

SCHOOL DISTRICT

OF

BLOOMSBURY BOROUGH

Bloomsbury Borough School District
Board of Education
Bloomsbury, Hunterdon County
New Jersey

Annual Comprehensive Financial Report
For The Fiscal Year Ended June 30, 2021

Annual Comprehensive

Financial Report

of the

Bloomsbury Borough School District

Board of Education

Bloomsbury, New Jersey

For the Fiscal Year Ending June 30, 2021

Prepared by

Bloomsbury Borough School District

Board of Education

Finance Department

OUTLINE OF ACFR

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Introductory Section

Bloomsbury Elementary School

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Dr. Jenniffer Marycz
Superintendent

Tim Mantz
Business Administrator/Board Secretary

Honorable President and
Members of the Board of Education
Borough of Bloomsbury School District
County of Hunterdon, New Jersey

Dear Board of Education Members:

The comprehensive annual financial report of the Borough of Bloomsbury School District for the fiscal year ended June 30, 2021, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Bloomsbury 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 the 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 District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and The U.S. Office of Management of Budget Circular Letter 04-04, "Single Audit policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to the single audit, including the auditor's report on the internal structure in compliance with applicable laws, regulations and findings and recommendations, is included in the single audit section of this report.

REPORTING ENTITY AND ITS SERVICES: Borough of Bloomsbury school district is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No 3. All funds and account groups of the Bloomsbury Board of education and all its schools constitute the District's reporting entity.

ECONOMIC CONDITION AND OUTLOOK: Bloomsbury Borough continues to be predominantly residential in nature with a few small businesses and one larger enterprise remaining (Union 76 Truck Stop) within its political boundaries. While surrounding townships are experiencing growth, prospects are slight for significant expansion of either residential or commercial development in Bloomsbury due to the Borough's small land area of .56 square miles. Thus the tax base for both municipal and school purposes remains relatively constant with the bulk of the taxes being paid by local residential property owners. Both the Board of Education and the municipal government have struggled over the past several years with providing quality services with limited fiscal resources.

MAJOR INITIATIVES:

The 2020-2021 school year was like no other with the COVID-19 Pandemic. The district remained in person five days per week for full days with the exception of a brief period due to high COVID rates in the region, not within in our school. During this time, we made use of Zoom for Education platform for online education. We also utilized online textbooks, ALEKS, Math Seeds, Reading Eggs, Class Kick, EdPuzzle, Graphic Tablets, Google Suite, as well as doc cameras to mimic the brick and mortar classroom. While in the classroom, students still utilized technology but in an authentic way, especially with the 1:1 initiative for all students in all grades. We continued to strengthen Classcraft into the middle school as a means of gamifying and melding together curriculum, and classroom management. All classrooms, from Kindergarten through eighth grade, authentically incorporated Google Suite of Applications and virtual field trips into daily lessons. Padlet, Seesaw, virtual goggles, ALEKS, coding, and various technological tools are utilized daily. Technology classes, typing classes, and financial literacy classes have all been successfully implemented into the middle school curriculum. Although not required by the Department of Education, the faculty also focused on continuing to write strong Student Growth Objectives that raise the bar of expectations for students, creating benchmark assessments highlighting student growth and progress, as well as monitoring and adjusting curriculum that is consistently aligned with the Common Core standards, New Jersey Student Learning standards, as well as the Next Generation Science standards. Our main focus with our PLC was streamlining our literacy and math programs for PK-8. We worked with like-sized districts to focus on the small school approach and what makes the small school so special in terms of the customized instruction with 21st Century learners and instruction. Even with the pandemic continued to make opportunities available for community and family members to participate during the school year through various programs while adhering to COVID guidelines such as PTO pumpkin painting, academic sessions for students, virtual parent paint night, Autism Awareness family cookie jar making, student Penny War fundraiser, t-shirt tie dying with the PTO, hands-on exploration and labs in the classroom, Classcraft interaction, other various PTO events, service learning projects, as well as opportunities to share student academic achievements through academic carnivals and Honor Roll luncheons, biography presentations, showcases, kindergarten mystery readers, career presentations by parents, and Board of Education meetings. In terms of technology, the school continued to utilize our voice blast system to provide positive, instant communication to parents regarding updates, emergencies, and outreach messages. The entire speaker

system, paging system and panic button system were replaced, updated, and/or installed and connected to our local State Police and SRO making the district completely compliant with Alyssa's Law. The school continued with an all-electronic communication school year doing away with excess paper and copies. All textbooks and resources are also online for parent and student access from home. Parents continue to embrace the virtual backpack, Facebook, and using OnCourse Connect as a means of staying up to date with their child's progress in school. Since the district not only passed 2018/19 QSAC review but also received "High Performing" status, the district continues to move forward with keeping this status in their next review by monitoring and adjusting accordingly.

FINANCIAL INFORMATION AT FISCAL YEAR END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet the responsibility of sound financial management.

CASH MANAGEMENT: The inventory policy of the District is guided in large part by the State Statute as detailed in "Notes to the Financial Statement," 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 Governmental Units Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where funds are secured in accordance with the Act.

RISK MANAGEMENT: The Board carried various forms of insurance including, but not limited to general liability, automotive liability, and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

OTHER INFORMATION: Independent audit – State Statutes requires an annual audit by independent certified accountants or registered municipal accountants. The accounting firm of Ardito and Company was selected by the Board's finance committee. In addition to meeting the requirements set forth in State Statutes, the audit was also designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and State Treasury Circular Letter 04-04. The auditor's report on the general purpose financial statements and combining and individual fund statements related specifically to the Single Audit are included in the Single Audit section of this report.

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

Respectfully submitted,

Dr. Jenniffer
Marycz

Digitally signed by Dr. Jenniffer Marycz
DN: cn=Dr. Jenniffer Marycz,
o=Bloomsbury School District,
ou=Chief School Administrator,
email=jmarycz@bburyes.org, c=US
Date: 2021.07.19 11:19:41 -04'00'

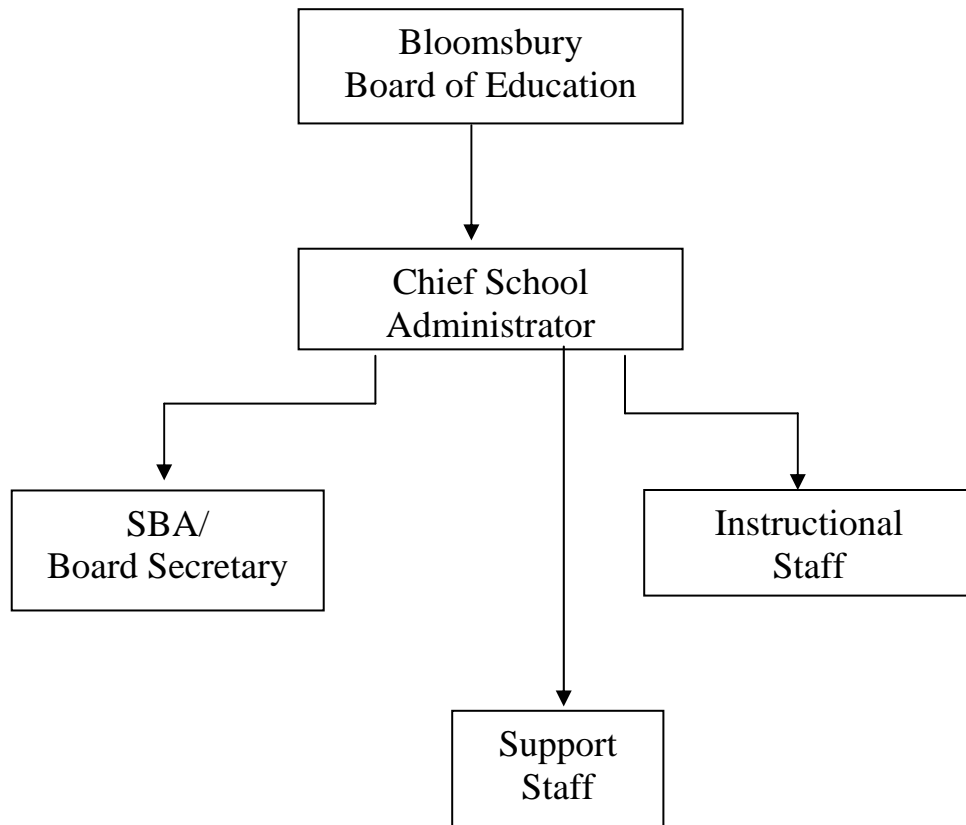
Dr. Jenniffer Marycz, Chief School Administrator



Tim Mantz, School Business Administrator

Bloomsbury Board of Education

Organization Chart



**BLOOMSBURY BOROUGH SCHOOL DISTRICT
BOARD OF EDUCATION**

ROSTER OF OFFICIALS

JUNE 30, 2021

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Daniela Albright, <i>President</i>	2021
Kristin Santoro, <i>Vice-President</i>	2022
John Albright	2021
Kaydeon Whidbee	2021
John Tufaro	2022

Other Officials

Dr. Jenniffer Marycz, *Chief School Administrator*

Tim Mantz, *School Business Administrator/Board Secretary*

Patti Fischer, *Treasurer*

**BLOOMSBURY BOROUGH SCHOOL DISTRICT
BOARD OF EDUCATION**

CONSULTANTS AND ADVISORS

AUDIT FIRM

Ardito & Company LLC
1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825

BOARD ATTORNEY

Comegno Law Group P.C.
Tall Oaks Corp. Ctr. 11
Maple Shade, New Jersey 08052

OFFICIAL DEPOSITORIES

PNC Bank
Bloomsbury, New Jersey 08804

Financial Section

Independent Auditor's Report

ARDITO & COMPANY LLC

1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825-1192
908-996-4711 Fax: 908-996-4688
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Anthony Ardito, CPA, RMA, CMFO, PSA

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Bloomsbury Borough School District
County of Hunterdon
Bloomsbury Borough, New Jersey 07830

Report on the Financial Statements

We have audited the accompanying financial statements of the government activities, the business-type activities, each major fund and the aggregate remaining fund information of the Bloomsbury Borough School District Board of Education, 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

-Continued-

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, business-type activities, each major fund, and the aggregate remaining fund information of the Bloomsbury Borough School District Board of Education, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension trend information as 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 Bloomsbury Borough School District Board of Education's basic financial statements. The introductory section, combining and individual fund financial statements, statistical section, and schedule of state financial assistance, as required by New Jersey OMB's Circular 15-08, ***Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid***, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

-Continued-

The combining and individual fund financial statement information, and the schedule of state financial assistance, as required by New Jersey OMB's Circular 15-08, ***Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid***, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the combining and individual fund financial statement information, and schedule of state financial assistance, as required by New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with ***Government Auditing Standards***, we have also issued our report dated January 26, 2022, on our consideration of the Bloomsbury Borough School District Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 District's internal control over financial reporting and compliance.



ARDITO & COMPANY LLC
January 26, 2022



Licensed Public School Accountant No. 2369

Required Supplementary Information - Part I

Management's Discussion and Analysis

BLOOMSBURY BOROUGH SCHOOL DISTRICT

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

The discussion and analysis of Bloomsbury 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 2021 are as follows:

- ◆ In total, Net Position increased \$222,409 which represents a 27.4% increase from 2020.
- ◆ General revenues accounted for \$1,879,779 in revenue or 52.9% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$1,671,663 or 47.1% of total revenues of \$3,551,442.
- ◆ Total assets of governmental activities increased by \$262,706, as cash and cash equivalents increased by \$144,921, receivables increased by \$126,373, and capital assets decreased by \$8,588.
- ◆ The School District had \$3,329,033 in expenses; only \$1,671,663 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$1,879,779 were available to provide for these programs.
- ◆ Among major funds, the General Fund had \$3,185,886 in revenues and \$3,028,365 in expenditures. The General Fund's surplus balance increased \$157,521 over 2020, which compares favorably to the budgeted decrease of \$599,444.

Using this Generally Accepted Accounting Principals Report (GAAP)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Bloomsbury Borough School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail.

For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Bloomsbury Borough School District, the General Fund is by far the most significant fund.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

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

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 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 assets. 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. Nonfinancial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

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

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 24. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

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

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.

The School District as a Whole

Recall that 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 compared to 2020.

**Table 1
Net Position**

	<u>2021</u>	<u>2020</u>
Assets		
Current and Other Assets	\$ 1,563,893	\$ 1,292,599
Capital Assets	<u>104,801</u>	<u>113,389</u>
Total Assets	<u>1,668,694</u>	<u>1,405,988</u>
Deferred Outflows of Resources	<u>38,846</u>	<u>46,151</u>
Liabilities		
Long-Term Liabilities	260,080	281,892
Other Liabilities	<u>210,834</u>	<u>109,307</u>
Total Liabilities	<u>470,914</u>	<u>391,199</u>
Deferred Inflows of Resources	<u>202,440</u>	<u>249,163</u>
Net Position		
Invested in Capital Assets, Net of Debt	104,801	113,389
Restricted	1,128,185	969,557
Unrestricted	<u>(198,800)</u>	<u>(271,169)</u>
Total Net Position	<u>\$ 1,034,186</u>	<u>\$ 811,777</u>

BLOOMSBURY BOROUGH SCHOOL DISTRICT

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

Total assets of governmental activities increased by \$262,706, as cash and cash equivalents increased by \$144,921, receivables increased by \$126,373, and capital assets decreased by \$8,588.

The cash increase was mainly due to efficient budget operations. Receivables increased due to CRRSA COVID grants not yet collected, and Capital assets decreased due to depreciation expense.

Table 2 shows the changes in Net Position from fiscal year 2020.

Table 2
Changes in Net Position

	<u>2021</u>	<u>2020</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 17,317	\$ 30,181
Operating Grants and Contributions	1,654,346	1,416,553
General Revenues:		
Property Taxes	1,879,410	1,842,559
Federal & State Aid on Capital Asset Projects		
Investment Earnings	369	2,579
Other	-	-
Total Revenues	<u>3,551,442</u>	<u>3,291,872</u>
Program Expenses		
Instruction	1,643,371	1,528,625
Support Services:		
Tuition	560,044	647,778
Pupils and Instructional Staff	478,431	414,116
General Administration, School Administration, Business	233,104	251,153
Operations and Maintenance of Facilities	311,780	206,189
Pupil Transportation	63,704	67,430
Business-Type Activities	38,061	26,013
Interest and Fiscal Charges	538	538
Total Expenses	<u>3,329,033</u>	<u>3,141,842</u>
Increase in Net Position	<u>\$ 222,409</u>	<u>\$ 150,030</u>

BLOOMSBURY BOROUGH SCHOOL DISTRICT

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

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 52.9% percent of revenues for governmental activities for the Bloomsbury Borough School District for the fiscal year 2021.

