

**CLARK PUBLIC
SCHOOL DISTRICT**

**Clark Public School District
Clark, New Jersey**

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

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

Clark Public School District

Clark, New Jersey

For The Fiscal Year Ended June 30, 2021

Prepared by

**Clark Public School District
Finance Department**

**CLARK PUBLIC SCHOOL DISTRICT
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INTRODUCTORY SECTION



Clark Public Schools

365 Westfield Ave • Clark, NJ 07066

(732)574-9600 • Fax (732)574-1456

Edward Grande

Superintendent of Schools

R. Paul Vizzuso

Business Admin./Board Secretary

February 9, 2022

Honorable President and
Members of the Board of Education
Clark Board of Education
County of Union, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Clark School District ("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 Clark Board of Education ("Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operation 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, a roster of principal officials and a list of consultants and advisors. The financial section includes the district-wide and fund financial statements and schedules, as well as the auditor's report and the Management's Discussion and Analysis. The statistical section includes selected financial statements and schedules as well as information generally presented on a multi-year basis.

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

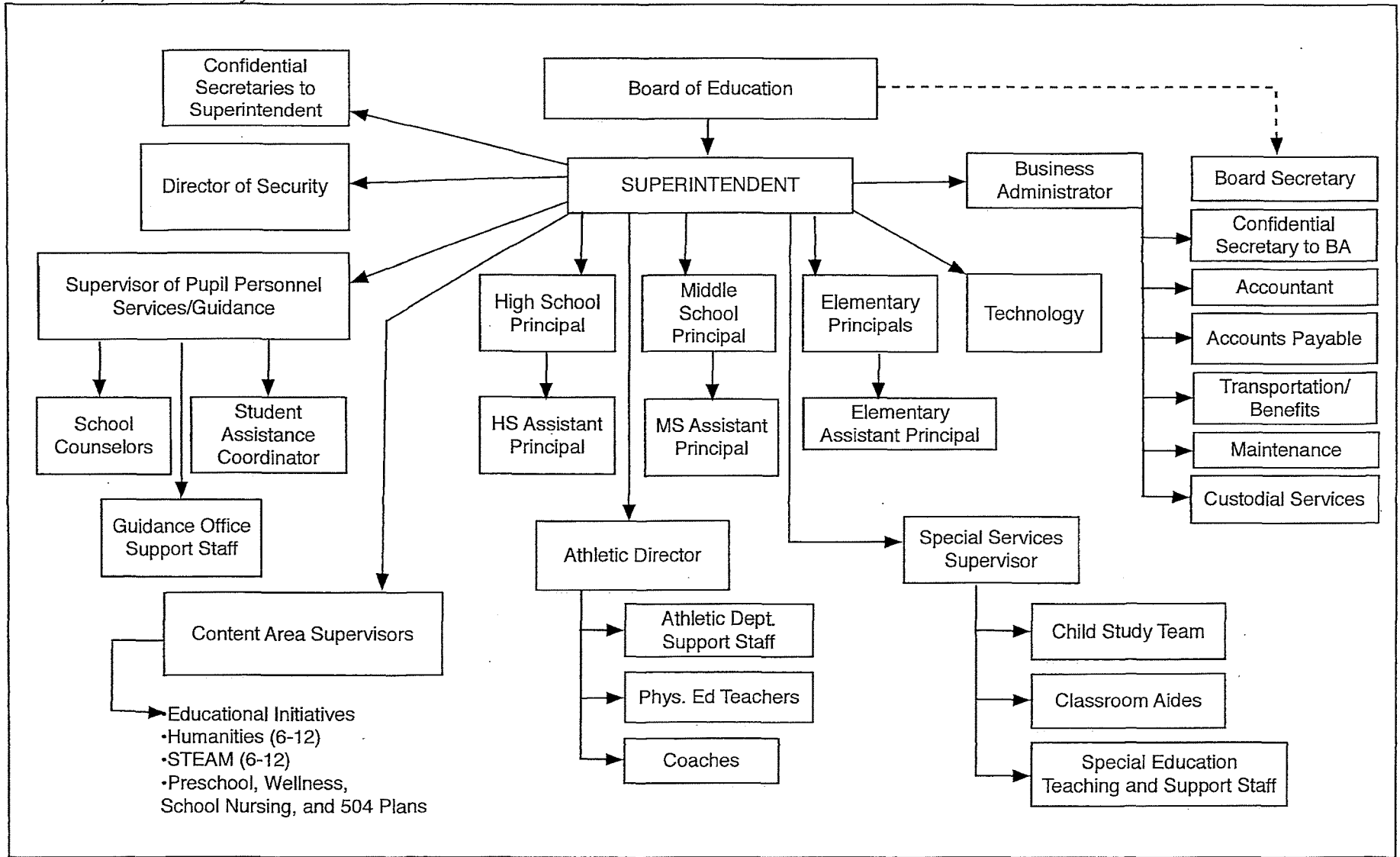
Respectfully submitted,

Edward Grande
Superintendent of Schools

R. Paul Vizzuso
Business Administrator/Board Secretary



ORGANIZATIONAL CHART



1.1

CLARK PUBLIC SCHOOL DISTRICT
CLARK, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2021

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Steven Donkersloot, President	2023
Thomas Lewis, Vice President	2022
Lorraine j. Aklonis	2022
Dino Bencivenga	2021
Scott Bohm	2021
Robert Brede	2023
Christine Guerriero, Garwood Representative	2021
Mega Harrison	2023
Robert Smorol	2021
Henry R. Varriano	2022

Other Officials

Edward Grande, Superintendent of Schools

R. Paul Vizzuso, Business Administrator/Board Secretary

James Testa, Treasurer of School Monies

**CLARK PUBLIC SCHOOL DISTRICT
CONSULTANTS AND ADVISORS**

Audit Firm

Lerch, Vinci & Higgins, LLP
17-17 Route 208
Fair Lawn, NJ 07410

Attorney

Weiner Law Group, LLP
Attorneys at Law
629 Parsippany Road
PO Box 0438
Parsippany, NJ 07054

Official Depositories

Columbia Bank
1100 Raritan Road
Clark, NJ 07066

Health Insurance Broker

Brown & Brown Benefit Advisors
1129 Broad Street, Suite 101
Shrewsbury, NJ 07702

Architect

Parette Somjen Architects
439 Route 46 East
Rockaway, NJ 07866

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
RALPH M. PICONE, III, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
Board of Education
Clark Public School District
Clark, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Clark Public School District, as of and for the fiscal year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

We believe 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 and the business-type activities and each major fund of the Clark Public School District as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Adoption of New Accounting Pronouncement

As discussed in Note 1 to the financial statements, in the fiscal year ended June 30, 2021, the Clark Public School District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities which provided guidance on identifying fiduciary activities and how they should be reported. The adoption of this standard resulted in a change to how previously reported fiduciary fund activities are currently reported in the financial statements. Our opinion is not modified with respect to this matter.

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, pension information and other postemployment benefits information 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

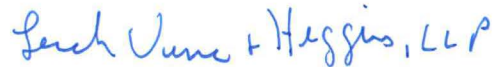
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clark Public School District's basic financial statements. The introductory section financial schedules, statistical section, schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and schedule of expenditures of state financial assistance as required by New Jersey OMB 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 of the Clark Public School District.

The schedule of expenditures of federal awards and schedule of expenditures of state financial assistance 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 schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section, financial schedules and statistical section 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 February 9, 2022 on our consideration of the Clark Public School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Clark Public School District's 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 Clark Public School District's internal control over financial reporting and compliance.



LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants



Andrew D. Parente
Public School Accountant
PSA Number CS00224600

Fair Lawn, New Jersey
February 9, 2022

REQUIRED SUPPLEMENTARY INFORMATION – PART I
MANAGEMENT’S DISCUSSION AND ANALYSIS

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

As management of the Clark Public School District (the Board or District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the Clark Public School District for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2020-2021 fiscal year include the following:

- The assets and deferred outflows of resources of the Clark Public School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$15,956,991 (Net Position).
- Overall District revenues were \$51,780,399 and were \$1,406,805 more than overall District expenses of \$50,373,594. General revenues accounted for \$34,533,101 or 67% of all revenues. Program specific revenues in the form of charges for services, grants and contributions account for \$17,247,298 or 33% of total revenues.
- The School District had \$50,201,685 in expenses for governmental activities; only \$17,214,468 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$34,527,434 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$10,618,748. Of that amount, \$1,285,443 (12%) is available for spending at the District's discretion (unassigned fund balance).
- The General Fund unassigned fund balance was \$1,285,443 at June 30, 2021, which is an increase of \$783,761 when compared with the beginning unassigned fund balance at July 1, 2020 of \$501,682.
- The General Fund unassigned budgetary basis fund balance at June 30, 2021 was \$1,876,469, which represents an increase of \$964,695 compared to the ending unassigned budgetary basis fund balance at June 30, 2020 of \$911,774.
- The District's total outstanding long-term liabilities decreased by \$2,224,185 during the current fiscal year.

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

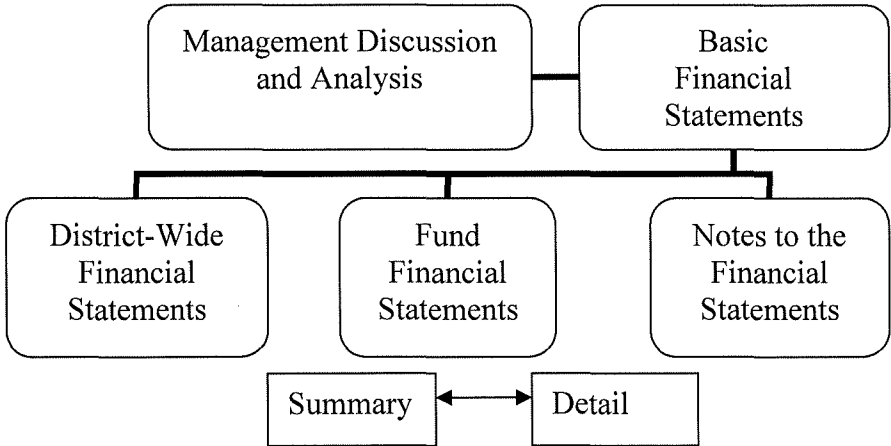
Fiscal Year Ended June 30, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor’s Report, required supplementary information which includes the management’s discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district wide financial statements* that provide both *short-term* and *long-term* information about the District’s *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual* parts of the District, reporting the District’s operations in *more detail* than the district-wide statements.
- The *governmental funds statements* tell how basic services were financed in the *short term* as well as what remains for future spending
- *Proprietary funds statements* offer *short-term* and *long-term* financial information about the activities the district operated like *businesses*.

The basic financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. The Figure below shows how the various parts of this annual report are arranged and related to one another.



CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

The following table summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district	The activities of the district that are not proprietary or fiduciary, such as instruction; building maintenance, transportation, and administration.	Activities the district operates similar to private businesses; food service, before and after care program.
Required Financial Statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenue Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses and Changes in Fund Net Position Statement of Cash Flows
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of Asset, Liabilities and Deferred Inflows/outflows Information	All assets, liabilities and deferred outflows/inflows of resources, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included	All assets, liabilities and deferred outflows/inflows of resources, both financial and capital, short-term and long-term
Type of Inflow/Outflow Information	All revenues and expenses during the year, regardless of when cash is received and the related liability is due and payable	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

District-Wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the district's assets, liabilities and deferred outflows/inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the Districts *net position* and how they have changed. Net position – the difference between the District's assets/deferred outflows and liabilities/deferred inflows – is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position is an indicator of whether its financial condition is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the District-wide financial statement's the District's activities are shown in two categories:

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration, and community education. Property taxes and State and Federal aids finance most of these activities.
- *Business-type activities* – The District charges fees to customers to help it cover the costs of certain services it provides. The District's Food Service and Before and After School child care programs are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's *funds* – focusing on its most significant or “major” funds – not the district as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District uses other funds, established in accordance with the State of New Jersey Uniform Chart of Accounts, to control and manage money for particular purposes (e.g. repaying its long-term debts) or to show that it is properly using certain revenues (e.g. Federal funds).

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

The District has two kinds of funds:

- *Governmental funds* – Most of the District’s basic services are included in governmental funds, which generally focus on (1) how *cash and other financial resources* that can readily be converted to cash, flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District’s programs. Because this information does not encompass the additional long-term focus of the District-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements.
 - *Enterprise Funds* – These funds are established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has two enterprise funds for its food service operations and its before and after school child care programs.

Notes to the Financial Statements

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

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

Other Information

In addition to the financial statements and accompanying notes, which together comprise the basic financial statements, this report also presents certain *required supplementary information* concerning the District's budget process. The District adopts an annual revenue and expenditure budget for the general, special revenue and debt service funds. Budgetary comparison schedules have been provided for the general and special revenue funds as required supplementary information. Information regarding the District's employee retirement systems and pension plans as well as the post-retirement health benefits plan has also been provided as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

Combining financial schedules are presented immediately following the major budgetary comparisons and pension information.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

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

The following provides a summary of the school district's net position for 2021 and 2020.

Net Position. The District's *combined* net position was \$15,956,991 on June 30, 2021 and \$14,550,186 on June 30, 2020.

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

Net Position
as of June 30, 2021 and 2020

	Governmental Types		Business-Type Activities		Total	
	2021	2020 (Restated)	2021	2020	2021	2020 (Restated)
Assets						
Current and other assets	\$ 11,966,996	\$ 10,532,242	\$ 1,722,814	\$ 1,855,961	\$ 13,689,810	\$ 12,388,203
Capital assets, net	19,042,162	20,698,236	166,036	186,146	19,208,198	20,884,382
Total Assets	31,009,158	31,230,478	1,888,850	2,042,107	32,898,008	33,272,585
Deferred Outflows of Resources	660,148	1,003,047	-	-	660,148	1,003,047
Total Assets and Deferred Outflows of Resources	31,669,306	32,233,525	1,888,850	2,042,107	33,558,156	34,275,632
Liabilities						
Non-Current liabilities	13,661,779	15,885,964	-	-	13,661,779	15,885,964
Other liabilities	1,369,983	1,620,479	47,455	66,201	1,417,438	1,686,680
Total Liabilities	15,031,762	17,506,443	47,455	66,201	15,079,217	17,572,644
Deferred Inflows of Resources	2,516,786	2,337,012	5,162	6,261	2,521,948	2,343,273
Total Liabilities and Deferred Inflows of Resources	17,548,548	19,843,455	52,617	72,462	17,601,165	19,915,917
Net Position						
Net Investment in capital assets	10,906,509	11,366,186	166,036	186,146	11,072,545	11,552,332
Restricted	1,491,794	1,487,656	-	-	1,491,794	1,487,656
Unrestricted	1,722,455	(273,301)	1,670,197	1,783,499	3,392,652	1,510,198
Total Net Position	\$ 14,120,758	\$ 12,580,541	\$ 1,836,233	\$ 1,969,645	\$ 15,956,991	\$ 14,550,186

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Restricted net position represents amounts reserved for specific purposes by outside parties or state laws and regulations. Unrestricted net position represents amounts available to the government that are neither restricted nor invested in capital assets.

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

The District's total net position of \$15,956,991 at June 30, 2021 represents a \$1,406,805 or 10%, increase from the prior year. The following shows changes in net position for fiscal years 2021 and 2020.

**Change in Net Position
For the Fiscal Years Ended June 30, 2021 and 2020**

	Governmental		Business-Type		Total	
	Types		Activities			
	2021	2020	2021	2020	2021	2020
Revenues						
Program Revenues						
Charges for Services	\$ 2,033,919	\$ 1,842,251	\$ 8,982	\$ 884,998	\$ 2,042,901	\$ 2,727,249
Operating Grants and Contributions	15,180,549	10,330,723	23,848	87,941	15,204,397	10,418,664
General Revenues						
Property Taxes	34,370,456	33,679,291			34,370,456	33,679,291
Other	156,978	190,067	5,667	15,627	162,645	205,694
Total Revenues	<u>51,741,902</u>	<u>46,042,332</u>	<u>38,497</u>	<u>988,566</u>	<u>51,780,399</u>	<u>47,030,898</u>
Program Expenses						
Instruction						
Regular	25,858,911	21,695,750			25,858,911	21,695,750
Special Education	6,703,348	6,786,602			6,703,348	6,786,602
Other Instruction	1,019,837	858,700			1,019,837	858,700
School Sponsored Activities and Athletics	1,021,114	797,939			1,021,114	797,939
Support Services						
Student and Instruction Related	5,579,987	5,010,855			5,579,987	5,010,855
General Administration	875,996	812,773			875,996	812,773
School Administration	3,101,407	2,946,321			3,101,407	2,946,321
Central and Other Support Services	502,995	484,494			502,995	484,494
Plant Operations and Maintenance	3,416,819	3,356,495			3,416,819	3,356,495
Pupil Transportation	1,797,516	1,419,602			1,797,516	1,419,602
Interest on Debt	323,755	371,159			323,755	371,159
Food Service			129,133	494,544	129,133	494,544
Before and After School Program	-	-	42,776	341,842	42,776	341,842
Total Expenses	<u>50,201,685</u>	<u>44,540,690</u>	<u>171,909</u>	<u>836,386</u>	<u>50,373,594</u>	<u>45,377,076</u>
Change in Net Position	1,540,217	1,501,642	(133,412)	152,180	1,406,805	1,653,822
Net Position, Beginning of Year	12,580,541	10,888,428	1,969,645	1,817,465	14,550,186	12,705,893
Prior Period Adjustment	-	190,471	-	-	-	190,471
Net Position, End of Year	<u>\$ 14,120,758</u>	<u>\$ 12,580,541</u>	<u>\$ 1,836,233</u>	<u>\$ 1,969,645</u>	<u>\$ 15,956,991</u>	<u>\$ 14,550,186</u>

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

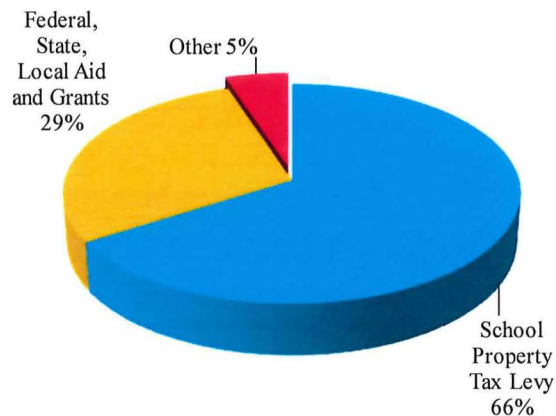
Fiscal Year Ended June 30, 2021

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$51,741,902 for the year ended June 30, 2021, property taxes of \$34,370,456 represented 66% of revenues. Another significant portion of revenues came from State aid; total State, Federal and Local Aid and Grants were \$15,180,549 and represented 29% of revenues. In addition, revenue in the amount of \$2,190,897 (5%) was earned from tuition fees and miscellaneous income which includes items such as interest, prior year refunds and other miscellaneous items.

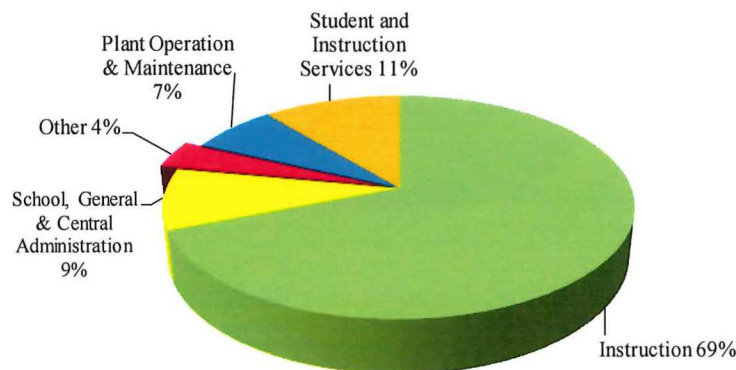
The total cost of all governmental activities programs and services was \$50,201,685. The district's expenses are predominantly related to educating and caring for students. Instruction totaled \$34,603,210 (69%) of total expenses. Support services total \$15,274,720 (30%) of total expenses. The remaining expenses were for interest costs on long-term debt outstanding in the amount of \$323,755 (1%).

Total governmental activities revenues exceeded expenses, increasing net position by \$1,540,217 from the previous year.

