATEMENT OF NET POSITION**

Exhibit B-4

PROPRIETARY FUNDS**JUNE 30, 2021**

	<u>Enterprise Fund</u>
<u>Assets</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 82,615
Accounts Receivable:	
Federal	28,222
Inventories	1,739
Total Current Assets	<u>112,576</u>
Noncurrent Assets:	
Equipment	104,462
Less: Accumulated Depreciation	<u>(34,368)</u>
Total Noncurrent Assets	<u>70,094</u>
Total Assets	<u><u>\$ 182,670</u></u>
<u>Liabilities</u>	
Accounts Payable	<u>\$ 20,725</u>
Total Liabilities	<u><u>\$ 20,725</u></u>
<u>Net Position</u>	
Investment in Capital Assets	\$ 70,094
Unrestricted	<u>91,851</u>
Total Net Position	<u><u>\$ 161,945</u></u>

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

BELMAR SCHOOL DISTRICT

Exhibit B-5

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

	<u>Enterprise Fund</u>
Operating Revenues:	
Local Sources:	
Daily Sales - Non-Reimbursable Programs	\$ 98
Total Operating Revenue	<u>98</u>
Operating Expenses:	
Cost of Sales - Reimbursable Programs	132,784
Salaries	292,166
Management Fee	12,000
Cost of Supplies	14,302
Depreciation	5,275
Other Purchased Services	2,634
Total Operating Expenses	<u>459,161</u>
Operating (Loss)/Profit	(459,063)
Non-Operating Revenues:	
State Sources:	
State School Lunch Program - Extra Subsidy	763
Federal Sources:	
National School Lunch Program	297,669
Federal Breakfast Program	169,996
Food Distribution Program	46,621
Total Non-Operating Revenues	<u>515,049</u>
Change in Net Position	55,986
Adjustment for Fixed Assets	2
Net Position, July 1	<u>105,957</u>
Net Position, June 30	<u>\$ 161,945</u>

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

BELMAR SCHOOL DISTRICTSTATEMENT OF CASH FLOWS

Exhibit B-6

PROPRIETARY FUNDSJUNE 30, 2021

	<u>Enterprise Fund</u>
Cash Flows from Operating Activities:	
Receipts from Daily Sales	\$ 98
Payments to Employees	(292,166)
Payments to Suppliers	(116,440)
Net Cash Used by Operating Activities	<u>(408,508)</u>
Cash Flows from Noncapital Financing Activities:	
State Sources	763
Federal Sources	467,665
Net Cash Provided by Noncapital Financing Activities	<u>468,428</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	59,920
Cash and Cash Equivalents July 1	<u>22,695</u>
Cash and Cash Equivalents June 30	<u>\$ 82,615</u>
Cash Flows from Operating Activities:	
Operating (Loss)/Profit	\$ (459,063)
Adjustments to Reconcile Operating Loss to Cash Provided (Used) by Operating Activities:	
Depreciation	5,275
Federal Commodities Consumed	46,621
Changes in Assets and Liabilities:	
(Increase)/Decrease in Accounts Receivable	(10,594)
Increase/(Decrease) in Accounts Payable	9,161
(Increase)/Decrease in Inventory	92
Net Cash Used by Operating Activities	<u>\$ (408,508)</u>

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

NOTES TO FINANCIAL STATEMENTS

BOARD OF EDUCATION
BELMAR SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1: Summary of Significant Accounting Policies

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

A. Reporting Entity:

The Belmar School District is a Type II district located in the County of Monmouth, 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 Belmar School District had an approximate enrollment at June 30, 2021 of 465 students.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Government Accounting and Financial Reporting Standards, is 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

B. Government-Wide Financial Statements

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

NOTE 1: Summary of Significant Accounting Policies (Continued)

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

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

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

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

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

NOTE 1: Summary of Significant Accounting Policies (Continued)**D. Fund Accounting:**

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

Governmental Fund Types

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

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

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

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

Proprietary Fund Type

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

Fiduciary Fund Types

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

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued):

Expendable Trust Fund: An expendable trust fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable trust funds account for assets where both the principal and interest may be spent. Expendable trust funds include Unemployment Compensation Insurance and the following scholarship funds:

Stoner Scholarship Fund

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

E. Basis of Accounting:

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recorded in the accounting period in which they are earned and expenses are recorded at the time liabilities are incurred.

NOTE 1: Summary of Significant Accounting Policies (Continued)**F. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the County office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting; the legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(g)1. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2021 were insignificant.

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

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

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

G. Encumbrances:

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

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

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

H. Short-Term Interfund Receivables/Payables:

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

I. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund are recorded as an expenditure during the year of purchase.

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

J. Capital Assets and Depreciation

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

The District contracted with an outside service company to provide a report with a comprehensive detail of capital assets and depreciation which is updated annually. Accumulated depreciation for fiscal year 2021, fiscal year 2021 depreciation expense, total accumulated depreciation and book values were also provided. The costs of normal maintenance and repairs that do not add to the asset value or materially extend the useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts. Estimated useful lives, in years, for depreciable assets are as follows:

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

J. Capital Assets and Depreciation (Continued)

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

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Balance June 30, 2021</u>
Governmental Activities:				
Capital Assets that are Not Being Depreciated:				
Land	\$ 481,300	_____	_____	481,300
Site Improvements and Bldgs.	11,046,767			11,046,767
Machinery and Equipment	<u>446,848</u>	<u>53,155</u>	_____	<u>500,003</u>
Totals	<u>11,493,615</u>	<u>53,155</u>	_____	<u>11,546,770</u>
Less: Accumulated Depreciation for:				
Sites Improvements and Buildings	(7,993,273)	(337,884)		(8,331,157)
Equipment	<u>(331,879)</u>	<u>(22,747)</u>	<u>42,423</u>	<u>(312,203)</u>
Total Accumulated Depreciation	<u>(8,325,152)</u>	<u>(360,631)</u>	<u>42,423</u>	<u>(8,643,360)</u>
Net Depreciable Assets	<u>3,168,463</u>	<u>(307,476)</u>	<u>42,423</u>	<u>2,903,410</u>
Governmental Activities Capital Assets, Net	<u>\$ 3,649,763</u>	<u>(307,476)</u>	<u>42,423</u>	<u>3,384,710</u>
Business-Type Activities:				
Equipment	\$ 104,462			104,462
Less: Accumulated Depreciation for:				
Equipment	<u>(29,095)</u>	<u>(5,275)</u>	<u>2</u>	<u>(34,368)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 75,367</u>	<u>(5,275)</u>	<u>2</u>	<u>70,094</u>

Depreciation expense was charged to governmental functions as follows:

Unallocated	<u>\$ 360,631</u>
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The fixed asset listing is updated each year by Acclaim inventory on-site, and assets are tagged, or deleted, as appropriate. The GASB 34 summaries are required to determine activity to be reported in the CAFR, as the additions and removals contain items for insurance purposes that are not capitalized for GASB 34 purposes.

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

Accumulated depreciation was allocated to governmental activities as follows:

	<u>Prior Years'</u> <u>Accumulated</u> <u>Depreciation</u>	<u>Current Year</u> <u>Depreciation</u> <u>Expense</u>	<u>Adjustments</u>	<u>Total</u> <u>Accumulated</u> <u>Depreciation</u>
Instruction	\$ 753,753			753,753
Support Services	508,838			508,838
Unallocated	<u>7,062,561</u>	<u>360,631</u>	<u>(42,423)</u>	<u>7,380,769</u>
	<u>\$ 8,325,152</u>	<u>360,631</u>	<u>(42,423)</u>	<u>8,643,360</u>

K. Accrued Salaries and Wages

Certain District employees, who provide services to the District over the ten-month academic year, have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account.

L. Compensated Absences

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

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

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

M. Deferred Revenue

Deferred revenue in the special revenue fund represents cash, which has been received but not yet earned. See note 1(e) regarding the special revenue fund.

NOTE 1: Summary of Significant Accounting Policies (Continued)**N. Long-Term Obligations**

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group.

O. Fund Equity

Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds. Grants, entitlements, or shared revenues which are restricted for the acquisition or construction of capital assets are also recorded as contributed capital. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

P. 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.

Q. Tuition Payable

Tuition charges for the fiscal year 2020-2021 was based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined. The District has elected to reserve \$250,000.00 for future tuition adjustment liabilities, which is within the 10% ceiling allowed by the Department of Education, State of New Jersey.

2020-2021 School Year	\$ 240,000
To be Utilized in 2021-2022	(240,000)
2020-2021 Resolution Increase	<u>250,000</u>
Available for Future Years	<u>\$ 250,000</u>

R. Net Position

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

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

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

R. Net Position (Continued)

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

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

Fund Balance

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

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

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

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

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

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

NOTE 1: Summary of Significant Accounting Policies (Continued)**R. Net Position (Continued)**

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

NOTE 2: Cash and Cash Equivalents and Investments

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

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

Deposits

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

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

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

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

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

NOTE 2: Cash and Cash Equivalents and Investments**Investments**

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

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

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

As of June 30, 2021, the District's deposits and investments are summarized as follows:

FDIC	\$ 250,000
GUPDA	<u>10,243,208</u>
	<u>\$ 10,493,208</u>

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

	Cash and Cash
	<u>Equivalents</u>
Interest Bearing Checking Accounts	<u>\$ 8,838,286</u>

The carrying amount of the Board's cash, cash equivalents and investments at June 30, 2021 was \$8,838,286 and the bank balance was \$10,493,208. Of the bank balance \$250,000 was covered by federal depository insurance and \$10,243,208 was covered by a collateral pool maintained by the banks as required by New Jersey statutes.

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 does not have a formal policy for custodial credit risk.

The District had no uninsured deposits.

NOTE 3: General Long-Term Debt

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

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Long-Term</u> <u>Portion</u>	<u>Amount Due</u> <u>In One Year</u>
Pension Liability	\$ 1,005,210		(9,057)	996,153	996,153	
Compensated Absences Payable	69,413		(11,645)	57,768	57,768	
Bonds Payable	<u>890,000</u>	<u>9,678,000</u>	<u>(290,000)</u>	<u>10,278,000</u>	<u>9,695,000</u>	<u>583,000</u>
	<u>\$ 1,964,623</u>	<u>9,678,000</u>	<u>(310,702)</u>	<u>11,331,921</u>	<u>10,748,921</u>	<u>583,000</u>

A. Bonds Authorized But Not Issued

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

B. Bonds Payable

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 583,000	286,996	869,996
2023	705,000	181,444	886,444
2024	405,000	171,319	576,319
2025	415,000	166,700	581,700
2026	425,000	159,856	584,856
2027	435,000	151,257	586,257
2028	445,000	142,456	587,456
2029	455,000	133,456	588,456
2030	470,000	124,206	594,206
2031	480,000	114,706	594,706
2032	495,000	104,956	599,956
2033	510,000	94,907	604,907
2034	525,000	84,556	609,556
2035	545,000	73,856	618,856
2036	560,000	62,806	622,806
2037	565,000	51,556	616,556
2038	565,000	40,256	605,256
2039	565,000	28,957	593,957
2040	565,000	17,656	582,656
2041	<u>565,000</u>	<u>6,003</u>	<u>571,003</u>
	<u>\$ 10,278,000</u>	<u>2,197,905</u>	<u>12,475,905</u>

Bonds Issued 2/1/12 for \$2,490,000 at interest from 2% to 4% maturing 8/1/22 with a balance of \$600,000 at June 30, 2021. These bonds refunded the bonds issued at 8/1/03.

Bonds issued 7/15/20 for \$9,678,000 at interest from 1% to 2.125% with a balance of \$9,678,000 at June 30, 2021.

NOTE 4: Pension Plans**Public Employees' Retirement System (PERS)****Plan Description**

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

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Basis of Presentation

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

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

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

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

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer allocations are applied to amounts presented in the schedule of pension amount by employer. The allocation percentages for each group of June 30, 2020 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2020.

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

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

NOTE 4: Pension Plans (Continued)

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

For the year ended June 30, 2021, the District recognized pension expense of \$91,906. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 18,138	3,523
Changes of Assumptions	32,316	417,099
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	34,049	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	133,227	73,807
District Contributions Subsequent to the Measurement Date	<u>91,906</u>	<u> </u>
Total	<u>\$ 309,636</u>	<u>494,429</u>

\$91,906 reported as deferred outflows of resources related to pensions resulting from school district, project contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2021, the plan measurement date is June 30, 2020) will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2021	\$ (124,004)
2022	(113,055)
2023	(64,608)
2024	(26,126)
2025	<u>(5,650)</u>
	<u>\$ (333,443)</u>

NOTE 4: Pension Plans (Continued)**Additional Information**

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

	<u>Dec. 31, 2020</u>	<u>Dec. 31, 2019</u>
Collective Deferred Outflows of Resources	\$ 309,636	252,941
Collective Deferred Inflows of Resources	494,429	494,268
Collective Net Pension Liability	996,153	1,005,210
District's Proportion	.00606%	.00554%

Components of Net Pension Liability

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

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

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00% - 6.00%
	Based on years of service
Thereafter	3.00% - 7.00%
	Based on years of service
Investment Rate of Return	7.00%

NOTE 4: Pension Plans (Continued)

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

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

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

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

NOTE 4: Pension Plans (Continued)**Discount Rate**

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

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

	<u>2020</u>		
	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
School District's Proportionate Share Of the Net Pension Liability	<u>\$ 1,253,990</u>	<u>996,153</u>	<u>777,371</u>

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

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

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

NOTE 4: Pension Plans (Continued)

The following represents the membership tiers for TPAF:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Basis of Presentation

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

Allocation Methodology

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

NOTE 4: Pension Plans (Continued)

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. State legislation had modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, State's pension contribution was less than the actuarial determined amount.