Instruction comprises 49.4% of district expenses. Support services expenses make up 49.5% of the expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services compared to 2020. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3

	<u>Total Cost of Services 2021</u>	<u>Net Cost of Services 2021</u>	<u>Total Cost of Services 2020</u>	<u>Net Cost of Services 2020</u>
Instruction	\$ 1,643,371	\$ 823,504	\$ 1,528,625	\$ 797,349
Support Services:				
Tuition	560,044	301,575	647,778	364,248
Pupils and Instructional Staff	478,431	210,526	414,116	230,499
General Admin., School Admin., Business	233,104	125,523	251,153	141,224
Operation and Maintenance of Facilities	311,780	167,888	206,189	115,941
Pupil Transportation	63,704	34,304	67,430	37,916
Business-Type Activities	38,061	(6,488)	26,013	7,393
Interest and Fiscal Charges	538	538	538	538
Total Expenses	<u>\$ 3,329,033</u>	<u>\$ 1,657,370</u>	<u>\$ 3,141,842</u>	<u>\$ 1,695,108</u>

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

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

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.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

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

Business-type activities includes expenses related to activities provided by the School District which are designed to provide for students to participate in food service.

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

The dependence upon tax revenues is apparent. Over 50.1% of instruction activities are supported through taxes and other general revenues; for all activities general revenue support is 51.0%. The community, as a whole, is the primary support for the Bloomsbury Borough School District.

The School District's Funds

Information about the School District's major funds starts on page 24. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other sources of \$3,288,169 and expenditures of \$3,124,890. The General Fund's surplus balance increased \$157,521 over 2020, which compares favorably to the budgeted decrease of \$599,444.

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 2021 year, 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.

For the General Fund, budget basis revenue and other financing sources, excluding on-behalf payments, was \$2,765,019, \$13,886 over original budgeted estimates of \$2,751,133. This difference was due primarily to extraordinary aid.

General fund revenues exceeded expenditures by \$156,539. Again this surplus compares to a budgeted deficit of \$599,444, which was due to the budgeted use of surplus needed to balance the 2020-2021 budget. The budgeted deficit was reduced due to extraordinary aid and under spending compared to the operating budget.

Overall general fund balance (budget basis) was \$1,411,287, and amounts ear-marked and reserved for future purposes were \$1,141,160, creating a surplus in unreserved fund balance of \$270,127. Management believes unreserved fund balance at statutory levels will provide adequate working capital for the district.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

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

Capital Assets

At the end of the fiscal year 2021, the School District had \$104,801 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2021 balances compared to 2020.

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

	<u>2021</u>	<u>2020</u>
Land	\$ 79,200	\$ 79,200
Land Improvements		
Buildings and Improvements	17,940	20,700
Machinery and Equipment	<u>7,661</u>	<u>13,489</u>
Totals	<u>\$ 104,801</u>	<u>\$ 113,389</u>

Overall capital assets decreased \$8,588 from fiscal year 2020 to fiscal year 2021. The decrease in capital assets was due to depreciation expense for the year.

Capital improvements of \$0 were purchased during fiscal year 2021.

Debt Administration

At June 30, 2021, the School District had \$24,000 as outstanding long term debt. Of this amount, \$24,000 is for compensated absences.

At June 30, 2021, the School District's overall legal debt margin was \$2,959,968 and the unvoted debt margin was the same.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

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

For the Future

The Bloomsbury Borough School District is in very good financial condition presently. A major concern is declining property valuations coupled with heavy reliance on local property taxes to fund the school's operations.

In conclusion, the Bloomsbury 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 Tim Mantz, School Business Administrator/ Board Secretary at Bloomsbury Borough School District, 20 Main Street, Bloomsbury, NJ 08804.

Basic Financial Statements

DISTRICT-WIDE FINANCIAL STATEMENTS

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

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit A-1

STATEMENT OF NET POSITION

June 30, 2021

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS			
Cash and Cash Equivalents	\$ 1,407,517	\$ 8,458	\$ 1,415,975
Receivables, Net			
Receivables from Other Governments	138,758	1,194	139,952
Interfund Receivables		3,057	3,057
Inventory		1,464	1,464
Restricted Assets:			
Capital and Emergency Reserve Cash	3,445		3,445
Capital Assets, Net (Note 4):	104,801		104,801
Total Assets	<u>1,654,521</u>	<u>14,173</u>	<u>1,668,694</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows	<u>38,846</u>		<u>38,846</u>
LIABILITIES			
Interfund Payables	3,057		3,057
Accounts Payable		1,048	1,048
Payroll Liabilities	106,254		106,254
Net Pension Liability	236,080		236,080
Unearned Revenue	100,152	323	100,475
Noncurrent Liabilities (Note 5):			
Due Within One Year	-		-
Due Beyond One Year	24,000		24,000
Total Liabilities	<u>469,543</u>	<u>1,371</u>	<u>470,914</u>
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows	<u>202,440</u>		<u>202,440</u>
NET POSITION			
Invested in Capital Assets, Net of Related Debt	104,801		104,801
Restricted for:			
Other Purposes	1,128,185		1,128,185
Unrestricted	(211,602)	12,802	(198,800)
Total Net Position	<u>\$ 1,021,384</u>	<u>\$ 12,802</u>	<u>\$ 1,034,186</u>

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

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit A-2

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Functions/Programs	PROGRAM REVENUES				NET(EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction:							
Regular	\$ 1,330,874	\$ 6,242	\$ 669,403		\$ (655,229)		\$ (655,229)
Special Education	310,301		143,209		(167,092)		(167,092)
Other Special Instruction	2,196		1,013		(1,183)		(1,183)
Support Services:							
Tuition	560,044		258,469		(301,575)		(301,575)
Student & Instruction Related Serv.	478,431	8,959	258,946		(210,526)		(210,526)
School Administrative Services	23,579		10,882		(12,697)		(12,697)
General and Business Admin. Serv.	209,525		96,699		(112,826)		(112,826)
Plant Operations and Maintenance	311,780		143,892		(167,888)		(167,888)
Pupil Transportation	63,704		29,400		(34,304)		(34,304)
Interest and Other Fiscal Charges	538				(538)		(538)
Total Governmental Activities	3,290,972	15,201	1,611,913	-	(1,663,858)	-	(1,663,858)
Business-Type Activities:							
Food Service	38,061	2,116	42,433			\$ 6,488	6,488
Child Care	-	-	-			-	-
Total Business-Type Activities	38,061	2,116	42,433	-	-	6,488	6,488
Total Primary Government	\$ 3,329,033	\$ 17,317	\$ 1,654,346	-	\$ (1,663,858)	\$ 6,488	\$ (1,657,370)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net					\$ 1,879,410		\$ 1,879,410
Investment Earnings					369		369
Miscellaneous Income					-		-
Transfers					-		-
Total General Revenues, Special Items, Extraor. Items and Transfers					1,879,779		1,879,779
Change in Net Position					215,921	6,488	222,409
Net Position—Beginning					796,532	6,314	802,846
Prior Period Adjustments (See Note 17)					8,931		8,931
Net Position—Beginning (Restated)					805,463	6,314	811,777
Net Position—Ending					\$ 1,021,384	\$ 12,802	\$ 1,034,186

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

FUND FINANCIAL STATEMENTS

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

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	<u>GENERAL</u> <u>FUND</u>	<u>SPECIAL</u> <u>REVENUE</u> <u>FUND</u>	<u>TOTAL</u> <u>GOVERNMENTAL</u> <u>FUNDS</u>
ASSETS			
Cash and Cash Equivalents	\$ 1,396,273	\$ 14,689	\$ 1,410,962
Receivables from Other Governments	20,127	118,631	138,758
Interfund Receivable	20,703	2,224	22,927
TOTAL ASSETS	<u>\$ 1,437,103</u>	<u>\$ 135,544</u>	<u>\$ 1,572,647</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Interfund Payable	\$ 5,281	\$ 20,703	\$ 25,984
Payroll Liabilities	106,254		106,254
Unearned Revenue		100,152	100,152
Total Liabilities	<u>111,535</u>	<u>120,855</u>	<u>232,390</u>
Fund Balances:			
<u>Restricted for:</u>			
Capital Reserve Account	3,445		3,445
Excess Surplus	743,750		743,750
Excess Surplus - Designated for Subsequent Year's Expenditures	357,737		357,737
Student Activities		14,689	14,689
<u>Assigned to:</u>			
Year-End Encumbrances	27,664		27,664
Designated for Subsequent Year's Expenditures	8,564		8,564
<u>Unassigned:</u>			
General Fund	184,408		184,408
Total Fund Balances	<u>1,325,568</u>	<u>14,689</u>	<u>1,340,257</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,437,103</u>	<u>\$ 135,544</u>	<u>\$ 1,572,647</u>

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$469,921 and the accumulated depreciation is \$365,120. (See Note 4)	\$	104,801
Deferred Outflows related to pension contributions subsequent to the Net Pension Liability measurement date and other deferred items are not current financial resources and therefore are not reported in the fund statements. (See Note 6)		38,846
Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns and other deferred items are not reported as liabilities in the fund statements. (See Note 6)		(202,440)
Long-term liabilities, including Net Pension Liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 6)		(236,080)
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 5)		(24,000)
Net Position of governmental activities	<u>\$</u>	<u>1,021,384</u>

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

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit B-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>Total Governmental Funds</u>
REVENUES			
Local sources:			
Local Tax Levy	\$ 1,879,410		\$ 1,879,410
Tuition	6,242		6,242
Miscellaneous	369	\$ 8,959	9,328
Total - Local Sources	<u>1,886,021</u>	<u>8,959</u>	<u>1,894,980</u>
State Sources	1,299,865		1,299,865
Federal Sources		93,324	93,324
Total Revenues	<u>3,185,886</u>	<u>102,283</u>	<u>3,288,169</u>
EXPENDITURES			
Current:			
Regular Instruction	1,029,794	58,383	1,088,177
Special Education Instruction	254,358		254,358
Other Special Instruction	1,800		1,800
Support services and undistributed costs:			
Tuition	459,076		459,076
Student and Instruction Related Services	356,873	38,142	395,015
School Administrative Services	13,500		13,500
Other Administrative Services	171,751		171,751
Plant Operations and Maintenance	268,571		268,571
Pupil Transportation	52,219		52,219
Unallocated Benefits	419,885		419,885
Capital Outlay	538		538
Total Expenditures	<u>3,028,365</u>	<u>96,525</u>	<u>3,124,890</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>157,521</u>	<u>5,758</u>	<u>163,279</u>
Fund Balance—July 1	1,168,047		1,168,047
Prior Period Adjustment-See Note 17	-	8,931	8,931
Fund Balance—July 1 (Restated)	<u>1,168,047</u>	<u>8,931</u>	<u>1,176,978</u>
Fund Balance—June 30	<u>\$ 1,325,568</u>	<u>\$ 14,689</u>	<u>\$ 1,340,257</u>

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

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit B-3

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED JUNE 30, 2021

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ 163,279

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

	Depreciation Expense	\$ (8,588)	
	Capital Outlays	_____ -	(8,588)

Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period.

61,230

In the statement of activities, compensated absences is accrued regardless of when paid. In the governmental funds, compensated absences are reported when paid. This is the amount by which the current year's compensated absence payments exceed the current year's amount earned.

_____ -

Change in Net Position of Governmental Activities \$ 215,921

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

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit B-4

STATEMENT OF PROPRIETARY NET POSITION
 PROPRIETARY FUNDS

JUNE 30, 2021

	Business-Type Activities- Enterprise Funds		
	<u>Food Service</u>	<u>Child Care</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash and Cash Equivalents	\$ 7,764	\$ 694	\$ 8,458
Accounts Receivable-Federal and State	1,194		1,194
Interfund Receivable	3,057		3,057
Inventories	1,464		1,464
Total Current Assets	13,479	694	14,173
Noncurrent Assets:			
Furniture, Machinery and Equipment	27,908		27,908
Less Accumulated Depreciation	(27,908)		(27,908)
Total Noncurrent Assets			
	13,479	694	14,173
LIABILITIES			
Current liabilities:			
Accounts Payable	1,048		1,048
Deferred Revenue	323		323
Total Current Liabilities	1,371		1,371
Total Liabilities	1,371		1,371
NET POSITION			
Invested in Capital Assets Net of Related Debt	-	-	-
Unrestricted	12,108	694	12,802
Total Net Position	\$ 12,108	\$ 694	\$ 12,802

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

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities - Enterprise Fund		
	Food Service	Child Care	Total Enterprise
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 2,116		\$ 2,116
Daily Sales - Non-Reimb Programs	-		-
Miscellaneous	-		-
Total Operating Revenues	2,116		2,116
 Operating Expenses:			
Cost of Sales - Reimbursable Programs	19,670		19,670
Cost of Sales - Non-reimbursable Programs			
Salaries	6,513		6,513
Benefits	2,217		2,217
Management Fee	6,240		6,240
Other Purchased Professional Services	3,421		3,421
Total Operating Expenses	38,061		38,061
 Operating Income (Loss)	(35,945)		(35,945)
 Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	1,136		1,136
Federal Sources:			
National School Lunch Program	21,909		21,909
National School Breakfast Program	18,448		18,448
Food Distribution Program	940		940
Total Nonoperating Revenues (Expenses)	42,433		42,433
 Income (Loss) Before Contributions and Transfers	6,488		6,488
 Transfers In (Out)		-	
 Total Net Position—Beginning	5,620	\$ 694	6,314
Total Net Position—Ending	\$ 12,108	\$ 694	\$ 12,802

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

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Year Ended June 30, 2021

	Business-Type Activities- Enterprise Funds		
	Food Service	Child Care	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 2,116		\$ 2,116
Payments to Employees	(6,513)		(6,513)
Payments for Employee Benefits	(2,217)		(2,217)
Payments to Suppliers	(26,492)		(26,492)
Net Cash Provided by (used for) Operating Activities	(33,106)		(33,106)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	1,096		1,096
Federal Sources	39,404		39,404
Operating Subsidies and Transfers to Other Funds			
Net Cash Provided by (used for) Non-Capital Financing Activities	40,500		40,500
Net Increase (Decrease) in Cash and Cash Equivalents	7,394		7,394
Balances—Beginning of Year	370	\$ 694	1,064
Balances—End of Year	\$ 7,764	\$ 694	\$ 8,458
Reconciliation of Operating Income (Loss) to Net Cash Provided (used) by Operating Activities:			
Operating Income (Loss)	\$ (35,945)	-	\$ (35,945)
Provided by (used for) Operating Activities:			
Depreciation and Net Amortization			
Federal Commodities	940		940
(Increase) Decrease in Accounts Receivable			
(Increase) Decrease in Inventories	774		774
Increase (Decrease) in Accounts Payables	1,125		1,125
Total Adjustments	2,839		2,839
Net Cash Provided by (used for) Operating Activities	\$ (33,106)	-	\$ (33,106)

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

Notes to Financial Statements

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of the Bloomsbury Borough 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.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (Statement No.34). This Statement provided for the most significant change in financial reporting in over twenty years and was phased-in (based on amount of revenues) starting with fiscal years ending 2002 (for larger governments). The District was not required to implement the new model until the 2003-2004 school year.