**Revenues by Type – Governmental Activities
For Fiscal Year 2021**



**Expenses by Type – Governmental Activities
For Fiscal Year 2021**



CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

Total and Net Cost of Governmental Activities. The District's total cost of services was \$50,201,685. After applying program revenues, derived from operating grants and contributions of \$15,180,549 and charges for services of \$2,033,919 the net cost of services of the District is \$32,987,217.

	Total Cost of Services		Net Cost of Services	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Instruction				
Regular	\$ 25,858,911	\$ 21,695,750	\$ 16,439,096	\$ 15,282,197
Special Education	6,703,348	6,786,602	3,042,219	3,905,392
Other Instruction	1,019,837	858,700	40,871	159,538
School Sponsored Activities and Athletics	1,021,114	797,939	852,967	797,939
Support services				
Student and Instruction Related	5,579,987	5,010,855	4,228,601	3,815,587
General Administration	875,996	812,773	830,798	812,773
School Administration	3,101,407	2,946,321	2,136,208	2,274,022
Central and Other Support Services	502,995	484,494	454,876	484,494
Plant Operations and Maintenance	3,416,819	3,356,495	3,126,083	3,301,365
Pupil Transportation	1,797,516	1,419,602	1,511,743	1,163,250
Interest on Debt	<u>323,755</u>	<u>371,159</u>	<u>323,755</u>	<u>371,159</u>
 Total Expenses	 <u>\$ 50,201,685</u>	 <u>\$ 44,540,690</u>	 <u>\$ 32,987,217</u>	 <u>\$ 32,367,716</u>

Business-Type Activities

The cost of Business-Type Activities for the fiscal year ended June 30, 2021 was \$171,909. Food service costs were \$129,133 (75%) and before and after school child care costs were \$42,776 (25%). These costs were funded by revenue from charges for services of \$8,982 (23%) and operating grants of \$23,848 (62%), as detailed in the change in net position schedule. Revenues from food service charges for services were \$8,982 which made up 100% of the Business-Type Activity revenues.

Total business-type activities expenses surpassed revenues, decreasing net position by \$133,412 over the previous year. At June 30, 2021 the net position balance of the Food Service Program was \$310,994 and of the Before and After School Child Care Program Fund was \$1,525,239.

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$10,618,748 at June 30, 2021 compared to a combined fund balance of \$9,128,844 at June 30, 2020.

Revenues for the District's governmental funds were \$47,082,321 while total expenditures were \$45,592,417.

GENERAL FUND

The General fund includes the primary operations of the District in providing educational services to students from Pre-Kindergarten through Grade 12 including pupil transportation, extra-curricular activities and capital outlay projects.

The following schedule presents a summary of General Fund Revenues for the fiscal years ended June 30, 2021 and 2020.

<u>Revenue</u>	<u>2021</u>	<u>Amount</u> <u>2020</u>	<u>Amount of</u> <u>Increase</u> <u>(Decrease)</u>	<u>Percent</u> <u>Change</u>
Local Sources				
Property Tax Levy	\$ 32,974,824	\$ 32,328,259	\$ 646,565	2%
Miscellaneous	2,190,897	2,032,318	158,579	8%
State Sources	8,809,493	7,291,045	1,518,448	21%
Federal Sources	<u>17,215</u>	<u>11,779</u>	<u>5,436</u>	46%
Total	<u>\$ 43,992,429</u>	<u>\$ 41,663,401</u>	<u>\$ 2,329,028</u>	6%

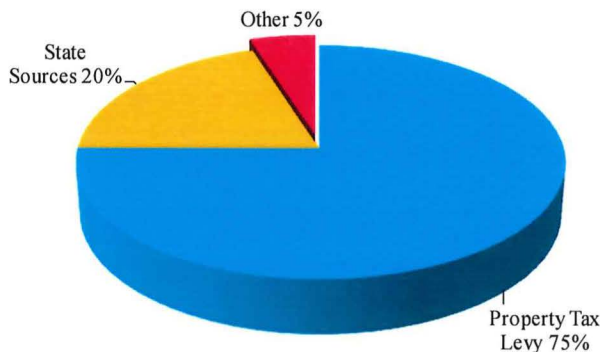
The majority of revenues come from property taxes which accounted for 75% of total revenue while state sources represented 20% of total revenue for the 2021 fiscal year. Miscellaneous revenues primarily tuition fees received from Garwood represented 5% of the total revenue for the 2021 fiscal year.

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

General Fund Revenues by Source For Fiscal Year 2021



The following schedule presents a summary of General Fund expenditures for the fiscal years ended June 30, 2021 and 2020.

<u>Expenditures</u>	<u>Amount</u> <u>2021</u>	<u>Amount</u> <u>2020</u>	<u>Amount of</u> <u>Increase</u> <u>(Decrease)</u>	<u>Percent</u> <u>Change</u>
Current:				
Instruction	\$ 27,603,829	\$ 25,895,103	\$ 1,708,726	7%
Support Services	14,209,961	13,283,224	926,737	7%
Debt Service	129,396	178,697	(49,301)	-28%
Capital Outlay	559,228	453,063	106,165	100%
Total	\$ 42,502,414	\$ 39,810,087	\$ 2,692,327	7%

Total General Fund expenditures increased \$2,692,327 or 7% from the previous year. Instruction represented 65% of total expenditures while support services accounted for 33% and debt service and capital outlay accounted for 2% of total expenditures for the 2020 fiscal year.

For the 2020-2021 school year General Fund revenues, exceeded expenditures by \$1,490,015. After adjusting for restricted, committed and assigned fund balances, the unassigned fund balance increased from \$501,682 at June 30, 2020 to \$1,285,443 at June 30, 2021. The District ended the year with \$5,805,712 of excess surplus. In addition, the District had restricted fund balances of \$662,069 in capital reserve and \$639,363 in maintenance reserve at June 30, 2021.

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At the end of fiscal years 2021 and 2020, the District had invested in land, buildings, furniture, machinery and equipment for both governmental and business-type activities. Depreciation charges for fiscal year 2020-2021 amounted to \$2,215,302 for governmental activities and \$20,110 for business-type activities. The following is a comparison of the June 30, 2021 and 2020 balances.

Capital Assets As of June 30, 2021 and 2020

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 1,808,965	\$ 1,808,965			\$ 1,808,965	\$ 1,808,965
Construction In Progress		-			-	-
Land Improvements	2,806,164	2,806,164			2,806,164	2,806,164
Buildings and Improvements	48,419,891	47,914,798			48,419,891	47,914,798
Machinery and Equipment	<u>4,509,727</u>	<u>4,455,592</u>	<u>\$ 450,086</u>	<u>\$ 450,086</u>	<u>4,959,813</u>	<u>4,905,678</u>
	57,544,747	56,985,519	450,086	450,086	57,994,833	57,435,605
Less Depreciation	<u>(38,502,585)</u>	<u>(36,287,283)</u>	<u>(284,050)</u>	<u>(263,940)</u>	<u>(38,786,635)</u>	<u>(36,551,223)</u>
Total Capital Assets, Net of Depreciation	<u>\$ 19,042,162</u>	<u>\$ 20,698,236</u>	<u>\$ 166,036</u>	<u>\$ 186,146</u>	<u>\$ 19,208,198</u>	<u>\$ 20,884,382</u>

Additional information on the District's capital assets is presented in Note 3 of this report.

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

Debt Administration. As of June 30, 2021 the District had long-term debt and outstanding long-term liabilities in the amount of \$13,661,779. For fiscal year 2020-2021 total outstanding long-term liabilities decreased by \$2,224,185. The following is a comparison of the June 30, 2021 and 2020 balances.

Outstanding Long-Term Liabilities As of June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Serial Bonds (including unamortized premium)	\$ 8,256,745	\$ 9,415,960
Capital Leases and Interlocal Agreements Payable	163,513	291,284
Net Pension Liability	4,402,004	5,295,500
Compensated Absences	<u>839,517</u>	<u>883,220</u>
Total	<u>\$ 13,661,779</u>	<u>\$ 15,885,964</u>

Additional information on the District's long-term liabilities is presented in Note 3 of this report.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the annual operating budget several times. These budget amendments fall into two categories:

- Reinstating prior year purchase orders being carried over.
- Appropriation of additional State and Federal Aid.

General Fund budgetary basis revenues exceeded budgetary basis expenditures increasing budgetary basis fund balance by \$1,670,949 from the previous year. After deducting restricted, committed and assigned fund balances, the unassigned budgetary fund balance increased \$964,695 from \$911,774 at June 30, 2020 to \$1,876,469 at June 30, 2021. The District has retained a Capital Reserve balance in the amount of \$662,069 at June 30, 2021. In addition, the District has a Maintenance Reserve balance of \$639,363 at June 30, 2021.

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Fiscal Year Ended June 30, 2021

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

While many factors influence the District's future, the availability of State funding, special education needs, capital improvements, student enrollment and the economy will have the most impact on educational and fiscal decisions in the future.

Many factors were considered by the District's administration during the process of developing the fiscal year 2021-2022 budget. The primary factors were the District's projected student population, anticipated state and federal aid, contractual salary and related benefit cost increases, as well as, increased special education tuition costs.

These indicators were considered when adopting the budget for fiscal year 2021-2022. Budgeted expenditures in the General Fund increased approximately 1.71% to \$41,122,308 for fiscal year 2021-2022.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Business Office, Clark Public School District, Administrative Offices (ALJ High School), 365 Westfield Avenue, Clark New Jersey 07066.

DISTRICT-WIDE FINANCIAL STATEMENTS

**CLARK PUBLIC SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	\$ 11,377,625	\$ 1,696,764	\$ 13,074,389
Receivables, Net:			
Receivables from Other Governments	595,569	1,433	597,002
Other		3,435	3,435
Internal Balances	(6,198)	6,198	-
Inventories		14,984	14,984
Capital Assets Not Being Depreciated	1,808,965		1,808,965
Capital Assets, Being Depreciation	<u>17,233,197</u>	<u>166,036</u>	<u>17,399,233</u>
Total Assets	<u>31,009,158</u>	<u>1,888,850</u>	<u>32,898,008</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	284,605		284,605
Deferred Amounts on Net Pension Liability	<u>375,543</u>	<u>-</u>	<u>375,543</u>
Total Deferred Outflows of Resources	<u>660,148</u>	<u>-</u>	<u>660,148</u>
Total Assets and Deferred Outflows of Resources	<u>31,669,306</u>	<u>1,888,850</u>	<u>33,558,156</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	1,246,005	14,357	1,260,362
Accrued Interest Payable	21,735		21,735
Unearned Revenue	102,243	33,098	135,341
Noncurrent Liabilities :			
Due Within One Year	1,383,513		1,383,513
Due Beyond One Year	<u>12,278,266</u>	<u>-</u>	<u>12,278,266</u>
Total Liabilities	<u>15,031,762</u>	<u>47,455</u>	<u>15,079,217</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	2,516,786		2,516,786
Deferred Commodities Revenue	<u>-</u>	<u>5,162</u>	<u>5,162</u>
Total Deferred Inflows of Resources	<u>2,516,786</u>	<u>5,162</u>	<u>2,521,948</u>
Total Liabilities and Deferred Inflows of Resources	<u>17,548,548</u>	<u>52,617</u>	<u>17,601,165</u>
NET POSITION			
Net Investment in Capital Assets	10,906,509	166,036	11,072,545
Restricted for:			
Capital Projects	662,069		662,069
Other Purposes	829,725		829,725
Unrestricted	<u>1,722,455</u>	<u>1,670,197</u>	<u>3,392,652</u>
Total Net Position	<u>\$ 14,120,758</u>	<u>\$ 1,836,233</u>	<u>\$ 15,956,991</u>

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

**CLARK PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental Activities							
Instruction:							
Regular	\$ 25,858,911	\$ 1,718,725	\$ 7,701,090		\$ (16,439,096)		\$ (16,439,096)
Special Education	6,703,348		3,661,129		(3,042,219)		(3,042,219)
Other Instruction	1,019,837	315,194	663,772		(40,871)		(40,871)
School Sponsored Activities and Athletics	1,021,114		168,147		(852,967)		(852,967)
Support Services							
Student and Instruction Related Services	5,579,987		1,351,386		(4,228,601)		(4,228,601)
General Administrative Services	875,996		45,198		(830,798)		(830,798)
School Administrative Services	3,101,407		965,199		(2,136,208)		(2,136,208)
Central and Other Support Services	502,995		48,119		(454,876)		(454,876)
Plant Operations and Maintenance	3,416,819		290,736		(3,126,083)		(3,126,083)
Pupil Transportation	1,797,516		285,773		(1,511,743)		(1,511,743)
Interest on Debt	323,755	-	-	-	(323,755)	-	(323,755)
Total Governmental Activities	<u>50,201,685</u>	<u>2,033,919</u>	<u>15,180,549</u>	<u>-</u>	<u>(32,987,217)</u>	<u>-</u>	<u>(32,987,217)</u>
Business-Type Activities							
Food Service	129,133	8,982	23,848			\$ (96,303)	(96,303)
Before and After School Program	42,776	-	-	-	-	(42,776)	(42,776)
Total Business-Type Activities	<u>171,909</u>	<u>8,982</u>	<u>23,848</u>	<u>-</u>	<u>-</u>	<u>(139,079)</u>	<u>(139,079)</u>
Total Primary Government	<u>\$ 50,373,594</u>	<u>\$ 2,042,901</u>	<u>\$ 15,204,397</u>	<u>\$ -</u>	<u>(32,987,217)</u>	<u>(139,079)</u>	<u>(33,126,296)</u>

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

**CLARK PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
General Revenues:			
Property Taxes:			
Levied for General Purposes	\$ 32,974,824		\$ 32,974,824
Levied for Debt Service	1,395,632		1,395,632
Miscellaneous Income	156,978	\$ 5,667	162,645
Total General Revenues	34,527,434	5,667	34,533,101
Change in Net Position	1,540,217	(133,412)	1,406,805
Net Position, Beginning of Year (Restated)	12,580,541	1,969,645	14,550,186
Net Position, End of Year	\$ 14,120,758	\$ 1,836,233	\$ 15,956,991

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

FUND FINANCIAL STATEMENTS

**CLARK PUBLIC SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2021**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash	\$ 11,187,263	\$ 190,359	\$ 3	\$ 11,377,625
Receivables, Net				
Receivables from Other Governments	204,630	390,939		595,569
Due from Other Funds	<u>110,238</u>	<u>-</u>	<u>-</u>	<u>110,238</u>
Total Assets	<u>\$ 11,502,131</u>	<u>\$ 581,298</u>	<u>\$ 3</u>	<u>\$ 12,083,432</u>
LIABILITIES				
Liabilities				
Accounts Payable	\$ 637,157	\$ 43,300		\$ 680,457
Payroll Deductions Withholding and Payable	407,980			407,980
Payable State Government		152,433		152,433
Due to Other Funds	28,608	87,828	-	116,436
Other Liabilities		5,135		5,135
Unearned Revenue	<u>-</u>	<u>102,243</u>	<u>-</u>	<u>102,243</u>
Total Liabilities	<u>1,073,745</u>	<u>390,939</u>	<u>-</u>	<u>1,464,684</u>
FUND BALANCES				
Restricted Fund Balance				
Excess Surplus	2,328,246			2,328,246
Excess Surplus - Designated for Subsequent				
Year's Expenditures	3,477,466			3,477,466
Capital Reserve	662,069			662,069
Maintenance Reserve	639,363			639,363
Student Activities		162,034		162,034
Science Observatory/Donation		28,325		28,325
Debt Service			\$ 3	3
Committed Fund Balance				
Year End Encumbrances	1,667,009			1,667,009
Assigned Fund Balance				
Year End Encumbrances	253,803			253,803
Designated for Subsequent Year's Expenditures	114,987			114,987
Unassigned Fund Balance	<u>1,285,443</u>	<u>-</u>	<u>-</u>	<u>1,285,443</u>
Total Fund Balances	<u>10,428,386</u>	<u>190,359</u>	<u>3</u>	<u>10,618,748</u>
Total Liabilities and Fund Balances	<u>\$ 11,502,131</u>	<u>\$ 581,298</u>	<u>\$ 3</u>	<u>\$ 12,083,432</u>

**CLARK PUBLIC SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2021**

Total Fund Balances - Governmental Funds (Exhibit B-1) **\$ 10,618,748**

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 \$57,544,747 and the accumulated depreciation is \$38,502,585. 19,042,162

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 284,605

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred outflows of resources or deferred inflows of resources on the statement of net position and amortized over future years.

Deferred Outflows of Resources	\$ 375,543	
Deferred Inflows of Resources	<u>(2,516,786)</u>	(2,141,243)

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is: (21,735)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds

Serial Bonds Payable (including unamortized premium)	(8,256,745)	
Capital Leases and Interlocal Agreements Payable	(163,513)	
Compensated Absences	(839,517)	
Net Pension Liability	<u>(4,402,004)</u>	<u>(13,661,779)</u>

Total Net Position of Governmental Activities (Exhibit A-1) **\$ 14,120,758**

CLARK PUBLIC SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
REVENUES				
Local Sources				
Property Tax Levy	\$ 32,974,824		\$ 1,395,632	\$ 34,370,456
Tuition	2,033,919			2,033,919
Interest	41,782			41,782
Miscellaneous Revenues	<u>115,196</u>	<u>\$ 99,146</u>	<u>-</u>	<u>214,342</u>
Total - Local Sources	35,165,721	99,146	1,395,632	36,660,499
State Sources	8,809,493	\$ 344,161	-	9,153,654
Federal Sources	<u>17,215</u>	<u>1,250,953</u>	<u>-</u>	<u>1,268,168</u>
Total Revenues	<u>43,992,429</u>	<u>1,694,260</u>	<u>1,395,632</u>	<u>47,082,321</u>
EXPENDITURES				
Instruction				
Regular	20,640,479	400,381		21,040,860
Special Education	5,537,930	604,200		6,142,130
Other Instruction	519,363	430,380		949,743
School-Sponsored Activities and Athletics	906,057	99,258		1,005,315
Support Services				
Student and Instruction Related Services	4,978,372	160,153		5,138,525
General Administrative Services	864,972			864,972
School Administrative Services	2,749,037			2,749,037
Central and Other Support Services	486,056			486,056
Plant Operations and Maintenance	3,336,102			3,336,102
Pupil Transportation	1,795,422			1,795,422
Debt Service				
Principal	127,771		1,095,000	1,222,771
Interest and Other Charges	1,625		300,631	302,256
Capital Outlay	<u>559,228</u>	<u>-</u>	<u>-</u>	<u>559,228</u>
Total Expenditures	<u>42,502,414</u>	<u>1,694,372</u>	<u>1,395,631</u>	<u>45,592,417</u>
Net Change in Fund Balances	1,490,015	(112)	1	1,489,904
Fund Balance, Beginning of Year (Restated)	<u>8,938,371</u>	<u>190,471</u>	<u>2</u>	<u>9,128,844</u>
Fund Balance, End of Year	<u>\$ 10,428,386</u>	<u>\$ 190,359</u>	<u>\$ 3</u>	<u>\$ 10,618,748</u>

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

**CLARK PUBLIC SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Total net change in fund balances - governmental funds (Exhibit B-2) \$ 1,489,904

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which depreciation exceeds capital outlay and donated assets in the current period.

Capital Outlay	\$ 559,228	
Depreciation Expense	<u>(2,215,302)</u>	
		(1,656,074)

In the statement of activities, certain operating expenses - compensated absences and pension expense are measured by the amounts earned or accrued during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Decrease in Compensated Absences	43,703	
Decrease in Pension Expense	<u>461,412</u>	
		505,115

The issuance of long-term debt provides current financial resources to the governmental funds, while the repayment of long-term debt uses those current financial resources of governmental funds. Neither transactions, however, has any effect on net position. Also, governmental funds report the effect of premiums and other such items related to the refunding bonds when they are issued, whereas these amounts are expensed and or deferred and amortized in the statement of activities.