Special Funding Situation

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

Components of Net Pension Liability

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

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

State Proportionate Share of Net Pension Liability Attributable to District

	<u>2020</u>	<u>2019</u>
District's Liability	<u>\$ 25,305,591</u>	<u>23,735,826</u>
District's Proportion	.03835%	.03858%

NOTE 4: Pension Plans (Continued)

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

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

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

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

NOTE 4: Pension Plans (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, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2020 are summarized in the following table:

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

Discount Rate

The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.21% as of June 30, 2020 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 78% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

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

	<u>2020</u>		
	<u>At 1% Decrease (4.40%)</u>	<u>At Current Discount Rate (5.40%)</u>	<u>At 1% Increase (6.40%)</u>
School District's Proportionate Share Of the Net Pension Liability	\$ 0	0	0
State of New Jersey's Proportionate Share Of the District's Net Pension Liability	<u>29,724,380</u>	<u>25,305,591</u>	<u>21,636,528</u>
	<u>\$ 29,724,380</u>	<u>25,305,591</u>	<u>21,636,528</u>

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

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

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A. 52:14-17.32f. According to N.J.S.A. 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L., 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

NOTE 5: Post-Retirement Benefits (Continued)

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

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

Total Nonemployer OPEB Liability

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

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

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

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

(a) Health Care Trend Assumptions

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

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

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

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

	Total OPEB Liability
Balances at June 30, 2019	\$ 18,813,872
Changes for the Year:	
Service Cost	668,788
Interest	673,178
Difference Between Expected and Actual Experience	4,667,584
Changes in Assumptions or Other Inputs	5,435,507
Benefit Payments	(518,038)
Member Contributions	<u>15,702</u>
Balance at June 30, 2020	<u>\$ 29,756,593</u>

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

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

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

	1% Decrease <u>(1.21%)</u>	Discount Rate <u>(2.21%)</u>	1% Increase <u>(3.21%)</u>
State of New Jersey's Proportionate Share Of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 35,873,109</u>	<u>29,756,593</u>	<u>24,974,067</u>

NOTE 5: Post-Retirement Benefits (Continued)

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

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
State of New Jersey's Proportionate Share Of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 24,020,525</u>	<u>29,756,593</u>	<u>36,586,975</u>

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

For the year ended June 30, 2020, the Board of Education recognized OPEB expense of \$1,344,146 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 4,517,826	4,024,319
Changes in Proportion	563,624	678,600
Changes of Assumptions or Other Inputs	<u>5,061,498</u>	<u>3,395,396</u>
Total	<u>\$ 10,142,948</u>	<u>8,098,315</u>

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

Year Ended June 30:	
2022	\$ 240,545
2023	240,545
2024	240,545
2025	240,545
2026	240,545
Thereafter	<u>841,908</u>
	<u>\$ 2,044,633</u>

NOTE 6: Contingent Liabilities

It is the opinion of the school board officials that there is no litigation threatened or pending that would materially affect the financial position of the school district.

NOTE 7: Equity Balance

At June 30, 2021, the General Fund equity balance was as follows:

Recapitulations:	
Restricted for:	
Maintenance Reserve	\$ 450,000
Capital Reserve	1,619,933
Reserve for Tuition	250,000
Excess Surplus – Designated for Subsequent Years Expenditures	513,831
Designated for Subsequent Year’s Expenditures - Tuition Reserve Budgeted Withdrawal	240,000
Designated for Subsequent Year’s Expenditures – Capital Reserve Budgeted Withdrawal	413,100
Excess Surplus – Current Year	382,142
Committed to:	
Other Purposes	26,533
Assigned to:	
Designated for Subsequent Year’s Expenditures – BOE	60,037
Unassigned	<u>551,380</u>
	<u>\$ 4,506,956</u>

Reserved for encumbrances represents outstanding purchase orders which will be rolled into the 2021-2022 budget and expended therefrom.

Reserved excess surplus represents a calculation under N.J.S.A. 18A:7F-7 which identifies an amount of surplus under the statute which must be restricted for use in the next succeeding budget.

4% Calculation of Excess Surplus

2020-21 Total General Fund Expenditures Per the CAFR	\$ 12,598,056
Decreased by:	
On-Behalf TPAF Pension and Social Security	<u>(1,793,993)</u>
Adjusted 2020-21 General Fund Expenditures	<u>\$ 10,804,063</u>
4% of Adjusted 2020-21 General Fund Expenditures	<u>\$ 432,163</u>
Enter Greater of Above or \$250,000	\$ 432,163
Increased by Allowable Adjustment	<u>119,217</u>
Maximum Unassigned Fund Balance	<u>\$ 551,380</u>

NOTE 7: Equity Balance (Continued)**Section 2**

Total General Fund – Fund Balance @ 6-30-21	\$ 4,506,956
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Decreased by:

Reserved for Encumbrances	(26,533)
Designated for Subsequent Years Expenditures – Tuition Reserve	(240,000)
Designated for Subsequent Years Expenditures – Capital Reserve	(413,100)
Designated for Subsequent Years Expenditures – Excess Surplus	(513,831)
Designated for Subsequent Years Expenditures – BOE	(60,037)
Other Reserves	<u>(2,319,933)</u>

Total Unassigned Fund Balance	<u>\$ 933,522</u>
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Restricted Fund Balance – Excess Surplus	<u>\$ 382,142</u>
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Section 3

Reserved Fund Balance - Excess Surplus – Designated for Subsequent Year's Expenditures	\$ 513,831
Excess Surplus – Current Year	<u>382,142</u>

	<u>\$ 895,973</u>
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Detail of Allowable Adjustments

Extraordinary Aid	\$ 115,996
Nonpublic Transportation	<u>3,221</u>

Total Adjustments	<u>\$ 119,217</u>
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Detail of Other Restricted Fund Balance

Tuition Reserve	\$ 250,000
Maintenance Reserve	450,000
Capital Reserve	<u>1,619,933</u>

Total Other Restricted Fund Balance	<u>\$ 2,319,933</u>
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NOTE 8: Risk Management

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

Property and Liability Insurance – The District maintains commercial insurance coverage for property, liability, student accident and surety bonds.

New Jersey Unemployment Compensation Insurance

On March 17, 2015, per board resolution, the balance of the unemployment account was transferred to the general account as the board is now insured on the contributory basis.

NOTE 9: Capital Reserve Account

A Capital Reserve account was established by the Borough of Belmar Board of Education by inclusion of \$100 on September 1, 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.

Fund 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 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 approved LRFP.

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

Beginning Balance July 1, 2020	\$ 1,499,115
Resolution Increase	533,918
2021-2022 Budgeted Withdrawal	<u>(413,100)</u>
Balance June 30, 2021	<u>\$ 1,619,933</u>

“A board of education may, by resolution of the board: transfer undesignated general fund balance or excess undesignated general fund balance to the capital reserve account at any time during the budget year; transfer funds from the capital reserve account to the appropriate line item account for the funding of capital projects as contained in the district's long-range facilities plan; and transfer funds from the capital reserve account to the debt service account for the purpose of offsetting principal and interest payments for bonded projects which are included in the district's long-range facilities plan.” (N.J.S.A. 18A:7G-31c)

Withdrawals may not be used for current expense. Only funds in a capital reserve account in existence prior to July 18, 2000 can be withdrawn before receiving approval of the district's LRFP and such withdrawals must be for the original purpose deposited. (N.J.A.C. 6:23A-5.1(f)1).

“Any capital reserve account in existence as of July 18, 2000 shall be subject to EFCFA and these regulations.” (N.J.A.C. 6:23A-5.1(j)).

NOTE 10: Fair Values of Financial Instruments

The following methods and assumptions were used by the Belmar Board of Education in estimating its fair value disclosures for financial instruments.

Cash and Cash Equivalents: The carrying amounts reported in the combined balance sheet for cash and cash equivalents are the fair values of those assets.

NOTE 11: Economic Dependency

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

NOTE 12: COVID-19

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

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

NOTE 13: Prior Period Adjustment/Restatement of Fund Balance and Net Position

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

Net Position as Previously Reported At June 30, 2020	\$ 4,438,722
Prior Period Adjustment – Implementation of GASB 84:	
Restricted Fund Balance – Student Activities	29,019
Restricted Fund Balance – Scholarship	<u>764</u>
Total Prior Period Adjustment	<u>29,783</u>
Net Position as Restated, July 1, 2020	<u>\$ 4,468,505</u>

NOTE 13: Prior Period Adjustment/Restatement of Fund Balance and Net Position
(Continued)

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

	<u>Special Revenue Fund</u>
Fund Balance as Previously Reported at June 30, 2020	\$
Prior Period Adjustments:	
Implementations of GASB 84:	
Restricted Fund Balance – Student Activities	29,019
Restricted Fund Balance – Scholarship	<u>764</u>
Total Prior Period Adjustment	<u>29,783</u>
Fund Balance as Restated, July 1, 2020	<u>\$ 29,783</u>

NOTE 14: Subsequent Event

Subsequent events have been evaluated through February 11, 2022, which is the date the financial statements were available to be issued. No additional subsequent event disclosures are required.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

BUDGETARY COMPARISON SCHEDULES – C

BELMAR SCHOOL DISTRICT

GENERAL FUND - BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 9,031,115		9,031,115	9,031,115	-
Tuition	2,037,167		2,037,167	2,038,967	1,800
Interest Earned on Investments			-	16,792	16,792
Miscellaneous	3,000		3,000	40,725	37,725
Total Local Sources	<u>11,071,282</u>	<u>-</u>	<u>11,071,282</u>	<u>11,127,599</u>	<u>56,317</u>
State Sources:					
Categorical Special Education Aid	320,357		320,357	320,357	-
Categorical Transportation Aid	181,768		181,768	181,768	-
Extraordinary Aid	45,000		45,000	160,996	115,996
Categorical Security Aid	158,409		158,409	158,409	-
Adjustment Aid	238,542		238,542	238,542	-
Non-Public Transportation Aid				3,221	3,221
TPAF Social Security (Reimbursed - Non-Budgeted)			-	302,645	302,645
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)			-	355,694	355,694
On-Behalf T.P.A.F Pension Contributions - Normal Cost (Non-Budgeted)			-	1,113,818	1,113,818
On-Behalf T.P.A.F Non-Contributory Insurance			-	21,192	21,192
On-Behalf T.P.A.F Pension Contributions - Long-Term Disability			-	644	644
Total State Sources	<u>944,076</u>	<u>-</u>	<u>944,076</u>	<u>2,857,286</u>	<u>1,913,210</u>
Federal Sources:					
Medical Assistance Program	25,980		25,980	19,210	(6,770)
Total Federal Sources	<u>25,980</u>	<u>-</u>	<u>25,980</u>	<u>19,210</u>	<u>(6,770)</u>
Total Revenues	<u>12,041,338</u>	<u>-</u>	<u>12,041,338</u>	<u>14,004,095</u>	<u>1,962,757</u>

BELMAR SCHOOL DISTRICT

**Exhibit C-1
Sheet 2 of 11**

GENERAL FUND - BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>Expenditures:</u>					
Current Expense:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	254,955		254,955	189,769	65,186
Grades 1-5 - Salaries of Teachers	1,289,158	93,310	1,382,468	1,374,392	8,076
Grades 6-8 - Salaries of Teachers	798,769	(800)	797,969	649,687	148,282
Regular Programs - Undistributed Instruction:					
General Supplies	130,180	(1,000)	129,180	90,130	39,050
Textbooks	10,000	10,000	20,000	4,737	15,263
Miscellaneous Expenditures	79,000	(21,767)	57,233	43,974	13,259
Regular Programs - Home Instruction:					
Salaries of Teachers	5,000		5,000	4,500	500
Total Regular Programs - Instruction	<u>2,567,062</u>	<u>79,743</u>	<u>2,646,805</u>	<u>2,357,189</u>	<u>289,616</u>
Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	130,380	1	130,381	130,325	56
Other Salaries for Instruction	19,195	24	19,219	18,410	809
Purchased Professional Educational Services	18,500	(10,000)	8,500		8,500
General Supplies	600		600		600
Total Learning and/or Language Disabilities	<u>168,675</u>	<u>(9,975)</u>	<u>158,700</u>	<u>148,735</u>	<u>9,965</u>