In addition, the School District has implemented GASB Statement No.37, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus, Statement No.38, Certain Financial Statement Note Disclosures, Statement No.40, Deposit and Investment Risk Disclosures, an amendment of GASB Statement No.3, and Statement 44, Economic Condition Reporting: The Statistical Section (GASB 44), an amendment of NCGA Statement 1, Governmental Accounting and Financial Reporting Principles is found in the Introduction, a revised statistical section in the Outline of the ACFR, GASB Statement No. 45, Other Post-retirement Employee Benefits, GASB No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and GASB No. 63 and 65, Deferred Outflows and Inflows and Net Position, and Items Previously Reported as Assets and Liabilities, GASB No. 68, Accounting for Pensions, an amendment of GASB No. 27, GASB No. 75, Accounting for OPEB, and GASB 84, Fiduciary Activities. The implementation of these statements did not effect net position balances as previously reported for the fiscal year ended June 30, 2020.

A. Reporting Entity:

The Bloomsbury Borough School District is a Type II district located in the County of Hunterdon, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of five members elected to three-year terms. The purpose of the district is to educate students in grades K-8. The Bloomsbury Borough School District had an approximate enrollment at June 30, 2021, of 92 students.

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

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

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

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting:

The School District's basic financial statements consist of District-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Basis of Presentation

District-wide Statements: The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees and charged to external parties. The statement of net position presents the financial condition of the governmental and business-type activity of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities.

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

Fund Financial Statements: During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category—*governmental*, *proprietary*, and *fiduciary*—are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No.34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

GOVERNMENTAL FUNDS

The District reports the following governmental funds:

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

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. **Basis of Presentation, Basis of Accounting (Continued):**

GOVERNMENTAL FUNDS (Continued)

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

PROPRIETARY FUNDS

The District reports the following proprietary fund:

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

Additionally, the District reports the following fund type:

Fiduciary Funds - The Fiduciary Funds are used to account for assets held by the District on behalf of others and include the Student Activities Fund, and Payroll Agency Fund.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued):

Basis of Accounting

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

District-wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year.

The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an “accounts receivable”. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

All governmental and business-type activities and enterprise funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval 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, except for the special revenue funds. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be approved by School Board resolution. In addition, transfers are also covered by changes in N.J.A.C. 6A:23A-2.3 that can require approval through the state department. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

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

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

D. Encumbrance Accounting:

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.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. **Assets, Liabilities and Equity:**

Cash and Cash Equivalents:

Cash and cash equivalents includes petty cash, change funds, amounts in deposits, money market accounts and short-term investments with original maturities of three months or less.

Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues.

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

Inventories:

Inventory purchases, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method.

Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Capital Assets:

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

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method under the half-year convention over the following estimated useful lives:

<u>Class</u>	<u>Estimated Useful Lives</u>
Buildings	50
Building Improvements	20
Vehicles	5
Office and Computer Equipment	5
Instructional Equipment	5
Grounds Equipment	5

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

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 vacation and sick leave in varying amounts under the District's personnel policies. Accumulated vacation time must be used within the fiscal period and does not accrue. Sick leave benefits provide for ordinary sick pay that has been accumulated during employment by the board.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments. Salary related payments for the employer's share of social security and medicare taxes, as well as pension contributions, are included.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

Deferred Revenue:

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance fiscal year 2021 operations, have been recorded as deferred revenue. Grants and entitlement received before the eligible requirements are met are also recorded as deferred revenue.

Accrued Liabilities and Long-Term Obligations:

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

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Net Position:

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

Fund Balance Reserves:

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances.

Revenues—Exchange and Nonexchange Transactions

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

Allocation of Indirect Expenses:

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

Extraordinary and Special Items:

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

Management Estimates:

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

NOTE 2: CASH AND CASH EQUIVALENTS

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.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

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.

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the district's accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the municipality would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. At June 30, 2021, all of the district's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk. The district does not have a policy for custodial credit risk.

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

	Cash and Cash Equivalents(A-1)	Total
Checking Accounts	<u>\$1,419,420</u>	<u>\$1,419,420</u>
	<u>\$1,419,420</u>	<u>\$1,419,420</u>

The carrying amount of the Board's cash and cash equivalents at June 30, 2021, was \$1,419,420 and the bank balance was \$1,436,579. All bank balances were covered by federal depository insurance and/or covered by a collateral pool maintained by the banks as required by New Jersey statutes. Of these bank balances, \$250,000 was covered by federal depository insurances and \$1,186,579 was covered by collateral pool.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 3: RECEIVABLES

Receivables at June 30, 2021, consisted of accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Government-Wide Financial Statements
State Aid	\$ 20,127	\$ 20,169
Federal Aid	118,631	119,783
Other	-	-
Gross Receivable	<u>138,758</u>	<u>139,952</u>
Less: Allowance for Uncollectibles	-	-
Total Receivables, Net	<u>\$ 138,758</u>	<u>\$ 139,952</u>

NOTE 4: CAPITAL ASSETS

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

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities:				
<i>Capital Assets Not Being Depreciated:</i>				
Land	\$ 79,200			\$ 79,200
Total Capital Assets Not Being Depreciated	<u>79,200</u>	-	-	<u>79,200</u>
<i>Capital Assets Being Depreciated:</i>				
Buildings and Building Improvements	318,196			318,196
Machinery and Equipment	72,525			72,525
Total at Historical Cost	<u>390,721</u>	-	-	<u>390,721</u>
Less Accumulated Depreciation for:				
Building and Improvements	(297,496)	\$ (2,760)		(300,256)
Equipment	(59,036)	(5,828)		(64,864)
Total Accumulated Depreciation	<u>(356,532)</u>	<u>(8,588)</u>		<u>(365,120)</u>
Total Capital Assets Being Depreciated, net of Accumulated Depreciation	<u>(356,532)</u>	<u>(8,588)</u>	-	<u>(365,120)</u>
Government Activity Capital Assets, Net	\$ 113,389	\$ (8,588)	-	\$ 104,801

On January 11, 2001, the NJ State Department of Education announced that effective July 1, 2001, the capitalization threshold used by school districts in the State of New Jersey is increased to \$2,000. The previous threshold was \$500. Applying the higher capitalization threshold retroactively (removal of old assets from the General Fixed Assets Account Group) will be permitted by the State regulations in situations where (1) the assets have been fully depreciated, or (2) the assets have exceeded their useful lives. The retirement of machinery and equipment is due to the retroactive application of the higher threshold of equipment capitalization. That is, the District has removed from their records assets with a historical cost greater than \$500 but not greater than \$2,000 that were fully depreciated or had exceeded their useful lives.

Depreciation expense was charged to functions as follows:

Regular Instruction	\$ 2,760
School Administration	<u>5,828</u>
Total	<u>\$ 8,588</u>

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 5: LONG-TERM OBLIGATIONS

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

A. Long-Term Obligation Activity:

Changes in long-term obligations for the year ended June 30, 2021, are as follows:

	Balance			Balance	Amounts
	<u>7/1/20</u>	<u>Increases</u>	<u>Decreases</u>	<u>6/30/21</u>	<u>Due Within</u>
					<u>One Year</u>
Governmental Activities:					
Other Liabilities:					
Compensated Absences Payable	\$ 24,000			\$ 24,000	-
Total Other Liabilities	\$ 24,000	-	-	\$ 24,000	-

Compensated absences and capital leases have been liquidated in the General Fund.

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

NOTE 6: PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, 100% of employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 6: PENSION PLANS (Continued)

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

The employer contributions for the district are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, the district (employer) is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the district (employer) does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the district. However, the state's portion of the net pension liability that was associated with the district was \$5,879,442 as measured on June 30, 2020 and \$6,167,120 measured on June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$365,609 and revenue of \$365,609 for support provided by the State. The measurement period for the pension expense and revenue reported in the district's financial statements (A-2) at June 30, 2021 is based upon changes in the collective net pension liability with a measurement period of June 30, 2019 through June 30, 2020. Accordingly, the pension expense and the related revenue associated with the support provided by the State is based upon the changes in the collective net pension liability between July 1, 2019 and June 30, 2020.

Although the district does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the district. The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	<u>6/30/2019</u>	<u>6/30/2020</u>
Collective deferred outflows of resources	\$10,077,460,797	\$9,589,140,982
Collective deferred inflows of resources	\$17,525,379,167	\$14,409,361,877
Collective net pension liability (Nonemployer-State of New Jersey)	\$61,370,943,870	\$65,848,796,740
State's portion of the net pension liability that was associated with the district	\$6,167,120	\$5,879,442
State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	0.010049%	0.008929%

Actuarial assumptions - 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:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55-4.45%
Thereafter	2.75-5.65%
Investment Rate of Return:	7.00%

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 6: PENSION PLANS (Continued)

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.

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.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.0% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	7.71%
Non-US devel.markets equit	13.50%	8.57%
Emerging markets equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yeild	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash equivalents	4.00%	0.50%
US Treasuries	5.00%	1.94%
Risk mitigation	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 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.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 6: PENSION PLANS (Continued)

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.

Sensitivity of the State's net pension liability to changes in the discount rate - Since the District has no proportionate share of the net pension liability because of the special funding situation, the district would not be sensitive to any changes in the discount rate. The following presents the State's net pension liability measured as of June 30, 2020, calculated using the discount rate shown above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	<u>(4.40%)</u>	<u>(5.40%)</u>	<u>(6.40%)</u>
State's Collective Net Pension Liability	\$ 77,517,093,055	\$ 65,993,498,688	\$ 56,425,087,777

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>. The plan fudiciary net position as of June 30, 2020 was \$21,529,179,998.

Amortization of Deferred Outflows and Inflows of Resources - Amount reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amoounts) related to pensions will be recognized in the state's pension expense as follows:

	<u>Year Ended June 30:</u>
2021	(\$262,056,928)
2022	(188,358,995)
2023	(774,174,971)
2024	(1,939,112,462)
2025	(1,466,451,639)
Thereafter	<u>(335,285,618)</u>
Total	<u>(\$4,965,440,613)</u>

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 6: PENSION PLANS (Continued)

Pension Expense - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2020 are as follows:

Service cost	\$1,643,902,335
Interest on total ension liability	4,680,942,056
Benefit Changes	(16,738,469)
Member contributions	(867,037,595)
Administrative expens	13,511,148
Expected investment return net of investment expenses	(1,525,370,804)
Pension expense related to specific liabilities of individual employers	4,749,837
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	177,152,462
Changes in assumptions	(394,786,992)
Difference between projected and actual investment earnings on pension plan investments	<u>387,432,792</u>
Total pension expense	<u>\$4,103,756,770</u>

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

Summary of Significant Accounting Policies - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

At June 30, 2021, the District reported a liability of \$236,080 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The total pension liability for the June 30, 2019 valuation was determined by an experience study for the period July 1, 2014 to June 30, 2018. The District's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2020 and 2019. At June 30, 2020, the District's proportion was 0.00145 which was an increase of 0.00002% from its proportion measured as of June 30, 2019.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 6: PENSION PLANS (Continued)

For the year ended June 30, 2021, the District recognized pension expense of (\$43,478). 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</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 4,299	\$ 835
Changes of assumptions	7,659	98,849
Net difference between projected and actual earnings on pension plan investments	8,069	-
Changes in proportion and differences between District contributions and proportionate share of contributions	2,981	102,756
District contributions subsequent to the measurement date	15,838	
Total	<u>\$ 38,846</u>	<u>\$ 202,440</u>

\$15,838 reported as deferred outflows of resources related to pensions resulting from school district 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 measured as of 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 Ended June 30:</u>
2021	(\$66,729)
2022	(60,837)
2023	(34,767)
2024	(14,059)
2025	(3,041)
Total	<u>(\$179,432)</u>

	<u>6/30/2019</u>	<u>6/30/2020</u>
Collective deferred outflows of resources	\$3,149,522,616	\$2,347,583,337
Collective deferred inflows of resources	7,645,087,574	7,849,949,467
Collective net pension liability (Non State - Local Group)	\$18,018,482,972	\$16,307,384,832
District's portion of net pension liability	\$257,892	\$236,080
District's proportion %	0.00143126%	0.00144769%

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 6: PENSION PLANS (Continued)

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

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments 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 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>
US Equity	27.00%	7.71%
Non-US devel.markets equit	13.50%	8.57%
Emerging markets equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yeild	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash equivalents	4.00%	0.50%
US Treasuries	5.00%	1.94%
Risk mitigation	3.00%	3.40%

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 6: 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 District's proportionate share of the net pension liability to changes in the discount rate - The following presents the District's proportionate share of the net pension liability measured as of June 30, 2020, calculated using the discount rate as disclosed above, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current</u> <u>Discount Rate</u>	<u>1% Increase</u>
	<u>(6.00%)</u>	<u>(7.00%)</u>	<u>(8.00%)</u>
District's proportionate share of the net pension liability	\$ 297,185	\$236,080	\$ 184,230

Pension Expense - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2020 are as follows:

Service cost	(\$85,960)
Interest on total Pension liability	(280,083)
Benefit Changes	1,920
Member contributions	61,100
Administrative expens	(1,462)
Expected investment return net of investment expenses	164,880
Pension expense related to specific liabilities of individual employers	765
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	(19,747)
Changes in assumptions	145,462
Difference between projected and actual investment earnings on pension plan investments	<u>(30,355)</u>
Total pension expense	<u>(\$43,478)</u>

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 6: PENSION PLANS (Continued)

Defined Contribution Retirement Plan (DCRP) - The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Significant Legislation - Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

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

□ New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65. □ The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members. □ The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. □ Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 6: PENSION PLANS (Continued)

□ The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law. □ New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee’s annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78’s effective date with a minimum contribution required to be at least 1.5% of salary. □ In addition, this new legislation changes the method for amortizing the pension systems’ unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 (PERS) and N.J.S.A. 18:66 (TPAF) requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.5% of employees’ annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 6.5% and the PERS rate is 6.5% of covered payroll.