Principal Repayments		
Serial Bonds	1,095,000	
Capital Lease and Interlocal Agreement Payable	127,771	
Amortization of Deferred Amounts on Refunding	(90,589)	
Amortization of Bond Premium	<u>64,215</u>	
		1,196,397

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Decrease in Accrued Interest		<u>4,875</u>
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Change in net position of governmental activities (Exhibit A-2) **\$ 1,540,217**

**CLARK PUBLIC SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

	<u>Business-Type Activities - Enterprise Fund</u>		
	<u>Food</u>	<u>Before and</u>	
	<u>Service</u>	<u>After School</u>	<u>Totals</u>
		<u>Program</u>	
ASSETS			
Current Assets			
Cash	\$ 159,099	\$ 1,537,665	\$ 1,696,764
Intergovernmental Receivable			
State	160		160
Federal	1,273		1,273
Other Accounts Receivable	3,435		3,435
Inventories	14,984		14,984
Due from Other Funds	<u>28,608</u>	<u>-</u>	<u>28,608</u>
 Total Current Assets	 <u>207,559</u>	 <u>1,537,665</u>	 <u>1,745,224</u>
Capital Assets			
Equipment	431,661	18,425	450,086
Less: Accumulated Depreciation	<u>(275,609)</u>	<u>(8,441)</u>	<u>(284,050)</u>
 Total Capital Assets, Net	 <u>156,052</u>	 <u>9,984</u>	 <u>166,036</u>
 Total Assets	 <u>363,611</u>	 <u>1,547,649</u>	 <u>1,911,260</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	14,357		14,357
Due to Other Funds		22,410	22,410
Unearned Revenue	<u>33,098</u>	<u>-</u>	<u>33,098</u>
 Total Current Liabilities	 <u>47,455</u>	 <u>22,410</u>	 <u>69,865</u>
DEFERRED INFLOW OF RESOURCES			
Deferred Commodities Revenue	<u>5,162</u>	<u>-</u>	<u>5,162</u>
 Total Liabilities and Deferred Inflow of Resources	 <u>52,617</u>	 <u>22,410</u>	 <u>75,027</u>
NET POSITION			
Investment in Capital Assets	156,052	9,984	166,036
Unrestricted	<u>154,942</u>	<u>1,515,255</u>	<u>1,670,197</u>
 Total Net Position	 <u>\$ 310,994</u>	 <u>\$ 1,525,239</u>	 <u>\$ 1,836,233</u>

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

**CLARK PUBLIC SCHOOL DISTRICT
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Business-Type Activities - Enterprise Fund</u>		
	<u>Food Service</u>	<u>Before and After School Program</u>	<u>Totals</u>
OPERATING REVENUES			
Charges for Services			
Daily Sales - Reimbursable Programs	\$ 8,677		\$ 8,677
Daily Sales - Non reimbursable Programs	<u>305</u>	<u>-</u>	<u>305</u>
Total Operating Revenues	<u>8,982</u>	<u>-</u>	<u>8,982</u>
OPERATING EXPENSES			
Cost of Sales Reimbursable Programs	43,138		43,138
Salaries and Employee Benefits	21,691		21,691
Purchased Management Services	27,316		27,316
Supplies and Materials	3,563	\$ 38,895	42,458
Miscellaneous Expenses	14,932	2,264	17,196
Depreciation Expense	<u>18,493</u>	<u>1,617</u>	<u>20,110</u>
Total Operating Expenses	<u>129,133</u>	<u>42,776</u>	<u>171,909</u>
Operating Income/(Loss)	<u>(120,151)</u>	<u>(42,776)</u>	<u>(162,927)</u>
NONOPERATING REVENUES			
Interest	425	5,242	5,667
State Sources			
School Lunch Program	1,397		1,397
Federal Sources			
National School Lunch Program	15,250		15,250
Food Distribution Program	<u>7,201</u>	<u>-</u>	<u>7,201</u>
Total Nonoperating Revenues	<u>24,273</u>	<u>5,242</u>	<u>29,515</u>
Change in Net Position	(95,878)	(37,534)	(133,412)
Total Net Position, Beginning of Year	<u>406,872</u>	<u>1,562,773</u>	<u>1,969,645</u>
Total Net Position, End of Year	<u>\$ 310,994</u>	<u>\$ 1,525,239</u>	<u>\$ 1,836,233</u>

**CLARK PUBLIC SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Business-Type Activities - Enterprise Fund</u>		
	<u>Food Service</u>	<u>Before and After School Program</u>	<u>Totals</u>
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 2,817		\$ 2,817
Cash Payments for Employees' Salaries and Benefits	(21,691)		(21,691)
Cash Payments to Suppliers for Goods and Services	<u>(67,258)</u>	\$ (58,428)	<u>(125,686)</u>
Net Cash (Used for) Operating Activities	<u>(86,132)</u>	<u>(58,428)</u>	<u>(144,560)</u>
Cash Flows from Noncapital Financing Activities			
Cash Received from State and Federal Subsidy Reimbursement	<u>16,923</u>	-	<u>16,923</u>
Net Cash Provided by Noncapital Financing Activities	<u>16,923</u>	-	<u>16,923</u>
Cash Flows from Investing Activities			
Interest Earnings	<u>425</u>	<u>5,242</u>	<u>5,667</u>
Net Cash Provided by Investing Activities	<u>425</u>	<u>5,242</u>	<u>5,667</u>
Net (Decrease) in Cash and Cash Equivalents	(68,784)	(53,186)	(121,970)
Cash, Beginning of Year	<u>227,883</u>	<u>1,590,851</u>	<u>1,818,734</u>
Cash, End of Year	<u>\$ 159,099</u>	<u>\$ 1,537,665</u>	<u>\$ 1,696,764</u>
Reconciliation of Operating Income (Loss) to Net Cash (Used for)			
Operating Activities			
Operating Income (Loss)	\$ (120,151)	\$ (42,776)	\$ (162,927)
Adjustments to Reconcile Operating Income (Loss) to Net Cash (Used for) Operating Activities			
Non-Cash Federal Assistance-Food Distribution Program	7,201		7,201
Depreciation Expense	18,493	1,617	20,110
Change in Assets, Liabilities and Deferred Inflows			
(Increase)/Decrease in Accounts Receivable	(2,185)		(2,185)
(Increase)/Decrease in Inventory	13,086		13,086
Increase/(Decrease) in Accounts Payable	2,503	(17,269)	(14,766)
Increase/(Decrease) in Unearned Revenue	(3,980)		(3,980)
Increase/(Decrease) in Deferred Commodities Revenue	<u>(1,099)</u>	-	<u>(1,099)</u>
Total Adjustments	<u>34,019</u>	<u>(15,652)</u>	<u>18,367</u>
Net Cash (Used for) for Operating Activities	<u>\$ (86,132)</u>	<u>\$ (58,428)</u>	<u>\$ (144,560)</u>
Non-Cash Investing, Capital and Financing Activities			
Value Received - Food Distribution Program	\$ 6,102		\$ 6,102

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

NOTES TO THE FINANCIAL STATEMENTS

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Clark Public School District (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of ten elected officials (nine (9) members from Clark and one (1) representative from Garwood) and is responsible for the fiscal control of the District. A Superintendent is appointed by the Board and is responsible for the administrative control of the District. A Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade twelve (12) school district.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent is the Chief Administrative Officer of the District who is responsible for general supervision of all schools, planning and operational functions of the District. The Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent to the Board.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Clark Public School District this includes general operations, food service, before and after school child care and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. New Accounting Standards

During fiscal year 2021, the District adopted the following GASB statement:

- GASB No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

Other accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB No. 87, *Leases*, implementation postponed will be effective beginning with the fiscal year ending June 30, 2022. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
- GASB No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*, implementation postponed will be effective beginning with the fiscal year ending June 30, 2022. The objectives of this Statement is to improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities.
- GASB No. 92, *Omnibus 2020*, implementation postponed will be effective beginning with the fiscal year ending June 30, 2022 except requirements related to GASB No. 87 and Implementation Guide No. 2019-3 are effective upon issuance. The objective of this Statement is to enhance comparability in the application of accounting and financial reporting requirements and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics.
- GASB No. 96, *Subscription – Based Information Technology Arrangements*, will be effective beginning with the fiscal year ending June 30, 2023. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.
- GASB No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No.84, and a Supersession of GASB Statement No. 32*, the section that maybe applicable to the District will be effective beginning with the fiscal year ending June 30, 2022. The objective of this Statement is to provide more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements. Currently the District has no fiduciary funds.

District-Wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the district-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental and enterprise funds to be major funds.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs, student activity funds derived from athletic events or other activities of pupil organizations and private donations for scholarship awards.

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

The District reports the following major proprietary funds which are organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for administrators, teachers and special events.

The *before and after school program fund* accounts for the activities of the District's extended before and after school program which provides child care for elementary school students.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

Reclassifications

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

Property taxes, tuition, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. *Cash, Cash Equivalents and Investments*

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

2. *Receivables*

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

3. *Inventories*

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities inventory at year-end is reported as deferred inflows of resources.

4. *Capital Assets*

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

4. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	40
Building Improvements	20
Heavy Equipment	5-15
Office Equipment and Furniture	5-15
Computer Equipment	5-6

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has two items which arise only under the accrual basis of accounting that qualify for reporting in this category. One item is the deferred amount on refunding of debt which results from a debt refunding reported in the district-wide statement of net position. Deferred amounts on debt refunding result from the difference on the transaction when the debt's reacquisition price is greater than the carrying value of the refunded debt. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two types of items which arise only under a modified accrual basis of accounting, that qualifies for reporting in this category. One item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other item which arises under this category is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

6. *Compensated Absences*

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused vacation and sick leave benefits. A long-term liability of accumulated vacation and sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds accrue accumulated vacation and sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

7. *Pensions*

In the district-wide financial statements and proprietary fund types in the fund financial statements, 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 retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. 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.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

8. *Long-Term Obligations*

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Differences resulting from debt refundings are classified as deferred outflows of resources. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Differences resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported with the unamortized bond premium or discount. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

9. *Net Position/Fund Balance*

District-Wide Statements

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

Fund balance categories are designed to make the nature and extent of the constraints placed on the District's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2021 audited excess surplus that is required to be appropriated in the 2022/2023 original budget certified for taxes.

Excess Surplus – Designated for Subsequent Year's Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2020 audited excess surplus that was appropriated in the 2021/2022 original budget certified for taxes.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2B).

Maintenance Reserve – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 2C).

Student Activities – This restriction was created in accordance with NJAC 6A:23A-16.12 to represent the accumulation of funds derived from athletic events and other student organizations reserved for the payment of student group activities.

Science Observatory/Donations – This restriction was created to represent the accumulation of donor restricted funds specifically earmarked for the Kelemen Science Observatory.

Debt Service – Represents fund balance restricted specifically for the repayment of long-term debt principal and interest in the Debt Service Fund.

CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

9. *Net Position/Fund Balance (Continued)*

Governmental Fund Statements (Continued)

Committed Fund Balance – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustee's for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Year-End Encumbrances – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2021/2022 District budget certified for taxes.

Unassigned Fund Balance – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

In the general operating fund and other governmental funds (special revenue and debt service fund types), it is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

10. *Fund Balance Policies*

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the government that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

2. Property Taxes

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual “in rem” tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. Tuition Revenues and Expenditures

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

Tuition Expenditures - Tuition charges for the fiscal years 2019-2020 and 2020-2021 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

4. Proprietary Funds, Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service enterprise fund and of the before and after care enterprise fund, are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education (“the Department”), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them. Capital lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district’s annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account 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. The Board approved several budget transfers during 2020/2021. Also, during 2020/2021 the Board increased the original budget by \$658,287. The increase was funded by grant awards, student activity revenues and the reappropriation of prior year general fund encumbrances.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. 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 committed and/or assigned 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 which are reappropriated and honored during the subsequent fiscal year.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve

A capital reserve account was established by the District. The accumulation of funds will be used for capital outlay expenditures in subsequent fiscal years. The capital reserve is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve 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. 6:23A-14.1(g), the balance in the reserve cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the fiscal year ended June 30, 2021 is as follows:

Balance, July 1, 2020	\$ 659,899
Increased by	
Interest Earnings	<u>2,170</u>
Balance, June 30, 2021	<u>\$ 662,069</u>

C. Maintenance Reserve

A maintenance reserve account was established by the District. The accumulation of funds will be used for required maintenance of school facilities expenditures in subsequent fiscal years. The maintenance reserve is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the maintenance reserve are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may appropriate funds into the maintenance reserve 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. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve cannot at any time exceed four percent of the replacement cost of the school district’s school facilities for the current year.

The activity of the maintenance reserve for the fiscal year ended June 30, 2021 is as follows:

Balance, July 1, 2020	\$ 637,284
Increased by	
Interest Earnings	<u>2,079</u>
Balance, June 30, 2021	<u>\$ 639,363</u>

The June 30, 2021 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,023,427.

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Transfers to Capital Outlay

During the 2020/2021 school year, the district transferred \$454,705 to the non-equipment capital outlay accounts. The transfer was approved by the County Superintendent.

E. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 4% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2021 is \$5,805,712. Of this amount, \$3,477,466 was designated and appropriated in the 2021/2022 original budget certified for taxes and the remaining amount of \$2,328,246 will be appropriated in the 2022/2023 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC and NCUSIF.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2021, the book value of the Board's deposits were \$13,074,389 and bank and brokerage firm balances of the Board's deposits amounted to \$13,307,786. The Board's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ <u>13,307,786</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2021 none of the Board's bank balances were exposed to custodial credit risk.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law," (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by school districts; Local Government investment pools; deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2021, the Board had no outstanding investments.

B. Receivables

Receivables as of June 30, 2021 for the district's individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Food Service Fund</u>	<u>Total</u>
Receivables:				
Intergovernmental:				
State	\$ 204,270		\$ 160	\$ 204,430
Federal		\$ 390,939	1,273	392,212
Other	360	-	-	360
Other Accounts Receivable	-	-	3,435	3,435
Gross Receivables	<u>204,630</u>	<u>390,939</u>	<u>4,868</u>	<u>600,437</u>
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 204,630</u>	<u>\$ 390,939</u>	<u>\$ 4,868</u>	<u>\$ 600,437</u>

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 5,300
Grant Draw Downs Reserved for Encumbrances	<u>96,943</u>
 Total Deferred Revenue for Governmental Funds	 <u>\$ 102,243</u>

D. Capital Assets

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

	Balance <u>July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>June 30, 2021</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,808,965			\$ 1,808,965
Construction in Progress	-	-	-	-
Total Capital Assets, Not Being Depreciated	<u>1,808,965</u>	<u>-</u>	<u>-</u>	<u>1,808,965</u>
Capital Assets, Being Depreciated:				
Site Improvements	2,806,164			2,806,164
Buildings and Improvements	47,914,798	\$ 505,093		48,419,891
Machinery and Equipment	4,455,592	54,135	-	4,509,727
Total Capital Assets Being Depreciated	<u>55,176,554</u>	<u>559,228</u>	<u>-</u>	<u>55,735,782</u>
Less Accumulated Depreciation for:				
Site Improvements	(1,721,647)		\$ (111,817)	(1,833,464)
Buildings and Improvements	(31,223,713)		(1,920,770)	(33,144,483)
Machinery and Equipment	(3,341,923)	-	(182,715)	(3,524,638)
Total Accumulated Depreciation	<u>(36,287,283)</u>	<u>-</u>	<u>(2,215,302)</u>	<u>(38,502,585)</u>
Total Capital Assets, Being Depreciated, Net	<u>18,889,271</u>	<u>559,228</u>	<u>(2,215,302)</u>	<u>17,233,197</u>
Government Activities Capital Assets, Net	<u>\$ 20,698,236</u>	<u>\$ 559,228</u>	<u>\$ (2,215,302)</u>	<u>\$ 19,042,162</u>

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Business-Type Activities:

Capital Assets, Being Depreciated:

Machinery and Equipment	\$ 450,086	-	-	\$ 450,086
Total Capital Assets Being Depreciated	<u>450,086</u>	<u>-</u>	<u>-</u>	<u>450,086</u>

Less Accumulated Depreciation for:

Machinery and Equipment	<u>(263,940)</u>	-	\$ (20,110)	<u>(284,050)</u>
Total Accumulated Depreciation	<u>(263,940)</u>	<u>-</u>	<u>(20,110)</u>	<u>(284,050)</u>

Total Capital Assets, Being Depreciated, Net	<u>186,146</u>	<u>-</u>	<u>(20,110)</u>	<u>166,036</u>
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Business-Type Activities Capital Assets, Net	<u>\$ 186,146</u>	<u>\$ -</u>	<u>\$ (20,110)</u>	<u>\$ 166,036</u>
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Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities:

Instruction

Regular	<u>\$ 2,124,383</u>
Total Instruction	<u>2,124,383</u>

Support Services

Student and Instruction Related Services	28,254
General Administrative Services	675
School Administrative Services	486
Central and Other Support Services	5,921
Plant Operations and Maintenance	<u>55,583</u>

Total Support Services	<u>90,919</u>
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Total Depreciation Expense - Governmental Activities	<u>\$ 2,215,302</u>
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Business-Type Activities:

Food Service Fund	\$ 18,493
Before and After School Program Fund	<u>1,617</u>

Total Depreciation Expense-Business-Type Activities	<u>\$ 20,110</u>
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**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2021:

<u>Project</u>	<u>Remaining Commitment</u>
Parking Lot Repaving	\$ 576,080
Security System Upgrades	116,950
Corridor Lockers	489,992
Various Flooring Projects	116,056
ALJ Weight Room Renovation	<u>129,651</u>
Total	<u>\$ 1,428,729</u>

The District has other significant commitments at June 30, 2021 as follows:

<u>Project</u>	<u>Remaining Commitment</u>
70 Brightlink Projectors	<u>\$ 238,280</u>

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2021, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 87,828
General Fund	Before and After Care Fund	22,410
Food Service Fund	General Fund	<u>28,608</u>
Total		<u>\$ 138,846</u>

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund and/or to cover cash balances which were in an overdraft position.

The District expects all interfund balances to be liquidated within one year.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases

Capital Leases

The District is leasing copiers totaling \$201,380 under a capital lease. In addition, the District entered into an interlocal agreement with the Township of Clark totaling \$375,000 for the renovation of the turf athletic field. The leases are for terms of 2 to 5 years.

The capital assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
Site Improvements	\$ 375,000
Machinery and Equipment	<u>201,380</u>
Total	<u>\$ 576,380</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021 were as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Capital Leases</u>	<u>Interlocal Agreement</u>
2022	\$ 13,599	\$ 75,000
2023	<u>-</u>	<u>75,000</u>
Total minimum lease payments	13,599	150,000
Less: amount representing interest	<u>86</u>	<u>-</u>
Present value of minimum lease payments	<u>\$ 13,513</u>	<u>\$ 150,000</u>

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt

General Obligation Bonds

The Board issued general obligation refunding bonds in order to advance refund certain principal and interest maturities of the 2005 school bonds which provided funds for the acquisition and construction of major capital facilities and other capital assets or other purposes permitted by statute. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2021 are comprised of the following issues:

\$14,145,000, 2012 Bonds, due in annual installments of \$1,295,000 to \$1,755,000 through June, 2026, interest at 2.63% to 4.00% \$8,055,000

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

<u>Year Ending</u> <u>June 30,</u>	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2022	\$ 1,295,000	\$ 259,831	\$ 1,554,831
2023	1,590,000	208,031	1,798,031
2024	1,705,000	144,431	1,849,431
2025	1,710,000	99,676	1,809,676
2026	<u>1,755,000</u>	<u>52,650</u>	<u>1,807,650</u>
	<u>\$ 8,055,000</u>	<u>\$ 764,619</u>	<u>\$ 8,819,619</u>

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2021 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 113,266,711
Less: Net Debt	<u>8,055,000</u>
Remaining Borrowing Power	<u>\$ 105,211,711</u>

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds Payable	\$ 9,150,000		\$ 1,095,000	\$ 8,055,000	\$ 1,295,000
Add: Original Issue Premium	<u>265,960</u>	<u>-</u>	<u>64,215</u>	<u>201,745</u>	<u>-</u>
Total Bonds Payable	9,415,960	-	1,159,215	8,256,745	1,295,000
Capital Leases Payable	66,284		52,771	13,513	13,513
Interlocal Agreement Payable	225,000		75,000	150,000	75,000
Compensated Absences	883,220		43,703	839,517	
Net Pension Liability	<u>5,295,500</u>	<u>-</u>	<u>893,496</u>	<u>4,402,004</u>	<u>-</u>
Governmental Activity Long-Term Liabilities	<u>\$ 15,885,964</u>	<u>\$ -</u>	<u>\$ 2,224,185</u>	<u>\$ 13,661,779</u>	<u>\$ 1,383,513</u>

For the governmental activities, the liabilities for capital leases, interlocal agreements, compensated absences, and net pension liability are generally liquidated by the general fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report.