BELMAR SCHOOL DISTRICT

GENERAL FUND - BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Resource Room/Resource Center:					
Salaries of Teachers	491,694		491,694	404,354	87,340
Other Salaries for Instruction	67,445		67,445	31,987	35,458
Purchased Professional-Educational Services	37,000	(12,200)	24,800	8,162	16,638
General Supplies	3,600		3,600		3,600
Total Resource Room/Resource Center	<u>599,739</u>	<u>(12,200)</u>	<u>587,539</u>	<u>444,503</u>	<u>143,036</u>
Total Special Education - Instruction	<u>768,414</u>	<u>(22,175)</u>	<u>746,239</u>	<u>593,238</u>	<u>153,001</u>
Bilingual Education-Instruction					
Salaries of Teachers	150,590		150,590	150,590	-
General Supplies	600		600		600
Total Bilingual Education-Instruction	<u>151,190</u>	<u>-</u>	<u>151,190</u>	<u>150,590</u>	<u>600</u>
School Sponsored Co-Curricular Activities - Instruction:					
Salaries	42,000		42,000	22,920	19,080
Other Objects	500		500		500
Total School Sponsored Co-Curricular Activities - Instruction	<u>42,500</u>	<u>-</u>	<u>42,500</u>	<u>22,920</u>	<u>19,580</u>

BELMAR SCHOOL DISTRICT

GENERAL FUND - BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
School Sponsored Athletics - Instruction:					
Salaries	49,000		49,000	13,356	35,644
Supplies and Materials	8,500	800	9,300	8,578	722
Other Objects	2,000		2,000	1,350	650
Transfer to Cover Deficit	6,000	(800)	5,200		5,200
Total School Sponsored Athletics - Instruction	<u>65,500</u>	<u>-</u>	<u>65,500</u>	<u>23,284</u>	<u>42,216</u>
Other Supplemental /At-Risk Programs - Instruction:					
Salaries of Reading Specialists	44,750		44,750	44,750	-
Total Other Supplemental /At-Risk Programs - Instruction	<u>44,750</u>	<u>-</u>	<u>44,750</u>	<u>44,750</u>	<u>-</u>
Total Instruction	<u>3,639,416</u>	<u>57,568</u>	<u>3,696,984</u>	<u>3,191,971</u>	<u>505,013</u>
Undistributed Expenditures-Instruction:					
Tuition to Other LEAs in State - Regular	2,368,146		2,368,146	2,339,091	29,055
Tuition to Other LEAs in State - Special	436,451		436,451	293,887	142,564
Tuition to County Vocational School:					
Regular	63,500		63,500	42,400	21,100
Special	94,350		94,350	74,100	20,250
Tuition to Private School for Handicapped within State	890,251	(220,960)	669,291	603,949	65,342
Extraordinary Private Service	65,000		65,000	28,350	36,650
Total Undistributed Expenditures-Instruction	<u>3,917,698</u>	<u>(220,960)</u>	<u>3,696,738</u>	<u>3,381,777</u>	<u>314,961</u>
Undistributed Expenditures-Attendance and Social Work Services:					
Purchased Professional and Technical Services		10,000	10,000	3,850	6,150
Total Undistributed Expenditures-Attendance and Social Work Services	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>3,850</u>	<u>6,150</u>

BELMAR SCHOOL DISTRICT

**Exhibit C-1
Sheet 5 of 11**

GENERAL FUND - BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures-Health:					
Salaries	62,290	3,100	65,390	65,365	25
Purchased Professional and Technical Services	14,500	(2,500)	12,000	4,000	8,000
Supplies and Materials	1,500	5,100	6,600	3,154	3,446
Total Undistributed Expenditures-Health:	<u>78,290</u>	<u>5,700</u>	<u>83,990</u>	<u>72,519</u>	<u>11,471</u>
Undistributed Expenditures-Other Sup. Serv.					
Students-Related Serv.:					
Salaries of Teachers	87,500	35,500	123,000	122,865	135
Purchased Professional Educational Services	21,500	(13,450)	8,050		8,050
Supplies and Materials	450	500	950	365	585
Total Undistributed Expenditures-Other Sup. Serv. Students-Related Serv.	<u>109,450</u>	<u>22,550</u>	<u>132,000</u>	<u>123,230</u>	<u>8,770</u>
Undistributed Expenditures-Extraordinary Sup. Serv.					
Purchased Professional Educational Services	13,000	4,150	17,150	14,434	2,716
Supplies and Materials	2,500	(2,500)	-		-
Total Undistributed Expenditures-Extraordinary Sup. Serv.	<u>15,500</u>	<u>1,650</u>	<u>17,150</u>	<u>14,434</u>	<u>2,716</u>
Undistributed Expenditures-Other Supp. Serv.					
Students - Reg.:					
Salaries of Other Professional Staff	61,000		61,000	55,165	5,835
Supplies and Materials	400		400		400
Other Objects	250		250		250
Total Undistributed Expenditures-Other Supp. Serv.	<u>61,650</u>	<u>-</u>	<u>61,650</u>	<u>55,165</u>	<u>6,485</u>

BELMAR SCHOOL DISTRICT

GENERAL FUND - BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures-Other Sup. Serv.					
Students-Spec. Serv.:					
Salaries of Other Professional Staff	225,238	11,900	237,138	237,041	97
Salaries of Secretarial and Clerical Assts.	52,229	1	52,230	52,229	1
Other Purchased Professional Services	65,000	(20,700)	44,300	15,919	28,381
Other Purchased Services	750		750		750
Supplies and Materials	5,400	1,721	7,121	7,044	77
Other Objects	1,000	399	1,399	998	401
Total Undistributed Expenditures-Other Sup. Serv.					
Students-Spec. Serv.	349,617	(6,679)	342,938	313,231	29,707
Undistributed Expenditures - Imp. of Instructional Services:					
Salaries of Supervisors of Instruction	1,000		1,000		1,000
Undistributed Expenditures - Edu. Media Serv./Sch. Library:					
Salaries	75,160		75,160	75,160	-
Salaries of Technology Coordinators	80,000	5,300	85,300	85,238	62
Purchased Professional and Technical Services	1,000		1,000	621	379
Supplies and Materials	6,000		6,000	4,850	1,150
Total Undistributed Expenditures - Edu. Media Serv./					
School Library	162,160	5,300	167,460	165,869	1,591
Undistributed Expenditures - Instr. Staff Training Serv:					
Purchased Professional-Educational Services	8,000		8,000	150	7,850
Other Purchased Services	4,500		4,500	1,131	3,369
Supplies and Materials		1,000	1,000	210	790
Total Undistributed Expenditures - Instructional Staff Training Services	12,500	1,000	13,500	1,491	12,009

BELMAR SCHOOL DISTRICT

**Exhibit C-1
Sheet 7 of 11**

GENERAL FUND - BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures - Supp. Serv. - General Administration:					
Salaries	210,458	2	210,460	208,363	2,097
Legal Services	20,000		20,000	14,677	5,323
Audit Fees	20,000		20,000	14,500	5,500
Other Purchased Professional Services	5,000		5,000	4,635	365
Communications/Telephone	23,390	4,000	27,390	23,600	3,790
Other Purchased Services BOE	2,500	(2)	2,498	900	1,598
Other Purchased Services (400-500)	4,100		4,100	1,417	2,683
General Supplies	2,500		2,500		2,500
Miscellaneous Expenditures	25,000	27,800	52,800	18,830	33,970
BOE Membership Dues and Fees	6,000		6,000	5,630	370
Total Undistributed Expenditures - Supp. Serv. General Administration	<u>318,948</u>	<u>31,800</u>	<u>350,748</u>	<u>292,552</u>	<u>58,196</u>
Undistributed Expenditures-Support Serv.-School Admin.					
Salaries of Principals/Assistant Principals	118,767	16,165	134,932	130,815	4,117
Salaries of Secretarial/Clerical Assistants	110,134	650	110,784	110,273	511
Other Purchased Services	2,000		2,000	375	1,625
Supplies and Materials	3,500		3,500	2,193	1,307
Other Objects	4,000	(650)	3,350	2,915	435
Total Undistributed Expend.-Supp. Serv.-School Admin.	<u>238,401</u>	<u>16,165</u>	<u>254,566</u>	<u>246,571</u>	<u>7,995</u>

BELMAR SCHOOL DISTRICT

**Exhibit C-1
Sheet 8 of 11**

GENERAL FUND - BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final to Actual</u>
Undistributed Expenditures-Central Services					
Salaries	186,400	1,000	187,400	187,200	200
Purchased Professional Services	35,000		35,000	33,443	1,557
Other Purchased Services	6,000		6,000		6,000
Supplies and Materials	3,000		3,000	2,881	119
Other Objects	4,000	8,400	12,400	3,385	9,015
Total Undistributed Expend.-Central Services	<u>234,400</u>	<u>9,400</u>	<u>243,800</u>	<u>226,909</u>	<u>16,891</u>
Undistributed Expenditures-Allow. Maint. School Facilities:					
Cleaning, Repair and Maintenance Services	<u>149,450</u>	<u>39,168</u>	<u>188,618</u>	<u>168,745</u>	<u>19,873</u>
Total Undistributed Expenditures-Allow. Maint. School Facilities	<u>149,450</u>	<u>39,168</u>	<u>188,618</u>	<u>168,745</u>	<u>19,873</u>
Undistributed Expenditures-Other Oper. & Maint. Of Plant:					
Salaries	218,797	17,750	236,547	184,095	52,452
Purchased Professional and Technical Services	36,250	(2,000)	34,250	25,803	8,447
Cleaning, Repair, and Maintenance Services	22,500	(6,000)	16,500	13,241	3,259
Other Purchased Property Services	62,733	(5,000)	57,733	57,725	8
Misc. Purchased Services	14,000	7,100	21,100	20,187	913
General Supplies	40,000	(19,904)	20,096	18,818	1,278
Energy - Heat	58,000	(2,850)	55,150	49,907	5,243
Energy - Electricity	<u>95,000</u>	<u>(6,500)</u>	<u>88,500</u>	<u>52,028</u>	<u>36,472</u>
Total Undistributed Expenditures-Other Oper. & Maint. of Plant	<u>547,280</u>	<u>(17,404)</u>	<u>529,876</u>	<u>421,804</u>	<u>108,072</u>
Undistributed Expenditures-Security					
Purchased Professional and Technical Services	17,663	(1,700)	15,963	8,113	7,850
General Supplies		1,700	1,700	1,611	89
Total Undistributed Expenditures-Security Services	<u>17,663</u>	<u>-</u>	<u>17,663</u>	<u>9,724</u>	<u>7,939</u>

BELMAR SCHOOL DISTRICT

Exhibit C-1
Sheet 9 of 11

GENERAL FUND - BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Total Undistributed Expenditures - Operation & Maintenance of Plant Services	714,393	21,764	736,157	600,273	135,884
Undistributed Expenditures - Student Transportation Serv:					
Contr. Serv. (Other Than Bet. Home & Sch.)-Vendors	40,000	(2,500)	37,500	7,850	29,650
Contr. Serv. (Bet. Home & Sch.)-Joint Agreements	40,000		40,000	29,997	10,003
Contr. Serv.(Sp Ed Stds)-Vendors	500		500		500
Contr. Serv. (Reg. Students) ESC & CTSA	250,000		250,000	202,599	47,401
Contr. Serv. (Sp. Ed. Stds.) ESC & CTSA	260,000	(500)	259,500	220,832	38,668
Contr. Serv. Aid in Lieu	2,500	3,000	5,500	5,500	-
Total Undistributed Expenditures - Student Transportation Services	593,000	-	593,000	466,778	126,222
Unallocated Benefits:					
Social Security Contributions	101,000	6,800	107,800	81,292	26,508
Other Retirement Contributions - PERS	67,000	25,100	92,100	91,906	194
Other Retirement Contributions - DCRP	12,000		12,000	10,130	1,870
Unemployment Compensation	23,000	228	23,228	19,313	3,915
Tuition Reimbursement	30,000		30,000	21,630	8,370
Other Employee Benefits	50,000		50,000	11,645	38,355
Workmen's Compensation	75,000	5,372	80,372	43,184	37,188
Health Benefits	1,401,793	(51,900)	1,349,893	1,203,572	146,321
Total Unallocated Benefits	1,759,793	(14,400)	1,745,393	1,482,672	262,721
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)	-	-	-	355,694	(355,694)
On-Behalf T.P.A.F Pension Contributions - Normal Cost (Non-Budgeted)				1,113,818	(1,113,818)
On-Behalf T.P.A.F Non-Contributory Insurance				21,192	(21,192)
On-Behalf T.P.A.F Pension Contributions - Long-Term Disability	-	-	-	644	(644)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				302,645	(302,645)
Total On-Behalf Contributions	-	-	-	1,793,993	(1,793,993)

BELMAR SCHOOL DISTRICT

Exhibit C-1
Sheet 10 of 11

GENERAL FUND - BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Total Undistributed Expenditures	8,566,800	(116,710)	8,450,090	9,241,314	(791,224)
Total Current Expense	12,206,216	(59,142)	12,147,074	12,433,285	(286,211)
Capital Outlay:					
Equipment:					
Instructional Services		11,696	11,696	8,305	3,391
Required Maintenance for School Facilities		19,295	19,295	15,450	3,845
Total Equipment	-	30,991	30,991	23,755	7,236
Facilitates Acquisition and Construction Services:					
Construction		21,820	21,820	21,820	-
Other Objects	19,441		19,441	19,441	-
Total Facilitates Acquisition and Construction Services:	19,441	21,820	41,261	41,261	-
Total Capital Outlay	19,441	52,811	72,252	65,016	7,236
Special Schools:					
Salaries of Teachers	34,000		34,000	25,549	8,451
Other Salaries for Instruction	11,000		11,000	2,660	8,340
Total Special Schools	45,000	-	45,000	28,209	16,791
Transfer to Charter School	20,262	31,760	52,022	52,022	-
Total Expenditures	12,290,919	25,429	12,316,348	12,578,532	(262,184)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(249,581)	(25,429)	(275,010)	1,425,563	1,700,573
Other Financing Sources Uses:					
Transfer to Special Revenue - Preschool	(19,524)		(19,524)	(19,524)	-