Three-Year Trend Information for PERS

<u>Year</u> <u>Funding</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
6/30/2021	\$15,838	100 %	-0-
6/30/2020	\$13,922	100	-0-
6/30/2019	\$16,702	100	-0-

Three-Year Trend Information for TPAF (Paid by the District)

<u>Year</u> <u>Funding</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
6/30/2021	\$255,909	100 %	-0-
6/30/2020	\$199,500	100	-0-
6/30/2019	\$201,963	100	-0-

During the fiscal year ended June 30, 2021, the State of New Jersey did contribute \$336,051 to the TPAF for post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$83,834 during the year ended June 30, 2021, for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. The PERS amounts have been included in the fund-based statements as pension expense and the TPAF on-behalf amounts have been included in fund-based statements as revenues and expenditures. The PERS and TPAF amounts have been modified and included in the District-wide financial statements in accordance with GASB Statement No. 68.

NOTE 7: POST-RETIREMENT BENEFITS

Plan description and benefits provided

The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 7: POST-RETIREMENT BENEFITS-(Continued)

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 OPES plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

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

Total Nonemployer OPEB Liability

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education.

Actuarial assumptions and other imputes The June 30, 2021 GASB 75 reporting is based on a measurement date of June 30, 2020. The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 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 and July 1, 2014 - June 30, 2018, for TPAF and PERS, respectively. 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:

Inflation rate	2.50%
Salary Increases Through 2026:	1.55-4.45% TPAF 2.00-6.00% PERS Based on service years
Salary Increases Thereafter:	1.55-4.45% TPAF 3.00-7.00% PERS Based on service years
Discount rate (2020)	2.21%
Discount rate (2019)	3.50%
Healthcare cost trend rates (PPO Plans)	5.6% decreasing to 4.5% after seven years
Healthcare cost trend rates (Self-insured post 65 PPO Plans)	4.50%
Healthcare cost trend rates (HMO Plans)	5.6% decreasing to 4.5% after seven years

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 7: POST-RETIREMENT BENEFITS-(Continued)

Healthcare cost trend rates (Prescription Drug Benefits) 7.0% decreasing to 4.5% after seven years

Healthcare cost trend rates (Medicare Part B reimbursement) 5.00%

Healthcare cost trend rates (Medicare Advantage) 4.50%

Retirees' share of benefit related Costs Projected health insurance premiums for retirees based on the retiree's annual retirement benefit and level of coverage

The discount rate for June 30, 2020 and 2019 was 2.21% and 3.50%, respectively. 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.

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.

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

	<u>Total OPEB Liability</u>
The State's Total OPEB Liability Balance at 6/30/2019	\$41,729,081,045
<u>Changes for the year:</u>	
Service Cost	1,790,973,822
Interest on the Total OPEB Liability	1,503,341,357
Change in Benefit Terms	-
Differences Between Expected and Actual Experience	11,544,750,637
Changes of Assumptions	12,386,549,981
Gross Benefit Payments	(1,180,515,618)
Contributions from Members	<u>35,781,384</u>
Net changes	<u>26,080,881,563</u>
The State's Total OPEB Liability Balance at 6/30/2020	<u>\$67,809,962,608</u>
The State's total OPEB liability attributable to the District:	\$6,966,735

There were no changes of benefit terms.

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

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 7: POST-RETIREMENT BENEFITS-(Continued)

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:

	June 30, 2020		
	At 1% Decrease	At Discount Rate	At 1% Increase
	<u>1.21%</u>	<u>2.21%</u>	<u>3.21%</u>
Total OPEB Liability (School Retirees)	\$81,748,410,002	\$67,809,962,608	\$56,911,439,160

	June 30, 2019		
	At 1% Decrease	At Discount Rate	At 1% Increase
	<u>2.50%</u>	<u>3.50%</u>	<u>4.50%</u>
Total OPEB Liability (School Retirees)	\$49,298,534,898	\$41,729,081,045	\$35,716,321,820

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:

	June 30, 2020		
	At 1% Decrease	Health Care Cost Trend Rate	At 1% Increase
	<u> </u>	<u> </u>	<u> </u>
Total OPEB Liability (School Retirees)	\$54,738,488,540	\$67,809,962,608	\$83,375,182,975

	June 30, 2019		
	At 1% Decrease	Health Care Cost Trend Rate	At 1% Increase
	<u> </u>	<u> </u>	<u> </u>
Total OPEB Liability (School Retirees)	\$34,382,902,820	\$41,729,081,045	\$51,453,912,586

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 7: POST-RETIREMENT BENEFITS-(Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the board of education recognized OPEB expense and related revenue of \$189,166 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 District's proportionate share of school retirees OPEB is zero, and there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of 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</u>	<u>Deferred Inflows</u>
Differences Between Expected and Actual Experience	\$10,295,318,750	(\$9,170,703,615)
Changes of assumptions or other inputs	<u>11,534,251,250</u>	<u>(7,737,500,827)</u>
Total	<u>\$21,829,570,000</u>	<u>(\$16,908,204,442)</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:	
2021	\$43,440,417
2022	43,440,417
2023	43,440,417
2024	43,440,417
2025	43,440,417
Thereafter	<u>4,704,163,473</u>
	<u>\$4,921,365,558</u>

NOTE 8: DEFERRED COMPENSATION

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

Lincoln Investment Planning
AXA Equitable Equi-vest

NOTE 9: 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 vacation and sick leave in varying amounts under the District's personnel policies. Accumulated vacation time must be used within the fiscal period and does not accrue. Sick leave benefits provide for ordinary sick pay that has been accumulated during employment by the board.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9: COMPENSATED ABSENCES - (Continued)

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

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

NOTE 7: RISK MANAGEMENT

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

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

NOTE 11: CONTINGENT LIABILITIES

GRANT PROGRAMS

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

LITIGATION

The Board is not involved in claims and lawsuits incidental to its operations

NOTE 12: FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) - Of the \$1,325,568 General Fund fund balance at June 30, 2021, \$1,101,487 is reserved as excess surplus in accordance with N.J.S.A.18A:7F-7 (\$357,737 of the total reserve for excess surplus was appropriated and included as anticipated revenue for the year ending June 30, 2022); \$8,564 is reserved for subsequent year's expenditures has been anticipated as revenue for the year ended June 30, 2022; \$3,445 is reserved in the Capital Reserve Account; \$27,664 is reserved for encumbrances; and \$184,408 is unreserved and undesignated.

NOTE 13: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Bloomsbury Borough School District Board of Education by inclusion in prior budgets, 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.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 13: CAPITAL RESERVE ACCOUNT - (Continued)

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23-2.13(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The Capital Reserve had no activity for the July 1, 2019 to June 30, 2020 fiscal year.

NOTE 14: EMERGENCY RESERVE ACCOUNT

An emergency reserve account was established by the Bloomsbury Borough School District Board of Education in fiscal year 2020, for the accumulation of funds for use in accordance with PL 2007 c.62 (A1). The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance July 1, 2020	\$ 176,435
Budgeted Withdrawal	<u>\$ (176,435)</u>
Ending balance June 30, 2021	<u> -</u>

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2021 (Exhibit B-1):

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 20,703	\$ 5,281
Special Revenue Fund	2,224	\$ 20,703
Enterprise Fund	3,057	
	<u>\$ 25,984</u>	<u>\$ 25,984</u>

The general fund owes the enterprise fund for state and federal lunch reimbursements not yet transferred over to the enterprise fund. The general fund owes the special revenue fund for general fund expenses paid by the special revenue fund. The special revenue fund owes the general fund for cash advances in anticipation of federal grants not yet received.

NOTE 15: CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2021 is \$743,750.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 16: TAX ABATEMENTS

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

NOTE 17: PRIOR PERIOD ADJUSTMENT

Restatement of Prior Period:

As the Student Activities Fund does not meet the definition of a fiduciary activity prescribed in GASB No. 84 paragraph 11, the Student Activities Fund is to be reported in the special revenue fund. N.J.A.C. 6A:23A-16.12 governs the establishment and operation of the Student Activity Fund restricting expenditures within the fund and prohibiting the transfer of any unspent balances to any other fund.

Governmental Activities Net Position:

Net Position (per A-2), June 30, 2020	\$ 796,532
Restricted fund balance for Student Activities per GASB No. 84	<u>8,931</u>
Net Position (per A-2), June 30, 2020, as Restated	<u>\$ 805,463</u>

Governmental Funds:

Fund Balance (per B-2), June 30, 2020	\$ 1,168,047
Restricted fund balance for Student Activities per GASB No. 84	<u>8,931</u>
Fund Balance (per B-2), June 30, 2020, as Restated	<u>\$ 1,176,978</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,879,410		\$ 1,879,410	\$ 1,879,410	
Tuition	12,000		12,000	6,242	\$ (5,758)
Miscellaneous	2,000		2,000	369	(1,631)
Total - Local Sources	<u>1,893,410</u>	<u>-</u>	<u>1,893,410</u>	<u>1,886,021</u>	<u>(7,389)</u>
State Sources:					
Equalization Aid	578,424		578,424	578,424	
School Choice Aid	279,299		279,299	279,299	
Other State Aid			-	21,275	21,275
TPAF Pension (On-Behalf - Non-Budgeted)				255,730	255,730
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)				80,142	80,142
TPAF Pension LTD Insurance (On-Behalf - Non-Budgeted)				179	179
TPAF Social Security (Reimbursed - Non-Budgeted)				83,834	83,834
Total State Sources	<u>857,723</u>	<u>-</u>	<u>857,723</u>	<u>1,298,883</u>	<u>441,160</u>
TOTAL REVENUES	<u>2,751,133</u>	<u>-</u>	<u>2,751,133</u>	<u>3,184,904</u>	<u>433,771</u>

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

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 Favorable/ (Unfavorable)</u>
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Preschool - Salaries of Teachers	27,178	-	27,178	26,183	995
Kindergarten - Salaries of Teachers	79,399	-	79,399	75,795	3,604
Grades 1-5 - Salaries of Teachers	433,128	-	433,128	413,348	19,780
Grades 6-8 - Salaries of Teachers	252,566	-	252,566	237,902	14,664
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	68,260	-	68,260	53,158	15,102
Social Security Contributions	13,000	-	13,000	13,000	
Other Retirement Contributions - Regular	13,000	-	13,000	13,000	
Unemployment Compensation	12,870	-	12,870	5,762	7,108
Workmen's Compensation	7,000	-	7,000	-	7,000
Health Benefits	410,999	-	410,999	82,615	328,384
Tuition Reimbursement	10,000	-	10,000	775	9,225
Other Employee Benefits	5,500	-	5,500	4,483	1,017
Purchased Professional-Educational Services	28,000	-	28,000	26,934	1,066
Purchased Technical Services	21,750	-	21,750	6,644	15,106
Other Purchased Services (400-500 series)	42,500	-	42,500	16,614	25,886
General Supplies	52,972	5,870	58,842	52,814	6,028
Other Objects	1,100	-	1,100	767	333
TOTAL REGULAR PROGRAMS - INSTRUCTION	1,479,222	5,870	1,485,092	1,029,794	455,298

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
SPECIAL EDUCATION - INSTRUCTION					
Resource Room/Resource Center:					
Salaries of Teachers	222,653	-	222,653	197,355	25,298
Unemployment Compensation	300	-	300	145	155
Workmen's Compensation	2,500	-	2,500		2,500
Health Benefits	56,858	-	56,858	56,858	
Total Resource Room/Resource Center	282,311	-	282,311	254,358	27,953
TOTAL SPECIAL EDUCATION - INSTRUCTION	282,311	-	282,311	254,358	27,953
School Sponsored Co/Extra Curricular Activities-Inst.:					
Salaries	14,500	-	14,500	1,800	12,700
Total School Sponsored Co/Extra Curricular Activities-Inst.	14,500	-	14,500	1,800	12,700
TOTAL INSTRUCTION	1,776,033	5,870	1,781,903	1,285,952	495,951
UNDISTRIBUTED EXPENDITURES					
Instruction:					
Tuition to Other LEAs Within the State-Regular	300,628	-	300,628	300,628	-
Tuition to Other LEAs Within the State-Special	35,000	-	35,000	31,371	3,629
Tuition to County Voc. District - Regular	39,785	14,550	54,335	54,335	-
Tuition to Priv. Sch. For the Disabled W/I State	141,121	(14,550)	126,571	72,742	53,829
Total Instruction	516,534	-	516,534	459,076	57,458