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2021, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2021, the District has not estimated its arbitrage earnings due to the IRS, if any.

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all Board employees who are eligible for pension coverage:

Public Employees' Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost sharing multiple employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division's) Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions.

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

The following represents the membership tiers for PERS:

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

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

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Teachers' Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple- employer defined benefit pension plan with a special funding situation, which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions. For additional information about TPAF, please refer to the State Division of Pension and Benefits (Division's) Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions.

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.

The following represent the membership tiers for TPAF:

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

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

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS or TPAF on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS or TPAF on or after November 2, 2008 and do not earn the minimum salary required or do not work the minimum required hours but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Other Pension Funds (Continued)

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits (“Division”), issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Plan Amendments

The authority to amend the provisions of the above plans rests with legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for TPAF and PERS, once a Target Funded Ratio (TFR) is met. The Pension Plan Design Committees will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation of final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period.

Measurement Focus and Basis of Accounting

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at www.state.nj.us/treasury/doinvest.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2020 is \$16.4 billion and the plan fiduciary net position as a percentage of the total pension liability is 58.32%. The collective net pension liability of the State funded TPAF at June 30, 2020 is \$66.0 billion and the plan fiduciary net position as a percentage of total pension liability is 24.60%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2019 which were rolled forward to June 30, 2020.

Actuarial Methods and Assumptions

In the July 1, 2019 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employer's annual compensation for fiscal year 2021.

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2021 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was less than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2021, 2020 and 2019 were equal to the required contributions.

During the fiscal years ended June 30, 2021, 2020 and 2019 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and unfunded accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2021	\$ 295,300	\$ 4,359,908	\$ 28,230
2020	285,873	3,305,969	24,136
2019	302,620	2,909,712	27,232

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2021, 2020 and 2019 the District contributed \$0, \$958 and \$1,147, respectively for PERS and the State contributed \$2,195, \$2,273 and \$2,574, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB Statement No. 85, *Omnibus 2017* (GASB No. 85). The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,144,789 during the fiscal year ended June 30, 2021 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2019 through June 30, 2020. Employer allocation percentages have been rounded for presentation purposes.

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

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

At June 30, 2021, the District reported in the statement of net position (accrual basis) a liability of \$4,402,004 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2020. At June 30, 2020, the District's proportionate share was .02699 percent, which was a decrease of .0024 percent from its proportionate share measured as of June 30, 2019 of .02939 percent.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) a pension benefit of \$166,112 for PERS. The pension contribution made by the District during the current 2020/2021 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2021 with a measurement date of the prior fiscal year end of June 30, 2020. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2021 for contributions made subsequent to the measurement date. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 80,153	\$ 15,567
Changes of Assumptions	142,806	1,843,161
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	150,464	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>2,120</u>	<u>658,058</u>
Total	<u>\$ 375,543</u>	<u>\$ 2,516,786</u>

At June 30, 2021, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense/(benefit) as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2022	\$ (795,288)
2023	(681,826)
2024	(421,130)
2025	(204,765)
2026	(38,234)
Thereafter	<u>-</u>
	<u>\$ (2,141,243)</u>

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions (Continued)**

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District's 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.

	<u>PERS</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00-6.00%
	Based on Years of Service
Thereafter	3.00%-7.00%
	Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	Pub-2010

Assumptions for mortality improvements are based on Society of Actuaries 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.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% 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 actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans 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 the 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>
Risk Mitigation Strategies	3.00%	3.40%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Investment Grade Credit	8.00%	2.67%
US Equity	27.00%	7.71%
Non-US Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
High Yield	2.00%	5.95%
Real Assets	3.00%	9.73%
Private Credit	8.00%	7.59%
Real Estate	8.00%	9.56%
Private Equity	13.00%	11.42%

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2021	June 30, 2020	7.00%
2020	June 30, 2019	6.28%

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

There was no crossover period for the PERS defined benefit plan. 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 Net Pension Liability

The following presents the District’s proportionate share of the PERS net pension liability calculated using the discount rate of 7.00%, as well as what the District’s proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 5,541,389</u>	<u>\$ 4,402,004</u>	<u>\$ 3,435,205</u>

The sensitivity analysis was based on the proportionate share of the District’s net pension liability as of the measurement date of June 30, 2020. A sensitivity analysis specific to the District’s net pension liability at June 30, 2020 was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the PERS pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2019 through June 30, 2020. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2020, the State's pension contribution was less than the actuarial determined amount.

In accordance with GASB No. 68, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% of the net pension liability attributable to the District for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$6,063,137 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2021 the State's proportionate share of the net pension liability attributable to the District is \$97,502,756. The net pension liability was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2020. At June 30, 2020, the State's share of the net pension liability attributable to the District was .14807 percent, which was an increase of .00316 percent from its proportionate share measured as of June 30, 2019 of .14491 percent.

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

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.

	<u>TPAF</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55-4.55%
	Based on Years of Service
Thereafter	2.75%-5.65%
	Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	Pub-2010

Assumptions for mortality improvements are based on Society of Actuaries Scale MP-2020.

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

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% 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 actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 the 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>
Risk Mitigation Strategies	3.00%	3.40%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Investment Grade Credit	8.00%	2.67%
US Equity	27.00%	7.71%
Non-US Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
High Yield	2.00%	5.95%
Real Assets	3.00%	9.73%
Private Credit	8.00%	7.59%
Real Estate	8.00%	9.56%
Private Equity	13.00%	11.42%

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

The discount rate used to measure the total pension liabilities of the TPAF plan was as follows:

Fiscal Year	Measurement Date	Discount Rate
2021	June 30, 2020	5.40%
2020	June 30, 2019	5.60%

The following table represents the crossover period, if applicable, for the TPAF defined benefit plan:

Period of Projected Benefit	
Payments for which the Following Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2062
Municipal Bond Rate *	From July 1, 2062 and Thereafter

* The municipal bond return rate used is 2.21% as of the measurement date of June 30, 2020. 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.

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 5.40%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (4.40 percent) or 1-percentage-point higher (6.40 percent) than the current rate:

	1% Decrease (4.40%)	Current Discount Rate (5.40%)	1% Increase (6.40%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 114,528,406</u>	<u>\$ 97,502,756</u>	<u>\$ 83,365,811</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2020. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2020 was not provided by the pension system.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the TPAF pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

E. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for school districts.

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in an Agency Fund in the New Jersey Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

The State of New Jersey sponsors and administers the following post-retirement health benefit program plan covering certain local school district employees, including those Board employees and retirees eligible for coverage.

State Health Benefit Program Fund – Local Education Retired Employees Plan (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents.

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.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2019:

Active Plan Members	216,804
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	149,304
Inactive Plan Members Entitled to but not yet Receiving Benefits	<u> -</u>
 Total	 <u>366,108</u>

Measurement Focus and Basis of Accounting

The financial statements of the post-employment health benefit plans are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the post-employment health benefit plans. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2020 is \$67.8 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2019 which were rolled forward to June 30, 2020.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the June 30, 2019 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.18 billion to the OPEB plan in fiscal year 2020.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2021, 2020 and 2019 were \$1,343,763, \$1,226,454 and \$1,319,841, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2019 through June 30, 2020. Nonemployer allocation percentages have been rounded for presentation purposes.

In accordance with GASB No. 75, the District is not required to recognize an OPEB liability for the post-employment health benefit plan. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to the plan on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 75 is zero percent and the State's proportionate share is 100% of the OPEB liability attributable to the District. Therefore, in addition, the District does not recognize any portion of the collective deferred outflows of resources and deferred inflows of resources related to the plan.

For the fiscal year ended June 30, 2021, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$4,300,115. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2021 the State's proportionate share of the OPEB liability attributable to the District is \$92,688,895. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2020 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2020. At June 30, 2020, the state's share of the OPEB liability attributable to the District was .13669 percent, which was an increase of .01284 percent from its proportionate share measured as of June 30, 2019 of .12385 percent.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Actuarial Assumptions

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

Inflation Rate	2.50%
Salary Increases*	
PERS:	
Initial Fiscal Year Applied Through	2026
Rate	2.00% to 6.00%
Rate Thereafter	3.00% to 7.00%
TPAF:	
Initial Fiscal Year Applied Through	2026
Rate	1.55% to 4.45%
Rate Thereafter	1.55% to 4.45%
Mortality:	
PERS	Pre-retirement and Post-retirement based on Pub-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.
TPAF	Pre-retirement and Post-retirement based on Pub-2010 Healthy "Teachers" and "General" classifications respectively, headcount-weighted mortality tables with fully generational mortality improvement projections from the central year using Scale MP-2020.

*Salary increases are based on the defined benefit pension plan that the member is enrolled in and the members years of service.

For the June 30, 2020 measurement date healthcare cost trend rates for pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Actuarial Assumptions (Continued)

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2015 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

100% of active members are considered to participate in the plan upon retirement.

Discount Rate

The discount rate used to measure the total OPEB liabilities of the plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2021	June 30, 2020	2.21%
2020	June 30, 2019	3.50%

The discount rate 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.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Changes in the Total OPEB Liability

The change in the State’s proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2021 (measurement date June 30, 2020) is as follows:

	Total OPEB Liability <u>(State Share 100%)</u>
Balance, June 30, 2019 Measurement Date	\$ <u>57,106,324</u>
Changes Recognized for the Fiscal Year:	
Service Cost	2,324,126
Interest on the Total OPEB Liability	2,052,919
Differences Between Expected and Actual Experience	15,839,178
Changes of Assumptions	16,931,076
Gross Benefit Payments	(1,613,637)
Contributions from the Member	<u>48,909</u>
Net Changes	\$ <u>35,582,571</u>
Balance, June 30, 2020 Measurement Date	\$ <u>92,688,895</u>

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

The change in the total OPEB liability was based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2020.

**CLARK PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 2.21%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21 percent) or 1-percentage-point higher (3.21 percent) than the current rate:

	1% Decrease <u>(1.21%)</u>	Current Discount Rate <u>(2.21%)</u>	1% Increase <u>(3.21%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>111,741,247</u>	\$ <u>92,688,895</u>	\$ <u>77,791,791</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease <u></u>	Healthcare Cost Trend Rates <u></u>	1% Increase <u></u>
Total OPEB Liability (School Retirees)	\$ <u>74,821,602</u>	\$ <u>92,688,895</u>	\$ <u>113,964,870</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2020. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2020 were not provided by the pension system.

F. Subsequent Events

Refunding Bonds

On October 4, 2021 the Board approved a refunding bond ordinance authorizing refunding school bonds not to exceed \$7.0 million. As of the date of this report the District has not issued the refunding bonds.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 OTHER INFORMATION (Continued)

G. 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 school tax revenue 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.

For Clark Public School District, the District's share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

NOTE 5 RESTATEMENT

On July 1, 2020, the Clark Public School District implemented GASB Statement No. 84 "Fiduciary Activities". The Clark Public School District has determined that the effect of implementing this accounting change on the financial statements previously reported as of and for the fiscal year ended June 30, 2020 are as follows:

Governmental Activities

The financial statements of the governmental activities as of June 30, 2020 have been restated to reflect the reclassification of certain activities related to Kelemen Science Observatory, student activities and payroll related activities which were previously reported as fiduciary activities to governmental activities. The effect of this restatement is to increase net position of governmental activities by \$190,471 from \$12,390,070 as previously reported to \$12,580,841 as of June 30, 2020.

Governmental Funds

The financial statements of the governmental funds as of June 30, 2020 have been restated to reflect the reclassification of certain activities related to Kelemen Science Observatory, student activities and payroll activities previously reported as fiduciary funds to governmental funds. The effect of this restatement is to increase fund balances of governmental funds by \$190,470 from \$8,938,373 as previously reported to \$9,128,844 as of June 30, 2020. Special Revenue Fund fund balance increased \$190,471 from \$0 as previously reported to \$190,471 as of June 30, 2020.

Fiduciary Funds

The financial statements of the fiduciary funds as of June 30, 2020 have been restated to reflect the reclassification of certain activities to governmental funds as noted above. The effect of this restatement is to decrease total fiduciary net position by \$28,232 from \$28,232 as previously reported to \$0 as of June 30, 2020.

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 6 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the “Pandemic”) by the World Health Organization and has been affecting many parts of the world, including the United States and the State of New Jersey. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President’s Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States.

Governor Phil Murphy (the “Governor”) of the State of New Jersey (the “State”) declared a state of emergency and a public health emergency on March 9, 2020 due to the outbreak of COVID-19, which spread to the State and to all counties within the State. The Governor also instituted mandatory measures via various executive orders to contain the spread of the virus. These measure, which altered the behaviors of businesses and people, had negative impacts on regional, state and local economies. The Governor, pursuant to various executive orders, then implemented a multi-stage approach to restarting New Jersey’s economy. The declaration of the state of emergency and of a public health emergency was terminated by the Governor, by executive order, on June 4, 2021. Also, on June 4, 2021, the Governor signed into law Assembly Bill No. 5820 which terminates most of the governor’s pandemic-related executive orders in early July. The remaining executive orders (dealing with coronavirus testing and vaccinations, moratoriums on evictions and utility shutoffs and various other matters) will terminate on January 1, 2022. In the event of substantial increases in COVID-19 hospitalizations, spot positivity or rates of transmission, the Governor is empowered to impose more restrictive measures than currently in place.

Recently, the United States Congress has passed relief and stimulus legislations including the American Rescue Plan Act signed into law by President Biden on March 12, 2021, comprising of \$1.9 trillion in funding to address the COVID-19 Pandemic. This legislation is intended to address the financial impact of the pandemic on the U.S. economy and alleviate the health effects of the COVID-19 pandemic. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes \$350 billion in relief funds to public entities, such as the School District. It is too early to predict if the legislation will have its intended affect.

The largest portion of the School District’s revenues is derived from local tax revenues levied by the Township. In that regard, under applicable State statutes, the Township annually is required to pay 100% of the amount levied for operations and debt service to the School District regardless of delinquencies in applicable property tax collections. The ability of the Township to fully collect property taxes on a timely basis may be affected by the economic impact of the Pandemic; however, the District does not anticipate an interruption in the timely collection of property taxes from the Township.

Because of the evolving nature of the outbreak and federal, state and local responses thereto, the Board cannot predict how the outbreak will impact the financial condition or operations of the School District, or if there will be any impact on the assessed values of property within the School District or deferral of tax payments to municipalities. The Board cannot predict costs associated with this or any other potential infectious disease outbreak, including whether there will be any reduction in State funding or an increase in operational costs incurred to clean, sanitize and maintain it facilities either before or after an outbreak of an infectious disease.

REQUIRED SUPPLEMENTARY INFORMATION - PART II
BUDGET COMPARISON SCHEDULES

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
REVENUES					
Local Sources					
Property Tax Levy	\$ 32,974,824		\$ 32,974,824	\$ 32,974,824	-
Tuition - Other LEA's Within State	1,993,022		1,993,022	2,033,919	\$ 40,897
Rents	35,000		35,000	7,363	(27,637)
Miscellaneous Revenues	25,000	-	25,000	107,833	82,833
Interest	2,500		2,500	37,533	35,033
Interest on Maintenance Reserve				2,079	2,079
Interest on Capital Reserve Funds	-	-	-	2,170	2,170
Total Local Sources	35,030,346	-	35,030,346	35,165,721	135,375
State Sources					
Special Education Aid	1,351,919	\$ (157,394)	1,194,525	1,194,525	-
Security Aid	55,181		55,181	55,181	-
Transportation Aid	256,592		256,592	256,592	-
NP Transportation Aid				20,140	20,140
Other State Aid	-		-	7,275	7,275
Extraordinary Aid	50,000		50,000	480,259	430,259
Securing Our Children's Future - Alyssa's Law		125,800	125,800	125,800	-
TPAF Pension Benefit Contribution - (Non-Budget)				4,279,848	4,279,848
TPAF Pension - NCGI Premium (Non-Budget)				80,060	80,060
TPAF Long-Term Disability Insurance				2,195	2,195
TPAF Post Retirement Medical Contribution (Non-Budget)				1,343,763	1,343,763
TPAF Social Security Contributions (Non-Budget)	-	-	-	1,144,789	1,144,789
Total State Sources	1,713,692	(31,594)	1,682,098	8,990,427	7,308,329
Federal Sources					
Medicaid Reimbursement	23,901	-	23,901	17,215	(6,686)
Total Federal Sources	23,901	-	23,901	17,215	(6,686)
Total Revenues	36,767,939	(31,594)	36,736,345	44,173,363	7,437,018
EXPENDITURES					
CURRENT					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	457,688	(7,000)	450,688	450,688	-
Grades 1-5	3,573,532	121,249	3,694,781	3,694,781	-
Grades 6-8	2,339,628	(9,936)	2,329,692	2,329,692	-
Grades 9-12	4,542,450	(142,107)	4,400,343	4,400,343	-
Regular Programs - Home Instruction					
Salaries of Teachers	50,000	(46,873)	3,127	3,127	-
Purchased Professional/Educational Services		4,437	4,437	4,437	-
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	355,106	(118,116)	236,990	236,990	-
Purchased Professional/Educational Services	503,330	8,506	511,836	511,836	-
Other Purchased Services	48,600	(40,295)	8,305	2,719	5,586
General Supplies	289,818	601,639	891,457	834,273	57,184
Textbooks	108,235	(29,786)	78,449	69,135	9,314
Other Objects	86,291	(31,325)	54,966	44,990	9,976
Total Regular Programs	12,354,678	310,393	12,665,071	12,583,011	82,060

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Learning and/or Language Disabilities					
Salaries of Teachers	\$ 351,010	\$ 5,935	\$ 356,945	\$ 356,945	-
Other Salaries for Instruction	86,581	7,480	94,061	94,061	-
Purchased Professional/Educational Services	730	-	730		\$ 730
General Supplies	3,360	-	3,360	1,552	1,808
Other Objects	17,748	-	17,748	2,322	15,426
Total Learning and/or Language Disabilities	<u>459,429</u>	<u>13,415</u>	<u>472,844</u>	<u>454,880</u>	<u>17,964</u>
Multiple Disabilities					
Salaries of Teachers	94,596	-	94,596	93,262	1,334
General Supplies	24,480	-	24,480	10,664	13,816
Total Multiple Disabilities	<u>119,076</u>	<u>-</u>	<u>119,076</u>	<u>103,926</u>	<u>15,150</u>
Behavioral Disabilities					
Salaries of Teachers	60,920	-	60,920	58,920	2,000
Other Salaries for Instruction	18,767	-	18,767	18,767	-
General Supplies	23,929	(13,415)	10,514	6,113	4,401
Total Behavioral Disabilities	<u>103,616</u>	<u>(13,415)</u>	<u>90,201</u>	<u>83,800</u>	<u>6,401</u>
Resource Room/Resource Center					
Salaries of Teachers	1,684,041	(47,409)	1,636,632	1,598,116	38,516
Other Salaries for Instruction	220,986	912	221,898	219,338	2,560
Purchased Professional/Educational Services	3,519	(912)	2,607		2,607
General Supplies	5,788	-	5,788	1,591	4,197
Textbooks	5,304	(413)	4,891	171	4,720
Total Resource Room/Resource Center	<u>1,919,638</u>	<u>(47,822)</u>	<u>1,871,816</u>	<u>1,819,216</u>	<u>52,600</u>
Preschool Disabilities - Part-Time					
Salaries of Teachers	139,454	(40)	139,414	121,448	17,966
General Supplies	1,144	453	1,597	1,597	-
Total Preschool Disabilities - Part-Time	<u>140,598</u>	<u>413</u>	<u>141,011</u>	<u>123,045</u>	<u>17,966</u>
Total Special Education	<u>2,742,357</u>	<u>(47,409)</u>	<u>2,694,948</u>	<u>2,584,867</u>	<u>110,081</u>
Basic Skills/Remedial					
Salaries of Teachers	342,300	-	342,300	229,786	112,514
Total Basic Skills/Remedial	<u>342,300</u>	<u>-</u>	<u>342,300</u>	<u>229,786</u>	<u>112,514</u>
Bilingual Education					
Salaries of Teachers	59,170	-	59,170	54,125	5,045
Total Bilingual Education	<u>59,170</u>	<u>-</u>	<u>59,170</u>	<u>54,125</u>	<u>5,045</u>
School Sponsored Co-Curricular Activities					
Salaries	185,538	44,405	229,943	229,943	-
Supplies & Materials	76,853	(32,903)	43,950	35,412	8,538
Other Objects	47,360	(11,362)	35,998	10,698	25,300
Total School Sponsored Co-Curricular Activities	<u>309,751</u>	<u>140</u>	<u>309,891</u>	<u>276,053</u>	<u>33,838</u>