BELMAR SCHOOL DISTRICT

GENERAL FUND - BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources Uses	(269,105)	(25,429)	(294,534)	1,406,039	1,700,573
Fund Balance, July 1	<u>3,100,917</u>		<u>3,100,917</u>	<u>3,100,917</u>	
Fund Balance, June 30	<u>\$ 2,831,812</u>	<u>(25,429)</u>	<u>2,806,383</u>	<u>4,506,956</u>	<u>1,700,573</u>
Recapitulation:					
Restricted Fund Balance:					
Maintenance Reserve				\$ 450,000	
Capital Reserve				1,619,933	
Tuition Reserve				250,000	
Excess Surplus - Current Year				382,142	
Designated for Subsequent Year's Expenditures - Tuition Reserve Budgeted Withdrawal				240,000	
Designated for Subsequent Year's Expenditures - Capital Reserve Budgeted Withdrawal				413,100	
Designated for Subsequent Year's Expenditures - Excess Surplus				513,831	
Designated for Subsequent Year's Expenditures - Board of Education				60,037	
Assigned Fund Balance:					
Year-End Encumbrances				26,533	
Unassigned Fund Balance				<u>551,380</u>	
				4,506,956	
Reconciliation to Governmental Funds Statement (GAAP):					
Final State Aid Payments not Recognized on GAAP Basis				<u>(134,762)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 4,372,194</u>	

BELMAR SCHOOL DISTRICT

**Exhibit C-2
Sheet 1 of 2**

BUDGETARY COMPARISON SCHEDULE

SPECIAL REVENUE FUND

JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources	\$ 211,638	71,495	283,133	276,255	6,878
State Sources	999,016		999,016	874,555	124,461
Federal Sources:					
Title I, Part A	236,334		236,334	236,334	-
Title II A, Part A	23,864		23,864	9,576	14,288
Title III	4,878		4,878	4,878	-
Title IV, Part A	23,264		23,264	14,290	8,974
IDEA Part B, Basic	271,331		271,331	256,277	15,054
IDEA Part B, Preschool	8,244		8,244	8,244	-
Educational Stabilization Fund (CARES Act)	250,330		250,330	250,330	-
Coronavirus Relief Fund	73,351		73,351	73,331	20
Total Federal Sources	891,596	-	891,596	853,260	38,336
Total Revenues	2,102,250	71,495	2,173,745	2,004,070	169,675
Expenditures:					
Instruction:					
Salaries of Teachers	486,250	65,933	552,183	542,010	10,173
Other Salaries for Instruction	236,548	225	236,773	228,282	8,491
Purchased Professional Educational Services	164,940		164,940	132,523	32,417
General Supplies	143,782	75,632	219,414	217,998	1,416
Textbooks	42,702		42,702	42,542	160
Other Objects	46,861	(13,333)	33,528	33,118	410
Total Instruction	1,121,083	128,457	1,249,540	1,196,473	53,067

BELMAR SCHOOL DISTRICT

**Exhibit C-2
Sheet 2 of 2**

BUDGETARY COMPARISON SCHEDULE

SPECIAL REVENUE FUND

JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Support Services:					
Salaries of Supervisors	9,297		9,297	9,297	-
Salaries of Program Directors	13,197		13,197	13,197	-
Salaries of Master Teachers	17,750		17,750	16,704	1,046
Other Salaries for Instruction	26,312		26,312	26,312	-
Employee Benefits	260,588	18,178	278,766	278,425	341
Purchased Technical Services	416,096	(62,768)	353,328	239,822	113,506
General Supplies	170,269	(3,035)	167,234	151,257	15,977
Other Objects	25,000	(12,600)	12,400	12,239	161
Scholarships Awarded			-	60	(60)
Student Activities			-	19,017	(19,017)
Total Support Services	<u>938,509</u>	<u>(60,225)</u>	<u>878,284</u>	<u>766,330</u>	<u>111,954</u>
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment	<u>45,921</u>		<u>45,921</u>	<u>45,920</u>	<u>1</u>
Total Facilities Acquisition and Construction Services	<u>45,921</u>	<u>-</u>	<u>45,921</u>	<u>45,920</u>	<u>1</u>
Total Expenditures	<u>2,105,513</u>	<u>68,232</u>	<u>2,173,745</u>	<u>2,008,723</u>	<u>165,022</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,263)</u>	<u>3,263</u>	<u>-</u>	<u>(4,653)</u>	<u>4,653</u>
Fund Balance, July 1					
Prior Period Adjustment				<u>29,783</u>	
Fund Balance, July 1 (Restated)				<u>29,783</u>	
Fund Balance, June 30				<u>\$ 25,130</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 704	
Student Activities				<u>24,426</u>	
Total Fund Balance				<u>\$ 25,130</u>	

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

BELMAR SCHOOL DISTRICT

Exhibit C-3

REQUIRED SUPPLEMENTARY INFORMATION**BUDGET TO GAAP RECONCILIATION****NOTE TO RSI****JUNE 30, 2021**

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<u>Sources/Inflows of Resources</u>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 14,004,095	2,004,070
Difference - budget to GAAP: Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		(36,978)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	89,609	41,700
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(134,762)</u>	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ 13,958,942</u>	<u>2,008,792</u>
<u>Uses/Outflows of Resources</u>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 12,578,532	2,008,723
Differences - budget to GAAP: Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		<u>(36,978)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 12,578,532</u>	<u>1,971,745</u>

*Includes transfer of \$19,524 from the General Fund.

REQUIRED SUPPLEMENTARY INFORMATION – PART III

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

BELMAR SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE

NET PENSION LIABILITY - PERS

Exhibit L-1

LAST EIGHT FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability (Asset)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 996,153	1,005,210	1,183,615	1,398,197	1,595,164	1,357,352	1,046,529	1,198,190
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	-	-	-	-	-	-	-	-
Total	<u>\$ 996,153</u>	<u>1,005,210</u>	<u>1,183,615</u>	<u>1,398,197</u>	<u>1,595,164</u>	<u>1,357,352</u>	<u>1,046,529</u>	<u>1,198,190</u>
District's Covered-Employee Payroll	\$ 456,788	422,351	411,584	391,216	386,067	370,040	408,600	378,520
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	45.86%	42.02%	34.77%	27.98%	24.20%	27.26%	39.04%	31.59%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	42.90%	42.04%	40.45%	36.78%	31.20%	38.21%	42.74%	40.71%

* - Note #4 in the Notes to Financial Statements has information regarding the PERS Pension Plan.

BELMAR SCHOOL DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS - PERS

Exhibit L-2

LAST EIGHT FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 61,506	60,952	65,528	54,059	57,953	54,755	50,500	52,531
Contributions in Relation to the Contractually Required Contribution	61,506	60,952	65,528	54,059	57,953	54,755	50,500	52,531
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's Covered-Employee Payroll	\$ 456,788	422,351	411,584	391,216	386,067	370,040	408,600	378,520
Contributions as a Percentage of Covered-Employee Payroll	13.46%	14.43%	15.92%	13.82%	15.01%	14.80%	12.36%	13.88%

* - Note #4 in the Notes to Financial Statements has information regarding the PERS Pension Plan.

BELMAR SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE

NET PENSION LIABILITY - TPAF

Exhibit L-3

LAST EIGHT FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability (Asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	-	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>25,305,591</u>	<u>23,735,826</u>	<u>23,854,244</u>	<u>26,779,431</u>	<u>30,746,034</u>	<u>25,102,396</u>	<u>20,708,273</u>	<u>19,478,521</u>
Total	<u>\$ 25,305,591</u>	<u>23,735,826</u>	<u>23,854,244</u>	<u>26,779,431</u>	<u>30,746,034</u>	<u>25,102,396</u>	<u>20,708,273</u>	<u>19,478,521</u>
District's Covered-Employee Payroll	\$ 4,104,008	4,138,223	4,150,193	4,011,003	4,107,853	4,058,138	3,796,845	3,864,360
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	16.22%	17.43%	17.40%	14.98%	13.36%	16.17%	18.33%	19.84%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

* - Note #4 in the Notes to Financial Statements has information regarding the TPAF Pension Plan.

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

L-4

This schedule is not applicable.

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

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

BELMAR SCHOOL DISTRICT**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PART III**

L-5

FOR THE FISCAL YEAR ENDED JUNE 30, 2021**Public Employee's Retirement System (PERS)**

Changes in Benefit Terms – None

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

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms – None

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

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

BELMAR SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

LAST FIVE FISCAL YEARS

Exhibit M-1

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>State's OPEB Liability Attributable to the District</u>					
Service Cost	\$ 668,788	626,169	748,340	903,538	*
Interest	673,178	803,230	859,488	742,546	*
Benefit Payments	(518,038)	(577,530)	(545,668)	(544,791)	*
Member Contributions	15,702	17,120	18,859	20,061	*
Difference between Expected and Actual Experience	4,667,584	(2,742,319)	(1,853,355)		*
Change of Assumptions or Other Inputs	5,435,507	280,516	(2,341,769)	(3,011,781)	*
Net Change in Total OPEB Liability	<u>10,942,721</u>	<u>(1,592,814)</u>	<u>(3,114,105)</u>	<u>(1,890,427)</u>	*
Total Attributable OPEB Liability - Beginning	<u>18,813,872</u>	<u>20,406,686</u>	<u>23,520,791</u>	<u>25,411,218</u>	*
Total Attributable OPEB Liability - Ending	<u>\$ 29,756,593</u>	<u>18,813,872</u>	<u>20,406,686</u>	<u>23,520,791</u>	<u>25,411,218</u>
District's Covered Payroll	\$ 4,560,796	4,560,574	4,561,777	4,402,219	4,493,920
District's Contribution	None	None	None	None	None
State's Proportionate Share of OPEB Liability as a Percentage of its Covered-Employee Payroll	652.44%	412.53%	447.34%	534.29%	565.46%

* - Information not available

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

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

BELMAR SCHOOL DISTRICT**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION****FOR THE FISCAL YEAR ENDED JUNE 30, 2021****Exhibit M-2**Change of Benefit Terms

None

Difference Between Expected and Actual Experience

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

Changes of Assumptions

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

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL SCHEDULES – D

N/A

SPECIAL REVENUE FUND – E

BELMAR SCHOOL DISTRICT

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES EXPENDITURES - BUDGETARY BASIS

Exhibit E-1
Sheet 1 of 2

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Chapter 192			Chapter 193			Non-Public Textbooks	Non-Public Security	Non-Public Nursing
	Home Instruction	Compensatory Education	Transportation	Examination & Classification	Corrective Speech	Supplementary Instruction			
Revenues:									
Federal Sources	\$ -	-							
State Sources	13,494	55,738	9,994	58,529	17,317	33,189	42,542	106,534	69,233
Local Sources									
Total Revenue	13,494	55,738	9,994	58,529	17,317	33,189	42,542	106,534	69,233
Expenditures:									
Instruction:									
Salaries of Teachers	-	-							
Other Salaries for Instruction									
General Supplies									
Purchased Professional & Technical Services	13,494		9,994	58,529	17,317	33,189			
Textbooks							42,542		
Other Objects									
Total Instruction	13,494	-	9,994	58,529	17,317	33,189	42,542	-	-
Support Services:									
Salaries of Program Directors									
Salaries of Supervisors of Instruction									
Other Salaries									
Salaries of Master Teachers									
Personal Services - Employee Benefits									
Purchased Professional and Technical Services		55,738							69,233
General Supplies								106,534	
Other Objects									
Scholarships Awarded									
Student Activities									
Total Support Services	-	55,738	-	-	-	-	-	106,534	69,233
Facilities Acquisition and Construction Services:									
Non-Instructional Equipment									
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	-	-	-
Total Expenditures	13,494	55,738	9,994	58,529	17,317	33,189	42,542	106,534	69,233
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-	-
Fund Balance, July 1 Prior Year Adjustment									
Fund Balance, July 1 (Restated)	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	-	-	-	-	-	-	-	-

BELMAR SCHOOL DISTRICT

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES EXPENDITURES - BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Exhibit E-1
Sheet 2 of 2