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

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 Favorable/ (Unfavorable)</u>
Health Services:					
Salaries	60,855	-	60,855	56,215	4,640
Unemployment Compensation	1,000	-	1,000	242	758
Workmen's Compensation	1,000	-	1,000		1,000
Purchased Professional and Technical Services	1,500	640	2,140	2,140	
Supplies and Materials	3,000	(640)	2,360	1,622	738
Total Health Services	67,355	-	67,355	60,219	7,136
Other Supp. Services Students-Related Services:					
Purchased Professional - Educational Services	65,000	-	65,000	43,708	21,292
Total Other Supp. Services Students-Related Services	65,000	-	65,000	43,708	21,292
Undist. Expend. - Other Supp. Serv. Students - Reg.					
Salaries of Other Professional Staff	54,860	344	55,204	55,204	
Social Security Contributions	200	-	200	15	185
Total Undist. Expend. - Other Supp. Serv. Students - Reg.	55,060	344	55,404	55,219	185
Other Supp. Services Students-Special:					
Salaries of Other Professional Staff	72,100	-	72,100	72,100	
Salaries of Secretarial and Clerical Assistants	39,960	(344)	39,616	31,985	7,631
Social Security Contributions	5,000	-	5,000	2,905	2,095
Other Retirement Contributions - Regular	7,500	-	7,500		7,500
Unemployment Compensation	750	-	750	286	464
Workmen's Compensation	2,500	-	2,500		2,500
Health Benefits	86,205	-	86,205	85,550	655
Purchased Professional - Educational Services	6,000	-	6,000	4,387	1,613
Other Purchased Prof. and Tech. Services	2,500	-	2,500	-	2,500
Supplies and Materials	2,000	-	2,000	514	1,486
Total Other Supp. Services Students-Regular	224,515	(344)	224,171	197,727	26,444

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Undist. Expend. - Improvement of Inst. Serv.					
Supplies and Materials	1,500	-	1,500	-	1,500
Total Undist. Expend. - Improvement of Inst. Serv.	<u>1,500</u>	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Instructional Staff Training Services:					
Purchased Professional - Educational Services	5,000		5,000		5,000
Total Instructional Staff Training Services	<u>5,000</u>	<u></u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Supp. Services - General Administration:					
Salaries	75,030	96	75,126	75,126	
Unemployment Compensation	500	-	500	198	302
Legal Services	12,000	(96)	11,904	7,060	4,844
Audit Fees	11,000	-	11,000	10,302	698
BOE Other Purchased Services	3,000	(3,000)			
Other Purchased Services (400-500 series)	9,500	3,000	12,500	10,036	2,464
Miscellaneous Expenditures	500	-	500		500
BOE Membership Dues and Fees	4,475	-	4,475	4,029	446
Total Supp. Services - General Administration	<u>116,005</u>	<u>-</u>	<u>116,005</u>	<u>106,751</u>	<u>9,254</u>

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Support Services - School Administration:					
Salaries of Secretarial and Clerical Assistants	14,554	-	14,554	13,500	1,054
Health Benefits		-			-
Total Support Services - School Administration	14,554	-	14,554	13,500	1,054
Central Services:					
Purchased Technical Services	65,000	-	65,000	65,000	-
Total Central Services	65,000	-	65,000	65,000	-
Required Maintenance for School Facilities:					
Cleaning, Repair and Maintenance Services	70,918	19,920	90,838	60,566	30,272
General Supplies	7,500	3,940	11,440	5,031	6,409
Total Required Maintenance for School Facilities	78,418	23,860	102,278	65,597	36,681
Other Operations and Maintenance of Plant:					
Social Security Contributions	12,000	-	12,000	9,979	2,021
Other Retirement Contributions - Regular	13,000	-	13,000	2,838	10,162
Unemployment Compensation	1,500	-	1,500	313	1,187
Workmen's Compensation	3,500	-	3,500	-	3,500
Health Benefits	40,804	-	40,804	40,804	-
Salaries	88,901	(155)	88,746	78,140	10,606
Purchased Professional and Technical Services	1,225	5,681	6,906	6,906	
Cleaning, Repair and Maintenance Services	20,215	(4,181)	16,034	3,291	12,743
Other Purchased Property Services	3,000	3,155	6,155	6,155	-
Insurance	25,000	-	25,000	25,000	-
Miscellaneous Purchased Services	1,200	-	1,200	324	876
General Supplies	15,000	1,328	16,328	12,568	3,760
Energy (Natural Gas)	8,000	2,500	10,500	8,470	2,030
Energy (Electricity)	15,000	(2,500)	12,500	7,811	4,689
Other Objects	500		500	375	125
Total Other Operations and Maintenance of Plant	248,845	5,828	254,673	202,974	51,699

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Student Transportation Services				268,571	
Contracted.Services-Aid in Lieu of Payments-Non Public Sch.	15,000	-	15,000	1,367	13,633
Contracted Services (Between Home and School)-Vendors	33,720	-	33,720	32,050	1,670
Contracted Services (Other than Bet.Home & School)-Vendors	5,000	-	5,000		5,000
Contracted Services (Special Education Students)-Vendors	60,000	-	60,000	18,802	41,198
Contracted Services (Reg. Students)-ESCs & CTSAs	2,500	-	2,500		2,500
Total Student Transportation Services	116,220	-	116,220	52,219	64,001
UNALLOCATED BENEFITS					
On-behalf TPAF pension Contrib. (non-budgeted)				255,730	(255,730)
On-behalf TPAF PRM Contrib. (non-budgeted)				80,142	(80,142)
On-behalf TPAF pension LTD Ins. (non-budgeted)				179	(179)
Reimbursed TPAF Social Security Contrib. (non-budgeted)				83,834	(83,834)
TOTAL ON-BEHALF CONTRIBUTIONS				419,885	(419,885)
TOTAL PERSONAL SERVICES-EMPLOYEE BENEFITS				-	(419,885)
TOTAL UNDISTRIBUTED EXPENDITURES	1,574,006	29,688	1,603,694	1,741,875	(138,181)
TOTAL GENERAL CURRENT EXPENSE	3,350,039	35,558	3,385,597	3,027,827	357,770

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
CAPITAL OUTLAY					
Facilities Acquisition and Construction:					
Assessment for Debt Service on SDA Funding	538	-	538	538	
Total Facilities Acquisition and Construction	538		538	538	
TOTAL CAPITAL OUTLAY	538		538	538	
TOTAL EXPENDITURES	3,350,577	35,558	3,386,135	3,028,365	357,770
Excess (Deficiency) of Revenues Over (Under) Expenditures	(599,444)	(35,558)	(635,002)	156,539	791,541
Other Financing Sources:					
Operating Transfer (In)/Out:					
Transfer to Food Service Fund		-			-
Total Other Financing Sources:	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(599,444)	(35,558)	(635,002)	156,539	791,541
Fund Balance, July 1	1,254,748		1,254,748	1,254,748	
Fund Balance, June 30	\$ 655,304	\$ (35,558)	\$ 619,746	\$ 1,411,287	\$ 791,541

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Recapitulation:					
Restricted for:					
Capital Reserve				\$ 3,445	
Excess Surplus				743,750	
Excess Surplus - Designated for Subsequent Year's Expenditures				357,737	
Assigned to:					
Year-End Encumbrances				27,664	
Designated for Subsequent Year's Expenditures				8,564	
Unassigned:					
Unrestricted Fund Balance				<u>270,127</u>	
Fund Balance per Governmental Funds(Budgetary Basis)				1,411,287	
Reconciliation to Governmental Funds Statement(GAAP Basis):					
Last State Aid Payment not recognized on GAAP basis				<u>(85,719)</u>	
Fund Balance per Governmental Funds(GAAP Basis)				<u>\$ 1,325,568</u>	

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit C-2

**BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND**

For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
REVENUES:					
Local Sources		8,959	\$ 8,959	\$ 8,959	-
Federal Sources	\$ 71,898	\$ 124,778	196,676	93,324	\$ (103,352)
Total Revenues	71,898	133,737	205,635	102,283	(103,352)
EXPENDITURES:					
Instruction:					
Other Purchased Services	40,491	3,836	44,327	10,495	33,832
Tuition		29,996	29,996	29,996	
General Supplies	17,892	45,946	63,838	17,892	45,946
Total Instruction	58,383	79,778	138,161	58,383	79,778
Support Services					
Salaries of Supervisors of Instruction	10,799		10,799	10,799	
Other Purchased Services	2,716	45,000	47,716	24,142	23,574
Student Activities		3,201	3,201	3,201	
Total Support Services	13,515	48,201	61,716	38,142	23,574
Total Expenditures	71,898	127,979	199,877	96,525	103,352
Total Outflows	\$ 71,898	127,979	\$ 199,877	\$ 96,525	\$ 103,352
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	5,758	5,758	5,758	-
Fund Balance Beginning					-
Prior Period Adjustment *				8,931	
Fund Balance Beginning (Restated)				8,931	
Fund Balance Ending				<u>\$ 14,689</u>	
Recapitulation:					
Restricted:					
Student Activities				\$ 14,689	
Total Fund Balance				<u>\$ 14,689</u>	

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

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE**

For the Fiscal Year Ended June 30, 2021

**Explanation of Differences between Budgetary Inflows and Outflows and
GAAP Revenues and Expenditures**

	General Fund	Special Revenue Fund
	<u> </u>	<u> </u>
Sources/Inflows of Resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (Exhibits C-1 and C-2, respectively)	\$ 3,184,904	\$ 102,283
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year Encumbrances	N/A	-
Current Year Encumbrances	N/A	-
Adjustment for: Prior year Final State Aid Payment excluded in State Source Revenues that is considered a revenue for GAAP reporting purposes	86,701	N/A
Adjustment for: Final State Aid Payment included in State Source Revenues that is not considered a revenue for GAAP reporting purposes	<u>(85,719)</u>	<u>N/A</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. (Exhibit B-2)	<u>\$ 3,185,886</u>	<u>\$ 102,283</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules (Exhibits C-1 and C-2, respectively)	\$ 3,028,365	\$ 96,525
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Prior Year Encumbrances	N/A	-
Current Year Encumbrances	N/A	-
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.	N/A	N/A
Net transfers (outflows) to general fund	<u> </u>	<u> </u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (Exhibit B-2)	<u>\$ 3,028,365</u>	<u>\$ 96,525</u>

Bloomsbury School District
Required Supplementary Information - Part III
Schedule of the District's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years *

Exhibit L-3

Teachers' Pension and Annuity Fund (TPAF)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
District's proportion of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
District's proportionate share of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
State's proportionate share of the net pension liability (asset) associated with the District	\$ 5,879,442	\$6,167,120	\$7,270,517	\$7,799,471	\$8,403,255	\$6,344,550	\$ 5,085,000	\$ 5,371,792		
Total	\$ 5,879,442	\$6,167,120	\$7,270,517	\$7,799,471	\$8,403,255	\$6,344,550	\$ 5,085,000	\$ 5,371,792		
District's covered employee payroll	\$ 1,132,859	\$1,019,145	\$ 943,950	\$ 962,988	\$1,087,306	\$1,240,597	\$ 1,090,901	\$ 991,486		
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
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: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. Since the district (employer) does not contribute directly to the plan there is no net pension liability to report in the financial statements of the district.

Public Employees' Retirement System (PERS)

Exhibit L-1

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
District's proportion of the net pension liability (asset)	0.0014477%	0.0014313%	0.0016791%	0.0020428%	0.0024525%	0.0027340%	0.0026663%	0.0026529%		
District's proportionate share of the net pension liability (asset)	\$ 236,080	\$ 257,892	\$ 330,614	\$ 475,522	\$ 726,371	\$ 613,726	\$ 498,623	\$ 807,020		
District's covered employee payroll	\$ 108,501	\$ 107,577	\$ 104,764	\$ 115,117	\$ 119,910	\$ 252,210	\$ 368,661	\$ 489,365		
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	217.58%	239.73%	315.58%	413.08%	605.76%	243.34%	135.25%	164.91%		
Plan fiduciary net position as a percentage of the total pension liability (Local)	58.32%	56.27%	53.60%	58.18%	40.14%	47.92%	52.08%	48.72%		

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

Bloomsbury School District
Required Supplementary Information - Part III
Schedule of District Contributions
Last Ten Fiscal Years *

Exhibit L-2

Teachers' Pension and Annuity Fund (TPAF)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Contributions in relation to the contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Contribution deficiency (excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
District's covered employee payroll	\$ 1,132,859	\$ 1,019,145	\$ 943,950	\$ 962,988	\$ 1,087,306	\$ 1,240,597	\$ 1,090,901	\$ 991,486		
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. The district (employer) does not contribute to the plan.

Public Employees' Retirement System (PERS)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 15,838	\$ 13,922	\$ 16,702	\$ 26,483	\$ 21,788	\$ 23,505	\$ 21,955	\$ 19,989		
Contributions in relation to the contractually required contribution	<u>(15,838)</u>	<u>(13,922)</u>	<u>(16,702)</u>	<u>(26,483)</u>	<u>(21,788)</u>	<u>(23,505)</u>	<u>(21,955)</u>	<u>(19,989)</u>		
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		
District's covered employee payroll	\$ 108,501	\$ 107,577	\$ 104,764	\$ 115,117	\$ 119,910	\$ 252,210	\$ 368,661	\$ 489,365		
Contributions as a percentage of covered-employee payroll	14.60%	12.94%	15.94%	23.01%	18.17%	9.32%	5.96%	4.08%		

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

Bloomsbury Borough School District
Required Supplementary Information - Part III
Schedule of Changes in the State's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years *

Exhibit M-1

State Health Benefit Local Education Retired Employees Plan (TPAF and PERS)

The State of New Jersey's Total OPEB Liability	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Service Cost	\$ 1,790,973,822	\$ 1,734,404,850	\$ 1,984,642,729	\$ 2,391,878,884	\$ 1,723,999,319					
Interest	1,503,341,357	1,827,787,206	1,970,236,232	1,699,441,736	1,823,643,792					
Change in Benefit Terms										
Differences Between Expected and Actual Experience	11,544,750,637	(7,323,140,818)	(5,002,065,740)							
Benefit Payments	(1,180,515,618)	(1,280,958,373)	(1,232,987,247)	(1,242,412,566)	(1,223,298,019)					
Contributions from Members	35,781,384	37,971,171	42,614,005	45,748,749	46,273,747					
Changes of Assumptions or other inputs	12,386,549,981	622,184,027	\$ (5,291,448,855)	\$ (7,086,599,129)	8,611,513,521					
Net change in total OPEB liability	<u>26,080,881,563</u>	<u>(4,381,751,937)</u>	<u>(7,529,008,876)</u>	<u>(4,191,942,326)</u>	<u>10,982,132,360</u>					
Total OPEB Liability - Beginning	<u>\$ 41,729,081,045</u>	<u>\$46,110,832,982</u>	<u>\$53,639,841,858</u>	<u>\$ 57,831,784,184</u>	<u>\$ 46,849,651,824</u>					
Total OPEB Liability - Ending	<u>\$ 67,809,962,608</u>	<u>\$41,729,081,045</u>	<u>\$46,110,832,982</u>	<u>\$ 53,639,841,858</u>	<u>\$ 57,831,784,184</u>					
The State of New Jersey's total OPEB liability **	\$ 67,809,962,608	\$41,729,081,045	\$46,110,832,982	\$ 53,639,841,858	\$ 57,831,784,184					
The State of New Jersey's OPEB liability attributable to the District **	\$ 6,966,735	\$ 4,949,576	\$ 5,491,554	\$ 6,606,386	\$ 7,104,930					
The District's proportionate share of the total OPEB liability	Zero	Zero	Zero	Zero	Zero					
District's covered employee payroll	\$ 1,241,360	\$ 1,126,722	\$ 1,048,714	\$ 1,078,105	\$ 1,207,216					
Total District's OPEB liability as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%					
District's contribution	None	None	None	None	None					
State's covered employee payroll ***	\$ 14,267,738,657	\$13,929,083,479	\$13,640,275,833	\$ 13,493,400,208	\$ 13,493,400,208					
Total State's OPEB liability as a percentage of its covered-employee payroll	475.27%	299.58%	338.05%	397.53%	428.59%					

** Note: Other Post Employment Benefits (OPEB) for employees of the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS) is considered a special funding situation as defined by GASB Statement No. 75 in which the State of New Jersey is 100% responsible for contributions to the health insurance plan. The district (employer) does not contribute to the plan and the district's OPEB liability is zero.