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT (Continued)					
School Sponsored Athletics					
Salaries	\$ 314,938	-	\$ 314,938	\$ 248,291	\$ 66,647
Purchased Services	86,844	-	86,844	56,557	30,287
Supplies and Materials	106,573	-	106,573	75,397	31,176
Other Objects	49,721	-	49,721	36,129	13,592
Total School Sponsored Athletics	<u>558,076</u>	<u>-</u>	<u>558,076</u>	<u>416,374</u>	<u>141,702</u>
Total Instruction	<u>16,366,332</u>	<u>\$ 263,124</u>	<u>16,629,456</u>	<u>16,144,216</u>	<u>485,240</u>
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs w/i State - Special	867,255	(96,797)	770,458	563,827	206,631
Tuition to County Voc. School Dist.-Regular	778,000	(120,300)	657,700	656,840	860
Tuition to County Voc. School Dist.- Special	52,000	-	52,000	-	52,000
Tuition to APSSD Within the State	864,390	-	864,390	744,477	119,913
Total Undistributed Expenditures - Instruction	<u>2,561,645</u>	<u>(217,097)</u>	<u>2,344,548</u>	<u>1,965,144</u>	<u>379,404</u>
Attendance and Social Work					
Salaries	51,000	-	51,000	40,646	10,354
Total Attendance and Social Work	<u>51,000</u>	<u>-</u>	<u>51,000</u>	<u>40,646</u>	<u>10,354</u>
Health Services					
Salaries	371,406	1,132	372,538	372,538	-
Purchased Professional and Technical Services	26,865	(720)	26,145	25,464	681
Supplies and Materials	7,567	(415)	7,152	5,652	1,500
Other Objects	780	434	1,214	1,214	-
Total Health Services	<u>406,618</u>	<u>431</u>	<u>407,049</u>	<u>404,868</u>	<u>2,181</u>
Other Support Serv. Students - Speech, OT, PT & Related Serv.					
Salaries	350,188	4,000	354,188	324,468	29,720
Purchased Professional/Educational Services	143,250	(4,000)	139,250	55,234	84,016
Supplies and Materials	6,305	-	6,305	5,498	807
Total Other Supp.Serv. Student - Speech, OT, PT, & Related Serv. Speech, OT, PT, & Related Serv.	<u>499,743</u>	<u>-</u>	<u>499,743</u>	<u>385,200</u>	<u>114,543</u>
Other Support Services - Students - Extra Serv.					
Salaries	529,659	-	529,659	436,353	93,306
Total Other Supp.Serv. Student - Extra Serv.	<u>529,659</u>	<u>-</u>	<u>529,659</u>	<u>436,353</u>	<u>93,306</u>
Other Support Services - Students - Guidance					
Salaries of Other Professional Staff	680,654	(1)	680,653	617,465	63,188
Salaries of Secretarial & Clerical Assistants	106,624	-	106,624	106,624	-
Other Purchased Services	89,843	-	89,843	32,164	57,679
Supplies and Materials	5,306	-	5,306	2,965	2,341
Total Other Support Services - Students - Guidance	<u>882,427</u>	<u>(1)</u>	<u>882,426</u>	<u>759,218</u>	<u>123,208</u>

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Other Support Services - Students - Child Study Team					
Salaries of Other Professional Staff	\$ 860,991	\$ (31,342)	\$ 829,649	\$ 829,649	-
Salaries of Secretarial & Clerical Assistants	127,740	(25,435)	102,305	102,305	-
Other Salaries	60,000	(5,613)	54,387	46,123	\$ 8,264
Purchased Professional-Educational Services	46,974	5,402	52,376	51,676	700
Other Purchased Services	1,747	-	1,747	600	1,147
Supplies and Materials	8,925	72	8,997	5,947	3,050
	<u>1,106,377</u>	<u>(56,916)</u>	<u>1,049,461</u>	<u>1,036,300</u>	<u>13,161</u>
Total Other Support Services - Students - Child Study Team					
Improvement of Instructional Services					
Salaries of Supervisors of Instruction		-			-
Salaries of Other Professional Staff	60,000	-	60,000	35,470	24,530
Other Purchased Services		5,479	5,479	2,056	3,423
Supplies and Materials	129,861	(32,673)	97,188	40,200	56,988
Other Objects	20,613	8,095	28,708	28,708	-
	<u>210,474</u>	<u>(19,099)</u>	<u>191,375</u>	<u>106,434</u>	<u>84,941</u>
Total Improvement of Instructional Services					
Educational Media/School Library					
Salaries	59,170	(29,585)	29,585	29,585	-
Supplies and Materials	38,871	92,640	131,511	128,940	2,571
	<u>98,041</u>	<u>63,055</u>	<u>161,096</u>	<u>158,525</u>	<u>2,571</u>
Total Educational Media/School Library					
Instructional Staff Training Services					
Purchased Professional-Educational Services	40,574	-	40,574	14,620	25,954
Other Objects	33,758	-	33,758	14,562	19,196
	<u>74,332</u>	<u>-</u>	<u>74,332</u>	<u>29,182</u>	<u>45,150</u>
Total Instructional Staff Training Services					
Support Services General Administration					
Salaries	313,101	156	313,257	313,257	-
Legal Services	85,000	(156)	84,844	36,132	48,712
Audit Fees	43,990	-	43,990	43,500	490
Architectural/Engineering Services	20,000	-	20,000		20,000
Miscellaneous Purchased Services	100,583	(11,954)	88,629	54,343	34,286
Communications/Telephone	191,100	-	191,100	126,599	64,501
General Supplies	10,000	-	10,000	4,868	5,132
Miscellaneous Expenditures	19,262	-	19,262	4,691	14,571
BOE Membership Dues and Fees	43,245	-	43,245	22,206	21,039
	<u>826,281</u>	<u>(11,954)</u>	<u>814,327</u>	<u>605,596</u>	<u>208,731</u>
Total Support Services General Administration					
Support Services School Administration					
Salaries of Principals/Asst. Principals/Prog Director	879,342	(29,334)	850,008	850,008	-
Salaries of Other Professional Staff	609,688	(14,559)	595,129	535,404	59,725
Salaries of Secretarial and Clerical Assistants	244,300	55,241	299,541	297,792	1,749
Supplies and Materials	29,701	(15,556)	14,145	5,141	9,004
Other Objects	9,461	-	9,461	1,931	7,530
	<u>1,772,492</u>	<u>(4,208)</u>	<u>1,768,284</u>	<u>1,690,276</u>	<u>78,008</u>
Total Support Services School Administration					

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures - Central Services					
Salaries	\$ 323,131	\$ 10,372	\$ 333,503	\$ 333,503	-
Misc. Purchased Services	500	-	500	500	\$ 500
Supplies and Materials	7,500	8,266	15,766	13,505	2,261
Miscellaneous Expenditures	3,998	(1,974)	2,024	2,024	-
Total Undistributed Expenditures - Central Services	335,129	16,664	351,793	349,032	2,761
Required Maintenance for School Facilities					
Salaries	254,406	(44,048)	210,358	210,358	-
Cleaning, Repair and Maintenance Services	162,259	520,835	683,094	446,838	236,256
General Supplies	72,146	(40,344)	31,802	27,382	4,420
Total Required Maintenance for School Facilities	488,811	436,443	925,254	684,578	240,676
Custodial Services					
Salaries	353,395	(80,608)	272,787	272,506	281
Salaries of Non-Instructional Aides	154,789	(99,703)	55,086	55,086	-
Purchased Professional-Technical Services	26,510	(2,971)	23,539	23,539	-
Cleaning, Repair and Maintenance Services	976,509	91,005	1,067,514	1,063,905	3,609
Rentals	112,000	-	112,000	104,157	7,843
Other Purchased Property Services	205,000	(6,780)	198,220	187,553	10,667
Insurance	312,174	(63,931)	248,243	239,264	8,979
General Supplies	68,000	(5,145)	62,855	59,214	3,641
Energy (Natural Gas)	181,913	688	182,601	154,224	28,377
Energy (Electricity)	375,000	(50,866)	324,134	243,363	80,771
Other Objects	-	3,691	3,691	3,673	18
Total Custodial Services	2,765,290	(214,620)	2,550,670	2,406,484	144,186
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	42,000	(3,393)	38,607	36,270	2,337
General Supplies	15,000	5,000	20,000	13,025	6,975
Total Care and Upkeep of Grounds	57,000	1,607	58,607	49,295	9,312
Security					
Salaries	215,113	7,787	222,900	222,900	-
Purchased Professional and Technical Services	970,413	(646,130)	324,283	6,863	317,420
General Supplies	9,200	-	9,200	3,960	5,240
Total Security	1,194,726	(638,343)	556,383	233,723	322,660
Student Transportation Services					
Salaries of Non-Instructional Aides	20,617	315	20,932	20,932	-
Salaries for Pupil Trans. (Bet Home & School) - Spe Ed	66,598	-	66,598	42,452	24,146
Lease Purchase - School Buses	-	-	-	-	-
Contracted Services - Aid in Lieu of Payments-Nonpublic Schools	95,000	(25,387)	69,613	43,500	26,113
Contracted Services (Between Home and School) - Vendors	665,881	73,809	739,690	727,385	12,305
Contracted Services (Other Than Btwn Home and School) - Vendors	201,563	25,072	226,635	121,892	104,743
Contracted Services (Special Ed Students) - Vendors	1,127,595	(73,809)	1,053,786	787,700	266,086
Contracted Services - (Regular Students) - ESCs & CTSA's	25,000	-	25,000	6,455	18,545
Misc. Purchased Services-Transportation	35,000	-	35,000	7,527	27,473
General Supplies	30,000	-	30,000	9,265	20,735
Total Student Transportation Services	2,267,254	-	2,267,254	1,767,108	500,146

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
EXPENDITURES					
CURRENT (Continued)					
Unallocated Benefits- Employee Benefits					
Social Security Contributions	\$ 400,000	-	\$ 400,000	\$ 384,822	\$ 15,178
Other Retirement Contributions - PERS	350,000	-	350,000	316,129	33,871
Unemployment Compensation	85,000	-	85,000	80,870	4,130
Workmen's Compensation	187,230	-	187,230	177,099	10,131
Health Benefits	5,540,053	\$ (512,235)	5,027,818	4,851,160	176,658
Other Employee Benefits	55,000	32,874	87,874	87,874	-
Total Unallocated Benefits	<u>6,617,283</u>	<u>(479,361)</u>	<u>6,137,922</u>	<u>5,897,954</u>	<u>239,968</u>
Interest Earned on Maintenance Reserve	1,500	-	1,500	-	1,500
On-Behalf (Non-Budget)					
TPAF Pension Benefit Contribution - (Non-Budget)				4,279,848	(4,279,848)
TPAF Pension - NCGI Premium (Non-Budget)				80,060	(80,060)
TPAF Long-Term Disability Insurance				2,195	(2,195)
TPAF Post Retirement Medical Contribution (Non-Budget)				1,343,763	(1,343,763)
TPAF Social Security Contributions (Non-Budget)	-	-	-	1,144,789	(1,144,789)
Total On-Behalf	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,850,655</u>	<u>(6,850,655)</u>
Total Undistributed Expenditures	<u>22,746,082</u>	<u>(1,123,399)</u>	<u>21,622,683</u>	<u>25,856,571</u>	<u>(4,233,888)</u>
Total Current Expenditures	<u>39,112,414</u>	<u>(860,275)</u>	<u>38,252,139</u>	<u>42,000,787</u>	<u>(3,748,648)</u>
CAPITAL OUTLAY					
Equipment					
Grades 1 - 5		74,888	74,888		74,888
Grades 6-8		74,304	74,304	13,032	61,272
Grades 9-12		108,812	108,812	6,692	102,120
School-Sponsored and Other Instructional Programs		129,651	129,651		129,651
Admin. Info Tech	97,500	(72,670)	24,830	5,552	19,278
Required Mant. For School Facilities		44,514	44,514		44,514
Custodial Services		4,523	4,523	4,523	-
Security - Grant		125,800	125,800	10,120	115,680
Security	9,000	(9,000)	-	-	-
Total Equipment	<u>106,500</u>	<u>480,822</u>	<u>587,322</u>	<u>39,919</u>	<u>547,403</u>
Facilities Acquisition and Construction Services					
Architectural and Engineering Services		2,500	2,500	2,500	-
Construction Services	500,000	935,982	1,435,982	339,766	1,096,216
Assessment for Debt Service on SDA Funding	119,442	-	119,442	119,442	-
Total Facilities Acquisition and Construction Services	<u>619,442</u>	<u>938,482</u>	<u>1,557,924</u>	<u>461,708</u>	<u>1,096,216</u>
Interest Deposit to Capital Reserve	1,000	-	1,000	-	1,000
Total Capital Outlay	<u>726,942</u>	<u>1,419,304</u>	<u>2,146,246</u>	<u>501,627</u>	<u>1,644,619</u>
Total General Fund	<u>39,839,356</u>	<u>559,029</u>	<u>40,398,385</u>	<u>42,502,414</u>	<u>(2,104,029)</u>

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
Net Change in Fund Balance	\$ (3,071,417)	\$ (590,623)	\$ (3,662,040)	\$ 1,670,949	\$ 5,332,989
Fund Balance, Beginning of Year	9,348,463	-	9,348,463	9,348,463	-
Fund Balance, End of Year	\$ 6,277,046	\$ (590,623)	\$ 5,686,423	\$ 11,019,412	\$ 5,332,989
Recapitulation:					
Restricted Fund Balance					
Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 3,477,466	
Excess Surplus				2,328,246	
Capital Reserve				662,069	
Maintenance Reserve				639,363	
Committed Fund Balance					
Year End Encumbrances				1,667,009	
Assigned Fund Balance					
Year End Encumbrances				253,803	
Designated for Subsequent Year's Expenditures				114,987	
Unassigned Fund Balance				1,876,469	
Fund Balance- Budgetary Basis				11,019,412	
Less: State Aid Revenue not recognized on GAAP basis				(591,026)	
Fund Balance per Governmental Funds Statements (GAAP)				\$ 10,428,386	

**CLARK PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 587,044		\$ 587,044	\$ 434,611	\$ (152,433)
Federal	1,817,132		1,817,132	1,257,446	(559,686)
Local					
Miscellaneous	-	\$ 99,258	99,258	99,146	(112)
Total Revenues	<u>2,404,176</u>	<u>99,258</u>	<u>2,503,434</u>	<u>1,791,203</u>	<u>(712,231)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	483,503	-	483,503	182,975	300,528
Purchased Professional/Educational Services	264,319	-	264,319	79,321	184,998
Tuition	501,519	-	501,519	501,519	-
General Supplies	672,110	-	672,110	662,498	9,612
Textbooks	33,600	-	33,600	32,400	1,200
Cocurricular Activities	-	99,258	99,258	99,258	-
Total Instruction	<u>1,955,051</u>	<u>99,258</u>	<u>2,054,309</u>	<u>1,557,971</u>	<u>496,338</u>
Support Services					
Personal Services Employee-Benefits	84,762	-	84,762	73,191	11,571
Purchased Professional/Educational Services	343,444	-	343,444	152,543	190,901
Other Purchased Services	20,919	-	20,919	7,610	13,309
Total Support Services	<u>449,125</u>	<u>-</u>	<u>449,125</u>	<u>233,344</u>	<u>215,781</u>
Total Expenditures	<u>2,404,176</u>	<u>99,258</u>	<u>2,503,434</u>	<u>1,791,315</u>	<u>712,119</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	-		-	(112)	(112)
Fund Balances, Beginning of Year (Restated)	<u>190,471</u>	<u>-</u>	<u>190,471</u>	<u>190,471</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 190,471</u>	<u>\$ -</u>	<u>\$ 190,471</u>	<u>\$ 190,359</u>	<u>\$ (112)</u>
Recapitulation of Fund Balance					
Restricted Fund Balances					
Student Activity				\$ 162,034	
Science Observatory/Donations				<u>28,325</u>	
				<u>\$ 190,359</u>	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**CLARK PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of 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.

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedule	\$ 44,173,363	\$ 1,791,203
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances June 30, 2021		(96,943)
State Aid payment not recognized for budgetary purposes, recognized for GAAP statements. 2019/2020 State Aid	410,092	
State Aid payment recognized for budgetary purposes, not recognized for GAAP statements. 2020/2021 State Aid	<u>(591,026)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 43,992,429</u>	<u>\$ 1,694,260</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 42,502,414	\$ 1,791,315
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 financial reporting purposes.		
Encumbrances June 30, 2021	<u>-</u>	<u>(96,943)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 42,502,414</u>	<u>\$ 1,694,372</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III
PENSION AND OTHER POST EMPLOYMENT BENEFIT INFORMATION

**CLARK PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
Public Employees Retirement System**

Last Eight Fiscal Years*

	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Position Liability (Asset)	0.02699%	0.02939%	0.03042%	0.03040%	0.03113%	0.03291%	0.03286%	0.03257%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 4,402,004	\$ 5,295,500	\$ 5,990,324	\$ 7,077,525	\$ 9,220,197	\$ 7,386,520	\$ 6,152,107	\$ 6,741,273
District's Covered Payroll	\$ 1,875,443	\$ 1,986,256	\$ 2,039,825	\$ 2,129,762	\$ 2,062,445	\$ 2,050,030	\$ 2,201,638	\$ 2,186,439
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	234.72%	266.61%	293.67%	332.32%	447.05%	360.31%	279.43%	308.32%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirements to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**CLARK PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

Last Eight Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 295,300	\$ 285,873	\$ 302,620	\$ 281,659	\$ 276,566	\$ 282,895	\$ 270,885	\$ 265,771
Contributions in Relation to the Contractually Required Contribution	<u>295,300</u>	<u>285,873</u>	<u>302,620</u>	<u>281,659</u>	<u>276,566</u>	<u>282,895</u>	<u>270,885</u>	<u>265,771</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 1,704,723	\$ 1,875,443	\$ 1,986,256	\$ 2,039,825	\$ 2,129,762	\$ 2,062,445	\$ 2,050,030	\$ 2,201,638
Contributions as a Percentage of Covered Payroll	17.32%	15.24%	15.24%	13.81%	12.99%	13.72%	13.21%	12.07%

The amounts presented for each fiscal year were determined as of the current fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until the full 10-year trend is compiled, the District will only present information for those years which information is available.

**CLARK PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

Teachers Pension and Annuity Fund

Last Eight Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate Share of the Net Pension Liability (Asset)	0.00	0.00	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 97,502,756</u>	<u>\$ 88,933,388</u>	<u>\$ 91,199,776</u>	<u>\$ 96,402,979</u>	<u>\$ 118,927,288</u>	<u>\$ 96,800,736</u>	<u>\$ 80,987,570</u>	<u>\$ 76,907,380</u>
Total	<u>\$ 97,502,756</u>	<u>\$ 88,933,388</u>	<u>\$ 91,199,776</u>	<u>\$ 96,402,979</u>	<u>\$ 118,927,288</u>	<u>\$ 96,800,736</u>	<u>\$ 80,987,570</u>	<u>\$ 76,907,380</u>
District's Covered Payroll	\$ 15,678,195	\$ 15,814,235	\$ 15,606,996	\$ 14,999,187	\$ 14,930,047	\$ 14,472,063	\$ 14,879,359	\$ 15,053,374
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%
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%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until the full 10-year trend is compiled, the District will only present information for those years which information is available.

CLARK PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Change of Benefit Terms: None.

Change of Assumptions: Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 4D.