	<u>Title I</u>	<u>Title IIA</u>	<u>Title III</u>	<u>Title IV</u>	<u>I.D.E.A. Part B Basic</u>	<u>I.D.E.A. Part B Pre-School</u>	<u>Preschool Education Aid</u>	<u>CARES Act</u>	<u>Coronavirus Relief Fund</u>	<u>Scholarship Fund</u>	<u>Student Activities</u>	<u>Totals June 30, 2021</u>
Revenues:												
Federal Sources	236,334	9,576	4,878	14,290	256,277	8,244		250,330	73,331			853,260
State Sources							467,985					874,555
Local Sources							261,831				14,424	276,255
Total Revenue	<u>236,334</u>	<u>9,576</u>	<u>4,878</u>	<u>14,290</u>	<u>256,277</u>	<u>8,244</u>	<u>729,816</u>	<u>250,330</u>	<u>73,331</u>	<u>-</u>	<u>14,424</u>	<u>2,004,070</u>
Expenditures:												
Instruction:												
Salaries of Teachers	198,262						343,748					542,010
Other Salaries for Instruction					120,956	7,678	99,648					228,282
General Supplies			4,878				4,553	178,180	30,387			217,998
Purchased Professional & Technical Services												132,523
Textbooks												42,542
Other Objects							11,589	21,529				33,118
Total Instruction	<u>198,262</u>	<u>-</u>	<u>4,878</u>	<u>-</u>	<u>120,956</u>	<u>7,678</u>	<u>459,538</u>	<u>199,709</u>	<u>30,387</u>	<u>-</u>	<u>-</u>	<u>1,196,473</u>
Support Services:												
Salaries of Program Directors							13,197					13,197
Salaries of Supervisors of Instruction							9,297					9,297
Other Salaries							26,312					26,312
Salaries of Master Teachers							16,704					16,704
Personal Services - Employee Benefits	38,072				54,584	566	185,203					278,425
Purchased Professional and Technical Services		9,576		14,290	80,737		10,248					239,822
General Supplies							1,779		42,944			151,257
Other Objects							7,538	4,701				12,239
Scholarships Awarded										60		60
Student Activities											19,017	19,017
Total Support Services	<u>38,072</u>	<u>9,576</u>	<u>-</u>	<u>14,290</u>	<u>135,321</u>	<u>566</u>	<u>270,278</u>	<u>4,701</u>	<u>42,944</u>	<u>60</u>	<u>19,017</u>	<u>766,330</u>
Facilities Acquisition and Construction Services:												
Non-Instructional Equipment								45,920				45,920
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,920</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,920</u>
Total Expenditures	<u>236,334</u>	<u>9,576</u>	<u>4,878</u>	<u>14,290</u>	<u>256,277</u>	<u>8,244</u>	<u>729,816</u>	<u>250,330</u>	<u>73,331</u>	<u>60</u>	<u>19,017</u>	<u>2,008,723</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(60)</u>	<u>(4,593)</u>	<u>(4,653)</u>
Fund Balance, July 1												-
Prior Year Adjustment										764	29,019	29,783
Fund Balance, July 1 (Restated)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>764</u>	<u>29,019</u>	<u>29,783</u>
Fund Balance, June 30	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>704</u>	<u>24,426</u>	<u>25,130</u>

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

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

BELMAR SCHOOL DISTRICT**SPECIAL REVENUE FUND**

Exhibit E-2

PRESCHOOL EDUCATION AID**SCHEDULE OF EXPENDITURES - BUDGETARY BASIS****FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 353,921	343,748	10,173
Other Salaries for Instruction	108,139	99,648	8,491
General Supplies	5,000	4,553	447
Other Objects	12,000	11,589	411
Total Instruction	<u>479,060</u>	<u>459,538</u>	<u>19,522</u>
Support Services:			
Salaries of Supervisors of Instruction	9,297	9,297	
Salaries of Program Directors	13,197	13,197	
Other Salaries	26,312	26,312	
Salaries of Master Teachers	17,750	16,704	1,046
Employee Benefits	185,544	185,203	341
Other Purchased Professional Services	10,294	10,248	46
General Supplies	1,965	1,779	186
Other Objects	7,699	7,538	161
Total Support Services	<u>272,058</u>	<u>270,278</u>	<u>1,780</u>
Total Expenditures	<u>\$ 751,118</u>	<u>729,816</u>	<u>21,302</u>

Calculation of Budget and Carryover

Total Revised 2020-2021 Budget Preschool Education Aid	\$ 467,985
Add: Actual ECPA/PEA Carryover (June 30, 2020)	71,495
Add: Local Tuition	192,114
Add: Budgeted Transfer from General Fund 2020-21	<u>19,524</u>
Total Preschool Education Aid Available for 2020-2021 Budget	751,118
Less: Budgeted 2020-2021 Preschool Education Aid	<u>751,118</u>
Available and Unbudgeted Preschool Education Aid as of June 30, 2021	<u>\$ -</u>
2020-2021 Preschool Education Aid Carryover Budgeted for Preschool Programs 2021-2022	<u>\$ 21,302</u>

CAPITAL PROJECTS FUND – F

BELMAR SCHOOL DISTRICTCAPITAL PROJECTS FUND

Exhibit F-1

SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGESIN FUND BALANCE - BUDGETARY BASISFOR THE YEAR ENDED JUNE 30, 2021

Fund Balance - Beginning	\$ 40,035
Revenues:	
Bond Proceeds	9,484,440
	<u>9,524,475</u>
Expenditures:	
Construction Services	4,102,215
	<u>4,102,215</u>
Fund Balance - Ending	<u><u>\$ 5,422,260</u></u>

BELMAR SCHOOL DISTRICT

Exhibit F-1a

CAPITAL PROJECTS FUND**SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT****BALANCE, AND PROJECT STATUS - BUDGETARY BASIS****2020 BOND REFERENDUM****FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<u>Revenues and Other Financing Sources</u>				
Bond Proceeds	\$ -	9,484,440	9,484,440	9,484,440
Bond Deposit	193,560		193,560	193,560
Total Revenues	<u>193,560</u>	<u>9,484,440</u>	<u>9,678,000</u>	<u>9,678,000</u>
<u>Expenditures and Other Financing Uses</u>				
Construction Services	153,746	4,102,215	4,255,961	9,678,000
Total Expenditures	<u>153,746</u>	<u>4,102,215</u>	<u>4,255,961</u>	<u>9,678,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 39,814</u>	<u>5,382,225</u>	<u>5,422,039</u>	<u>-</u>

Additional Project Information

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	7/15/2020
Bonds Authorized	\$ 9,678,000
Bonds Issued	9,678,000
Original Authorized Cost	9,678,000
Additional Authorized Cost	-
Revised Authorized Cost	9,678,000

Percentage Increase Over Original

Authorized Cost 0%

Percentage Completion

Original Target Completion Date

Revised Target Completion Date

*There was a previous balance of \$221 in the Capital Projects Fund prior to the inception of the 2020 bond referendum.

PROPRIETARY FUNDS – G

N/A

FIDUCIARY FUND – H

N/A

LONG-TERM DEBT – I

BELMAR SCHOOL DISTRICT

GENERAL LONG-TERM DEBT ACCOUNT GROUP

Exhibit I-1

SCHEDULE OF SERIAL BONDS

JUNE 30, 2021

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Annual Date</u>	<u>Maturities Amount</u>	<u>Interest Rate</u>	<u>Beginning Balance July 1, 2020</u>	<u>Issued</u>	<u>Retired</u>	<u>Ending Balance June 30, 2021</u>
2012 Refunding Bonds	2/1/12	\$ 2,490,000	8/1/21 8/1/22	\$ 295,000 305,000	4.00%	\$ 890,000		290,000	600,000
2020 Project Bonds	7/15/20	\$ 9,678,000	7/15/21	288,000 400,000 405,000 415,000 425,000 435,000 445,000 455,000 470,000 480,000 495,000 510,000 525,000 545,000 560,000 565,000 565,000 565,000 565,000	1.00% 1.25% 2.00%		9,678,000		9,678,000
					2.125%	<u>\$ 890,000</u>	<u>9,678,000</u>	<u>290,000</u>	<u>10,278,000</u>

BELMAR SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE

Exhibit I-3

DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 319,800		319,800	319,800	
Total Revenues	<u>319,800</u>	<u>-</u>	<u>319,800</u>	<u>319,800</u>	<u>-</u>
Expenditures:					
Regular Debt Service:					
Interest	29,800		29,800	29,800	
Redemption of Principal	290,000		290,000	290,000	
Total Expenditures	<u>319,800</u>	<u>-</u>	<u>319,800</u>	<u>319,800</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance July 1					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance June 30	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATISTICAL SECTION

(Unaudited)

**Belmar Board of Education
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)**

	For Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Invested in capital assets, net of related debt	\$ 2,633,014	\$ 2,731,882	\$ 2,718,454	\$ 2,613,217	\$ 2,701,372	\$ 2,646,265	\$ 2,628,341	\$ 2,558,161	\$ 2,838,843	\$ -
Restricted	1,395,164	1,532,442	1,803,111	1,866,109	1,655,543	1,639,334	1,866,849	2,351,083	2,249,598	-
Unrestricted	112,321	(8,920)	52,519	244,199	(1,123,782)	(1,109,741)	(1,138,850)	(1,282,698)	(1,291,170)	-
Total governmental activities net position	\$ 4,140,499	\$ 4,255,404	\$ 4,574,184	\$ 4,723,525	\$ 3,233,133	\$ 3,175,858	\$ 3,356,340	\$ 3,626,546	\$ 3,797,271	\$ -
Business-type activities										
Invested in capital assets, net of related debt	\$ 19,199	\$ 38,057	\$ 40,732	\$ 43,011	\$ 42,030	\$ 38,365	\$ 41,974	\$ 93,042	\$ 80,845	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	29,024	14,905	26,149	45,489	62,788	86,871	90,993	31,040	24,657	-
Total business-type activities net position	\$ 48,223	\$ 52,962	\$ 66,881	\$ 88,500	\$ 104,818	\$ 125,236	\$ 132,967	\$ 124,082	\$ 105,502	\$ -
District-wide										
Invested in capital assets, net of related debt	\$ 2,652,213	\$ 2,769,939	\$ 2,759,186	\$ 2,656,228	\$ 2,743,402	\$ 2,684,630	\$ 2,670,315	\$ 2,651,203	\$ 2,919,688	\$ -
Restricted	1,395,164	1,532,442	1,803,111	1,866,109	1,655,543	1,639,334	1,866,849	2,351,083	2,249,598	-
Unrestricted	141,345	5,985	78,768	289,688	(1,060,994)	(1,022,870)	(1,047,857)	(1,251,658)	(1,266,513)	-
Total district net position	\$ 4,188,722	\$ 4,308,366	\$ 4,641,065	\$ 4,812,025	\$ 3,337,951	\$ 3,301,094	\$ 3,489,307	\$ 3,750,628	\$ 3,902,773	\$ -