*** Covered payroll for the Measurement Period ending June 30, 2019 and June 30, 2020 is based on the payroll on the June 30, 2018 and June 30, 2019 census data, respectively

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

BLOOMSBURY SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION-PART III
Pension and Other Post Employment Benefits (OPEB) Schedules

For the Fiscal Year Ended June 30, 2021

Teachers' Pension and Annuity Fund (TPAF)

Pension Schedules

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

Changes of assumptions. 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.

OPEB Schedules

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

Changes of benefit terms. There were no changes of benefit terms.

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

Public Employees' Retirement System (PERS)

Pension Schedules

Changes of benefit terms. 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.

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

OPEB Schedules

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

Changes of benefit terms. There were no changes of benefit terms.

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

OTHER SUPPLEMENTARY INFORMATION

**SPECIAL REVENUE FUND
DETAIL STATEMENTS**

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

BLOOMSBURY BOROUGH SCHOOL DISTRICT

Exhibit E-1

SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS

For the Fiscal Year Ended June 30, 2021

	Title II Part A	Title II	Title IV	IDEA Basic	IDEA Preschool	COVID CARES	CORONA Relief Fund	CRRSA Mental Health	Student Activities Fund	Totals
REVENUES										
Local Sources									\$ 8,959	\$ 8,959
Federal Sources	\$ 10,799	\$ 2,716	\$ 10,000	\$ 29,996	\$ 622	\$ 11,025	\$ 6,740	\$ 21,426		93,324
TOTAL REVENUES	10,799	2,716	10,000	29,996	622	11,025	6,740	21,426	8,959	102,283
EXPENDITURES:										
Instruction:										
Other Purchased Services			8,000			2,070	425			10,495
Tuition				29,996						29,996
General Supplies			2,000		622	8,955	6,315			17,892
Total Instruction			10,000	29,996	622	11,025	6,740			58,383
Support Services:										
Salaries of Supervisors of Instruction	10,799									10,799
Other Purchased Services		2,716						21,426		24,142
Student Activities									3,201	3,201
Total Support Services	10,799	2,716	-	-	-	-	-	21,426	3,201	38,142
TOTAL EXPENDITURES	10,799	2,716	10,000	29,996	622	11,025	6,740	21,426	3,201	96,525
Total Outflows	10,799	2,716	10,000	29,996	622	11,025	6,740	21,426	3,201	96,525
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	5,758	5,758
Fund Balance Beginning	-	-	-	-	-	-	-	-	-	-
Prior Period Adjustment *	-	-	-	-	-	-	-	-	8,931	8,931
Fund Balance Beginning (Restated)	-	-	-	-	-	-	-	-	8,931	8,931
Fund Balance Ending	-	-	-	-	-	-	-	-	\$ 14,689	\$ 14,689

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

**CAPITAL PROJECTS FUND
DETAIL STATEMENTS**

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

N/A

<p style="text-align: center;">PROPRIETARY FUND DETAIL STATEMENTS</p>

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

Food Services Fund - This fund provides for the operation of food services in all schools within the school district.

THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5 AND B-6.

**FIDUCIARY FUND
DETAIL STATEMENTS**

Fiduciary Funds are defined by GASB No. 84 as four funds. (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds.

N/A

LONG-TERM DEBT SCHEDULES

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases. The district currently has no long-term liabilities.

Bloomsbury Borough School District
Statistical Section

<u>Contents</u>	<u>Page</u>
Financial Trends (J-1 thru J-5) These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	84-89
Revenue Capacity (J-6 thru J-9) These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	90-93
Debt Capacity (J-10 thru J-13) These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	94-97
Demographic and Economic Information (J-14 and J-15) These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	98-99
Operating Information (J-16 thru J-20) These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	100-104

Sources:

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year.

Bloomsbury Borough School District
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-1

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Invested in capital assets, net of related debt	\$ 274,231	\$ 259,141	\$ 315,165	\$ 349,946	\$ 243,177	\$ 202,090	\$ 160,403	\$ 133,374	\$ 113,389	\$ 104,801
Restricted	767,512	879,516	645,701	568,523	402,289	436,188	620,317	858,376	969,557	1,128,185
Unrestricted	190,311	138,509	175,349	(390,891)	(425,349)	(430,496)	(447,383)	(351,839)	(277,483)	(211,602)
Total governmental activities net position	<u>\$ 1,232,054</u>	<u>\$ 1,277,166</u>	<u>\$ 1,136,215</u>	<u>\$ 527,578</u>	<u>\$ 220,117</u>	<u>\$ 207,582</u>	<u>\$ 333,337</u>	<u>\$ 639,911</u>	<u>\$ 805,463</u>	<u>\$ 1,021,384</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 1,038	\$ 519	\$ -	\$ -	-	-	-	-	-	-
Unrestricted	10,989	4,480	5,680	6,132	9,900	16,638	12,433	\$ 12,905	\$ 6,314	\$ 12,802
Total business-type activities net position	<u>\$ 12,027</u>	<u>\$ 4,999</u>	<u>\$ 5,680</u>	<u>\$ 6,132</u>	<u>\$ 9,900</u>	<u>\$ 16,638</u>	<u>\$ 12,433</u>	<u>\$ 12,905</u>	<u>\$ 6,314</u>	<u>\$ 12,802</u>
District-wide										
Invested in capital assets, net of related debt	\$ 259,660	\$ 315,165	\$ 315,165	\$ 349,946	\$ 243,177	\$ 201,990	\$ 160,403	\$ 133,374	\$ 113,389	\$ 104,801
Restricted	879,516	645,701	645,701	568,523	402,289	436,188	620,317	858,376	969,557	1,128,185
Unrestricted	142,989	181,029	181,029	(384,759)	(415,449)	(413,858)	(434,950)	(338,934)	(271,169)	(198,800)
Total district net position	<u>\$ 1,282,165</u>	<u>\$ 1,141,895</u>	<u>\$ 1,141,895</u>	<u>\$ 533,710</u>	<u>\$ 230,017</u>	<u>\$ 224,120</u>	<u>\$ 345,770</u>	<u>\$ 652,816</u>	<u>\$ 811,777</u>	<u>\$ 1,034,186</u>

Source: ACFR Schedule A-1

Bloomsbury Borough School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities										
Instruction										
Regular	\$ 1,272,748	\$ 1,420,092	\$ 1,338,644	\$ 1,483,330	\$ 1,554,044	\$ 1,673,842	\$ 1,395,119	\$ 1,256,113	\$ 1,228,849	\$ 1,330,874
Special education	112,836	189,671	284,285	334,612	307,734	275,761	249,835	239,704	289,851	310,301
Other special education	5,272	4,119	3,260	5,770	10,524	6,971	7,841	9,764	9,925	2,196
Support Services:										
Tuition	564,358	594,803	793,659	801,414	929,493	995,430	1,299,976	1,028,793	647,778	560,044
Student & instruction related services	264,615	341,257	364,872	326,895	415,555	387,380	336,862	367,393	414,116	478,431
General administrative services	189,928	197,930	164,287	169,109	175,316	196,451	199,852	218,512	211,219	209,525
School administrative services	84,430	67,524	126,243	138,484	106,106	111,441	120,457	51,289	39,934	23,579
Plant operations and maintenance	229,704	254,577	195,903	201,087	197,204	200,123	240,513	230,096	206,189	311,780
Pupil transportation	42,551	49,612	58,606	80,318	109,077	135,487	170,681	100,785	67,430	63,704
Interest Expense	488	538	538	538	538	538	538	538	538	538
Total governmental activities expenses	2,766,930	3,120,123	3,330,297	3,541,557	3,805,591	3,983,424	4,021,674	3,502,987	3,115,829	3,290,972
Business-type activities:										
Food service	49,808	51,982	45,055	44,907	37,686	34,599	29,927	30,718	26,013	38,061
Child Care							7,840	8,504	-	-
Total business-type activities expense	49,808	51,982	45,055	44,907	37,686	34,599	37,767	39,222	26,013	38,061
Total district expenses	\$ 2,816,738	\$ 3,172,105	\$ 3,375,352	\$ 3,586,464	\$ 3,843,277	\$ 4,018,023	\$ 4,059,441	\$ 3,542,209	\$ 3,141,842	\$ 3,329,033
Program Revenues										
Governmental activities:										
Charges for services:										
Regular										
Special Education										
Transportation	8,000	7,156	16,799	15,154	6,890	\$ 8,140	\$ 12,997	\$ 21,245	\$ 22,826	\$ 15,201
Operating grants and contributions	1,460,857	1,626,154	1,622,984	1,818,414	1,942,031	2,258,987	2,392,428	2,016,189	1,405,288	1,611,913
Capital grants and contributions										
Total governmental activities program revenues	1,468,857	1,633,310	1,639,783	1,833,568	1,948,921	2,267,127	2,405,425	2,037,434	1,428,114	1,627,114
Business-type activities:										
Charges for services										
Food service	28,182	25,643	21,539	21,793	20,640	15,188	11,242	10,920	7,355	2,116
Child Care							9,002	9,608	-	-
Operating grants and contributions	14,897	18,311	15,063	13,636	13,913	13,755	13,318	13,036	11,265	42,433
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	43,079	43,954	36,602	35,429	34,553	28,943	33,562	33,564	18,620	44,549
Total district program revenues	\$ 1,511,936	\$ 1,677,264	\$ 1,676,385	\$ 1,868,997	\$ 1,983,474	\$ 2,296,070	\$ 2,438,987	\$ 2,070,998	\$ 1,446,734	\$ 1,671,663
Net (Expense)/Revenue										
Governmental activities	\$ (1,486,813)	\$ (1,690,514)	\$ (1,690,514)	\$ (1,707,989)	\$ (1,856,670)	\$ (1,716,297)	\$ (1,616,249)	\$ (1,465,553)	\$ (1,687,715)	\$ (1,663,858)
Business-type activities	(8,028)	(8,453)	(8,453)	(9,478)	(3,133)	(5,656)	(4,205)	(5,658)	(7,393)	6,488
Total district-wide net expense	\$ (1,494,841)	\$ (1,698,967)	\$ (1,698,967)	\$ (1,717,467)	\$ (1,859,803)	\$ (1,721,953)	\$ (1,620,454)	\$ (1,471,211)	\$ (1,695,108)	\$ (1,657,370)

Continued

Bloomsbury Borough School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 1,526,773	\$ 1,526,773	\$ 1,557,308	\$ 1,588,454	\$ 1,620,223	\$ 1,706,307	\$ 1,740,433	\$ 1,775,242	\$ 1,842,559	\$ 1,879,410
Unrestricted grants and contributions	-									
Investment earnings	883	743	919	621	506	407	1,591	3,015	2,579	369
Miscellaneous income	200	5,409	470	5,262	763	414	80	-	-	-
Operating Transfer			(9,134)	(9,930)	(6,901)	(3,466)	-	(6,130)	(802)	-
Total governmental activities	1,527,856	1,532,925	1,549,563	1,584,407	1,614,591	1,703,662	1,742,104	1,772,127	1,844,336	1,879,779
Business-type activities:										
Investment earnings	-	-	-	-	-	-	-	-	-	-
Transfers			9,134	9,930	6,901	3,466	-	6,130	802	-
Total business-type activities	-	-	9,134	9,930	6,901	3,466	-	6,130	802	-
Total district-wide	\$ 1,527,856	\$ 1,532,925	\$ 1,558,697	\$ 1,594,337	\$ 1,621,492	\$ 1,707,128	\$ 1,742,104	\$ 1,778,257	\$ 1,845,138	\$ 1,879,779
Change in Net Position										
Governmental activities	\$ (157,589)	\$ (140,951)	\$ (140,951)	\$ (122,786)	\$ (244,312)	\$ (18,303)	\$ 125,855	\$ 306,574	\$ 156,621	\$ 215,921
Business-type activities	(8,453)	681	681	(344)	6,001	3,478	(4,205)	472	(6,591)	6,488
Total district	\$ (166,042)	\$ (140,270)	\$ (140,270)	\$ (123,130)	\$ (238,311)	\$ (14,825)	\$ 121,650	\$ 307,046	\$ 150,030	\$ 222,409

Source: ACFR Schedule A-2

Bloomsbury Borough School District
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Exhibit J-3