**CLARK PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OPEB LIABILITY**

Postemployment Health Benefit Plan

Last Four Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service Cost	\$ 2,324,126	\$ 2,099,052	\$ 2,485,362	\$ 2,972,767
Interest on Total OPEB Liability	2,052,919	2,483,598	2,718,903	2,361,715
Differences Between Expected and Actual Experience	15,839,178	(9,545,810)	(7,707,292)	
Changes of Assumptions	16,931,076	851,460	(7,220,276)	(9,811,698)
Gross Benefit Payments	(1,613,637)	(1,752,994)	(1,682,433)	(1,687,114)
Contribution from the Member	<u>48,909</u>	<u>51,964</u>	<u>58,148</u>	<u>62,124</u>
Net Change in Total OPEB Liability	35,582,571	(5,812,730)	(11,347,588)	(6,102,206)
Total OPEB Liability - Beginning	<u>57,106,324</u>	<u>62,919,054</u>	<u>74,266,642</u>	<u>80,368,848</u>
Total OPEB Liability - Ending	<u>\$ 92,688,895</u>	<u>\$ 57,106,324</u>	<u>\$ 62,919,054</u>	<u>\$ 74,266,642</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>92,688,895</u>	<u>57,106,324</u>	<u>62,919,054</u>	<u>74,266,642</u>
Total OPEB Liability - Ending	<u>\$ 92,688,895</u>	<u>\$ 57,106,324</u>	<u>\$ 62,919,054</u>	<u>\$ 74,266,642</u>
District's Covered Payroll	<u>\$ 17,553,638</u>	<u>\$ 17,689,678</u>	<u>\$ 17,593,252</u>	<u>\$ 17,039,012</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%

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

*The amounts presented for each fiscal year were determined as of the previous fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 75. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**CLARK PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Changes in Benefit Terms:

None.

Changes of Assumptions

Assumptions used in calculating the OPEB liability are presented in Note 4E.

SCHOOL LEVEL SCHEDULES

NOT APPLICABLE

SPECIAL REVENUE FUND

CLARK PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

				Ch. 192 Svcs.		Ch. 193 Svcs.			Total Page 2	Grand Total 2021
	Nonpublic Nursing	Nonpublic Textbooks	Nonpublic Security	Nonpublic Compensatory Education	Nonpublic Transport.	Nonpublic Supplemental Instruction	Nonpublic Exam./ Classification.	Nonpublic Corrective Speech		
REVENUES										
Intergovernmental										
State	\$ 45,772	\$ 32,400	\$ 90,450	\$ 127,064	\$ 7,500	\$ 47,836	\$ 63,720	\$ 19,869	-	\$ 434,611
Federal	-	-	-	-	-	-	-	-	\$ 1,257,446	1,257,446
Local Sources	-	-	-	-	-	-	-	-	99,146	99,146
Total Revenues	\$ 45,772	\$ 32,400	\$ 90,450	\$ 127,064	\$ 7,500	\$ 47,836	\$ 63,720	\$ 19,869	\$ 1,356,592	\$ 1,791,203
EXPENDITURES										
Instruction										
Salaries of Teachers									\$ 182,975	\$ 182,975
Purchased Professional/ Educational Services									79,321	79,321
Tuition									501,519	501,519
General Supplies			\$ 90,450	\$ 127,064	\$ 7,500	\$ 47,836	\$ 63,720	\$ 19,869	306,059	662,498
Textbooks		\$ 32,400								32,400
Cocurricular/Extra Curricular Activities	-	-	-	-	-	-	-	-	99,258	99,258
Total Instruction	-	32,400	90,450	127,064	7,500	47,836	63,720	19,869	1,169,132	1,557,971
Support Services										
Personal Services Employee-Benefits									73,191	73,191
Purchased Professional/ Educational Services	\$ 45,772								106,771	152,543
Other Purchased Services	-	-	-	-	-	-	-	-	7,610	7,610
Total Support Services	45,772	-	-	-	-	-	-	-	187,572	233,344
Facilities Acquisition and Construction										
Instructional Equipment									-	-
Noninstructional Equipment	-	-	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Construction	-	-	-	-	-	-	-	-	-	-
Total Expenditures	45,772	32,400	90,450	127,064	7,500	47,836	63,720	19,869	1,356,704	1,791,315
Net Change in Fund Balances	-	-	-	-	-	-	-	-	(112)	(112)
Fund Balance, Beginning of Year (Restated)	-	-	-	-	-	-	-	-	190,471	190,471
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 190,359	\$ 190,359

**CLARK PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

REVENUES	<u>Title I</u> 2020/21	<u>Title IIA</u> 2020/21	<u>Title IV</u> 2020/21	<u>IDEA</u> <u>Part B</u>	<u>IDEA</u> <u>Preschool</u>	<u>Union</u> <u>County</u> <u>Cares Act</u>	<u>Cares</u> <u>Act/</u> <u>ESSER I</u>	<u>Digital</u> <u>Divide</u> <u>Cares Act</u>	<u>Cares</u> <u>Act</u> <u>ESSER II</u>	<u>Coronavirus</u> <u>Relief</u> <u>Fund Grant</u>	<u>Student</u> <u>Activities</u>	<u>Science</u> <u>Observatory/</u> <u>Donations</u>	<u>Total</u> <u>Page 2</u>
Intergovernmental													
State													
Federal	\$ 164,391	\$ 75,614	\$ 15,612	\$ 580,840	\$ 23,360	\$ 109,450	\$ 151,489	\$ 23,855	\$ 53,009	\$ 59,826			\$ 1,257,446
Local Sources	-	-	-	-	-	-	-	-	-	-	\$ 99,053	\$ 93	99,146
Total Revenues	\$ 164,391	\$ 75,614	\$ 15,612	\$ 580,840	\$ 23,360	\$ 109,450	\$ 151,489	\$ 23,855	\$ 53,009	\$ 59,826	\$ 99,053	\$ 93	\$ 1,356,592
EXPENDITURES													
Instruction													
Salaries of Teachers	\$ 106,564	\$ 49,174	\$ 10,551		\$ 16,686								182,975
Purchased Professional/ Educational Services				\$ 79,321									79,321
Tuition				501,519									501,519
General Supplies	15,201					\$ 34,840	\$ 151,489	\$ 23,855	\$ 20,848	\$ 59,826			306,059
Textbooks													-
Cocurricular/Extra Curricular Activities	-	-	-	-	-	-	-	-	-	-	99,258	-	99,258
Total Instruction	121,765	49,174	10,551	580,840	16,686	34,840	151,489	23,855	20,848	59,826	99,258	-	1,169,132
Support Services													
Personal Services Employee-Benefits	42,626	19,670	4,221		6,674								73,191
Purchased Professional/ Educational Services						74,610			32,161				106,771
Other Purchased Services	-	6,770	840	-	-	-	-	-	-	-	-	-	7,610
Total Support Services	42,626	26,440	5,061	-	6,674	74,610	-	-	32,161	-	-	-	187,572
Facilities Acquisition and Construction													
Instructional Equipment													-
Noninstructional Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	164,391	75,614	15,612	580,840	23,360	109,450	151,489	23,855	53,009	59,826	99,258	-	1,356,704
Net Change in Fund Balances	-	-	-	-	-	-	-	-	-	-	(205)	93	(112)
Fund Balance, Beginning of Year (Restated)	-	-	-	-	-	-	-	-	-	-	162,239	28,232	190,471
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 162,034	\$ 28,325	\$ 190,359

**CLARK PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID
SCHEDULE OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOT APPLICABLE

CAPITAL PROJECTS FUND

NOT APPLICABLE

PROPRIETARY FUNDS

**CLARK PUBLIC SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

**STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

NOT APPLICABLE

LONG-TERM DEBT

**CLARK PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2020</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2021</u>
			<u>Date</u>	<u>Amount</u>					
Refunding School Bonds	12/4/12	\$ 14,145,000	6/01/22	\$ 1,295,000	4.00%				
			6/01/23	1,590,000	4.00%				
			6/01/24	1,705,000	2.63%				
			6/01/25	1,710,000	2.75%				
			6/01/26	1,755,000	3.00%	\$ 9,150,000	-	\$ 1,095,000	\$ 8,055,000
								\$ 9,150,000	-

**CLARK PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES AND INTERLOCAL AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>Purpose</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance, June 30,2020</u>	<u>Issued</u>	<u>Matured</u>	<u>Balance, June 30,2021</u>
Capital Leases						
18 Xerox Copiers	\$ 201,380	0.32%	\$ 66,284	\$ -	\$ 52,771	\$ 13,513
Total Capital Leases			<u>66,284</u>	<u>-</u>	<u>52,771</u>	<u>13,513</u>
Interlocal Agreement - Township of Clark Athletic Turf Field Improvements	375,000	-	<u>225,000</u>	<u>-</u>	<u>75,000</u>	<u>150,000</u>
Total Interlocal Agreements			<u>225,000</u>	<u>-</u>	<u>75,000</u>	<u>150,000</u>
Total Capital Leases and Interlocal Agreements			<u>\$ 291,284</u>	<u>\$ -</u>	<u>\$ 127,771</u>	<u>\$ 163,513</u>

**CLARK PUBLIC SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local Sources					
Local Tax Levy	\$ 1,395,632	-	\$ 1,395,632	\$ 1,395,632	-
Total Revenues	<u>1,395,632</u>	<u>-</u>	<u>1,395,632</u>	<u>1,395,632</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Principal	1,095,000		1,095,000	1,095,000	
Interest on Bonds	<u>300,632</u>	<u>-</u>	<u>300,632</u>	<u>300,631</u>	\$ 1
Total Expenditures	<u>1,395,632</u>	<u>-</u>	<u>1,395,632</u>	<u>1,395,631</u>	<u>1</u>
Net Change in Fund Balances	-	-	-	1	1
Fund Balance, Beginning of Year	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 3</u>	<u>\$ 1</u>

STATISTICAL SECTION

This part of the Clark Public School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents

Exhibits

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

J-1 to J-5

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

J-6 to J-9

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

J-10 to J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

J-14 and J-15

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. J-16 to J-20

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

CLARK PUBLIC SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Net Investment In Capital Assets	\$ 19,589,306	\$ 18,535,021	\$ 17,548,040	\$ 16,572,663	\$ 14,261,400	\$ 13,705,490	\$ 12,640,594	\$ 11,934,121	\$ 11,366,186	\$ 10,906,509
Restricted	362,011	382,501	1,357,029	2,009,330	1,697,976	1,407,399	1,292,183	1,294,684	1,487,656	1,491,794
Unrestricted	674,667	1,624,260	(4,692,995)	(5,095,914)	(6,367,405)	(6,101,114)	(3,954,634)	(2,340,377)	(273,301)	1,722,455
Total Governmental Activities Net Position	\$ 20,625,984	\$ 20,541,782	\$ 14,212,074	\$ 13,486,079	\$ 9,591,971	\$ 9,011,775	\$ 9,978,143	\$ 10,888,428	\$ 12,580,541	\$ 14,120,758
Business-Type Activities										
Net Investment In Capital Assets	\$ 10,365	\$ 9,368	\$ 8,372	\$ 15,732	\$ 173,146	\$ 187,318	\$ 188,389	\$ 197,397	\$ 186,146	\$ 166,036
Unrestricted	39,058	161,654	256,768	549,426	831,023	1,184,767	1,427,013	1,620,068	1,783,499	1,670,197
Total Business-Type Activities Net Position	\$ 49,423	\$ 171,022	\$ 265,140	\$ 565,158	\$ 1,004,169	\$ 1,372,085	\$ 1,615,402	\$ 1,817,465	\$ 1,969,645	\$ 1,836,233
District-Wide										
Net Investment In Capital Assets	\$ 19,599,671	\$ 18,544,389	\$ 17,556,412	\$ 16,588,395	\$ 14,434,546	\$ 13,892,808	\$ 12,828,983	\$ 12,131,518	\$ 11,552,332	\$ 11,072,545
Restricted	362,011	382,501	1,357,029	2,009,330	1,697,976	1,407,399	1,292,183	1,294,684	1,487,656	1,491,794
Unrestricted	713,725	1,785,914	(4,436,227)	(4,546,488)	(5,536,382)	(4,916,347)	(2,527,621)	(720,309)	1,510,198	3,392,652
Total District Net Position	\$ 20,675,407	\$ 20,712,804	\$ 14,477,214	\$ 14,051,237	\$ 10,596,140	\$ 10,383,860	\$ 11,593,545	\$ 12,705,893	\$ 14,550,186	\$ 15,956,991

Note 1 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions."

Note 2 - Net Position at June 30, 2020 was restated to reflect the implementation of GASB Statement No. 84 "Fiduciary Activities" and a correction of an error for compensated absences liability.

CLARK PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental Activities										
Instruction										
Regular Instruction	\$ 17,411,882	\$ 17,902,025	\$ 17,581,785	\$ 20,404,457	\$ 21,756,514	\$ 23,893,780	\$ 24,437,501	\$ 22,759,140	\$ 21,695,750	\$ 25,858,911
Special Education Instruction	4,204,766	4,647,130	4,504,738	6,003,305	6,842,631	7,230,657	6,884,916	6,547,210	6,786,602	6,703,348
Other Instruction	655,131	752,665	641,301	709,751	832,791	926,423	785,113	804,764	858,700	1,019,837
School Sponsored Activities and Athletics	965,481	865,920	902,524	953,377	932,447	1,069,420	943,095	881,274	797,939	1,021,114
Support Services:										
Tuition										
Student and Instruction Related Services	5,394,922	5,218,949	5,350,090	5,440,909	5,603,858	6,279,967	5,504,080	5,259,948	5,010,855	5,579,987
General Administration Services	1,155,219	947,143	816,658	781,746	643,497	979,981	946,276	857,466	812,773	875,996
School Administrative Services	1,653,477	1,969,532	1,987,484	2,233,308	2,211,194	2,222,532	2,850,334	2,883,591	2,946,321	3,101,407
Central and Other Support Services	573,788	629,245	628,734	720,876	844,452	662,608	557,236	494,018	484,494	502,995
Plant Operations and Maintenance	3,160,128	2,918,305	3,022,501	3,100,548	3,405,988	3,286,336	3,185,847	3,438,736	3,356,495	3,416,819
Pupil Transportation Services	859,168	942,558	866,858	1,037,189	1,468,123	1,446,708	1,149,796	1,241,640	1,419,602	1,797,516
Interest On Long-Term Debt	697,192	642,044	592,530	552,422	511,849	473,902	438,449	418,586	371,159	323,755
Unallocated Depreciation and Amortization										
Total Governmental Activities Expenses	<u>36,731,154</u>	<u>37,435,516</u>	<u>36,895,203</u>	<u>41,937,888</u>	<u>45,053,344</u>	<u>48,472,314</u>	<u>47,682,643</u>	<u>45,586,373</u>	<u>44,540,690</u>	<u>50,201,685</u>
Business-Type Activities:										
Food Service	658,295	649,233	631,893	628,176	664,892	656,503	698,774	679,286	494,544	129,133
Before and After School Program	274,635	320,664	411,722	272,655	319,264	326,787	471,833	562,809	341,842	42,776
Total Business-Type Activities Expense	<u>932,930</u>	<u>969,897</u>	<u>1,043,615</u>	<u>900,831</u>	<u>984,156</u>	<u>983,290</u>	<u>1,170,607</u>	<u>1,242,095</u>	<u>836,386</u>	<u>171,909</u>
Total District Expenses	<u>\$ 37,664,084</u>	<u>\$ 38,405,413</u>	<u>\$ 37,938,818</u>	<u>\$ 42,838,719</u>	<u>\$ 46,037,500</u>	<u>\$ 49,455,604</u>	<u>\$ 48,853,250</u>	<u>\$ 46,828,468</u>	<u>\$ 45,377,076</u>	<u>\$ 50,373,594</u>
Program Revenues										
Governmental Activities:										
Charges For Services:										
Instruction	\$ 2,365,732	\$ 2,511,730	\$ 2,738,802	\$ 2,196,195	\$ 1,748,491	\$ 1,922,961	\$ 1,867,529	\$ 1,541,710	\$ 1,842,251	\$ 2,033,919
Pupil Transportation	139,320	201,733	136,081	213,134	119,066	125,198				
Operating Grants And Contributions	4,690,598	5,455,611	4,981,443	8,925,719	10,685,784	13,688,326	14,411,728	11,473,904	10,330,723	15,180,549
Capital Grants And Contributions	31,545		3,320	65,133	204,065	216,428		243,180		-
Total Governmental Activities Program Revenues	<u>7,227,195</u>	<u>8,169,074</u>	<u>7,859,646</u>	<u>11,400,181</u>	<u>12,757,406</u>	<u>15,952,913</u>	<u>16,279,257</u>	<u>13,258,794</u>	<u>12,172,974</u>	<u>17,214,468</u>
Business-Type Activities:										
Charges For Services										
Food Service	\$ 530,527	\$ 498,124	\$ 526,372	\$ 532,264	\$ 563,073	\$ 582,632	\$ 620,305	\$ 617,258	\$ 443,081	\$ 8,982
Before and After School Program	324,759	441,487	496,257	547,455	595,433	632,477	657,323	695,124	441,917	-
Operating Grants And Contributions	137,181	111,885	115,104	121,130	125,639	135,109	133,154	115,738	87,941	23,848
Capital Grants And Contributions										
Total Business Type Activities Program Revenues	<u>992,467</u>	<u>1,051,496</u>	<u>1,137,733</u>	<u>1,200,849</u>	<u>1,284,145</u>	<u>1,350,218</u>	<u>1,410,782</u>	<u>1,428,120</u>	<u>972,939</u>	<u>32,830</u>
Total District Program Revenues	<u>\$ 8,219,662</u>	<u>\$ 9,220,570</u>	<u>\$ 8,997,379</u>	<u>\$ 12,601,030</u>	<u>\$ 14,041,551</u>	<u>\$ 17,303,131</u>	<u>\$ 17,690,039</u>	<u>\$ 14,686,914</u>	<u>\$ 13,145,913</u>	<u>\$ 17,247,298</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (29,503,959)	\$ (29,266,442)	\$ (29,035,557)	\$ (30,537,707)	\$ (32,295,938)	\$ (32,519,401)	\$ (31,403,386)	\$ (32,327,579)	\$ (32,367,716)	\$ (32,987,217)
Business-Type Activities	59,537	81,599	94,118	300,018	299,989	366,928	240,175	186,025	136,553	(139,079)
Total District-Wide Net Expense	<u>\$ (29,444,422)</u>	<u>\$ (29,184,843)</u>	<u>\$ (28,941,439)</u>	<u>\$ (30,237,689)</u>	<u>\$ (31,995,949)</u>	<u>\$ (32,152,473)</u>	<u>\$ (31,163,211)</u>	<u>\$ (32,141,554)</u>	<u>\$ (32,231,163)</u>	<u>\$ (33,126,296)</u>

CLARK PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	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	\$ 27,283,102	\$ 27,490,840	\$ 27,816,331	\$ 28,206,800	\$ 28,770,935	\$ 30,188,919	\$ 30,792,697	\$ 31,694,372	\$ 32,328,259	\$ 32,974,824
Property Taxes Levied For Debt Service	1,525,942	1,537,009	1,405,790	1,426,782	1,410,881	1,387,532	1,374,532	1,355,032	1,351,032	1,395,632
State Aid, Unrestricted	28,630	27,796	2,196	2,268	2,257	2,265	24,143	2,159	-	-
Investment Earnings	11,161	10,436	5,859	7,121	6,362	6,145	15,861	-	-	-
Miscellaneous Income	96,830	156,159	216,947	168,741	104,701	120,701	162,521	186,301	190,067	156,978
Transfers	(26,000)	(40,000)	-	-	-	-	-	-	-	-
Total Governmental Activities	28,919,665	29,182,240	29,447,123	29,811,712	30,295,136	31,705,562	32,369,754	33,237,864	33,869,358	34,527,434
Business-Type Activities:										
Investment Earnings	-	-	-	-	\$ 362	\$ 988	\$ 3,142	\$ 16,038	\$ 15,627	\$ 5,667
Transfers	26,000	40,000	-	-	-	-	-	-	-	-
Total Business-Type Activities	26,000	40,000	-	-	362	988	3,142	16,038	15,627	5,667
Total District-Wide	\$ 28,945,665	\$ 29,222,240	\$ 29,447,123	\$ 29,811,712	\$ 30,295,498	\$ 31,706,550	\$ 32,372,896	\$ 33,253,902	\$ 33,884,985	\$ 34,533,101
Change In Net Position										
Governmental Activities	\$ (584,294)	\$ (84,202)	\$ 411,566	\$ (725,995)	\$ (2,000,802)	\$ (813,839)	\$ 966,368	\$ 910,285	\$ 1,501,642	\$ 1,540,217
Business-Type Activities	85,537	121,599	94,118	300,018	300,351	367,916	243,317	202,063	152,180	(133,412)
Total District	\$ (498,757)	\$ 37,397	\$ 505,684	\$ (425,977)	\$ (1,700,451)	\$ (445,923)	\$ 1,209,685	\$ 1,112,348	\$ 1,653,822	\$ 1,406,805

CLARK PUBLIC SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Reserved										
Unreserved										
Restricted	\$ 712,592	\$ 1,457,002	\$ 1,171,226	\$ 3,794,969	\$ 2,219,713	\$ 2,890,007	\$ 4,940,367	\$ 6,362,468	\$ 7,939,065	\$ 7,107,144
Committed		231,590	55,313	65,388					339,766	1,667,009
Assigned	359,919	289,893	261,068	256,514	188,840	91,987	15,343	127,245	348,329	368,790
Unassigned	475,325	441,671	2,405,555	552,381	381,794	528,288	515,945	523,608	501,682	1,285,443
Total General Fund	<u>\$ 1,547,836</u>	<u>\$ 2,420,156</u>	<u>\$ 3,893,162</u>	<u>\$ 4,669,252</u>	<u>\$ 2,790,347</u>	<u>\$ 3,510,282</u>	<u>\$ 5,471,655</u>	<u>\$ 7,013,321</u>	<u>\$ 9,128,842</u>	<u>\$ 10,428,386</u>
All Other Governmental Funds										
Unreserved, Reported In										
Capital Projects Fund										
Debt Service Fund										
Restricted	\$ 162,011	\$ 182,501	\$ 99,959	\$ 2,260	\$ 362,313	\$ 71,736	\$ 71,736	\$ 71,737	\$ 2	\$ 190,362
Total All Other Governmental Funds	<u>\$ 162,011</u>	<u>\$ 182,501</u>	<u>\$ 99,959</u>	<u>\$ 2,260</u>	<u>\$ 362,313</u>	<u>\$ 71,736</u>	<u>\$ 71,736</u>	<u>\$ 71,737</u>	<u>\$ 2</u>	<u>\$ 190,362</u>

Note 1 - Fund Balances as of June 30, 2020 have been restated to reflect the implementation of GASB Statement No. 84 "Fiduciary Activities".