Source: CAFR Schedule A-1

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

Belmar Board of Education
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities										
Instruction										
Regular	\$ 2,597,886	\$ 2,480,840	\$ 2,744,611	\$ 2,855,239	\$ 2,727,329	\$ 2,574,647	\$ 2,705,404	\$ 2,745,877	\$ 2,604,223	
Special education	1,467,198	1,285,685	1,569,455	1,294,347	1,269,351	1,363,592	1,451,999	1,322,754	1,474,163	
Other special education	104,200	102,740	140,785	135,205	107,194	135,858	138,365			
Other instruction	187,545	202,831	136,474	107,699	97,528	120,256	105,813	244,155	274,775	
Support Services:										
Tuition	2,923,359	2,831,999	2,539,348	2,817,103	3,020,346	2,676,504	2,862,818	2,822,080	3,010,531	
Student & instruction related services	1,017,343	1,277,444	816,063	1,214,515	1,259,471	1,220,808	1,255,351	1,261,380	1,480,140	
School administrative services	395,442	387,154	372,774	442,216	482,501	489,144	553,742	498,133	256,782	
General & Business administrative services	232,809	224,583	247,032	228,059	241,640	272,817	234,257	242,703	485,953	
Plant operations and maintenance	668,898	687,800	729,180	591,461	661,159	710,473	801,195	840,968	735,637	
Pupil transportation	430,071	426,696	365,929	390,153	530,737	464,478	419,428	466,887	560,929	
Special Schools	4,703	46,767	49,116	26,058	27,083	32,379	36,456	39,509	88,374	
Charter Schools	-	-	-	-	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	34,208	19,441	44,666	100,517	
Interest on long-term debt	154,264	170,361	104,402	94,510	87,047	77,160	66,897	56,280	47,498	
Unallocated Employee Benefits	1,942,439	1,983,487	2,326,910	2,283,802	2,613,153	2,980,740	2,869,844	3,026,935	3,105,399	
Unallocated depreciation	356,430	353,262	353,168	354,027	366,333	389,462	397,488	359,955	362,575	
Total governmental activities expenses	12,482,577	12,481,349	12,487,247	12,634,394	13,490,672	13,521,528	13,890,496	13,762,382	14,587,496	-
Business-type activities:										
Food service	250,727	244,193	260,337	277,298	285,275	292,174	302,378	315,227	302,609	
Total business-type activities expense	250,727	244,193	260,337	277,298	285,275	292,174	302,378	315,227	302,609	-
Total district expenses	\$ 12,733,304	\$ 12,705,542	\$ 12,747,584	\$ 13,111,692	\$ 13,776,147	\$ 13,813,702	\$ 14,192,874	\$ 14,077,609	\$ 14,890,105	\$ -
<small>For debt related with nonmortgage taxes, the percentage of available debt applicable is estimated since taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that Gov. is within the district's boundaries and dividing it by each unit's total taxable value.</small>										
Charges for services:										
Instruction (tuition)	\$ -	\$ -	\$ 1,987,540	\$ 1,873,721	\$ 2,007,520	\$ 1,784,307	\$ 1,851,510	\$ 1,866,431	\$ 1,783,548	
Operating grants and contributions	1,322,626	1,227,044	1,038,887	1,103,387	1,110,938	1,110,048	1,245,507	1,036,935	1,464,741	
Capital grants and contributions	-	-	-	-	-	-	-	-	-	
Total governmental activities program revenues	1,322,626	1,227,044	3,026,227	2,977,108	3,118,458	2,894,355	3,097,017	2,903,366	3,238,289	-
Business-type activities:										
Charges for services:										
Food service	96,083	88,797	84,528	94,563	88,776	98,202	86,481	78,945	69,937	
Operating grants and contributions	151,075	160,075	169,728	199,645	210,277	224,539	219,968	227,397	214,092	
Capital grants and contributions	-	-	-	-	-	-	-	-	-	
Total business type activities program revenues	247,158	248,872	274,256	293,208	299,053	312,741	306,449	306,342	284,029	-
Total district program revenues	\$ 1,569,784	\$ 1,475,916	\$ 3,300,483	\$ 3,270,316	\$ 3,417,511	\$ 3,207,096	\$ 3,403,466	\$ 3,209,708	\$ 3,522,318	\$ -
Net (Expense)/Revenue										
Governmental activities	\$ (11,159,951)	\$ (11,234,305)	\$ (9,461,020)	\$ (9,857,286)	\$ (10,372,414)	\$ (10,627,173)	\$ (10,793,479)	\$ (10,859,016)	\$ (11,349,207)	\$ -
Business-type activities	(3,569)	4,879	13,919	15,910	13,778	20,567	4,071	(8,885)	(18,580)	-
Total district-wide net expense	\$ (11,163,520)	\$ (11,229,426)	\$ (9,447,101)	\$ (9,841,376)	\$ (10,358,636)	\$ (10,606,606)	\$ (10,789,408)	\$ (10,867,901)	\$ (11,367,787)	\$ -
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 7,206,020	\$ 7,278,080	\$ 7,483,641	\$ 7,633,313	\$ 7,785,979	\$ 8,013,057	\$ 8,268,007	\$ 8,433,367	\$ 8,663,263	
Taxes levied for debt service	399,148	396,701	378,270	365,239	379,888	377,964	375,738	374,922	320,849	
Unrestricted grants and contributions	1,426,091	1,711,489	1,886,431	1,782,045	2,247,961	2,119,351	2,265,690	2,288,180	2,509,762	
Tuition Received	2,161,851	2,046,099	-	-	-	-	-	-	-	
Investment earnings & Miscellaneous Earnings	65,619	29,891	14,768	174,724	103,878	60,075	19,413	32,773	26,058	
Adjustment for prior debt adjustment	-	-	-	-	-	-	-	-	-	
Transfers	-	-	-	-	-	-	-	-	-	
Total governmental activities	11,258,728	11,482,270	9,763,110	9,956,321	10,517,506	10,570,447	10,928,848	11,129,222	11,519,932	-
Business-type activities:										
Investment earnings	81	60	-	8	-	-	-	-	-	
Adjustment for cancellation of APP	-	-	-	-	-	-	-	-	-	
Transfers	-	-	-	-	-	-	-	-	-	
Total business-type activities	81	60	-	8	-	-	-	-	-	-
Total district-wide	\$ 11,258,810	\$ 11,482,330	\$ 9,763,110	\$ 9,956,329	\$ 10,517,506	\$ 10,570,447	\$ 10,928,848	\$ 11,129,222	\$ 11,519,932	\$ -
Change in Net Assets										
Governmental activities	\$ 98,778	\$ 227,965	\$ 302,090	\$ 98,035	\$ 145,092	\$ (56,726)	\$ 135,369	\$ 270,206	\$ 170,725	\$ -
Business-type activities	(3,488)	4,739	13,919	15,918	13,778	20,567	4,071	(8,885)	(18,580)	-
Total district	\$ 95,290	\$ 232,704	\$ 316,009	\$ 113,953	\$ 158,870	\$ (36,159)	\$ 139,440	\$ 261,321	\$ 152,145	\$ -

* Tuition reported as charge for services

Source: CAFR Schedule A-2

Belmar Board of Education
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For Fiscal Year Ending June 30,		2013	2014	2015	2016	2017	2018	2019	2020
	2011	2012								
General Fund										
Reserved	\$ 1,362,766	\$ 1,532,442	\$ 1,790,275	\$ 2,027,814	\$ 1,525,146	\$ 1,639,334	\$ 1,932,314	\$ 2,367,166	\$ 2,249,377	\$ -
Unreserved	163,063	140,195	178,197	82,493	153,615	210,450	196,052	154,761	174,847	-
Total general fund	<u>\$ 1,525,829</u>	<u>\$ 1,672,637</u>	<u>\$ 1,968,472</u>	<u>\$ 2,110,307</u>	<u>\$ 1,678,761</u>	<u>\$ 1,849,784</u>	<u>\$ 2,128,366</u>	<u>\$ 2,521,927</u>	<u>\$ 2,424,224</u>	<u>\$ -</u>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ 188,403	\$ 137,951	\$ 52,922	\$ 111,755	\$ 550	\$ 222	\$ 221	\$ -
Unreserved, reported in:										
Special revenue fund	(18,344)	52,672	15,417	14,319	5,306	(16,305)	(12,471)	(16,305)	(44,743)	-
Capital projects fund	-	-	-	-	-	-	-	-	-	-
Debt service fund	-	-	-	-	-	-	-	-	-	-
Permanent fund	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ (18,344)</u>	<u>\$ 52,672</u>	<u>\$ 203,820</u>	<u>\$ 152,270</u>	<u>\$ 58,228</u>	<u>\$ 95,450</u>	<u>\$ (11,921)</u>	<u>\$ (16,083)</u>	<u>\$ (44,522)</u>	<u>\$ -</u>

Source: CAFR Schedule B-1

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

**Belmar Board of Education
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Tax levy	\$ 7,605,168	\$ 7,674,781	\$ 7,861,911	\$ 7,998,552	\$ 8,165,667	\$ 8,391,021	\$ 8,643,745	\$ 8,808,289	\$ 8,984,112	\$ 8,808,289
Tuition charges	2,181,851	2,046,099	1,987,540	1,873,721	2,007,520	1,784,307	1,851,510	1,866,431	1,783,548	1,866,431
Interest Earnings/Miscellaneous	65,619	29,891	14,768	260,884	115,718	62,276	111,915	111,847	64,692	111,847
State sources	2,043,849	2,192,207	2,321,807	2,196,000	2,727,710	2,629,009	2,729,520	2,774,202	3,253,337	2,774,202
Federal sources	705,068	748,336	603,311	603,272	619,349	600,390	689,174	471,819	672,532	471,819
Total revenue	12,581,355	12,689,314	12,789,337	12,932,429	13,636,964	13,467,003	14,025,864	14,032,588	14,758,221	14,032,588
Expenditures										
Instruction										
Regular Instruction	2,597,886	2,480,640	2,768,148	2,855,239	2,727,329	2,607,759	2,696,996	2,722,966	2,623,984	2,722,966
Special education instruction	1,467,198	1,285,685	1,569,455	1,294,347	1,269,351	1,383,592	1,451,998	1,322,754	1,474,163	1,322,754
Other special instruction	291,745	305,571	277,259	242,804	204,722	256,116	245,178	244,155	274,775	244,155
Support Services:										
Tuition	2,923,359	2,831,999	2,539,348	2,817,103	3,020,346	2,676,504	2,862,818	2,822,080	3,010,531	2,822,080
Student & instruction related services	1,017,343	1,277,444	818,063	1,214,515	1,259,471	1,220,808	1,256,351	1,261,380	1,480,140	1,261,380
School Administrative services	395,442	387,154	372,774	442,216	482,501	489,144	553,742	488,133	256,782	488,133
Other administrative services	232,809	224,583	247,032	228,059	241,640	272,817	242,703	242,703	485,953	242,703
Plant operations and maintenance	668,888	687,800	729,180	591,461	661,159	710,473	801,195	640,968	735,637	640,968
Pupil transportation	430,071	426,596	355,929	390,153	530,737	484,478	419,426	486,987	560,929	466,987
Food Services										
Unallocated employee benefits	1,942,439	2,132,602	2,326,910	2,301,614	2,525,675	2,800,810	2,789,852	2,996,863	3,098,470	2,996,863
Special Schools	4,703	46,767	49,116	26,058	27,083	32,379	36,456	39,509	40,225	39,509
Charter Schools	-	-	-	-	-	-	-	-	13,709	-
Capital outlay	190,890	27,784	61,609	21,686	713,086	38,441	19,441	19,441	473,774	19,441
Debt service:										
Principal	240,966	148,215	276,198	279,045	290,000	300,000	305,000	315,000	270,000	315,000
Interest and other charges	158,182	248,485	102,072	99,029	89,687	80,938	70,737	80,250	50,850	60,250
Total For debt repaid with property taxes, the perc	12,581,921	12,511,325	12,493,093	12,803,429	14,042,787	13,334,259	13,751,893	13,643,189	14,849,922	13,643,189
Exc values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividir	19,434	177,989	296,244	129,000	(406,823)	132,744	273,971	389,399	(91,701)	389,399
Other Financing sources (uses)										
Capital leases (non-budgeted)										
Bond proceeds										
Proceeds of refunding debt										
Payment to refunded debt escrow agent										
Par amount of bonds	-	-	-	-	-	-	-	-	-	-
Original issue premium	-	-	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-	-	-
Deposit to escrow fund										
Costs of issuance										
Accrued interest										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	(34,440)	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	(34,440)	-
Net change in fund balances	\$ 19,434	\$ 177,989	\$ 296,244	\$ 129,000	\$ (406,823)	\$ 132,744	\$ 273,971	\$ 389,399	\$ (126,141)	\$ 389,399
Debt service as a percentage of noncapital expenditures	3.2%	3.2%	3.0%	3.0%	2.8%	2.9%	2.7%	2.8%	2.2%	2.8%

Source: CAFR Schedule B-2

BELMAR BOARD OF EDUCATION
 GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
 LAST TEN FISCAL YEARS
 UNAUDITED

Fiscal Year Ended June 30,	Interest on Investments	Tuition Revenue	Misc.	Total
2011	3,100	2,161,851	62,159	2,227,110
2012	3,424	2,046,099	26,467	2,075,990
2013		1,987,540	14,768	2,002,308
2014	3,531	1,873,721	171,193	2,048,445
2015	2,610	2,007,520	101,268	2,111,398
2016	2,752	1,784,307	62,276	1,849,335
2017	3,102	1,851,509	16,000	1,870,611
2018	5,261	1,703,273	11,625	1,720,159
2019	9,773	1,663,671	34,932	1,708,376
2020	-	-	-	-

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

Source: District Records

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

Year Ended December 31,	Vacant Land	Building	Commercial	Apartment	Estimated Full Cash Valuations	Less: Tax-Exempt Property	Public Utilities a	Net Valuation Taxable	Total Direct School Tax Rate b	Estimated Actual (County Equalized Value)
2012	19,031,200	887,856,100	98,983,200	26,350,400	1,032,220,900		0	1,032,220,900	0.754	62.05%
2013	15,894,000	886,040,765	98,027,600	26,073,500	1,026,035,865		0	1,026,035,865	0.773	66.69%
2014	20,397,000	889,273,305	94,830,300	23,680,500	1,028,181,105			1,028,181,105	0.787	67.59%
2015	19,192,400	911,046,500	90,039,600	23,340,900	1,043,619,400			1,043,619,400	0.794	68.60%
2016	17,167,000	919,793,000	88,867,900	23,701,200	1,049,529,100			1,049,529,100	0.812	106.71% **
** 2017	19,323,000	1,486,442,800	134,551,300	45,072,500	1,685,389,600			1,685,389,600	0.518	
2018	29,485,300	1,478,260,600	132,856,700	42,831,600	1,683,434,200			1,683,434,200	0.527	
2019	27,716,300	1,489,628,300	131,983,300	39,319,100	1,688,647,000			1,688,647,000	0.538	92.93%
2020	26,114,000	1,517,895,500	130,913,000	39,798,200	1,714,720,700			1,714,720,700	0.540	92.93%
2021	28,202,100	1,534,195,700	132,011,400	40,402,000	1,734,811,200			1,734,811,200	0.547	92.93%

Source: For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that

Note: is within the district's boundaries and dividing it by each unit's total taxable value. In 2003 the Borough was reassessed and the tax rate adjusted accordingly.