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Reserved	\$ 879,729	\$ 942,654	\$ 744,884	\$ 588,569	\$ 410,781	\$ 465,126	\$ 633,715	\$ 881,284	\$ 996,184	\$ 1,141,160
Unreserved	106,094	117,371	118,166	121,304	121,094	137,431	115,113	166,337	171,863	184,408
Total general fund	<u>\$ 985,823</u>	<u>\$ 1,060,025</u>	<u>\$ 863,050</u>	<u>\$ 709,873</u>	<u>\$ 531,875</u>	<u>\$ 602,557</u>	<u>\$ 748,828</u>	<u>\$ 1,047,621</u>	<u>\$ 1,168,047</u>	<u>\$ 1,325,568</u>
All Other Governmental Funds										
Reserved									\$ 8,931	\$ 14,689
Unreserved, reported in:										
Capital projects fund										
Total all other governmental funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 8,931</u>	<u>\$ 14,689</u>

Source: ACFR Schedule B-1

Bloomsbury Borough School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

Exhibit J-4

	<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>
Revenues										
Tax levy	\$ 1,526,773	\$ 1,526,773	\$ 1,557,308	\$ 1,588,454	\$ 1,620,223	\$ 1,706,307	\$ 1,740,433	\$ 1,775,242	\$ 1,842,559	\$ 1,879,410
Tuition charges	8,000	7,156	16,799	15,154	6,890	8,140	12,997	21,245	22,826	6,242
Interest earnings	-	-	-	-	-	-	-	-	-	-
Miscellaneous	1,083	6,152	1,389	5,883	1,269	821	1,671	3,015	2,579	9,328
State sources	1,314,226	1,564,354	1,520,560	1,523,327	1,567,992	1,683,990	1,703,175	1,639,288	1,223,346	1,299,865
Federal sources	146,631	61,800	102,424	75,736	72,172	74,209	61,759	43,952	41,738	93,324
Total revenue	2,996,713	3,166,235	3,198,480	3,208,554	3,268,546	3,473,467	3,520,035	3,482,742	3,133,048	3,288,169
Expenditures										
Instruction										
Regular Instruction	1,206,846	1,256,051	1,241,466	1,264,755	1,266,019	1,266,809	1,011,468	982,390	1,028,692	1,078,635
Special education instruction	105,874	176,461	268,590	292,159	259,630	216,134	189,208	193,336	248,229	254,358
Other special instruction	4,947	3,832	3,080	5,038	8,879	5,464	5,938	7,875	8,500	1,800
Support Services:										
Tuition	529,538	553,378	749,842	699,737	784,197	780,190	984,513	829,785	554,759	459,076
Student & instruction related services	248,289	317,490	344,728	285,421	350,597	303,618	260,116	300,527	356,072	395,015
General administrative services	-	-	-	-	-	-	-	-	-	-
School Administrative services	77,861	61,461	117,913	118,354	78,892	81,516	85,398	35,540	28,371	13,500
Business administrative services	178,210	184,145	155,217	147,654	147,911	153,973	151,354	176,243	180,889	171,751
Plant operations and maintenance	215,532	236,847	185,087	175,575	166,378	156,851	192,631	198,087	189,081	268,571
Pupil transportation	39,926	46,157	55,370	70,128	92,026	106,191	129,262	81,289	57,747	52,219
Unallocated employee benefits	170,683	217,264	183,834	225,918	275,034	318,493	353,796	362,667	349,400	419,885
Capital outlay	57,075	28,405	71,652	57,520	538	538	538	538	538	538
Special Schools	-	-	-	-	-	-	-	-	-	-
Special Revenue	-	-	-	-	-	-	-	-	-	-
Capital Projects										
Debt service	9,542	9,542	9,542	9,542	9,542	9,542	9,542	9,542	9,542	9,542
Total expenditures	2,844,323	3,091,033	3,386,321	3,351,801	3,439,643	3,399,319	3,373,764	3,177,819	3,011,820	3,124,890
Excess (Deficiency) of revenues over (under) expenditures	75,202	75,202	(187,841)	(143,247)	(171,097)	74,148	146,271	304,923	121,228	163,279
Other Financing Sources (uses)										
Capital Leases (Non-Budget)										
Transfers out	-	(1,000)	(9,134)	(9,930)	(6,901)	(3,466)	-	(6,130)	(802)	-
Total other financing sources (uses)	-	(1,000)	(9,134)	(9,930)	(6,901)	(3,466)	-	(6,130)	(802)	-
Net change in fund balances	\$ 75,202	\$ 74,202	\$ (196,975)	\$ (153,177)	\$ (177,998)	\$ 70,682	\$ 146,271	\$ 298,793	\$ 120,426	\$ 163,279
Debt service as a percentage of noncapital expenditures	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%

Source: ACFR Schedule B-2

BLOOMSBURY BOROUGH SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-5

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Refund</u> <u>Prior Year</u> <u>Expenditures</u>	<u>Tuition</u>	<u>Miscellaneous</u>	<u>Total</u>
2012	\$ 883		\$ 8,000	\$ 200	\$ 9,083
2013	743	\$ 478	7,156	4,931	13,308
2014	919		16,799	470	18,188
2015	621		15,154	3,524	19,299
2016	506		6,890	763	8,159
2017	407		8,140	414	8,961
2018	1,591		12,997	80	14,668
2019	3,015		21,245		24,260
2020	2,579		22,826		25,405
2021	369		6,242		6,611

SOURCE: District Records

**Bloomsbury Borough School District
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years**

Exhibit J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities a	Net Valuation Taxable	Total Direct School Tax Rate b	Estimated Actual (County Equalized Value)
2012	\$777,900	\$84,031,300	\$367,100	\$124,400	\$18,539,300	\$4,232,300	\$1,258,100	121,386,240	\$11,899,400	\$156,440	\$109,486,840	\$1.395	\$116,376,318
2013	777,000	83,975,500	367,100	124,400	18,539,300	4,232,300	1,258,100	121,346,624	11,899,400	173,524	109,447,224	1.409	110,982,540
2014	777,000	83,903,600	367,100	124,400	18,598,400	4,232,300	1,258,100	121,268,333	11,840,300	167,133	109,428,033	1.440	101,563,046
2015	780,500	83,711,200	367,100	124,400	15,598,400	4,232,300	1,258,100	118,075,125	11,840,300	162,825	106,234,825	1.784	97,723,311
2016	479,400	67,751,200	331,300	141,200	17,668,100	2,050,100	1,299,900	99,899,216	9,994,800	183,216	89,904,416	1.854	99,779,688
2017	479,400	67,843,800	331,300	141,200	17,613,000	2,072,500	1,243,100	99,774,296	10,049,900	96	89,724,396	1.917	94,417,886
2018	469,400	68,098,000	331,300	141,200	17,613,000	2,022,500	1,243,100	99,179,293	9,260,700	93	89,918,593	1.946	96,685,877
2019	441,400	68,062,100	331,300	141,200	17,613,000	2,490,300	1,243,100	99,599,395	9,276,900	95	90,322,495	2.000	96,685,877
2020	441,400	68,176,800	331,300	141,200	17,613,000	2,490,300	1,243,100	99,714,095	9,276,900	95	90,437,195	2.074	99,255,886
2021	441,400	67,915,400	331,300	113,400	17,179,700	2,490,300	1,243,100	99,237,595	9,522,900	95	89,714,695	2.074	96,975,873

Source: District records Tax list summary & Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per \$100

**Bloomsbury Borough School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

Exhibit J-7

(rate per \$100 of assessed value)

Fiscal Year Ended June 30,	Bloomsbury Borough Board of Education					Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Bloomsbury Borough	Hunterdon County	
2012	\$1.394	\$0.000	\$1.394	\$0.440	\$0.367	\$2.201
2013	\$1.395	\$0.000	\$1.395	\$0.449	\$0.357	\$2.201
2014	\$1.409	\$0.000	\$1.409	\$0.468	\$0.336	\$2.213
2015	\$1.440	\$0.000	\$1.440	\$0.486	\$0.330	\$2.256
2016	\$1.784	\$0.000	\$1.784	\$0.603	\$0.410	\$2.797
2017	\$1.854	\$0.000	\$1.854	\$0.616	\$0.389	\$2.859
2018	\$1.917	\$0.000	\$1.917	\$0.626	\$0.397	\$2.940
2019	\$1.946	\$0.000	\$1.946	\$0.624	\$0.400	\$2.970
2020	\$2.000	\$0.000	\$2.000	\$0.636	\$0.396	\$3.032
2021	\$2.074	\$0.000	\$2.074	\$0.653	\$0.406	\$3.133

Source: District Records and Municipal Tax Collector

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 calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

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

**Bloomsbury Borough School District
Principal Property Tax Payers,
Current Year and Nine Years Ago**

Exhibit J-8

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
HPT TA properties	\$ 5,821,800	1	6.49%	\$ 3,584,100	1	6.09%
Brown Holding LLC	4,139,400	2	4.61%			
Quovadis LLC	2,114,200	3	2.36%	2,239,100	2	3.80%
Pilot Travel Centers	1,962,100	4	2.19%	1,212,300	3	2.06%
Bloomsbury Mets LLC	1,634,000	5	1.82%	1,057,700	4	1.80%
AJB Residential Enterprises, Inc	1,226,400	6	1.37%	-		
Bloomsbury Assoc.	792,400	7	0.88%	624,000	5	1.06%
Individual Taxpayer #1	579,600	8	0.65%	-		
Growmark FS Inc	579,100	9	0.65%	342,600	9	0.58%
Individual Taxpayer #2	493,900	10	0.55%			
Individual Taxpayer #3				449,200	6	0.76%
Pro Investment				431,100	7	0.73%
Individual Taxpayer #4				351,200	8	0.60%
Individual Taxpayer #5				293,500	10	0.50%
Total	<u>\$ 19,342,900</u>		<u>21.56%</u>	<u>\$ 10,584,800</u>		<u>17.98%</u>

Source: District ACFR & Municipal Tax Assessor

**Bloomsbury Borough School District
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2012	\$1,526,773	\$1,526,773	100.00%	-
2013	\$1,526,773	\$1,526,773	100.00%	-
2014	\$1,557,308	\$1,557,308	100.00%	-
2015	\$1,588,454	\$1,588,454	100.00%	-
2016	\$1,620,223	\$1,620,223	100.00%	-
2017	\$1,706,307	\$1,706,307	100.00%	-
2018	\$1,740,433	\$1,740,433	100.00%	-
2019	\$1,775,242	\$1,775,242	100.00%	-
2020	\$1,842,559	\$1,842,559	100.00%	-
2021	\$1,879,410	\$1,879,410	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 school year.

**Bloomsbury Borough School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Exhibit J-10

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	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2013	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2014	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2015	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2016	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2017	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2018	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2019	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2020	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2021	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

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

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

- a** See Exhibit NJ J-14 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

Bloomsbury Borough School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Exhibit J-11

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	-0-	-0-	-0-	-0-	-0-
2013	-0-	-0-	-0-	-0-	-0-
2014	-0-	-0-	-0-	-0-	-0-
2015	-0-	-0-	-0-	-0-	-0-
2016	-0-	-0-	-0-	-0-	-0-
2017	-0-	-0-	-0-	-0-	-0-
2018	-0-	-0-	-0-	-0-	-0-
2019	-0-	-0-	-0-	-0-	-0-
2020	-0-	-0-	-0-	-0-	-0-
2021	-0-	-0-	-0-	-0-	-0-

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-14.

**Bloomsbury Borough School District
 Ratios of Overlapping Governmental Activities Debt
 As of June 30, 2021**

Exhibit J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes Bloomsbury Borough	None	100.0%	None
Other debt Hunterdon County	90,647,955	0.441%	<u>\$ 399,888</u>
Subtotal, overlapping debt			399,888
Bloomsbury Borough School District Direct Debt *			<u>-</u>
Total direct and overlapping debt			<u><u>\$ 399,888</u></u>

Sources: Bloomsbury Borough Finance Officer, Hunterdon County Finance Office and Utility Authorities

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 the district. 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.

**Bloomsbury Borough School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

Exhibit J-14

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income (thousands of dollars) ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2012	868	\$65,739,850	\$75,239 R	11.2%
2013	862	\$65,056,392	\$75,055 R	11.5%
2014	859	\$61,960,529	\$78,575 R	6.5%
2015	856	\$69,176,250	\$81,022 R	4.6%
2016	852	\$70,038,977	\$83,741 R	4.7%
2017	846	\$69,546,323	\$85,032 R	3.2%
2018	844	\$69,464,214	\$88,565 R	2.8%
2019	843	\$72,734,760	\$92,291 R	3.4%
2020	841	\$75,182,790	\$92,291 *	8.0%
2021	835	\$77,062,985	\$92,291 *	*

Source:

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

^b Personal Income provided by US Dept of Commerce

^c Per Capita provided by US Dept of Commerce

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

P =Projected

R =Revised

* =Current data unavailable

**Bloomsbury Borough School District
Principal Employers,
Current Year and Nine Years Ago**

Exhibit J-15

N/A

Employer	2021			2012		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
		1	0.00%	-		0.00%
		2	0.00%	-		0.00%
		3	0.00%	-		0.00%
		4	0.00%	-		0.00%
		5	0.00%	-		0.00%
		6	0.00%	-		0.00%
		7	0.00%	-		0.00%
		8	0.00%	-		0.00%
		9	0.00%	-		0.00%
	-			-		
	-		0.00%	-		0.00%

Source:

No reliable information is available at the local or county level.