CLARK PUBLIC SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues											
Property Tax Levy	\$ 28,521,811	\$ 28,809,044	\$ 29,027,849	\$ 29,222,121	\$ 29,633,582	\$ 30,181,816	\$ 31,576,451	\$ 32,167,229	\$ 33,049,404	\$ 33,679,291	\$ 34,370,456
Tuition Charges	2,097,387	2,232,020	2,514,730	2,738,802	2,326,907	1,748,491	1,922,961	1,867,529	1,541,710	1,842,251	2,033,919
Transportation Fees	107,892	139,320	201,733	136,081	213,134	119,066	125,198				
Interest Earnings	19,712	11,161	10,436	5,859	7,121	6,362	6,145	15,861	77,327	97,808	41,782
Miscellaneous	662,652	113,945	173,655	226,878	186,177	109,628	120,701	157,881	108,974	92,259	214,342
Intermediate Sources											
State Sources	3,025,295	3,895,265	4,751,893	4,345,993	4,807,241	5,477,457	5,888,692	6,403,101	7,217,413	7,802,429	9,153,654
Federal Sources	766,035	810,721	714,018	631,035	638,565	709,566	690,851	556,198	642,237	827,510	1,268,168
Total Revenue	35,200,784	36,011,476	37,394,314	37,306,769	37,812,727	38,352,386	40,330,999	41,167,799	42,637,065	44,341,548	47,082,321
Expenditures											
Instruction											
Regular Instruction	14,309,636	15,198,171	15,892,981	15,463,533	15,937,309	16,582,976	16,910,254	17,675,355	18,380,755	18,490,013	21,040,860
Special Education Instruction	4,251,339	4,188,235	4,656,410	4,505,192	5,509,495	5,915,696	5,961,945	5,923,023	6,115,670	6,600,250	6,142,130
Other Instruction	785,569	651,649	754,629	641,390	614,062	703,821	709,702	609,599	716,012	817,635	949,743
School Sponsored Activities and Athletics	852,518	960,996	867,820	902,620	956,124	917,527	1,014,810	869,592	858,767	824,232	1,005,315
Support Services											
Tuition											
Student and Instruction Related Services	5,668,952	5,366,085	5,228,790	5,348,851	5,083,662	5,062,071	5,299,734	4,595,993	4,867,688	4,876,464	5,138,525
General Administration Services	993,380	1,152,338	815,196	816,702	782,594	638,992	951,709	896,437	849,109	828,124	864,972
School Administrative Services	1,552,544	1,633,925	1,885,112	1,891,765	1,925,942	1,909,819	1,742,520	2,270,268	2,586,848	2,807,010	2,749,037
Central and Other Support Services	690,573	570,854	630,646	628,807	723,102	832,222	620,155	497,186	477,494	498,198	486,056
Plant Operations And Maintenance	3,174,865	3,127,457	2,889,938	2,990,753	3,072,391	3,346,062	3,148,646	2,982,499	3,349,244	3,339,298	3,336,102
Student Transportation Services	789,795	858,139	943,053	866,879	1,037,589	1,435,137	1,388,859	1,128,489	1,220,130	1,424,218	1,795,422
Employee Benefits											
On-Behalf TPAF and Pension Contributions											
Cost of Issuance											
Capital Outlay	727,930	170,923	886,103	281,079	257,432	854,570	511,392	499,599	514,348	453,063	559,228
Debt Service:											
Principal	820,000	875,000	1,074,496	1,021,858	1,062,016	1,195,367	1,198,832	1,140,560	1,145,241	1,181,959	1,222,771
Interest And Other Charges	735,577	702,402	626,133	556,875	517,822	476,978	443,083	405,432	389,092	347,769	302,256
Cost of Issuance			133,038								
Advanced Refunding Escrow			1,298,208	-	-	-	-	-	-	-	-
Total Expenditures	35,352,678	35,456,174	38,582,553	35,916,304	37,479,540	39,871,238	39,901,641	39,494,032	41,470,398	42,488,233	45,592,417
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(151,894)	555,302	(1,188,239)	1,390,465	333,187	(1,518,852)	429,358	1,673,767	1,166,667	1,853,315	1,489,904
Other Financing Sources (Uses)											
Capital Lease/Lease Purchase Proceeds			689,803		345,204			287,606	375,000		-
Bond Proceeds			14,145,000								
Premium on Refunding			920,246								
Payment to Refunding Bond Escrow Agent			(13,634,000)								
Transfers In	651,624			266,948						71,736	
Transfers Out	(651,624)	(26,000)	(40,000)	(266,948)						(71,736)	
Total Other Financing Sources (Uses)	-	(26,000)	2,081,049	-	345,204	-	-	287,606	375,000	-	-
Net Change In Fund Balances	\$ (151,894)	\$ 529,302	\$ 892,810	\$ 1,390,465	\$ 678,391	\$ (1,518,852)	\$ 429,358	\$ 1,961,373	\$ 1,541,667	\$ 1,853,315	\$ 1,489,904
Debt Service As A Percentage Of Noncapital Expenditures	4.49%	4.47%	8.31%	4.43%	4.24%	4.29%	4.17%	3.96%	3.75%	3.64%	3.39%

* Noncapital expenditures are total expenditures less capital outlay.

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN YEARS
(Unaudited)**

Fiscal Year Ended June 30,	<u>Tuition</u>	<u>Transportation Fees</u>	<u>Interest on Investments</u>	<u>Preschool/Before After School Program Fees</u>	<u>Rentals</u>	<u>E-Rate</u>	<u>Gate Receipts</u>	<u>Reimbursements</u>	<u>Miscellaneous</u>	<u>Total</u>
2012	\$ 2,232,020	\$ 139,320	\$ 11,161		\$ 39,219	\$ 240	\$ 9,648	\$ 3,899	\$ 43,824	\$ 2,479,331
2013	2,514,730	201,733	10,436		16,750		9,054	1,387	128,968	2,883,058
2014	2,738,802	136,081	5,859		38,950		7,259	144,553	26,185	3,097,689
2015	2,326,907	213,134	7,121		35,952	4,975	17,003		110,811	2,715,903
2016	1,748,491	119,066	6,362		40,175		6,843		57,683	1,978,620
2017	1,922,961	125,198	6,145		37,280				83,421	2,175,005
2018	1,867,529		15,861		28,589				129,292	2,041,271
2019	1,541,710		77,327		35,792				73,182	1,728,011
2020	1,842,251		97,808		15,267				76,992	2,032,318
2021	2,033,919		41,782		7,363			18,447	89,386	2,190,897

**CLARK PUBLIC SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (Unaudited)**

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized Value)	Total Direct School Tax Rate ^a
2012	\$ 5,198,000	\$ 585,885,700			\$ 91,504,900	\$ 29,996,800	\$ 16,357,700	\$ 728,943,100	\$ 403,287	\$ 729,346,387	\$ 2,555,136,809	\$ 3.962
2013	8,244,500	586,452,800			89,972,000	27,317,700	16,357,700	728,344,700	383,409	728,728,109	2,434,456,344	3.997
2014	13,999,600	587,465,700			89,165,200	22,526,500	16,357,700	729,514,700	285,698	729,800,398	2,378,232,819	4.029
2015	11,044,900	587,334,700			89,071,000	22,526,500	26,407,700	736,384,800	300,902	736,685,702	2,411,074,575	4.123
2016	5,402,800	591,176,900			115,793,400	22,574,700	16,357,700	751,305,500	287,491	751,592,991	2,528,913,159	4.109
2017	5,394,500	594,456,200			100,864,100	22,574,700	33,457,700	756,747,200	282,304	757,029,504	2,547,205,599	4.210
2018	5,704,900	599,609,500			100,799,200	22,139,700	33,457,700	761,711,000	323,097	762,034,097	2,695,557,471	4.280
2019	4,860,200	602,056,500			101,112,000	22,884,200	33,457,700	764,370,600	334,121	764,704,721	2,738,913,757	4.363
2020	6,831,600	604,990,800			100,628,100	20,609,200	32,912,900	765,972,600	323,703	766,296,303	2,839,186,006	4.441
2021	7,799,900	606,663,800			100,949,900	18,709,200	32,912,900	767,035,700	315,924	767,351,624	2,940,044,536	4.533

Source: County Abstract of Ratables

^a Tax rates are per \$100

**CLARK PUBLIC SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Unaudited)
(rate per \$100 of assessed value)**

Assessment Year	<u>Direct Rate</u>	<u>Overlapping Rates</u>		Total Direct and Overlapping Tax Rate
	Clark School District	Clark Township	County	
2012	\$ 3.962	\$ 2.046	\$ 1.605	\$ 7.613
2013	3.997	2.086	1.664	7.747
2014	4.029	2.124	1.702	7.855
2015	4.123	2.145	1.756	8.024
2016	4.109	2.175	1.822	8.106
2017	4.210	2.342	1.864	8.416
2018	4.280	2.377	1.896	8.553
2019	4.363	2.419	1.875	8.657
2020	4.441	2.427	1.877	8.745
2021	4.533	2.473	1.884	8.890

Source: Municipal Tax Assessor

**CLARK PUBLIC SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2021	
	Taxable Assessed Value	% of Total District Net Assessed Value
Clark Developers LLC	\$ 17,100,000	2.23%
Clark Commons	14,927,000	1.95%
100 Walnut LLC	8,000,000	1.04%
L'Oreal USA S/D Inc.	5,859,800	0.76%
Clark 1709 LLC	5,647,500	0.74%
Target Corp.	5,443,200	0.71%
Al Rieder Lex Holdco LLC Et ALS	4,707,800	0.61%
Mastertaste Inc.	3,882,200	0.51%
Halsted Realty, LLC	3,378,100	0.44%
IVY Park Management Co Et ALS	3,368,700	0.44%
	<u>\$ 72,314,300</u>	<u>9.42%</u>

Taxpayer	2012	
	Taxable Assessed Value	% of Total District Net Assessed Value
C.W. Association	\$ 8,000,000	1.10%
Feil	6,000,000	0.82%
Target Corp.	4,717,500	0.65%
Lexington Village	4,707,800	0.65%
Feil	4,573,400	0.63%
Largo Clark	4,521,800	0.62%
General Motors	4,473,000	0.61%
U.S. Gypsum Co.	3,917,800	0.54%
Halsted Realty, LLC	3,500,000	0.48%
Hillcrest Association	3,368,700	0.46%
	<u>\$ 47,780,000</u>	<u>6.56%</u>

Source: District CAFR & Municipal Tax Assessor

**CLARK PUBLIC SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

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	\$ 28,809,044	\$ 28,809,044	100.00%	-
2013	29,027,849	29,027,849	100.00%	-
2014	29,222,121	29,222,121	100.00%	-
2015	29,633,582	29,633,582	100.00%	-
2016	30,181,816	30,181,816	100.00%	-
2017	31,576,451	31,576,451	100.00%	-
2018	32,167,229	32,167,229	100.00%	-
2019	33,049,404	33,049,404	100.00%	-
2020	32,679,291	33,679,291	100.00%	-
2021	34,370,456	34,370,456	100.00%	-

Source: School District's Financial Statements

**CLARK PUBLIC SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Capital Leases / Interlocal Agreements			
2012	\$ 16,253,000		\$ 16,253,000	14,880	\$ 1,092
2013	15,820,000	\$ 559,307	16,379,307	14,961	1,095
2014	14,930,000	427,449	15,357,449	15,126	1,015
2015	14,005,000	635,637	14,640,637	15,358	953
2016	13,060,000	385,270	13,445,270	15,754	853
2017	12,110,000	136,438	12,246,438	15,856	772
2018	11,135,000	258,484	11,393,484	15,901	717
2019	10,160,000	463,243	10,623,243	15,920	667
2020	9,150,000	291,284	9,441,284	15,837	596
2021	8,055,000	163,513	8,218,513	15,837	519

Source: District Records

(E) - Estimate

**CLARK PUBLIC SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions			
2012	\$ 16,253,000	-	\$ 16,253,000	2.23%	\$ 1,092
2013	15,820,000	-	15,820,000	2.17%	1,057
2014	14,930,000	-	14,930,000	2.05%	987
2015	14,005,000	-	14,005,000	1.90%	912
2016	13,060,000	-	13,060,000	1.74%	829
2017	12,110,000	-	12,110,000	1.60%	764
2018	11,135,000	-	11,135,000	1.46%	700
2019	10,160,000	-	10,160,000	1.33%	638
2020	9,150,000	-	9,150,000	1.19%	578
2021	8,055,000	-	8,055,000	1.05%	509

Source: District Records

**CLARK PUBLIC SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2020
(UNAUDITED)**

MUNICIPAL DEBT	<u>Total Debt</u>
Clark Public School District (As of June 30, 2021)	\$ 8,055,000
Township of Clark - Utility (1)	200,000
Township of Clark (1)	<u>27,230,000</u>
Total Direct Debt	<u>35,485,000</u>
 OVERLAPPING DEBT APPORTIONED TO THE MUNICIPALITY	
Union County:	
County of Union (A)	24,977,242
Rahway Valley Sewerage (B)	<u>12,921,921</u>
Total Overlapping Debt	<u>37,899,163</u>
Total Direct and Overlapping Outstanding Debt	<u><u>\$ 73,384,163</u></u>

- (A) The debt for this entity was apportioned by dividing the Municipality's 2020 equalized value by the total 2020 equalized value for Union County
 (B) Overlapping Debt was computed based upon municipal flow to the Authority

Sources:

- (1) Township of Clark 2020 Annual Debt Statement
- (2) Union County 2020 Annual Debt Statement

**CLARK PUBLIC SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	Equalized valuation basis
	2020 \$ 2,934,760,920
	2019 2,832,051,130
	2018 2,728,191,261
	<u> \$ 8,495,003,311</u>
Average Equalized valuation of taxable property	<u> \$ 2,831,667,770</u>
Debt Limit (4% of average equalization value)	\$ 113,266,711
Total Net Debt Applicable to Limit	<u> 8,055,000</u>
Legal Debt Margin	<u> \$ 105,211,711</u>

	Fiscal Year Ended June 30,									
	<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>
Debt limit	\$ 102,295,500	\$ 99,524,920	\$ 97,181,669	\$ 95,016,873	\$ 95,913,079	\$ 99,468,015	\$ 103,619,667	\$ 106,958,996	\$ 109,827,979	\$ 113,266,711
Total net debt applicable to limit	<u>16,253,000</u>	<u>15,820,000</u>	<u>14,930,000</u>	<u>14,005,000</u>	<u>13,060,000</u>	<u>12,110,000</u>	<u>11,135,000</u>	<u>10,160,000</u>	<u>9,150,000</u>	<u>8,055,000</u>
Legal debt margin	<u>\$ 86,042,500</u>	<u>\$ 83,704,920</u>	<u>\$ 82,251,669</u>	<u>\$ 81,011,873</u>	<u>\$ 82,853,079</u>	<u>\$ 87,358,015</u>	<u>\$ 92,484,667</u>	<u>\$ 96,798,996</u>	<u>\$ 100,677,979</u>	<u>\$ 105,211,711</u>
Total net debt applicable to the limit as a percentage of debt limit	15.89%	15.90%	15.36%	14.74%	13.62%	12.17%	10.75%	9.50%	8.33%	7.11%

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation

**CLARK PUBLIC SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Year Ended December 31,	Population	County Per Capita Personal Income	Unemployment Rate
2012	14,880	\$ 54,873	4.5%
2013	14,961	55,681	6.1%
2014	15,126	58,571	5.5%
2015	15,358	60,584	4.8%
2016	15,754	61,624	4.1%
2017	15,856	64,413	3.8%
2018	15,901	68,262	3.3%
2019	15,920	70,865	2.8%
2020	15,837	N/A	9.9%
2021	15,837 E	N/A	N/A

Source:

United States Bureau of Census, Population Division estimates
Revisions to historical data, per capita income: US Bureau of Economic Analysis

E - Estimate

N/A - Not Available

CLARK PUBLIC SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

Employer	2021		2012	
	Employees	% of Total Municipal Employment	Employees	% of Total Municipal Employment

INFORMATION IS NOT AVAILABLE

**CLARK PUBLIC SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Instruction										
Regular	162	164	156	155	156	158	160	155	154	161
Special education	51	53	53	44	45	43	48	49	49	60
Support Services:										
Student & instruction related services	52	68	64	78	75	99	71	70	67	36
General administrative services	3	3	2	3	4	3	4	3	3	3
School administrative services	16	16	16	14	14	13	16	15	13	19
Business administrative services	6	5	6	6	6	6	5	4	5	4
Plant operations and maintenance	11	11	10	9	10	11	8	10	8	14
Total	<u>301</u>	<u>320</u>	<u>307</u>	<u>309</u>	<u>310</u>	<u>333</u>	<u>312</u>	<u>306</u>	<u>299</u>	<u>297</u>

Source: District Records

CLARK PUBLIC SCHOOL DISTRICT
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)

Pupil/Teacher Ratio

Fiscal Year	Enrollment a	Operating Expenditures b	Cost Per Pupil c	Percentage Change	Teaching Staff	Elementary	Middle School	Senior High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	Percentage Change in Average Daily Enrollment	Student Attendance Percentage
2012	2,299	\$ 33,707,849	\$ 14,662	4.59%	185.0	1:14	1:11	1:12	2,324	2,237	-0.39%	96.26%
2013	2,270	34,564,575	15,227	3.85%	186.0	1:13	1:12	1:12	2,307	2,210	-0.73%	95.80%
2014	2,311	34,056,492	14,737	-3.22%	175.0	1:15	1:12	1:12	2,334	2,241	1.17%	96.02%
2015	2,348	35,642,270	15,180	3.01%	199.0	1:15	1:12	1:12	2,336	2,242	0.09%	95.98%
2016	2,258	37,344,323	16,539	8.95%	201.0	1:13	1:11	1:12	2,230	2,145	-4.54%	96.19%
2017	2,225	37,748,334	16,966	2.58%	201.0	1:13	1:11	1:09	2,207	2,122	-1.03%	96.15%
2018	2,176	37,564,907	17,263	1.75%	208.0	1:24	1:15	1:10	2,170	2,270	-1.68%	104.61%
2019	2,211	39,421,717	17,830	3.28%	204.0	1:16	1:13	1:10	2,223	2,127	2.44%	95.68%
2020	2,200	40,505,442	18,412	3.26%	203.0	1:15	1:14	1:09	2,200	2,150	-1.03%	97.73%
2021	2,224	43,508,162	19,563	6.25%	221.0	1:14	1:12	1:09	2,235	2,164	1.59%	96.82%