** Reassessment occurs when ordered by the County Board of Taxation - Belmar was reassessed in 2017

b Tax rates are per \$100

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

(rate per \$100 of assessed value)

Year Ended December 31,	Belmar Board of Education			Borough of Belmar	Monmouth County	Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct			
2012	0.715	0.039	0.754	0.703	0.452	1.909
2013	0.737	0.036	0.773	0.702	0.454	1.929
2014	0.749	0.038	0.787	0.701	0.447	1.935
2015	0.756	0.038	0.794	0.691	0.434	1.919
2016	0.776	0.036	0.812	0.686	0.413	1.911
2017	0.495	0.023	0.518	0.428	0.259	1.205
2018	0.507	0.020	0.527	0.428	0.28	1.235
2019	0.520	0.019	0.539	0.515	0.292	1.346
2020	0.521	0.019	0.540	0.516	0.289	1.345
2021	0.52	0.027	0.547	0.518	0.292	1.357

Source: District Records and Monmouth County Taxation (Certified General Tax Rates)

*In 2017 the Borough was reassessed and the tax rate adjusted accordingly.

Note:

NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calcu

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

a values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

b Rates for debt service are based on each year's requirements.

**Belmar Board of Education
Principal Property Tax Payers,
Current Year and ten Years Ago**

Taxpayer	2021		2012	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
BMIA, LLC	\$ 4,358,700	0.42%	\$ 4,507,200	0.46%
River Ridge Apartments	3,542,700	0.34%	4,292,700	0.44%
Pat's Motel Inc	2,934,300	0.28%	3,084,300	0.31%
LCS, Inc.	2,479,300	0.24%	2,704,300	0.28%
Private Homeowner #1	2,177,600	0.21%	2,800,000	0.27%
GSK LLC	1,930,200	0.18%	1,979,200	0.20%
Anza Inc.	1,970,900	0.19%	1,970,900	0.35%
Private Homeowner #2	1,803,700	0.17%	2,623,100	0.27%
Ocean Harbor Apartments LLC	1,800,000	0.17%	2,638,200	0.27%
Belmar Terrace Apts	1,748,800	0.17%	-	
Harding Estates LLC			1,983,100	0.20%
Total	\$ 24,746,200	2.37%	\$ 28,583,000	3.05%

Net Valuation Taxable 2015 \$ 1,043,619,400

Source: Borough CAFR & Municipal Tax Assessor

**Current information not available'

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

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

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	
2012	7,674,781	7,674,781	100.00%	
2013	7,861,911	7,861,911	100.00%	
2014	7,998,552	7,998,552	100.00%	
2015	8,165,667	8,165,667	100.00%	
2016	8,391,021	8,391,021	100.00%	
2017	8,643,745	8,643,745	100.00%	
2018	8,808,289	8,808,289	100.00%	
2019	8,984,113	8,984,113	100.00%	
2020	9,157,728	9,157,728	100.00%	
2021	9,259,422	9,259,422	100.00%	

Source: District records including the Certificate and Report of School Taxes (A4F form)

Note: School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in is the amount voted upon or certified prior to the end of the schoo

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

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

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		
2012	3,205,243					3,205,243	1.89%	60,550
2013	2,929,046					2,929,046	2.16%	63,233
2014	2,650,000					2,650,000	2.41%	63,973
2015	2,360,000					2,360,000	2.86%	67,481
2016	2,060,000					2,060,000	3.44%	70,766
2017	1,755,000					1,755,000	4.16%	73,074
2018	1,440,000					1,440,000	5.27%	75,876
2019	1,170,000					1,170,000	6.77%	79,249
2020	890,000					890,000	9.24%	82,270
2021	10,278,328					10,278,328	0.84%	86,091

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

Source: ^c is within the district's boundaries and dividing it by each unit's total taxable value.

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.

^a See Exhibit NJ J-13 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

^b Includes Early Retirement Incentive Plan (ERIP) refunding and low interest and small project loans

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value a of Property	Per Capita b
	General Obligation Bonds	Deductions			
2012	3,205,243		3,205,243	0.31%	60,550
2013	2,929,046		2,929,046	0.28%	63,233
2014	2,650,000		2,650,000	0.26%	63,973
2015	2,360,000		2,360,000	0.23%	67,481
2016	2,060,000		2,060,000	0.20%	70,766
2017	1,755,000		1,755,000	0.17%	73,074
2018	1,440,000		1,440,000	0.09%	75,876
2019	1,170,000		1,170,000	0.07%	79,249
2020	890,000		890,000	0.05%	82,270
2021	10,278,328		10,278,328	0.59%	86,091

- Note:** Details regarding the district's outstanding debt can be found in the notes to the financial statements.
- a See Exhibit NJ J-6 for property tax data.
 - b Population data can be found in Exhibit NJ J-13.

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

**Belmar Board of Education
Ratios of Overlapping Governmental Activities Debt
As of December 31, 2021**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable a</u>	<u>Estimated Share of Overlapping Debt</u>
(Net) Debt repaid with property taxes			
Borough of Belmar (as of December 31, 2021)	18,905,925	100.000%	18,905,925
Other debt			
*** N/A	0	100.000%	0
			18,905,925
Subtotal, overlapping debt			18,905,925
Borough of Belmar School District Direct Debt-December 31, 2021			10,278,000
Total direct and overlapping debt			\$ 29,183,925

Sources: Information obtained from Annual Debt Statement Borough of Belmar & Supplementary Data from Borough of Belmar 2021 Financial Statement

*** Includes Beach Utility

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

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

Belmar Board of Education
 Legal Debt Margin Information,
 Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2021

Equalized valuation basis

	2018	1,683,434,200
	2019	1,688,647,000
	2020	1,714,720,700
	[A]	<u>\$ 5,086,801,900</u>
	[A/3]	\$ 1,695,600,633
Debt limit (3 % of	[B]	50,868,019
Net bonded school debt	[C]	<u>10,278,000</u>
Legal debt margin	[B-C]	<u>\$ 40,590,019</u>

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020
Debt limit	30,923,295	30,963,058	30,904,640	30,864,379	34,658,648	37,785,381	44,183,529	49,404,708	49,978,019	40,590,019
Total net debt applicable to limit	<u>3,719,694</u>	<u>2,929,046</u>	<u>2,650,000</u>	<u>2,360,000</u>	<u>2,060,000</u>	<u>1,755,000</u>	<u>1,440,000</u>	<u>1,170,000</u>	<u>890,000</u>	<u>10,278,000</u>
Legal debt margin	<u>\$ 26,829,012</u>	<u>\$ 27,203,601</u>	<u>\$ 28,254,640</u>	<u>\$ 28,504,379</u>	<u>\$ 32,598,648</u>	<u>\$ 36,030,381</u>	<u>\$ 42,743,529</u>	<u>\$ 48,234,708</u>	<u>\$ 49,088,019</u>	<u>\$ 30,312,019</u>

Total net (For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property as a percent values. Applicable percentages 12.03% 12.86% 12.03% 7.65% 5.94% 4.64% 3.26% 2.37% 1.78% 25.32% is within the district's boundaries and dividing it by each unit's total taxable value.

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

a Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts

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

<u>Year</u>	<u>Population a</u>	<u>Personal Income b</u>	<u>Per Capita Personal Income c</u>	<u>Unemployment Rate d</u>
2012	5,751	\$ 348,223,050	60,550	10.0%
2013	5,736	\$ 362,704,488	63,233	7.8%
2014	5,706	\$ 365,029,938	63,973	6.1%
2015	5,694	\$ 384,236,814	67,481	5.1%
2016	5,697	\$ 403,153,902	70,766	4.6%
2017	5,682	\$ 415,206,468	73,074	4.2%
2018	6,499	\$ 493,083,310	75,876	3.7%
2019	6,446	\$ 510,821,690	79,249	3.4%
2020	5,907	\$ 485,968,890	82,270	7.7%
2021	5,473	\$ 471,176,043	86,091	6.3%

Source:

- a Population information provided by the NJ Dept of Labor and Workforce Development
- b Personal income__Per Capita Income * Population
- c Per Capita_For Monmouth County
- d Unemployment data provided by the NJ Dept of Labor and Workforce Development

**Belmar Board of Education
Principal Employers,**

<u>Employer</u>	<u>2021</u>			<u>2012</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>
NO INFORMATION AVAILABLE						
	<u>-</u>		<u>0.00%</u>	<u>-</u>		<u>0.00%</u>

Source:

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

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

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Instruction										
Regular	44	45	45	44	44	46	44	42	42	42
Special education	10	11	10	11	11	11	11	10	10	11
Other special education	4	4	4	4	4	4	4	3	4	4
Vocational										
Other instruction										
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Tuition										
Student & instruction related services	15	17	16	20	22	22	21	23	21	24
General administrative services	2	2	2	2	2	2	2	2	2	2
School administrative services	3	3	4	5	4	4	4	5	5	5
Business administrative services	3	3	3	3	3	3	2	2	2	2
Plant operations and maintenance	1	1	1	1	1	1	1	1	6	6
Pupil transportation	-	-	-	-	-	-	-	-	-	-
Special Schools	-	-	-	-	-	-	-	-	-	-
Food Service	-	-	-	-	-	-	-	-	-	-
Child Care	-	-	-	-	-	-	-	-	-	-
Total	82	86	85	89	90	93	89	88	92	96

Source: District Personnel Records

Belmar Board of Education
 Operating Statistics
 Last Eight Fiscal Years

Pupil/Teacher Ratio

Fiscal Year	Enrollment	Operating Expenditures a	Cost Per Pupil	Percentage Change	Teaching Staff b	K-8	Average Daily Enrollment (ADE) c	Average Daily Attendance (ADA) c	% Change in Average Daily Enrollment	Student Attendance Percentage
2012	556	8,679,131	15,610	1.43%	54	1:10	556	533	-0.71%	95.86%
2013	568	9,134,400	16,082	3.02%	56	1:10	568	543	2.16%	95.60%
2014	552	9,178,601	16,628	3.40%	56	1:10	552	530	-2.82%	96.01%
2015	532	9,486,409	17,832	7.24%	58	1:10	532	517	-3.62%	97.18%
2016	553	9,934,924	17,966	0.75%	58	1:10	553	533	3.95%	96.38%
2017	539	10,173,867	18,875	5.06%	61	1:09	539	518	-2.53%	96.10%
2018	517	10,057,080	19,453	3.06%	59	1:09	517	494	-4.08%	95.55%
2019	472	10,605,963	22,470	15.51%	55	1:09	472	455	-8.70%	96.40%
2020	483	10,605,963	21,959	-2.28%	56	1:09	483	467	2.33%	96.69%
2021	466	10,605,963	22,760	3.65%	57	1:09	437	418	-9.52%	95.65%

Sources: District records, School Register Summary and Schedules J-2, J-16

Note: Enrollment based on Average Daily Enrollment in District

- a Operating expenditures equal total expenditures less debt service, tuition & transportation paid of out of district students, and capital outlay; Schedule J-2
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

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

**Belmar Board of Education
School Building Information
Last Ten Fiscal Years**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>District Building</u>										
<u>Belmar Elementary School</u>										
Square Feet	85,841	85,841	85,841	85,841	85,841	85,841	85,841	85,841	85,841	85,841
Capacity (students)	704	704	704	704	704	704	704	704	704	704
Enrollment	556	568	552	556	553	539	515	477	483	466
<u>Other</u>										
Administration Building										
Square Feet	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600

Number of Schools at June 30, 2021 - 1

Source: District records, LRFP

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

BELMAR BOARD OF EDUCATION
 GENERAL FUND
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
 LAST TEN FISCAL YEARS
 UNAUDITED

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

School Facilities	Project # (s)	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Belmar Elementary School	N/A	168,745	164,499	129,913	130,583	156,206	129,609	122,347	79,913	74,908	111,510
Total School Facilities		168,745	164,499	129,913	130,583	156,206	129,609	122,347	79,913	74,908	111,510

Source: School Records, Schedule M-1

BELMAR BOARD OF EDUCATION
 INSURANCE SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 UNAUDITED

Company	Type of Coverage	Coverage	Deductible		Deductible
NJ School Boards Assoc Insurance Group (NSBAIG)	Property Blanket Building & Contents- Replacement Cost Values	\$ 19,265,928	\$ 2,500		
				\$	5,000
NJ School Boards Assoc Insurance Group (NSBAIG)	Flood/Earthquake	50,000,000	10,000		5,000
Selective Insurance	Flood	10,000	1,000		N/A
NJ School Boards Assoc Insurance Group (NSBAIG)	Liability				
	-Each Occurrence	6,000,000	1,000		
	Employee Benefits Liability	6,000,000	1,000		
	Terrorism	1,000,000	1,000		
	-Personal Injury	6,000,000	1,000		
	Automotive Coverage	6,000,000	10,000		
	Electronic Data Processing	367,290	1,000		
	Boiler & Machinery	100,000,000	2,500		
	Crime	100,000	500		
NJ School Boards Assoc Insurance Group (NSBAIG)	Board of Education				N/A
	-Liability Wrongful Acts Coverage				N/A
	Each Loss	\$ 1,000,000	\$ 5,000		
	Aggregate	1,000,000	5,000		
NJ School Boards Assoc Insurance Group (NSBAIG)	Worker's Compensation				
	-Covered Payrolls-Professional	4,417,354	N/A		
	F -Covered Payrolls-Non-Professional	182,160	N/A		
	values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.				
Selective Insurance	Fidelity Bonds				
	-Treasurer of School Monies	200,000			
	-School Business Administrator/ Board Secretary	25,000			
Peoples Benefit Life	Student Accident Insurance for all students per occurrence	1,000,000			

Source: District Records

(Continued)
 -120-

SINGLE AUDIT SECTION

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

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

K-1

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

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

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

ROBERT A. HULSART AND COMPANY

Robert A. Hulsart

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

February 11, 2022

Robert A. Hulsart and Company
CERTIFIED PUBLIC ACCOUNTANTS

108.