**Bloomsbury Borough School District
 Full-time Equivalent District Employees by Function/Program,
 Last Ten Fiscal Years**

Exhibit J-16

<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	14.2	13.2	13.2	13.2	13.6	12.6	10.0	10.0	11.1	12.9
Special education	1.0	3.2	3.2	3.2	3.2	3.2	2.0	2.5	3.0	3.5
Other	2.0	1.5	1.2	1.7	1.7	1.7	2.0	2.0	2.0	1.0
Support Services:										
Student & instruction related services	3.0	4.0	4.0	3.5	3.0	2.5	1.5	1.5	1.5	1.5
General administrative services	0.5	0.7	-	-	-	-	1.0	1.0	1.0	1.0
School administrative services	0.9	0.6	1.0	1.3	1.3	1.3	1.0	1.0	1.0	1.0
Business administrative services	-	-	-	-	-	-	-	-	-	-
Plant operations and maintenance	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	2.0
Food Service	-	-	-	-	-	-	-	-	-	-
Total	23.1	24.7	24.1	24.4	24.3	22.8	19.0	19.4	21.10	22.90

Source: District Personnel Records

**Bloomsbury Borough School District
Operating Statistics
Last Ten Fiscal Years**

Exhibit J-17

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teacher/Pupil Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff ^b	Elementary				
2012	155	\$ 2,844,323	\$ 18,350	2.89%	17	1:9	153.0	146.8	9.29%	95.9%
2013	153	3,091,033	20,213	10.09%	25	1:6.4	149.1	144.3	-2.55%	96.8%
2014	119	3,386,321	28,456	40.85%	24	1:5	119.0	109.2	-20.19%	91.8%
2015	125	3,351,801	26,814	-5.77%	24	1:5	119.0	109.2	0.00%	91.8%
2016	120	3,439,643	28,664	6.90%	24	1:5	110.5	107.0	-7.14%	96.8%
2017	108	3,399,319	31,475	9.81%	23	1:5	100.6	96.2	-8.96%	95.7%
2018	87	3,373,764	38,779	23.20%	23	1:4	84.0	79.8	-16.50%	95.0%
2019	90	3,177,819	35,309	-8.95%	12	1:7.5	80.2	77.5	-4.52%	96.6%
2020	91	3,011,820	33,097	-6.27%	21	1:4.3	90.8	87.3	13.22%	96.1%
2021	92	3,124,890	33,966	2.63%	23	1:4.0	90.4	87.8	-0.44%	97.1%

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

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-1
- 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).

**Bloomsbury Borough School District
 School Building Information
 Last Ten Fiscal Years**

Exhibit J-18

	<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>Elementary (1905)</u>										
Square Feet	18,651	18,651	18,651	18,651	18,651	18,651	18,651	18,651	18,651	18,651
Capacity (students)	200	200	200	200	200	200	200	200	200	200
Enrollment	155	153	119	125	120	108	87	90	91	92

Number of Schools at June 30, 2021

Source: District records, ASSA

Elementary = 1

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of renovations and/or additions. Enrollment is based on the annual October district count.

BLOOMSBURY BOROUGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
Last Ten Fiscal Years Ending June 30, 2021

Exhibit J-19

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

<u>School Facilities</u>	<u>Project #</u>	<u>2012</u>	<u>2013</u>	<u>2,014</u>	<u>2,015</u>	<u>2,016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Total</u>
Elementary School	N/A	\$ 36,924	\$ 70,110	\$ 29,744	\$ 26,331	\$ 26,552	\$ 13,071	\$ 36,681	\$ 16,042	\$ 15,919	\$ 65,597	\$ 300,047
Total School Facilities		36,924	70,110	29,744	26,331	26,552	13,071	36,681	16,042	15,919	65,597	300,047
Other Facilities		-	-	-	-	-	-	-	-	-	-	-
Grand Total		\$ 36,924	\$ 70,110	\$ 29,744	\$ 26,331	\$ 26,552	\$ 13,071	\$ 36,681	\$ 16,042	\$ 15,919	\$ 65,597	\$ 300,047

BLOOMSBURY BOROUGH SCHOOL DISTRICT

INSURANCE SCHEDULE

June 30, 2021

UNAUDITED

Exhibit J-20

<u>POLICY TYPE</u>	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
SCHOOL PACKAGE POLICY: NJSIG		
Property-Blanket Building and Contents	\$ 500,000,000	\$ 1,000
Equipment Breakdown	100,000,000	1,000
Comprehensive General Liability	11,000,000	
Comprehensive Automobile Liability	11,000,000	
Blanket Position Bond	100,000	
Student Accedent Insurance	5,000,000	
WORKER'S COMPENSATION-NJSIG	2,000,000	
SCHOOL BOARD LEGAL LIABILITY - NJSIG		
Directors and Officers Policy-Limit each Loss	11,000,000	5,000
PUBLIC EMPLOYEES' FAITHFUL PERFORMANCE BLANKET POSITION BOND - Selective Insurance Company:		
Business Administrator	400,000	
Treasurer	400,000	

SOURCE: District Records

Single Audit Section



ARDITO & COMPANY LLC

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 e-mail: anthony@arditoandcompany.com

Anthony Ardito, CPA, RMA, CMFO, PSA

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Honorable President and
 Members of the Board of Education
 Bloomsbury Borough School District
 County of Hunterdon
 Phillipsburg, New Jersey 08865

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bloomsbury Borough School District Board of Education in the County of Warren, State of New Jersey, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Bloomsbury Borough School District Board of Education's basic financial statements, and have issued our report thereon dated January 26, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

-Continued-

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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** or audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

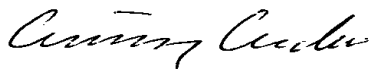
Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and for New Jersey Department of Education use, 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.



ARDITO & COMPANY LLC

January 26, 2022



Licensed Public School Accountant No.2369



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Anthony Ardito, CPA, RMA, CMFO, PSA

Report on Compliance For Each Major Program and Report on Internal Control Over Compliance Required by New Jersey OMB Circular 15-08

Independent Auditor's Report

Honorable President and
 Members of the Board of Education
 Bloomsbury Borough School District
 County of Hunterdon
 Phillipsburg, New Jersey 08865

Report on Compliance for Each Major State Program

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

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and New Jersey OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred.

An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

-Continued-

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 District's compliance.

Opinion on Each Major State Program

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

Report on Internal Control Over Compliance

Management of the Bloomsbury Borough School District Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with 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 Bloomsbury Borough School District Board of Education's internal control over compliance.

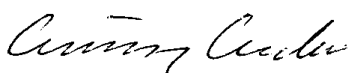
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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



ARDITO & COMPANY LLC
January 26, 2022



Licensed Public School Accountant No.2369

BLOOMSBURY BOROUGH SCHOOL DISTRICT

K-3

Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2021

Schedule A

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA No.	FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance At June 30, 2020	Carryover/ Walkover Amount	Cash Received	Budget Expend.	Adjust.	Repayment of Prior Years' Balances	Balance at June 30, 2021			Cumulative Total Expenditures
					From	To							Accounts Receivable	Deferred Revenue	Due to Grantor	
U.S. Department of Treasury																
Passed-through State																
Department of Education:																
Special Revenue Fund:																
Coronavirus Relief Fund Grant	21.019	TBD	CORONA	6,740	3/13/20	9/30/23	-		\$ 6,740	\$ (6,740)						\$ 6,740
Total Coronavirus Relief Fund							-	-	6,740	(6,740)	-	-	-	-	-	6,740
U.S. Dept. of Education Passed- Through State Dept. of Education:																
Special Revenue Fund:																
Title I	84.010	S010A200030	N/A	\$ 10,799	7/1/20	6/30/21			10,799	(10,799)						10,799
Title II - Part A	84.367	S367B200027	N/A	2,716	7/1/20	6/30/21			2,716	(2,716)						2,716
Title IV	84.365	S365A200030	N/A	10,000	7/1/20	6/30/21			10,000	(10,000)						10,000
I.D.E.A. Part B, Basic Regular	84.027	H027A200100	FT067020	29,996	7/1/20	6/30/21			29,996	(29,996)						29,996
I.D.E.A. Part B, Preschool	84.173	H173A200114	FT067020	622	7/1/20	6/30/21			622	(622)						622
CARES Emergency Relief Grant	84.425D	S425D200027	CARES	11,025	3/13/20	9/30/22	-		11,025	(11,025)						11,025
CRRSA Non-Title I	84.425D	S425D200027	CRRSA	48,631	3/13/20	9/30/23			-	-		\$ (48,631)	\$ 48,631			-
CRRSA II Learning	84.425D	S425D200027	CRRSA	25,000	3/13/20	9/30/23			-	-		(25,000)	25,000			-
CRRSA II Mental Health	84.425D	S425D200027	CRRSA	45,000	3/13/20	9/30/23			-	(21,426)		(45,000)	23,574			21,426
Total Special Revenue Fund							-	-	71,898	(93,324)	-	-	(118,631)	97,205	-	93,324
U.S. Dept. of Agriculture Passed- Through State Dept. of Education:																
Enterprise Fund:																
National School Lunch Program (Food Distribution)	10.555	191NJ304N1099	N/A		7/1/19	6/30/20	\$ 246			(246)						246
National School Lunch Program (Food Distribution)	10.555	201NJ304N1099	N/A	1,017	7/1/20	6/30/21			1,017	(694)			323			694
School Breakfast Program	10.553	191NJ304N1099	N/A		7/1/19	6/30/20	(77)		77							0
School Breakfast Program	10.553	201NJ304N1099	N/A	18,448	7/1/20	6/30/21			17,883	(18,448)		(565)				18,448
National School Lunch Program	10.555	191NJ304N1099	N/A		7/1/19	6/30/20	(122)		122							-
National School Lunch Program	10.555	201NJ304N1099	N/A	21,909	7/1/20	6/30/21			21,322	(21,909)		(587)				21,909
Total Enterprise Fund							47		40,421	(41,297)	-		(1,152)	323		21,909
TOTAL FEDERAL ASSISTANCE							\$ 47		\$ 112,319	\$ (134,621)	-		\$ (119,783)	\$ 97,528	-	\$ 115,233

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.
Note: This Schedule was not subject to an audit in accordance with OMB Uniform Guidance.

BLOOMSBURY BOROUGH SCHOOL DISTRICT

K-4

Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2021

Schedule B

STATE GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE 6/30/2020	CARRY- OVER AMOUNT	CASH RECEIVED	BUDGET. EXPEND.	ADJUST.	REPAYMENT OF PRIOR YEARS' BALANCES	BALANCE AT JUNE 30, 2021			MEMO			
										(ACCTS. RECEIV.)	DEFER. REVENUE	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPEND.		
STATE DEPARTMENT OF EDUCATION													*			
General Fund:													*			
Equalization Aid	21-495-034-5121-078	7/1/20-6/30/21	\$ 578,424			\$ 578,424	\$ (578,424)							\$	57,806	\$ 578,424
School Choice Aid	21-495-034-5121-068	7/1/20-6/30/21	279,299			279,299	(279,299)							*	27,913	279,299
Non-Public Transportation Aid	20-495-034-5121-068	7/1/19-6/30/20	290			290	(290)							*		290
Extraordinary Aid	20-495-034-5121-044	7/1/19-6/30/20	9,422	(8,564)		9,422	(858)							*		858
Extraordinary Aid	21-495-034-5121-044	7/1/20-6/30/21	20,127			-	(20,127)			\$ (20,127)				*		20,127
On Behalf TPAF Pension	21-495-034-5094-002	7/1/20-6/30/21	255,730			255,730	(255,730)							*		255,730
On Behalf TPAF Pension PRM	21-495-034-5094-001	7/1/20-6/30/21	80,142			80,142	(80,142)							*		80,142
On Behalf TPAF Pension LTD Ins	21-495-034-5094-004	7/1/20-6/30/21	179			179	(179)							*		179
Reimbursed TPAF Soc.Sec.Contrib.	21-495-034-5094-003	7/1/20-6/30/21	83,834	(3,981)		87,815	(83,834)							*		83,834
Total General Fund				(12,545)		1,291,301	(1,298,883)			(20,127)	-			*	85,719	1,298,883
Enterprise Fund:													*			
Nat. School Lunch Prog. (State Share)	20-100-010-3350-023	7/1/19-6/30/20		(2)		2								*		
Nat. School Lunch Prog. (State Share)	21-100-010-3350-023	7/1/20-6/30/21	1,136			1,094	(1,136)				(42)			*		1,136
Total Enterprise Fund				(2)		1,096	(1,136)			-	-	(42)	-	*	-	1,136
Total State Financial Assistance				\$ (12,547)		\$ 1,292,397	\$ (1,300,019)	-		\$ (20,169)	-			*	\$ 85,719	\$ 1,300,019

Less: On-behalf TPAF Pension Amounts
 On Behalf TPAF Pension 255,730
 On Behalf TPAF Pension PRM 80,142
 On Behalf TPAF Pension LTD Ins 179

Total State Expenditures Subject to Major Program Determination \$ (963,968)

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

NOTES TO THE SCHEDULES OF STATE FINANCIAL ASSISTANCE
JUNE 30, 2021

NOTE 1. GENERAL

The accompanying schedule of expenditures of state financial assistance includes federal and state award activity of the Board of Education, Bloomsbury Borough School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All state awards received directly from state agencies, as well as state financial assistance passed through other government agencies is included on the schedule of expenditure of state financial assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$982 for the general fund and \$-0- for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

NOTES TO THE SCHEDULES OF STATE FINANCIAL ASSISTANCE
 JUNE 30, 2021

NOTE 3. (Continued)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	-	\$ 1,299,865	\$ 1,299,865
Special Revenue Fund	\$ 93,324	-	93,324
Food Service Fund	<u>41,297</u>	<u>1,136</u>	<u>42,433</u>
Total Financial Assistance	<u>\$ 134,621</u>	<u>\$ 1,301,001</u>	<u>\$ 1,435,622</u>

NOTE 4. RELATIONSHIP TO STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Section I - Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

2) Were significant deficiencies identified that were not considered to be material weaknesses? ___ Yes None Reported

Noncompliance material to financial statements noted? ___ Yes No

Federal Awards

Not Applicable

Internal control over major programs:

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

2) Were significant deficiencies identified that were not considered to be material weaknesses? ___ Yes ___ None

Type of auditor's report issued on compliance for major programs: N/A

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of? ___ Yes ___ No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FEIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
N/A		

Dollar threshold used to distinguish between Type A and Type B programs: N/A

Auditee qualified as low-risk auditee? ___ yes ___ no

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Section II-Financial Statement Findings

N/A

There were no matters of noncompliance or reportable conditions noted, that are required to be reported in accordance with *Government Auditing Standards*.

Section III - State Financial Assistance Findings and Questioned Costs

N/A

This section identifies audit findings required to be reported by NJOMB Circular Letter 15-08, as applicable. There were no state financial assistance findings or questioned costs that are required to be reported in accordance with NJOMB Circular 15-08.

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

STATUS OF PRIOR YEAR FINDINGS

N/A

In accordance with *government auditing standards* , our procedures included a review of all prior year recommendations. There were no prior year findings.