Source: District records

- Note:
- a Enrollment based on annual October district count
 - b Operating expenditures equal total expenditures less debt service and capital outlay
 - c Cost per pupil represents operating expenditures divided by enrollment

**CLARK PUBLIC SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>District Building</u>										
<u>Elementary</u>										
Valley Road Elementary School										
Square Feet	40,612	40,612	40,612	40,612	40,612	40,612	40,612	40,612	40,612	40,612
Enrollment	436	410	446	440	445	452	460	482	482	401
Frank K. Hehnly Elementary School										
Square Feet	45,497	45,497	45,497	45,497	45,497	45,497	45,497	45,497	45,497	45,497
Enrollment	501	505	526	533	540	540	563	545	545	560
<u>Middle School</u>										
Carl H. Kumpf										
Square Feet	74,812	74,812	74,812	74,812	74,812	74,812	74,812	74,812	74,812	74,812
Enrollment	531	536	527	513	499	505	482	505	505	558
<u>High School</u>										
Arthur L. Johnson										
Square Feet	192,825	192,825	192,825	192,825	192,825	192,825	192,825	192,825	192,825	192,825
Enrollment	809	816	798	795	774	728	671	675	675	708
Number of Schools at June 30, 2021										
Elementary = 2										
Middle School = 1										
High School = 1										

Source: District records

**CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(UNAUDITED)**

Undistributed Expenditures - Required
Maintenance for School Facilities
11-000-261-XXX

<u>School Facilities</u>	<u>Project # (s)</u>	684,578		<u>2007</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>
Frank K. Hehny Elementary	N/A	45,497	0.13	\$ 102,972	\$ 174,656	\$ 90,196	\$ 116,835	\$ 101,436	\$ 113,744	\$ 65,655	\$ 48,752	\$ 59,681	\$ 63,782	\$ 88,047
Valley Road Elementary	N/A	40,612	0.11	114,494	151,550	80,512	121,642	90,545	101,532	55,554	41,251	53,273	56,933	78,593
Carl H. Kumpf M.S.	N/A	74,812	0.21	154,224	149,313	148,312	121,471	166,795	187,033	106,058	78,753	98,135	104,878	144,778
Arthur L. Johnson H.S.	N/A	192,825	0.55	461,558	366,724	382,268	298,960	429,908	482,071	277,770	322,723	252,938	270,318	373,160
Other Facilities	N/A			-	-	-	-	-	-	-	-	-	-	-
Total School Facilities		353,746		\$ 833,248	\$ 842,243	\$ 701,288	\$ 658,908	\$ 788,684	\$ 884,380	\$ 505,037	\$ 491,479	\$ 464,027	\$ 495,911	\$ 684,578

**CLARK PUBLIC SCHOOL DISTRICT
INSURANCE SCHEDULE
AS OF JUNE 30, 2021
(Unaudited)**

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
School Package Policy:			
	Property		
	Blanket Building & Contents	\$ 73,063,808	\$ 5,000
	Blanket Extra Expense	5,000,000	
	Comprehensive General Liability		
	Bodily Injury and Property Damage	1,000,000	
	Employee Benefits Liability	1,000,000	
	Automobile Liability		
	Bodily Injury and Property Damage	1,000,000	
	Uninsured Motorist - Private Passenger	1,000,000	
	School Leaders Errors and Omission Liability - NJSIG	1,000,000	10,000
	Workers Compensation	2,000,000	Each Accident/ Each Employee
	Student Accident - Market		
	High School Football	5,000,000	
	Public Employee Dishonesty with Faithful Performance	250,000	1,000
Surety Bonds:			
	Treasurer	300,000	1,000
	Board Secretary/Business Administrator	300,000	1,000

Source: District Records

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
RALPH M. PICONE, III, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA

**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
Board of Education
Clark Public School District
Clark, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements 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 Clark Public School District as of and for the fiscal year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Clark Public School District's basic financial statements and have issued our report thereon dated February 9, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clark Public School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Clark Public School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clark Public School District's internal control.

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

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

Compliance and Other Matters

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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Clark Public School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated February 9, 2022.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clark Public School District'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 Clark Public School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants



Andrew D. Parente
Public School Accountant
PSA Number CS00224600

Fair Lawn, New Jersey
February 9, 2022



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
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CHRISTINA CUIFFO, CPA

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE
U.S. UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE AS
REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
Board of Education
Clark Public School District
Clark, New Jersey

Report on Compliance for Each Major Federal and State Program

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

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal awards and state financial assistance applicable to its federal and state programs.

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Clark Public School District's compliance.

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

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

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


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

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

Report on Schedule of Expenditures of Federal Awards Required by the U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Clark Public School District, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated February 9, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants


Andrew D. Parente
Public School Accountant
PSA Number CS00224600

Fair Lawn, New Jersey
February 9, 2022

CLARK PUBLIC SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance, June 30, 2020			Accounts Receivable Carryover Amount	Unearned Revenue Carryover Amount	Cash Received	Budgetary Expenditures	Accounts Receivable Adjustment	Deferred Revenue Adjustment	Cancelled Encumbrance	Refund of Prior Years' Balances	Balance, June 30, 2021			MEMO GAAP Receivable
						(Accounts Receivable	Unearned Revenue	Due to Grantor									(Account Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Human Services																				
Passed-through State Department of Education																				
General Fund Medicaid Assistance	93.778	2005NJ5MAP	N/A	7/1/20-6/30/21	\$ 17,215	-	-	-	-	\$ 17,215	\$ 17,215	-	-	-	-	-	-	-	-	*
Total General Fund						-	-	-	-	17,215	17,215	-	-	-	-	-	-	-	-	*
U.S. Department of Agriculture																				
Passed-through State Department of Education																				
National School Lunch Program																				
Cash Assistance	10.555	211N304N1099	N/A	7/1/20-6/30/21	15,250					13,977	15,250					\$ (1,273)				\$ (1,273)
Cash Assistance	10.555	201N304N1099	N/A	7/1/19-6/30/20	45,018	\$ (313)				313										
Non-Cash Assistance (Food Distribution)	10.555	211N304N1099	N/A	7/1/20-6/30/21	6,102					6,102	940					\$ 5,162				
Non-Cash Assistance (Food Distribution)	10.555	201N304N1099	N/A	7/1/19-6/30/20	36,964		\$ 6,261				6,261									
Total U.S. Department of Agriculture/Child Nutrition Cluster						(313)	6,261	-	-	20,392	22,451	-	-	-	-	(1,273)	5,162	-	-	(1,273)
U.S. Department of Education																				
Passed-through State Department of Education																				
Special Revenue Fund																				
IDEA Part B, Basic Regular	84.027	H027A200100	FT--21	7/1/20-9/30/21	541,145			\$ (41,653)	\$ 41,653	502,096	580,840					(80,702)	1,958			(78,744)
IDEA Part B, Basic Regular	84.027	H027A190100	FT--20	7/1/19-9/30/20	519,354	(119,071)	41,653		41,653	(41,653)	77,418									
IDEA Preschool	84.173	H173A200114	PS--21	7/1/20-9/30/21	22,011			(5,035)	5,035	22,011	23,360					(5,035)	3,686			(1,349)
IDEA Preschool	84.173	H173A190114	PS--20	7/1/19-9/30/20	22,111	(5,035)	5,035		5,035	(5,035)										
Subtotal Special Education Cluster(IDEA)						(124,106)	46,688	-	-	601,525	604,200	-	-	-	-	(85,737)	5,644	-	-	(80,093)
ESEA																				
Title I	84.010	S010A200030	ESEA--21	7/1/20-9/30/21	160,654			(3,991)	3,991		164,391					(164,645)	254			(164,391)
Title I	84.010	S010A190030	ESEA--20	7/1/19-9/30/20	156,279	(3,991)	3,991		3,991	(3,991)										
Title I	84.010	S010A180031	ESEA--18	7/1/18-9/30/19			\$ 3,517								\$ 3,517					
Title II A	84.367A	S367A200029	ESEA--21	7/1/20-9/30/21	40,588			(49,175)	49,175		75,614					(89,763)	14,149			(75,614)
Title II A	84.367A	S367A190029	ESEA--20	7/1/19-9/30/20	39,797	(53,658)	49,175	4,483	49,175	(49,175)										
Title II A	84.367A	S367A180029	ESEA--18	7/1/17-6/30/18	33,347			2,187								2,187				
Title IV	84.424	S424A200031	ESEA--21	7/1/20-9/30/21	11,457			(7,244)	7,244		15,612					(18,701)	3,089			(15,612)
Title IV	84.424	S424A190031	ESEA--20	7/1/19-9/30/20	10,000	(8,084)	7,244		7,244	(7,244)	840									
Workforce Investment - WIA	17.259		WIA--16	7/1/15-6/30/16	30,000				1,987								1,987			
Workforce Investment - WIA	17.259		WIA--15	7/1/14-6/30/15	30,000				2,456								2,456			
Elementary and Secondary School Emergency Relief Fund (Esser)																				
ESSER I - CARES Emergency Relief Grant	84.425D	S425D200027	N/A	3/13/20-9/30/22	151,820					149,269	151,489					(2,551)	331			(2,220)
ESSER II - Coronavirus Supplemental Approp	84.425D	S425D200027	N/A	3/13/20-9/30/23	511,341						46,516					(511,341)	464,825			(46,516)
ESSER II - Learning Acceleration	84.425D	S425D200027	N/A	3/13/20-9/30/23	32,815						6,493					(32,815)	26,322			(6,493)
ESSER II - Mental Health	84.425D	S425D200027	N/A	3/13/20-9/30/23	45,000											(45,000)	45,000			
Total Elementary and Secondary School Emergency Relief (Cluster ESSER)						-	-	-	-	149,269	204,498	-	-	-	-	(591,707)	536,478	-	-	(55,229)
Non Public Digital Divide CARES Act																				
Coronavirus Relief Fund Grant	21.019	N/A	N/A	7/16/20-10/31/20	23,926					23,926	23,855						71			
Coronavirus Relief Fund Grant	21.019	N/A	N/A	3/13/20/20-12/30/21	59,826					59,826	59,826									
Passed through County of Union Union County Cares Act	21.019	N/A	N/A	7/1/20-12/30/20	109,450					109,450	109,450									
Total Coronavirus Relief Fund Grant (CARES Cluster)						-	-	-	-	193,202	193,131	-	-	-	-	-	71	-	-	-
Total U.S. Department of Education						(189,839)	111,541	10,187	-	944,836	1,257,446	-	-	-	5,704	(950,553)	564,128	-	-	(390,939)
Total Federal Awards						\$ (190,152)	\$ 117,802	\$ 10,187	\$ -	\$ 982,443	\$ 1,297,112	\$ -	\$ -	\$ -	\$ 5,704	\$ (951,826)	\$ 569,290	\$ -	\$ -	\$ (392,212)

This schedule was not subject to Single Audit in accordance with U.S. Uniform Guidance.

See the Accompanying Notes to the Schedule of Expenditures of Federal Awards.

**CLARK PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, June 30, 2020			Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Accounts Receivable Adjustment	Balance, June 30, 2021			Memo	
				(Accounts Receivable)	Unearned Revenue	Due to Grantor					(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Education															
General Fund:															
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	\$ 1,194,525				\$ 1,084,545	\$ 1,194,525			\$ (109,980)				\$ 1,194,525
Special Education Aid	20-495-034-5120-089	7/1/19-6/30/20	1,121,208	(102,765)			102,765				-				-
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	55,181				50,100	55,181			(5,081)				55,181
Security Aid	20-495-034-5120-084	7/1/19-6/30/20	55,181	(5,058)			5,058				-				-
Total State Aid Public Cluster				(107,823)			1,242,468	1,249,706			(115,061)				1,249,706
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	256,592				232,968	256,592			(23,624)				256,592
Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	256,592	(23,520)			23,520				-				-
Nonpublic School Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	20,140					20,140			(20,140)			\$ (20,140)	20,140
Total State Aid Transportation Cluster				(23,520)			256,488	276,732			(43,764)			(20,140)	276,732
Extraordinary Aid	21-495-034-5120-044	7/1/20-6/30/21	452,341					452,341			(452,341)				452,341
Extraordinary Aid	20-495-034-5120-044	7/1/19-6/30/20	278,739	(278,739)			306,657	27,918			-				27,918
Other State Aid	N/A	7/1/20-6/30/21	7,275				7,275				-				7,275
Securing Our Children's Future - Alyssa's	N/A	7/1/20-6/30/21	125,800					10,120		\$ (115,680)	(125,800)			(125,800)	10,120
Reimbursed TPAF Social Security Contribution	21-495-034-5094-003	7/1/20-6/30/21	1,144,789				1,086,459	1,144,789			(58,330)			(58,330)	1,144,789
Reimbursed TPAF Social Security Contribution	20-495-034-5094-003	7/1/18-6/30/20	1,135,758	(56,408)			56,408				-			-	-
On-Behalf TPAF Pension Benefit Contribution	21-495-034-5094-002	7/1/20-6/30/21	4,279,848				4,279,848	4,279,848			-			-	4,279,848
On-Behalf TPAF Pension NCGI Premium	21-495-034-5094-004	7/1/20-6/30/21	80,060				80,060	80,060			-			-	80,060
On-Behalf TPAF Long-Term Disability Ins.	21-495-034-5094-004	7/1/20-6/30/21	2,195				2,195	2,195			-			-	2,195
On-Behalf TPAF Post Retirement Medical Contribution	21-495-034-5094-001	7/1/20-6/30/21	1,343,763				1,343,763	1,343,763			-			-	1,343,763
Total General Fund				(466,490)			8,661,621	8,874,747		(115,680)	(795,296)			(204,270)	8,874,747
Special Revenue Fund															
New Jersey Non-Public Aid															
Auxiliary Services															
Compensatory Education	21-100-034-5120-067	7/1/20-6/30/21	220,340				220,340	127,064			-		\$ 93,276		127,064
Compensatory Education	20-100-034-5120-067	7/1/19-6/30/20		(22,266)	\$ 79		22,266		\$ 79		-				-
Transportation	21-100-034-5120-068	7/1/20-6/30/21	17,802				17,802	7,500			-		10,302		7,500
Transportation	20-100-034-5120-068	7/1/19-6/30/20		(1,625)			1,625				-				-
Home Instruction	20-100-034-5120-066	7/1/19-6/30/20		(845)			845				-				-
Total Non Public Aux. Service Aid (Chap. 192) Cluster				(24,736)		79	262,878	134,564	79		-		103,578		134,564
Handicapped Services															
Examination and Classification	21-100-034-5120-066	7/1/20-6/30/21	81,375				81,375	63,720			-		17,655		63,720
Examination and Classification	20-100-034-5120-066	7/1/19-6/30/20		(8,043)	43,998		8,043		43,998		-				-
Corrective Speech	21-100-034-5120-066	7/1/20-6/30/21	27,342				27,342	19,869			-		7,473		19,869
Corrective Speech	20-100-034-5120-066	7/1/19-6/30/20		(2,643)	456		2,643		456		-				-
Supplementary Instruction	21-100-034-5120-066	7/1/20-6/30/21	54,235				54,235	47,836			-		6,399		47,836
Supplementary Instruction	20-100-034-5120-066	7/1/19-6/30/20		(6,476)	21,288		6,476		21,288		-				-
Total Non Public Hand. Service Aid (Chap. 193) Cluster				(17,162)		65,742	180,114	131,425	65,742		-		31,527		131,425
Textbook Aid															
Textbook Aid	21-100-034-5120-064	7/1/20-6/30/21	33,600				33,600	32,400			-		1,200		32,400
Textbook Aid	20-100-034-5120-064	7/1/19-6/30/20			685				685		-				-
Nursing Services	21-100-034-5120-070	7/1/20-6/30/21	56,100				56,100	45,772			-		10,328		45,772
Nursing Services	20-100-034-5120-070	7/1/19-6/30/20			5,541				5,541		-				-
Technology Aid	21-100-034-5120-373	7/1/20-6/30/21									-				-
Technology Aid	20-100-034-5120-373	7/1/19-6/30/20			7,266				7,266		-				-
Security	21-100-034-5120-509	7/1/20-6/30/21	96,250				96,250	90,450			-		5,800		90,450
Security	20-100-034-5120-509	7/1/19-6/30/20									-				-
Total Special Revenue Fund				(41,898)		79,313	628,942	434,611	79,313		-		152,433		434,611

CLARK PUBLIC SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, June 30, 2020			Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Accounts Receivable Adjustment	Balance, June 30, 2021			Memo	
				(Accounts Receivable)	Unearned Revenue	Due to Grantor					(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
Enterprise Fund															
National School Lunch (State Share)	21-100-010-3350-023	7/1/20-6/30/21	\$ 1,397				\$ 1,237	\$ 1,397			\$ (160)			\$ (160)	\$ 1,397
National School Lunch (State Share)	20-100-010-3350-023	7/1/19-6/30/20	4,879	\$ (1,396)	-	-	1,396	-	-	-	-	-	-	-	-
Total Enterprise Fund				(1,396)	-	-	2,633	1,397	-	-	(160)	-	-	(160)	1,397
Total State Financial Assistance Subject to Single Audit Determination				(509,784)		\$ 79,313	9,293,196	9,310,755	\$ 79,313	\$ (115,680)	(795,456)		\$ 152,433	(204,430)	9,310,755
State Financial Assistance Not Subject to Single Audit Determination															
General Fund															
On-Behalf TPAF Pension Benefit Contribution	21-495-034-5094-002	7/1/20- 6/30/21	4,279,848				(4,279,848)	(4,279,848)							(4,279,848)
On-Behalf TPAF Pension NCGI Premium	21-495-034-5094-004	7/1/20- 6/30/21	80,060				(80,060)	(80,060)							(80,060)
On-Behalf TPAF Long-Term Disability Ins.	21-495-034-5094-004	7/1/20- 6/30/21	2,195				(2,195)	(2,195)							(2,195)
On-Behalf TPAF Pest Retirement Medical Contribution	21-495-034-5094-001	7/1/20- 6/30/21	1,343,763				(1,343,763)	(1,343,763)							(1,343,763)
Total State Financial Assistance Utilized for Calculation to Determine Major Programs				\$ (509,784)	\$ -	\$ 79,313	\$ 3,587,330	\$ 3,604,889	\$ 79,313	\$ (115,680)	\$ (795,456)	\$ -	\$ 152,433	\$ (204,430)	\$ 3,604,889

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and presented using 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 basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$180,934 for the general fund and a decrease of \$96,943 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 17,215	\$ 8,809,493	\$ 8,826,708
Special Revenue Fund	1,250,953	344,161	1,595,114
Food Service Fund	<u>22,451</u>	<u>1,397</u>	<u>23,848</u>
Total Financial Assistance	<u>\$ 1,290,619</u>	<u>\$ 9,155,051</u>	<u>\$ 10,445,670</u>

**CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,144,789 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2021. The amount reported as TPAF Pension System Contributions in the amount of \$4,359,908, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,343,763 and TPAF Long-Term Disability Insurance in the amount of \$2,195 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2021.

NOTE 6 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits and Long-Term Disability Insurance Contributions payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

NOTE 7 DE MINIMIS INDIRECT COST RATE

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

**CLARK PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

1) Were material weakness(es) identified? yes X no

2) Significant deficiencies identified that are not considered to be material weakness(es)? yes X none reported

Noncompliance material to the basic financial statements noted? yes X no

Federal Awards Section

Internal control over compliance:

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

2) Significant deficiencies identified that are not considered to be material weakness(es)? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number</u>	<u>Name of State Program</u>
<u>84.027</u>	<u>H027A190100</u>	<u>IDEA Part B Basic</u>
<u>84.173</u>	<u>H173A190114</u>	<u>IDEA Preschool</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

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

Auditee qualified as low-risk auditee? X yes no

**CLARK PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Part 2 – Schedule of Financial Statement Findings

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

There are none.

**CLARK PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance including questioned costs, related to the audit of major federal and state programs, as required by Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

There are none.

**CLARK PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance including questioned costs, related to the audit of major federal and state programs, as required by Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR STATE AWARDS

There are none.

**CLARK PUBLIC SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

There were none.