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

K-2

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

Report on Compliance for Each Major Federal and State Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

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

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

Our consideration of internal control was for the limited purposes described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or, significant deficiencies. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Respectfully submitted,

ROBERT A. HULSART AND COMPANY

Robert A. Hulsart

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

February 11, 2022

BELMAR SCHOOL DISTRICT
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDING JUNE 30, 2021

Schedule A
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Federal Grantor/ Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Federal Fain Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance June 30, 2020	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years Balances	Balance at June 30, 2021			
				From	To							(Accounts Receivable)	Deferred Revenue	Due to Grantor	
General Fund:															
Medical Assistance Program	93.778	2005NJ5MAP	N/A	07/01/2020	06/30/2021	\$ 19,210	\$ -		19,210	(19,210)					
							-		19,210	(19,210)					
U.S. Department of Education:															
Passed Through State Department of Education:															
Special Revenue Fund:															
Title I	84.010	S010A200030	NCLB21	07/01/2020	06/30/2021	236,334			184,947	(236,334)		(51,387)			
Title I	84.010	S010A190030	NCLB20	07/01/2019	06/30/2020	245,515	(23,110)		23,110						
Title IIA	84.367A	S367A190029	NCLB20	07/01/2019	06/30/2020	28,345	(6,166)		6,166						
Title IIA	84.367A	S367A200029	NCLB21	07/01/2020	06/30/2021	23,864			5,767	(9,576)		(3,809)			
Title III	84.365A	S365A200030	NCLB21	07/01/2020	06/30/2021	4,878			4,878	(4,878)					
Title IV	84.424	S424A200031	NCLB21	07/01/2020	06/30/2021	23,264			11,650	(14,290)		(2,640)			
Title IV	84.424	S424A190031	NCLB20	07/01/2019	06/30/2020	16,623	(4,205)		4,205						
Special Education Cluster:															
LD.E.A. Basic	84.027	H027A200100	IDEA21	07/01/2020	06/30/2021	271,331			170,744	(256,277)		(85,533)			
LD.E.A. Basic	84.027	H027A190100	IDEA20	07/01/2019	06/30/2020	286,633	(78,735)		78,735						
LD.E.A. Preschool	84.173	H173A200114	IDEA21	07/01/2020	06/30/2021	8,244			8,244	(8,244)					
LD.E.A. Preschool	84.173	H173A190114	IDEA20	07/01/2019	06/30/2020	8,997	(750)		750						
CARES Act	84.425D	S425D200027	CARES20	03/01/2020	09/30/2022	250,330	(69,064)		318,788	(250,330)		(606)			
Coronavirus Relief Fund	21.019	SLT0040	N/A	09/20/2020	12/01/2020	73,331			73,331	(73,331)					
Total Special Revenue Fund							(182,030)	-	891,315	(853,260)	-	(143,975)	-	-	-
U.S. Department of Agriculture															
Passed Through State Department of Education:															
Child Nutrition Cluster:															
National School Lunch Program	10.555	211NJ304N1099	N/A	07/01/2020	06/30/2021	297,669			279,675	(297,669)		(17,994)			
National School Lunch Program	10.555	201NJ304N1099	N/A	07/01/2019	06/30/2020	161,753	(9,940)		9,940						
School Breakfast Program	10.553	211NJ304N1099	N/A	07/01/2020	06/30/2021	169,996			159,768	(169,996)		(10,228)			
School Breakfast Program	10.553	201NJ304N1099	N/A	07/01/2019	06/30/2020	67,080	(7,326)		7,326						
HHFKA Lunch Program	10.555	201NJ304N1099	N/A	07/01/2019	06/30/2020	3,906	(203)		203						
Food Distribution	10.550	211NJ304N1099	N/A	07/01/2020	06/30/2021	46,621			46,621	(46,621)					
Total U.S. Department of Agriculture							(17,469)	-	503,533	(514,286)	-	(28,222)	-	-	-
							\$ (199,499)	-	1,414,058	(1,386,756)	-	(172,197)	-	-	-

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

BELMAR SCHOOL DISTRICT

SCHEDULE OF STATE FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Grantor/Program State Department of Education:	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2020			Cash Received	Budgetary Expenditures	Repayment of Prior Years Balances	Balance at June 30, 2021			MEMO		
			From	To	Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover (Walkover) Amount				(Accounts Receivable)	Deferred Revenue	Due to Grantor	Budgetary Receivable	Total Cumulative Expenditures	
Transportation Aid	21-495-034-5120-014	\$ 181,768	07/01/2020	06/30/2021			154,528	(181,768)					(27,240)	181,768		
Special Education Aid	21-495-034-5120-089	320,357	07/01/2020	06/30/2021			272,338	(320,357)					(48,019)	320,357		
Security Aid	21-495-034-5120-084	158,409	07/01/2020	06/30/2021			134,666	(158,409)					(23,743)	158,409		
Adjustment Aid	21-495-034-5120-085	238,542	07/01/2020	06/30/2021			202,782	(238,542)					(35,760)	238,542		
Non-Public Transportation Aid	20-495-034-5120-014	1,784	07/01/2019	06/30/2020		(1,874)	1,874									
Non-Public Transportation Aid	21-495-034-5120-014	3,221	07/01/2020	06/30/2021				(3,221)			(3,221)			3,221		
Reimbursed TPAF Social Security Contributions	21-100-034-5095-003	302,645	07/01/2020	06/30/2021			284,547	(302,645)			(18,098)			302,645		
Reimbursed TPAF Social Security Contributions	20-100-034-5095-003	304,369	07/01/2019	06/30/2020		(17,934)	17,934									
On-Behalf T.P.A.F. Pension Contributions - Post Retirement Medical (non-budgeted)	20-495-034-5094-001	355,694	07/01/2020	06/30/2021			355,694	(355,694)						355,694		
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)	20-495-034-5094-002	1,113,818	07/01/2020	06/30/2021			1,113,818	(1,113,818)						1,113,818		
On-Behalf T.P.A.F. Non-Contributory Insu	20-495-034-5094-004	21,192	07/01/2020	06/30/2021			21,192	(21,192)						21,192		
On-Behalf T.P.A.F. Pension Contributions - Long Term Disability	20-495-034-5094-004	644	07/01/2020	06/30/2021			644	(644)						644		
Extraordinary Aid	21-495-034-5120-044	160,996	07/01/2020	06/30/2021				(160,996)			(160,996)			160,996		
Extraordinary Aid	20-495-034-5120-044	103,253	07/01/2019	06/30/2020		(103,253)	103,253									
						(123,061)		2,663,270	(2,857,286)		(182,315)			(134,762)	2,857,286	
Special Revenue:																
Nonpublic Aid:																
Textbook Aid	20-100-034-5120-064	37,582	07/01/2019	06/30/2020							(6)					
Textbook Aid	21-100-034-5120-064	42,702	07/01/2020	06/30/2021			42,702	(42,542)				160		42,542		
Home Instruction	20-100-034-5120-067	9,346	07/01/2017	06/30/2018		(9,346)	9,346									
Home Instruction	21-100-034-5120-067	13,494	07/01/2020	06/30/2021				(13,494)			(13,494)			13,494		
Nursing Services	21-100-034-5120-070	71,298	07/01/2020	06/30/2021			71,298	(69,233)				2,065		69,233		
Nursing Services	20-100-034-5120-070	69,161	07/01/2019	06/30/2020					(4,234)							
Security Aid	21-100-034-5120-084	122,325	07/01/2020	06/30/2021			122,325	(106,534)				15,791		106,534		
Security Aid	20-100-034-5120-084	106,950	07/01/2019	06/30/2020							(6)					
Technology	20-100-034-5120-375	25,668	07/01/2019	06/30/2020							(728)					
Auxiliary Services:																
Compensatory Education	20-100-034-5120-067	61,164	07/01/2019	06/30/2020		(6,757)	6,757									
Compensatory Education	21-100-034-5120-067	129,766	07/01/2020	06/30/2021			129,766	(55,738)				74,028		55,738		
ESL	21-100-034-5120-067	1,776	07/01/2020	06/30/2021			1,776					1,776				
ESL	20-100-034-5120-067	1,654	07/01/2019	06/30/2020						(1,654)						
Transportation	21-100-034-5120-067	9,994	07/01/2020	06/30/2021			9,994	(9,994)						9,994		
Handicapped Services:																
Examination & Classification	21-100-034-5120-066	70,043	07/01/2020	06/30/2021			70,043	(58,529)				11,514		58,529		
Examination & Classification	20-100-034-5120-066	53,148	07/01/2019	06/30/2020		(12,578)	12,578			(13,924)						
Corrective Speech	21-100-034-5120-066	21,874	07/01/2020	06/30/2021			21,874	(17,317)				4,557		17,317		
Supplementary Instruction	20-100-034-5120-066	47,274	07/01/2019	06/30/2020						(810)						
Supplementary Instruction	21-100-034-5120-066	47,759	07/01/2020	06/30/2021			47,759	(33,189)				14,570		33,189		
Preschool Education Aid	21-495-034-5120-086	467,985	07/01/2020	06/30/2021			467,985	(467,985)						467,985		
						(28,681)	21,362	1,014,203	(874,555)		(21,362)	(13,494)		124,461	874,555	
Food Service:																
National School Lunch Program (State Share)	19-100-010-3350-067		07/01/2020	06/30/2021												
National School Lunch Program (State Share)	20-100-010-3360-067	3,024	07/01/2019	06/30/2020		(159)	159									
						(159)		159								
						\$ (151,901)	21,362	3,677,632	(3,731,841)		(21,362)	(195,809)		124,461	(134,762)	3,731,841
Less on Behalf TPAF Pinion System Contributions									\$ (1,491,348)							
Total for State Financial Assistance-Major Program Determination									\$ (2,240,493)							

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

BOARD OF EDUCATION

K-5

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

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

NOTE 2: Basis of Accounting

The accompanying schedules of 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. Programs recorded in the food service fund include the National School Lunch Program, the School Breakfast Program, the U.S.D.A Commodities Program and the Special Milk Program. These bases of accounting are described in the Note 1(C) to the Board's general-purpose financial statements.

NOTE 3: Relationship to General Purpose Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003, c.97.(A3521). For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not.

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Food Service</u>	<u>Total</u>
<u>State Assistance</u>				
Actual Amounts (Budgetary) “Revenues” from the Schedule of Expenditures of State Financial Assistance	\$ 2,857,286	874,555		3,731,841
Difference – Budget to “GAAP” Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures and the Related Revenue is Recognized		(3,259)		(3,259)
The Last State Aid Payment Is Recognized as Revenue for Budgetary Purposes, and Differs from GAAP Which does not Recognize This Revenue Until the Subsequent Year When the State Recognizes the Related Expense (GASB 33)	<u>(45,153)</u>	<u>41,700</u>	—	<u>(3,453)</u>
Total State Revenue as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances	<u>\$ 2,812,133</u>	<u>912,996</u>	—	<u>3,725,129</u>

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Food Service</u>	<u>Total</u>
<u>Federal Assistance</u>				
Actual Amounts (Budgetary) “Revenues” from the Schedule of Expenditures of Federal Awards	\$ 19,210	853,260	514,286	1,386,756
Difference – Budget to “GAAP” Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures, and the Related Revenue is Recognized	_____	(33,719)	_____	(33,719)
Total Federal Revenue as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances	<u>\$ 19,210</u>	<u>819,541</u>	<u>514,286</u>	<u>1,353,037</u>

NOTE 4: Relationship to Federal and State Financial Reports

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

NOTE 5: Other

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

BELMAR SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Part 1 - Summary of Auditor's Results

Financial Statement Section

Unmodified

Type of auditor's report issued:

Internal control over financial reporting:

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

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

Noncompliance material to general purpose financial statements noted? Yes x No

Federal Awards

Internal control over compliance:

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

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

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

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

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

Special Education Cluster:

84.027
84.173

IDEA Basic (Special Education Cluster)
IDEA Preschool (Special Education Cluster)

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

Auditee qualified as low-risk auditee? x Yes No

BELMAR SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Part 2 - Financial Statement Findings

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

Finding: None

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's Response: N/A

BELMAR SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Part 3 - Federal Awards and State Financial Assistance Findings and Questioned Costs

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

FEDERAL AWARDS

Finding: NONE

Information on the Federal Program: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's response: N/A

STATE AWARDS

Finding: NONE

Information on the State Program: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

BELMAR SCHOOL DISTRICT**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2021*Part 3 - Federal Awards and State Financial Assistance Findings and Questioned Costs (Continued)***STATE AWARDS (Continued)**Cause: N/ARecommendation: N/AManagement's response: N/A

BELMAR SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

K-7

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Prior Audit Findings:

None